

EXPRA's proposals for an enhanced Circular Economy and waste target review

The Extended Producer Responsibility Alliance (EXPRA) is calling on European policymakers to safeguard the primary role Extended Producer Responsibility (EPR) has to play in transitioning towards a circular economy. Our proposals aim at both clarifying and enhancing the new provisions, and are further explained below.

- 1. Producers - and the organisations implementing EPR on their behalf - perform general interest services by contributing to environmental protection, economic efficiency and social responsibility. Their non-profit character should be recognised within legislation.**
- 2. EPR general requirements should be maintained under the Waste Framework Directive, and tailored to the Packaging and Packaging Waste Directive so as to ensure efficient and effective EPR systems which beneficially serve society.**
- 3. Industry can only co-finance waste management activities that fall under their remit. Their costs need to be clearly spelt-out and properly demarcated.**
- 4. Litter clean-up is directly linked to consumer misbehaviour. It should therefore be dealt with as a waste preventive measure for which all stakeholders share responsibility.**
- 5. Recycling should be measured at the gate of the recycling plant, and be coupled with quality standards for waste materials. This will allow for quality recycling alongside reliable and feasible monitoring.**
- 6. Reliable data should be at the core of new waste target levels, which should be justified and technically feasible.**

In detail

- 1. Producers - and the organisations implementing EPR on their behalf - perform general interest services by contributing to environmental protection, economic efficiency and social responsibility. Their non-profit character should be recognised within legislation.**
- Firstly, EXPRA believes that the essence of EPR is the producer's responsibility for a product throughout its life cycle. Through EPR, the obligated industries are encouraged to improve packaging effectiveness through recycling innovation and technological development. This is due to the industry having the highest incentive to drive down costs for collection and recycling in the short- and long-term while ensuring their effective compliance.

- Secondly, EPR activities taken up by the obligated industry, or Producer Responsibility Organisations (PROs) operating on its behalf, display a public mission serving the collective interest. Their ultimate goal is to achieve a sustainable production and consumption-based society. Hence, EPR schemes enable a circular economy, through balancing cost with environmental performance, at the heart of a genuine public-private partnership.
- Thirdly, consumers indirectly pay the EPR bill when buying their packaged products as it is already included in the price. It is therefore in the consumers' interest that the revenue generated through these schemes is not used to generate profit but rather re-invested at an optimal societal cost.
- EXPRA therefore calls for the explicit acknowledgement, under both the Waste Framework Directive (WFD) and the Packaging and Packaging Waste Directive (PPWD), that the producer, or its PRO, implements non-profit services of general economic interest when delivering EPR.

2. EPR general requirements should be maintained under the Waste Framework Directive, and be tailored to the Packaging and Packaging Waste Directive.

- EPR is implemented in a variety of ways across the EU. Hence, EXPRA strongly supports the introduction of common, general EPR requirements under the WFD. Transparency standards, including financial-liability criteria, are necessary to ensure a level-playing field for producers and PROs, as well as other actors across the waste management chain.
- Importantly, EPR requirements should be also formalised in the PPWD, which is the legislative pillar for the packaging sector. Packaging is a complex waste stream involving a high number of companies from various industry sectors and requiring a dense waste management infrastructure. Specific common requirements are therefore needed to avoid overlaps, inefficiencies and conflicts of interest amongst operators.

EXPRA demands that these criteria allocate explicit roles and responsibilities to the various EPR players under the PPWD. In particular, Member States should establish an accreditation process that sets out the requirements for the obligated industry, or their PROs, while ensuring the right level of control and enforcement, as well as an independent central organisation (or clearing house). The latter should oversee and balance waste collection obligations between PROs operating simultaneously in certain Member States.

3. Industry can only co-finance waste management activities that fall under their remit and influence. Their costs need to be clearly spelt-out and properly demarcated.

- EXPRA recalls that each stakeholder can only be made financially responsible for the costs falling under their remit and influence. In this respect, producers cannot cover *“the entire cost of waste management for the products it puts on the Union market”*: their costs need to be spelt-out and properly demarcated.

