



The plastics industry and the EU Green Deal

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12 October 2023

In the next 30 minutes

- Where the European Green Deal stands and what this means for the plastics industry
 - Main pieces of legislation that have been adopted under this Commission including the Green Deal, Circular Economy Action Plan and Chemicals Strategy for Sustainability
 - What remains to be decided or finalised before the institutions pause for elections
- How plastics producers are responding
 - ReShaping Plastics report - potential pathways to net zero
 - The Plastics Transition – our industry’s roadmap for plastics in Europe to be circular and climate neutral by 2050
- What support do we need from policymakers?



With a foothold across Europe

Headquartered in Brussels,
Plastics Europe has regional offices in
Austria, Belgium, France, Germany,
Netherlands, Poland, Spain and the UK.



An industry rich association: Full members



Representing over 90% of all polymers production across the EU27 member states plus Norway, Switzerland, Turkey and the UK.

Our purpose and strategic focus

Plastics Europe is a **catalyst for the plastics industry**, accelerating sustainable solutions valued by society



Where the European Green Deal stands and what this means for the plastics industry

2023 – the policy and external landscape



- Most legislation from EU Green Deal and Circular Economy Action Plan now published
- Some files concluding or almost over (e.g. CBAM, ETS) but some key policy debates ongoing and upcoming in European Parliament and Council (packaging, eco-design, end-of-life vehicles, green claims)
- Limited number of legislative proposals still scheduled for 2023 but finalisation before EU elections highly unlikely (microplastics, REACH revision)
- Internal work in European Commission to prepare groundwork of next mandate (2024-2029) to commence from Q4 2023

The EU Green Deal – policies impacts all steps of the plastics life cycle & all plastics applications

Climate and Production

- Sustainable Carbon Cycles - Chemical recycling and mass balance & bio-based
- Plastic pellet losses
- Fit for 55, Renewable Energy, ETS & CBAM

Safe & sustainable use

- Microplastics (intentionally added & unintentionally released)
- Implementation of the Chemicals Strategy for Sustainability
- Food Contact and Drinking Water

Circular Economy

- Packaging & Packaging Waste
- End-of-life Vehicles
- Construction Products Legislation / Energy Performance of Buildings
- Waste Shipments

Horizontal

- Eco-design for Sustainable Products
- Sustainable Finance / Taxonomy
- Global Plastics Treaty

What does the EU Green Deal mean for plastic construction products?

- High-level direction – pressure remains on single-use plastics, but construction products will not be exempted from net-zero and circularity journey
 - Design for recycling and recycled content
 - Recycling and collection targets
 - Carbon footprint
 - Pressure on legacy substances & additives via chemicals policy (transparency as first solution)
- Key legislative initiatives
 - Construction Products Regulation
 - Importance of follow-on legislation / CPR acquis and CEN standardization (window profiles, insulation, pipes?)
 - Eco-Design for Sustainable Products & Digital Product Passports
- Demand drivers



Have we had too much new environmental legislation?



