



Towards a Circular Economy: Metal Packaging Europe's position and recommendations on the EU legislative proposals for the Waste Framework Directive and the Packaging and Packaging Waste Directive

21 September 2016

Metal Packaging Europe welcomes the revised Circular Economy Package and the Commission's proposal amending Directive 2008/98/EC on waste (WFD) and Directive 94/62/EC on packaging and packaging waste (PPWD). With regard to metal packaging, an **effective waste management system and clear rules on recycling** are key in order to achieve sustainable growth and to increase resource efficiency.

Aluminium and steel – due to their unique characteristics as permanent materials – can make a decisive contribution in helping to close the material loop and to support a circular economy.

1. Multiple recycling & permanent materials

Through multiple recycling, products and packaging made from permanent materials, such as metals or glass are kept in the material loop and can become resources for other products and packaging. Thus, permanent materials are perfectly suited to respond to the objective of a circular economy contributing towards the competitiveness of the European economy, and increasing the EU's independency from imports of raw materials.

In the proposed WFD, the Commission intends to encourage the “development, production and marketing of products that are suitable for multiple use”.¹ Metal Packaging Europe is of the opinion that this should also cover “multiple recycling” and “permanent materials” which keep their inherent properties after multiple recycling.

Metal Packaging Europe recommends introducing the following phrase in Article 8, paragraph 2 of the WFD and to reflect this also in the PPWD:

“the development, production and marketing of permanent packaging materials that can be recycled multiple times without changing their inherent properties”

and to support amendments to this effect. (Please the voting recommendation in the Annex).

¹ WFD, Art. 1, proposed amendment 7, (b), amending Art. 8 (para. 2)

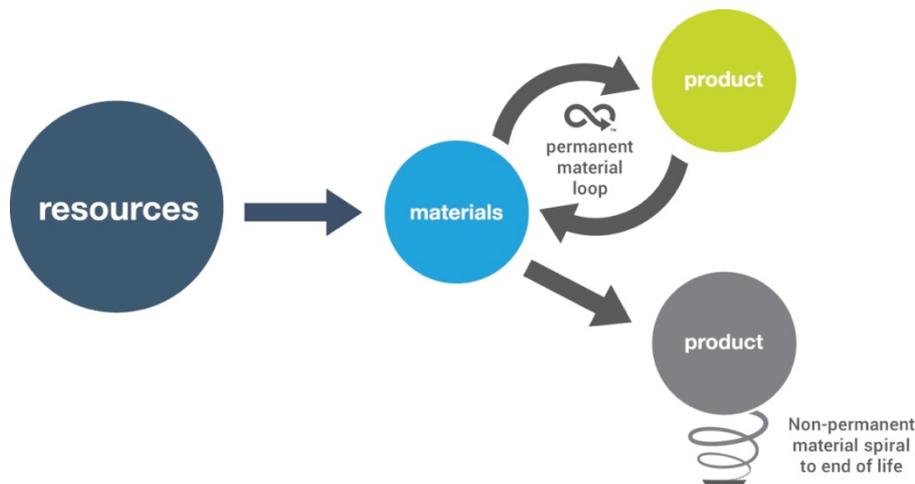


Figure 1: While permanent materials keep their inherent material properties when recycled multiple times, multiple recycling of non-permanent materials eventually leads to material degradation.

2. Measurement point of recycling: input waste into final recycling

Metal Packaging Europe supports the Commission's approach to calculate recycling rates for packaging and to move the point of measurement as close as possible to the actual recycling process. By defining the "weight of packaging waste recycled" as "the weight of the **input waste entering the final recycling process**"², European legislation finally recognises real recycling instead of sorting. Metal Packaging Europe highly recommends supporting this approach.

Several amendments have been tabled, which suggest moving the measurement point at either output of sorting or output of the final recycling process. Both these approaches have flaws. Measuring recycling at the output of sorting makes a substantial difference, since not all materials that are sorted are effectively recycled. This results in a quota suggesting more recycling than what has actually been achieved in reality.

