

Fibre Packaging Europe

European coalition for renewable, circular and sustainable paper and board packaging.



1500 companies



2200 manufacturing plants



365.000 people across Europe



EUR 120 billion annual turnover

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1 - Extended Producer Responsibility (EPR)

FPE calls for a horizontal revision of the provisions on Extended Producer Responsibility (EPR) schemes and for requiring Member States to keep EPR schemes for municipal waste separate from solutions on EPR for industrial and commercial waste to allow more transparency. The CEA should allow for EU-wide EPR schemes, as an option, where this increases competitiveness and material efficiency.

Fibre Packaging Europe calls for:

- **Effective, transparent and better enforceable governance with centralised and industry-based Producer Responsibility Organisation (PRO):** collected fees to be reinvested in waste management operations for the respective waste streams.
- **Guaranteed service for all packaging materials** that pay their due contributions.
- **Keeping EPR schemes for municipal waste separate from EPR solutions for industrial and commercial waste.** Where EPR systems manage both (municipal and commercial&industrial), provide adequate accountability tools (i.e., fee modulation and reporting) to allow more transparency.
- **Application of net cost:** a net cost principle means that the EPR fees should cover the costs of recovery and reporting considering any revenues generated by the value of the secondary raw materials and should by no means exceed the costs of the recovery and reporting of the respective material. FPE mainly advocates for the application of the net cost principle to avoid cross-financing with other materials.
- **Paper and cardboard are much interlinked,** often collected, sorted, and recycled in the same system. The allocation of related **EPRs fees for the two categories should be looked at jointly.**
- **Eco-design:** EPR should serve to increase packaging's recyclability through balanced eco-modulation approaches. Eco-modulation criteria should be harmonised and based on

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objective criteria such as design for recyclability, recycled material content, renewable materials, compostability of packaging.

- PPWR defines mono-material packaging as packaging with less than 5% of a secondary material (excluding the labels, varnishes, paints, inks, adhesives and lacquers). Hence, according to the PPWR definition, **for mono-material packaging, the imposed fee should be based on the packaging's main material** and not on the presence of minimal quantities of other materials (less than 5%).
- **A one-stop-shop** for registration of producers across Europe should be established.
- **EPR fees that ensure high-quality recycling:** besides supporting efficient collection, sorting, and recycling, the aim of EPR should be to enable material recycling to the highest quality possible. This could mean, for instance, further sorting of collected paper packaging into higher quality materials.
- In line with the PPWR and the WFD, **EPR fees are paid by those who place the packaging on the market for the first time.**

2 - Mandatory collection target

The PPWD and more recently the PPWR mandates Member States to reach very ambitious recycling targets, namely 75%¹ and 85%² for fibre based packaging and for all types of packaging 55% recycled at scale by 2035. Paper packaging is already recycled at a rate of 83% (Eurostat data, 2022) but to reach such high targets every fibre counts and all the fibre based packaging products need to be recycled. Fibre Packaging Europe Members are committed to work towards that collectively, but it cannot be penalised or even banned if the other actors in the value chain do not meet their obligations.

Such a challenge can only be achieved through a collaborative approach between industry and public authorities, especially as Member States have the responsibility to set up the collection systems, develop waste management plans and hence mandate the EPR schemes with the needed targets.

Collection is the precondition to recycling. Collecting paper separately from other materials significantly increases the volume and quality of materials available for recycling, which in turn creates a more predictable, quality waste stream. As concluded by the JCR report *Impacts of the collection and treatment of dry recyclables*³, separate collection practices deliver a better environmental and cost-efficient collection system. This provides a strong incentive for investment and innovation in sorting and recycling technologies, which creates green economic growth and contributes to the Green Deal ambition. Separate collection in essence means a minimum level of separation between recyclables: in this case, FPE advocates for paper to be collected separately.