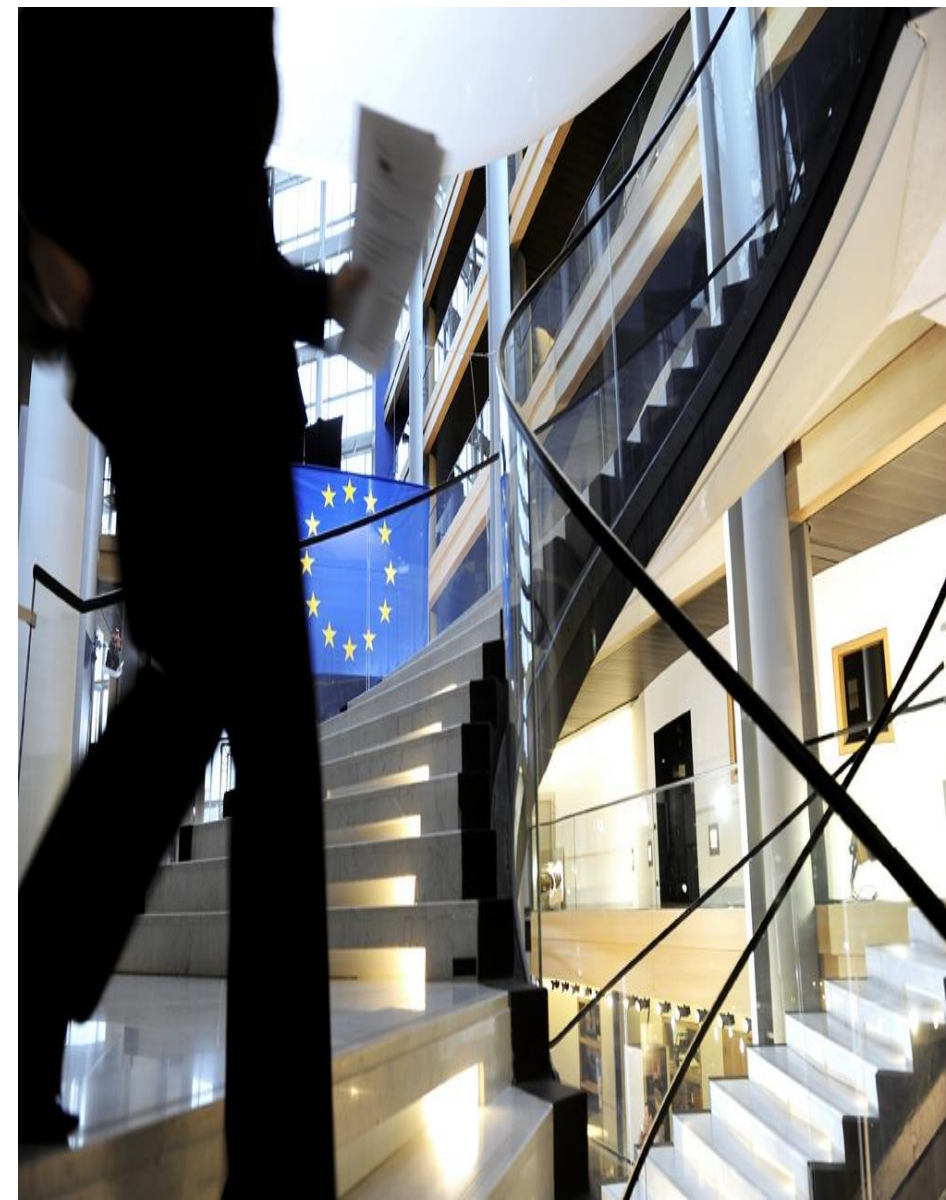
“Depending on the level of ambition, depending on the time and possibilities... the final decision will be taken. I can reassure you that the proposal is more or less ready,”

“We clearly see that the pipeline.. is really full, so it’s of course on the one hand a political decision: do we put additional proposals, which, unfortunately, unlikely, we won’t finalise in this mandate, or do we focus on those that are already there?”

