

Mr Mark Demesmaeker
Member of the European Parliament
European Parliament
Rue Wiertz 60
BE-1047 Brussels
BELGIUM

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Dear Rapporteur,

First of all, I would like to congratulate you on your appointment as Rapporteur on the Plastics Strategy, an extremely important file for European business at large. At first reading, BusinessEurope has welcomed the European Commission's proposal on the Plastics Strategy as published on 16 January 2018, because it seems to strike the right balance between environmental and economic considerations.

The ball is now in the court of the European Parliament, with you in the driving seat. As you are now preparing your draft report, I would like to provide you with a few suggestions that our members agree would help reach our common goals:

- **Continue the strong stakeholder dialogue and focus on voluntary agreements.** The Commission proposal rightfully chooses to first enter into a pledging exercise with businesses instead of immediately applying regulatory actions. It also wants to enter into stakeholder dialogues on the desirability of a private-led fund for investing in plastics recycling technologies. We therefore strongly recommend you consider following the same collaborative approach.
- **Make Europe a frontrunner on sorting and (mechanical and chemical) recycling.** Circular economy will work best if all parts of the value chain work together, for example to improve the availability of high quality secondary raw materials. If product requirements are implemented, they should be combined with a realistic product design, proper waste management, and by advocating responsible behaviour amongst consumers (e.g. through educational campaigns). They should also be measurable and the process on how to determine them should be transparent. Furthermore, though business has a prominent role to play here, governments can support value chain cooperation by providing more funding for research and innovation. Europe can eventually become a net exporter, not of waste but of technologies and good practices.
- **Consider a life-cycle approach.** We welcome that the Plastic Strategy explicitly foresees life-cycle analyses for biodegradable, compostable and single-use plastics, as well as alternative feedstocks. More generally, the Commission states in the staff working document that any action on design for recyclability should be based on a proper life-cycle analysis (LCA). Indeed, in order to increase resource efficiency, meet the stated goals of the Plastics Strategy, which include reducing life cycle GHG

emissions, and ensure a level-playing field between technologies, materials and products, LCAs based on a common EU methodology could be the basis for any measure. To avoid unintended consequences of substitution, this must also apply to the action on single-use plastic applications.

- **Focus more on digitalisation.** At the end of the day, “plastics waste” is a term for some plastics materials that could be reused or recycled but end up in the wrong place. Big data, smart solutions for plastic packaging and the Internet of Things could greatly support the large logistical exercise of bringing these plastics materials to the recyclers in a controlled way and enable them to supply the market with quality materials. The Commission proposal only mentions the word “digital” once. In addition to raising consumer awareness, efforts should be complemented with the many benefits that digitalisation can bring.
- **Apply flexibility to the design of EPR schemes.** The recently agreed reform of the Waste Framework Directive has successfully dealt with extended producer responsibility (EPR) and therefore it does not have to be dealt with again under the Plastics Strategy. Secondly, there is no silver bullet for the perfect EPR system. What works in one Member State or sector might not work at all in others. Several industries see a risk that companies need to pay for aspects that are beyond their control. Therefore, a one-size-fits-all EPR should not be forced upon the Member States, but they should assess the most efficient system themselves.
- **Have a global focus.** We support the Commission’s proposal to develop as soon as possible international standards on the quality of recyclable and recycled plastics. In our view, Ecodesign requirements would make little sense if imported goods from non-European companies do not have to comply as well. Furthermore, because 98% of marine pollution happens outside of the EU and the US, international cooperation is the only way to help solve the issue, as it happens in relation to climate policies.
- **Do not impose a plastic tax to fund the general EU budget.** The final Commission proposal included wording on the need to establish EU-wide fiscal measures, such as a tax on plastics. In our view, if there is one way to kill off appetite for investments in research and innovation in circular economy, it is to raise a non-material neutral tax of which the revenues flow into the general state coffers.

I hope that you could take these proposals into consideration. On these and other issues, BusinessEurope stands ready to discuss with you and your colleagues in more detail.

Yours sincerely,



Markus J. Beyrer