

EUROPEN's recommendations for a cohesive EU Extended Producer Responsibility environment

EUROPEN, the European Organisation for Packaging and the Environment, has long been a strong advocate of well-functioning and efficient EU Extended Producer Responsibility (EPR) for packaging, as it is key to advance the European circular economy and will be crucial for the creation of an EU market for secondary raw materials. To achieve this, packaging EPR contributions must, amongst others, be streamlined towards the right infrastructures and ensure the effective recycling of packaging waste, for which the earmarking of fees will also be fundamental. The success of EPR schemes for packaging will undoubtedly be an important determinant of Member States' compliance with the new Packaging and Packaging Waste Regulation (PPWR) targets.

In this context, EUROPEN wishes to share its recommendations on how to enhance existing EPR schemes for packaging and make the EU packaging EPR environment more cohesive.

1. Extended Producer Responsibility: Legislation, State-of-play and Relevance for packaging

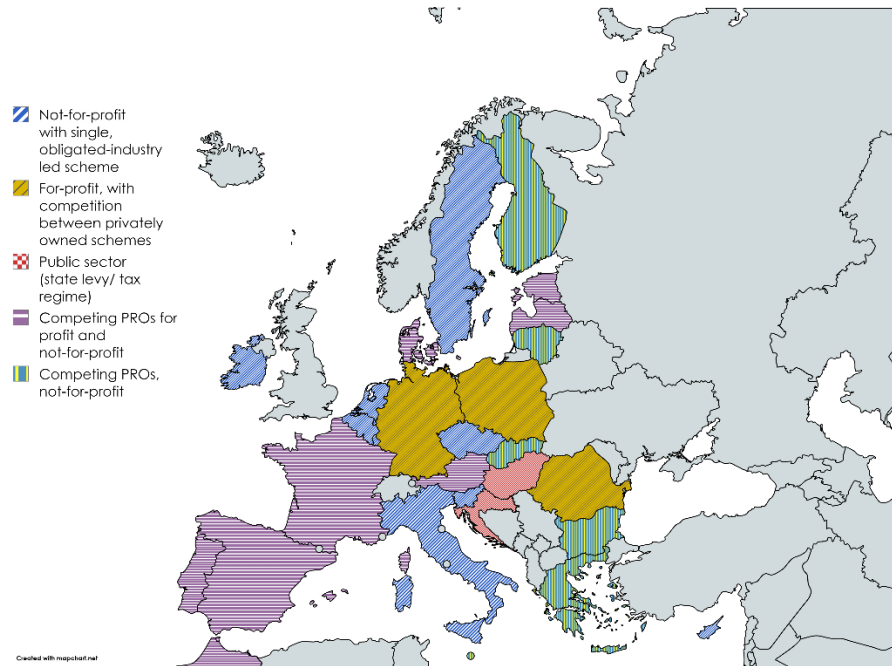
EPR is a policy approach that makes producers responsible for their products throughout their entire lifecycle, including the end-of-life stage. First introduced at EU level by the Waste Framework Directive (WFD)¹, its 2018 revision established in Article 8a EU-wide mandatory general minimum requirements for EPR², aiming to ensure greater harmonisation of existing and future schemes, and to improve their transparency, governance and cost-efficiency. In parallel, the Packaging and Packaging Waste Directive (PPWD)³ mandates the establishment of EPR schemes for all packaging by 31 December 2024.

Despite Article 8a and the push for greater harmonisation introduced by existing and future EU legislation, key minimum requirements laid down in the WFD are not properly enforced and a plethora of schemes exists across the different EU Member States. A key point of difference between schemes is the choice of governance model.

¹ Consolidated text: Directive 2008/98/EC of the European Parliament and of the Council of 19 November 2008 on waste and repealing certain Directives; [EUR-Lex - 02008L0098-20180705 - EN - EUR-Lex](#)

² WFD's Article 8a prescribes that Member States shall apply the set minimum requirements when EPR schemes are established at the national level, and Article 8a(7) obliges them to ensure that EPR schemes that were established before July 2018 align and comply with Article 8a by 5 January 2023.

