

Minutes of the VinylPlus Monitoring Committee Meeting

2nd December, 2021 - 14h00 : 15h30
Online Meeting

Attendees:

Ms. Laure Baillargeon	Policy Officer, European Commission, DG GROW
Mr Paulo Da Silva Lemos	European Commission – DG ENV
Ms Brigitte Dero	Managing Director, VinylPlus
Mr Armand De Wasch	Euro consumers
Mr. Jo Dewulf	University of Ghent
Mr. Zdenek Hruska	VinylPlus
Mr Ondrej Knotek	MEP
Ms Nathalie Lukyova	Assistant to Mr Knotek, MEP
Mr Ettore Nanni	President, ESPA
Mr Geoffroy Tillieux	Director, Technical Department, EuPC
Ms Noelle Tracey	Project Manager, VinylPlus
Ms Ingrid Verschueren	General Manager, Recovinyl

Excused:

Mr. Werner Bosmans	European Commission – DG ENV
Mr Sylvain Lefebvre	Deputy General Secretary, IndustriAll European Trade Union
Mr Nuno Mello	MEP, European Parliament
Ms Ana Miguel Pedro Soares	Parliamentary Advisor to MEP Nuno Melo, European Parliament

1. Welcome

Jo De Wulf welcomed all the participants

2. Approval of agenda

The agenda was approved by all participants

3. Approval of minutes

The minutes of the meeting held on the 20th April, 2021 was formally approved.

4. Dates and venue of meetings in 2022

The 2022 meeting dates were confirmed by the committee below:

26th April, 2022 from 14h00 : 15h30

1st December, 2022 from 14h00 : 15h30

Format of the meetings to be confirmed closer to date.

Venue: if face2face at the European Parliament

5. VinylPlus Programme Implementation

5.1. Recycling (Annex)

The recycling volumes are now reported via RecoTrace, (the data collection system of Recovinyl for recycling and recycle uptake by converters). It is the first system complying fully with the CPA requirements and will demonstrate the ability to continue providing reliable data.

The recycling ytd results stands at 516k thousand tonnes, which is only 65% of the total target, that was set at 800 thousand tonnes.

For this time of the year, reporting should be at 90% towards the target, so this means the reported numbers are currently significantly below the pro-rata target.

This is not new, every year the numbers reported in December are under the pro-rata target due to delays in getting the data itself into the system. This is also the case this year, more so than ever before with higher volumes than the 516k being registered, it's just that the data has not yet found its way into the system. Next to that there is the adjustment to the new CPA accounting and monitoring rules. Nevertheless, we are carefully optimistic that by the end of January 2022 all data will be successfully registered and audited and providing us with a representative view of the PVC recycling activity in EU+UK

In Europe's market, the general trend for PVC recycling is very positive. There is a high demand for recycled PVC, where the supply does not meet the demand. This is mainly driven by high virgin resin prices and shortages in supply.

Some regional trends

France is doing very well. There are some legislative initiatives that will influence the PVC recycling market –e.g. France's anti-waste and circular economy law; the recycling management act which in addition to a variety of other measures, the law provides for the creation of ten new EPR channels, building products and building materials being one of them from 1st January, 2022, but is expected to be postponed. The producer liability is also extended to product design. Manufacturers who make their products more environmentally friendly will receive a discount on the contribution they have to pay for the disposal of their products.

Germany: is doing very well and there is in general high demand and high prices in all sectors. The major sector is profiles in the German PVV recycling industry. Recycling of pipes and rigid films remain stable where flexible is suffering a little and cable recycling is stable.

It is difficult to get the CPA requirements accepted and implemented. The recyclers don't feel responsible for commitments that was agreed in principle by the industry. Even the fact that CPA has created a stable market for secondary raw materials is not enough for some.

UK: Possible decrease of cable recycling in UK (50kt) because of upcoming legislative issues (POPs presence in cable sheathing) and implementation of Basel Convention amendments which increases administrative burden for recyclers importing cable waste

With regard to the CPA and the new VinylPlus Voluntary Commitment data collection requirements, see detailed slides 16-17.

