

# JBCE'S POSITION ON THE DELEGATED REGULATIONS AMENDING THE WASTE SHIPMENT REGULATION (REGULATION (EC) NO 1013/2006 AND REGULATION (EU) 2024/1157) (E-WASTE / E-SCRAP)<sup>1</sup>

#### INTRODUCTION

JBCE, a cross-sectoral organisation representing companies of Japanese parentage active in Europe, fully supports the EU's efforts to achieve a circular economy. As such, it has greatly contributed in the past and will continue to contribute to the realisation of a circular economy in the EU at various levels.

JBCE sees the proposed Delegated Regulations as important to achieve circularity for resources, especially metal resources originating from e-waste or e-scrap. Hence, we appreciate the opportunity to give feedback.

#### **KEY MESSAGES**

JBCE would like to stress the importance of the following four points:

- 1. Uniform operation on the classification of Y49 and A1181
- 2. Clear, fair and simplified requirements for the intra-/extra-EU transportation of Y49 and A1181
- 3. Establishing an adequate transition period
- 4. The recycling capacity of trading partners must be harnessed to realise the EU circular economy

## 1. Uniform operation on the classification of Y49 and A1181 (to properly recognise the classification Y49)

 Given that the Basel Convention has been amended to strengthen regulations on e-waste and e-scrap, the proposed Delegated Regulations will add to the Waste Shipment Regulation (Regulation (EC) No 1013/2006 and Regulation (EU) 2024/1157) Entry Y49<sup>2</sup>

<sup>1 &</sup>lt;https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14176-Trade-in-e-waste-1-amendments-to-the-Basel-Convention-annexes\_en> and <https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/14174-Trade-in-e-waste-2-amendments-to-the-Basel-Convention-annexes\_en>.

<sup>&</sup>lt;sup>2</sup> Y49 covers all e-wastes, its components and wastes from the processing of e-wastes (e.g. fractions from shredding), except for those e-wastes covered by entry

A1181.<a href="https://www.basel.int/Implementation/Ewaste/EwasteAmendments/Overview/tabid/9266/Default.aspx">https://www.basel.int/Implementation/Ewaste/EwasteAmendments/Overview/tabid/9266/Default.aspx</a>



- and Entry A1181<sup>3</sup>, modified from Entry A1180.
- The new requirement for a prior notification and consent procedure (PIC procedure) for Y49, which is a non-hazardous waste, could lead to significant delays in the distribution of ewaste and e-scrap within and outside the EU if the determination of whether goods qualify as Y49 varies from one Member State to another.
- For example, if goods that should be classified as Y49 under the Basel Convention definition
  are incorrectly classified as A1181, the PIC application may have to be performed again and
  this may, subsequently, cause problems when conducting the PIC procedure in the transit
  country. We expect that all kinds of e-scrap that has been detoxified in the EU will be
  uniformly classified as Y49 by the authorities of all Member States.
- For Member States' authorities and operators there should be <u>clear guidance</u> on how <u>A1181 and Y49 should be classified as such in accordance with the Basel Convention</u> so that the Waste Shipment Regulation, as amended by the Delegated Regulations, is operated in a uniform manner, with full guarantee of foreseeability. In this regard, JBCE expects clear guidance documents and FAQs to be issued.
- In addition, in order to grasp the actual situation of e-waste and e-scrap distribution, and to realise appropriate and speedy transactions, the European Commission and the Member States' authorities should publish statistical information showing the trends of PIC procedures and distribution of A1181 and Y49 after the start of the application of the Delegated Regulation.

## 2. Clear, fair and simplified requirements for the intra-/extra-EU transportation of Y49 and A1181

- Even if PIC procedures are required for Y49, excessive administrative burdens on operators should be avoided, and a clear and simple procedural flow, free from doubt, should be developed.
- We also welcome efforts aimed at facilitating the intra-EU transportation procedures of Y49 and A1181 by promoting their digitalisation, and we hope that efforts will be made to facilitate the procedures for the extra-EU transportations of Y49 and A1181 in the same way as for the intra-EU transportations.
- These efforts to facilitate the procedures should fairly benefit both intra-EU and extra-EU
  operators working on the recycling of metal resources based on e-waste and e-scrap, and
  by seamlessly realising not only the intra-EU transportation of Y49 and A1181.

