



## **Raw Materials Initiative – Public Consultation – Reaction from The Netherlands government**

### **Introduction**

European industry is dependent on a large variety of raw materials for its production, which makes raw materials essential for industrial development and sustainable growth and jobs in Europe. Worldwide increasing demand for raw materials combined with its limited availability (even more so within the EU) makes this a subject with important implications for policy making. The original raw materials initiative as adopted in 2008 in this regard rightfully identified three main areas for action: 1. ensure a level playing field in access to resources in third countries 2. foster sustainable supply of raw materials from European sources, and 3. reduce consumption of primary raw materials by increasing resource efficiency and promoting recycling. The Netherlands considers it important that ambitious follow up to this initiative is given both on a European and national level with Member States and the EU contributing in those areas for which they are responsible and where government intervention is warranted.

**For answers to the questions posed in the questionnaire, see below**

### **1. Do you have any comments on the methodological approach, including the scope, to determine criticality at EU level? If so, please specify.**

- The report shows an innovative approach by not taking the inherently dynamic global reserves figures as reliable indicators of resource availability, but rather geopolitical and market failure issues.
- The emphasis on critical raw materials creates an inherent risk that the importance of other raw materials is overlooked or will receive less attention. This is also relevant with regard to the oil and gas industry, to which many of the considerations discussed in the Raw Materials Initiative (RMI) are applicable.
- The report does not look at raw materials in the context of sustainable development, i.e. a) it restricts itself to EU needs, b) it does not consider social and environmental impacts of resource extraction in producing countries, which causes shifts of environmental burden from Europe to exporting countries. The result of these methodological choices is that no recommendations are made on environmental and social issues such as sustainability criteria for resource extraction, human rights and questions of accountability.
- The Raw Materials Initiative does not mention any consideration for, or suggestions for, linking up with issues such as raw materials and conflict (coltan, cassiterite), cross-border crime or the geo-strategic angle (energy, Russia, China). In this context, we are aware of and interested in the results of exploratory work by the German government on the possibility to extend the Kimberly process approach to other "conflict minerals".
- No clear division is made between multinationals, local or governmental/national exploration and extraction industries and small scale and medium companies/initiatives. This is relevant in relation to access to finance and role of financial institutions and markets, politics, environment, water and land management, local employment and socio-economic development, verification and control and the role of international organizations (UNIDO, WB, UN, etc.).

### **2. Do you see any additional raw material that should be considered as critical? If so, please explain.**

An additional raw material that can be considered critical on a global scale in the longer term is phosphate (for use as fertilizer). While there seems to be enough phosphate globally, the number of countries where it can be exploited from mines is limited and, without better re-use of phosphates, the amount of available phosphate could get more problematic with the increase expected and needed for growing production in agriculture, including the demand for bio fuels. Although not mined, the "harvesting" of natural rubber is restricted to countries with a tropical

climate. According to industry, natural rubber seems to be crucial in numerous industrial applications. In general, the Netherlands would welcome a broader scope regarding the assessment of critical raw materials (and the RMI).

**3. Do you have any comments regarding the recommendations of the report? If so, please specify.**

We would like to emphasize the importance of recycling, encouraging substitution and redesign, and boosting resource efficiency by Member States and European Commission as appropriate, since: a) this can be done within the EU, b) makes the EU less dependent on resource imports. Furthermore, we would like to point out that international corporations can have a big influence on sustainable production and resource efficiency.

**4. Are you aware of any initiatives in your country that aim to assess the criticality of raw materials? If so, please describe briefly.**

Yes.:

- Conference "Enriching the Planet- Empowering Europe", organised in April 2010 by the Netherlands Institute of International Relations Clingendael on the role the EU could play in catalysing the transition towards a more sustainable economy in the Union and abroad (<http://www.clingendael.nl/resourcecity/>)
- Publication "Scarcity and transition – Research questions for future policy" An inter-ministerial and multidisciplinary project group was requested to conduct a (meta)survey of developing scarcities of food, water, energy, minerals and metals in the world, within the context of climate change, loss of biodiversity and changing geopolitical relations. The main message is that scarcities of resources are strongly interconnected. A knowledge agenda has been approved by the Dutch government to direct knowledge development by universities and other institutions, for example to the linkages between the transition to sustainable use of energy and the scarcity of raw materials, but also to linkages with water and food, the creation of sustainable markets and the European and global governance. ([http://international.vrom.nl/Docs/internationaal/Scarcity\\_and\\_transition.pdf](http://international.vrom.nl/Docs/internationaal/Scarcity_and_transition.pdf))
- A Dutch platform regarding Material Scarcity has been established, where representatives of government, science and the business sector share relevant information.
- In the coming months of September and October 2010 a quick-scan will be performed to assess the use of critical raw materials within the Dutch economy.
- A broad Dutch vision on sustainable use of materials including concrete national and international strategic policy recommendations is being developed at the moment.

