

## INCEPTION IMPACT ASSESSMENT

Inception Impact Assessments aim to inform citizens and stakeholders about the Commission's plans in order to allow them to provide feedback on the intended initiative and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have, including on possible impacts of the different options.

<b>TITLE OF THE INITIATIVE</b>	<b>Reducing marine litter: action on single use plastics and fishing gear</b>
<b>LEAD DG (RESPONSIBLE UNIT)</b>	DG ENV/MARE
<b>LIKELY TYPE OF INITIATIVE</b>	Legislative
<b>INDICATIVE PLANNING</b>	Q2 2018
<b>ADDITIONAL INFORMATION</b>	<a href="http://ec.europa.eu/environment/circular-economy/index_en.htm">http://ec.europa.eu/environment/circular-economy/index_en.htm</a> <a href="http://ec.europa.eu/environment/waste/plastic_waste.htm">http://ec.europa.eu/environment/waste/plastic_waste.htm</a>

**The Inception Impact Assessment is provided for information purposes only. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Inception impact assessment, including its timing, are subject to change.**

### A. Context, Problem definition and Subsidiarity Check

#### Context

The upcoming Strategy on Plastics in a circular economy will lay down the foundations of a new plastics economy, where reuse and recycling are fully integrated into production chains, where plastic pollution and its adverse impact on our lives and the environment are tackled. The Strategy will acknowledge the urgent need for concrete actions to reduce plastic leakage into the environment, in particular in our seas and oceans. As recently recognised by the United Nation's Environmental Assembly (UNEA), this is major global problem.

In the EU, lost fishing gear and single-use plastics are both major sources of marine litter. Single-use plastics items include a diverse range of commonly used items that are thrown away after one single brief utilisation, are rarely recycled and are prone to littering (e.g. small packaging, light-weight plastics bags, disposable cups, food containers, lids and cutlery).

While the Waste Framework Directive<sup>1</sup>, the Packaging and Packaging Waste Directive<sup>2</sup>, the Marine Strategy Framework Directive (MSFD)<sup>3</sup> and the Control Regulation<sup>4</sup> provide some regulatory responses to these challenges, a dedicated regulatory action on tackling key sources of marine litter may be needed.

#### Problem the initiative aims to tackle

This initiative aims to curb the negative economic and environmental impacts arising from littering of single use plastics items and from abandoned lost or discarded fishing gear. Plastics are estimated to represent 85% of beach litter. Of this, 61% are single use plastic items and 20% fishing related items.

#### Single Use Plastics

Leakage of single use plastics items into the environment is a major global problem. It has clear negative impacts on the environment (e.g. harm to marine animals through ingestion or entanglement, and damage to fragile habitats such as coral reefs) but also on economic activities, such as fisheries (e.g. navigation hazards or contaminated catch) and tourism (like unclean beaches). In a circular economy, it can also represent a waste of material, resources and energy.

In Europe, single-use plastic items are a significant source of littering. A limited number of these items are estimated to represent more than two-thirds of single-use plastics found on EU beaches.

There are two main reasons for this problem:

<sup>1</sup> Directive 2008/98/EC

<sup>2</sup> Directive 94/62/EC

<sup>3</sup> Directive 2008/56/EC

<sup>4</sup> Council Regulation (EC) No 1224/2009, requiring the mandatory marking of fishing gear as well as the notification and retrieval of lost gear

- 1) Market failures: Disposable items do not have meaningful economic value, the low cost (items are often given away for free) incentivises excessive use, and their collection or recycling is not economically and even (in some cases) technically viable. However their external costs can be significant.
- 2) Regulatory failures at EU and national level: Plastic waste is not adequately prevented from entering the marine environment due to (inter alia) e.g. poor implementation (e.g. of the Waste Framework Directive and the Packaging and Packaging Waste Directive), regulatory gaps (e.g. waste water treatment facilities failing to capture items such as cigarette butts or cotton buds) and weak anti-littering policies in Member States.

