

Joint paper

December 18, 2024

Rules for the import of recycled plastics into the EU internal market

The signatories of this letter, an alliance of companies and associations from the plastics, packaging, consumer goods and recycling industries, share the European Commission's view that "a well-functioning market for secondary materials will be crucial in times of scarce resources".¹ This market can only function if all countries inside and outside the European Union play by the same rules on a level playing field where imports of recycled plastics from third countries are subject to the standards and requirements of the EU market.

We therefore welcome the intention of the European Commission², under the leadership of the Commissioner for Environment, Water Resilience and Circular Economy, Jessika Roswall, to develop a European Circular Economy Act to create a functioning internal market for recycled raw materials.³ This is in line with the objectives of decarbonising Europe and addressing strategic vulnerabilities by improving the resilience of supply chains.

The circular economy for plastic packaging is currently under massive pressure. With this joint paper, we want to make a constructive contribution to the discussion on the import of recycled materials from third countries by describing the challenges and consequences and identifying concrete solutions to improve the situation.

Challenges for the circular economy

- **Imported recycled plastics (bale goods, flakes or recyclates) often come from non-EU-compliant sources and collection structures** and can be produced at lower environmental, labour and energy costs, which jeopardises the competitiveness of European recycling companies.⁴
- **Cheap imports from third countries are destroying European value creation cycles.** The requirements of the EU Waste Shipment Regulation make it clear that the EU is responsible for the processing of plastic waste generated in Europe.⁵ It is only worthwhile for companies to take on this responsibility if there is a functioning sales market for the recyclates they produce.
- **Structural "greenwashing"** - Due to a lack of transparency and ineffective control mechanisms, manufacturers' claims regarding the sustainability and quality of imported materials can hardly be verified.

Impact on the circular economy and the EU internal market

- **Prices for recycled plastics on the EU internal market have fallen by almost 50%** (as of 2023)⁶, as imported primary and secondary materials are manufactured under significantly more favourable production conditions and are therefore sold at dumping prices in the EU.
- **The threat to existing circular economy concepts and local recycling loops for high-quality mechanical recyclates** inhibits investment in innovative recycling technologies.
- **Volatile market prices put a strain on the profitability of domestic companies**, forcing them to operate below production capacity and accept high losses or build up expensive stocks.

This has resulted in the closure of a significant number of European recycling companies due to a lack of profitability. This dramatic trend is foreseen to continue through 2025.

At the same time, the EU already has sufficient capacity to fulfil the minimum recycled content quotas for plastic recyclates set by the EU, like the ones that will apply to single-use plastic PET beverage bottles from 2025, even without imports from third countries.⁷ However, we will only be able to invest in the further technological development of mechanical recycling and sufficient infrastructure in Europe to achieve the minimum utilisation rates for plastic recyclates from 2030 if the import of cheap, potentially non-EU-compliant recyclates from third countries is effectively and consistently restricted.

What is urgently needed from our point of view

The solution lies in consistent enforcement of existing EU laws, supplemented by regulatory measures to close existing loopholes.

According adopted EU legislation, imported recycled materials may only enter the European internal market and count towards EU recycling targets if they

- consist of post-consumer plastic waste that has been separately collected and recycled in accordance with EU legislation, as already required by 2022/1616 for food contact plastic recyclates⁸,
- are equivalent in terms of production conditions, proof of quality, environmental compatibility, CO₂ footprint and traceability (in accordance with the "mirror clause" enshrined in the PPWR⁹) and
- were calculated, documented and verified in accordance with a standardised, legally defined method.

The "mirror clause" anchored in the EU Packaging Regulation (PPWR) can make a decisive contribution to creating fair competition, which is necessary for the transformation towards a genuine circular economy for plastic packaging. To maintain existing capacities in Europe and enable investment in further necessary infrastructure, **this "mirror clause" is to be designed for the short term and take effect as early as 2026.** However, the clause will only be fully effective if systematic checks are carried out - which is currently not the case.