PolyRec the organisation that is recording and tracking polymer circularity in Europe is working on the challenges of how to fulfil the monitoring declaration within the CPA, the pledges made by plastics organisations and users and how to fulfil the traceability requirements which is already a requirement in many legislations.

5.2. PVC Waste in EU27 + 3 countries 2020 (Annex)

Geoffroy Tillieux presented an overview of the data available from the conversio study which show an estimation of the European PVC plastics waste generation, recovery and recycling situation.

The project frame focussed on the EU 27 + 3 countries (CH, Norway and UK). The types of applications of PVC included PVC rigid and flexible with no differentiation and on applications, building and construction, packaging, ELV (automotive) WEEE (electrical applications) etc...

Three methodologies were used, a market research approach, source strategy and definitions of quantities, post and pre-consumer pvc waste (see slides 4-6).

On slide 7, there is an overview of the split of waste and recovery. For 2020, 600kt of PVC post-consumer waste was recycled. Of that, almost 78% was recovered with 22% going to landfill. Related to the total quantity, almost 25% was recycled with 53% going to energy recovery. The total PVC waste including pre-consumer waste recovery rate reached 81%.

Major target countries for PVC waste exports are Pakistan, US, Turkey and Malaysia.

All in all, the export quantities have significantly decreased in the last few years. There are some differences with the Recovinyl reported figures – 731kT mechanical recycling registered versus 1035kT recycled in the Conversio report due mainly to the fact that packaging waste recycled in mixed plastics streams are included in the conversio report, not all volumes are registered in Recovinyl and different methodology used (market research) as well as miscellaneous applications recycling as mixed plastics and some exports.

6. Restrictions on lead in recycled PVC update (Annex)

Zdenek Hruska reminded the policy status of the lead dossier. In November 2019, the EU and Member States REACH committee adopted the draft Commission regulation which restricted the use of lead stabilizers in new PVC products but allowed for continuous recycling of PVC containing legacy lead stabilizers in specific applications. This followed the European Chemicals Agency recommendation after the assessment of health, environmental and socio-economic data. However, in February 2020 the European Parliament blocked the proposed derogation.

In Autumn 2021 the European Commission compromise solution was circulated among Member States. The proposed solution includes some specific measures regarding legacy lead stabilizers (most notably the absence of derogation for flexible PVC containing legacy led) and the intention to prepare a mandate for ECHA to compile a new Annex XV restriction dossier for PVC as a material. This intention is reflected in the draft Restrictions Roadmap which the Commission circulated to Member States in view of the discussion in the CARACAL meeting on November 17, 2021. To prepare the meeting, the Commission distributed on 16/11/2021 a document in which they clearly explained that the scope of a new mandate would also include PVC itself (the PVC resin free of additives), in addition to all additives used in PVC.

It is not understandable why an inert polymer such as PVC was included in the Restrictions Roadmap. It contradicts the stated objective of the Commission's Chemicals Strategy for Sustainability (to "prioritise carcinogenic, mutagenic and reprotoxic substances, endocrine disruptors, persistent, bio-accumulative and toxic and very persistent and very bio-accumulative substances, immunotoxicants, neurotoxicants, substances toxic to specific organs and respiratory sensitisers substances). In addition, PVC polymer meets the OECD definition as a polymer of low concern. As such, and according to international standards, PVC is deemed to have insignificant environmental and human health impacts. Therefore, the inclusion of PVC on the Restriction Roadmap is unjustified and discriminatory.

7. VinylPlus New Programme 2030 – Key Action Areas (Annex)

Zdenek Hruska gave a detailed overview on the VinylPlus 2030 programme. The presentation focused on VinylPlus 2030 core messages and the description of the 3 pathways and key action areas :

- ✓ **Pathway 1** is about PVC circularity
- ✓ **Pathway 2** is about decarbonisation and minimisation of our environmental footprint
- ✓ **Pathway 3** is about transparency, responsibility, and partnership

The Targets of the first two Action areas in Pathway 1 are focused on recycling and safety of products with legacy additives. Our Commitment is to use 900,000 tonnes of recycled PVC in new products per year by 2025, and 1 million tonnes by 2030. First announced in 2018, these targets are aligned with the targets of the Circular Plastics Alliance. The efforts are not limited to these volumes therefore we will define additional stretch targets by 2024. For this reason, we will need to review the existing collection and recycling schemes for all applications and check where additional schemes would be sustainable. An essential condition for successful achievement of recycling targets is the positive outcome of the ongoing regulatory discussion regarding the use of recyclates with legacy additives in new products. Accelerating on the road to circularity we will support the development of innovative recycling technologies such as chemical recycling for both hydrocarbon and chlorine parts of PVC polymer. In collaboration with VinylPlus product groups and building upon the work of the CPA we will develop eco-design guidelines for our partner companies.

