Strategic Recommendations for a Resilient and Circular Plastic Value Chain in Europe

1. Restore Fair Competition - Promote EU-Made Circular Plastics Now

Without promoting the uptake of high-quality plastics produced in the EU[1], the transition to a circular economy cannot be achieved. This requires enforcing mirror measures on imports of recycled polymers and plastic products (finished/semi-finished), or equivalent workable mechanisms to restore a level playing field. This also includes ramping up targeted incentives in infrastructure for collection and sorting, boosting investment in EU recycling by exploring Green VAT and implementing EPR[2] bonuses, ensuring high-quality standards, establishing uniform design-for-recycling criteria, and reforming public procurement to favour EU recyclates. It is also essential to reduce the incineration and landfilling of plastic waste, which is diverted from the circular loop.

2. Cut Energy Costs - Empower and support Circular Plastics to Compete Globally

Stronger links between circularity and climate policy are essential, with a comprehensive package of supporting measures for the EU plastic industry. Recycling, masterbatching, compounding, and converting should be eligible for the support measures included under the NZIA[3], CISAF[4], IDAA[5] and CEEAG[6], typically applicable to the energy-intensive industries (EIIs). The plastics industry must benefit from affordable energy schemes, tax relief, and emissions-based funding to remain competitive. State Aid, including operating aid, is urgently needed, with resource allocation focusing on CO_2 savings, resource efficiency, and circularity, with dedicated access for SMEs and existing companies. Current revenues on plastics, such as those from ETS[7] and Plastics own resource, should be reinvested into a dedicated fund within the Competitiveness Fund, to support the circularity of the plastic industry, including waste management.

3. End Loopholes in Verification and Enforcement

Strong enforcement starts with properly staffed and well-equipped authorities, including Customs authorities, harmonised rules, and consistent market surveillance. National authorities should benefit from structured training, industry dialogue, and digital traceability tools. Separate customs codes for fossil-based and for every non fossil-based feedstocks and products (bio-based, recycled and carbon captured), as well as a harmonised EU verification framework, and a streamlined third-party certification are essential for detecting non-compliant imports. Oversight of recycled content claims, compliance with food contact material legislation, and REACH[8] enforcement must apply equally to imports, backed by robust traceability standards and test methods.

4. Tackle Fragmentation - Implement and Enforce EU Law

Consistent and harmonised implementation and enforcement of EU law across Member States is essential. This includes strict enforcement of recycled content targets, backed by third-party certification

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[1] Including EFTA + UK
[2] Extended Producer Responsibility
[3] Net-Zero Industry Act (NZIA)
[4] Clean Industrial State Aid Framework (CISAF)
[5] Industrial Decarbonisation Accelerator Act (IDAA)
[6] Climate, Environment, and Energy Aid Guidelines (CEEAG)
[7] EU Emissions Trading System (ETS)
[8] Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

and clear penalties. Legal clarity and coherent rules interpretation are needed to boost investment confidence, as well as reducing red tape via streamlining permitting and reporting processes. Harmonised compliance audits and EU-wide End-of-Waste criteria are needed to scale circular solutions across the Single Market. For example, in the case of food-contact material, the Commission must increase its resources to ensure the sufficient supply of safe recycled plastic. This entails ensuring that competent authorities conduct their audits, completing the relevant Union register, and fast-tracking the approval of the so-called novel technologies.

5. Break the Deadlock - Catalyse Innovation and Private Investment

Delivering circularity at scale requires targeted support for breakthrough technologies, fostering a regulatory environment that de-risks investment and accelerates innovation while keeping supporting existing capacities. Advancing efficient collection systems, scaling sorting and separation technologies, and supporting all recycling technologies - while prioritising the most sustainable ones - is essential. To unlock investments and build a unified and competitive circular plastics market, the EU must strengthen coordination, harmonise rules for recycling and substances, and clarify governance at Member State level.

6. Enhance EPR for a Fair Circular Market

Increased harmonisation of EU-wide EPR rules, definitions, and eco-modulated fees are essential to avoid market fragmentation and ensure fair competition. EPR should target market failures, reward design-for-recycling and recycled content through material-neutral, more harmonised requirements and criteria. Strategic governance should have full value chain representation, for example through an advisory board. Operational governance of PROs should be independent. Fee-based competition that could incentivize minimal compliance should be prevented.

A Call to Secure Europe's Plastic Value Chain Future

The EU stands at a crossroads. The plastics industry is facing a defining moment: either we urgently double down on enforcement, targeted investment, and fair competition, or the vision of a circular plastics economy in Europe will not materialise. The recommendations above are not just a roadmap, they are a prerequisite for turning today's challenges into a resilient, competitive, and truly circular plastics economy that strengthens Europe's industrial base and strategic autonomy.

Co-signatories
European organisations

CEFLEX
A CIRCULAR ECONOMY FOR FLEXIBLE PACKAGING

CIRFS
EUROPEAN MAN-MADE FIBRES ASSOCIATION

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eumeps The voice of the European EPS industry

EuPC

EuRIC

FEAD
European Waste Management Association

PCEP
POLYOLEFIN Circular Economy Platform

PETCORE EUROPE
Pioneering PET circularity since 1993

PLASTICS EUROPE
Enabling a sustainable future

PLASTICS RECYCLERS EUROPE
making plastics circular

Styrenics Circular Solutions

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COMMITTED TO SUSTAINABLE DEVELOPMENT

National associations