



EUROPEAN COMMISSION

Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs

Single Market Enforcement

Notification of Regulatory Barriers

Notification Number : 2024/0707/NL (Netherlands)

Amendment of the Environmental Management Act in connection with the introduction of an annual obligation for circular polymers, circular polymer units, and a register of circular polymer units (legal amendment for a Circular Plastic Standard).

Date received : 19/12/2024

End of Standstill : 20/03/2025

Message

Message 001

Communication from the Commission - TRIS/(2024) 3454

Directive (EU) 2015/1535

Notification: 2024/0707/NL

Notification of a draft text from a Member State

Notification - Notificación - Notifizierung - Нотификация - Oznámení - Notifikation - Γνωστοποίηση - Notificación - Teavitamine - Ilmoitus - Obavijest - Bejelentés - Notifica - Pranešimas - Paziņojums - Notifika - Kennisgeving - Zawiadomienie - Notificação - Notificare - Oznámenie - Obvestilo - Anmälan - Fógra a thabhairt

Does not open the delays - N'ouvre pas de délai - Kein Fristbeginn - Не се предвижда период на прекъсване - Nezahajuje prodlení - Fristerne indledes ikke - Καμμία έναρξη προθεσμίας - No abre el plazo - Viivituste perioodi ei avata - Määräaika ei ala tästä - Ne otvara razdoblje kašnjenja - Nem nyitja meg a késéset - Non fa decorrere la mora - Atidējimai nepradedami - Atlikšanas laikposms nesākas - Ma jiftaħ il-perijodi ta' dewmien - Geen termijnbegin - Nie otwiera opóźnień - Não inicia o prazo - Nu deschide perioadele de stagnare - Nezačína oneskorenia - Ne uvaja zamud - Inleder ingen frist - Ní osclaíonn sé na moilleanna

MSG: 20243454.EN

1. MSG 001 IND 2024 0707 NL EN 19-12-2024 NL NOTIF

2. Netherlands

3A. Ministerie van Financiën, Douane Groningen, CDIU.

3B. Wijziging van de Wet milieubeheer in verband met de invoering van een jaarverplichting circulaire polymeren, circulaire polymeereenheden en een register circulaire polymeereenheden (wetswijziging voor een Circulaireplasticnorm).

4. 2024/0707/NL - S50E - Environmentally-friendly measures

5. Amendment of the Environmental Management Act in connection with the introduction of an annual obligation for circular polymers, circular polymer units, and a register of circular polymer units (legal amendment for a Circular Plastic Standard).



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6. The circular plastic standard will apply to companies in the Netherlands that process polymers into part or end products (polymer processors).

7.

8. The Ministry of Infrastructure and Water Management, in collaboration with the Ministry of Climate and Green Growth, is working on a legislative proposal for a circular plastic standard. The aim of the bill is to oblige all processors of polymers established in the Netherlands, from 1 January 2027, to replace a minimum percentage of fossil polymers with recycled or bio-based polymers. Although the law has a broad basis, namely polymers regardless of which products they are used in, the obligation will initially be imposed on polymers that are used in plastic parts and end products. The aim of the circular plastic standard is twofold, namely: promoting circularity, and reducing CO₂ emissions to contribute to the national climate goals set out in the Climate Act.

The extent to which circular polymers, such as recycle and bio-based polymers, can be processed varies per application. The proportion of circular polymers that individual polymer processors can apply therefore also differs. In order to achieve an average annual minimum share of circular plastic in the Netherlands, this bill therefore also regulates a trading system, with which the market as a whole must achieve an average minimum share of circular plastic. For the processing of circular polymers, polymer processors receive administrative, tradable circular polymer units (CPEs). Polymer processors can sell these CPEs to other polymer processors, so that, for example, polymer processors that process more than the legal minimum of circular polymers can sell CPEs to polymer processors that process less than the mandatory minimum share of circular polymers.

The bill provides the basis for establishing requirements for circular polymers for obtaining CPEs by means of an AMP. Sustainability requirements are set for the origin of circular polymers, as well as scheme management and chain management requirements. The requirements are briefly explained below. Compliance with the requirements must be demonstrated by a certificate from a certification scheme recognised by Our Minister. A committee to be established will advise Our Minister on the recognition of certification schemes. Rules on the recognition of certification schemes will be included in the general administrative order. The choice of a certification scheme aligns with requirements for future regulations from the European Union.

The standard is not a direct obstacle to the free movement of goods and services. For polymers, the origin does not matter under this standard; only the sustainability requirements are important. After all, this standard does not impose restrictions on the import or export of polymers or plastic products. As such, there is mutual recognition: if recycle, sustainable bio-raw materials, and plastic parts or finished products have been lawfully produced and placed on the market in another Member State, the Netherlands must and will authorise them on its territory.