Pathway 2 and specifically the first Action area recognizes the need for the sustainable carbon management, in line with the European Commission's Green Deal targets. The options include the use of renewable energy as well as sustainable feedstock sourcing – carbon coming from recyclates or bio-based origin. Sustainable use of chemical substances is the key for product sustainability and future circularity considerations. The priority is further development of Additive Sustainability Footprint methodology as an important tool permitting to evaluate the sustainability of additives. The developed methodology covers the whole life cycle of PVC products and has been fully validated by international LCA experts. Another action is minimising the environmental footprint of PVC production processes and products. VinylPlus will regularly report on the decrease of the industry impacts on the environment, provide informed guidance to its partners permitting them to adopt appropriate schemes. VinylPlus will also produce inventories of certification schemes which are applied by the upstream suppliers for the PVC value chain.

The third Pathway is about transparency, responsibility and partnership. It was developed in recognition of the key role of UN SDGs to advance in global development. With Pathway 3, VinylPlus addresses broader societal needs by providing maximum transparency and accountability in its governance and reporting. It encourages active role of the partner companies in adopting sustainable

practices and promotes sustainable development through certified and traceable products, helping to promote sustainable private and public procurement practices.

Today, 128 products manufactured by 11 converters in 19 European plants are certified by VinylPlus Product label. In parallel, the VinylPlus is committed to sharing more than 20 years of experience, knowledge and best practices with the other regional PVC associations at the global level.

8. Update on Danish EPA (Annex)

Brigitte Dero gave a short update on the Danish EPA/Danish PVC Council and VinylPlus Partnership and the online meeting with the Chinese Embassy in Denmark on the 5th November.

The achievements of VinylPlus programme (replacement of lead stabilisers and classified phthalates; recycling volumes) were presented and the DK EPA explained the aims of the partnership.

Counsellor of the Chinese Embassy congratulated DK and the EU PVC industry for being frontrunners in these important matters and stressed that EU and China should join forces to reduce harmful chemicals in PVC and increase recycling.

He presented the state-controlled Chinese industry landscape and mentioned three organisations as contact points:

- 1) Set-up a joint seminar between EU PVC industry and Chinese PVC industry to share experiences and ideas on regulations and standards for PVC additives;
- 2) Set-up a joint seminar to discuss innovation in regard to substitution of unwanted chemicals;
- 3) Disseminate the VinylPlus programme to the Chinese industry to make the industry interested in creating a similar Chinese commitment to sustainable development or becoming a member.

9. VinylPlus Progress Report & VinylPlus Sustainability Forum 2022 (Annex)

See below an overview of the timeline for the 2022 Progress Report to the Monitoring Committee

- Submit signed off, verified and designed Progress Report by the 12th April, 2022
- Receive VinylPlus Monitoring Committee comments/approval on the 26th April, 2022
- Implementation of changes to Progress Report if required by the 27th April, 2022
- Distribution of the Progress Report 2022 by mid-June, 2022

VinylPlus Sustainability Forum 2022

Will be held in Florence, Italy, on the 25th May, 2022. The VinylPlus Monitoring Committee is invited to join. More details in early 2022.

10 Wrap-Up

Jo Dewulf noted the following points

- Request for further information on Retrace to be sent to Laure Baillargeon -action IV
- Covid effect on the recycling tonnage - Ingrid Verschueren – not only covid but also market dependent.
- Ettore Nanni – requested a perspective of the numbers with other materials
- DK EPA/VinylPlus partnership – interesting development and very challenging
- Lead restrictions – Reach restriction roadmap – ongoing
- VinylPlus 2030 programme – which focuses on circularity and ambitious which is very good to see.

Meeting ended at 15h45