



Seek **Together**™

EU Industry Competitiveness in the Global Sustainability Race

Carolina Gregorio

Sustainability Policy and Advocacy Strategy Director
Dow Packaging & Specialty Plastics





Circularity

Sustainable Carbon Cycles



Climate protection

Reshaping Plastics Report by SystemIQ



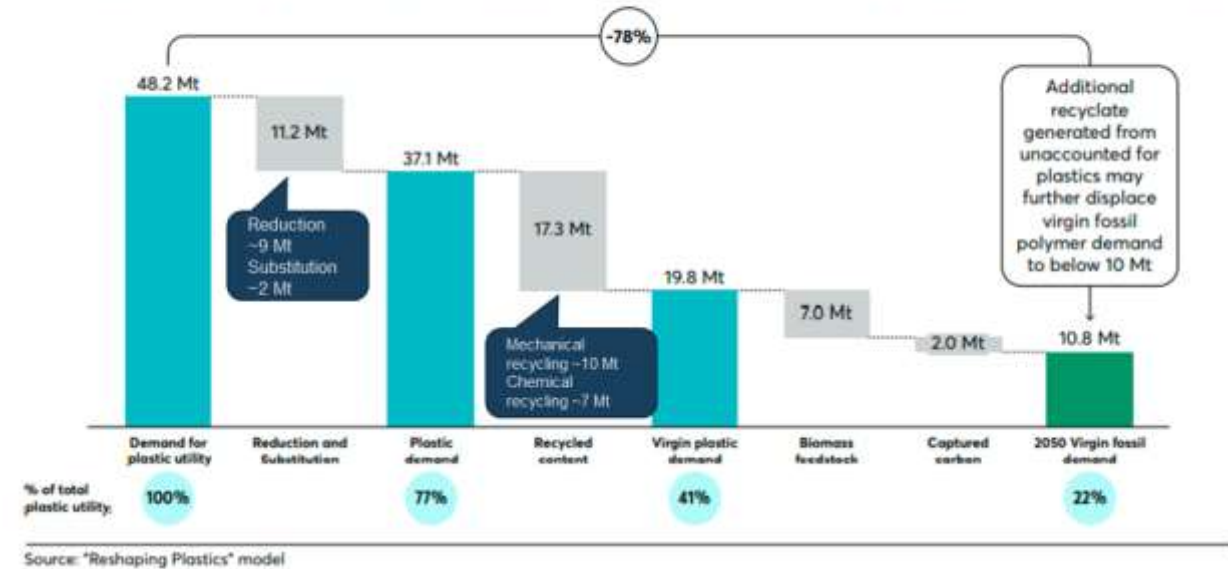
<https://www.systemiq.earth/reshaping-plastics/>