Articles 9.11.1 to 9.11.6, which are added to the Environmental Management Act, may contain technical regulations. The following is a brief summary of the technical requirements:

- Sustainability requirements: for recycle, the material shall only come from plastic waste (post-consumer recycle) and shall not come from a production process (pre-consumer recycle); For bio-raw materials, the requirements relate to the prevention of adverse effects on the environment (referring to the Bio-raw Materials Sustainability Framework).
- Schema management and chain management requirements: in order to ensure the reliability of the certificates, requirements will be imposed on the scheme management (on the functioning of the scheme and on certification bodies, auditors and economic operators working for or using the scheme) and chain management (on a set of rules, procedures and documents with which a link is made between the source of the material and the point in the chain where a claim is made about the material; determines which chain of custody models are permitted).

9. The circular plastic standard is national legislation to meet circular policy goals and the climate goals that are legally established. This constitutes an imperative reason of overriding public interest: the protection of the environment. On average, 2.5 kg of CO₂ emissions per kg of plastic produced can be reduced by replacing polymers made from virgin fossil raw materials with polymers made from recycle or bio-raw materials. Less CO₂ is emitted during the extraction of



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raw materials and production. Less plastic is also incinerated.

In general, the higher the standard, the higher the environmental benefit will be. Ca. 2.3 Mt of polymers is processed in the Netherlands into plastic parts or end products. It is also known that more than 0.7 Mton of plastic is incinerated annually in waste incineration plants (WIPs) in the Netherlands. Depending on the level of the standard, the replacement of fossil with circular polymers and the reduction in waste incineration will therefore achieve environmental benefits. This aims for an average reduction of 0.7 Mton CO₂ by 2030.

The technical requirement to process a minimum percentage of recycle or bio-based polymers is appropriate to protect this public interest. This ensures the transition to a circular plastic chain with relatively high certainty. The requirement also does not go beyond what is necessary to protect this interest, as there is no additional incentive for further sustainability once the set standard has been achieved. Finally, the requirement is the least restrictive means of achieving this objective, as the market itself, through the trading system, determines where sustainability occurs, and this is also the most cost-efficient.

The above-mentioned technical requirements (see point 8) are necessary, non-discriminatory and proportionate: necessary because of the high pressure of fossil plastics on the climate, the environment and the scarcity of raw materials, and because of the certainty that the recycling sector demands in the medium term; non-discriminatory, as every processor in the Netherlands is included and the same requirements are imposed on every processor, but this does not impose any trade barriers on processors in the EU since imports and exports are not regulated; and proportionate, as the standard, while leading the way on product requirements for recycle from the EU (more on this below), will not be far off in terms of percentages, and as companies can also use the trading system to comply with the standard.

There is no European legislation comparable to the circular plastic standard. After all, there is no generic European regulation for the mandatory processing of circular raw materials (polymers) in the production of plastic. At European level, product-specific recycle requirements have been announced. Packaging will be subject to recycle requirements as of 2030. European recycle requirements will eventually improve the recycle market by stimulating demand for products made from recycle, but apart from packaging, it is not yet clear which products will be subject to recycle requirements in the future. Because the circular plastic standard applies to the polymer processor, the standard will contribute to both the demand for recycle and the supply of products containing recycle. In addition, the circular plastic standard regulates not only the processing of recycle, but also of bio-based polymers—no requirements have yet been announced at European level.

Nor, as already explained in point 8, is it a direct obstacle to the free movement of goods and services. The standard does impose additional requirements on processors of polymers established in the Netherlands. This allows them to distinguish themselves from processors from other countries on the basis of the additional requirements with regard to sustainability. Anticipating announced recycling obligations in European product regulations, the standard can therefore also have the effect of making European customers choose Dutch processors more quickly.

In the Netherlands, the demand for fossil polymers will decrease in relative terms as a result of the standard. At the same time, the demand for circular polymers in the Netherlands will increase. This can lead to a competitive advantage for certain companies in the Netherlands. Processors with the smallest cost increase when switching from fossil to circular polymers will be able to earn from the trading system, as CPEs are the cheapest for them and can therefore be sold for more money.

It is also possible that customers of plastic parts or end products have less demand for parts or end products from the Netherlands because they can also import these products from countries where there is no regulation for the processing of a minimum share of recycle. With an expected average cost increase of 2-13 % for Dutch processors, the parts or end products they produce will also become more expensive. The likelihood that customers in the Netherlands can switch to parts and end products from other EU countries is decreasing, as it is expected that more European sustainability requirements will be introduced at the product level in the coming years. As a result, it is expected that the demand for parts or end products with a higher share of circular polymers will also increase in the Netherlands.



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Should the above-mentioned indirect obstacles to free movement arise, they may be justified by the aforementioned overriding reason in the public interest: the protection of the environment.

10. Numbers or titles of basic texts: There are no basic texts

11. No

12.

13. No

14. No

15. Yes

16.

TBT aspects: No

SPS aspects: No

European Commission

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