### **Abandoned, lost and otherwise discarded fishing gear**

Whilst the use of Global Positioning Systems by fishing boats allows vessels to avoid snagging their nets on wrecks and other potential obstacles, the problem arising from fishing gear either lost at sea accidentally (e.g. due to weather conditions) or discarded when it is no longer fit or intended for use is significant. The extensive use of long-lasting synthetic materials has increased the lifetime of lost gear and in consequence the volume of end-of-life gear in the environment. Insufficient collection and storage facilities on vessels and at ports, as well as fees for the landing of waste in ports, disincentives the bringing back of end-of-life gear onshore. A significant quantity of retrieved abandoned gear is in fragments and therefore unmarked, and so it can be technically difficult to identify the vessel that lost it.

The upcoming proposal to revise the Directive on Port Reception Facilities<sup>5</sup> is set to improve the current situation. However, further targeted measures are needed e.g. to address financing solutions and the processing and recycling of retrieved and end of life fishing gear.

### **Basis for EU intervention (legal basis and subsidiarity check)**

Any EU action related to plastic littering should reflect the cross-border nature of the problem, whereby plastic enters the environment and then often ends up on beaches, waterways or seas in other countries. Taking measures at EU level therefore helps to effectively address an issue which is transnational by nature.

The EU has already taken steps to address the issue of plastic waste pollution, for instance by setting requirements for Member States to monitor and reduce marine litter. EU funding is also currently deployed to understand and combat the rise of marine litter, supporting global, national and regional action. EU rules supporting higher rates of recycling and better waste collection systems also play a role to prevent plastic leakage. In 2015, the EU has already adopted a Directive<sup>6</sup> to reduce consumption of single-use plastic carrier bags, which requires Member States to put in place either consumption reduction targets or a mandatory fee at point of sale.

A few Member States have already taken, or are considering, actions to target single-use plastic items or disposable items (e.g. Ireland is considering a levy on disposable coffee cups), with potential ramifications on the internal market (e.g. France decided to ban some disposable plastic items). While measures at national, regional or local level are particularly important to address the issue of littering, EU level action may be desirable in order to avoid (1) potential disruption in the free movement of goods in the single market and (2) reduce implementation costs for the economic actors.

The Control Regulation<sup>7</sup> under the Common Fisheries policies requires the mandatory marking of fishing gear as well as the retrieval of lost gear and the reporting of the lost gear in case it cannot be retrieved. A significant quantity of retrieved abandoned gear is in fragments and therefore unmarked suggesting that it can be technically difficult to identify the vessel that lost it. The contribution of the Regulation to the reduction of abandoned, lost and otherwise discarded fishing gear is therefore limited and other regulatory options need to be investigated to address the problem.

In some Member States public and private voluntary initiatives have been launched in the fishing sector to collect marine litter and lost fishing gear. Fishing for litter activities are supported by the EU via the European Maritime and Fisheries Fund (EMFF). For the period 2014-2020 a total of 108 operations are planned in 14 Member States.

The Directive on Port Reception Facilities covers all seagoing vessels visiting EU ports, including fishing vessels. It requires the provision of adequate port reception facilities for the management of the waste from ships, including (plastic) household waste and obsolete fishing gear, and also requires ships to deliver all their waste to those facilities before their departure from the port. As mentioned above, a proposal to revise this legislation is in preparation and foreseen for adoption in January 2018.

<sup>5</sup> Directive 2000/59/EC

<sup>6</sup> Directive (EU) 2015/720

<sup>7</sup> Council Regulation (EC) No 1224/2009

## B. Objectives and Policy options

The objective of this initiative is to contribute to a significant reduction of the environmental damage/ health impacts caused by littering by Single Use Plastics (SUP) and abandoned lost and otherwise discarded fishing gear and ultimately reducing the respective impacts. It will be a key contribution to achieving the objectives of the upcoming Strategy on Plastics in a Circular Economy, the marine litter actions set out in the Joint Communication on International Ocean Governance and the commitments taken at the "Our Ocean Conference" in October 2017 and United Nation's Environmental Assembly in November 2017. The Circular Economy is an integral part of the 10 priorities of the Commission, thanks to its contribution to boost jobs, growth and investment.