ReShaping the European Plastics System

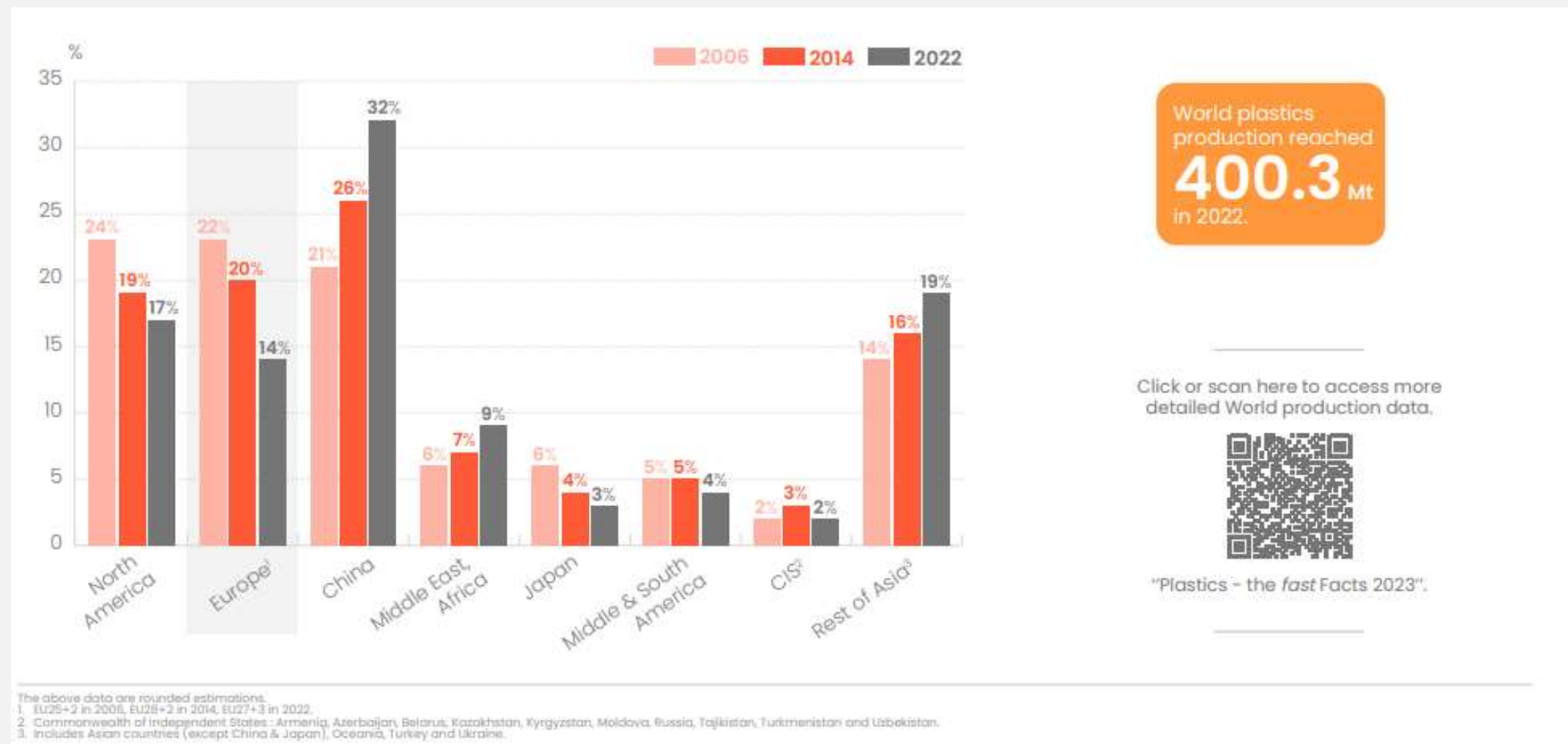
2050 Endstate Scenario	Circularity (%)	GHG Emission (MtCO ₂ e)	Virgin Fossil Plastics Use (Mt)
"Do Nothing"	14%	112	44
Current Actions Scenario	33%	92	37
Reduction & Substitution Scenario	52%	68	29
Recycling Scenario	69%	41	24
Circularity Scenario	78%	33	20
Retrofit System Change Scenario	78%	25	20
Net-Zero System Change Scenario	78%	~0	11

12MT of virgin fossil remain in the system in 2050 in the Net Zero Systems Change Scenario – to what extent should a complete disengagement be considered?

By 2050, 78% of plastic utility is supplied by alternatives to fossil fuel in the Net Zero Systems Change Scenario