### 3. Establishing an adequate transition period

As a result of the amendment, goods that could previously be transported without the need

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<sup>&</sup>lt;sup>3</sup> A1181 covers hazardous e-wastes, its components and wastes from the processing of e-waste (e. g. fractions from shredding). <a href="https://www.basel.int/Implementation/Ewaste/EwasteAmendments/Overview/tabid/9266/Default.aspx">https://www.basel.int/Implementation/Ewaste/EwasteAmendments/Overview/tabid/9266/Default.aspx</a>



for PIC procedures as GC020 listed goods will now require PIC procedures as Y49. This will significantly increase the number of PICs to be processed by the authorities of each Member State. Hence delays in processing due to the increased procedural burden and, in turn, significant slowdowns of the transportation of e-waste and e-scrap are to be expected.

- If the adoption of the Delegated Regulation is scheduled for Q4 2024 and the acquisition of a Y49 PIC is mandatory from 1<sup>st</sup> January 2025, assuming that goods are transported out of the EU in early 2025, operators will only have three months to prepare their applications and authorities to process them. However, in view of previous administrative practices, there have been cases where it took approximately 2-3 months for the exporting country and 2-3 months for the importing country to complete the PIC process. Given that, it may be difficult for the authorities to complete the processing of the rapidly increasing number of Y49 PIC applications within just three months. In order to maintain the intra-EU and extra-EU transportation of e-waste and e-scrap smooth without disruption from January 2025 onwards, we would like to propose establishing an <u>adequate transition period</u>.
- Specifically, we consider it appropriate to set a <u>transition period until 1<sup>st</sup> January 2026</u> during which goods classified as Y49 can be transported without PIC procedures as long as they have fallen under the former category of GC020.

## 4. The recycling capacity of trading partners must be harnessed to realise the EU circular economy

- According to an estimate, 13 million tons of e-waste were expected to be generated in Europe in 2022<sup>4</sup>, making it the world's largest e-waste producing region per capita. In order to collect, process and recycle these materials and realise a circular economy of metal resources, it is essential not only to increase the recycling capacity in the EU, but also to utilise the recycling capacity of trading partners such as Japan.
- In order to utilise the recycling capacity outside the EU for the realisation of an intra-EU circular economy, it is essential to achieve smooth intra- and extra-EU transportation of such valuable resources.
- We look forward to the creation of a business environment in which e-waste and e-scrap can be distributed seamlessly across borders with due consideration to minimize the environmental concerns, so that businesses within and outside the EU can join hands and work together to realise a circular economy in the EU.

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<sup>&</sup>lt;sup>4</sup> Cornelis P. Baldé, Ruediger Kuehr, Tales Yamamoto, Rosie McDonald, Elena D'Angelo, Shahana Althaf, Garam Bel, Otmar Deubzer, Elena Fernandez-Cubillo, Vanessa Forti, Vanessa Gray, Sunil Herat, Shunichi Honda, Giulia lattoni, Deepali S. Khetriwal, Vittoria Luda di Cortemiglia, Yuliya Lobuntsova, Innocent Nnorom, Noémie Pralat, Michelle Wagner (2024). International Telecommunication Union (ITU) and United Nations Institute for Training and Research (UNITAR). 2024. Global E-waste Monitor 2024. Geneva/Bonn. pp.94-99 <a href="https://ewastemonitor.info/wp-content/uploads/2024/03/GEM">https://ewastemonitor.info/wp-content/uploads/2024/03/GEM</a> 2024 18-03 web page per page web.pdf>



#### **ABOUT JBCE**

Founded in 1999, Japan Business Council in Europe (JBCE) is a leading European organisation representing the interests of over 100 multinational companies. Our members operate across a wide range of sectors, including information and communication technology, electronics, chemicals, automotive, machinery, wholesale trade, precision instruments, pharmaceuticals, textiles, and glass products.

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