

# Recyclers Urgently Call for Fair Prices for Plastic Recyclates under PPWR

Brussels, 31 January 2024

EuRIC urgently calls for fair prices for plastic recyclates under the Packaging and Packaging Waste Regulation (PPWR), reaffirming our commitment to a free, fair, and efficient EU internal market. Our goal is to enable economies of scale, enhance competitiveness of recycled plastics compared to virgin ones and reduce the CO<sub>2</sub>-footprint of packaging for end-users in the EU.

Certain measures introduced by the European Parliament into the PPWR triilogue foresee an opening clause for Member States to grant packaging producers **priority access** to recycled materials. This would threaten the economic viability of packaging recycling and the environmental ambition of the PPWR to make packaging more circular, as producers would be given price setting power. ***How can recycling be expected to increase without reasonable pricing, especially when the huge environmental costs of oil-based materials from extractions are left unaddressed?***

Regarding PET, **the recycling industry already has the capacity to meet European rPET demand**, having massively invested in costly food-contact recycling technologies, amounting to an increase of capacity by more than 50 % between 2019 and 2022<sup>1</sup>. The greatest **threat to packaging circularity** today is the **extremely low EU demand for rPET from the beverage industry, coupled with major price fluctuations**. As a result, European recycling plants [run well below their capacities](#) or even shutting down facilities. This is also linked to an increase in imports of low-priced PET virgin and fake recycled PET. Moreover, textiles and non-food contact applications are gradually accounting for a lower and lower share of European rPET. It is essential to recognise that the issue does not lie in the availability of rPET in the EU, but rather in the willingness to pay a fair, sustainable price.

For recycled materials in general, priority access could distort the market, likely breaching EU competition law and fragmenting the internal market because of inefficient material retention at national level. This would directly contradict the necessary steps to enhance the competitiveness of recycled materials, which include leveraging economies of scale and investing in innovation. What is instead **required is an integrated EU internal market for plastic recyclates**.

**Sophie Sicard**, President of EuRIC's Plastics Recycling Branch (EPRB) stated:

***“European recyclers are taking their full share of the transition toward a circular economy by innovating and investing massively. Unfortunately, they are now wondering whether they***

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<sup>1</sup> [How the myth of PET bottles downcycling could ruin European efforts toward packaging circularity - EuRIC \(euric-aisbl.eu\)](#).

***should expect to suffer the same fate as European farmers. No one-sided right to set prices should be granted to any player under this legislation. We need to learn from past mistakes and ensure that the PPWR boosts rather than undermines plastics recycling infrastructure and competitiveness in Europe.***

