

Citeo

Achieving a sustainable Europe through the EPR

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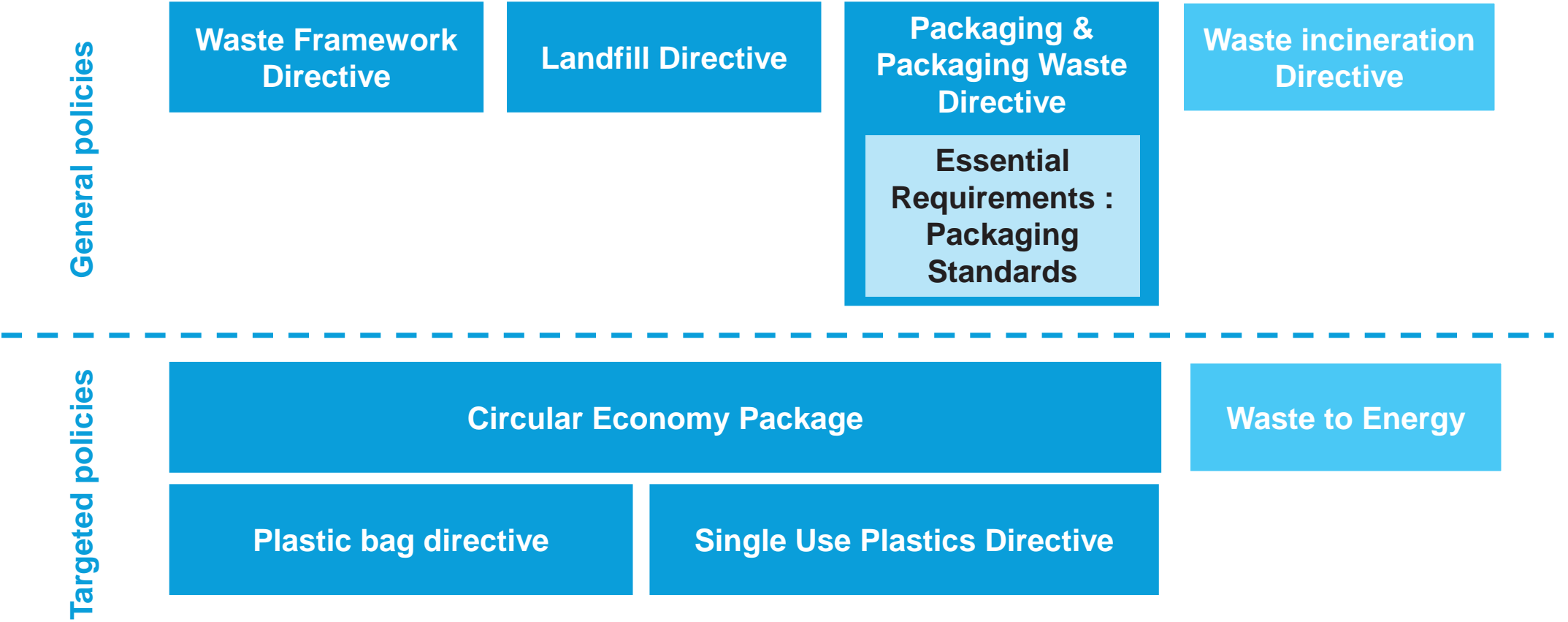
EU & International affairs advisor



Eco-Emballages
and Ecofolio are now Citeo



Packaging & packaging waste related policies in the EU



Overview of the european framework on packaging



Extended Producer Responsibility (EPR)

Mandatory EPR scheme for all packaging in 2025

Coverage of necessary costs for an efficient system

Modulation of contributions from 2020

SUP directive: costs coverage for littering for certain packaging (food containers, flexible material packages and packaging, beverage containers, beverage cups)
Implementation planned by 05/01/2023 at the latest

Eco-design & recycling

New calculation point: implementation on 2020 tonnes, communication to Eurostat by mid-2021

Integration of recycled material: 25% for PET bottles by 2025; 30% by 2030 for all plastic bottles

Attached caps to all plastic beverage packaging from 03/07/2024

Separate collection rate for recycling of plastic beverage bottles: 77% by 2025, 90% by 2029

Recycling targets for packaging waste by 2025 and 2030: 65% for all packaging in 2025, 70% by 2030, 50% and 55% for plastics, 75% and 85% for paper

Other actions

Sorting of biowaste from 2023

Marketing restriction for certain single-use plastic products (SUP Directive: cotton swabs, cutlery, plates, drinking sticks, balloon rods, etc.)

