



Oktober 2014
AK Position Paper

Communication of the European Commission "Zero Waste Programme for Europe" and Proposal for a Directive COM(2014)397 final

About us

The Federal Chamber of Labour is by law representing the interests of about 3.4 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore the Austrian Federal Chamber of Labour is a part of the Austrian social partnership.

The AK EUROPA office in Brussels was established in 1991 to bring forward the interests of all its members directly vis-à-vis the European Institutions.

Organisation and Tasks of the Austrian Federal Chamber of Labour

The Austrian Federal Chamber of Labour is the umbrella organisation of the nine regional Chambers of Labour in Austria, which have together the statutory mandate to represent the interests of their members.

The Chambers of Labour provide their members a broad range of services, including for instance advice on matters of labour law, consumer rights, social insurance and educational matters.

More than three quarters of the 2 million member-consultations carried out each year concern labour-, social insurance- and insolvency law. Furthermore the Austrian Federal Chamber of Labour makes use of its vested right to state its opinion in the legislation process of the European Union and in Austria in order to shape the interests of the employees and consumers towards the legislator.

All Austrian employees are subject to compulsory membership. The member fee is determined by law and is amounting to 0.5% of the members' gross wages or salaries (up to the social security payroll tax cap maximum). 560.000 - amongst others unemployed, persons on maternity (paternity) leave, community and military service - of the 3.4 million members are exempt from subscription payment, but are entitled to all services provided by the Austrian Federal Chambers of Labour.

Rudi Kaske
President

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Director

The AK position in detail

A. On the Communication of the Commission „Zero Waste Programme for Europe“

The Communication of the Commission „Towards a circular economy: A zero waste programme for Europe“ enlarges upon and concretises thoughts on targets and measures for promoting resource efficiency, which, albeit in general terms, among other had been already embedded in the 7th Environment Action Programme (Abl L 354/171 from 28.12.2013).

In concrete terms, it announces measures on

- Establishing a supporting political framework
 - Design and Innovation for a circular economy
 - Mobilisation of Investments in circular economy-oriented solutions
 - Mobilisation of businesses and consumers and support of SMEs
- Modernising waste policy and targets: waste as resource
 - Establishing waste targets for transition to a recycling society
 - Simplification and improved application of the waste law
 - Dealing with problems in connection with certain types of waste and
- Establishing an objective for resource efficiency.

The targeted objectives and the prospective successes look promising, in particular when the creation of - additional - 2 million jobs by 2030 has been pledged. However, given the short time available and the documentation available – many of the economic estimates are based on studies, which have not been published – it is difficult to ascertain whether the considerations in respect of action fields and measures apply.

However, **one must not suppress the impression that the economic effects of “increased recycling” are probably significantly overestimated.** Above all, it has not been made clear whether the presented measures could or would have these effects. One should also mention that committees such as the “high-level European Resource Efficiency Platform”¹ do not create additional legitimisation, particularly in view of the fact that the majority of representatives come from the Commission, the Member States and from business.

The AK is in favour of **systematically integrating both sides of social partners** in all process phases to establish the facts, among other in respect of welfare and employment effects and on the development of policy proposals.

B. On the Proposal for a Directive COM(2014)397 final

(Hence), in the following, the AK restricts itself to commenting on individual waste management objectives and

¹ See http://ec.europa.eu/environment/resource_efficiency/re_platform/index_en.htm

measures, which are to be implemented primarily with the said Proposal for a Directive COM(2014)397 final.

1. Definition of municipal waste and backfilling

The AK rejects the definitions contained in Article 1.1 a) and d).

The definition "municipal waste" contained in the new Annex VI raises a number of questions, for example why an "order" issued by a municipality should be required. Not quite clear is also the list of "comparable facilities". Commercial waste, which according to type and composition could be compared to household waste, should generally be covered by the definition.

The definition "backfilling" is far too broad and increases the risk of bypassing.

2. Delegated and implementing powers of the Commission

The AK therefore also rejects the corresponding delegated and implementing powers of the Commission, which have been regulated in Article 1.21 and 22. We have also reservations **against the extent of "delegated" powers**, which shall be assigned to the Commission, in particular as most issues are not exclusively of a technical-scientific nature, but also cover political aspects.

3. Reducing the burden for small and medium-sized establishments or undertakings

The relaxation of the registration requirements contained in Article 1.13 and 14 and the corresponding delegated powers are unfounded and therefore rejected. Control is not possible without re-

gistration requirements. Apart from that, there is also no need for the Commission to lay down minimum standards.

4. Further increase of landfill targets - ban on landfilling untreated waste

The Communication is right in establishing that the landfill standards applied in the EU Member States are very different and in providing significantly **stricter targets within the scope of the EU Landfill Directive 1999/31EC**.

The AK in general supports in particular Article 3.2 of the Proposal, which provides new paragraphs 2a to 2d for Article 5 of the Directive. These provisions belong to the most important of the entire proposal.

