

# RESOURCE RECYCLING

Your trusted source for recycling news and analysis

## Dispatches from Europe: Is Brexit bad news for an evolving industry?

Posted on July 26, 2016

(<http://resource-recycling.com/recycling/2016/07/26/dispatches-from-europe-is-brexit-bad-news-for-an-evolving-industry/>)

by Clarissa Morawski

Last month's decision by U.K. voters to withdraw from the European Union has generated a lot of questions over the potential impact on jobs, the economy and trade within the U.K.

But for those in the U.K. waste management sector, the greatest concern is the potential impact of Brexit on both national and EU waste reduction policy. The issue is complicated, and predicting the long-term effects on waste stakeholders is difficult. But a number of factors seem to point to the conclusion that Brexit could hinder progressive waste management efforts that are still in early stages of implementation.



### Circular economy implications

For more than 20 years, policy development and regulation of the U.K. waste and recycling industry has been driven strongly by the EU. This is because much of the U.K.'s environmental law is based on EU directives, such as the Waste Framework Directive (WFD) and the Landfill Directive, which the U.K. transposes into national law through U.K. regulations.

These directives lay down the minimum requirements that member states must achieve, but they also allow member states to go further and adopt more stringent national measures, as long as they do not conflict with other objectives.

A major cornerstone of EU waste and recycling policy over the next decade will be the Circular Economy Package (CEP), the final wording of which will be negotiated over the next 12 to 18 months. One of the key questions being raised now is how Britain's decision to leave the U.K. is going to affect these negotiations.

Some believe that Brexit is actually a good thing for EU waste policy, noting that the U.K. was not very ambitious with regards to environmental and waste policy to begin with. However, others fear the action could lead to a weakening of the CEP, especially if other countries use the threat of exit to influence negotiations.

One thing for sure is that Brexit will lessen the U.K.'s contribution to the development of this important policy initiative. While the U.K. will remain a member of the EU until a withdrawal agreement is signed, U.K. officials working in the Council of the EU have already been advised to "actively intervene less" in meetings. More recently, on July 20, the U.K.'s new prime minister, Theresa May, announced that the nation will relinquish its upcoming presidency of the Council of the EU.

One can also expect, almost for certain, that Brexit will delay the passing of the CEP and other pieces of EU legislation. The negotiations and uncertainties surrounding Britain's withdrawal (which could take well over five years) will now consume much of the EU's political and bureaucratic resources, at a time when Europe is already struggling to respond to other crises such as refugees, threats to security and the recent military coup in Turkey.

### Possible steps back in materials diversion

And how will Brexit specifically affect U.K. waste policy? While in theory the U.K. could implement more stringent laws than required by the EU – for example, by setting higher waste and recycling targets – this is highly unlikely. The U.K. government has already stated it opposes common EU recycling rate targets. It is more likely the case that waste and recycling will be pushed to the bottom of the U.K. government's priority list, and that the U.K.'s progress toward a circular economy will stall or even take a step back.

The fact that the U.K. does not have a waste strategy beyond 2020 is another concern. Exiting the EU will mean that the U.K. will no longer have to meet the 2030 recycling targets being proposed in the CEP, which in turn will have a negative impact on recycling companies.

Even if the direct impact on the U.K. waste management sector is minimal, industry stakeholders face the risk of a slowing demand from end markets. For example, as a major exporter of refuse derived fuel (RDF) to countries like the Netherlands and Germany, new potential trade barriers could lead to less RDF exported and thus more landfilling in the U.K.

In addition, without a long-term policy and legal framework in place, the industry is unlikely to invest in U.K. waste infrastructure as a result of financial and political uncertainties.

## Opportunity amid unrest

The exact implications of Brexit on U.K. waste policy now and in the future will depend largely on the tone of negotiations as the U.K. irons out details of leaving the EU. There is new uncertainty in the market and a government bureaucracy that is now focused on how to manage the implementation of Brexit.

For an insecure EU, as it struggles to re-define mandates in the wake of losing one of its larger member states, some environmental policies may no longer be considered a priority.

Alternatively, EU leaders may view the unrest as an opportunity to further forge the alliance of remaining member states with an ambitious circular economy package that promises to transform Europe's struggling economy into a lasting circular one.

---

*Dispatches from Europe is a monthly column that will keep you posted on developments around the EU's Circular Economy Package as well other interesting policy developments related to waste reduction in Europe.*

---

*Clarissa Morawski is based in Barcelona and serves as the managing director of the Reloop Platform (<http://www.reloopplatform.eu/>), which brings together industry, government, and non-governmental organizations in Europe to form a network for advances in policy that create enabling system conditions for circularity across the European economy. Clarissa is also principal of Canada-based CM Consulting Inc. (<http://www.cmconsultinginc.com/>)*

---

---

Copyright 2016, Resource Recycling, Inc

About (<http://resource-recycling.com/recycling/about>) | Privacy (<http://resource-recycling.com/recycling/privacy>) | Contact (<http://resource-recycling.com/recycling/contact>)

Sustainably hosted on wind-powered servers by The Mobius Network (<http://www.themobiusnetwork.com>).