Circular Economy Package
Joint cross-industry packaging value chain recommendations for the legislative review of the WFD and PPWD.
Following the European Parliament’s plenary vote

Throughout the years, our industries have constructively cooperated with EU policy-makers to help define a balanced and practical EU policy framework towards achieving the Circular Economy’s objectives. We are pleased some of our suggestions are being addressed in this complex file. Despite this progress, severe concerns remain with certain proposals. These relate to business and/or Internal Market impacts, while not necessarily leading to net environmental improvements. The diversity of co-signatories to this statement illustrates that the legislative outcome will affect a substantial part of EU industry.

Taking into account the European Parliament’s position as adopted in plenary vote, the undersigned organisations herewith present common recommendations for the Waste Framework Directive (WFD) and Packaging and Packaging Waste Directive (PPWD) to the EU institutions.

In addition to ensuring full implementation and enforcement of existing EU laws:
1. Maintain EU Internal Market as sole legal base (art 114 TFEU) for the PPWD to safeguard the free circulation of packaging and packaged goods
2. Ensure Extended - not Endless - Producer Responsibility for packaging waste management
3. Develop an EU harmonised calculation methodology with clarified definitions and robust data prior to assessing the feasibility of setting quantitative targets for reusable packaging
4. Set packaging recycling targets that are realistic and achievable, with clear and EU harmonised definitions and a packaging recycling calculation method

1. Maintain EU Internal Market as sole legal base (art 114 TFEU) for the PPWD to safeguard the free circulation of packaging and packaged goods

- The PPWD is different from pure EU waste stream directives because it integrates both product requirements (including provisions relating to the functionalities and trade of packaging/packaged goods) and packaging waste (including trade of secondary raw materials) measures. This integrated life-cycle approach of the PPWD has been the major reason for its success over the years and has contributed to packaging innovation and effective packaging waste management, to the benefit of business, consumers and the environment. Ongoing and future legislative measures must take account of the wide variety of packaged products and the particularities of their (material and sector) value chains.

1 This statement does not preclude each of the undersigned organisations from issuing individual positions that are more focused on their specific sectors.
Therefore, we strongly support safeguarding the PPWD’s Internal Market legal base (Art.114 TFEU) and its dual objectives, i.e. internal market for packaging & packaged goods, as well as environmental protection. This provides businesses with the security they need to invest and roll out the innovations required to actually achieve the sustainable growth objectives of the Circular Economy Package. Equally, Member States should be able to continue export and import of packaged goods without barriers or restrictions due to a potential loss of the Internal Market scrutiny or overly prescriptive environmental legislation in other Member States. Consequently, it is important that the role of the PPWD, and its legal base, in safeguarding against protectionist measures, market distortions and fragmentation must be maintained and strengthened. This protection ensures the free movement of packaged goods (i.e. the quasi-totality of consumer goods) and not just packaging per se. This is because packaging is part of the product and therefore intrinsically connected with the product it contains.

Recommendation: Ensure that the Internal Market’s free circulation of packaging and packaged goods is explicitly and consistently safeguarded in relation to the legal base of the PPWD (Art. 114 TFEU) and consequently in all specific measures currently under review. This relates specifically to suggested measures on packaging reuse, reduced consumption of certain types of packaging, economic instruments and national waste reduction targets, as well as for future legal reviews of the PPWD.

2. Ensure Extended - not Endless - Producer Responsibility for packaging waste management

- We welcome the Parliament’s efforts to clarify the proposed EPR EU harmonised General Requirements. Our industries support such requirements that will increase transparency, cost efficiency, accountability and enforcement of EPR obligations at national level.

- More accountability will help ensure that producers know what they are paying for, and that all stakeholders fulfil their respective Roles and Responsibilities, defined at national level. For instance, we appreciate Parliament’s efforts to demarcate the producer’s responsibility with a closed list of costs. Producers’ responsibility covers the separate collection and sorting of packaging waste to help meeting packaging recycling targets. To require producers to cover the “entire cost of waste management” implies a role and responsibility that is disproportionate to this responsibility. In this respect, we support the important link between producers’ financial obligations under EPR and EPR’s objective to help achieve packaging recycling targets.