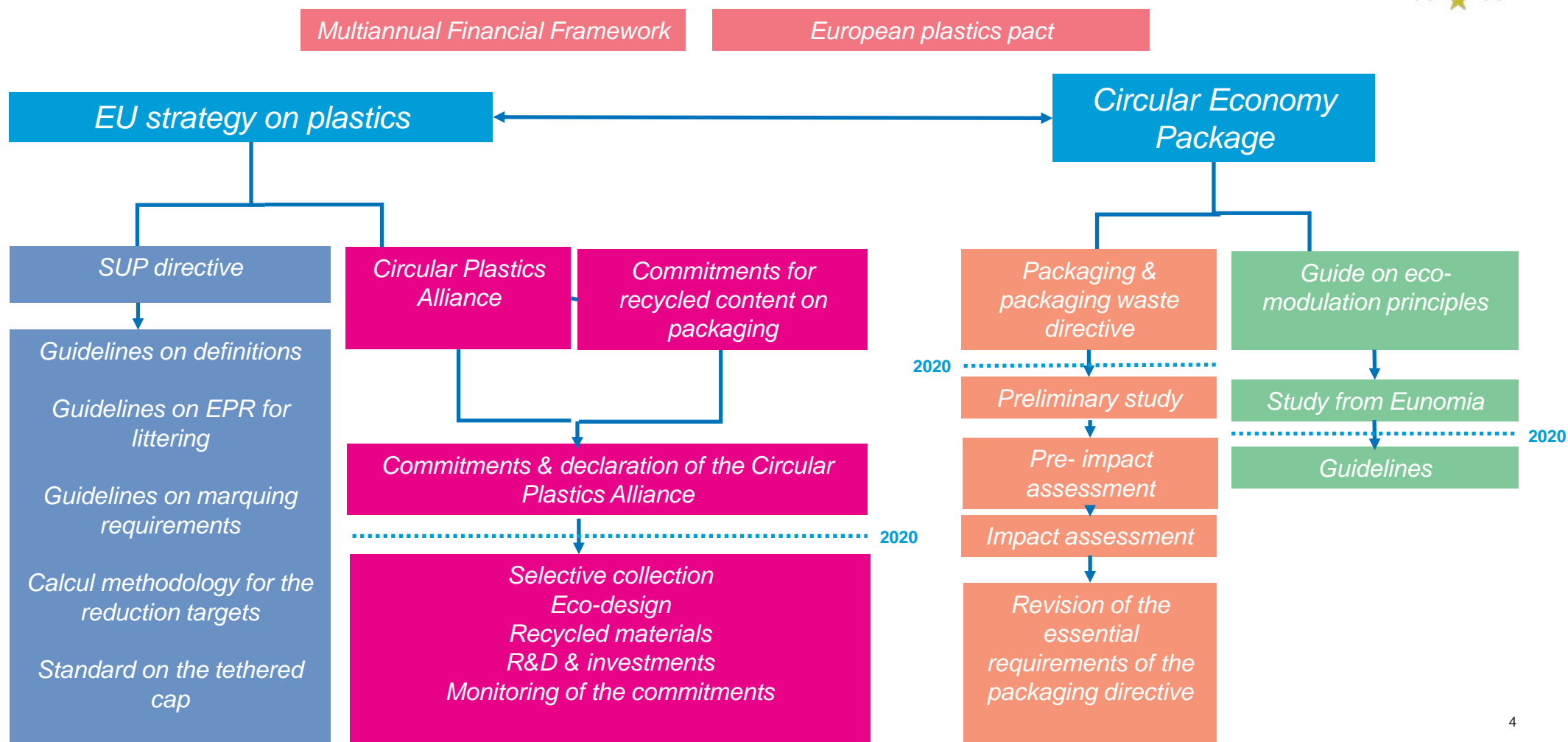
Mandatory selective collection of textiles and hazardous waste from 2025

Landfilling of municipal waste limited to 10% in 2030

Ban on landfilling separately collected waste for reuse or recycling in 2030



Overview of the current & on-going challenges on packaging





National pacts on plastics packaging

| | United Kingdom | France | The Netherlands | Portugal |
|-------------------------|---|---|--|---|
| <i>Members</i> | 127 Unilever, Nestlé, PepsiCo, Danone UK Defra, NGOs, retailers, recyclers, producers are members | 15 Unilever, Nestlé, Danone, Coca-Cola, L'Oréal, LSDH, Biscuits Bouvard, Retailers (Auchan, Monoprix, Franprix, Carrefour, Systeme U) and two NGOs (Tara, WWF) | 75 Unilever, Nestlé Brands (ABInbev, Heineken), NGOs, retailers, food services (McDonald, Starbucks), recyclers are members | 23 Coca-Cola, Nestlé, Delta Café, Sonae, Jeronimo Martins, Eletrão, Ponto Verde, Veolia, Lidl, Colgate-Palmolive, WWF... |
| <i>Lead</i> | WRAP | French Ecology Ministry | Dutch Environment Ministry | Smart Waste Portugal |
| <i>Targets by 2025</i> | | | | |
| <i>Recyclability</i> | 100% of plastic packaging to be reusable, recyclable or compostable | 100% of plastic packaging is reusable, recyclable or compostable | SUP products and packaging are 100% recyclable , and reusable where possible and appropriate | Ensuring that 100% of plastic packaging is reusable, recyclable or compostable |
| <i>Recycling</i> | 70% of plastic packaging effectively recycled or composted | By 2022: 60% of plastic packaging effectively recycled | ≥70% of all SUP products and packaging are recycled to a high standard | Increasing collections so that at least 70% of plastic packaging is effectively recycled |
| <i>Recycled content</i> | 30% average recycled content across all plastic packaging | 30% average recycled plastics into packaging | All marketed SUP products and packaging contain at least 35% recycled plastics (kg) | Incorporating, on average, 30% of recycled plastic in new plastic packaging |