Measuring recycling at the output of the final recycling process, on the other hand, is not feasible for all materials. For instance, metal scrap and virgin materials are (re-) melted in the same process. Due to the homogeneous nature of metals and the fact that primary and secondary metals are structurally identical, no known technique exists to identify (analyse) the level of recycled material contained in the final product (i.e. at output of final recycling).³

Finally, a clear definition of sorting would be desirable, in order to help avoiding high levels of impurities and to improve the environmental performance of waste management.

Metal Packaging Europe recommends measuring recycling at the point of input into the final recycling process, as proposed by the European Commission to finally count real recycling in combination with a definition of sorting. We recommend not

² PPWD, Art. 1, proposed amendment 4, inserting Art. 6(a) para. 1(a)

³ As described in the CEN Standards CR Report 13504 attached to the Packaging and Packaging Waste Directive



supporting amendments which call for measuring sorting or counting at output of the final recycling process, in order to ensure a consistent move of all materials towards a circular economy. (Please see the voting recommendation in the Annex.)

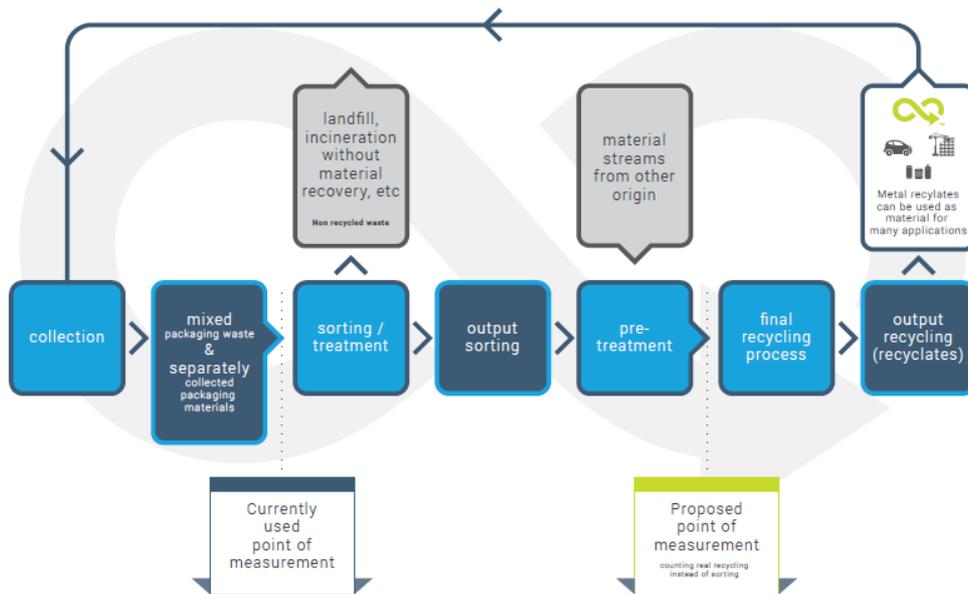


Figure 2: Based on: Cyclos & HTP, “Impact Assessment: The European Commission’s Proposed Changes to the Calculation Method for National Packaging Recycling Rates – Executive Summary”, October 2014

3. Recycled content: not appropriate for metals

Both the Commission’s Communication “Closing the loop - An EU action plan for the Circular Economy” as well as several amendments tabled by members of the European Parliament call for the introduction of recycled content requirements for packaging. **Indeed, the recycled content approach cannot be applied for all materials, e.g. metals. Therefore, Metal Packaging Europe strongly recommends making a clear distinction between recycling rates and recycled content and to take a material-specific approach.**

The homogeneous nature of metals and the fact that primary and secondary metals are structurally identical is described in the CEN Standards CR Report 13504, which is attached to the proposed Packaging and Packaging Waste Directive. It states that, being homogeneous, no easy technique exists to measure the level of recycled content recycled in a finished metal product. For some other materials (e.g. plastics or paper), a recycled content estimate can be more easily measured at product level due to different processing routes and/or final product properties depending on the type of material sourcing, i.e. recycled vs. virgin.