¹ by 31 December 2025

² by 31 December 2030

³ [JRC Publications Repository - Impacts of the collection and treatment of dry recyclables](#)

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Collection of paper-based packaging although efficient could be improved through separate collection of paper-based packaging from other materials to ensure that the already best in class material in terms of recycling can reach even higher rates of recycling. Recycling rates demonstrate that where separate collection is organized, the recycling rates (RR) are outstandingly high e.g. Belgium (over 85% RR in 2022) and Spain (over 75% RR in 2022⁴).

There is a clear correlation between mandatory collection/recycling targets imposed on EPR and the collection rates. Industry pays the EPR fees to cover collectively for packaging waste collection and recycling. These fees should be used solely for that purpose and need to be delivered efficiently.

In addition, Member States:

- Have the responsibility to ensure separate collection of all packaging waste from the end users (PPWR – articles 48 and 49);
- Are prohibited to incinerate or landfill recyclable waste (PPWR – art 48).
- Have to reach the recycling targets per material as mandated by PPWD and PPWR (PPWR art 52). This obligation is supported by an obligation to set up the necessary infrastructure (PPWR art 48).
- Have the responsibility to develop waste management plans to meet their obligations. (WFD art 28)
- Have the obligation to set up EPR schemes to support these objectives. Such are financed by industry and serve the purpose to ensure that packaging waste is collected and recycled. It is not meant to be used for any other purpose, to finance the treatment of residual waste or any other waste (WFD article 8a).

In this context, Fibre Packaging Europe recommends Member States to develop waste management plans that mandate Extended Producer Responsibility (EPR) schemes, to achieve clearly defined collection targets to ensure compliance with large-scale recycling obligations and to transparently report on the effectiveness of collection systems, including strategies for improving efficiency, consumer education, and the use of collected fees. Recommendations also call on the European Commission to provide clarification and harmonisation regarding the scope and responsibilities of EPR systems. This should be based on principles of net cost coverage, transparency, and fairness. Finally, FPE advocates for the CEA to reduce the derogation possibilities, used by Member States to divert from the obligation to implement separate collection.

3 - End of Waste (EoW) criteria

The development of EU wide harmonised End-of-Waste (EoW) criteria can support the completion of the internal market for waste. Nevertheless, we do not deem the application of EU EoW status for paper-based products necessary to increase the quantity and/or quality of paper for recycling. To achieve the EU-wide recycling targets set in EU legislation, the main objective should be to increase and improve the collection of paper for recycling.

However, in case EU-wide EoW criteria for paper would be developed, the following conditions have to be met:

- The final recycling of paper for recycling (PfR) shall continue to take place at the paper mill, where the calculation methodology and calculation point for the recycling rate are set.

⁴ [\[env_waspac\] Packaging waste by waste management operations](#)

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- The legal measure needs to clarify that paper that has reached end of waste status, is paper that has been recovered from the waste stream, and as such has obtained secondary raw materials status, but is yet to be recycled by the pulper of the paper mill.
- PfR can only cease to be waste if it complies with the specifications set in the EN 643 standard and is sent directly to a paper mill for final recycling (without further mixing). This needs to be declared by a statement of conformity, issued by the sorting plant.
- A quality management system needs to be in place to verify that PfR with EoW status complies with the EN 643, as well as with product related legislation. This quality management system shall be audited by an external independent verifier.
- A separate EoW should be established for Special paper grades (EN 643 Group 5) that need to be recycled in specialised recycling mills, taking into account their distinctive collection, sorting, and recycling paths.
- EoW status can only be achieved for paper for recycling originating from separate collection. Separate collection of paper and board should not only be from residual waste, but also from other recyclables such as plastic, metal or glass.

4 - Industrial symbiosis: boost RDI for the forest-based bioeconomy

As traditional and new bio-based materials and products are developed and their markets grow, we need a corresponding evolution of regulations to reflect their nature and unique characteristics. According to the latest Cepi study performed by nova-Institute, biorefineries in the forest-based sector **have more than doubled their turnover in just three years, reaching €6 billion.** In many cases, these biorefineries make use of residues and side streams that previously were waste or recovered as energy, showcasing the potential of the circular bioeconomy.