Eco-design to reduce the use of natural resources



CIRCULAR ECONOMY PACKAGE

June 2018

SINGLE USE PLASTIC DIRECTIVE

July 2019

CIRCULAR PLASTICS ALLIANCE

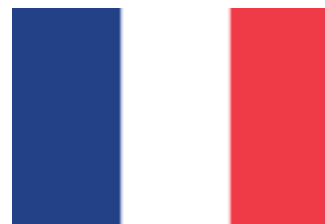
September 2019

CONTRIBUTION ON NON-RECYCLED PLASTIC PACKAGING

2020

EUROPEAN PLASTICS PACT

March 2020



NATIONAL PACT ON PLASTIC PACKAGING

February 2019

ANTI-WASTE LAW TO PROMOTE CIRCULAR ECONOMY

February 2020

NATIONAL STRATEGY ON PLASTICS

July 2020

Which files related to packaging are in progress, in which institution?



European Commission



European Parliament



Council of the EU



European Committee of the Regions



The EU Economic & Social Committee

MFF

Contribution to the EU budget: 0.8 euros/kg of non-recycled plastic packaging

*New Circular Economy
action plan*

EU strategy on plastics

Circular Economy Package

*The European industrial
strategy*

The biodiversity strategy

The Farm to Fork Strategy

*EU Chemicals Strategy for
Sustainability*

*Own-initiative report on
the new Circular
Economy Action Plan*

*Own-initiative report on
sustainable single
market*

*Own-initiative report on
product safety*

*Resolution on the
Digital Services Act*

*Scientific report on
plastics packaging for
the PETI committee*

*Conclusions on the
biodiversity strategy*

*Conclusions on the farm
to fork strategy*

*Resolution on the new
circular economy
action plan*

*Resolution on the
European industrial
strategy*

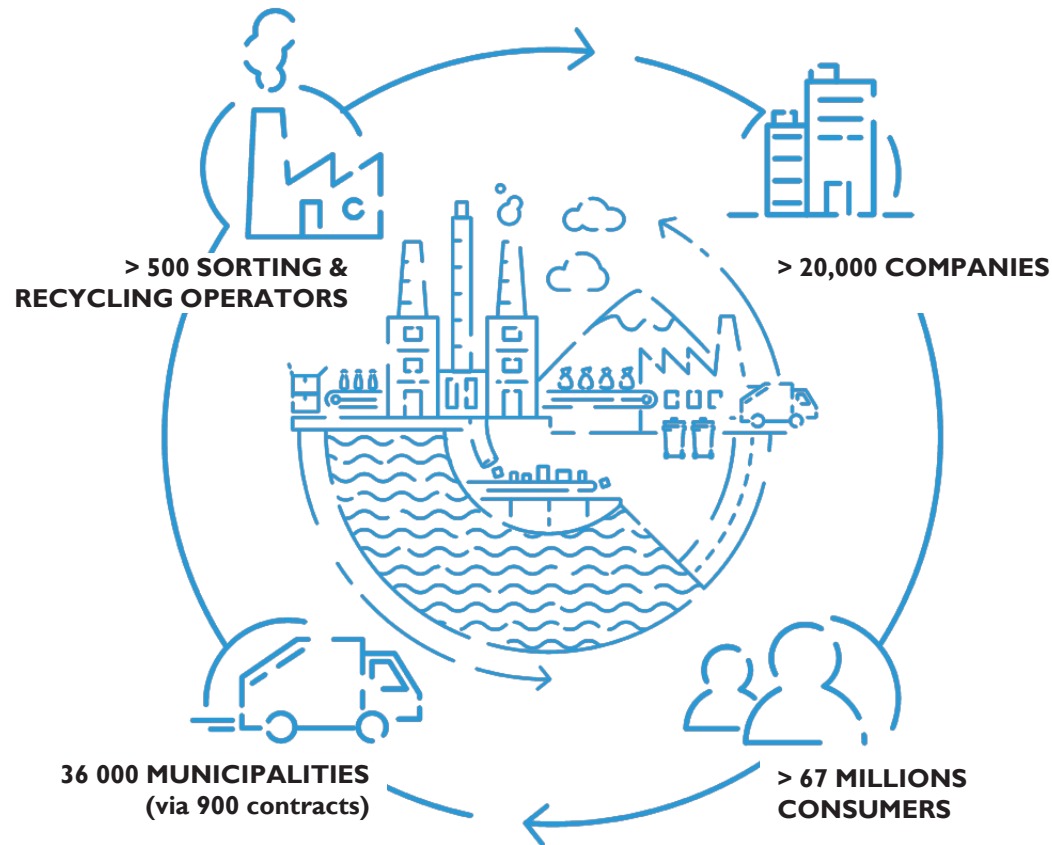
*Recycling food
packaging & food
waste in plastics
revolution*

Review No 04/2020 of the European Court of Auditors "EU action to tackle the issue of plastic waste"