³ Directive (EU) 2018/852 of the European Parliament and of the Council of 30 May 2018 amending Directive 94/62/EC on packaging and packaging waste ; [Directive - 2018/852 - EN - EUR-Lex](#)



Source: Map elaborated by EUROPEN based on existing EPR literature and membership inputs

As illustrated in the above map, countries such as Belgium and Italy have not-for-profit EPR schemes, with a single obligated industry led Producer Responsibility Organisation (PRO)⁴. Others, like Germany, Poland or Romania, have for-profit competing and privately owned PROs. Competing systems, counting several PROs, have already been established in countries such as Portugal, Spain⁵, France, Bulgaria and Slovakia. Finally, some Member States support a shift towards State-run PROs models⁶, which is concerning as it undermines transparency in packaging waste management and the principle of net cost. For instance, Hungary already operates a state-led regime, similar to a tax, where imposed costs are significantly higher than the level of EPR support required to ensure successful separate collection of post-consumer packaging waste, and compliance with the recycling targets under the PPWD and PPWR⁷.

2. EU packaging EPR challenges and EUROPEN recommendations

Despite the adoption of EPR minimum requirements with the WFD revision in 2018, Member States have either failed to implement them or, in many cases, they have done so ineffectively. Uneven implementation across Member States hampers harmonisation and progress toward EU recycling targets, particularly for packaging waste⁸, and

⁴ To meet their EPR obligations, producers have established Producer Responsibility Organisations (PROs), which are a collective system with the mission of managing and collecting post-consumer products. Most PROs in operation collect a fee directly from the producers based on a specific fee structure, in order to cover the costs of waste collection, sorting and treatment. Source: OECD (2016), *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*, OECD Publishing, Paris, <https://doi.org/10.1787/9789264256385-en>.

⁵ In the case of Spain, as of 2025, competing PROs will be able to establish themselves in the country.

⁶ PPWR's Recital 131 recognises State-run PROs, and mandates that Member States with a State-run PRO may require more frequent information submissions for reporting to the competent authority, and that provisions on producers' mandates shall not apply to State-run PROs. A similar mention is being considered in Recital 29 of the [Council's mandate](#) on the targeted revision of the WFD for textile waste.

⁷ The high levels of tax in Hungary also coincide with a recycling rate of 42.2% (2022⁷) for all packaging. This is decidedly lower than the EU average of 65.4%. Source: Eurostat data on Packaging Waste, [env_waspac](#).

⁸ The European Commission's 2023 [Waste Early Warning Report](#), states that 10 Member States are at risk of missing the PPWD 2025 65% packaging recycling target, and several Member States are at risk of missing one or more material-specific targets. In July 2024, the European Commission opened an [infringement procedure against all EU Member States](#) for failing to meet the waste collection and recycling targets set by the WFD and PPWD.

limits the fulfilment of the PPWR⁹ objectives, which will require all packaging placed on the Union market to be recycled in practice and at scale as of 2035¹⁰. In this context, EUROPEN provides in the table below its recommendations to enhance the efficiency of EPR schemes for packaging.

⁹ The final adoption of the PPWR took place in Q4 2024 and will be followed by its publication in the EU Official Journal in Q1 2025 (date to be confirmed). The PPWR's entry into force is expected 20 days after the publication of the Regulation in the OJ.

¹⁰ Article 6 of the PPWR mandates, as a market access requirement, the recyclability at scale of all packaging placed on the EU market as of 1 January 2035. A definition of packaging waste recycled at scale is given in Article 3 of the future PPWR.