**5. The functioning of raw materials markets has not been dealt with. Do you think that further analysis of their functioning should be carried out? What actions should be proposed to increase their transparency?**

Yes. Suggestions:

- When analyzing the functioning of raw materials markets, the Commission could explore the notion of "getting the prices right", in order to internalise external (environmental) costs. This could be an item in the Communication.
- We would also like to propose to the Commission exploring the area of competition in mining industries. A well-regulated, transparent and internationally competitive mining industry, including related financial institutions and transport, is key for meeting industries' demand for raw materials. However, it has been well known that the mining industry is often highly concentrated in a few countries or corporations. In the case of iron ore, seaborne trade is dominated by three companies and prices are set by price negotiations. Although some say that recent consolidations do not appear to have altered the competitive nature of the markets, it might be worth exploring.
- Attention could also be paid to the distortive effects of speculative trade in (critical) raw materials on world prices and national economies.
- The trade in many raw materials is not organised (such as on the London Metals Exchange) and thus apparently less transparent (see also remark under 1 regarding "conflict" minerals). The Commission, in collaboration with Member States and industry, should explore if there is scope for improvement here.

We would like to point out several studies on the functioning of raw materials markets:

- Cuddington & Jerret (2008), *Super Cycles in Real Metal Prices*, IMF Staff Papers **55** (4), pp. 514-565
- Heap (2005), *China—The Engine of a Commodities Super Cycle*, Citygroup Smith Barney.

- Humphreys (2009), *The Great Metals Boom: A Retrospective*, Resources Policy **35**, pp. 1-13.
- Collier, *The plundered planet*, 2010.

**6. Do you think that the EU should propose a system of stockpiling for the critical raw materials? If so, please indicate whether you consider it more appropriate to do this at Community or alternatively at Member States level.**

No.

First, past experiences with stabilization mechanisms and stockpiling of products and commodities in the agricultural sector have demonstrated its limitations.

Second, technological advancement and the development of substitutes could make stockpiling of current critical materials a possibly expensive lock-in investment. Directing research towards 'elements of hope' is a more future-robust approach and in accordance with the sustainability framework of the European Commission. 'Elements of hope' are the most abundant elements available, both metal and non-metal elements, that can be extracted from the earth's crust, from the oceans and from the atmosphere.

For more information: "*Metal minerals scarcity: A call for managed austerity and the elements of hope*"<sup>1</sup>, by Dr. A.M. Diederer, MSc, TNO Defence, Security and Safety

**7. Do you think that the importance of trade is adequately reflected in the work carried out so far in the Raw Materials Initiative?**

Yes, we think the importance of trade is adequately reflected in the work carried out so far in the Raw Materials Initiative. We appreciate the detailed and accurate quarterly updates of the work of DG Trade on raw materials, and the subsequent discussions in the Trade Policy Committee.

**8. Do you have any comment regarding the main findings of DG Trade activity report? What activities should be prioritised? Are there, in your opinion, additional activities not mentioned in the report which should be pursued in this strategy?**

We don't have any comments regarding the main findings of the DG Trade activity report. However, we would like to make a suggestion on prioritization. Currently, there is a database monitoring the number of export restrictions. In order to define which trade restrictive measures should be tackled first, it is important to know the actual economic impact of these restrictions. We therefore would support more thorough assessments of the restrictions on a case by case basis. It would be very helpful if the Commission could identify for example the WTO-compatibility of the restrictions, which industries or sectors are affected, which Member States are mostly affected etc.