Large variety of EPR approaches accross EU MS

| | | | | |
|--|--|---|--|---|
| EPR System in hands of obliged industry (BE, ES, IT, NL, NO, CZ, FR, IE) | Competing PROs (DE, AT, PT, LT, SV, SK, PL, RO, BG,) | 'Tradable Credits' Model with several traders (UK) | Several PRO's sharing infrastructure (DE, AT) | PROs acting in different areas (BG) |
| PROs have established parallel infrastructure (EE) | Operational responsibility fully with local authorities (FR, NL, CZ) | Collection and sorting with local authorities (BE, ES, IT) | EPR system in parallel to a deposit system (DE, NO, SE, FI, EE, LT) | Incentive cost approach (UK) |
| Household & ICI Packaging treated differently (DE, FR, BE, ES) | Same rules for all packaging (e.g. IT, CZ, SK, RO) | Dual system approach (e.g. DE, AT, BE, SE) | Shared cost approach (e.g. IT, ES, FR) | No operational responsibility for local authorities (e.g. DE, AT, SE) |
| Obliged entity are fillers (and importers) (e.g. DE, AT, SE) | Obliged entity is the packaging producer (and the importers) (IT) | Obliged entity is the whole value chain by percentages (UK) | One comprehensive system for all (household) packaging (e.g. BE, FR, ES, IT) | |

At the heart
of a circular
economy,
Citeo
connects
companies,
territories
and citizens



Mission:

Help our clients reduce the environmental impacts of their products (packaging and papers)

Ambition:

Build a more sustainable world, combining environmental & economic performances

Recycling rates, France, 2019

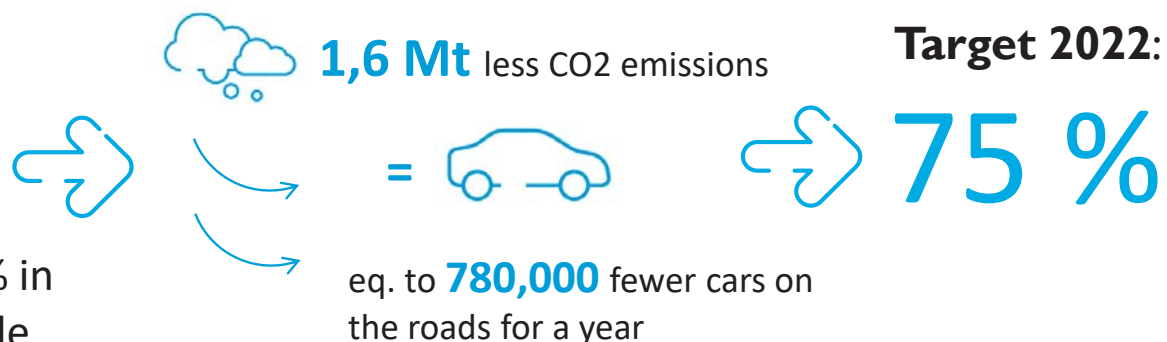


HOUSEHOLD
PACKAGING

Recycling rate:

70%

= **3,6 MT** recycled
= **89% in France**, 10% in
Europe, 1% worldwide

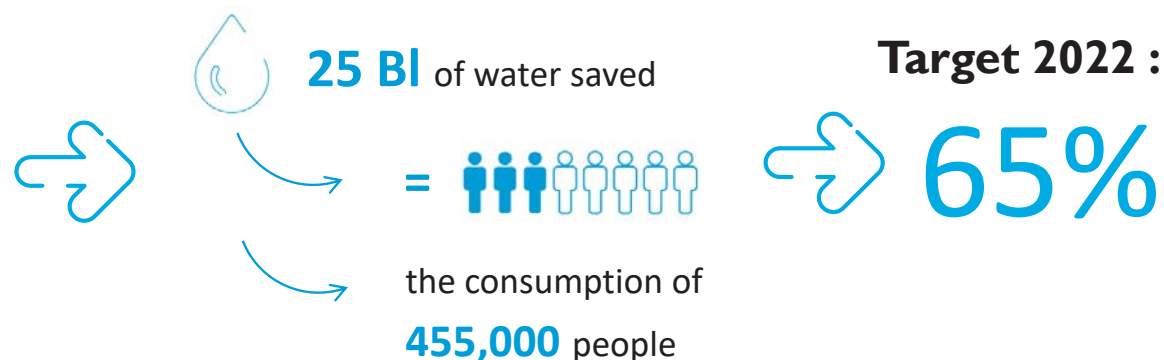


PRINTED &
GRAPHIC PAPER

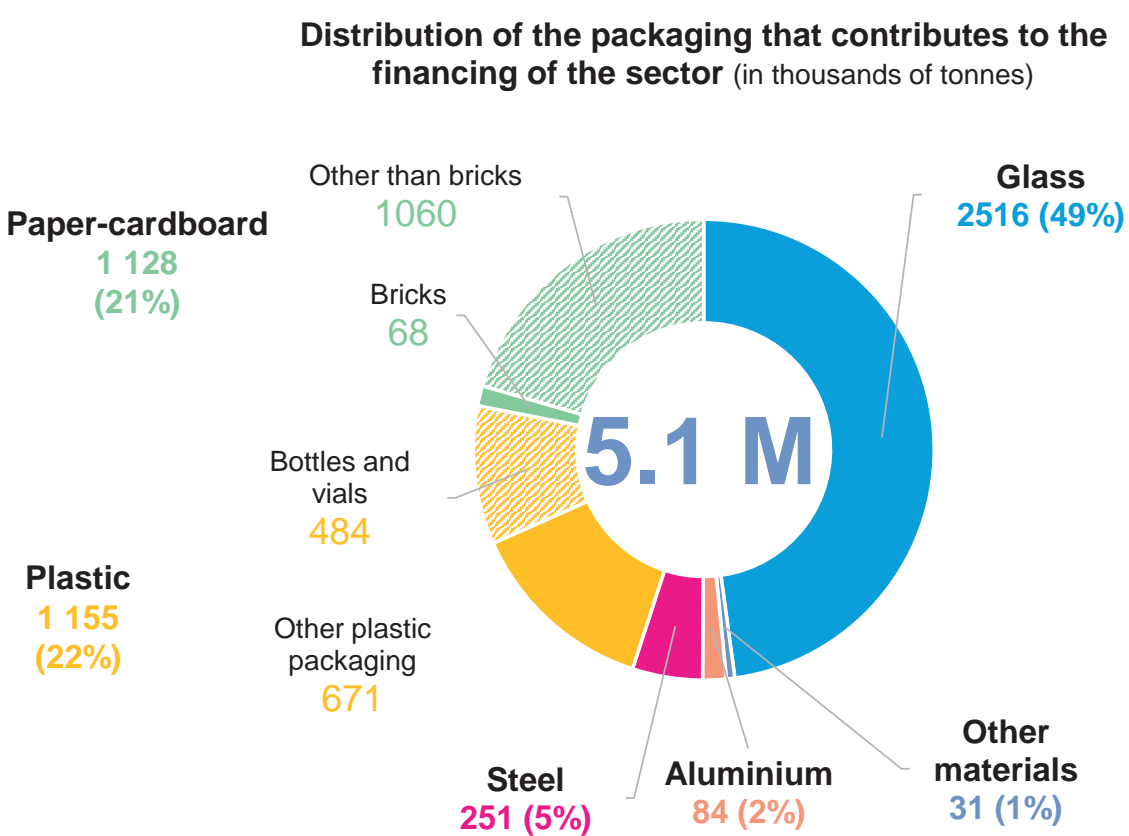
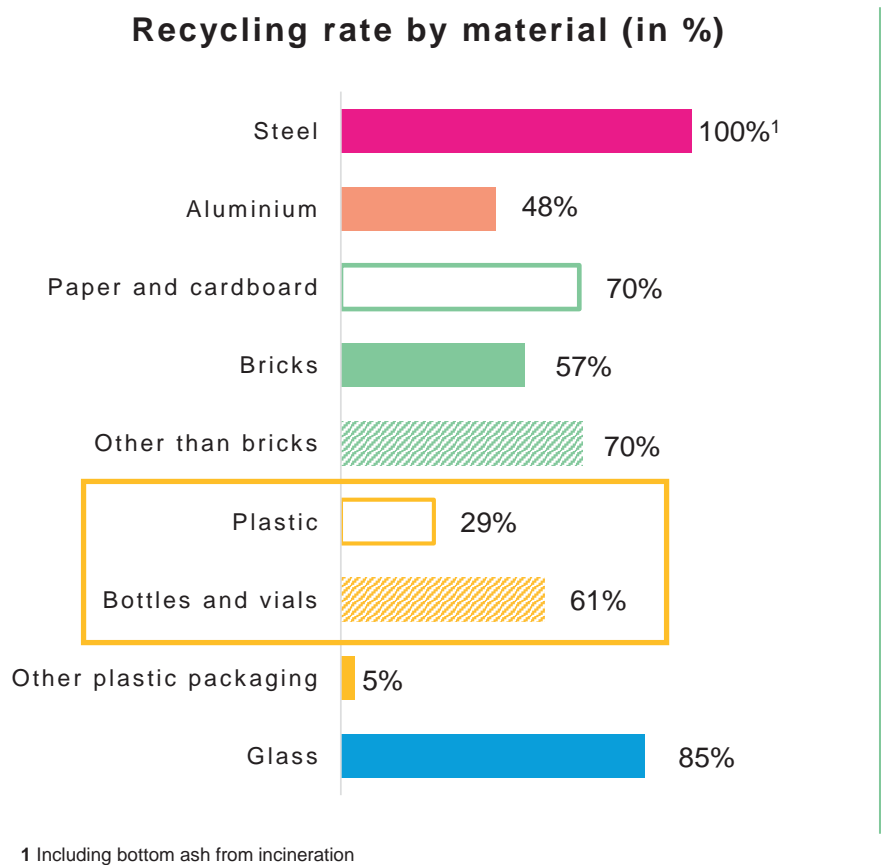
Recycling rate:

57%

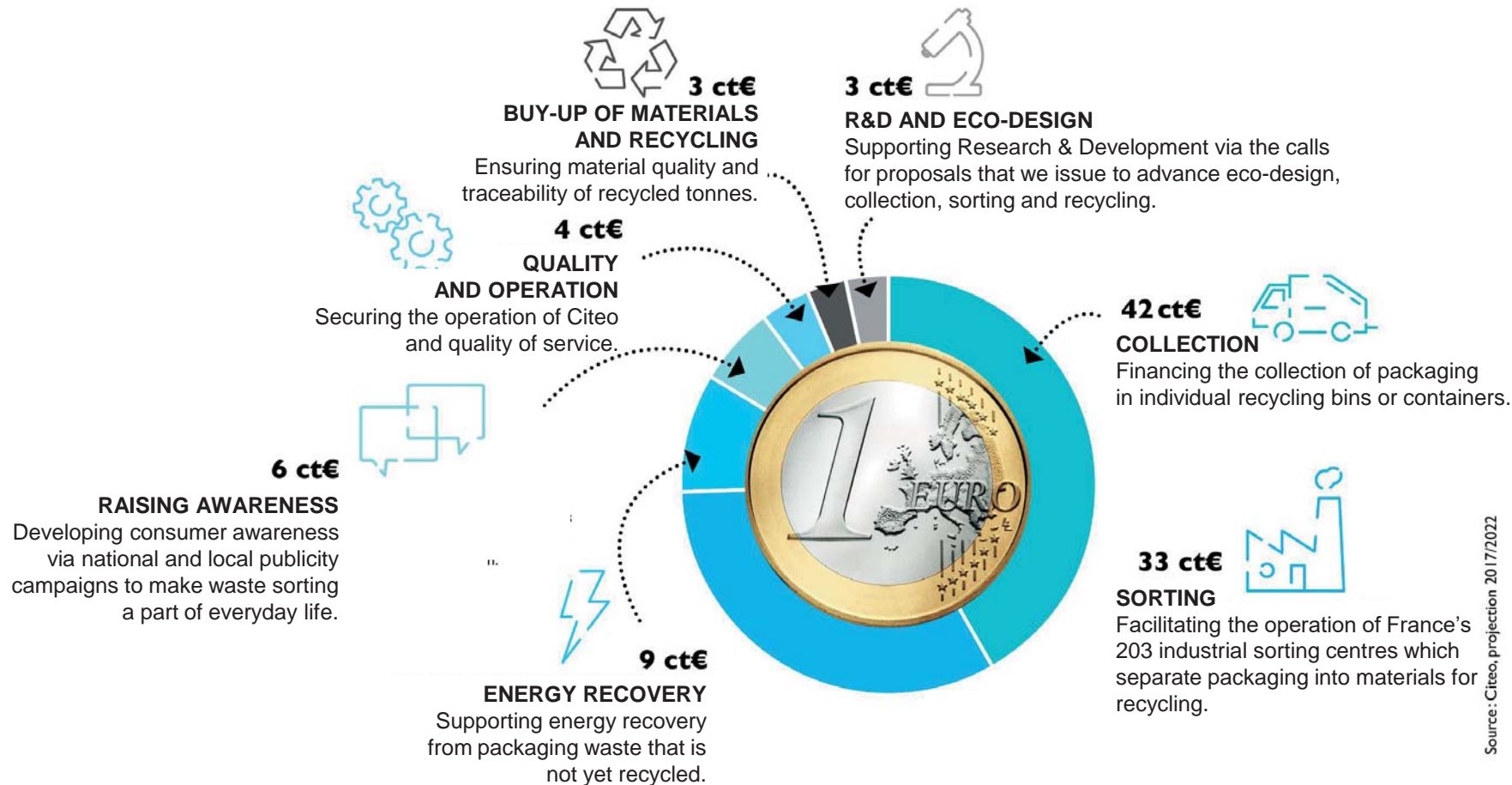
= **1,2 MT** recycled



Sorting & recycling of household packaging



Thanks to the contribution of our clients, we finance the recycling of their packaging



Source: Citeo, projection 2017/2022

we focus our actions on two essential levers



cities



plastic



Improve collection in cities



Densifying collection points,
especially for glass



Communicating
with citizens



Innovating with
our clients



Citeo's collection actions plan

Designing for cities

Example of Trilib in Paris



Increasing on-the-go selective collection

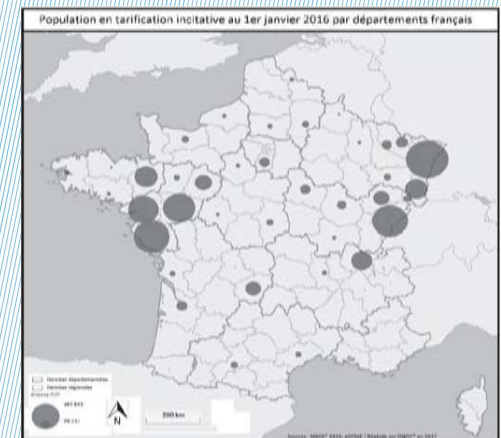


Developing pay-as-you-throw

192 municipalities

8 M inhabitants (for 2018)

Target : 25 M inhabitants for 2025



Double

the recycling rate for plastics



Extending sorting instructions
for all plastic packaging by the end of 2022



Creating a positive drive effect
on all materials



Modernising
sorting centres

+ spill-over effect on other materials



Focus on EU & French targets on plastic



New packaging directive
recycling targets

Today : **22,5%**

2025 : **50%**

2030 : **55%**

Single use plastic directive

90% bottles collected in **2030**

30% recycled content in **2030**

Ban on some plastic products

**Strategy for plastics in
a circular economy**



Move to :