- Importantly, we support the maintenance of the net cost principle to take into account the revenue from sales of secondary raw materials from packaging and the concept of an optimised cost for services provided by public sector actors.

Recommendations: Bring further legal clarity to the definition and objectives of EPR, and ensure producers’ costs are proportionate in view of their nationally-determined role and
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responsibility by:

- demarcating EPR costs for producers through a closed list, proportionate to producers’ roles and responsibilities at national level;

- specifying “treatment operations” with a preceding “related” in order to clarify “treatment operations” and demarcate a producer’s responsibility to the separate collection and sorting of packaging waste for recycling (new Art. 8a(4)a);

- supporting EPR harmonised general requirements as a tool to reach legal packaging recycling targets (Art. 8a);

- implementing and enforcing the existing separate collection requirements (art. 11 of the 2008 WFD) in all Member States. In addition, separate collection should remain explicitly and exclusively linked to achieve legal packaging recycling targets, within producer’s EPR obligations (see also next bullet);

- requiring that any additional quantitative and/or qualitative targets set within the framework of EPR schemes must be proportionate and non-discriminatory, in conformity with the Treaty.

3. Develop an EU harmonised calculation methodology with clarified definitions and robust data prior to assessing the feasibility of setting quantitative targets for reusable packaging

- The co-signatories are not against reusable packaging per se, as reusable packaging has proven its value under specific conditions, based on proper life cycle assessment and respect for the proper functioning of the Internal Market.

- We support robust data collection and verification, together with the development of a baseline, and clarified definitions prior to assessing the feasibility of setting national quantitative targets for reusable packaging. That is why we oppose an EU legal target for reusable packaging imposed on all 28 Member States. We support MEPs and Member States’ call not to mix waste with products and thus to maintain the current definition of “preparing for reuse” in the WFD. “Preparing for reuse”, i.e. applying to products that enter into a waste phase, differs from “reuse”\(^2\), which applies to products that are not considered “waste”. This distinction will help allow the crediting of reuse efforts as follows: Member States currently report on “packaging placed on the market” (all packaging) as a proxy for “packaging waste generated” (which should exclude reusable packaging). Allowing Member States to deduct reusable packaging from “packaging waste generated”.

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\(^2\) “reuse” is defined under the 94/62/EC PPWD as “any operation by which packaging, which has been conceived and designed to accomplish within its life cycle a minimum number of trips or rotations, is refilled or used for the same purpose for which it was conceived, with or without the support of auxiliary products present on the market enabling the packaging to be refilled; such reused packaging will become packaging waste when no longer subject to reuse.”
waste generated" when calculating recycling rates, would give credit to those Member States who have invested in reuse systems, while making the data a more accurate reflection of reality.

Recommendations:

- Develop an EU harmonised calculation methodology for reusable packaging with clarified definitions for “reuse”, “preparing for reuse” and “recycling”, with robust data and a defined baseline prior to assessing the feasibility of setting quantitative targets for reusable packaging;

- Member States should not classify as waste packaging that is intended to enter a reuse system at the time it is placed on the market because it is not at that point in time “packaging waste generated”. Therefore, Member States should be able to deduct that reusable packaging placed on the market from “packaging waste generated” in order to calculate national recycling rates. Hence, “packaging waste generated” cannot be deemed equal to “packaging placed on the market”.

4. Set packaging recycling targets that are realistic and achievable, with clear and EU harmonised definitions and a packaging recycling calculation method

- Robust measurement and accurate reporting are crucial to ensure transparent and comparable data across the EU. The Commission’s proposal rightly establishes the point of measurement for packaging recycling as the point of input to a recycling plant (at the gate) (new Art 11a(1) WFD). The option to count output from final sorting operations (i.e. before it reaches the gate of a recycling plant) under certain conditions is fully consistent with this measurement approach (new Art 11a(3) WFD). Nevertheless, it seems different interpretations and wordings still occur. We welcome further clarification to ensure harmonisation and comparable results, as well as seeking confirmation of our understanding.