Table 1: Implementation issues at stake and EUROPEN recommendations

PPWD rules on EPR	Issue at stake	EUROPEN Recommendations
Scope of EPR systems and lack of harmonisation	As reported by a study by the Italian PRO Consorzio Nazionale Imballaggi (CONAI) and the University of Bocconi ¹¹ , in past years, EU EPR policies have been developed and implemented in a very heterogeneous way, making it difficult to compare different EPR systems. The heterogeneity of packaging EPR schemes across the EU, and the difficulty to obtain information on each scheme and PRO, also reported by the study, can make compliance with EPR obligations a time- and resource- consuming task for producers, especially for those operating in multiple Member States.	In future work on the Circular Economy Act , it will be of utmost importance to further strengthen the EPR general minimum requirements across the EU in order to further harmonise and increase the efficiency of the EU's EPR systems and, as a result, contribute to the strengthening of a Single Market for waste and secondary materials in the EU.
	For many Member States, the requirement of establishing EPR schemes for all packaging by the end of 2024 implies that EPR schemes for Commercial and Industrial (C&I) packaging also have to be set up . This generates new scenarios in several Member States, which will need to carefully evaluate how to integrate C&I in their existing household packaging EPR system.	As several EU Member States evaluate how to integrate C&I packaging in existing or new EPR systems, it is important that no additional unnecessary administrative burden is placed on the obliged industry and that, where possible, synergies are created between EPR schemes for household and C&I packaging . As an example, requiring that only one joint set of reporting is done by packaging producers for both household and C&I packaging can significantly minimise administrative burden, while ensuring that optimal resource allocation and management is guaranteed by the issuing of two separate invoices. This is for instance the current practice in the EPR systems operated in Belgium.
Role of EPR in the recyclability of packaging	PPWR will set as a market access requirement for packaging to be designed for recycling by 2030, and recyclable at scale by 2035. In other words, in order to be placed on the market, packaging not only needs to be recyclable by design, it has	By improving partnerships with waste management operators and contractors or by increasing their operational involvement in the system, PROs can play an essential role in supporting the upgrade of sorting and recycling infrastructure¹³, which will enable the recycling at scale of packaging and lead to a Single Market of secondary raw

¹¹ Pietro Colelli, F., Croci, E., Pontoni, F. B., & Zanini, S. F. (2022). *Assessment of the effectiveness and efficiency of packaging waste EPR schemes in Europe*. *Waste Management*, 148, 61–70. <https://doi.org/10.1016/j.wasman.2022.05.019>

¹³ For example, Belgium's EPR scheme is formed by two long-established PROs – Valipac and Fostplus – that recycled 90.3% of C&I packaging and 97% of household packaging in 2022 and 2023 respectively. (Sources: Valipac [2023 Annual report](#), and [Fostplus Activity report 2023](#)). The effectiveness of these PROs has enabled Belgium to be the EU country with the highest packaging recycling rate in Europe (source: EUROSTAT data on packaging waste by waste management operations [env_waspac](#)).

	<p>to be recycled in practice¹². To ensure the recyclability at scale of packaging, an increased level of recycling at the EU and national level will be necessary, especially for some packaging types for which no recycling pathways are established yet. This might be caused, in some cases, by a lack of collection, but most importantly it is due to suboptimal sorting and recycling infrastructure.</p>	<p>materials. To further such a Single Market, sorting and recycling infrastructure should as much as possible be harmonised, and their upgrades should support their harmonisation.</p> <p>Moreover, EPR fees should be reinvested to finance further technical innovation and upgrades in the collection, sorting and recycling of all packaging wastes including, for example, small and flexible formats, as well as innovative packaging. In relation to this, some initiatives could involve:</p> <ul style="list-style-type: none"> > Introducing innovation in collection and sorting, including by using Artificial Intelligence (AI), more precise ejection or detection equipment, to have several layers of sorting, leading to higher yields. > Periodically upgrading collection, sorting and recycling centres to allow innovative packaging to be quickly included into the recycling streams. <p>Finally, PROs can support the obligated industry through research and innovation programmes. They can be a partner in developing knowledge for the intersection between packaging design and the end of life of packaging. Joint trials are beneficial to stress test and create proofs of concept for nascent recycling pathways, and to support innovation across the packaging value chain.</p>
WFD EPR minimum requirement	Issue at stake	EUROPEN Recommendations

¹² According to PPWR Article 3(39), in order for packaging waste to be considered recycled at scale, the annual quantity of separately collected, sorted and recycled material under each packaging category at Union level will need to be greater than 30% for wood and 55% for all other materials. Moreover, as per Article 6(3), the manufacturer will have to assess the recyclability of packaging against design for recycling criteria to be adopted in delegated acts.

