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Page: 1/2

Committee on Technical Barriers to Trade

CHINA - CATALOGUE OF SOLID WASTES FORBIDDEN TO IMPORT INTO CHINA

STATEMENT BY THE UNITED STATES TO THE COMMITTEE ON TECHNICAL BARRIERS TO TRADE 6 AND 7 MARCH 2019

The following communication, dated 21 March 2019, is being circulated at the request of the delegation of the <u>United States</u>.

1. The United States would like to reiterate its concerns, as expressed during our last meeting in November 2018, regarding the negative trade and environmental impacts resulting from China's import ban, and accompanying measures, on certain recovered materials.

2. China has made certain references to environmental concerns and has invoked the legitimate objective of environmental protection as the rationale for the measures. Yet, China has provided no details as to what specific environmental concerns it is hoping to address, much less how these restrictive measures – including a full ban – are intended to alleviate any such environmental concerns.

3. China's current approach appears to be having the opposite effect. The most likely outcome of the ban is that reusable plastics will be redirected from productive purposes, such as recycling, to the waste stream.

4. We recognize and appreciate China's interest in addressing valid environmental concerns. We have repeatedly requested meetings with experts from China's Ministry of Ecology and Environment (MEE) to understand the environmental concerns China has and why these measures are necessary to address those concerns, and to work cooperatively to ensure that valid environmental concerns are met in the least trade restrictive manner possible. Yet, China has declined all such requests.

5. Instead of attempting to explain its environmental objectives and working constructively to minimize trade restrictions, China moved forward with the implementation of these highly trade-restrictive measures and even expanded the scope of restricted materials.

6. On 19 April 2018, several ministries issued a notice adding 32 new types of scrap and waste to the Catalogue of Prohibited Import Solid Waste. The United States requested, via Enquiry Point message, that this new notice be notified, as it now prohibits imports of a larger selection of materials. China declined the request. The United States urges continued transparency as these amendments and revisions are released.

7. The United States requests that China immediately suspend implementation of its import ban and its import control standards for recovered materials. We urge China to break its silence if it truly wants to address valid environmental concerns. And we request, at least in the interim, that China revise these measures in a manner consistent with existing international standards for trade in recycled commodities.

8. In July 2018, China released draft revisions to the Law on Prevention and Control of Environmental Pollution by Solid Wastes. As currently written, this draft Law appears to ban the import of all recyclable materials into China. The United States is very concerned with the overly broad scope of "solid waste" which can effectively result in an import ban on recyclable materials.

9. Recyclable materials (1) have been separated from the waste stream for recycling as a raw material and (2) are saleable items traded within a distinct global marketplace (*i.e.*, they have an underlying economic value). These qualities make the classification of recyclable materials as "waste" inaccurate.

10. The United States urges China to provide allowances for trade in recyclable materials and to properly define and distinguish "waste" from recyclable materials and scrap before finalizing and implementing this draft Law.

11. We request that China observe the normal sixty-day timeframe for comments consistent with the Committee Recommendation, and subsequently afford a reasonable transition period. China's notifications G/TBT/N/CHN/1211, G/TBT/N/CHN/1212, and G/TBT/N/CHN/1224 through G/TBT/N/CHN/1234 have all entered into force well before the customary six-month minimum timeframe for technical regulations.

12. Additionally, for a vast number of materials outlined in both the ban and import control standards, China appears to have no mandatory commensurate standard in place for domestic commodities.

13. For example, for the 21 categories of non-ferrous metal commodities subject to China's import control standard notified in G/TBT/N/CHN/1228, China appears to have only voluntary domestic standards in place for just three categories of non-ferrous metal (copper, aluminum, and zinc) and no domestic standards, voluntary or otherwise, for the remaining non-ferrous materials listed in the measure.

14. We remain concerned that a ban and related import control standards with such a broad scope may be more trade restrictive than necessary to fulfill the stated health and environmental objectives, and that there appear to be fundamental differences between requirements for foreign and domestic commodities.