Subject: Business-NGO Coalition supports the motion objecting to the Commission's draft Implementing Act on the calculation of recycled content in single-use plastic beverage bottles.

Dear MEP,

With this letter, we express our support to the ENVI committee's decision to back a motion for a resolution objecting to the Commission's draft Implementing Decision on the **calculation of recycled content for plastic bottles** under the Single Use Plastics Directive (SUPD). The outcome of the ENVI committee vote on 18 April was the first step in the right direction, taking the file to this week's plenary's discussion, which should also greenlight the motion. The undersigned organisations – business organisations, companies active along the waste management value chain and civil society organisations - strongly support this motion.

The Commission's proposed calculation method, based on a fuel-exempt mass balance, could create unfair competition between recycling technologies. By **allowing for credit allocation of recycled content between material outputs for some chemical recycling operations** (pyrolysis and gasification), these chemical recyclers will then be able to claim a theoretical 100% recycled content for some of their output, despite **their process only accepting a limited amount of waste feedstock and as a result, producing a significantly lower recycled content** output. Mechanical recycling, on the other hand, is a plastic-to-plastic recycling process that can accept up to 100% waste feedstock and hence already produces 100% recycled content plastic outputs. It is therefore crucial to shape a fair regulatory framework that provides the right balance between these technologies, laying out a calculation method that encourages their complementarity.

We believe that the Commission's draft in its current form would create an **unlevel playing field between recycling technologies**, favour technologies with a higher environmental impact, mislead consumers when taking allegedly sustainable purchasing decisions due to structural greenwashing and therefore **contradict the objective of the SUPD** to promote the transition to a circular economy.

Whilst it has been stated that this Implementing Act would not pre-empt any calculation methods for future European legislation, including Packaging and Packaging Waste

Regulation (PPWR), End of Life Vehicle Regulation (ELVR) and the Ecodesign for Sustainable Products Regulation (ESPR), the Commission has clearly indicated the contrary, calling **this Implementing Act a "testing ground" for PPWR**. Therefore, the waste management stakeholders **warn against a premature decision** that could influence market dynamics for decades. It is crucial to assess the impact of such a decision and **oppose rules that are opaque, distorting and run against environmental and circularity objectives**.

The undersigned organisations highlight that more than 80% of the packaging falling within the scope of this Implementing Decision is made of PET, a plastic already efficiently and safely recycled through mechanical processes into EFSA-certified food-contact quality. While we support the complementarity of chemical and mechanical recycling technologies, **mechanical recycling for waste streams, including PET, with its proven lower environmental footprint, must be given priority**. We cannot afford to compromise the plastic waste streams that are currently successfully recycled through mechanical processes.

Moreover, pyrolysis or gasification – the very technologies for which this Implementing Decision was designed – cannot accept PET as their feedstock. Instead, they target the recovery of substances from other plastics (mainly PE and PP), which have clear recycled content targets only for 2030. **Rushing to legislate with such a narrow scope** risks jeopardising the future of the entire recycling industry.

As drafted, the Implementing Decision could lead to unfair competition for access to waste feedstocks among technologies claimed to be complementary. Mechanical recycling of plastic waste represents 30,000 jobs in 850 companies, 90% of which are SMEs and could be directly affected by such competition.

The key question remains: **does the legislator want to support SMEs and local businesses delivering sustainable solutions for plastic waste?**

Given these concerns, we – business organisations, companies active along the waste management value chain and civil society organisations - **urge you to support the motion for a resolution objecting to the Commission's draft Implementing Act in the upcoming plenary session.**

Sincerely,