

ELISA FERREIRA

MEMBER OF THE EUROPEAN COMMISSION COHESION AND REFORMS

Rue de la Loi, 200 B-1049 Brussels Tel. +32-2 295 10 50 Elisa.Ferreira@ec.europa.eu

Brussels Ares(2024)3240818

Dear Minister,

Thank you for the letter dated 28 February 2024 (our ref. Ares(2024)1538168) in which you ask for clarifications on the position of the Commission on the eligibility of projects of pyrolysis in the context of plastics recycling within the Just Transition Fund (JTF) framework.

The question of chemical recycling of mixed plastics by pyrolysis processes is a complex and technical issue that significantly differs in terms of processes, inputs and outputs, which are difficult to compare.

We engaged in the analysis of the projects of pyrolysis in the context of plastics recycling within the JTF framework in other Member States, to ensure a coherent approach. After careful re-examination, my services concluded that pyrolysis of plastic waste can be admitted under the following specific conditions:

- the pyrolysis oil output of a pyrolysis process is effectively used for the production of high-quality recycled plastic;
- the pyrolysis process should fully reuse the recycled carbon fuel by-product as an additional input in the pyrolysis process. On this basis, the recycled carbon fuel would not count as a fossil fuel output.

I would like to recall the existing regulatory requirements regarding the do-no-significantharm principle and climate proofing, which also need to be respected.

I invite you to verify whether the project proposed by Viru Keemia Grupp (VKG) in Estonia fulfils these conditions. The Commission services remain available to discuss further the details.

Yours faithfully,

Mart Võrklaev Minister of Finance Ministry of Finance of the Republic of Estonia

info@fin.ee

