

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.

The new Circular Economy Package acknowledges that EPR forms an essential part of an efficient waste-management process. This approach must now be translated into specific policy deliverables for EPR schemes within the reviewed EU waste legislation.

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.

- 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, EXPRA believes in EPR's inherently non-profit character. Within it, 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 money 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.

In so doing, producers and PROs should operate in a transparent and auditable manner, and involve all stakeholders from the government, local authorities, inhabitants, recyclers and the waste management industry under EPR schemes.

- Finally, EPR within the packaging field should be made binding. This requires harmonised rules embracing all relevant stakeholders, within a spirit of shared responsibility, as well as Member States, comprising those where EPR schemes are yet to be established.

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

- EPR is an efficient tool that helps Member States to move towards more sustainable waste management. Given that EPR is implemented in a variety of ways across the EU, it is important that the EPR principle is appropriately incorporated into EU waste legislation, and that strong and clear general requirements for EPR schemes are set.
- 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.

However, 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.

- 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. The main principles of these roles and responsibilities should include, inter alia, the following:

- Member States establishing an accreditation process that sets out the requirements for the obligated industry, or their PROs, while ensuring the right level of control and enforcement. This should include certification requirements for PROs.
- Member States establishing an independent central organisation - or clearing house - meant to oversee and balance waste collection obligations between PROs operating simultaneously in certain Member States. This requirement should spell out the functions of such an organisation.

- Local authorities organising separate collection, when this falls under their remit, in coordination with industry, while promoting incentives for citizens to separate their waste.
- Waste management and recyclers reporting the quantity of packaging materials gathered, recycled and recovered, per material type, in accordance with relevant legislation.
- Finally, the Alliance strongly supports the establishment of an EPR information exchange platform. The initiative will certainly contribute to identifying best practice across the EU, as well as understanding the difficulties facing some Member States. With over 20 years of experience in this field, EXPRA would be delighted to take part in this platform.

3. The final recycling process should begin at the entrance of the recycling plant, and be coupled with material-specific quality standards.

- EXPRA welcomes the options set out for recycling measurement, which take into account the various modalities through which recycling can be calculated. While certain technicalities require further clarification, efforts should be directed towards ensuring quality recycling.
- In this respect, EXPRA proposes that the “final recycling process” definition be adjusted. The “final recycling process” should begin when no further sorting is needed to select the waste materials to be recycled, i.e. prior to the actual recycling process occurring. Waste materials will subsequently enter a production process to be effectively reprocessed into products, materials or substances.

This approach would avoid practical barriers to recycling reporting, as explained below:

- 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.
- The level of monitoring that the above-mentioned process would require could end up introducing an additional layer of data complexity. The latter would further reduce the reliability of the data available today.
- Furthermore, EXPRA proposes that material-specific quality standards be introduced at EU level so as to complement the proposed definition. These would help ensure that waste materials are of an adequate quality for recycling. Additionally, they would guarantee a level-playing field across the bloc given that these standards would be comparable. This is especially relevant as the parties that supply waste to recyclers, and have to report its recycling, are not always best placed to make operational decisions on what is actually being recycled.

While the European Commission defines these standards alongside relevant stakeholders, published national quality standards should apply.

- Furthermore, EXPRA welcomes that, under certain conditions, the weight of the output of sorting operations may be reported as the weight of the municipal or packaging waste recycled. However, it should be made explicit that these operations include “sorting at the source”, i.e. the sorting performed by consumers, which is particularly relevant to mono materials’ collection, such as glass. It must be recalled that, in any event, the output of this collection would only be considered so long as operators achieve a material level of at least 90 per cent, subject to a final recycling process, as established by the new target calculation specifications.

4. 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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