WFD EPR minimum requirement	Issue at stake	EUROPEN Recommendations
<p>Transparency, equal treatment & 'cherry picking'</p>	<p>Transparency remains a challenge in many of the systems operated in different EU Member States and ranges from lack of publicity on established fees, to limited operational control of the obligated industry over the cost and performance of PROs, and cherry picking, with greater focus on more valuable waste streams or materials. For instance, a recent study by CONAI and the University of Bocconi¹⁴ stresses that several PROs have not yet made public the fees for different products or materials. This lack of transparency undermines the key principle of equal treatment of producers and assurances that the net-cost principle has been properly applied.</p> <p>With regards to the traceability of waste management processes, one important gap remains as the WFD does not require the publishing of information to ensure the traceability of how the fees collected from producers by PROs are used to finance the separate collection, transport and treatment of packaging waste, the provision of adequate information to waste holders, and data gathering. This undermines the economic and environmental viability of the EPR model and ultimately leads to suboptimal waste management, with an adverse effect on packaging recycling rates.</p> <p>Finally, the collection, sorting and recycling of packaging might be limited to the most valuable materials, to packaging that is 'easier to collect' – such as from commercial and industrial segment – or packaging collection remains concentrated to densely populated areas only. This might have an adverse effect on national and European packaging recycling rates, undermining the future PPWR's objective of recycling at scale of packaging waste.</p>	<p>To avoid cherry picking, and strengthen the transparency, traceability and accountability of PROs, as well as of waste management operators and municipalities, the following measures could be considered:</p> <ul style="list-style-type: none"> > Reinforcing the partnership between PROs and waste management operators (e.g. municipalities, sorting or recycling centres), including by potentially establishing long-term contracts which will set clear requirements on, e.g. standards on purity of materials, details on cost of waste management, fostering accountability of all involved actors. > To the extent possible and in full compliance with competition rules, making mandatory the publication of the contracts established between PROs and the stakeholders that perform the operational side of waste management, such as municipalities, sorting centres and recycling centres. > Ensuring that PROs support the roll-out of communication campaigns for citizens on how to correctly sort their packaging. Such campaigns should be clear and comprehensive, reaching the largest part of the population. > In all systems, and especially in not-for-profit systems, making EPR fees transparent and publicly available to ensure the equal treatment of producers. Failure to ensure that this takes place should therefore be considered a <i>de facto</i> breach of WFD Article 8a. > Requiring disclosure of all data related to collection and recycling of packaging materials and types according to the fees structure of the PRO. For every packaging category featured in the fee structure, there should be a corresponding reporting requirement.

¹⁴ Pietro Colelli, F., Croci, E., Pontoni, F. B., & Zanini, S. F. (2022). *Assessment of the effectiveness and efficiency of packaging waste EPR schemes in Europe*. Waste Management, 148, p.5. <https://www.conai.org/download/screening-the-efficiency-of-packaging-waste-in-europe/>

<p>Earmarking of EPR fees</p>	<p>The WFD and the future PPWR do not establish the principle of earmarking of EPR fees, potentially undermining the attainment of the PPWR recyclability at scale requirement.</p> <p>On the contrary, the notion of State-run PROs has recently been introduced in different pieces of EU legislation, undermining the EU's legal definition of extended producer responsibility. Emerging State-run PROs do not guarantee transparency and could allow that the contributions paid by packaging manufacturers are used to finance the general state budget (i.e. a tax) instead of being reinvested to finance the circularity of packaging, with obvious negative repercussions for the objectives of large-scale recyclability of packaging.</p>	<p>EU legislation must provide targeted support to enhance the collection and processing of all packaging materials, which should be achieved by setting up robust and cost-efficient EPR schemes. The recognition of the earmarking principle, as part of the Circular Economy Act or of a possible comprehensive revision of the WFD, will be critical to enable such investments and ensure that EPR fees are effectively reinvested in the collection and recycling of packaging that are designed to be recycled.</p> <p>Furthermore, the future Circular Economy Act should consider:</p> <ul style="list-style-type: none"> > The removal of all references to State-run PROs in all waste legislation, including the WFD, which applies horizontally to all waste streams. > Improving the enforcement of key principles, such as the net cost principle, for instance by preventing cross-subsidisation of materials and ensuring that collected fees are reinvested in the waste management of packaging materials the fees were paid for.
WFD EPR minimum Requirement	Issue at stake	EUROPEN Recommendations
<p>Eco-modulation of EPR fees</p>	<p>The eco-modulation of EPR fees for packaging is currently not harmonised and only some EPR schemes apply the principle of eco-modulation, based on different approaches – e.g. fees modulated according to packaging material and size in Austria and Romania. Fees are also modulated considering reusability and recyclability of C&I packaging in Belgium, and all packaging in Finland, Ireland, Italy, the Netherlands, Portugal, Slovenia, and Sweden. Finally, a bonus/ malus system applies in France, Spain and Greece. This lack of harmonisation creates a very heterogeneous approach to fee modulation across EU Member States. Inconsistency in the direction and magnitude of price from eco-modulation will greatly</p>	<p>To ensure the stability of EPR fees and a harmonised approach to eco-modulation, it will be key for existing and future EPR systems to integrate the modulation of EPR fees for packaging, based on the future PPWR design for recycling criteria and recyclability performance grades, in line with Article 6 of the future PPWR. The Declaration of Conformity foreseen under the packaging regulation will also support the correct enforcement of this requirement by all PROs, in all Member States. A corresponding rationalisation of the numerous other factors for eco-modulation should progressively follow.</p>

