

AmCham EU statement

The proposed Packaging and Packaging Waste Regulation (PPWR) offers a significant opportunity to enhance the Single Market, streamline EU packaging regulations, and reduce market fragmentation. With careful design, this regulation has the potential to play a pivotal role in advancing circularity, fostering economies of scale and advancing Europe's transition to a climate-neutral and circular economy. As PPWR has reached a critical negotiation stage involving the European Parliament, the Council and the European Commission, it is an opportune moment to analyse the definition of **post-consumer plastic waste**.

Under Article 3(39) of the PPWR proposal, the European Commission defines post-consumer plastic waste as plastic waste that is generated from plastic products that have been placed on the market. As the concept of 'placing on the market' in Article 3(7) of the PPWR proposal relates to the Union market only (ie the first making available of a packaging on the Union market), this would imply that plastic waste derived from products that have been placed outside the EU market and have been imported in the EU could not be defined as recycled plastic in the context of the PPWR.

This would not only significantly restrict the source of recycled plastic that could be used to fulfil the recycled content requirements set out in Article 7 of the PPWR proposal (already challenging due to eg overdue European Food Safety Authority approvals, uncertainty regarding new recycling technologies, prices fluctuations and availability of market volumes) but would also result in unjustified restrictions on the international trade of plastic waste and potentially violate both the provisions of the Basel Convention and the recently adopted Waste Shipment Regulation (WSR). While Article 4(1) of the [Basel Convention](#) allows its signatories to prohibit the import of hazardous waste or waste listed in Annex II to the Convention, Articles 47 and 48 of the [WSR](#) permit the imports of hazardous and non-hazardous plastic waste from third countries into the EU subject to the procedure of 'prior and informed consent'. This is a procedure whereby the importing and the exporting country are informed of and authorise the shipment of waste, thus taking all necessary measures to guarantee compliance with the principle of environmentally sound management of waste.

Furthermore, Article 7 of the PPWR proposal might unjustly restrict imports of plastic waste from countries with high environmental standards that process waste. For instance, EU manufacturers would be able to import such materials from Organisation for Economic Co-operation and Development countries like the US, the UK and Switzerland but would not be allowed to use them. The measure would be equivalent to an import restriction. EU packaging producers would themselves be discriminated against *vis-à-vis* non-EU producers, which would continue to be allowed to source recycled plastic on the global market.

Finally, this import ban would add to an already challenging situation where additional costs, such as those derived from the Carbon Border Adjustment Mechanism (including polymer under its scope), would make recycled plastic more expensive than virgin plastic, further widening the price gap between virgin and recycled materials.

In summary, limiting the use of imported recycled materials raises several concerns:

- **Availability:** It would considerably restrict the supply of recycled plastic in the EU, raising questions about having enough recycled materials to enable all targeted stakeholders to meet their mandatory and voluntary recycled content targets.
- **Price and competition:** It would result in market contraction, directly impacting feedstock and resin prices. Recycled materials are already significantly more expensive than virgin materials. Volume availability and price are two key factors that foster competition in Europe and incentivise producers to go beyond the mandatory recycled content targets, with a positive environmental impact.
- **Support to local communities:** It would discourage the development of recycling infrastructure in emerging markets, hindering the recycling market's ability to support communities with job opportunities, better working conditions, etc. The recycling industry has an important economic and social role in those regions, where it funds collection centres and pays for the waste pickers. The collected PET and aluminium are also paramount sources of income for the local waste banks.

Policymakers should consider the following suggested amendment when discussing this point.

Suggested amendment for article 3.39 (in green bold italic)
(39) 'post-consumer plastic waste' means plastic waste that is generated from plastic products that have been placed on the market; <i>excluding plastic materials and waste generated during production or manufacturing processes.</i>
<i>Justification</i>
The proposed language is based on Recital 4 of the SUPD implementing decision (EU) 2023/2683 .