

FEFCO feedback on Circular Economy Act (Call for evidence - Ares(2025)6250342)

The European Federation of Corrugated Board Manufacturers (FEFCO) welcomes the European Commission's ambition to accelerate the transition to the Circular Economy and reinforce the single market for waste and secondary raw materials. A key step in this direction is the development of a robust and efficient Circular Economy Act. Corrugated cardboard, as a bio-based, recycled, and renewable material, plays a crucial role in advancing Europe's transition to a more circular, sustainable, and resilient economy.

FEFCO would like to provide the following feedback and recommendations in light of the European Commission's call for evidence:

1. Strengthen separate collection of packaging.

The CEA should limit the use of derogations from the obligation on Member States to establish separate collection systems for certain waste streams (Article 10(3) of the Waste Framework Directive).

2. Ensure complementarity between recycling and re-use.

It is essential to recognise the importance of recycling for the circular economy. Recycling and reuse solutions should be complementary in the Waste Hierarchy. Policy measures should encourage the best circular solution for each material, determined by robust LCA evidence.

Corrugated cardboard operates within a mature, closed-loop system. With a recycling rate of 86.6%¹ paper and cardboard packaging remains the most recycled packaging materials in Europe. It is collected, sorted, and reprocessed locally into new fibre products multiple times, minimising material loss and supporting regional circular economies.

3. Improve Extended Producer Responsibility (EPR) Schemes

EPR systems are an effective way of making producers responsible for the end-of-life of their packaging, and of ensuring good collaboration between companies, municipalities, and waste management companies, while encouraging producers to enter a circular economy principle via eco-design of packaging. The fact that EPR systems are implemented differently across the different Member States, with notable differences in the way the rules are applied has led to significant disparities in collection and recycling results.

We call for transparent and effective governance of EPR schemes. It is often the case that EPR fees of one material are used to finance the recovery of other materials. Cross-financing between materials should not be allowed. Furthermore, EPR fees from materials destined for recycling should not be used to finance reuse systems. Additionally, we would like to provide the following recommendations:

- **Governance** of EPR-scheme should be improved by being more effective, more transparent and better enforceable **via centralized and industry-based Producer Responsibility Organization (PRO)**.
- **Material neutrality**: EPR program should ensure neutrality between materials and provide service for all packaging, on any material.
- **Packaging waste collection target**: Municipalities should retain responsibility for collections and in general packaging waste. When contracting these services, to ensure uniform results,

¹ Eurostat 2023 data

we think that waste collection should be covered by a revised national service standard requiring minimum performance and services. Member States should implement separate collection of dry recyclables of municipal waste. The circular economy act should reduce the derogation possibilities², used by Member States to divert from the obligation to implement separate collection.

- **Sorting of waste:** The sorting responsibility for separately collected packaging should be allocated to municipalities. Where the approach of the municipality responsibility for sorting separate fractions is accepted, PROs will need to provide a framework of specifications for sorting operations to safeguard the reaching of the packaging recycling targets. These specifications would need to be reasonable and achievable, and the PROs would need to cover the “necessary costs” of municipalities and their contractors (i.e., those providing for these services) meeting these specifications.
- **Eco-design:** EPR should not only tackle the end-of-life stage of packaging but systematically changes the design of packaging and their environmental impact according to the waste hierarchy. PROs should serve to increase packaging’s recyclability through eco-design.

4. End of Waste (EoW) criteria

The application of EU-wide EoW for paper is not necessary to increase the quantity and/or quality of paper for recycling (PfR), there is already enough supply and demand to sustain a well-functioning market of PfR, the main objective should be to increase and improve the collection of paper for recycling instead of the development of end-of-waste criteria.

5. Foster a functioning EU Market and funding instruments for circular economy

Establishing a well-functioning internal market for secondary raw materials is essential to scaling up circularity in Europe. This can be achieved also by prioritising circular economy objectives and recycling targets within relevant European and national funding frameworks.

6. Strengthen European competitiveness and resilience

Corrugated cardboard protects and transports over 75% of goods in Europe. A strong, competitive sector supports supply chain efficiency and resilience. Despite its robust protective qualities, corrugated cardboard is comparatively lightweight, minimising material usage and transportation costs. Continuous optimisation in packaging design ensures that less corrugated cardboard is used without compromising protection, aligning with the goals of sustainable resource use.

The corrugated industry is a highly localised sector that supports over 660 plants across Europe, directly employing 100,000 people and creating a further 270,000 indirect jobs. It contributes to regional development, supports SMEs, and drives job creation in circular business models.

7. Ensure consistency and harmonisation

The principles of circularity must be consistently implemented and harmonised across all existing legislation and new EU legislative proposals, avoiding regulatory fragmentation.

² Provided in paragraph 3 of article 10 of Directive 2008/98/EC and paragraph 3 of article 48 of Regulation EU 2025/xxx (PPWR)