In fact, products based on biorefineries' side streams currently correspond to 6% of European pulp and paper industry sector turnover as a whole. But the study's projections show the share of novel bio-based products to be substantially larger in the future, with an annual growth of up to 5% for the biorefinery sector until 2050. The same study quantifies a 'substitution effect' of over 3.1 megaton of CO₂, by which bio-based products replace fossil-based products, resulting in a significantly lower impact on the climate.

In this context, Fibre Packaging Europe asks to:

- **Removing barriers to industrial symbioses in the pulp and paper industry** by explicitly promoting the valorisation of by-products and side streams within the framework of the Pulp and Paper Best Available Techniques reference document (BREF) through acknowledgement as Best Available Techniques or Emerging Techniques with geographical limitations. The exchange of residues with neighbouring industries should be recognised as part of integrated environmental permitting. Moreover, the EU should enable upscaling and demonstration of projects that promote industrial symbioses and highlight multiple use cases and valorisation of industrial side streams. Finally, to ensure these solutions, mechanisms of positive discrimination for the use of recovered materials should be established by the EU.
- **Acknowledging bio-CCUS as a valuable means to de-fossilise** industrial sectors and society at large. Captured and utilised bio-based carbon (bio-CCU) is an untapped resource as a raw material and its capture and storage can act as a technical carbon sink (bio-CCS). New bio-CCU value chains can provide multiple products such as chemicals and materials which can

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substitute their fossil-based alternatives. However, energy needs are significant, and CCUS infrastructure needs to be upscaled; meanwhile the focus should remain firmly on reducing fossil emissions, decarbonising electricity and tackling other issues with lowest abatement costs.

- **Thematically recognising the forest-based sector in the next framework programme for research and innovation (FP10)** and relevant European RDI-related initiatives, e.g., European Biotech Act.
- **Making the circular bioeconomy a prominent feature in EU programmes** including the European Competitiveness Fund, Important Projects of Common European Interest (IPCEIs), and Public-private partnerships (PPP), such as the Circular Bio-Based Europe (CBE).
- **Recognise sustainably sourced renewable content as circular input, similarly with recycled content as in line with ISO 59020 (2024).** Virgin renewable raw materials can be supplied to loops according to principles of circular economy (CE), in a regenerative way. Circular input is already recognised by the World Business Council for Sustainable Development and its circular transition indicators and should be formally integrated in the EU product policy framework and the CMUR indicator (circular material use rate).
- **Strengthening finance to support scaling and commercialisation** via allocating more funding to piloting, demonstrations, and first-of-a-kind production plants.

5 - EU funding instruments for advancing the circular economy

Achieving a truly circular economy within the EU necessitates consistent and substantial investment efforts. The European paper packaging sector, generating over €120 billion in annual turnover and employing approximately 365,000 individuals in Europe, stands as a pivotal contributor to this vision. Notably, paper packaging leads the recycling industry with an impressive 83.5% rate (Eurostat 2022), underscoring its commitment to circularity.

Transitioning to a circular economy entails significant shifts in manufacturing processes, infrastructure, and consumer engagement. **Financial support is crucial to facilitate the adoption of clean manufacturing technologies and to offset costs associated with decarbonization efforts.** Additionally, simplifying regulations and reducing bureaucratic barriers are essential to fostering innovation and enabling companies, especially SMEs, to invest confidently in sustainable practices.

First of all, to support the paper packaging industry's role in the circular economy, Fibre Packaging Europe advocates leveraging existing EU funding instruments:

- **Cohesion policy funds (regional development):**
 - **European Regional Development Fund (ERDF):** fosters the green transition in less-developed regions by financing innovation, digitalisation, and support for SMEs. These areas are essential for circular economy models.
 - **Just Transition Fund (JTF):** ensures that regions heavily dependent on carbon-intensive industries can shift towards more sustainable economic models. By

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investing in reskilling, clean technologies, and sustainable enterprises, the JTF can support a just and inclusive move towards circularity.