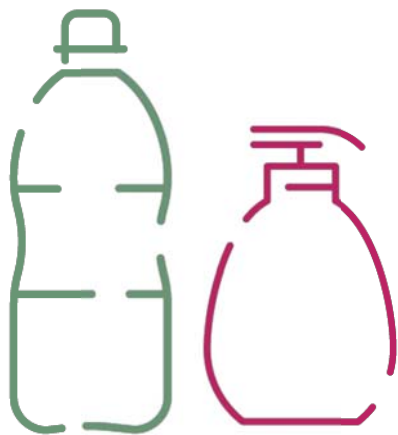
100% plastic recycled
by 2025

French circular
economy law

Other
international
organizations

G7, OECD, UN action plans on Marine litter and plastics

An increasing debate on plastics : 4 main issues for brand owners

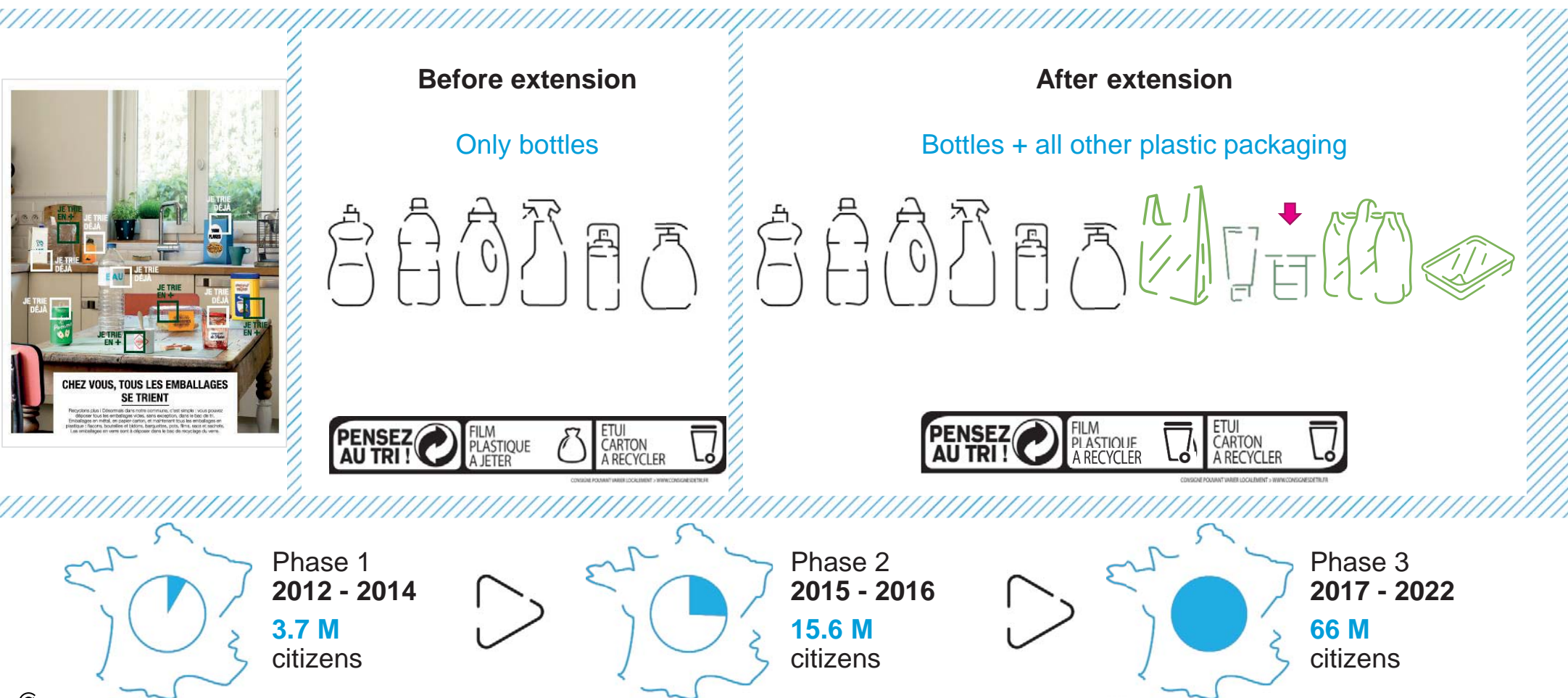


- **Low recycling rate, not circular**
- **More stringent regulatory and other political measures to come (plastic littering etc.)**
- **High contribution to carbon impact in some sectors (beverage bottles)**
- **Potential health concerns (microplastics, etc.)**

Citeo has built an efficient and sustainable recycling industry for PET and HDPE-PP in France

Challenge now : create new recycling capacities, with same sustainability & face higher expectations from consumers and authorities

Moving on for 100% plastic packaging in the collection bin by 2022/23 with modernisation of sorting centers



Eco-modulation of the fees : experience in France

France was the first country to introduce a bonus/malus system (in 2011).