### Single-Use Plastics

The diversity of SUPs justifies a differentiated approach, which could follow these **categories**:

- (1) **Items already captured** today in separate collection schemes (mainly packaging: such as drink bottles). The objective is to improve the collection rate. This could be done through stricter implementation of the existing and future legislation on waste (e.g. separate collection, recycling targets, full implementation of producer responsibility schemes and fee modulation, prevention measures and stimulation of deposit return schemes).
- (2) **Items which could be replaced by more sustainable alternatives** (e.g. take-away food containers, disposable cups, possibly caps and lids, cotton buds, cutlery, straws and stirrers). For these items, the objective is to ensure they are captured or substituted by more sustainable alternatives (e.g. reusable cups). Options may include reduction targets, design requirements (e.g. replacement by materials, such as paper or wood, which degrade quickly in the natural environment, or design of lids and caps in a way that they cannot be detached from the bottle), or requirements for Member States to implement a charge at the point of sale.
- (3) **Items for which there are no readily available alternatives** (non-packaging: cigarette butts, sanitary applications, etc.). The objective is to significantly decrease littering of these items and this could be done by focusing on awareness campaigns, etc. Possible legal action could include applying the principle of Extended Producer Responsibility and/or labelling requirements targeting consumers.

These categories are indicative and could be adapted during the course of the assessment.

Complementary to legal action, voluntary commitments can be considered, awareness raising campaigns as well as research into alternative products and materials.

### Abandoned, lost and otherwise discarded fishing gear

Abandoned, lost and otherwise discarded fishing gear is currently addressed under the Control Regulation and the Directive on Port Reception Facilities. New measures could however provide incentives for fishers to bring back plastic waste they found in their nets as well as end-of use fishing gear, and thus contribute to reducing marine litter. This could potentially be achieved by the introduction of recycling targets and extended producer responsibility systems. Other potential solutions range from collection, deposit, disposal and recycling schemes, to the development of alternative materials and of new technologies.

## C. Preliminary Assessment of Expected Impacts

### **Likely economic impacts**

The proposed action can have positive economic impacts by reducing the costs of collecting litter, contributing to less navigation hazards, less entanglement and ingestion from marine species. . Current estimates of the damage to fishers - caused e.g. through fouling of propellers, blocked intake pipes and valves, snagging of nets, silting of cod ends and contamination of catch - range from 1% of the total revenue generated by the EU fleet in 2010<sup>1</sup> to 5% of revenue<sup>1</sup>, i.e. between €60 million and €300 million per year.

The reduction in litter on beaches and coastal waters may also enhance (sustainable) tourism.

Measures analysed may have negative economic impacts on some economic actors, in particular producers of targeted items and, eventually, consumers. At a macroeconomic level, the costs for producers could be partially offset by the opportunities that will be created for producers of alternatives. Consumers could incur higher costs through the increase in prices of targeted items and/or possible changes in the convenience of consumption, some of which could be merely temporary.

### **Likely social impacts**

The impact on jobs for some companies in the single use plastic production sector could be negative. However, job creation resulting from Research & Development, recycling and alternative products/materials is expected.

