

Let's put circularity into practice!

NGO-Industry coalition urges decision-makers to take action to prioritise closed-loop recycling in the EU Packaging and Packaging Waste Regulation

In the context of the discussions in the Council of the EU and the European Parliament on the [Proposal for an EU Packaging and Packaging Waste Regulation](#) (PPWR), the undersigned organisations call for concrete actions to better support closed-loop recycling and put an end to the downcycling of high-quality feedstock for recycling. This is the only way to achieve packaging circularity in Europe.

Our organisations welcome the Commission's ambition to increase the part of recycled content in packaging in Europe. However, a pre-condition to this ambition is the creation of a well-functioning market for recycled materials that:

- gives the sectors covered by the scope of the recycled content targets a fair access to sufficient high-quality recycled materials to meet the targets;
- promotes high-quality recycling and avoids downcycling.

In this respect, the PPWR proposal states that Member States shall ensure that systems are set up to provide for the return and separate collection of all packaging waste in a way that facilitates its preparation for re-use and high-quality recycling (Art. 43.1).

However, the proposal does not include any definition of high-quality recycling or any concrete measure that would guarantee that high-quality recycled materials, such as the ones complying with the Food Contact Materials Regulation, are actually used in priority in food-grade applications. This means that those materials (complying with EU food safety requirements) can be downcycled and used in applications which do not require the same quality requirements.

To stop this uncircular practice, we believe that **high-quality recycling should be clearly defined in Article 3 of the PPWR as “any recovery operation, as laid down in Article 3 point (17) of Directive 2008/98/EC, which ensures that the distinct quality of the waste material collected is preserved or recovered during such a recovery operation so it allows further recyclability and can be re-used in the same way and for the same product category it came from, with minimal loss of quantity, quality or function”.**

Actually, the rationale for defining the quality of recycling has already been outlined in the 2023 EU JRC Report “Towards a better definition and calculation of recycling”, which states that “A definition of high-quality recycling could help developing policies focused on improving the quality of recycling outputs by the entire recycling chain, ultimately ensuring a greater level of resource circularity.”

In order to put the theory into practice and to facilitate high-quality recycling, **Article 43.1 should also be amended to mandate Member States to set up systems which give priority to high-quality recycling rather than downcycling.** This would help ensuring that high-quality recycling in a closed-loop becomes the norm in all EU Member States.

In addition, we propose to amend **Article 7 to ensure that industries using contact-sensitive materials, such as the food and beverage industry, have a “priority right” to facilitate their fair access to the contact-sensitive recycled materials coming from the recyclable and recycled products they placed on the market and which were successfully collected.** In the case of PET, for example, there is a high level of competition between food-grade packaging and textile to access high-quality PET. As it is not possible to obtain food-grade materials from polyester textile, the food

and beverage industry should have a right of first refusal on food-grade feedstock for recycling.

Giving priority access to high-quality recycling, such as bottle-to-bottle recycling, offers the greatest potential for achieving significant reductions in carbon emissions from the continuous recirculation of material resources, both in the short term (by 2030) and in the long term (by 2040 and beyond).

Deposit and Return Systems (DRS) have also a key role to play in supporting high-quality recycling and the PPWR proposal already recognises that DRS will contribute to the increase of the supply of good quality secondary raw material suitable for closed-loop recycling.

It is therefore key to include in the minimum requirements for DRS in Annex X of the proposal such a “priority right” which would guarantee that beverage packaging collected via DRS is recycled and used again in priority in new beverage packaging in a closed-loop recycling system, therefore guaranteeing high-quality recycling wherever possible.

In the absence of such a system, food-grade feedstock for recycling obtained from the beverage packaging collected via the DRS can be sold for use in non-food applications and break the beverage packaging recycling loop.

In a nutshell, our proposals are to:

1. Clearly define high-quality recycling in Article 3 of the PPWR
2. Amend Article 43.1 of the PPWR mandate Member States to set up systems which give priority to high-quality recycling
3. Amend Article 7 of the PPWR to ensure that industries using contact-sensitive materials have a “priority right” to facilitate their access to the contact-sensitive recycled materials necessary to meet their recycled content targets
4. Include in the minimum requirements for DRS in Annex X of the PPWR a priority right for beverage producers participating in the scheme which would guarantee that beverage packaging collected via DRS is recycled and used again in priority in new beverage packaging

Why are those proposals fair?

Because EU legislation sets both packaging safety requirements and recycled content targets on the beverage sector but does not foresee any mechanism that would guarantee it has access to the food-grade recycled content required.

Therefore, without the necessary support on feedstock access, the recycled content targets set in the PPWR will be extremely challenging to achieve, even more for SMEs (representing 95% of the food and beverage industry).

Furthermore, 68% of PET beverage bottles are currently downcycled into other PET applications - like polyester textiles, automobile or toys - where it cannot be recovered and recycled back into new bottles. This is not circularity. This is downcycling.

Finally, granting unconditional access to food-grade recycled content to other sectors which do not require the same quality requirements does not incentivise them to invest in collecting and recycling their own materials. It promotes downcycling instead of closed-loop recycling.

We thank you in advance for your attention,
Yours sincerely,

Signatories:

NMWE - Natural Mineral Waters Europe

The Changing Markets Foundation

The Minderoo Foundation

The Reloop Platform

UNESDA - Soft Drinks Europe

Zero Waste Europe

