

## **Joint industry statement on references to “state-run producer responsibility organisations” in the PPWR**

### **Summary**

The undersigned organisations call on EU legislators to delete the references to ‘state-owned producer responsibility organisations’ in recital 97a, Article 39.7b and Article 42.6 of the draft PPWR.

The inclusion of such provisions in EU legislation would reverse progress made in the 2018 revisions of the WFD and PPWD, undermine the EU’s ability to provide leadership on EPR in a global context, create legal loopholes that Member States could use to avoid meeting legal obligations.

If implemented, it would cause packaging recycling rates to go down, hampering producers’ ability to fulfil their obligations and to meet the minimum requirements for placing packaging on the market, thus undermining the PPWR core recycling objectives and the packaging chain’s contribution to achievement of the EU goal of net zero by 2050.

The undersigned organisations representing companies from the entire packaging value chain are extremely concerned by the last-minute inclusion in the Council’s General Approach of references to ‘state-run producer responsibility organisations’. We find incompatible with the concept of producer responsibility the notion that such producer responsibility organisations have “no represented producer mandate” (recital 97a). Recital 97a, Article 39.7b and Article 42.6 would result in PROs serving only as an entity to collect taxes for a State’s Treasury and help the Member State fulfil its reporting obligations. It would in no way exercise the core function of a PRO, which is to fulfil producers’ responsibilities on their behalf. This interpretation is backed up by the Organisation for Economic Co-operation and Development’s (OECD) observation that “*state-owned PROs*” are a form of tax and cannot be considered as EPR since they contradict the minimum requirements for EPR schemes in Art 8a of the WFD<sup>1</sup>.

The inclusion of such provisions in EU legislation would reverse progress made in the 2018 revisions of the WFD and PPWD, undermine the EU’s ability to provide leadership on EPR in a global context, and set a precedent for loopholes allowing Member States to avoid meeting their legal obligations. If implemented, it would cause recycling rates to go down, hampering producers’ ability to fulfil their obligations and to meet the minimum requirements for placing packaging on the market, thus undermining the PPWR’s core recycling objectives. Achievement of such objectives, which are part of the EU’s Green Deal and contribute to the goal of net zero by 2050, should not be jeopardised in this way.

The undersigned organisations therefore call on EU legislators to delete the references to state-owned PROs in recital 97a, Article 39.7b and Article 42.6.

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<sup>1</sup> See OECD presentation at the launch event of the Global Action Partnership for EPR, on 19 October 2023. The recording of the event are available [here](#).

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## Signatories



ACE - the Alliance for Beverages Cartons & the Environment



AIM - European Brands Association



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



APEAL - The Association of European Producers of Steel for Packaging



CEFLEX - A Circular Economy for Flexible Packaging



CICPEN - Czech Industrial Coalition for Packaging and the Environment



Der Grüne Punkt

**europeanbioplastics** EUBP - European Bioplastics



EuPC - European Plastics Converters



EUROPEN – The European Organisation for Packaging and the Environment



EXPRA - Extended Producer Responsibility Alliance



FDE - FoodDrinkEurope



FEVE - European Container Glass Federation



FPE - Flexible Packaging Europe



IK - Industrievereinigung Kunststoffverpackungen

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INCPEN - The Industry Council for Packaging & the Environment



MPE - Metal Packaging Europe



NMWE - Natural Mineral Waters Europe



PAKKAUS - The Finnish Packaging Association



PCEP - Polyolefin Circular Economy Platform



PET Europe - Producers' Association



Plastics Europe



SPV - Sociedade Ponto Verde



UNESDA - Soft Drinks Europe