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REGULATORY SCRUTINY BOARD OPINION

Proposal for a Regulation of the European Parliament and of the
Council on shipments of waste and amending Regulations (EU) No

1257/2013 and (EU) No 2020/1056

COM(2021) 709

SWD(2021) 331

SWD(2021) 332



Brussels,
RSB

Opinion

Title: Impact assessment / Waste shipments – revision of EU rules

Overall 2nd opinion: POSITIVE

(A) Policy context

The Waste Shipment Regulation lays down requirements and procedures for transboundary shipments of waste. It aims to ensure that shipments of waste and their treatment are managed in a way that protects the environment and human health. It sets out control mechanisms for the export and import of waste (both intra- and extra-EU). It also lays down export prohibitions for certain categories of waste and certain destinations.

A recent evaluation of the Waste Shipment Regulation identified a number of shortcomings in its functioning. This impact assessment explores alternative solutions to address these. In particular, it examines ways to facilitate re-use and recycling of waste in the EU, simplify and reduce burdens linked to relevant procedures, and restrict exports of waste that have harmful environmental and health impacts in third countries. It also assesses ways to combat illegal shipments of waste.

(B) Summary of findings

The Board notes improvements to the report regarding the problem description, the presentation of options and stakeholder views, and the assessment of impacts.

The Board gives a positive opinion. The Board also considers that the report should further improve with respect to the following aspects:

- (1) The report lacks a clear overview of how the options compare against the assessment criteria, including proportionality. The scoring of the measures is not always clearly justified. The report does not sufficiently demonstrate that the chosen combination of measures in the preferred option is the optimal one.**

(C) What to improve

- (1) The report should introduce an overview table summarising how the different options compare against all assessment criteria, drawing on the annex. It should better justify the scores given to the measures' impacts. The applied scoring method in annex seems to favour measures with some impacts across the assessment criteria over measures that very**

This opinion concerns a draft impact assessment which may differ from the final version.

effectively target only one criterion. The report should explain to what extent this is appropriate.

(2) The report should better argue why the combination of measures in the preferred option is optimal. Under the applied scoring method, it seems possible to construct a combination of measures that would yield a higher average score.

(3) The baseline is based on estimates of waste exports that cannot capture the potential increased reluctance of third countries to receive waste. The report should better take into account these uncertainties in the baseline estimates in the impact analysis.

(4) The trade-offs between business concerns and environmental objectives could be more clearly presented. The report should explain whether any mitigating or transitional measures were considered to address the recycling of waste whose treatment pose particular challenges, such as plastic and textile waste.

The Board notes the estimated costs and benefits of the preferred option(s) in this initiative, as summarised in the attached quantification tables.

(D) Conclusion

The DG may proceed with the initiative.

The DG must take these recommendations into account before launching the interservice consultation.

| | |
|---------------------|--------------------------------------------------------------|
| Full title | Review of Regulation (EC) No 1013/2006 on Shipments of Waste |
| Reference number | PLAN/2019/5394 |
| Submitted to RSB on | 07 May 2021 |
| Date of RSB meeting | Written procedure |

ANNEX: Quantification tables extracted from the draft impact assessment report

The following tables contain information on the costs and benefits of the initiative on which the Board has given its opinion, as presented above.

If the draft report has been revised in line with the Board's recommendations, the content of these tables may be different from those in the final version of the impact assessment report, as published by the Commission.

| I. Overview of Benefits (total for all provisions) – Preferred Option | | |
|---------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|
| Description | Amount | Comments |
| Direct benefits | | |
| Additional revenue versus cost linked to measures on export of waste | 200-510 million euro in 2019 and 1.6 and 4.0 billion euro in 2030 | Waste management sector |
| Reduced administrative costs due to EDI | 950 000 euro per year, 450 000 euro per year | Competent authorities, Waste traders |
| Reduced maintenance costs of current national electronic systems | 50 000 euro per year | For each competent authority that decides to replace their current national electronic system and use the EU level system directly |
| Reduced administrative costs | 3-yr default consent validity leads to 1/3 of notifications for pre-consent facilities per year | Competent authorities, Waste traders |
| Reduced administrative fees | Notification fees divided by 3 | Waste traders |
| Reduced delays to receive consent | Not quantified | Waste traders |
| Reduced delays during shipments | 150 000 euro per delay | Waste traders (mainly due to storage costs) |
| Indirect benefits | | |
| Reduced transport externalities and GHG emissions | 266-666 million euro in 2019 and 275-687 million euro in 2030 | Citizens |
| Additional EU jobs | 9000-23000 jobs in the EU | Citizens |
| Reduced environmental externalities of mismanaged waste and health risks in third countries | Not quantified | Citizens |
| Promote recycling | Not quantified | Recycling sector |
| Discourage incineration and landfill | Not quantified | Citizens |
| Clarify used goods | Not quantified | Waste management sector |