5. Increasing the quota for the re-use and the recycling of municipal waste and in particular of packaging waste

In contrast, we see the planned newly increases for the mentioned recycling quota targets² with a certain degree of scepticism. Even now, many Member States do not fulfil the applicable quota, so that it is highly questionable, what benefit a newly increase of the quota should bring. Apart from that, the instrument "quota" does not solve the notorious recycling problem: secondary raw materials have to meet certain minimum quality standards in order to compete with primary material; at best they would be similar to the quality of new material. **It would be**

² One has to take a completely different view in respect of the aimed at reduction target for sea waste; this certainly makes sense; however, here too it will in the end depend on the development of suitable measures, which will make it possible to achieve this target coverage.

preferable to lay down such quality standards instead of quota. Quota in isolation lead to deceptive results: it is then only a question of money spent whether quota (can be) are fulfilled. The fact that quota are fulfilled does not say anything about whether this approach is indeed beneficial to environmental protection and increases welfare.

From the point of view of the AK there is also **no evidence that the aimed at targets for municipal waste** (Article 1.8a concerning Directive 2008/98/EC) **resp. packaging** (Article 2. 3 concerning Directive 94/62/EC), **in particular the embedded target for recycling plastics make sense or that they can be fulfilled.**

This can also not be altered by the fact that the Proposal contains a **calculation method to take the "preparation for re-use" into account**, in particular as this still leaves many questions unanswered. For example, it remains unclear how deposit return systems for bottles are to be taken into account: shall all container cycles be added according to weight? This would significantly improve the performance of the packaging material glass; the packaging material glass could probably fulfil its recycling targets by proving these re-targets alone.

7. Promotion of waste avoidance – reduction of good waste

Even though initiatives for resource conservation should also cover those concerned with quantitative waste avoidance, the Proposal only contains the above-mentioned calculation method to take the "preparation for re-use" into account. Otherwise it refers to the ongoing national waste avoidance programmes.

With regard to the definition of food waste in Article 1.1 lit b) and the proposed reduction target for food waste in Article 1.7, it has to be noted that it is still not clear, on which initial waste quantity in the individual sectors of the food supply chain this has been based; not only is the data situation still unclear, there are also big differences between the various households in the household waste sector, which means that until now it has only been possible to roughly estimate the entire initial position.

7. Regulations on extended producer responsibility

It is welcome that Communication and Proposal for a Directive indirectly acknowledge that systems of the so-called "extended producer responsibility" are not per se "sensible and good", but that they have to be scrutinised under the aspects of "structural issues", effectiveness" and "efficiency" and "useful area of application".

Unfortunately, the proposed minimum standards (Article 1.6 concerning Directive 2008/98/EC including the referred to Appendices VI and VII) fall short the proposal of the **Study "Development of guidance on Extended Producer Responsibility"**³ and are to a large extent not very informative and meaningful.

From the point of view of the AK, a minimum requirement on such systems has to be that all aspects are duly considered and that it has to be proven, **to what extent the shift of responsibility to the producer is better suited than conventional ecopolitical instruments and forms of allocating responsi-**

³ Download unter http://ec.europa.eu/environment/waste/target_review.htm or <http://epr.eu-smr.eu/home>.

bility, to internalise environmental costs, to contribute to the ecodesign of products and to drive forward the implementation of the waste law targets – compare the answers of the AK within the scope of the stakeholder survey within the framework of the above-mentioned study (http://www.akeuropa.eu/de/publication-full.html?doc_id=348&vID=43). The version proposed in Article 1.6 lit a) no longer includes this basic requirement, on which the study is based, but suggests that the shift of financial responsibility does by itself contribute to the improved achievement of environmental targets. However, this certainly does not apply where for example under the pretext of producer responsibility monopole-like structures have been established.

Doubts are also appropriate to which extent the Member States are in a position at all to influence the ecodesign of products at national level (Article 1.6 lit b)).

It is a problem that the deliberations of the study on the **significance of functioning competition** are now longer mentioned in Annex VI.

The same applies to the **complex questions regarding a preferable structure and task allocation**: there is nothing to be gained from establishing a “clear” allocation of responsibilities alone, as demanded by Annex VI. This approach cannot prevent environmentally and economically counterproductive collisions of interests and competitive distortions.

A provision should also be added to Article 1.6, which sets Member States a **time limit to review and adapt the existing systems**.

Finally, the fact that neither Annex VI nor the Waste Framework Directive clearly set out that the **information of consumers on questions and options regarding waste avoidance** is a non-delegable task of the Member States, is also a problem, in particular as businesses and their interest groups, but also collection and recycling systems, founded by them can per se have no interest in the avoidance of their products.

The AK therefore also rejects the corresponding delegated and implementing powers of the Commission, which are regulated in Article 1.21 c).

Should you have any further questions
please do not hesitate to contact

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