<b>Likely environmental impacts</b>
<p>The initiative should reduce the negative environmental impacts and, where relevant, related health impacts. These impacts include harm to marine animals and damage to fragile habitats such as coral reefs. Plastics littered eventually fragment into microplastics in water, leading to additional impacts on biodiversity and the food chain.</p> <p>Reduced consumption of single use plastics may also mean a reduction in the use of fossil fuels (90% of plastics use fossil fuels as feedstock) and consequent CO2 emissions. At the same time, the impact assessment will need to pay particular attention to the possible "unintended consequences" of actions targeting single-use plastics. Life-cycle environmental impacts will therefore also be assessed, in particular when it comes to potential substitution effects (e.g. replacing plastics with other materials).</p>
<b>Likely impacts on fundamental rights</b>
No impacts on fundamental rights are expected but will be carefully analysed if and where appropriate.
<b>Likely impacts on simplification and/or administrative burden</b>
No significant new administrative burdens are expected but will be carefully analysed if and where appropriate.
<b>D. Evidence Base, Data collection and Better Regulation Instruments</b>
<b>Impact assessment</b>
An Impact Assessment will be prepared.
<b>Evidence base and data collection [max 10 lines]</b>
<p>The Impact Assessment will benefit from the extensive work already undertaken in the past<sup>8,9</sup> as well as from the preparatory work for the Plastics Strategy.<sup>1011</sup></p> <p>Further analysis will be undertaken, considering the effectiveness of different options and their costs and feasibility. Attention will be paid as part of the feasibility analysis to the issue of subsidiarity and how to ensure flexibility for different approaches to be taken reflecting differing local concerns including in the outermost regions..</p>
<b>Consultation of citizens and stakeholders</b>
<p>A dedicated public consultation is being launched with the aim to receive input from the different stakeholders (plastic value chain, consumers of single use plastics, tourism and fisheries sectors, Non-Governmental Organisations and public in general) on the possible actions related on reducing the leakage of single use plastics.</p> <p>An 8 week consultation period is foreseen. The 2018 Circular Economy Stakeholder Platform Conference, that will take place on 20<sup>th</sup> February, will include a high level session on single use plastics and fishing gear.</p> <p>A synopsis report, a summary of all consultation activities' results, will be published on the consultation page. SMEs will be duly involved in the consultation.</p> <p>The launch of stakeholder consultations related to this initiative will be announced in the consultation planning that can be found at <a href="http://ec.europa.eu/yourvoice/consultations/docs/planned-consultations_en.pdf">http://ec.europa.eu/yourvoice/consultations/docs/planned-consultations_en.pdf</a></p> <p>The Commission launched an online public consultation from October to December 2013, focussing on possible actions, by different stakeholder groups, to address the issue of marine litter<sup>12</sup>. This consultation complements other exercises conducted by DG Environment, specifically those related to the waste target review (COM (2015) 595 final), on the Green Paper on Plastic Waste (COM (2013) 123 final), and on options to reduce the use of plastic carrier bags (COM (2013) 761 final).</p> <p>In the framework of the preparation of the Plastic Strategy, different stakeholders' consultations took place including 2 workshops on single use plastics on 16 June and 14 September 2017. The Stakeholder Conference on 26<sup>th</sup> September also had a specific panel on marine litter and single use plastics.</p>
<b>Will an Implementation plan be established?</b>
An implementation plan will be developed as need be, reflecting the final policy choice.

<sup>8</sup> [http://ec.europa.eu/environment/marine/good-environmental-status/descriptor-10/pdf/final\\_report.pdf](http://ec.europa.eu/environment/marine/good-environmental-status/descriptor-10/pdf/final_report.pdf)

<sup>9</sup> <http://ec.europa.eu/environment/marine/good-environmental-status/descriptor10/pdf/MSFD%20Measures%20to%20Combat%20Marine%20Litter.pdf>

<sup>10</sup> JRC data: <http://mcc.jrc.ec.europa.eu/dev.py?N=41&O=441>

<sup>11</sup> Eunomia (2017). Plastics: reuse, recycling and marine litter. Draft final report.

<sup>12</sup> [http://ec.europa.eu/environment/consultations/pdf/marine\\_litter.pdf](http://ec.europa.eu/environment/consultations/pdf/marine_litter.pdf)