The European Commission should therefore authorise and oblige EU member states to consistently implement and enforce all existing EU laws and to effectively close loopholes through regulation. To this end, the European Commission should create legal restrictions based on the European Waste Shipment Regulation (based on the Basel Convention). This should include the following key rules:

- Restrict imports of recycled material to countries that mirror the conditions of the EU. The Basel convention should be the methodological reference. In addition, the material as source of recycle should be accredited at country level.
- Oblige recycling facilities in third countries to prove the quality and conformity of the recycle with EU standards through verification and auditing.

As of today, there is no scientific method to determine the content of recycles, self-declaration of recycles should be avoided at all times. Instead, **certification by independent third parties** within and outside the EU is required. This should be the central instrument for ensuring the conformity and traceability of recycled plastics (see Annex).

The Alliance calls on the European Commission to **urgently implement existing as well as introduce legal mechanisms to control and certify imports of recycled plastics** to ensure the competitiveness and preservation of the recycling industry as the backbone of the European circular economy.

ANNEX

Rules for the certification/auditing of imported goods

The following points should be included in the standards for the certification/auditing of countries seeking authorisation to import recycled materials into the EU:

1. To fulfil the minimum recycled content requirements, economic operators should provide information on certification. Certification should verify and certify that the systems used by economic operators are accurate, reliable and protected against fraud. It must be ensured that materials are not intentionally altered so that the consignment or part of it could become waste. The certifier assesses the frequency and methodology of sampling and the reliability of the data. Operators submit a certificate as proof of traceability of the recycled content, which is subject to annual certification. The certification should cover traceability of the recycled content, quality assurance, environmental performance and good manufacturing practice.
2. Economic operators should be certified by an independent certification body. Final sellers who place the product on the market but do not make significant changes to the packaging should not require certification.
3. The recovery operator should be considered the place of origin of the waste for certification purposes. Certification at the recycler must include verification of the origin of the waste and authorisation to act as a legitimate waste operator and as an undertaking carrying out recovery operations within the meaning of Article 3.17a of Directive 2008/98/EC.
4. If an authorised third party modifies the physical or chemical properties of the material, it should be subject to the certification procedure referred to in paragraphs 1 to 3, even if it is not the owner of the material.
5. Certification bodies shall be accredited by a national accreditation body which is a member of the European Accreditation Body and has been designated in accordance with the provisions of Regulation (EC) No 765/2008 or by another accreditation body with which a national accreditation body which is a member of the European Accreditation Body has concluded an international recognition agreement. Certification bodies shall have mechanisms in place to ensure the impartiality of the organisation and its auditors in the performance of their activities and shall carry out conformity assessment in accordance with ISO 17065:2012 for the purposes of this Regulation.

¹ https://commission.europa.eu/system/files/2023-03/Communication_Long-term-competitiveness.pdf

² [Political Guidelines for the Next European Commission 2024–2029](#), page 9

³ [Mission Letter](#) to Commissioner Jessika Roswall, p. 5

⁴ <https://plasticseurope.org/media/falling-eu-competitiveness-threatens-circular-plastics-transition>

⁵ [Waste Shipment Regulation \(EU\) 2024/1157](#), article 41

⁶ EuRIC, https://euric.org/images/Position-papers/EuRIC_Position_-_Massive_imports_of_plastics_damaging_EU_plastics_recycling.pdf

⁷ The total installed recycling capacity of the European plastics recycling industry increases year-on-year, standing at 12.5 million tonnes in 2022. <https://www.plasticsrecyclers.eu/news/european-plastic-recycling-industry-growth-slower-due-to-market-constrictions/>

⁸ EU Regulation 2022/1616, <https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32022R1616>

⁹ PPWR, article 7 (10), https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CONSIL:PE_73_2024_INIT

« By 31 December 2026, the Commission shall adopt implementing acts establishing the methodology for assessing, verifying and certifying, including through third-party audit, the equivalence of the rules applied in cases where the recycled content recovered from post-consumer plastic waste is recycled or collected in a third country. The assessment shall consider the standards of protection of environment and human health, including standards to ensure that recycling is performed in an environmentally sound manner, and standards on high-quality recycling, such as on resource efficiency and quality standards for the recycling sectors. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 65(2). »