**Virginijus Sinkevičius, EU Environment
Commissioner to European Parliament, 11
Sept 2023**

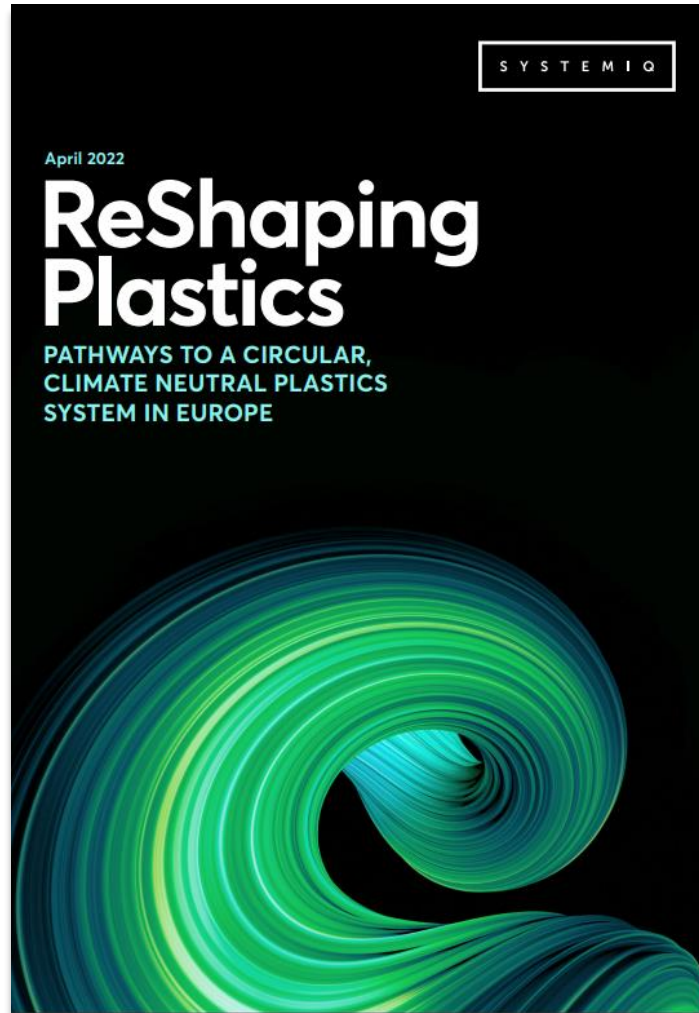
What to look forward to in 2024

- Finalisation of legislative files – soft deadline of 5 Feb 2024 for political agreement
- European elections – June 2024
- New European Commission – November 2024
- Continued political change at country level



How plastics producers
are responding – some
of our long term actions

ReShaping Plastics – an independent report to investigate pathways towards circularity and net-zero carbon emissions



Key conclusions from the study

2030.

1

Current industry and policy actions could **double system circularity** from 14% to 30% by 2030, leading to a reduction of 11 million tonnes (Mt) of CO₂e emissions and 4.7 Mt less plastic waste disposed in landfills or incinerators

2

Adoption of circular economy approaches across the plastics value chain can drive a **33% reduction in GHG emissions and a 46% reduction in waste disposal**.

2050.

3

The Circularity scenario shows **78% circularity could be achieved of which 48% from recycling** (combined mechanical and chemical with a projected increase in the latter), and only 4% substitution with alternative materials

4

By 2050 **78% of plastic utility supplied by alternatives to fossil fuel** in the Net Zero Systems Change scenario

Overall.

5

Substitution of plastics with other materials provides **very limited scope for reaching net zero emissions**, with only paper or cardboard considered a viable alternative in the case of packaging (criteria dependent)

Coming soon – the Plastics Transition

- Roadmap to be published on 26 October
- Industry follow-up to ReShaping Plastics



A critically important industry

The European plastics value chain, comprising manufacturers, converters, waste management companies, and machinery manufacturers, employed over 1.5 million people in the EU in 2021. These workers were spread across 52,000 companies, and generated turnover of more than €400 billion.

Plastics are a strategically important material for the European economy, with applications in almost every sector, including automotive, construction, packaging, consumer goods, healthcare and renewable energy.

RENEWABLE ENERGY

Plastics are critical for the development of clean, efficient and durable alternative and renewable energy solutions, including wind turbines and solar panels, as well as electric and hydrogen powered vehicles. These solutions reduce greenhouse gas emissions and increase resource efficiency.

BUILDING & CONSTRUCTION

Plastics are increasingly used in building insulation due to their excellent insulating properties, which can help reduce energy demand for heating and cooling. Because they are corrosion-resistant, they are used to create pipes and fittings for plumbing and drainage systems. Plastics are used to make energy-efficient windows and doors as well as weather-resistant roofing and facades.

