



Günther H. Oettinger
Budget & Human Resources
European Commission
Rue de la Loi / Wetstraat 200
1049 Brussels
Belgium
guenther-oettinger-contact@ec.europa.eu

January 22, 2018
Nr. 97

Dear Mr. Oettinger,

I agree that plastic waste is an environmental problem and it requires solutions that would help to reduce the use of plastics and increase the recycling rate of plastic waste. Taxation of plastic products is clearly an effective tool, because it forces manufacturers to look for other materials for the production of their goods.

However, manufacturers can use either virgin plastic granules made from petroleum or plastic granules made from recycled plastic waste. Therefore, it would be advisable to assess the possibility of imposing a tax only on virgin plastic that is made from petroleum. I would propose taxing not only packaging materials but all virgin plastic products, putting a tax on its producers in the EU and importers. As a result, the price of virgin plastic will increase and its consumption will decrease. At the same time, the difference in cost between virgin plastic and plastic made from recycled plastic waste will increase, resulting in the following additional benefits:

- Increased demand for plastic derived from plastic waste;
- Increased recycling of plastic waste;
- Increased investments in the development of innovative technologies that would allow manufacturing high-quality plastic from plastic waste;
- Increased collection of sorted plastic waste;
- Non-EU manufacturers would partially move to using recycled plastic derived from plastic waste if the product is meant for sale in the EU.

All virgin plastic could be taxed in the same way, thus reducing its consumption. Various rates for different plastics could also be applied, for example, it would be possible to have a higher tax rate for PVC and PS, which would facilitate the replacement of these plastics with other environmentally less harmful types of plastic.

The tax rate should be at least EUR 400 per 1t of virgin plastic. Then the price of virgin plastic would be at the 2008 peak level, and at that price there was an intense focus on recycling plastic waste.

I believe that my proposal for taxation of all virgin plastic would be a more effective and simpler way how to reduce the use of plastics compared to taxation of certain plastic products.

Yours sincerely,