- Packaging recycling targets need to consider questions of both feasibility and the cost/benefit balance of environmental and financial considerations. There comes a point where higher levels of recycling will not yield additional environmental benefits relative to the resources invested in the process. Energy recovery should be considered in these instances. Life-cycle analysis provides the appropriate tools to inform the optimum targets.

- The calculation method for packaging recycling needs to be workable in the specific context of packaging waste, as well as for the general calculation method for municipal waste. The current Commission proposed Annex VI of the WFD cannot be fully applied to packaging as elements such as “component” are not applicable to the packaging context.
Recommendations:

- Support the point of measurement as input to a recycling plant (at the gate), including the option to count output from final sorting operations (i.e. before it reaches the gate of a recycling plant) under certain conditions. We welcome further clarification and harmonisation of the wording in this regard;

- Set achievable packaging recycling targets. Assess the impact of a sharpened methodology and clarified definitions on existing rates; ensure that the new targets take into account changed - lower - starting points, different packaging waste management infrastructure, as well as different packaging waste generation and implementation capacities of the EU-28 Member States;

- Ensure that the calculation method for packaging recycling is applicable and appropriate in the context of packaging.

The undersigned organisations call on the EU institutions to reach an agreement that strikes the right balance between the environmental, social and economic objectives of an evidence-based and realistically achievable Circular Economy package. Together with an explicit Internal Market protection, this will ensure the EU’s Circular Economy Package actually delivers tangible and sustainable benefits for European citizens, businesses and society as a whole.

Signed by the following industry organisations (in alphabetical order):

AGVU - Arbeitsgemeinschaft Verpackung und Umwelt e.V., Germany

AIM – European Brands Association

A.I.S.E. – The International Association for Soaps, Detergents and Maintenance Products

ARA – Altstoff Recycling Austria AG Packaging Compliance Scheme, Austria
ARAM – Romanian Association for Packaging and the Environment

BIHPAK – Bosnia and Herzegovina Association for Packaging & Packaging Waste Management

CICPEN – Czech Industrial Coalition on Packaging and the Environment

Cosmetics Europe – The Personal Care Association

DSD - Der Grüne Punkt Dual System for Packaging Recycling, Germany

Eco-Emballages – Packaging Recovery Association, France

EDANA – The voice of European nonwovens industry

EUROCOMMERCE – The voice of retail and wholesale in Europe

European Aluminium
EAFA- European Aluminium Foil Association

EUROPEN – The European Organization for Packaging and the Environment

EPRO – European Association of Plastics Recycling & Recovery Organisations

EXPRA – Extended Producer Responsibility Alliance

FEA – European Aerosol Federation

FEVE – The European Container Glass Federation

Flexible Packaging Europe

FoodDrinkEurope - The organisation of Europe’s food & drink industry
IK- Industrievereinigung Kunststoffverpackungen e.V., Germany

INCPEN - The Industry Council for Research on Packaging and the Environment, UK

INTERGRAF – European Federation for Print and Digital Communication

Metal Packaging Europe

Miljöpack – Trade Industry Group, Sweden

Pack2Go Europe - Europe’s Convenience Food Packaging Association

Pakkaus – Finnish Packaging Association

REKOPOL - Recovery Organisation S.A., Poland

REPAK - Packaging Recovery Organisation, Ireland

Serving Europe - Branded Food and Beverage Service Chains Association
SLICPEN – Slovak Industrial Coalition on Packaging and the Environment

Sociedade Ponto Verde, S.A. – Packaging Recovery Organisation, Portugal

TIE-Toy Industries of Europe

UNESDA – Union of European Soft Drinks Associations

Valpak - Environmental Compliance, Recycling and Sustainability Solutions, UK