To improve the environmental performance of metals, it is best to further enhance collection and recovery at the end of the life of a given product containing metal. Therefore, every effort should be



made to collect and sort the used metal packaging to make it available for its next **material loop**. When products are recycled, the metal becomes available as material for new products. Recycling the metal packaging brings an environmental benefit **no matter for which application the metal is subsequently used** (automotive, construction, packaging etc.) – the benefit occurs at the time of re-melting the collected metal packaging and not at the point of reshaping the secondary material.⁴ Therefore, the recycling rate is the major indicator of environmental benefits of metal packaging.

High quality packaging materials, which are easy to recycle, such as metals, and for which good recycling techniques exist, yield high quality recyclates. For these materials the recyclates market functions well and no further incentives, such as recycled content requirements/ economic instruments are appropriate. In order to avoid incentivising the production and use of materials for packaging with inefficient recycling properties yielding low quality recyclates, Metal Packaging Europe strongly recommends not to introduce any financial measures subsidising these markets.

Metal Packaging Europe recommends not supporting amendments suggesting mandatory requirements to incorporate recycled content and/or recycled content targets, which do not take into account material characteristics and the economical, technical and environmental consequences of a recycled content requirement.

(Please see the voting recommendation in the Annex).

4. Reuse: No mandatory introduction of reuse were recycling and EPR systems are well established

Metal Packaging Europe cautions against creating an obligation for Member States to introduce new reuse systems in markets where EPR and recycling systems are well-established. Studies show that imposing new systems to promote reuse activities alongside existing recycling systems erodes the (cost-) efficiency of household-based collection systems as existing infrastructure would no longer be used to its full potential^{5,6,7}.

Targets for reuse or preparation for reuse could artificially inflate the recycling performances of materials and would be diverting attention away from recycling. For commercial and industrial purposes, reusable packaging are already spontaneously trending, based on market demand and cost-efficiency.

Metal Packaging Europe recommends not supporting amendments which would create

⁴ For further information please see 'Metal Packaging Europe's views on recycled content'.

⁵ Roland Berger, The consequences of a deposit system for disposable packaging based on the German example, 2008

⁶ Prognos AG. Effects of deposits on beverage packaging in Germany, 2007.

⁷ Conama (Miguel Aballe, BCME), Reciclado de envases metálicos. Análisis de procedimientos actuales en España y en Europa y perspectivas de mejora para mantener a los materiales permanentes en el ciclo productivo, 2014.



a legal requirement to introduce additional packaging reuse systems alongside existing EPR systems or which may lead to an artificially inflated recycling performance. (Please see the voting recommendation in the Annex.)

5. Avoid prescriptive requirements on packaging attributes

Packaging plays a positive role in a circular economy by optimising resource use, minimising product (e.g. food) waste and protecting products all along value chains. Packaging is cross-sectoral and, in order to perform its functions, the full life-cycle of the packaging, which is intrinsically connected with the product it contains, must be considered in its entirety.

Non-recyclable packaging does not contribute to the circular economy and should therefore be banned. Among the options of recyclable packaging, the choice of which option best meets the functional requirements for the product concerned needs to be made on a case-by-case basis in a market with free competition.

Therefore, we strongly caution against legislative measures that set restrictive/prescriptive requirements for packaging attributes (e.g. single-use/multiple use, bio-based and/or biodegradable, recycled content, single-serve/dose) without regard to the impact on the life-cycle of packaged products themselves.

Metal Packaging Europe recommends supporting a ban on non-recyclable packaging but amendments calling for **prescriptive requirements on packaging attributes should not be supported**, e.g. single-use/multiple use, bio-based and/or biodegradable, recycled content, single-serve/dose. (Please see the voting recommendation in the Annex.)