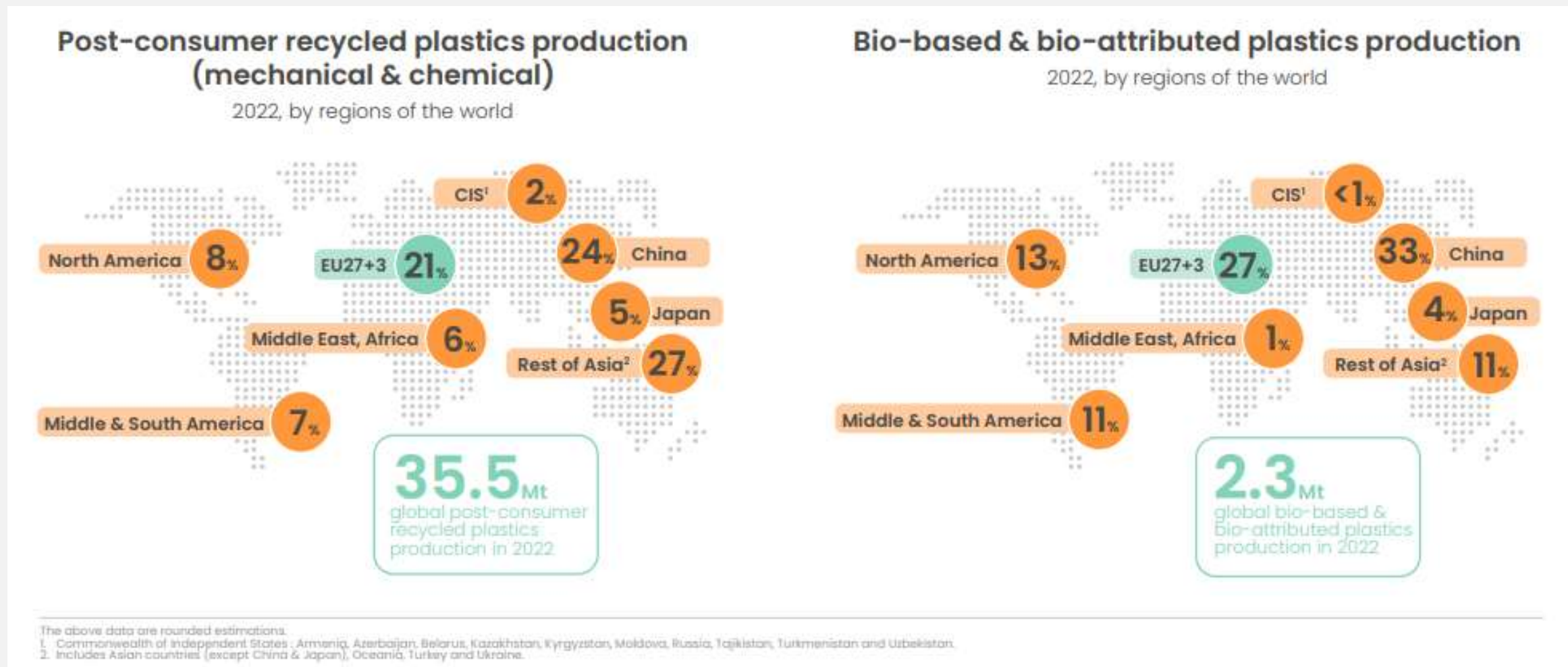


EU's Share of Global Plastics Production



Source: Plastics Europe. Circular Economy for Plastics – A European Overview. Plastics The Facts 2023

EU's Share of Global Circular Plastics Production

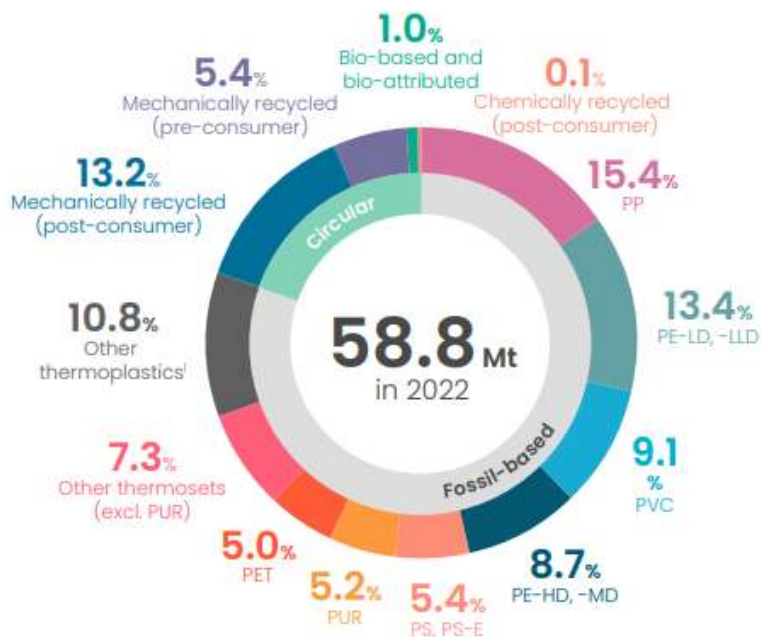


Source: Plastics Europe. Circular Economy for Plastics – A European Overview. Plastics The Facts 2023

EU's Plastics Production Deep Dive

19.7%
plastics
production
was circular.