	complicate the optimisation of decisions related to packaging design.	
WFD EPR minimum Requirement	Issue at stake	EUROPEN Recommendations
<p>Free-riding</p>	<p>Even if Article 8a (5) requires Member States to establish an adequate monitoring and enforcement framework to ensure the proper implementation of EPR obligations, on some occasions, cases of free-riding¹⁵ may still occur, for instance in distance selling or in the case of non-EU operators selling packaged goods directly to consumers.</p>	<p>In order to prevent free-riding, and to ensure the proper implementation of EPR general minimum requirements, further harmonisation in the monitoring and enforcement by Member States should be considered. In relation to packaging, the establishment of EPR registers in all EU Member States, as foreseen by Article 44 of the PPWR, represents a key opportunity to prevent free-riding and inject transparency in existing systems, also ensuring that more granular data, e.g. on fees and their utilisation, are made available in all EU countries. Furthermore, Member States will need to ensure adequate resource availability in order to enforce the PPWR and detect free-riding.</p> <p>Additionally, the use of digital tools will be fundamental to streamline the functioning of EPR schemes, as well as to prevent free riding. For instance, the creation of national-wide or EU-wide platforms where PROs are registered digitally has increased potential to ensure their enforcement. Such platforms could lead to simplified EPR reporting by establishing a single harmonised system for EPR registration and compliance. Such a system would imply reduced costs and administrative burden and would increase EPR transparency by making available information on EPR obligations and compliance, helping producers understand each EU Member State's requirements and systems. Finally, a centralised registry would make it easier to detect and prevent free-riding.</p>
WFD EPR minimum Requirement	Issue at stake	EUROPEN Recommendations
<p>Governance & PROs model</p>	<p>Packaging producers are progressively required to cover additional costs as part of existing and future EPR schemes (e.g. litter clean-up costs, costs of compositional surveys of household waste). At the same time, the obligated industry</p>	<p>The governance and efficiency of different EPR models could be improved by:</p> <ul style="list-style-type: none"> > Supporting a higher operational involvement of PROs, for instance by ensuring that they invest in the scale up of collection, sorting, and

¹⁵ Free-riding describes the process whereby companies placing products on the market circumvent Extended Producer Responsibility (EPR) obligations, including registering with EPR schemes and financing their products' end-of-life management.

	<p>might end up having less operational control on costs and performance of the operated systems, which poses a question on how to improve their governance and efficiency.</p>	<p>recycling centres where most needed either directly or through contracts with such centres.</p> <ul style="list-style-type: none"> > Considering the advantageous features of EPR schemes operated by a single PRO in a non-competitive system. As experienced by some obligated industry and confirmed in a recent study¹⁶, such models can achieve high recycling rates, while delivering improved cost-efficiency, demonstrating that recycling effectiveness is not necessarily associated with higher EPR costs. > Regarding competitive schemes with multiple PROs, establishing or strengthening central coordination could be considered as a possible solution to guarantee the efficiency of the schemes. > Maximising harmonisation of practices through the establishment of clear and EU-wide guidelines and protocols, for instance regarding how to establish litter clean-up costs.
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¹⁶ Pietro Colelli, F., Croci, E., Pontoni, F. B., & Zanini, S. F. (2022). *Assessment of the effectiveness and efficiency of packaging waste EPR schemes in Europe*. *Waste Management*, 148, 61–70. <https://doi.org/10.1016/j.wasman.2022.05.019>