

EXPRA's position on a new Circular Economy Proposal

Ahead of the new proposal, EXPRA (the Extended Producer Responsibility Alliance) calls on policymakers to safeguard and reinforce the primary role that **Extended Producer Responsibility (EPR)** has to play in the transition towards a circular economy.

According to the OECD, *EPR is an environmental policy approach through which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle.* We believe that the OECD definition should be formalised in European law. This needs to be accompanied by **minimum requirements for EPR**.

In order to achieve economic and environmental excellence, EXPRA advocates for Producer Responsibility Organisations (PROs) to be obliged industry-owned and operate on a not-for-profit or profit-not-for-distribution basis.

At the same time, we highlight that new **waste management targets** need to be realistic and based on reliable statistics. **Data harmonisation** should therefore be at the centre of the legislative review. Our key messages are further explained below.

EXPRA's key messages

Need for introducing EPR minimum requirements in EU Waste Directives

EPR is an important tool that helps Member States to move towards more sustainable waste management. In order to ensure a streamlined implementation of EPR across the bloc, it is important that the EPR principle is appropriately incorporated into EU waste legislation and that strong and clear minimum requirements for EPR schemes are set.

- The *Waste Framework Directive (WFD)* spells out the principles and definitions related to waste management. It is essential that the formalisation of the EPR definition is included within this Directive, and that EPR minimum requirements are recognised on a general level as well. This will lay the foundations for a fair level playing field for waste management operators across the EU.
- The *Packaging and Packaging Waste Directive (PPWD)* is the key Directive for the packaging sector. EXPRA demands that legislators include detailed minimum requirements for EPR within this Directive. This has been backed by the Commission's Ex-Post Evaluation of the Five Waste Stream Directives, which notes that EPR is subject to both the WFD and PPWD, and 'in need of further alignment as well as further development in both Directives'¹. Packaging is a very specific waste stream involving a high number of companies obliged by EPR legislation and requiring a dense infrastructure especially for packaging arising at the municipal level. This is why specific criteria needs to be incorporated into the PPWD.

With a view to harmonising legislative approaches in EPR environmental policy, the PPWD could follow the precedent set by the Directive on waste electrical and electronic equipment (WEEE). The latter explicitly recognises the principle of producers responsibility, or third parties acting on their behalf, to create the link between the production and the waste phase of a product. The various actors involved in the life cycle of electrical and electronic equipment, such as producers, distributors, local authorities, consumers and operators of collection and treatment, take part in this process.

- EPR minimum requirements should embrace inter alia the following elements:
 - **Defining roles and responsibilities amongst stakeholders.** While producers have a key role to play in implementing EPR, all actors in the value chain, from packaging production through to the recycler, should bear specific responsibilities. They should therefore run the EPR model and their roles with regard to collection, sorting and recycling should be defined by legislation as their operations affect the remit of producers and importers, especially if they have a substantial financial responsibility to cover the costs for running this EPR scheme.
 - **Clarifying stakeholders' financial liability.** Each stakeholder can only be financially responsible for the costs falling under their remit and influence. In this respect, obliged industry can only be made accountable for the costs allocated to the take back of packaging waste in to a recycling/recovery process exclusively within their dedicated collection systems. Packaging waste that is either littered or ends up within municipal solid waste due to inadequate use by the consumer of the existing infrastructures for selective collection should not belong to the financial responsibility of EPR systems.

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- **Ensuring a transparent accreditation process for PROs.** On behalf of obliged industry, Producer Responsibility Organizations fulfil legal obligations and contribute substantially to achieving national recycling targets. Given their central role in waste management, a strict authorisation process for PROs should therefore be put in place by national governments. The accreditation needs to be further accompanied by strict and permanent audits.

Need for realistic waste management target levels

Waste target levels

- It is important that EU waste targets are realistic and up-to-date. The legislative review is a necessary exercise, but any new targets need to be realistic and justifiable from both an economic and environmental perspective. EXPRA's own research concludes that it is feasible to determine **optimum and maximum levels for recycling**. Waste management is also a field where performances still vary across Member States. EXPRA supports an approach through which national circumstances are considered when setting recycling targets, for instance through derogation schemes, in a bid to find tailored solutions to shortcomings while enhancing enforcement. It is also important that mechanical recycling and preparation for re-use targets are not mixed as this could lead to uncertainties stemming from differing interpretations of what these definitions stand for and how these targets should be calculated.

The need for consistent and reliable data

- The Waste Fitness Check (WFC) confirms that **Member States report data that is not reliable, coherent and comparable**² and that the latter operate on different interpretations of recycling and recovery. The EUNOMIA Waste Target Review Study moreover explains that there is currently no consistent reporting methodology at European level and that the data are unreliable and not comparable³. These findings support EXPRA's own research findings that demonstrate that, on this basis, it is difficult to affirm whether all Member States comply with the current recycling targets under the PPWD. EXPRA would therefore welcome **additional 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. These could take the form of alternative reporting, through which Member States explain their measurement system and the quality of the results. Ideally, an updated, more detailed reporting methodology should be developed.

Quality of recycled materials and measurement point

- When developing new proposals, EXPRA also calls on policymakers to **enforce the existing measurement point for recycling**, based on the input of the recycler entering a recycling process without significant losses⁴. EXPRA also promotes the evaluation of **complementary measures** with the potential to bring about recycling quality and improve transparency of the recycling processes. The introduction of recycling input specifications and certification programmes for recycling processes should be further examined within this context.

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 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 obliged industry. Over the past 20 years, our members across 20 countries thereof 15 EU Member States have co-organised the collection, sorting and recycling of used packaging (with a focus on household packaging) on behalf of obliged industry, to fulfil their legal take back and recycling obligations, serving over 200 million inhabitants and recycling over 14.5 Million tons of packaging per year. For more information, please visit www.expra.eu.

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² Page 17

³ Pages 32, 38 and 51

⁴ COMMISSION DECISION of 22 March 2005 establishing the formats relating to the database system pursuant to Directive 94/62/EC of the European Parliament and of the Council on packaging and packaging waste.