EU'S CIRCULAR ECONOMY PACKAGE IN A NUTSHELL

Metal Packaging Europe

→ What is it?

The Circular Economy Package is crucial starting point for a **successful transition to a circular economy**, in which the value of products, materials, and resources is maintained in the economy for as long as possible.

→ Why is it relevant for packaging?

It includes two important revised Directives, which must be **implemented by all Member States by July 2020.**

- the Waste Framework Directive (WFD)
- the Packaging and Packaging Waste Directive (PPWD)

→ What does it imply?

The new legislation represents a **fundamental paradigm shift** in packaging policy. The focus is no longer on renewables or resource efficiency, but on achieving a circular economy. Just reducing the weight of packaging is no longer considered packaging waste prevention.

Instead, there is a push for packaging materials that are effectively recycled. Mono-material packaging, like **metal, is perfectly placed to meet the new requirements:**
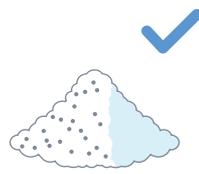
1 Real recycling

Only packaging waste that is **effectively recycled can be reported as recycled.** This is a clear advantage for metal packaging and a major challenge for multi- and polymer material packaging. What is now counted as recycling because it is collected but not actually recycled, will no longer count.
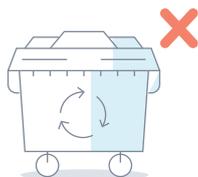
- Collection ≠ recycling
- Energy recovery from incineration ≠ recycling

EFFECTIVELY RECYCLED

METAL RECOVERY FROM BOTTOM ASHES

COLLECTION

ENERGY RECOVERY FROM INCINERATION

1 Real recycling

2 Increased recycling rates
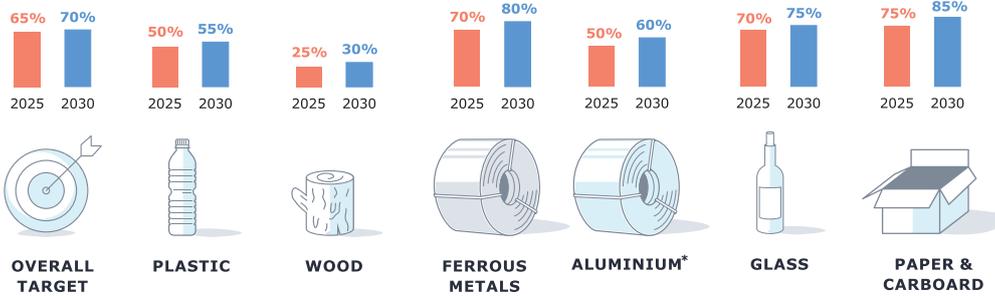
3 Design for circularity

2

Increased recycling rates

The recycling targets for 2025 and 2030 have been increased for all packaging materials and need to be **achieved by all Members States individually.**

Metal packaging is made to be recycled, again and again, and its secondary raw materials market functions well.

The metals value chain will continue to target higher recycling rates.

	65% / 70%	50% / 55%	25% / 30%	70% / 80%	50% / 60%	70% / 75%	75% / 85%
	2025 / 2030	2025 / 2030	2025 / 2030	2025 / 2030	2025 / 2030	2025 / 2030	2025 / 2030
	OVERALL TARGET	PLASTIC	WOOD	FERROUS METALS	ALUMINIUM*	GLASS	PAPER & CARBOARD

*The new target will include rigid, semi-rigid, and flexible aluminium (where aluminium is the predominant material), which will impact the recycling rates officially reported by Member States.

3

Design for circularity

Extended Producer Responsibility **fees will be modulated based on real end-of-life costs** to promote packaging that is easy to recycle.

This will reshuffle costs among materials and should strongly favour metals as they are simply separated from other waste. The infrastructure to do so is already widely in place, whilst multi- and polymer materials will require complex and new processes.

→ A focus on plastics

The fundamental paradigm shift is further reinforced by the first-ever European wide Strategy on Plastics to make the plastics industry circular, with all the **costs and operational challenges** this will present throughout the supply chain.

→ Life Cycle Assessment (LCA)

Circularity is not yet reflected in LCAs, as they are still based on old policies focusing on resource efficiency only. Their **boundaries exclude end-of-life considerations,** and for instance, do not take account of the negative impacts on land and sea life.

Acknowledged stakeholders such as the Ellen MacArthur Foundation and the European Environmental Bureau do not accept LCAs with these major limitations and have asked for the **environmental indicators to be updated.**

→ Summary

The legislation encourages an **entire re-think on the use of packaging materials** that are not recycled or very difficult to recycle. Packaging strategies will need to be reassessed to be acceptable for the market going forward.

METAL ∞ recycles forever™

Mono-material packaging, like **metal, is perfectly placed to meet the new requirements.** Metal packaging is easily separated from other waste and the infrastructure to do so is already widely in place. It is made to be recycled, again and again, and its secondary raw materials market functions well. The metals value chain will continue to target higher recycling rates and be part of a true circular economy.