



Department
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C/O The Clerk
European Scrutiny Committee
14 Tothill Street
House of Commons
London
SW1H 9NB

5 July 2017

Dear Clerk,

EM 14973/15: PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING DIRECTIVES 2000/53/EC ON END-OF-LIFE VEHICLES, 2006/66/EC ON BATTERIES AND ACCUMULATORS AND WASTE BATTERIES AND ACCUMULATORS, AND 2012/19/EU ON WASTE ELECTRICAL AND ELECTRONIC EQUIPMENT (AND ADD 1-2 OF PROPOSAL)

EM 14974/15: PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT OF THE COUNCIL AMENDING DIRECTIVE 1999/31/EC ON THE LANDFILL OF WASTE (AND ADD 1-2 OF PROPOSAL)

EM 14975/15: PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING DIRECTIVE 2008/98/EC ON WASTE (AND ADD 1-3 OF PROPOSAL)

EM 14976/15: PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL AMENDING DIRECTIVE 94/62/EC ON PACKAGING AND PACKAGING WASTE (AND ADD 1-3 OF PROPOSAL)

I am writing to give an update on the six directives¹ currently being amended. Rapid progress has been made under the Maltese Presidency over the last six months.

The European Parliament adopted their amendments to the proposals in March 2017, securing a huge majority (over 600 votes) in favour of very ambitious measures. These include a 70% recycling target for municipal waste by 2030 (plus an additional 5% target for reuse of products), a 5% target for the amount of municipal waste going to landfill, and an 80% target for the reuse or recycling of packaging waste. They also supported additional targets for food waste and marine litter reduction and a very restrictive regime for Extended Producer Responsibility schemes.

¹ The Waste Framework, Packaging and Packaging Waste, Landfill, Electrical and Electronic Equipment, Batteries and End-of-Life Vehicles Directives

On 19 May 2017, at COREPER, the Maltese Presidency assumed a mandate and started trilogue discussions with the Parliament. There was no opportunity to vote in Council on this but the Presidency's position is for ambitious but achievable measures. These include a 60% recycling target for municipal waste by 2030, a 10% target for landfilling of municipal waste, with a five year derogation for 11 Member States who are performing poorly at present (not the UK) and a 70% target for reuse and recycling of packaging waste. It also supported a more flexible approach towards Extended Producer Responsibility schemes which would allow Member States some degree of discretion when implementing the measures, compared with the original proposals.

The first trilogue discussion took place on 30 May, setting the scene and setting out priorities for the discussion. The second trilogue took place on 26 June. These discussions are expected to continue for several months. The Council, the Parliament and the Commission will negotiate a final compromise package. Member States will vote on whether to adopt the package once it has been finalised.

Once the amendments to the waste Directives are adopted, there will be a 2 year transposition deadline, which will run to the period when the UK has exited the EU. Therefore, it is too early to tell to what extent the UK would be required to implement the measures. However, there is likely to be an expectation that we do adopt these or broadly equivalent measures. The UK has therefore been fully engaged in the preparation of the Council position.

The UK broadly supports the Circular Economy waste proposals as these are generally aligned to our policy objectives to improve resource efficiency, increase recycling and reduce landfilling. We have concerns, however, about the feasibility of achieving very ambitious recycling targets for municipal waste:

- To increase recycling rates to 55%, we would need to improve the performance of household waste collection services. The local authorities with the highest recycling rates currently provide separate food waste, garden waste, dry recyclable materials and a fortnightly collection of residual waste. If we were to require all local authorities to do likewise the additional costs would be around £250m per year. There would, however, be savings, estimated to be around £380m per year, from reduced refuse disposal costs and increased recycling revenues for either local authorities or waste management industry. Recycling is particularly challenging in urban areas with high population densities. Some local authorities are tied into long term contracts, while others have extended contracts for financial reasons even though their recycling rate will not increase.

- A recycling target of 60% or more would also be likely to require the introduction of separate waste collection measures in the municipal commercial sector. While the exact cost implications of such a collection service change are uncertain due to the diversity of the sector, current analysis suggests that some sub-sectors may face additional collection costs from increased number of pick-ups of separate waste stream collections.
- Very high recycling rates would not be feasible without significant behavioural change from householders, as well as substantial operational changes from local authorities and businesses.

The Scottish and Welsh Governments support the European Parliament's 70% target while Northern Ireland shares the UK Government's view that targets must be both ambitious and achievable. Wales has introduced a statutory target to recycle 70% of municipal waste by 2025. Scotland has a public target to recycle 70% of all waste by 2025.

On targets, views are split amongst Member States. Those who have joined the UK in calling for achievable recycling targets for municipal waste are Bulgaria, Poland, Hungary and Romania. Those in favour of ambitious recycling targets are the Netherlands, France, Austria, Belgium and Sweden.

The UK is broadly supportive of the other elements of the Council position which include: (i) achievable targets for landfilling municipal waste and packaging waste, and (ii) a more flexible approach to the minimum requirements for Extended Producer Responsibility schemes including that requirements will not apply to voluntary schemes and that there will be some flexibility in the provisions covering financial responsibility.

We have concerns, however, about several aspects of the European Parliament's position, in particular:

- Very ambitious targets for recycling of municipal waste (70%) and packaging waste (80%);
- EU wide targets to reduce food waste by 30% by 2025 and 50% by 2030;
- Marine litter reduction target of 50% by 2030;
- A very restrictive requirement for Extended Producer Responsibility schemes that requires producers to bear full financial responsibility for the management of the waste stage of a product's life cycle.

Once the Council and European Parliament arrive at a compromise, the UK will decide on its voting position. The incoming Estonian Presidency has already stated at the last Environment Council that the Circular Economy Package is one of their top priorities. It is anticipated that they will seek to secure a final agreement before the end of their presidency in December 2017.

I will write to the Committee again to provide an update as discussions progress.

I am writing in similar terms to Lord Boswell Chairman of the European Union Committee. I am also copying this letter to the Clerks of the Commons and Lords Committees, Eve Samson and Chris Johnson respectively; Les Saunders, Department for Exiting the European Union; and Sarah McLean, Defra Scrutiny Co-ordinator.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'T. Coffey', with a stylized flourish at the end.

DR THERESE COFFEY MP