

**Brussels, 10 June 2018**

## **THE EU PLASTICS STRATEGY - AN OPPORTUNITY TO BUILD A COMPETITIVE EUROPEAN MARKET FOR SECONDARY RAW MATERIALS**

### **1. Introduction**

Plastic is everywhere in our lives and economy. In the European technology industries represented by [Orgalime](http://www.orgalime.org), plastic is a highly developed material used in complex products that delivers a wide range of performance benefits and inspires innovation. For example, plastic allows advances in weight reduction and miniaturisation throughout a variety of applications, such as electrical and electronic equipment, thereby reducing carbon emissions. It can be designed to meet very specific performance characteristics, including increasing energy efficiency or reducing waste.

At the same time, there remain undisputed environmental challenges stemming from the way our society uses, produces and treats plastics today. The European technology industries support further optimising the use of plastic throughout its life cycle in the light of Europe's broader ambition of a Circular Economy and to do so with the aim of modernising our economy and important long-term societal objectives in mind: a competitive, low-carbon, circular, sustainable economy that creates jobs and growth, and increases the quality of life of citizens.

Europe's engineering and tech companies are global leaders in material efficiency innovation, overall product sustainability and the development of innovative waste management technologies – increasingly including digitally enabled solutions. This means that there is also an important business case for well-designed policy action and for helping to build a competitive raw materials market where primary and secondary raw materials can compete fairly with each other.

### **2. Proposals how to best achieve these shared goals**

To ensure a win-win approach that will protect the environment, ensure consumer safety and safeguard the competitiveness of European industry, we see several promising short-term actions for **making recycled plastic more competitive** and thereby stimulate the next step, namely the market-driven uptake of recycled plastic in a new generation of products:

We must start by **improving the output of the recycling process and lifting the quality of secondary raw materials to make secondary raw materials more attractive for use**. For companies using recycled materials in their products, their number-one concern is understandably that materials meet the right technical criteria in terms of performance, robustness and safety, next to their availability in sufficient quantities at a competitive price.

To respond to these challenges and stimulate a long-term market for recycled plastics, it will be essential to **prioritise stepping up the deployment of the cutting-edge intelligent collection, sorting and recycling equipment**. In this context, Europe urgently needs to modernise its existing waste management infrastructures and invest in innovative waste management technologies, including digitally enabled systems. This will lay the groundwork for the development of large-scale sorting and recycling technology solutions here in Europe.

*Orgalime representing the European Technology Industries speaks for 42 trade federations of the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs nearly 11 million people in the EU and in 2016 accounted for some €2,000 billion of output. The industry represents over a quarter of the output of manufactured products and over a third of the manufactured exports of the European Union.*

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In addition, **minimum quality criteria for secondary raw materials based on ISO or EN standards** should be set. Easy and fair access to competitive, affordable and quality raw materials that meet technological and safety requirements will be a must to secure the competitiveness of Europe's industry in a circular economy. Ensuring REACH compliance of secondary raw materials is one essential parameter for being legally allowed to use them in products.

A third pillar for success will be to ensure **harmonised waste treatment standards across Europe**: when it comes to waste electrical and electronic equipment (WEEE), for example, laying down minimum quality standards for the treatment of WEEE based on the already existing standards developed by European standardisation organisations could help more consistent quality levels across the EU. Also, more innovative technologies can be brought quicker to the waste treatment sector through the implementation of the Industrial Emissions Directive.

In the light of the international dimension of the Plastics Strategy and the complex global supply chains of European manufacturers in terms of sourcing materials and components, it will also be important to **insist on high environmental standards in EU global trade policy instruments** – in particular, to elevate harmonised EU waste treatment standards to the global level.

However, it is also advisable to take a full-lifecycle approach to determine whether the use of recycled materials as inputs is necessarily the best approach in all cases. It would be useful to **develop a robust methodology to weigh up the overall costs and benefits for society** of re-using recycled materials containing certain substances compared to energy recovery/disposal. This can also help ensure effective implementation of the Ecodesign Directive as regards resource efficiency, by avoiding simple shifting of environmental burden from one lifecycle stage to another – something that could ultimately expose consumers to safety risks, or manufacturers to the risk of non-compliance with sector-specific product legislation.

Also, we invite policy makers to **strive for better statistics on plastic streams and to provide more background to given data**. For example, what products would “household data” as included in the COM Strategy precisely refer to? As regards **packaging and packaging waste**, we agree that these can be a proper source for other applications, but not necessarily packaging again. We support the emphasis placed on collecting and sorting of packaging waste and a proper extended producer responsibility scheme for this waste stream, which will also be a main input source for secondary raw materials for the European technology industries.

Finally, additional measures in EU waste and substance policy can help contribute to the strategy's success, such as the following:

- an **efficient implementation of the Waste Package** – in particular the tightened EU landfill and recycling policy
- **improved implementation of the REACH Regulation** and especially the quality of Safety Data Sheets and Registration Dossiers
- where **substance restrictions** are set, these should be based on scientific evidence and coupled with sufficiently long compliance deadlines and an exemption mechanism where substitution is not technically viable. **A common RoHS and REACH substance evaluation methodology** should be agreed to improve overall legislative consistency.

### 3. Conclusions

If we can take these steps, we can incentivise businesses and stimulate market acceptance for more recycled plastics in products over time. The result will be a win-win solution for citizens, the planet and European industry over the long term. The European technology industries stand ready to help building this more competitive European secondary raw materials market and thereby turn today's plastic challenges into tomorrow's opportunities for all Europeans.

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