Also, we would like to make some suggestions on additional activities which may be pursued:

- a) A reflection on EU's own import regime for raw materials. In this context, we support the Italian initiative on tariff suspension for certain raw materials as proposed in the Trade Policy Committee. We would like to suggest to the Commission to review its own import regime in order to eliminate tariffs on raw materials which are not produced in the EU.
- b) Exploring the area of investment and mining legislation. A transparent legal framework regarding public and private ownership of natural resources is a necessary basis for mining investments. Mining industries normally are not (fully) open to private investment. In some countries there is a resurgence of economic nationalism aimed at restricting foreign investment in the extractives sector. The Commission could explore ways to include the legal framework into its dialogue with countries endowed with natural resources.
- c) Exploring bilateral (trade)agreements with supplying countries in a more strategic way while creating synergy between EU and Member States' bilateral efforts. Various Member States develop active relations with some supplying countries. Such relations can be embedded in an EU bilateral (trade & investment) relation with the supplying country. In practice, trade and investment in specific minerals or natural resources needs to be promoted on the basis of a broad economic agenda, promoting employment, technological development and legislative modernisation, etc. A general framework may be devised to ensure that EU and Member States' bilateral relations with supplying countries will support each other.

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<sup>1</sup> This report does not constitute the official view of the Netherlands government.

**9. Please identify trade distortive measures (i.e. export restrictions) concerning raw materials that in your view should be tackled.**

We are currently starting an investigation on which raw materials are of strategic importance to the Netherlands, based on the 41 critical elements selected by the Ad-hoc Working Group on defining critical raw materials. The first results should be available by the end of the year. On the basis of this information, we can give you a more detailed answer on which trade distortive measures on which raw materials should be tackled in our view.

**10. Are you aware of any initiatives in your country that have one of the above goals in mind such as, for example, developing a raw materials diplomacy, or supporting companies to invest in third countries in the raw materials sector? If so, please describe briefly.**

At the moment, we are in the middle of developing a strategy on sustainable resources management. As is the case in Brussels, there are many initiatives in the Netherlands which relate to all aspects of management of resources, both biotic and abiotic. Right now, we are taking stock of all these initiatives and we are drafting a framework on how to reach synergy and provide for leadership in this area. We can say that our strategy will not just involve trade aspects, but will also touch upon policy regarding sustainability, resource efficiency, recycling, research & innovation, development aspects and geopolitics.

**11. What specific actions would you consider most relevant needed in the following areas:**

Good governance;

- Capacity strengthening and institutional strengthening of governmental bodies, civil society, trade unions and media directly related to raw materials exploitation; think of mining, agriculture, forestry, environment, finance and (spatial) planning. Focus on legal and institutional aspects and compliance.
- Development of public-private entities that will manage resource exploitation and financial management of revenues to strengthen the development impact.
- Development of Environmental Planning processes taking into account resource exploitation as well as implementation and thorough monitoring.
- Strengthening capacity for Strategic Environmental and Social Impact Assessment, to be part of a standard procedure in sustainable resource exploitations.
- To increase involvement of local civil society institutions as well as trade unions and media in raising awareness regarding social-economic issues in resource exploitation as well as local monitoring.
- Implementation (or development if non-existent) of international voluntary standards applicable to the mining sector through cooperation of private sector and civil society organisations. An example is the use of the sustainability standard for natural stone through the Sustainable Trade Initiative.
- Development of social – environmental mitigation plans as integral part of exploitation plans, including sustainable use and management of biodiversity.
- Have standard multi-stakeholder consultations at local–regional level to mitigate negative effects and stimulate maximum local development spin-off.
- Make poverty reduction one of the core elements of exploitation plans and focus on equity concerns, as mining concentrates in the poorest (African) countries.
- Strengthen land administration and registration and use Free, Prior and Informed Consent procedures when starting to demarcate concession areas, especially in areas where local indigenous people and/or other vulnerable groups live.
- Implementation of the Ruggie Framework for Business and Human Rights; promote the application of adequate due diligence for all business activities involving human rights or environmental risks.
- Promotion of the application of the OECD Risk Awareness Tool for Enterprises in Weak Governance Zones
- Promotion of active participation in the Voluntary Principles on Human Rights and Security for the extractive industry, by governments, businesses and NGO's

#### Infrastructure / investments:

- Apply Strategic Social-Environmental Assessments before starting infrastructural projects, such as roads, harbours.
- Stimulate investment in local value addition to support a maximum development spin-off.

#### Geological knowledge / skills.

- Capacity building of governmental and non-governmental bodies and knowledge institutes involved in partner countries.
- Work through public private partnerships to strengthen knowledge and skills development.
- Development of effective monitoring, certification and verification systems and compliance facilities for auditing and control.
- Technological innovation in relation to diminishing the use of energy and water (both surface and ground water) for extraction of raw materials.

