

## Chemical industry and the circular economy

### **Chemical recycling and the Circular Plastics Alliance (CPA)**

*The CPA is mapping the necessary R&D and investments to reach the EU target that the EU market for recycled plastics reaches 10 million tonnes by 2025. Chemical recycling is clearly in scope, as a complement to mechanical recycling (i.e. chemical recycling to focus on contaminated or mixed plastic waste that is not suitable for mechanical recycling). CEFIC leads this part of the work of the CPA.*

*The CPA can help establish the necessary cooperation along the value chain and better understand the necessary conditions to the take-off of these technologies (e.g. which quality of plastic waste for which chemical recycling process or technology? Which market applications for chemically recycled plastics?), as well as their contribution within the overall circular economy for plastics (1 million tonnes out of 10 by 2025?)x*

### **Main messages**

- Chemical recycling of plastics can be a good example of a profitable business model in a circular economy. The many on-going investments suggest that the market anticipates this is a future-proof solution.
- The European Commission is ready to encourage investments in chemical recycling of plastics, as part of our strategy to economic recovery, if we are truly convinced this is also sustainable recovery.
- There is a **need to demonstrate the environmental benefits of chemical recycling of plastics based on robust data and evidence**. Chemical recycling needs to prove that it is better than landfilling or incineration, when looking at all environmental aspects (including CO2 emissions).
- For those chemical recycling technologies that can prove their net environmental benefits, we need to know the conditions, the framework necessary for the investments to take place. I think of regulation, of course, but not only. A proper framework will also include financial support (e.g. State aid), platforms for value chain cooperation (like the Circular Plastics Alliance for example), new collection and sorting infrastructure, European standards etc.

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