

Position Paper

Mass balance accounting method must ensure that plastic waste is recycled with the lowest environmental impact possible

Brussels, November 28, 2023

The European Sustainable Business Federation – Ecopreneur.eu, together with Werner & Mertz, Remondis, Alpla and the 3600 sustainable frontrunners from our membership welcome the European Commission’s mandate to establish a common methodology for the calculation and verification of recycled content in plastics packaging through an Implementing Act as specified in the Single-Use Plastics Directive (SUPD).

As stated in the draft Packaging and Packaging Waste Regulation (PPWR), this Act must support the principle that high quality mechanical recycling must be given priority¹. How this prioritization should be applied to mechanical recycling still needs to be defined by EU laws. To this end, **we call upon EU legislators to grant mechanical recyclers priority access to feedstock that is physically recyclable at scale at the lowest environmental cost.**

Mechanical recycling allows full transparency and an output of up to 100% recycled content at batch level, which facilitates the accounting, reporting and auditing of recycled content for companies and Member States towards the EU’s recycling and CO₂ reduction targets. In chemical recycling processes, however, the calculation of recycled content from pyrolysis requires a mass balance accounting method.

This chain-of-custody should be based on a “rolling average” method without free allocation of recycled content, as the use of credits or certificates would violate the principles of traceability and transparency manifested in EU consumer protection laws² and the “Substantiating Green Claims Directive”³ and thus severely undermine consumers’ trust. Technically, the “rolling average” method can be applied to all recycling technologies to meet the EU’s recycled content targets.

The recycling industry is prepared to further invest in mechanical and physical, solvent-based recycling technologies that are fully transparent, effective, sustainable and scalable to convert plastic packaging into high quality recycled content. There already are PET recyclates for food contact applications and HDPE recyclates approved for cosmetic applications, with further innovations in mechanical recycling to reach food-grade quality under way. Mechanical recyclers are currently highly invested in developing new processes that show promising results in complying with contact sensitive applications for further polymers. We therefore fully support ambitious recycling targets for plastic packaging in the EU and are confident about the contribution of mechanical recycling.

¹ PPWR, Art. 3, paragraph 1, point 31

² European Commission, Consumer Rights Directive: Article 1 - Amendments to Directive 2005/29/EC: Ban of environmental claim about the entire product when it actually concerns only a certain aspect of the product

³ European Commission, Substantiating Green Claims Directive, Art. 21 - para 3c : Substantiation of specific environmental claims on environmental aspects or impacts such as recycled content

To preserve a level playing field, we call upon EU lawmakers to adopt a fair calculation method for minimum recycled content for all technologies subject to the following conditions:

1. Only plastic waste that demonstrably cannot be recycled mechanically should be allowed for chemical recycling.
2. Recycled content must be allocated to all products of a recycling process at a batch and not at a facility or company level, according to their input-output ratio, so that claims regarding recycled content reflect the actual proportion contained in a material.
3. Claims about the proportion of recycled material on product packaging are only permitted if a “rolling average” method has been applied and the recycled content is traceable.
4. Recycled content imported from third countries must comply with EU-compliant calculation and verification methods and be certified by independent organisations.
5. Regulations and subsidies that encourage chemical recycling in any form must include a revision clause that requires an impact assessment based on scientific data, including CO₂ emissions from added naphtha, and considering lower taxation of petroleum.

For the European industry, mechanical recycling of packaging waste will create new business opportunities and employment, especially for family businesses and SMEs. It will strengthen the EU’s recycling capacities, decrease the need for - and dependency on - fossil resources and thus help them stay on track for climate neutrality by 2050.

About Ecopreneur.eu

[Ecopreneur.eu](https://ecopreneur.eu) is the European Sustainable Business Federation of currently seven national associations representing about 3000 sustainable companies - mostly SMEs. A member of the Coordination Group of the European Circular Economy Stakeholder Platform, Ecopreneur.eu is the only cross-sectoral EU business organisation committed to ambitious measures, rules and regulations for a low-carbon circular economy. We advocate a new economic framework in which sustainability is promoted, the environment respected, and ecological principles are followed. Ecopreneur.eu and our members bring concrete experience from pioneering companies into the political debate, show best practice examples and represent the needs of green SMEs in a credible way.

About Werner & Mertz

[Werner & Mertz](https://www.werner-mertz.com) is a family-run business in the hands of the fifth generation. With our brands, particularly the trusted brands Frosch and Green Care Professional, Werner & Mertz is established and recognized as an innovative market leader for cleaning products and laundry detergents. Sustainability is our foundation. We want to make a substantial contribution to conserving our natural resources. Consequently, we live our commitment to a functioning, energy-saving circular economy that protects the climate and maintains biodiversity. Every employee is supported and asked to contribute to achieving our goal according to his/her individual needs and abilities. We aim to make such an integrally sustainable lifestyle attainable for the majority by offering ecological, high-performance cleaning products and laundry detergents.

About Remondis

[REMONDIS](#) is a family-run company with headquarters in Lünen, Germany, and a history that stretches back over 80 years. More than 30 million people and many thousands of public and private sector clients benefit from the REMONDIS Group's services. Remondis operates in over 800 locations in more than 30 countries with more than 42,000 employees and an estimated revenue of 12.1 billion Euro in 2022. Globally, it ranks among the biggest recycling firms. The REMONDIS Group operates in many fields of business: it recovers raw materials from waste, develops innovative recycled products, offers alternative fuels and plays an important role in the water management sector supplying water and treating wastewater. In addition, REMONDIS removes pollutants from residual and hazardous wastes – which are unable to be recycled with today's technology – and disposes of them using eco-friendly methods.

About Alpla

The family-run [ALPLA](#) Group with its 190 locations and 23,300 employees in 46 countries worldwide is one of the leading global plastic converters and a growing recycler with a revenue of 5.3 billion Euro in 2022. We develop and produce innovative rigid plastic packaging solutions, while ensuring that our products become lighter, more durable and by 2025 fully recyclable. Our high-quality packaging is used in a wide range of areas, including food and drinks, cosmetics, household cleaning products, detergents and cleaning agents as well as pharmaceutical products. An estimated 4 billion people hold one of our packaging solutions in their hands every day. We have more than 25 years of experience in recycling, operating recycling plants for PET and HDPE in Austria, Germany, Poland, Mexico, Italy, Spain, Romania and Thailand. As a “family of global pioneers” the principle of our actions is to meet our responsibility for people, communities and the environment. “Closing the loop” for a true circular economy of plastic packaging is therefore one of our most important goals.

Contact

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