

Florika Fink-Hooijer Director-General, DG Environment European Commission

CC: Joanna Drake Deputy Director-General, DG Environment European Commission

CC: Rana Pant, Werner Bosmans, Mattia Pellegrini

Brussels, February 17, 2021

Subject: Avoid the 'mass balance approach' to block ambitions for increased recycled content in plastics

Dear Ms Florika Fink-Hooijer dear Ms Joanna Drake dear Mr Rana Pant dear Mr Werner Bosmans dear Mr Mattia Pellegrini

We, the undersigned organisations representing European NGOs and recycling industries, are writing to you today to urge the European Commission to **establish a transparent and ambitious 'chain of custody' method for determining recycled content in plastic products.** While waste prevention and reuse are the most key components of a circular economy, recycling is also part of the solution and **establishing an ambitious method of**

accounting for recycled content in plastic is a crucial step towards increasing the uptake of recycled content.

DG Environment is currently working with consultancy company Eunomia to develop options for methods to calculate, verify and report recycled content in plastic products. This is a step towards implementing the goals of the Single Use Plastics (SUP) Directive to ensure at least 25% recycled plastic in PET bottles from 2025, and 30% in all beverage bottles from 2030. Once developed, the method will have further implications for other types of materials and products, such as for other packaging materials, construction materials, batteries and vehicles.

However, if a loose method for determining recycled content is applied, as a result of industry pressure to circumvent the rules of the game and allow for creative accounting, this could mean that:

- Brands can market their products as "recycled" even if they contain zero recycled material
- Recycled plastic such as PET is traded "virtually" and sold as another plastic type such as nylon, without any physical and chemical traceability or connection
- Incentives to design plastic packaging and products for recyclability are undermined as companies can forego the need to increase recycled content rates through creative accounting

These pitfalls would lead to deceptive claims on the recycled content of plastic products towards consumers and risk undermining the credibility of the recycling industry. We thus call on the European Commission to base its method on ten key criteria that guarantee that the chain of custody for recycled plastic contributes to the circular economy and avoids greenwashing:

- **1.** Aim for the highest possible amount of recycled content and segregate recycled feedstock from virgin feedstock in the supply chain
- 2. Use 'batch level' mass balance to determine recycled content when segregation is not feasible which enables you to know the proportion of recycled material fed into the process and estimate actual recycled content in final products placed on the market
- **3.** Do not allow for the trading of recycled content as part of a credit system, between sites and countries, including to other sites belonging to the same company
- 4. Evenly allocate the recycled content to output products where mass balance is used, instead of allocating it arbitrarily (unless the actual recycled content of each output can be verified)
- 5. Ensure strong physical and chemical traceability of recycled content ensuring that there is a proven chemical route between the input feedstock and the final product and that input material can only replace its own share of the final product

- 6. Avoid converting recycled content into theoretical 'currencies'¹ such as calorific value or carbon, which would further facilitate a certification scheme for recycled content
- 7. When determining recycled content, only include post-consumer waste and not pre-consumer waste
- 8. Set strict eligibility criteria for plastic waste used for 'chemical recycling' to avoid competition with mechanical recycling feedstock
- **9.** Account for the full life cycle of products in the chain of custody model taking consideration to material and carbon losses
- **10. Ensure full transparency towards consumers** by avoiding false claims and excluding additives from counting towards recycled content targets

We urge you to maintain the ambitions of the SUP Directive and remain at your disposal for further information. In this time of crisis in Europe, we wish you, your team and relatives to stay well and healthy.

Yours sincerely,

Joan Marc Simon, Executive Director, Zero Waste Europe

Fanny Rateu, Waste Programme Manager, ECOS

Mary Rice, Chief Executive, Environmental Investigation Agency (EIA)

Delphine Lévi Alvarès, Coordinator, Break Free From Plastic Europe and Rethink Plastic alliance

Fabrizio Calenti, Executive Director, Aquafil

Thomas Fischer, Director Circular Economy, Deutsche Umwelthilfe (DUH)

Albin Kälin, CEO, EPEA Switzerland GmbH

William Holmberg, CEO, Impossible Plastics

Ladeja Godina Kosir, Director Circular Change and Chair of the Coordination Group of the ECESP

Sascha Roth, Policy Officer, Naturschutzbund Deutschland (NABU)

Kristin Geidenmark Olofsson, Director Regulatory Affairs & Strategic Innovation, Trioplast

¹ Such theoretical currencies, including 'carbon' or 'calorific value', would facilitate the untransparent trading of recycled content