AUTOMOTIVE

Plastics help to reduce vehicle weights and improve fuel efficiency. They are used in airbag housings, seatbelts, door panels and many other components owing to their flexible, durable and lightweight characteristics. Plastics are ideal for exterior components in vehicles (bumpers, hoods, ...) thanks to their high resistance to impact and corrosion. The materials are also used for battery housing for electric vehicles and help improve energy efficiency, which is key to scale up e-mobility.

HEALTH

Modern healthcare would be impossible without the many plastic-based medical products we take for granted. Plastics are everywhere, from personal protective equipment, sterile syringes, intravenous blood bags, heart valves, "artificial skin" for emergency burns treatment and orthopaedic devices. Innovations in plastics are making new advances in healthcare possible and 3D-printing has opened up the possibility of using plastics to print kidneys, skin, bones, cartilage, tissues, and blood vessels.

AGRICULTURE & FOOD

Plastics are used to produce agricultural films, protecting the crops from pests and diseases, minimising water evaporation and improving crop yields. Besides, plastic packaging reduces food waste by extending shelf life and avoiding damage of fresh produce during transport and storage.

ELECTRICAL & ELECTRONICS

Plastics provide a protective barrier against moisture and dust that can damage electronic components. Their lightweight properties make them crucial for creating portable electronics. Durable plastics are also key to expand the power transmission infrastructure needed to support the growth of renewables.

INDUSTRIAL ECOSYSTEM

Figure 1: Plastics are a strategically important material for the European economy

Three key focal pillars

Making plastics more circular

Fostering **reuse and circular business models**

Enhancing **mechanical recycling**

Unlocking **chemical recycling**

Growing **plastics from biomass**

Making plastics from **captured carbon**



Net zero plastics production

Leveraging the **circular transition**

Maximising **energy efficiency**

Electrifying production with **low-carbon electricity**

Using **low-carbon fuels** (hydrogen, biofuels)

Investing in **Carbon Capture & Storage**



Sustainable use of plastics

Assuring the **safe management of additives**

Eliminating pellet loss in plastic production

Sharing information with the value chain

Communicating pro-actively

Collaborating to **reduce leakage in the value chain**



A living roadmap

Roadmap monitoring dashboard

The roadmap monitoring dashboard allows to **structurally track progress made by the industry on its aspirations.**



- Quantitative and qualitative targets and KPIs in each pillar
- A dynamic process which means that the document itself will be progressively updated based on new insights and changes to our industry environment, and input from our value chain and policymakers
- Collaboration as the key to any progress

What support do we
need from
policymakers?

Our strategic objectives as Plastics Europe

Secure the enabling EU policy and legislative framework necessary to deliver the sustainable transition pathway to net zero / circularity established by ReShaping Plastics report and Plastics Europe Roadmap