For bottles

- PVC, aluminum and silicon elements in PET bottles :
- Opaque PET bottles with more than 4% mineral content :
- PVC bottles

Malus 50%
Malus 100%
Malus 100%

For PET trays

- Switch from multilayer to monolayer tray:

Bonus 8%

For PE or PP packaging

- Integration of at least 20% materials from the recycling of household packaging
- Integration of less than 20% materials from the recycling of household packaging

Bonus 50%
Bonus 20%

For PS packaging

- Integration of at least 50% materials from the recycling of household packaging

Bonus 20%

Other bonus

- Weight reduction (iso material) :
- Message on packaging about sorting (awareness raising)

Bonus 8% (first year)
Bonus 4% to 12%

Citeo's actions plan on plastics : focus on PET & PS

01 Collection



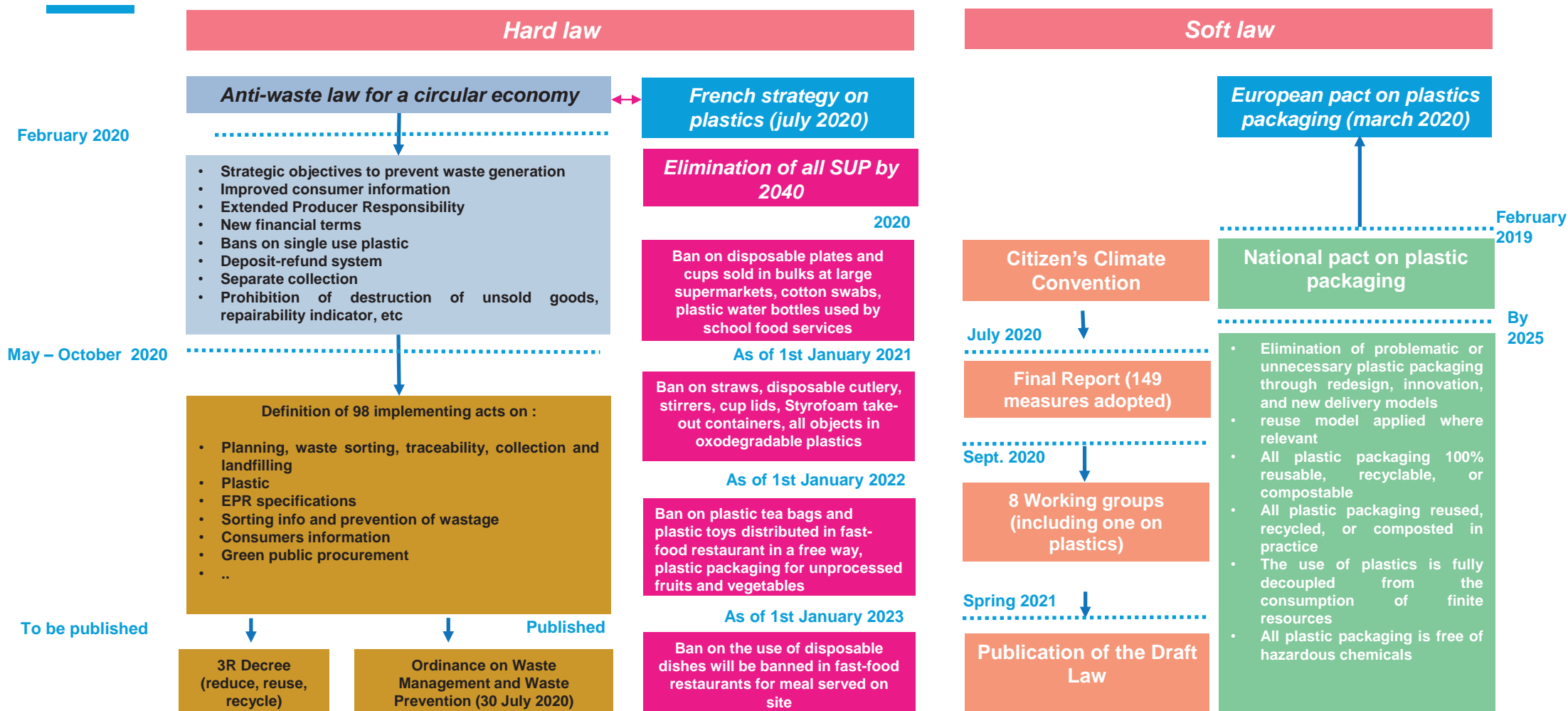
02 Eco Design



03 New recycling technologies



Overview of the current regulations on packaging in France



Main provisions of the french circular economy law



New strategic objectives to prevent waste generation

Improved consumer information

Environmental labelling, Triman, etc

Extended Producer Responsibility

New definition of EPR, creation of new EPR schemes, broader governance, new obligations, etc

New financial terms

Enlargement of costs coverage, generalisation of eco-modulations

Bans on single use plastic

Transposition of SUP Directive

Deposit-refund system

Recycling & reuse

Separate collection

Harmonisation of sorting rules & separate collection for out-of-home consumption

Others

Prohibition of destruction of unsold goods, reparability indicator, etc

Thank you!



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CITEO

Eco-Emballages
and Ecofolio are now Citeo

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