

October 2020



Metal
Packaging
Europe

Position Paper on the European Parliament's Own-Initiative report on the Circular Economy Action Plan 2.0 Draft Report, Rapporteur Jan Huitema (Renew)

On 12 March, the European Commission adopted a new Circular Economy Action, with the aim to make our economy fit for a green future, strengthen our competitiveness while protecting the environment and give new rights to consumers. Building on the work done since 2015, the new CEAP focuses on the design and production for a circular economy, with the aim to ensure that the resources used are kept in the EU economy for as long as possible.

The aluminium, glass and steel sectors are top performers in recycling packaging materials. With respective rates of 74,5%, 76% and 82.5% ¹, our industries have worked closely with European, national and local authorities, Extended Producer Responsibility Schemes, waste management operators and last but not least, customers, brands and civil society at large to invest in collection and sorting systems that underpin the recycling infrastructure.

As permanent materials, aluminium, glass and steel have the potential to be recycled over and over again without losing their inherent properties. They contribute to maintaining circular material loops. A 'permanent material' is a material whose inherent properties do not change, regardless of the number of times it goes through a recycling process. It means that once it is produced for the first time, and properly collected and processed at its end of life, it becomes the raw material for new and endless production loops. Such materials are and will remain at the heart of any proven and well-functioning Circular Economy.

Europe's glass, steel and aluminium industries for packaging welcome MEP Huitema's draft report on the new Circular Economy Action Plan and would like to make a number of suggestions for amendments.

¹ Recycling rate for respective aluminium beverage cans, glass containers and all steel for packaging segments

SUGGESTIONS FOR AMENDMENTS – PRIORITY ASPECTS

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
9. Encourages the Commission to propose resource efficiency and environmental footprint targets for each product category and to introduce product-specific targets for recycled content, while ensuring the performance and safety of the products concerned;	9. Encourages the Commission to propose resource efficiency and environmental footprint targets for each product category and to introduce product-specific targets for recycled content for materials with limited demand for recyclates , while ensuring the performance, and safety and design for recycling of the products concerned;
Justification: Introducing targets on recycled content has been conceived as a market driver for materials that do not have well-functioning secondary raw material markets. This approach is not effective for materials, which already have well-functioning markets for high-quality recycled materials.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
12. Emphasises the right of consumers to more precise and accurate information about the environmental impacts of products and services, and calls on the Commission to make proposals to substantiate green claims through solid and harmonised calculation methods;	12. Emphasises the right of consumers to more precise and accurate information about the environmental impacts of products and services, and calls on the Commission to make proposals to substantiate green claims through solid, and harmonised and improved calculation methods;
Justification: Consumers and businesses should have access to reliable, comparable, and verifiable information to make sustainable decisions. The European Commission aims to require companies to substantiate claims they make about the environmental footprint of their products/services by using the Product Environmental Footprint (PEF) method. Several improvements are however needed to make Life Cycle Assessment (LCA) methodologies, including the PEF, a robust tool to substantiate green claims. It does not, among other things (product performance over time, impact on marine environment, etc.), take account of the potential of the material to remain in multiple loops, since it focuses on one life cycle. The ability of materials to be recycled infinitely without losing their inherent properties, which is the case for permanent materials, needs to be reflected in this methodology.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
15. Underlines the need to promote high-quality recycling and to maintain clean and sustainable closed material loops;	15. Underlines the need to promote high-quality recycling and to encourage maintain clean, and sustainable closed and permanent material loops;
Justification: Materials that have the ability to stay in a permanent loop can be recycled over and over again without any loss of their inherent properties. These properties do not change, regardless of the number of times the material goes through a recycling process. Products that are produced from such materials and are properly collected and processed at their end of life, become the raw material for new and endless production loops. Such materials are and will remain at the heart of any proven and well-functioning Circular Economy.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
23. Underlines the essential role of packaging for product safety, in particular food safety, and hygiene; asks the industry, however, to commit	23. Underlines the essential role of packaging for preservation , product safety, in particular food safety, and hygiene; asks the industry,