Highlight the
**urgency of
required
political action**

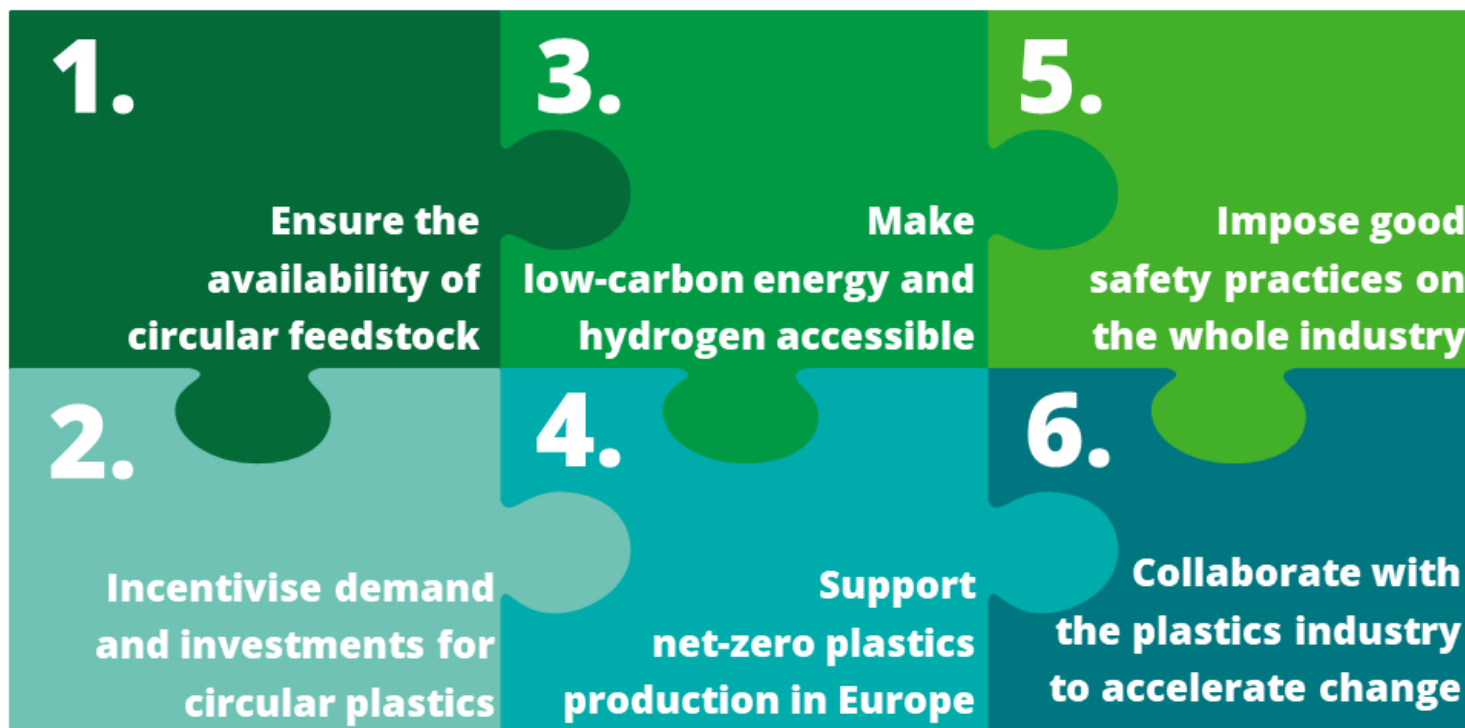
**Protect
industrial
competitiveness**
and positive
investment
climate

Clarify legal
framework for
chemical
recycling and
**mass balance in
2023**

Gain greater
recognition of
**criticality of
plastics in EU
Green Deal**

Establish a clear
and present
**voice on global
issues**

Support needed from policymakers to reach the roadmap's ambitions



Key takeaways

- Achieving the aspirations on circularity, net zero and the safety of plastics **cannot be realized by the members of the plastics industry alone**
- **Support mechanisms are needed** to scale up new technologies and make the business case positive
- Since support from value chain partners and especially policy makers will be instrumental for success, the **living roadmap includes clear enabling conditions** to achieve its vision in the form of asks to society

A new European Commission and European Parliament in 2024 – how can they support?

- New political leadership of the European Commission (and new priorities) will come in late 2024
- At staff level – recent focus of the European Commission has been on delivering the legislation promised in the EU Green Deal (almost at an end)
- Preparation of the groundwork for possible priorities of the next European Commission already starting from Q4 2024
- Key questions on the table will include follow-up to the EU Green Deal and where to go next on plastics? What do policymakers do with ReShaping Plastics? Do we need a Plastics Strategy 2.0? What happens to the Circular Plastics Alliance post-2025? What about bio?
- Opportunity to move to a more proactive engagement by delivering clear and concrete recommendations on the policies needed to support the plastics industry's net zero and circularity journey



Our key asks summarised

Recognition of the role of plastics and need for a policy framework which incentivizes transition



Enabling policy frameworks



Demand drivers



Questions?

Thank you

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 plasticseurope.org

#ChangingPlasticsForGood