

EUROPEN recommendations on EPR for post-consumer packaging in Europe Executive Summary

On behalf of the packaging supply chain, EUROPEN – The European Organization for Packaging and the Environment - is pleased to contribute to current EU policy discussions on Extended Producer Responsibility (EPR) schemes for packaging waste and to share its recommendations, in the context of the ongoing review of the EU Packaging and Packaging Waste Directive (PPWD).

As indicated in the Commission's Roadmap for a Resource Efficient Europe¹, a fundamental step in the transition to a circular economy is to ensure that existing EU waste legislation is implemented and enforced in all Member States. In this respect, it is critical that EPR schemes are expanded and improved in light with good practice, a view also supported by the European Resource Efficiency Platform². EPR schemes have been instrumental in meeting and often exceeding targets set in the PPWD, as well as facilitating its implementation.

Our recommendations are based on the expert assessment and conclusions of EUROPEN members, including companies that are required to fulfil producer responsibility obligations at national level. A number of our members are founder members and shareholders of EPR schemes³ set up to meet national packaging waste targets. The recommendations below provide effective guiding principles to address current and future challenges in setting up and running EPR schemes and to ensure fair competition and a level playing field.

EUROPEN Recommendations on EPR for post-consumer packaging⁴:

1. Full implementation and enforcement of EU waste legislation in all Member States.

This is a pre-requisite to ensure conditions for effective separate collection of post-consumer packaging in sufficient volume and value to minimize exports of secondary materials to third party countries, to secure fair competition for European recyclers, and to stimulate additional investment in recycling technologies.

2. Maintain the legal base, objectives and core provisions of the PPWD, while amending environmental provisions to drive collection and recycling/recovery of post-consumer packaging.

EUROPEN strongly supports the PPWD, including the internal market principle as its sole legal base⁵. In our view the directive's dual objectives—to protect the environment whilst securing the free movement of packaging and packaged goods throughout the EU, as well as avoiding divergences in national policies — remain valid today. However, new challenges related to its environmental objective require the PPWD to be updated so that it can continue to be relevant and effective and help the EU meet the aspirational objectives set in the EU Resource Efficiency Roadmap.

3. Introduce in the PPWD an EU harmonised definition for EPR and align the definitions of recycling and recovery with those in the WFD.

EUROPEN supports the OECD's definition of EPR⁶ and supports the introduction of a harmonized definition of EPR, to apply across all relevant EU and national legislation. Similarly, EUROPEN supports the harmonisation of the definitions of recycling and recovery in the PPWD with those in the WFD⁷.

4. Introduce in the PPWD a requirement for Member States to allow obliged industry to choose how to fulfil their legal obligations and to control performance and costs.

² EREP recommendations for Action for a Resource Efficient Europe: <u>http://ec.europa.eu/environment/resource_efficiency/re_platform/</u>

http://www.oecd.org/document/19/0,3343,en_2649_34281_35158227_1_1_1_1,00.html

¹ Roadmap for a Resource Efficient Europe: <u>http://ec.europa.eu/environment/resource_efficiency/about/roadmap/index_en.htm</u>

³ EPR Schemes include 1) compliance schemes – organisations whose main purpose is to offer compliance with requirements on recycling and recovery of packaging waste, and to manage take-back obligations, on behalf of the obliged industry (collective compliance). 2) Packaging Recovery Organisations (PROs) – organisations that offer commercial services and operations linked to packaging recovery management to the obliged industry.

⁴ Primary and secondary packaging generated by households, away-from-home and at closed surroundings (e.g. small businesses, bars, restaurants, public events, schools) insofar as the type of packaging/volumes consumed are similar to households.

⁵ Art.114 in TFEU on the establishment and functioning of the Internal Market

⁶ OECD definition of EPR: "an environmental policy approach in which a producer's responsibility (physical and financial) for a product is extended to the post-consumer state of a product's life cycle. There are two features of EPR policy: (1) the shifting of responsibility (physically and/or economically, fully or partially) upstream toward the producer and away from municipalities, and (2) to provide incentives to producers to take environmental considerations into the design of the product."See

⁷ Waste Framework Directive 2008/98/EC: <u>http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2008:312:0003:0030:en:PDF</u>



Obliged industry must be granted the right to strongly influence separate collection, sorting and recycling/recovery and to drive cost-efficiency to ensure the lowest sustainable cost to consumers and society. The options available should include self-compliance or collective compliance, for example through an EPR scheme. Mandated transparency on material flows, cost and performance of compliance/schemes is key.

5. Introduce in the PPWD a provision which requires Member States to assign roles and responsibilities to public authorities (municipalities) and economic operators.

Obliged industry, the municipalities and citizens each have specific roles and responsibilities to perform in order to ensure the separate collection, sorting and recycling or recovery of post-consumer packaging. Obliged industry accepts its specific responsibilities for the organisation and associated funding of separate collection and sorting of post-consumer packaging. Obliged industry cannot however accept costs from other parties over which it has no control. Residual waste (including packaging waste not collected separately for recycling and/or recovery) from households and public areas should remain the responsibility of municipalities.

6. Specify requirements for separate collection of post-consumer packaging in the PPWD, for example by setting a recovery/recycling target for post-consumer packaging.

Collection of post-consumer packaging separately from organic or industrial, commercial and institutional (ICI) packaging waste is essential to ensure sufficiently high levels of both quality and quantity to make recycling and recovery economically viable and environmentally beneficial. This would also support the recommendations in the European Commission's roadmaps⁸ to apply incentives for citizens to separate household waste (e.g. pay-as-you-throw, landfill gate fees).

7. Introduce in the PPWD minimum requirements for all EPR schemes and a requirement for Member States to enforce them via authorisation procedures.

This would facilitate compliance monitoring for Member States, ensure fair competition between multiple schemes, and discourage free riders. Minimum rules for all EPR schemes (regardless of their ownership)should cover areas such as scope (geographic scope, types of packaging material to be covered), transparency (material flows, cost, tendering procedures), consumer information, monitoring, reporting and audits, and financial solidity.

8. Harmonise rules for calculating and reporting packaging recycling and recovery rates

Harmonized calculation and reporting methods at EU level would ensure that data can be tracked and compared between member states effectively. This must be combined with harmonised definitions of 'recycling' and 'recovery', along with a clear distinction between post-consumer and industrial, commercial and institutional packaging waste.

Read EUROPEN's position paper on EPR for packaging waste enclosed and/or on <u>www.europen-packaging.eu/component/downloads/downloads/1375.html</u>

October 2013

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⁸ European Commission, Guidance on the interpretation of key provisions of Directive 2008/98/EC on waste, June 2012