#### **12. Regarding transparency, what measures do you believe the EU should take to foster revenue transparency in the mining industry in raw material resource rich countries? What are your views regarding existing initiatives currently being taken in this area, namely by the Extractive Industries Transparency Initiative (EITI)?**

The Netherlands would welcome an EU-discussion on ways to further support for the Extractive Industries Transparency Initiative by the EU and its Member States, among others in view of the G20 support for the initiative.

#### **13. Concerning the recent agreement between the European Commission and the African Union Commission, in your view, what concrete objectives, targets and deliverables should be included in such a partnership?**

We would like the Commission to pay special consideration towards questions of coherence. It is important that mining activities in developing countries are coherent with policies and developments in other areas such as agriculture, water management and forestry.

#### **14. Do you consider that wood should be addressed in the framework of development policy? If yes, please specify what are the main issues to be analysed.**

Yes.

Wood, especially tropical wood, is for many developing countries an important export product. It is one of the raw materials for which an international agreement has been concluded: the International Tropical Timber Agreement (ITTA). Initially the main reason for this agreement was to stabilize fluctuating export prices, but it has evolved into an agreement in which promoting sustainable forest management is one of the main goals.

The Netherlands has taken a strong position within the EU in promoting measures to stimulate the production of legally harvested wood and banning the use of illegally harvested wood. The Netherlands supported the drafting of an EU action plan on Forest Law Enforcement and Trade (FLEGT). An important instrument in this action plan are the so called bilateral Voluntary Partnership Agreements (VPAs) between the EU and wood producing countries that focus on guaranteeing the legality of timber that is being exported to the EU. In the framework of EU-FLEGT important progress has been made through VPAs with partner countries such as Ghana, towards legal harvesting of timber for the EU market.

Because a lot of "high risk" wood (potentially illegally harvested) originates from tropical countries, there is a direct relation with development policy.

Main issues for development policy are:

- Capacity building of governmental and non-governmental bodies (and public private partnerships) in partner countries to develop effective monitoring, certification and verification tracking systems for legally harvested timber;
- Poverty Reduction: Special attention is required for the prevention of negative side effects of law enforcement on illegal timber, on poor forest dependent local communities. Instead these communities should be supported to benefit more effectively from certified logging schemes, market access, etc. The Netherlands finances a project with ODI on this subject.
- Promotion of sustainable forest management and (harmonisation of) certification standards. Advancing preparedness for REDD+ finance schemes for Sustainable Forest Management.
- Promotion of an enabling environment for effective Public Private Partnerships in the timber chain within VPAs.

- We support the statement in COM(2008) 113<sup>2</sup> that “the increasing competition for wood as a raw material has to be taken into account in different policy contexts, such as wood for renewable energy, biodiversity needs, recreation and other social functions.” Coherence between different (inter)sectoral policies should be advanced, especially with related economic development policies.

**15. Are you aware of any initiatives in your country that contribute to promoting exploration and exploitation of mines in developing countries? Should such initiatives be better coordinated or promoted at the EU level?**

In some bilateral aid programmes attention is given to the impact of mining on the environment, government policies and corruption. Revenues from the (illegal) exploitation of raw materials can be an underlying cause for conflict. Therefore, the Netherlands is currently considering support for the ICGLR Regional Initiative that aims to address this link between resource exploitation and conflict through setting up a regional certification scheme.

Also, in some exceptional cases a private sector initiative in the mining sector may receive support through the Private Sector Investment (PSI) programme. For example in Morocco and Zambia

**16. Do you agree that these topics correspond to the major challenges in this policy area? If not, please specify.**

Yes

We appreciate that the report pays attention to sustainable minerals policy. In particular the report speaks about ensuring ‘*that environmental and negative social impacts of mining are minimized and their costs incorporated into production functions*’. In this context we like to highlight the following:

- *From negative to positive environmental impacts*

Increasing demand for metals and minerals may lead to increasing volumes of extraction. If this trend continues in the next decades there is a risk that overall environmental impacts continue to increase, despite efforts to minimize environmental impacts per volume of extraction. Therefore we need to find ways to create positive environmental impacts: how can the extraction of metals and minerals also have a positive influence on environmental quality? Within the EU this can be achieved if nature development is taken as one of the objectives when extracting raw materials, by striving for “function combination”, and by involving stakeholders from the onset of a project. For example through codes of practice promoted by the industry (e.g. the code of practice for members of Cascade, and Industry Association; [http://www.cascade-zandgrind.nl/index.php?file\\_id=52](http://www.cascade-zandgrind.nl/index.php?file_id=52) ).