6. Legal framework for Extended Producer Responsibility

Metal Packaging Europe supports the introduction of the general requirements for extended producer responsibility schemes in the WFD⁸ (EPR minimum requirements) for Member States that have or will introduce EPR schemes (amendment 8, inserting Art. 8a).

Metal Packaging Europe also supports that the Member States are required to establish clear rules and responsibilities for the various actors according to the subsidiarity principle.

The areas of concern are the following:

- **Modulation of fees/Internal market safeguard:** The Commission proposal requires a modulation of fees to be paid by producers based on recyclability criteria.⁹ Member States

⁸ WFD, proposed amendment 8, inserting Art. 8a



may modulate the fees differently, which will lead to a fragmentation of the Internal Market, contradicting, in the case of packaging with the Internal Market legal base (TFEU, Art. 114) and Recital (21) of the proposed PPWD.

Metal Packaging Europe asks to extend the “general requirements for extended producer responsibility schemes” of the current WFD article so that *any national measure under the minimum requirements, such as the modulation of fees, must follow the **safeguarding of the Internal Market requirements and to support amendments to this effect.***¹⁰

- **Financial responsibility:** Most Member States leave waste management to the discretion of public authorities. Producers/importers have no or little influence on the way their waste is collected and treated. This can lead to sub-optimal solutions generating extra and unnecessary costs for producers / importers (and ultimately consumers) as shown in practice. Insofar as responsibility is shifted to industry, financial and operational aspects should not be split. Those with financial responsibility must be able to control operational costs and performances to ensure most cost effective collection, sorting and recovery/recycling services.

Metal Packaging Europe therefore asks the European legislators to **ensure the consistency and proportionality of the costs placed on producers/importers based on their role and responsibility.** The list of activities to be covered by producers/importers should be finite. Metal Packaging Europe recommends to support amendments to this effect.

⁹ WFD, Art. 1, proposed amendment 8, Art. 8(a), para. 4 (b)

¹⁰ This is currently only mentioned in Directive 94/62/EC, Art. 16, Notification, para. 1 relating to the legal basis, Art. 114, TFEU)



ANNEX: Voting Recommendation

Multiple recycling and permanent materials:

+	-
<u>PPWD</u> : 114 <u>WFD</u> : 634, 638, 639, 643, 644 (ITRE amendment: 246)	

Measurement point of recycling: input waste into final recycling & definition of sorting

+	-
<u>PPWD</u> : 120 <u>WFD</u> : 474	<u>PPWD</u> : 143, 288, 304 <u>WFD</u> : 463, 464, 466, 467, 469, 470, 471, 472, 473, 475, 476, 477, 1088, 1120, 1121, 1122, 1123
<i>Definition of sorting:</i> <u>WFD</u> : 495, 496, 498	

Recycled Content

+	-
	<u>PPWD</u> : 49, 262, 270, 360, 376 <u>WFD</u> : 111, 525, 640, 679, 784, 790, 1119, 1120, 1160

Reuse: No mandatory introduction of reuse were recycling and EPR systems are well established

+	-
<u>PPWD</u> : 100, 172, 181	<u>PPWD</u> : 28, 29, 30, 80, 90, 173, 174, 175, 176, 177, 178 <u>WFD</u> : 103

Avoid prescriptive requirements on packaging attributes

+	-
<i>Ban or reduce non-recyclable waste:</i> <u>Landfill Directive</u> : 109	<i>Single use</i> <u>PPWD</u> : 5, 23, 76, 160, 359 <u>WFD</u> : 853, 913, 914, 915, 1246, 1247, 1250, 1306 <i>Biobased or biodegradable</i>



	PPWD: 26, 84, 96, 155, 166, 170, 171, 268, 269, 343
--	---

Legal framework for Extended Producer Responsibility

+	-
WFD: 737, 745, 787, 842	