| | | |
|-------------------------------------------------------------------|----------------|----------------------------------------|
| versus waste, end of waste criteria, and contamination thresholds | | |
| Avoided clean-up and repatriation costs | Not quantified | Member States, waste management sector |
| More legitimate income | Not quantified | Waste management sector |
| Increased tax revenue | Not quantified | Member States |

| II. Overview of costs – Preferred option | | | | | | | |
|-------------------------------------------------------------------------------------------------------------------------------|----------------|--------------------|-----------|--------------------------------------------------------------------|------------------|------------------------------|-----------------------------------|
| | | Citizens/Consumers | | Businesses | | Administrations ¹ | |
| | | One-off | Recurrent | One-off | Recurrent | One-off | Recurrent |
| Setting up and running of a system for Electronic Data Interchange (EDI) | | | | | | Maintenance: 50k – 80k euro | 20k euro per year following years |
| Measure directed to exporting companies to ensure sustainable management of waste by facilities in third countries (auditing) | Direct costs | | | 5k-35k euro per audited facility | 5k-15k euro/year | | |
| | Indirect costs | | | | | | |
| New framework for export of waste outside the OECD | Direct costs | | | | | | |
| | Indirect costs | | | Possible economic losses for companies that currently export waste | | | |

¹ For specific impacts on Commission resources, please see Annex 12

| | | | | | | | |
|-------------------------|----------------|--|--|--|--|--|--------------------------------------------------------------|
| Enforcement cooperation | Direct costs | | | | | | Resource needs for inspection, investigation and prosecution |
| | Indirect costs | | | | | | |



Brussels,
RSB

Opinion

Title: Impact assessment / Waste shipments – revision of EU rules

Overall opinion: NEGATIVE

(A) Policy context

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A recent evaluation of the Waste Shipment Regulation identified a number of shortcomings in its functioning. This impact assessment explores alternative solutions to address these. In particular, it examines ways to facilitate re-use and recycling of waste in the EU, simplify and reduce burdens linked to relevant procedures, and restrict exports of waste that have harmful environmental and health impacts in third countries. It also assesses ways to combat illegal shipments of waste.

(B) Summary of findings

The Board notes the useful additional information provided in advance of the meeting.

However, the Board gives a negative opinion, because the report contains the following significant shortcomings:

- (1) The construction of the options is unclear and does not sufficiently bring out the main policy choices and trade-offs. The report does not assess or compare the options, including the preferred one, against the standard assessment criteria.**
- (2) The report does not sufficiently analyse to what extent the preferred option is proportionate. It is not clear enough about the impacts on economic actors in the sector and how they balance against the environmental objectives.**
- (3) The report does not adequately explain how it addresses stakeholders' main concerns.**

(C) What to improve

(1) The report should strengthen the analysis of the most significant problems, bringing in selected evidence from the annex. It should not consider profit-maximising behaviour by economic agents active in waste shipment as a problem driver. The reinforced problem analysis should permit a clearer link to be established with the various proposed measures and a strengthened intervention logic.

(2) The report should restructure the options in a clearer way. This could be done either by a) turning the various measures into (sets of) options that would be structured around the three main problems, or b) keeping the current two ‘high level’ options, while adding the preferred set of measures as an alternative option upfront, making it an integral part of the impact analysis. The report should clarify in the options which measures are complementary and which are exclusive, what trade-offs they contain, and what the fundamental policy choices for the policy makers are.

(3) The report should better justify the expected increase of waste exports under the baseline scenario, taking into account recent declining trends and the increasing reluctance of third countries to import waste.

(4) Each option should be impact assessed and compared against the standard assessment criteria (effectiveness, efficiency, coherence). The report should be clearer about the foreseen impacts on waste shipping operators, on supply chains and on the treatment sector. It should specify the impacts across Member States and on SMEs. Trade-offs between business concerns and environmental objectives should be made more transparent. The report should further clarify the impacts on public authorities and how effective enforcement will be ensured. The proportionality of the preferred option should be assessed in light of the scale of the problem and the expected costs and benefits.

(5) The report should clarify stakeholders’ positions on the preferred option and explain how concerns have been addressed.

Some more technical comments have been sent directly to the author DG.

(D) Conclusion

The DG must revise the report in accordance with the Board’s findings and resubmit it for a final RSB opinion.

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|---------------------|--------------------------------------------------------------|
| Full title | Review of Regulation (EC) No 1013/2006 on Shipments of Waste |
| Reference number | PLAN/2019/5394 |
| Submitted to RSB on | 08 March 2021 |
| Date of RSB meeting | 07 April 2021 |