- *Global footprint reduction*

The report deals with a (sustainability) framework for extraction within the EU. However, stricter regulation for extraction within the EU could cause enlargement of the imported share. That could mean a shift of burden to countries outside the EU. And especially the extraction in developing countries does not always meet our desired levels of sustainability. The EU should therefore actively support multilateral dialogues on site remediation and restoration.

- *National Minerals Policy*

The report recommends developing a National Minerals Policy. We like to remind the EC that the Thematic Strategy on the Sustainable Use of Natural Resources also requested Member States to prepare National Programs on the Management of natural resources (<http://ec.europa.eu/environment/natres/index.htm>). We suggest that the Commission look into possible integration of these two initiatives.

**17. Do you think of any other avenues which should be followed by the Commission? If yes, please specify.**

No.

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**18. Do you agree with the recommendations made in the report on "Exchanging Best Practice on Land Use Planning, Permitting and Geological Knowledge Sharing" or do you have any specific ones to be added. Please explain.**

We agree with the recommendations, but the wording of the section on land use policies is too prescriptive in our view. We do not understand this in the context of the first recommendation, about not imposing prescriptive recommendations, leaving it to Member States to consider the choice of policy elements. In contrast to this first recommendation, which we fully support, the wording used in the following sentences on land use policies includes "must" and "should". In our view, the level of detail of a land use policy depends on the geology, the spatial structure and the type of mineral resources involved.

The raw materials extracted in The Netherlands are mainly construction raw materials (sand, gravel and clay), as well as some industrial minerals (e.g. rock salt, limestone, silica sand). When we talk about sustainable extraction here, the focus is not on maintaining stocks for following generations. In practice, most of the stocks are plentiful for hundreds/thousands of years. The Netherlands has long-term projections of the expected demand for minerals used for construction purposes. A hierarchy of preferred options for extraction is used, which encourages efficient use, re-use and recycling, and substitution, preferably by sustainable alternatives. Import of construction materials from other countries is very important for the Netherlands, but not encouraged for materials that are available locally, because this would shift the land use pressure on neighboring countries.

An important issue in The Netherlands is competition between different uses of the same land. Hence, the discussion focuses on spatial planning issues at a local level.

Our focus is on creating new societal values by careful planning. The conclusion that spatial planning at a national or regional level can help to identify where a potential conflict between extraction and other land uses will occur is not in accordance with Dutch experience. We find it far more useful to use plans formulated by market operators in cooperation with local governments and local communities. Working with these plans, a long-term perspective is developed, where the focus is on new values that can be created by combining functions, like housing, nature, recreation, flood protection.

**19. Do you consider it useful to establish an EU geological service based on a network of Member State geological services?**

Yes, that would be very useful. Therefore, it would be preferable if the EU Geological Service would - within their current budget - cooperate more effectively with other European geological services, like the French BRGM and the British BGS, and the UNEP Panel on Sustainable use of Materials. In this respect, it could be explored if EUROSTAT could have an effective coordinating role in future.

**20. Do you consider that EU regulatory framework conditions for wood and/or recovered paper need to be further analysed? If yes, please specify.**

Currently the ad-hoc working group on public procurement of wood and wood based products (forestry committee) is exploring options to set criteria for extraction of timber in public procurement.

**21. What type of actions would you propose to provide better cooperation between companies, universities and public authorities in order to promote skills and in the extractive or other raw materials sectors? Please specify.**

We would propose to establish platforms where representatives of government, science and the business sector share relevant information, like the Dutch platform "Material Scarcity".

**22. Are you aware of any research, development and innovation programme(s) at national, regional or local level? Please specify.**

Yes. Currently the following programs are conducted:

- Materials Innovation Institute M2i (national level)
- Polymer Innovation Program (national level)
- Dutch Organisation for Scientific Research ('NWO')  
Research strategy 2011-2014: Six broad organizing research themes 1 of which is: "Materials: Solutions for scarcity"

- University of Leiden (Center for Environmental Research): linkages between material scarcity and transition to sustainable energy.

