

PlasticsEurope's position on Recycled Content for plastics packaging under the review of the Directive 94/62/EC on Packaging and Packaging Waste (PPWD)

European Plastics producers support setting a mandatory EU recycled content* target for plastics packaging in the revision of the Packaging and Packaging Waste Directive. We believe final targets should be set collaboratively with the institutions and value chain partners, but could be up to 30%, subject to certain necessary enabling conditions.

Packaging Value Chain effort on accelerating towards a more Circular Economy

- PlasticsEurope members support accelerating towards a more Circular Economy for plastic packaging in Europe.
- The revision of Packaging and Packaging Waste Directive creates an opportunity for value chain partners to work together in order to help the European Commission with policies that can be successfully designed, implemented and monitored.
- We believe final targets should be set collaboratively with the institutions and the value chain, but could be up to 30%, subject to certain necessary enabling conditions.

European plastics manufacturers will contribute to meet the recycled content targets in line with enabling conditions.

- We, as European plastics manufacturers, contribute to the recycling target by consistently supplying large amounts of high-quality recycled plastics. These should derive from all "waste materials" through a technology-neutral approach that includes both mechanical and chemical recycling to provide recycled content¹. PlasticsEurope's member companies are already planning to increase their investment in chemical recycling with a planned investment of **2.6 billion Euros by 2025, rising to 7.2 billion Euros in 2030**, and to produce 1.2Mt in 2025 and 3.4 Mt in 2030 of recycled plastics.²

For the above to be successful, a set of enabling conditions and methodologies/questions needs to be addressed and agreed:

EU Harmonised Policy Framework

- Successful implementation will greatly depend on a EU harmonised policy and regulatory framework that will promote collection, sorting and recycling (both mechanical, chemical and future innovative recycling technologies) that are underpinned by stimulus investments measures and the confidence to deliver the required accompanying infrastructure.

Promoting Recycled Content uptake role of Packaging and Packaging Waste Directive

- Harmonised rules on the use of recycled content³ in plastics packaging will help drive the market towards the uptake of increased quantities and qualities of recycled content, thus helping to avoid incineration and landfilling, and therewith contributing to European climate neutrality and circular economy goals.

¹ As per the recycling definition in the PPWD, article 3(7).

² <https://www.plasticseurope.org/en/newsroom/news/european-plastics-manufacturers-plan-over-7-billion-euros-investment-chemical-recycling>

³ (*) Attributed circularity or attributed recycled content to be deemed equivalent to recycled content and to count towards the set target.

How to measure recycled content Targets

PlasticsEurope supports target calculation as an average of plastic packaging placed on the EU market and measured at the point when packaging products are placed on the market. Implementation of targets should provide transparency and ensure compliance for imported unfilled packaging as well as packaged goods⁴.

Measurement should be based on verifiable data, for example through data that is, or will be, provided to EPR schemes, and through existing monitoring schemes such as PolyREC, created as part of the Circular Plastics Alliance (CPA) monitoring framework to track the ongoing commitments of the CPA to increase the total amount of recycled plastic in new products to 10M tonnes by 2025.

Mass Balance methodology in context of chemical recycling

Chemical Recycling is a complement to Mechanical Recycling and a prerequisite for achieving the high plastics packaging recycling rate target. Reaching the target and the recyclate qualities for all food packaging will require the additional quantities of high quality recyclates provided by chemical recycling from waste streams that otherwise would not be mechanically recycled into packaging. However, it requires significant investments to allow deployment at the scale. These should be put in place now, in order to ensure meeting future targets.

These will require:

- A workable and trusted Mass Balance approach to measuring recycled content⁵ (note that the tentative target of 30% is based on the current Mass Balance practice).
- Clear, simplified and timely food contact approval processes⁶.
- Incorporation of all recycling technologies⁷ in existing national and EU metrics, which as of today have been crafted from a mechanical recycling perspective.
- Certainty that the chemical recycling of any waste stream counts towards EU and Member State plastic recycled content targets, especially for application-specific requirements e.g. packaging-specific plastic recycling and recycled content targets, using the Mass Balance approach as mentioned above.

Regulatory clarity will allow industry to plan and secure the necessary required investments from 2021.

Recognition of pre-consumer waste as equally contributing to recycled content targets

Allow the use of recycled feedstock from pre-consumer and post-consumer plastic that have achieved waste status in accordance with the ISO 14021 standard. This excludes in-house Scraps / Reworked materials that are incorporated back into the same process.

- Pre-consumer material is included in the definition of waste in the Waste Framework Directive and the definition of packaging waste and the related plastic packaging recycling targets in the Packaging and Packaging Waste Directive.
- Pre-consumer waste needs more incentives for waste collection, sorting and recycling as an alternative route to incineration to reduce GHG emissions and landfilling.
- To scale up chemical and mechanical recycling, companies will need to have access to all plastics wastes i.e., pre-consumer and post-consumer waste.

⁴ This is in line with the harmonised EPR requirements.

⁵ Attributed Circular volumes from Mass Balance to be recognized as attributed recycled content and deemed to be equivalent towards the set targets.

⁶ For the use of recyclates in food contact applications for all types of polymers and recycling processes.

⁷ Including chemical and future recycling technologies.

- In general, pre-consumer waste has a better quality than post-consumer and mixing both wastes increases the capability to use more post-consumer waste in recycling, offering a better quality for additional applications.

Harmonized Policy Measures

- For such recycled content standards, ensure effective control measures at EU borders and complementary environmental diplomacy to foster similar approaches at international level.
- Guarantee a level playing field among Member States and between domestic and imported packaging materials supplemented by the free movement of plastic packaging waste for recycling in the EU Single Market and the free movement of resulting recyclates.
- Harmonised separate collection and sorting of all plastics packaging waste to maximise the quantities and qualities of plastics available for recycling thereby diverting it from residual waste streams that today are sent for incineration or landfill.
- Incentivise the recyclability and the use of recycled materials (e.g. EPR eco-modulation)
- Ensure an Open-Loop approach that allows for plastic waste from non-packaging sector to be used to provide high quality and virgin quality plastic recyclates for the packaging sector and one that allows recyclates from one packaging format to be used in another.
- Harmonise end-of-waste (EoW) provisions across Europe.
- Secured investments for sorting, collection, recycling technologies and accompanying infrastructures to improve and maximise the quality of recycled plastics and recycling rates.
- The measurement of volumes counting towards recycled content targets must be done on the basis of the average of plastic packaging placed on the EU market and NOT as a condition of sale at the level of an individual piece of packaging.

Therefore, PlasticsEurope supports the European Commission's call for action in the upcoming revision of the PPWD that plastic packaging placed on the EU market needs to contain recycled content by 2030.⁸ We believe final targets need to be set collaboratively with the institutions and the value chain, but could be up to 30%, subject to the necessary enabling conditions outlined in this paper.

The EU Single Market presents the greatest opportunity in reaching an ambitious target and a harmonised implementation and methodology is essential to this aim.

Such harmonized policy measures will require material suppliers, packaging converters, end-users and recyclers to work collaboratively to ensure that the quality and quantities of raw materials are available for all packaging applications and their requisite approvals when necessary. The regulator too has a critical role in providing in a timely manner for the necessary framework conditions for expanding the scope for permitted polymer recyclates in food packaging applications.

⁸ Feasibility, health and safety principles should be taken into account when regulating recycled content targets (e.g. medical applications).