Brussels, May 2025

Joint Industry Statement on State-run Producer Responsibility Organisations

The undersigned organisations deplore the recognition of state-run producer responsibility organisations (PROs) in the final text of the revised Waste Framework Directive (WFD), a regrettable precedent also set in the new Packaging and Packaging Waste Regulation and Batteries Regulation.

In our experience, state-run PROs fail to exercise the core function of a PRO, which is to fulfil producers' responsibilities to meet recycling targets on their behalf. Assigning producers' responsibilities to state-owned operators is a paradox. It will also harm PROs' effectiveness, worsen transparency and increase administrative costs, at the detriment of investments in municipal waste collection, sorting and recycling. Extended Producer Responsibility (EPR) fees charged by state-owned PROs are almost always a form of taxation, where the money collected from producers becomes another source of revenue for state budgets, without any guarantee of being used for the purpose of waste management, in line with the *polluter pays* principle. In fact, they cannot be considered EPR as intended by the Waste Framework Directive if they contradict the general minimum requirements for EPR schemes set in Article 8a of this Directive.

Recognising the possibility for Member States to switch from private to state-run PROs can reverse progress made thanks to the 2018 revisions of the Waste Framework Directive and Packaging and Packaging Waste Directive, which made EPR schemes for household and commercial/industrial packaging mandatory in all Member States. At a time where two-thirds of Member States are expected to miss their 2025 packaging recycling targets[1], there is an urgent need for governments to demonstrate that they are serious about the transition to a circular economy. To ensure their effectiveness, *all* PROs must meet the minimum requirements set down in Article 8a.3 of the WFD and they must work for or on behalf of producers. Hungary and Croatia have already chosen to by-pass producer responsibility, worsening their recycling performance[2]. Poland is next in line, as it is in the process of modifying its national laws to repeal the existing PROs system to adopt a state-run one.

Undermining separate collection, sorting and recycling will have tangible impacts on the environment, on businesses and consumers. Recycling rates will decrease instead of increasing. Producers will not be put in a position to meet the *recyclability at scale* obligations mandated by the Packaging and Packaging Waste Regulation, which could lead to potential market bans for certain types of packaging. This will affect the cost and availability of consumer products.

The undersigned organisations therefore call on EU legislators to adopt new legislative measures, in the context of the upcoming Circular Economy Act, to prohibit state-run PROs and rule out the possibility for exemptions from the minimum requirements for PROs. We also call on the European Commission to urgently address the risk of a state-run PRO being established in Poland, by initiating a dialogue with the Polish government on the EPR law under discussion at national level.

[1]See COM/2023/304 final and the Infringement Package from July 2024, here.

[2] See, as a reference, the data for Hungary, available here. According to EUROSTAT data, Hungary's packaging recycling rate was 42.4% in 2022, well below the EU average of 65.4%.

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Signatories:

AESGP - Association of the European Self-Care Industry

AGMPM - Association of Greek Manufacturers of Packaging & Materials

AIM - European Brands Association

A.I.S.E - International Association for Soaps, Detergents and Maintenance Products

Aluminium Closures Group

CEC - European Footwear Confederation

CEFLEX - A Circular Economy for Flexible Packaging

CEPE - European Council of the Paint, Printing Ink and Artists' Colours Industry

Cepi

CICPEN - Czech Industrial Coalition for Packaging and the Environment

CITPA - The International Confederation of Paper and Board Converters in Europe

Cosmetics Europe - The Personal Care Association

Der Grüne Punkt

EAFA - European Aluminium Foil Association

ECMA - The European Carton Makers Association

EDANA - The Global Association and Voice of Nonwovens and Related Industries

EFIC - European Furniture Industries Confederation

EGMF - The European Garden Machinery Federation

EKO-PAK - Packaging Industry Union of Employers

ELIPSO - Les entreprises de l'emballage plastique et souple

EPLF - European Producers of Laminate Flooring Association

EPPA - European Paper Packaging Alliance

EPRO - European Association of Plastics Recycling and Recovery Organisations

EUCOBAT - European Association of National Collection Schemes for Batteries

EucoLight - European Association of lighting WEEE compliance schemes

EuPC - European Plastics Converters

EuroCommerce

European Aluminium

EUROPEN - The European Organisation for Packaging and the Environment

EXPRA - Extended Producer Responsibility Alliance

FBCA - The Food & Beverage Carton Alliance

FEFCO - The European Federation of Corrugated Board Manufacturers

FEPA - Federation of European Producers of Abrasives

FESI - Federation of the European Sporting Goods Industry

FEVE - The European Container Glass Federation

FINAT - The Association for the European Label Industry

FPE - Flexible Packaging Europe

IK - Industrievereinigung Kunststoffverpackungen

IRE - Independent Retail Europe

Istituto Italiano Imballaggio

Konfederacja Lewiatan

MPE - Metal Packaging Europe

PAKKAUS - The Finnish Packaging Association

PETCORE EUROPE

PET EUROPE - Producers' Association

Plastics Europe

PRE - Plastics Recyclers Europe

Pro Carton - European Association of Carton and Cartonboard manufacturers

PRO Europe - Packaging Recovery Organisation Europe

PROFOOD - The group representing producers of fresh food packaging

PROsPA - Producer Responsibility Organisations Packaging Alliance

SCS - Styrenics Circular Solutions

SfPE - Steel for Packaging Europe

SZZV - Slovak Association for Branded Products

TIE - Toy Industries of Europe

UNESDA - Soft Drinks Europe

UNIONPLAST - The Italian Association of Plastics Converters