- Furthermore, the costs emerging from separate collection, sorting and treatment operations should be limited to municipal waste given that the market for commercial and industrial packaging is, in this respect, different.

4. Litter clean-up is directly linked to consumer misbehaviour. It should therefore be dealt with as a waste preventive measure for which all stakeholders share responsibility.

- Companies are neither the main littering source nor have extended responsibility over it. Packaging waste that is either littered or ends up within municipal solid waste is the result of consumers inadequately using separate-collection infrastructure as well as insufficient collection infrastructure set up by local authorities.
- Industry already finances awareness-raising campaigns addressed to consumers. In fact, they provide these with information on how and why they should sort their waste separately and avoid littering. This is a waste preventive measure that producers can implement within their remit.
- Instead, littering should be built upon the ‘Polluter Pays’ principle as all stakeholders, within the value chain, play a role in preventing waste generation. It should therefore be dealt with under Article 9 on ‘Prevention’ of the amended Directive 2008/98/EC on waste.
- This approach would allow for a multi-faceted approach embracing an adequate legislative framework, appropriate collection infrastructure, sound waste management and education.

5. Recycling should be measured at the gate of the recycling plant, and be coupled with quality standards for waste materials. This will allow for quality recycling alongside reliable and feasible monitoring.

- The current Commission proposal supports recycling being calculated after a number of preliminary operations occurring within the recycling plant. Our view is that this poses significant consistency and quality challenges to recycling calculation, as follows:
 - Given the international aspect of the recycling market and the usual mixing of various waste components in a recycling process, it is not always possible to allocate losses in recycling processes to individual (packaging) waste streams and obtain complete, reliable and accurate recycling data.
 - By-products of a recycling process, which are usually recycled, are hard to be traced as these are sometimes sent to other recyclers, even in other countries, that cannot determine the origin of the material without massive administrative implications.
 - PROs, which are the accountable organisations for recycling target compliance on behalf of the producers, have to report on both waste materials per waste stream and per country. This data can only be ascertained until the gate of the recycling plant, i.e. before the waste batches are mixed within it, in order to deliver reliable statistics.

- Following our own assessment of the effect of changing the current recycling calculation on the circular economy, we believe that recycled waste should be measured at the gate of the recycling plant.
- At the same time, EXPRA is fully aligned behind the need for ensuring that waste materials that are accounted for as recycled have adequate quality attributes. This is why we are also proposing that, in parallel, specific quality standards for waste materials be introduced at EU level, building on current national best practice.
- It must be noted that recycling quality is less dependent on where it is measured, but more on the waste materials' attributes which standards can effectively reflect. The latter are moreover relevant to identify those waste materials that may not be recycled after all and should not be accounted for in recycling reports.

6. Reliable data should be at the core of new waste target levels, which should be justified and technically feasible.

- It must be recalled that, currently, EU statistics do not show a fully comparable and reliable understanding of packaging recycling across the EU. An EXPRA-owned study disclosed that, between 2006 and 2012, data inconsistencies and variances were so large that it would be premature to affirm that Member States have actually reached their packaging waste targets.
- EXPRA therefore welcomes the proposed measures to align the level of quality of Member State reporting to the European Commission, which would facilitate the task of identifying the most cost-effective solutions in the future. In light of the state of play, however, the proposed waste target levels require further examination.

About EXPRA

Founded in 2013, EXPRA is the Extended Producer Responsibility Alliance – the organisation for packaging and packaging waste recovery and recycling systems which are owned by the obliged industry and work on a not-for-profit or profit not for distribution basis. EXPRA acts as the authoritative voice and common policy platform representing the interests of its members, which are all founded and run by or on behalf of the obliged industry. Over the past 20 years, our 25 members across 23 countries, including 17 EU Member States, have co-organised the collection, sorting and recycling of used packaging (with a focus on household packaging) on behalf of the obliged industry. In so doing, they fulfil their legal take-back and recycling obligations, serving over 200 million inhabitants and recycling over 18 million tons of packaging per year.

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