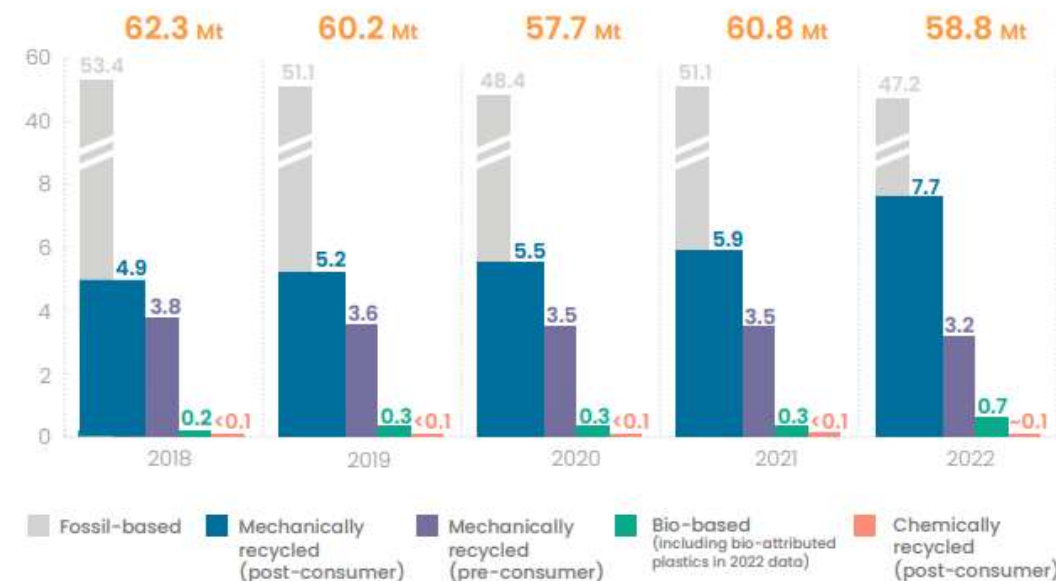
2022 data



2018-2022 evolution



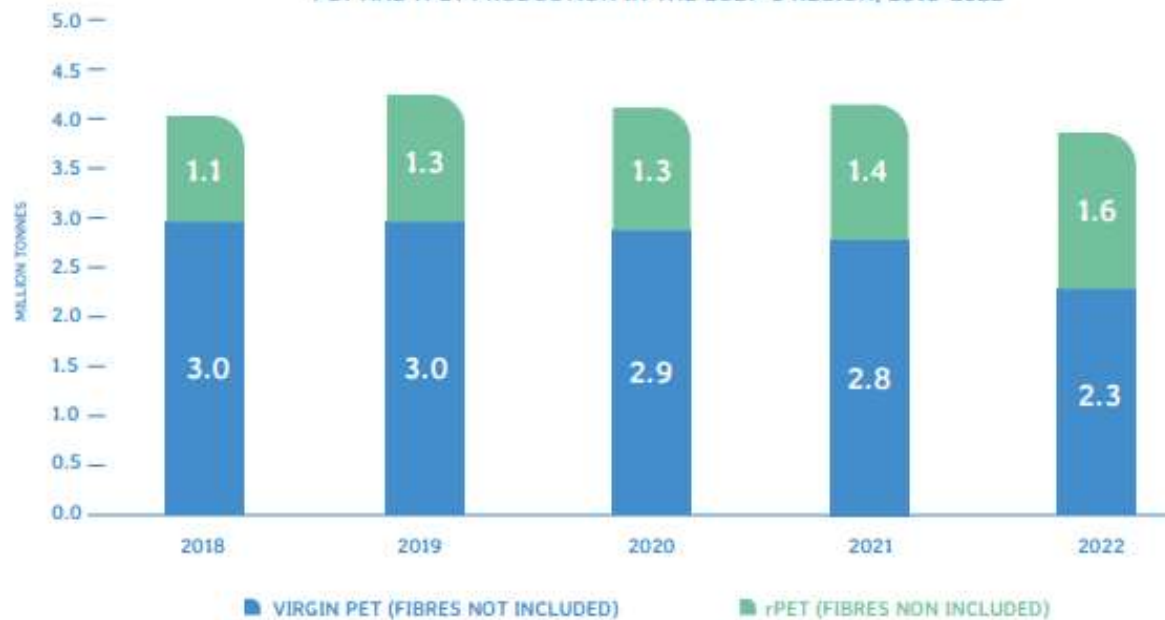
In 2022, circular plastics production increased by over 30% despite total plastics production falling by more than 5%.