**23. Where do you see the major gap / the urgent need for the raw materials sector related research, development and innovation at EU level. Please provide details.**

- Formulating a substitution-agenda for critical raw materials ('elements of hope': AI, Fe, Mg, Si). For more information see A.M. Diederer, Metal minerals scarcity: A call for managed austerity and the elements of hope TNO Defence, Security and Safety; Rijswijk, The Netherlands; March 10, 2009..
- Research on the combination of materials and biotechnology could deliver innovative alternatives.

**24. What is your idea of a major research and innovation action that would have the highest positive impact on the security of raw materials supply for the EU industries? Please specify.**

Measures aimed at encouraging and enhancing innovation in order to achieve substitution of critical raw materials as well as resource efficiency is highly relevant. It is essential that (technological and non-technological) eco-innovative development is fostered, so that the substitution of critical by less critical minerals (e.g. for uses in IT and solar technology) is speeded up. We would recommend the investigation of possible financial measures and agreements to promote innovation in this area.

**25. Are you aware of innovative exploration and extraction technologies, where project partners on a European level are needed to develop and implement the new technologies and which are the innovative technologies which need to be developed further. Please provide details.**

No

**26. Are there any other aspects related to skills, R&D and innovation for other raw materials, such as wood, that need to be further promoted? Please, specify.**

No suggestions

**27. In your view, and beyond measures already being taken (e.g. the recast of the WEEE Directive), what practical measures can be taken by the EU and by Member States to prevent the illegal shipment of obsolete end-of-life vehicles and electronic equipment?**

Printed circuit boards (GC020) are green listed in the Shipment Regulation. In general, these contain high concentrations of precious metals. Green listed means: no control procedure for export, hence these wastes are traded freely. At present, there is evidence that some of these wastes end up in substandard (ecologically as well as socially) recycling facilities in third countries. Recent studies recommend placing these wastes on the amber list (Annex IV), which would promote recycling rates by enabling control of the standard of the recycling process.

End-of-life vehicles: The same goes for end-of-life vehicles (devoid of liquids). These should also be placed on the amber list to stimulate a higher standard of recycling. The Netherlands has its national minimum standard for recycling. There is a strong indication that cars for which a scraping premium has been paid are still exported for re-use or substandard recycling. This is an additional item for attention in this respect.

Electr(on)ic equipment: the WEEE Directive should be complemented by minimum standards for recycling (mandatory at EU level). Another possible measure is export restriction for equipment containing certain substances (e.g. cooling equipment containing HCFC and CFC), if based on international agreements (e.g. Montreal Protocol) .

There is sufficient scientific basis to select types of equipment in LCA studies. Variables to be considered in these prohibitions: expected extra lifetime after shipment, energy use, presence of hazardous substances (RoHS).

In general, any harmonised measure will be helpful which enables operators to distinguish between waste and second-hand products and at the same time takes into account the reduction of the administrative burden.

**28. In what ways should statistics on trade in, and recycling of, products containing secondary raw materials be improved?**

Waste Shipment Regulation Statistics: stronger attention should be paid to complying to the correct European Waste Catalogue codes and customs codes. Incorrect use leads to misleading numbers. At the customs, as there is no financial incentive, there is not much attention for controlling these codes, but they are vital for quantifying hazardous waste flows.

There is no legislation to collect statistics on import and export of waste. This includes imports and exports on the secondary raw materials. It would be very helpful if the import and export of waste (ANNEX III) would be adopted in the waste statistics regulation, article 1 paragraph 3c.

Providing good quality statistics on these flows is, however, not easy. The best quality statistics are expected to be made using article 18 paragraph 3 in the waste shipment regulation. This would, however, imply an increase of the response burden on enterprises.

An alternative is to use trade statistics. Quality is expected to be lower, due to reporting threshold for intra-EU trade of €900 000 for enterprises. The secondary materials can have little commercial value, thus imports and exports can be largely unnoticed due to the threshold. Development of better estimation methods to correct for this is essential.

If the quality of statistics on the import and export of waste are improved, the statistics on recycling of raw materials in the Netherlands will be improved at the same time.

**29. Have you identified major problems with recovered paper? What are the main issues that need to be further analysed?**

The Netherlands has thorough ongoing consultations with the paper sector. We have received no indication of illegal shipments. Recycling is above 80% and the Netherlands sees no need for further analyses or measures.