



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2014)

Opinion*

Title **DG ENV- Impact Assessment Report on Proposal for reviewing the European waste management targets**

(draft version of 23 January 2014)

(A) Context

This review concerns legally binding waste management targets of three Directives – the Waste Framework Directive (WFD), the Landfill Directive and the Packaging and Packaging Waste Directive (PPWD). The WFD sets a 50% ‘preparation for reuse and recycling’ target for municipal waste and a 70% ‘material recovery’ target for construction and demolition waste to be achieved by 2020. The PPWD includes an overall recovery target of 60%, an overall recycling target of minimum 55% and maximum 80% and material based targets of 60% for glass, paper and board, 50% for metals, 22,5% for plastics and 15% for wood to be met by end 2008 (time derogations granted to 8 MS to the end of 2012 and to specified times between the end of 2013 and 2015 for 4 other MS). The Landfill Directive requires Member States to reduce biodegradable municipal waste going to landfills to 75 % of the 1995 level by mid-2006, to 50 % of this amount by mid-2009 and to 35% by mid-2016 (14 Member States were given a four year extension period). This impact assessment responds to the legal obligation to review these targets in 2014. The PPWD has been part of the waste policy fitness check whose results feed into the analysis.

(B) Overall opinion: NEGATIVE

First, the economic rationale for waste recycling should be strengthened in the problem analysis. Second, the report should ex-post evaluate and explain why some Member States are not achieving the current waste management targets, and clarify how the setting of new mid-term targets will address the problems identified. In this context the findings of the fitness check should be listed. Third, the report should clarify the proposed options. It should explain why the mid-term waste management targets should be the same for all Member States and why they should be set based on the level of the best performing Member States. If the objective is to effectively reduce waste, the report should also consider the alternative option of a differentiated and proportionate approach towards addressing Member States' level of waste generation. It should also be clarified whether there would be alternative instruments that could help address the problem, such as Cohesion/Structural Funds. Fourth, the report should better explain the distribution of costs and benefits, in particular, which Member States will be most affected by the upgraded targets and other proposed changes, and thus will face the highest upfront investment costs. The report should

* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

justify if the target aiming at eventual landfill ban is justified from the subsidiarity point of view. Finally, the report should better present the views of different stakeholder groups, including Member States, in particular regarding the type and level of binding targets proposed.

Given the nature of these concerns, the IAB requests DG ENV to submit a revised version of the IA report on which it will issue a new opinion.

(C) Main recommendations for improvements

(1) Improve the problem definition and clarify the baseline. Drawing on the relevant findings from the Waste Fitness Check and other evaluations, the report should discuss the effectiveness of the target setting system given the high number of existing derogations. In doing so, it should explain how the conclusion was reached that the EU-wide quantitative waste management targets are the key driver for improved waste management in Member States. The report should explain why some Member States have difficulties in reaching the current waste management targets and substantiate how setting the new upgraded mid-term targets for 2030 will address these problems (e.g. governance, sub-optimal investments in waste management facilities). It should then describe what measures contributed to the success of more advanced Member States, and illustrate what alternative tools are available to address the problem in lagging Member States (e.g. Cohesion funds). To illustrate the scale of the problem the report should provide figures on the absolute volume (e.g. kg of waste/inhabitant not recycled). The report should clarify whether the baseline assumes 'no policy change' or the 'full implementation of existing legislation'.

(2) Clarify the proposed options. The report should clarify how the widely diverging Member States' waste management performance has been taken into account when defining the upgraded waste management targets. In particular, it should explain why targets should be set at the same level for all Member States and why the three best performing Member States are taken as the basis for setting this level. It should then discuss the feasibility of the proposed targets and explain whether derogations will need to be applied. If the objective is to effectively reduce waste, the alternative option of a differentiated approach addressing Member States in a proportionate manner, in relation to their level of waste generation, should be considered. The report should justify if the target aiming at an eventual landfill ban is justified from the subsidiarity point of view. The report should clarify the content of the option containing measures to simplify EU legislation, to improve monitoring and to ensure the dissemination of best practice, in particular with regards to the mandatory elements (e.g. third party verification of waste data). It should also clarify the relationship and coherence between the different targets and measures proposed under different options and their variants.

(3) Improve the assessment of impacts. The report should strengthen the cost-benefit analysis associated with the different waste management technologies and better explain the high costs associated with the full implementation option compared to 'business as usual' scenario. It should analyse in more detail the distributional impacts among different Member States, in particular with regards to upfront investment costs. When assessing competitiveness impacts on the manufacturing sector, the report should explain how much raw material can be gained from increased recycling, and at what cost. This would also help to substantiate the resource efficiency argument (i.e. reducing dependency on imports of raw materials). The report should make greater effort to quantify the administrative burden implications, in particular, as regards the new requirements for national registries, third

party verification of data, improvements in statistics and simplified reporting requirements. The report should clarify how the criteria for comparing the options have been formulated. It should outline the main implementation, compliance and enforcement challenges of the proposed measures and how they can be addressed.

(4) Better present the stakeholder views. The report should better present different stakeholder views throughout the report, in particular regarding the type and the level of binding targets, as well as any other compulsory measures proposed. It should explain how different stakeholders' concerns have been addressed, for example, on ensuring the consistency among different targets.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation. The report could be shortened by streamlining the problem definition section (e.g. simplify the presentation of the current targets and the present situation) and present the options in a more intelligible way for a non-expert reader.

(E) IAB scrutiny process

Reference number	2014/ENV/012
External expertise used	No
Date of IAB meeting	19 February 2014