Source: Plastics Europe. Circular Economy for Plastics – A European Overview. Plastics The Facts 2023

EU's PET Market Overview

PET AND rPET PRODUCTION IN THE EU27+3 REGION, 2018-2022



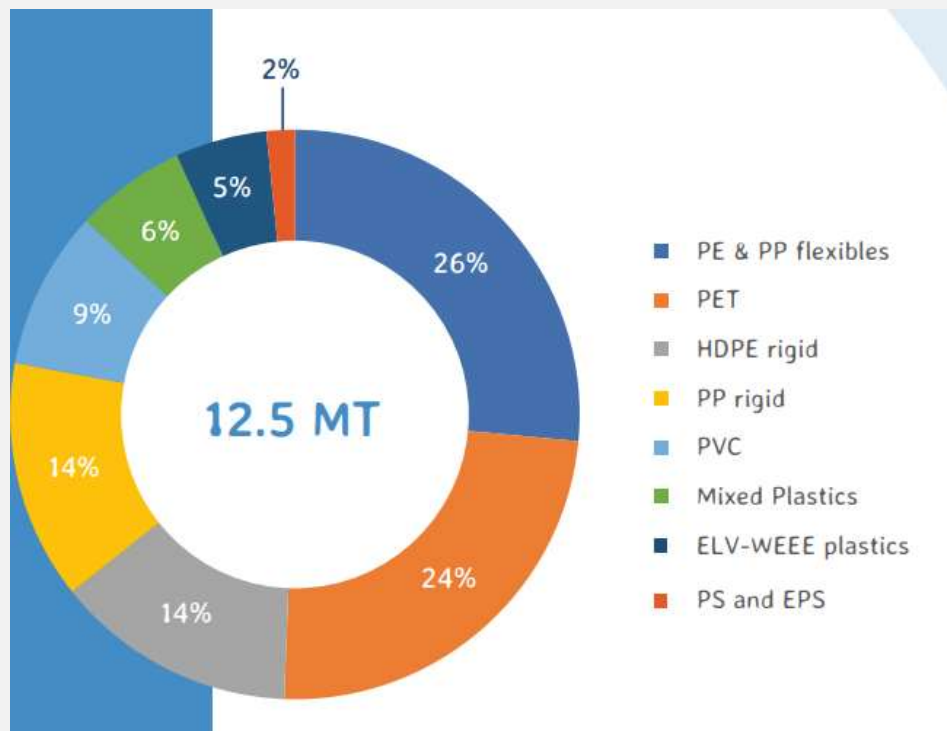
PET IMPORTS AND EXPORTS IN THE EU27+3 REGION, 2018-2022



Source: Plastics Recyclers Europe

EU's PET Recycling Plastics Overview

2022 data, x2 vs 2017!



- **PET COLLECTION RATE IN 2022 INCREASED TO 60%.**
 - 5 million tonnes of PET was utilized in packaging (bottles, sheet (trays), and flexibles) in EU in 2022. Of this, 3 million tonnes were collected, bringing the collection rate to 60%.
A vast majority of the collected PET packaging were bottles, accounting for 2.8 million tonnes
- **EXTRUSION CAPACITY FOR rPET PELLET PRODUCTION DOUBLED TO 1.4 MILLION TONNES IN 2022**
 - Bale input to recyclers in 2022 was 2.6 million tonnes, an increase of 7% on 2020. Average utilization of wash and flake plant capacity was around 87%. The rPET flake production stood at 1.9 million tonnes (for all applications), of which over 1.2 million tonnes were pelletised via extrusion.
 - Germany accounts for the largest share with 630 kT/y capacity, followed by Spain & Portugal with more than 500 kT/y capacity and then by Italy, France and United Kingdom
- **TOTAL REGION RECYCLING CAPACITY TO MEET SHORT-TERM TARGETS BUT STRONG REGIONAL DISPARITIES**
 - Statistics indicate that the existing European recycling capacity is sufficient to meet the short-term targets (around 800,000 tonnes rPET is required to meet the Single Use Plastics Directive (SUPD) mandatory recycled content targets for 2025)

