



*Interessengemeinschaft
Thermischer Abfallbehandlungsanlagen
in Deutschland e.V.*

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ITAD response to waste import tax proposals in the Netherlands

Dear Members of the Dutch Parliament,

ITAD (Interessengemeinschaft der **T**hermischen **A**bfallbehandlungsanlagen in **D**eutschland - German Association of Waste-to-Energy plants) represents nearly 100 percent of German Municipal Solid Waste Incinerators (MSWI) as well as Sewage Sludge Incinerators and Refuse Derived Fuel-Incinerators (RDFI).

As a part of the German -Dutch cross border cooperation working group with Dutch Waste Management Association we would like to raise our strong concern about the proposed unilateral measure from the Dutch government, to introduce an import tax on waste destined for energy recovery in the Netherlands.

The Dutch waste policy has been consistent in its European approach for the past decade and that has resulted in close cross border trade relationships within North-West Europe. For the thermal treatment of municipal solid waste, cooperation between Dutch and German MSWI operators has been established too. For the remaining non-recyclable non-hazardous waste, thermal treatment with energy recovery is the standard and the Netherlands opened its borders for the treatment of this waste from the 1st of January 2007 (in two directions).

For hazardous waste and hospital waste a North-West European market has been created from 2006. The Dutch hazardous waste kilns have been closed as a result of this policy.

This has brought the Netherlands and surrounding countries in a situation of self-sufficiency at high environmental standards. The proposed unilateral measure puts the established well-functioning North-West European market at risk. We are very concerned and surprised by this proposed measure and hope for a constructive debate within the Dutch Parliament, to thoroughly examine the implications of the proposal.

We very much would inform you about the more obvious implications of the proposal.

More landfilling less energy recovery

We expect that the Dutch import tax will result in more landfilling inside the UK and Ireland. The German market is not able to treat additional waste coming from the UK in the coming 3 or more years. Scandinavia might have some spare capacity left, but not enough to prevent an imminent and significant increase in unjustifiable landfilling.

Legal justification is uncertain

The Dutch unilateral measure is legally disputable and seems unjustifiable based on article 16 of the Waste Framework Directive (WFD). The measure will lead to more waste being sent to landfill in Europe. This is controversial since there is a better alternative available in the Netherlands, namely energy recovery. This seems to be contrary to the principles of self-sufficiency (article 16 WFD).

EU Landfill reduction target

The EU also has set an additional goal for Member States to landfill no more than 10 percent of municipal waste in 2035. The proposed measure does not contribute to that aim, with a calculated shortage of at least 40 Mtonnes of energy recovery capacity in EU for the processing of non-recyclable waste streams even after the Circular Economy Package targets have been met. At this moment in time still 175 million tons of waste are landfilled and ready for departure towards more recycling. The residues from sorting- and recycling installations as well as the residual waste produced by households should be treated at the highest standards, with the least environmental impacts. In the Netherlands the minimum standards is energy recovery. The Dutch spare thermal treatment capacity for non-hazardous waste will most likely be of great value for the countries making the transition as well as for recyclers throughout Europe for the coming decades to come.

High environmental standards and European transition

The circular economy starts with stopping large scale landfilling. The Netherlands has achieved this with 45 landfill bans in place and high environmental waste management standards, which are an example for the European Union as a whole. A lot of member states are still at the starting point in the shift from large scale landfilling towards more recycling and recovery.

Generally, waste should be recovered (recycling or energy recovery), where the least environmental impact is being assured. This was the basis for the Netherlands to open borders for hazardous waste treatment in Europe (in 2006) and non-hazardous waste treatment (2007).

Accordingly, the movement of goods to these treatment facilities should be restricted as little as possible. The established relationships should not be compromised by unilateral decision making. This also with regard to the further development of recycling technologies in the European context.

Import duties should therefore only then be endorsed if they would prevent waste exports for purely economic reasons at the expense of the environment, like we have witnessed in Asia and Africa.

Please find enclosed a recent statement made by EuRic, the confederation for the recyclers in Europe on capacity shortages for their residual waste and a capacity study conducted by CEWEP.

Greenhouse gas emission will increase

The combination of more landfilling and underutilization of the Dutch Waste Management contributions to energy production (heat and electricity) and recycling (metals, minerals) will lead to the generation of more greenhouse gas emissions in Europe. So, the unilateral measure works against the European aim to reduce overall greenhouse gas emissions. **Taxation on the import of foreign waste is counterproductive. Instead of a CO₂-reduction, the measure just causes more emissions.**

More stress on EU waste markets

We foresee that the stress will rise on the European markets for recycling and energy recovery (incineration and co-incineration), because of the search for alternatives for the treatment of this significant waste volumes and the costs associated with the treatment. Including the recyclers search for the treatment of their residual waste after recycling. It remains to be feared that the material ends foremost on landfills in the UK and Ireland, or even worse, questionable or illegal disposal routes in Eastern Europe get back upwind and recyclers have to accept less volumes because they cannot operate due to the fact that they have no way to go with their residual waste and rejects. Thermal treatment goes hand in hand with recycling as it gives the recyclers a licence to operate. Also, recyclers have to assure in their license that their residual waste and rejects are treated according to the highest environmental standards.

Incineration- and CO2 tax are non performing steering tools

An incineration tax as well as a general CO₂-tax are the wrong way to the desired steering effect, namely, to establish sustainable closed material loops. Instead directly visible and tangible taxes when buying consumer products/goods must ensure that the actual environmental damage from the manufacture and disposal of the article/commodity is taken into account and the consumer and or the producer this properly motivated and "educated".

Renewable energy

The Dutch Waste-to-Energy installations deliver a substantial part of the renewable energy and are integrated in district heating – and industrial networks. The measure will lead to less imports and reduces the amount of this renewable energy substantially.

Please accept this letter as firm statement of our concerns. We sincerely hope that the Dutch Government will assess the consequences properly and upheld its credibility as solid partner, promoting mutual beneficial trade relations which are fostering sustainable investments and are helping the environmental protection to increase considerably inside Europe.

We kindly ask the Dutch government to take into account the before-mentioned facts and concerns about the proposed import tax in the Dutch Tax Bill at the House of Representatives meeting on Wednesday 3rd July 2019.

If you have any further questions, don't hesitate to contact us.

Yours sincerely,



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attachement

Statement on issues stemming from the lack of capacity for ultimate residual waste, EuRIC, June 6th 2019