Robust recycled content for plastics in vehicles essential to drive plastic recycling in Europe

Brussels, 3 October 2024

In light of the ongoing discussions on the End-of-Life Vehicles Regulation (ELVR), EuRIC calls on the legislator to maintain a high level of ambition and bring forward recycled content targets for plastics in vehicles. This is vital to ensure automotive circularity and to drive investments and preserve the EU plastics recycling industry, which is facing extremely harsh conditions.

Currently, an average of 80% of ELV plastics are either landfilled or incinerated[1]. Mandatory recycled content targets are essential to bridge vehicles design with their end-of-life treatment, stimulate demand for circular and low-carbon materials, and prevent material losses that jeopardise Europe's green and clean industrial transition.

Plastic recyclers are struggling to remain viable due to low demand and prices. Setting ambitious targets for recycled plastics in vehicles will boost demand and re-incentivise investments in the EU plastic recycling sector. As highlighted by the JRC, recycled content targets of 25%, of which 25% are closed-loop, provide the best-cost-benefit balance, avoid excessive costs and supply shortages, and offer certainty for manufacturing planning, with some manufacturers already exceeding the proposed targets. Moreover, these recycled content targets are also an absolute precondition for reaching the 30% plastic recycling target as per the ELVR. In the absence of a robust mechanism to reward the use of recycled plastics in automotive, the demand for recyclates will remain low and consequently, achieving the 30% recycling rate for ELV plastics will not be possible.

For driving circularity and decarbonisation of vehicles, stability for planning and investments in R&D, innovation and the scaling-up of recycling capacities is paramount. Therefore, EuRIC urges to avoid any reduction of targets or revision clauses that could undermine predictability and harm investments. EuRIC also calls for ensuring a level playing field on recycled content through robust certification covering environmental, human health and social aspects, ensuring fair competition in recycling markets. Recycled content targets should specifically address the end-of-life treatment of plastics and should therefore only be met using post-consumer plastic waste.

Considering the above, EuRIC calls on the EU legislator to ensure:

1. **Investment stablity for plastic recyclers in Europe by rejecting any attempts to reduce, postpone, revise or otherwise water down minimum targets.**
2. **Direct results on circularity in vehicles by bringing forward the minimum 25% recycled plastics target, including the 25% closed loop target, to 4 years after the regulation's entry into force.**
3. **Fair competition through robust certification of recycled content regarding environmental, human health and social aspects, specially in the face of international competition**

[1] Plastics Europe, 2022 data