to reducing the amount of packaging it produces and to develop more efficient and circular packaging solutions, and encourages initiatives such as the Circular Plastics Alliance;	however, to commit to reducing the amount of excessive packaging it produces put on the market and to develop more efficient and circular packaging solutions, and encourages closed loop initiatives to improve the collection, sorting and recycling of packaging such as the Circular Plastics Alliance ;
Justification: Packaging serves multiple functions. It is designed to protect a specific product, convey product information, preserve food and make it safe and easy-to-use for consumers. Packaging materials that extend shelf-life have an important role to play to reduce food waste. These functionalities should be recognised and only the amount of excessive packaging put on the market should be reduced. All closed loop initiatives that aim to boost the development and use of efficient and circular packaging solutions should be encouraged without singling out a specific initiative.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
	23 bis (new) Underlines that separate collection of waste is a prerequisite for high-quality recycling; calls on the Member States to improve and harmonise existing separate collection systems at national level and calls on the European Commission to ensure the proper implementation of the Waste Framework Directive.
Justification: The way packaging is collected directly impacts the quality and quantity of the collected materials that can be recycled. High-performing, separate and harmonised collection at national level is therefore essential for high-quality recycling and a well-functioning Circular Economy.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
	23 ter (new) Supports the promotion of transparent eco-modulated Extended Producers Responsibility (EPR) fees for packaging. These fees should also reflect the ease with which a certain type of packaging can be recycled; it should reflect the likelihood of the packaging of being separately collected, sorted and actually recycled even after numerous recycling trips. These recyclability criteria should also take into account the properties of the recycled material and its ability to replace the corresponding virgin material.
Justification: Art. 8a of the WFD states that MS should ensure that the fees paid by the producers of products are modulated, taking into account, among others, the recyclability of the product. However, it is not only about the product's capability to be recycled, but about the product being effectively collected, sorted and recycled, not once, but over and over again, thereby substituting virgin material.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
	35 bis (new) Stresses the key role of consumers in waste collection and sorting; reiterates the importance for Member States to continue initiatives to further promote accessible and easy to understand guidance for the consumers to sort and dispose their waste.
Justification: Consumers have an important role to play to support the transition to a Circular Economy and should be given adequate guidance on how to properly sort and return their waste.	

SUGGESTIONS FOR AMENDMENTS – ADDITIONAL ASPECTS

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
4. Calls on the Commission to propose an EU target for a reduction in the use of primary raw materials;	4. Calls on the Commission to propose encourage an EU industry target initiatives for a reduction in to increasingly the use recycled materials of primary raw materials;
Justification: We should limit our dependency on (imported) raw materials by stimulating the use of recycled materials. This can be done stepwise by voluntary industry initiatives for all materials.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
16. Urges the Commission and the Member States to support the development of new innovative technologies, in particular enhanced recycling, and digital technologies such as blockchain that can support the development of the circular economy through the tracking, tracing and mapping of resources;	16. Urges the Commission and the Member States to support the development of new innovative technologies, in particular enhanced sorting and recycling, and digital technologies such as blockchain that can support the development of the circular economy through the tracking, tracing and mapping of resources;
Justification: Not only innovative technologies in the recycling operations should be supported, as also sorting infrastructure needs to be optimized in order to guarantee high-quality recycling.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
32. Believes that non-competitive prices and a lack of secondary raw materials are among the main barriers to a circular economy; asks the Commission to assess measures to make secondary raw materials more competitive, such as economic incentives, including rewards for CO2 savings, tax measures, public procurement and the further application of extended producer responsibility;	32. Believes that non-competitive prices and a lack of secondary raw materials are among the main barriers to a circular economy; Asks the Commission to assess measures to make secondary raw materials more competitive, such as minimum quality requirements and economic incentives, including such as rewards for CO2 savings, tax measures, public procurement and the further application of extended producer responsibility (EPR), including the promotion of transparent eco-modulated EPR fees;
Justification: Some materials might be faced with a lack of secondary raw materials but this is not the case for all materials. In order to secure a level playing field for all materials, a general assessment of possible and non-discriminating economic incentives is preferred, together with	

minimum quality standards. These are essential for any well-functioning secondary raw materials market.

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
34. Recalls the EU waste targets and underlines that Member States must – as a first priority – move away from landfilling waste, in line with the waste hierarchy;	34. Recalls the EU waste targets and underlines that Member States must – as a first priority, – move away from phase out landfilling of reusable and recyclable waste, in line with the waste hierarchy;
Justification: In its Resolution of 9 July 2015 on 'Resource efficiency: moving towards a circular economy', the European Parliament reiterated the importance of phasing out landfilling, except for certain hazardous waste and residual waste for which landfilling is the most environmentally sound option. Too much waste, which could either be reused or recycled, continues to end up in landfills, jeopardising the EU's objective of becoming a truly sustainable circular economy.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
35. Acknowledges the important role that regional governments and local communities play in waste management; calls on the Commission to support the establishment of circularity hubs in all European regions and local communities;	35. Acknowledges the important role that regional governments and local communities play in waste management; calls on the Commission to support the establishment of circularity hubs in all European regions and local communities while respecting the single market for waste treatment ;
Justification: It might not always be possible to recycle all waste at regional level. Member States need to keep access to the most performing recycling facilities available, also if these are located in a neighbouring Member State. Unfortunately, this access was sometimes denied at the beginning of the COVID-19 crisis, resulting into an improper functioning of the single market for waste treatment.	

<i>ENVI draft report</i>	<i>Permanent Materials coalition proposal</i>
36. Supports the Commission's ambition to revise the Waste Shipment Regulation in order to stop exporting the EU's waste problems to third countries; asks the Commission to also focus on financial incentives to limit waste exports;	36. Supports the Commission's ambition to revise the Waste Shipment Regulation in order to stop exporting the EU's waste problems to third countries; asks the Commission to also focus on financial incentives and equivalent EHS requirements to limit waste exports;
Justification: In order to avoid that unsorted or poorly sorted waste fractions are ending up in recycling facilities in third countries that do not respect similar environmental, health and safety requirements as applied in the EU it is essential to make reference to such standards.	

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