

# Position on the EU's legislative revision of its packaging rules

## Key messages

- BASF is committed to bring net-zero emissions and circularity together and sees the proposed revision to the EU packaging and packaging waste legislation (PPWR) as an important tool to drive this development.
- The packaging sector will resourcefully need to use every tool at its disposal to reduce waste and increase reuse, collection and sorting, recycling and recovery.
- To this end, a twin-pillar approach would help guide the revision, namely:
  - the principle of 'material neutrality', allowing for the specific demands of packaging applications to dictate which materials should be used;
  - the principle of 'technological neutrality', fostering equal use of mechanical, chemical and organic recycling depending on the suitability and sustainability of the end-of-life option with respect to the application.

## About the topic

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The proposed PPWR aims to reduce packaging waste, promote reuse and refill, and ensure that all the packaging placed on the EU market is recyclable by 2030. The tools suggested in the Commission's current text for reaching these goals include:

- mandating reuse and recycled content targets;
- setting deposit return systems (DRS) for plastic bottles and aluminium cans;
- supporting refill systems;
- establishing design-for-recycling criteria for materials and recycling grades;
- helping consumers better dispose of packaging waste with harmonised labelling;
- enabling industrial compostability for a set of applications where it is deemed the most appropriate.

## What does BASF offer?

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BASF is a raw-material producer and its 150-year Verbund approach is inherently circular as it connects production plants and technologies to efficiently use resources. BASF's broad portfolio includes materials for packaging ranging from injection-moulded or thermoformed single layer rigid plastic applications to paper-coating applications, which can be made compostable, and more.

Furthermore, BASF's innovation ensures it remains at the forefront of developing state-of-the-art technologies in order to produce in a low-carbon and circular manner. Hence, BASF is investing across the board to enable the mosaic of solutions necessary to achieve a bona fide circular economy. On [mechanical recycling](#), BASF helps ensure that greater amounts of plastics are directed towards this stream, for instance, by supporting digital solutions for better sorting, or improving recyclates' quality and recyclability (e.g. [IrgaCycle™](#) additive solutions for polyolefins, [Gardoclean®](#) cleaning solutions).

BASF also supports and actively develops [chemical recycling](#) technologies such as depolymerisation (e.g. [industrial waste, mattresses](#)) and pyrolysis (e.g. tyres, mixed plastic waste) for substituting fossil resources and producing virgin-grade quality products. BASF products can also support [organic recycling](#): certified compostable packaging (e.g. [ecovio®](#)) help divert organic waste from incineration and landfilling and reduce the organic waste stream's contamination from persistent plastics.

Moreover, whenever customer, safety, quality and logistical needs demand for packed goods, BASF offers packaging solutions for reuse or reconditioning. This includes different kinds of intermediate bulk containers, steel, plastic drums, as well as a widespread network for pallets' recovery and repair.

Finally, BASF drives broader projects and discussions for continuous improvement e.g.: developing [a near-infrared \(NIR\) mobile spectrometer](#), within the subsidiary trinamiX, for fast and mobile plastics' identification, analysis and sorting; supporting [PolyStyrene Loop](#) for bringing solvent-based recycling technology to maturity for construction expanded polystyrene (EPS); co-founding the [Alliance to End Plastic Waste](#) for developing comprehensive waste management infrastructures amongst others.

## Our position

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Reducing the manufacturing of packaging lowers raw material consumption, packaging waste and climate impact. Reuse should therefore be supported where it is ecologically, socially and economically viable. However, packaging can play a beneficial role in a good's distribution and consumption e.g. to prevent food waste that results in higher climate impact. Designating the type, combination or entire absence of a material should hence be based on life-cycle and scientific findings so as to achieve the application's necessary characteristics, and curb overpacking. Additionally, the nature of waste should determine the most sustainable treatment process. Thus, chemical recycling is a complementary solution when mechanical recycling is neither economically nor environmentally beneficial. Finally, organic recycling is the most favoured option in steering biowaste away from landfill where it would generate more GHG emissions.

BASF therefore calls on the finalised PPWR to provide for:

1. A level-playing field between **recycling technologies** (mechanical, chemical and organic). Ultimately, the output from the recycling process should become a product, material or substance that is either used in the production of new products (excluding fuels) or, in the case of organic recycling, is incorporated into the soil as an amendment.
2. Technology-neutral **recycled content** policy targets to provide for investment certainty on complementary circularity solutions, therefore allowing mass balance credit method with fuel-use excluded attribution rule and transparent claiming.
3. Material-neutral **recyclability** requirements for plastic packaging to follow these conditions:
  - it is collected for recycling,
  - it is sorted and aggregated into defined streams for recycling,
  - its streams can be processed by readily-available recycling technologies in the relevant geography, with some time to allow for infrastructure development.
4. Any **design-for-recycling guidelines** to contribute to an improved environmental footprint along the entire product lifecycle, in so far as economically and technologically feasible.
5. Incentivizing high-quality recycling of **pre- and post-consumer waste**, which should count towards the recycling and recycled content targets.
6. Well-designed, **eco-modulated EPR schemes** (Extended Producer Responsibility) that allocate the factual costs of the respective products and avoid cross-subsidisation.
7. Fostering the use of **biobased feedstocks** that reflects the environmental benefit of these materials in certain plastic applications.