Source: Plastics Recyclers Europe

EU's Key Policy Drivers – Pivotal Moment

- **Bottles. SUPD – Mandatory recycled plastic content targets for rPET and PO's in all beverage bottles as of 2030 (MS's level compliance)**
 - Rules on recycled content methodology for CR/MB recognition in discussion
- **Packaging. PPWR – Mandatory recycled plastic content targets of all plastic packages in EU as of 2030 onwards (producers level compliance)**
 - Rules on equivalence for imports to come by 2026
 - Rules on sustainable criteria for recycling operations to come by 2026
 - Rules on recycled content methodology to come by 2026
- **Textiles. The proposed mandatory and harmonised Extended Producer Responsibility (EPR) Schemes for textiles in all EU member states are expected to accelerate the circularity of textiles in EU.**



We need a policy framework to protect EU competitiveness while enabling a circular and net zero transition



HIGH-LEVEL REPORT ON THE FUTURE OF THE SINGLE MARKET

- Published on 17 April, [the report](#) puts forward proposals on how to tackle obstacles to the efficiency of the Single Market.
- It highlights the need to address infringements more effectively and underlines the EU must prioritise shifting towards a circular economy.
- EUROPEN provided direct inputs during the drafting phase



The EU's plan to regain its competitive edge

REPORT ON THE FUTURE OF EU COMPETITIVENESS

- Mario Draghi provided an update on its report at the [informal ECOFIN Council](#) on February 24
- The report should be released at the end of June 2024, after the EU elections



THE ANTWERP DECLARATION

- EUROPEN co-signed the [Antwerp Declaration](#) in April 2024

Dow's Transform the Waste commitment

Dow commits to accelerating the circular ecosystem by transforming waste and alternative feedstock to deliver

3 million metric tons

per year of **circular and renewable** solutions

by 2030

Driving Circularity with Lower Carbon Footprint



Plastic sustainability

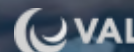
D4R commercial reality



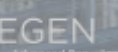
Mechanical recycling transforming the value chain



