

Input of the Confederation of Swedish Enterprise to the revision of the EU Waste Framework directive

Confederation of Swedish Enterprise appreciates the opportunity to provide comments to the public consultation on the revision of the Waste Framework Directive (WFD).

Swedish Enterprise is Sweden's largest business federation, representing 60 000 member companies in all sectors with almost 2 million employees. We bring together 49 industry and employer organisations, and this position has been produced in close cooperation with our members.

Swedish Enterprise welcomes the European Commission's Circular Economy Action Plan (CEAP) and the revision of the WFD to decrease waste volumes and to enable increased circular flows.

For the circular economy to reach its full potential, alignment between various policy areas and regulations is essential. Swedish Enterprise therefore emphasises the importance of overall alignment with other relevant EU policies in the upcoming revision of the WFD, to meet the challenges and ambitions of the European Green Deal and the CEAP.

Furthermore, Swedish Enterprise would like to highlight the need of enabling circular economy material- and product flows when revising the WFD, by facilitating a market for secondary raw materials and extension of product life.

The definition of 'waste' in the current WFD is very broad, "*any substance or object which the holder discards or intends or is required to discard*". This also includes materials and products that after use have continued value and demand through re-use, upgrade or processing, i.e. are resources. The broad classification of waste, also including "resources" and they being subject to waste legislation, complicates their management, the possibility of putting them back on the market and making them competitive. This due to rules and regulations that kick in when a material or product is classified as waste, for example the waste shipment directive, end- of waste rules, rules regarding temporary storage etc. This result in materials and products unnecessary, despite their value, ending up as waste.

The waste definition serves an important function in ensuring that products and materials that after use no longer have a value are managed health and environmentally safe. A strong regulatory framework for these fractions will continue to be needed, not least for hazardous waste. However, for materials and products that after use still have a value, i.e. is a resource, these rules makes it unnecessary complicated to circulate materials and products. This could be avoided if they were excluded from the definition of waste. Defined and treated as the

resource they are this would facilitate increased recycling, re-use, re-manufacturing and make these products and materials more competitive in the market. This will require a change in the definition of waste or, alternatively, a possible reclassification of a number of materials and products that have a continuing value after use, *as resources*. Swedish Enterprise urges the European Commission to analyse how the broad scope of the waste definition affects circular flows and, when revising the WFD, consider if a narrower waste definition could benefit the circular economy, or as an alternative the possibility of reclassification of used materials and products as resources.

Swedish Enterprise is positive towards harmonized end-of-waste criteria on EU level. If waste more easily can stop being waste after a recycling process it would benefit a circular economy. A starting point when developing criteria should focus on the characteristics of the recycled material, rather than where the raw material comes from. At the evaluation of whether a recycled material is suitable for use, risk assessments should be based on broad decision criteria that include more aspects than just total levels of substances, for example leachability, bioavailability and area of use. Materials, whether recycled or virgin, often contain various substances that needs to be evaluated from a health and environmental risk perspective. To only consider levels in accordance with a non-toxic perspective can lead to other goal conflicts, and environmental risks, for example increased climate impact.

The European and national markets need to be open to innovative solutions for return logistics, material recycling and reuse. Ownership of waste is a key component for many companies' work with circular material and product flows. Currently, companies' ownership rights are sometimes limited, for example in Sweden, where some waste streams are monopolized. This needs to be adjusted so that the companies themselves have the opportunity to own and circulate their own waste. More open markets would give incentives for technology development and innovation for companies, which can lead to completely new ways of using, refining and circulate waste.

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