- **Innovation & Research funding:**
 - **Horizon Europe:** backs research and innovation projects, many of which tackle climate change and resource efficiency. Through this programme, the EU can promote breakthroughs in circular materials, product life cycles, and systemic transitions. Together with Joint Undertakings such as the CBE and the following framework programme starting in 2028, they should be a practical vehicle for the transition to a low carbon circular economy in the EU investing in research and innovation supporting related industries competitiveness.
 - **InvestEU:** channels public and private investment into sustainable infrastructure, such as waste prevention, recycling, and reuse facilities. This contributes directly to closing the loop in various sectors of the economy.
- **Competitiveness Fund:** We welcome the initiative outlined in the Competitiveness Compass to establish a Competitiveness Fund in the next Multiannual Financial Framework (MFF). This fund will hopefully replace multiple existing EU financial instruments with similar objectives, thereby streamlining support for strategic technologies and innovation.

While these instruments aim to reduce regional disparities and promote innovation and competitiveness, the Circular Economy Act should not only recognise their importance but also ensure their harmonised and efficient implementation, making them more targeted and effective in supporting businesses.

Fibre Packaging Europe also welcomes the forthcoming Circular Economy Act and emphasizes the **importance of a dedicated funding chapter**. Including a specific chapter on funding within the Act to streamline access to financial resources for companies aiming to innovate and transition towards circular practices.

Dedicated funding should be made available to improve the efficiency and consistency of separate collection systems across Member States, particularly in regions where infrastructure gaps persist. A key component of effective recycling lies in the implementation of advanced sorting technologies that enable higher quality material recovery, as well as ensuring the proper separation of dry recyclables. Funding should further assist local authorities and municipalities in modernising their waste management systems. It can also serve as an incentive mechanism to reward companies that adopt greener, more circular practices, such as the exchange of by-products. Moreover, public awareness is crucial: financial support should also be directed towards educational campaigns starting from schools and extending to businesses, empowering individuals to sort waste correctly and understand the collective impact of their actions.

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To conclude on this part, paper fibers can be recycled up to 25 times, demonstrating their circular credentials⁵. To fully unlock their potential, it is essential to ensure robust support for the development and upgrading of collection and recycling infrastructure. **Fibre Packaging Europe calls for targeted financial mechanisms** within existing and future EU instruments to prioritise collection and recycling initiatives as key enablers of a circular economy. By aligning policy frameworks with targeted funding mechanisms, the EU can empower the paper packaging industry to drive forward the circular economy agenda, benefiting both the environment and the economy.

6 - Promotion of voluntary integration of industry within the energy system

- **Further promote voluntary integration of industry with the energy system** to ensure systemic emission reductions and increase flexibility: the fibre packaging sector is a leader in the use of renewables for industrial heating, with biomass — sourced from the by-products of our operations — accounting for over 60% of our primary energy. The sector already today sells to the grid around 10 TWh of electricity annually. The upcoming rules on demand-side response as well as a Guidance on promoting remuneration of flexibility in contracts will be crucial.

About Fibre Packaging Europe

Fibre Packaging Europe is an informal packaging coalition of seven trade associations representing industries involved in forestry, pulp, paper, board and carton production and recycling from across Europe. Our joint mission is to provide renewable, circular and sustainable fibre-based packaging solutions to European citizens to achieve the European Green Deal objectives. For more information, please contact info.fpe@logos-pa.com



Cepi



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ECMA



EPPA



FBCA



FEFCO



PRO CARTON

⁵ Recyclability of fibre based folding boxes, 2021; <https://www.procarton.com/wp-content/uploads/2022/01/25-Loops-Study-English-v3.pdf>