MR. GREEN AFRICA



Advanced recycling picking up the pace



plastogaz



Bio-based diversifying and expanding

crocs™



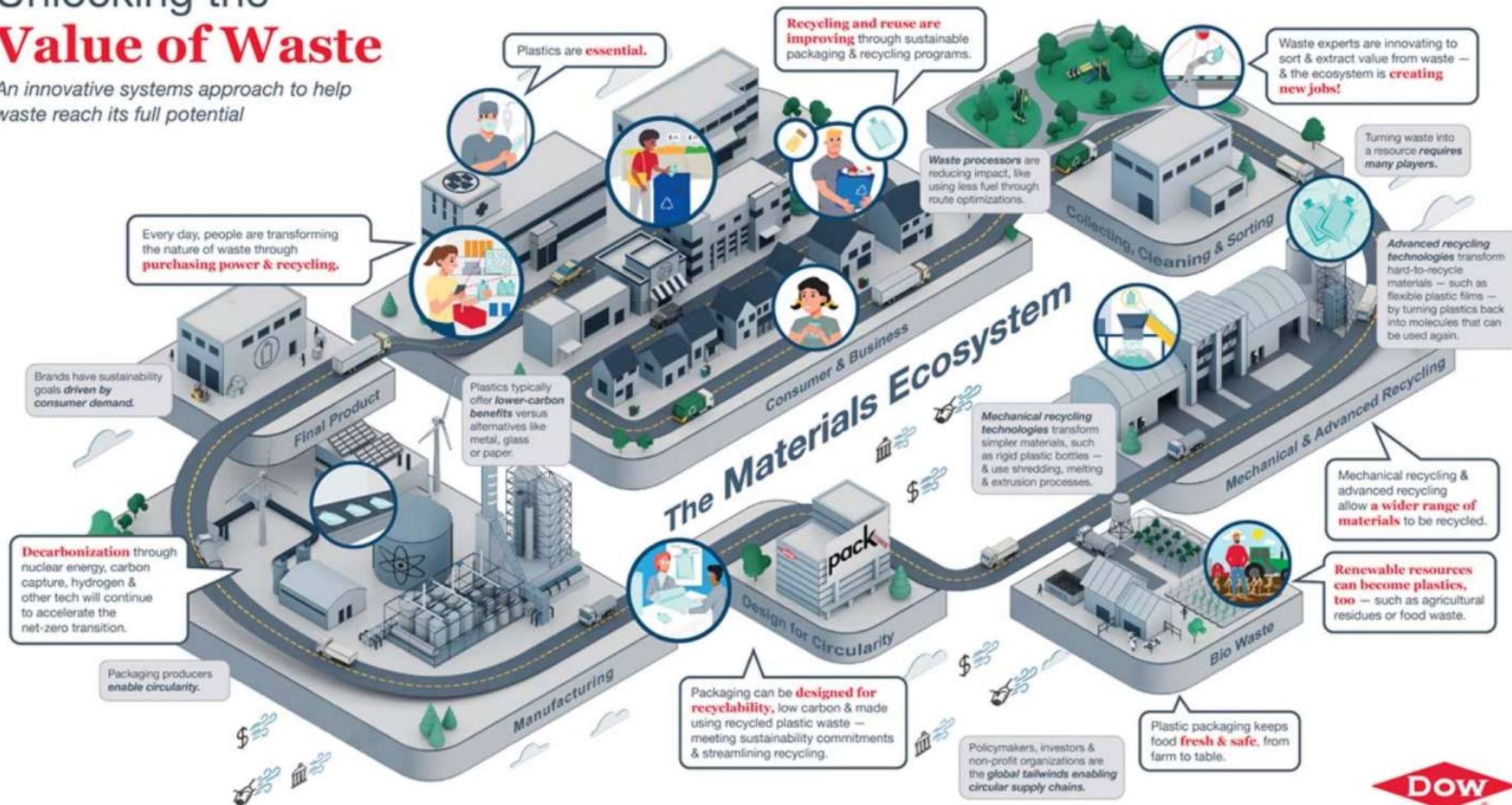
Carbon the key growing driver

Extensive innovation portfolio

Materials Ecosystems Approach

Unlocking the Value of Waste

An innovative systems approach to help waste reach its full potential



[Materials Ecosystem \(dow.com\)](https://www.dow.com/materials-ecosystem)

Key Policy Asks – Let's Keep Working Together

- **IMMEDIATE POLICY LEVERS TO GET INDUSTRY ON TRACK AND UNLOCK INVESTMENTS.**
 - Mass balance/chemical recycling
 - Accelerating permits
 - Dialogue with industry
- **INCENTIVISE SUSTAINABLE BUSINESS MODELS AND CREATE DEMAND THROUGH LEGISLATION**
 - Recyclable mandates
 - Recycled mandates
- **INCENTIVISE SUSTAINABLE BUSINESS MODELS 2 AND CREATE DEMAND THROUGH LEGISLATION**
 - Endorse trustworthy certification systems and standards for the sustainable sourcing of biomass feedstocks, including enforcing to imports
- **SAFEGUARDING THE COMPETITIVENESS 3 OF EUROPEAN INDUSTRY**
 - Funding
 - Competitive energy prices
- **DEVELOP A WASTE MANAGEMENT SYSTEM 4FIT FOR A NET-ZERO CIRCULAR ECONOMY**
 - Expand separate waste collection/sorting
 - Reduce incineration, phase out landfill gradually
- **PROMOTE GREATER AND INCREASED COLLABORATION AMONG ALL INDUSTRY ACTORS**



Key Levers, Let's Work Together

Creating More Sustainable Solutions Together



**Technology and
Innovation**



**Partnerships and
Collaboration**



**Governance and
Policy Engagement**

THANK YOU

[Carolina Gregorio | LinkedIn](#)

cgregorio@dow.com

