

# Revising the EU packaging legislation: First impressions on the Commission's proposal and the conditions for success



Wednesday 1st February 2023, 14:15 – 16:00 CET Hybrid Event

## **Hosted by MEP Elsi Katainen**

#### Speakers:

- MEP Elsi Katainen
- Aurel Ciobanu Dordea, Director for 'Circular Economy', DG ENV, European Commission
- Patrik Brodd, Environment Counsellor, Permanent Representation of Sweden to the European Union
- Marco Musso, Policy Officer on Fiscal Reform for Circular Economy and Carbon Neutrality, EEB
- Anna Papagrigoraki, Sustainability Director, Cepi
- Federica Dolce, Environmental Affairs Manager, FoodDrinkEurope
- MEP Nils Torvalds
- MEP Alessandra Moretti
- Jeanne Haushalter, Secretariat of Reusable Packaging Europe (RPE)



## **Opening Remarks**

#### MEP Elsi Katainen

"Packaging plays a key role in multiple sectors such as the agri-food sector. It also plays a role in delivering food products and enabling accessibility and availability of food supply in the EU".

As an opening statement, **MEP Elsi Katainen** from Renew pointed out the importance of the role that packaging waste plays in the EU. Efforts to **increase reuse and recyclability of products** are therefore key to reducing the amount of packaging waste. Ms. Katainen mentioned that the legislative proposal should **include space for innovation** and take into account environmental solutions that are science-based. Three key topics were emphasised in regards to the role of packaging. First, packaging enables **food security**, since the former extends shelf life of products and ensures their quality and mobility. Second, packaging guarantees **food safety**, as it plays a key role in hygiene and safety of food products. And finally, packaging also hinders **food waste**. Indeed, sustainable and renewable packaging reduces the amount of food waste.

In addition, Ms. Katainen highlighted how the EU has not been vocal enough about the ongoing global food crisis. Providing appropriate packaging is hence needed to **ensure resilient food systems**. Moreover, the point was made that **not only reusable packaging must be used, but also recycled packaging must be promoted**. Building on this, it was mentioned that reusing packaging materials is not always the best viable solution. Thus, making sure that products are being recycled gives the **added value to circular models**. All in all, the proposal should include recyclable and renewable products. **Recycling should be at the core of the regulation** in line with the circular economy objectives



#### **Panel discussion**

#### Speakers that took part in the panel discussion:

- Aurel Ciobanu Dordea, Director for 'Circular Economy', DG ENV, European Commission
- Patrik Brodd, Environment Counsellor, Permanent Representation of Sweden to the European Union
- Marco Musso, Policy Officer on Fiscal Reform for Circular Economy and Carbon Neutrality, FFR
- Anna Papagrigoraki, Sustainability Director, Cepi
- Federica Dolce, Environmental Affairs Manager, FoodDrinkEurope

In regards to a question about the challenges and opportunities that the Packaging and Packaging Waste Regulation face, Mr. Ciobanu Dordea made the following statements. Concerning the challenges, he mentioned that there has been a sharp increase in the amount of packaging generated by the European population in the last ten years, as its increase has broken with the demographic evolution of the EU. There is a need to rely less on fossil fuels. Another challenge pointed out was the fragmentation of labelling across Member States, making it challenging to have economies of scale in the single market. On the other hand, the opportunities enunciated by him were that this regulation will bring economic and societal benefits as well as innovation and technological advancements. This regulation could meet economies of scale if sharper requirements are introduced across Member States. Innovation is already in the market, so there is an opportunity to prepare the ground for packaging companies, in order to make the trade across countries more even. All in all, economies of scale will bring wins for the packaging manufacturing sector, for waste companies, for companies using packaging and for consumers. A final remark was made on the linkages between this Regulation and the food safety regulation, making sure that food and beverages are placed in conditions of safe packaging.



The same question was asked to **Mr. Brodd**, who replied by stating his concern towards the increased amount of packaging waste during the past few years The proposal is therefore very important for many Member States as well as companies inside and outside of the EU. Nevertheless, the challenge is to **introduce a harmonised approach because the EU is large and Member States have taken their own measures and <b>investments**. There is the need to find balance between harmonisation, flexibility and ambition. He also mentioned the urgency to **reduce environmental impacts of waste**, and start this process in a harmonised way.

Mr. Musso pointed out that the Regulation must be aligned with the EU climate neutrality and resource protection ambitions as well as with our zero pollution and biodiversity goals. Measures to tackle packaging waste are essential, since the ever-growing amounts of packaging waste are creating major problems from a climatic and broader environmental perspective. The key challenge is to move away from the current status quo of a packaging value chain which remains largely locked in a wasteful linear economic model. Waste prevention and reuse targets have the potential to kickstart the circular transition that the EU needs. Nevertheless, the proposal still falls short in the level of ambition. Indeed, the EU should also look at the shortcomings of the previous Directive, and make sure that these are addressed in the revision. The previous Directive failed to limit the growth of packaging waste. Nowadays, this revision offers a unique opportunity to truly reduce the amount of packaging waste as far as possible, which entails cutting down on unnecessary packaging, making more reusable packaging the norm, and making non recyclable packaging a thing of the past. The Regulation should result in a truly a transformative approach that allows us to rethink the way we deliver products. Merely focusing on incremental improvements in recycling grates and simple substitutions between different single-use packaging has proven insufficient to tackle the dramatic increase in packaging waste. Waste prevention and reuse must therefore take centre stage in this revision.



Ms. Papagrigoraki highlighted that sustainability and functionality have to remain at the heart of this Regulation. There is an urge to think about the functionality of packaging materials, whether that is food security or transportability of products. Also, in regards to the fragmentation of the internal market, she stated that the EU should consider case by case internal production systems, infrastructures, and consumer behaviours. She also pointed out that all packaging is going to be reusable or recyclable by 2030, and that these targets must be based upon science-based solutions and economic assessments. Indeed, these targets will have to be implemented by industries, and in order to do so, it is important to use the necessary expertise. Also, while the Single Use Plastic Directive was about avoiding littering and limiting the environmental impacts, the Packaging and Packaging Waste Directive goes a step further, as it will look at end of life products, and will enable high recycling rates and investments in new waste collection systems. Finally, the point was made that the Regulation will go hand in hand with the revised food contact material Regulation. Both frameworks will look at food safety and good manufacturing practices.

Ms. Dolce highlighted that this Regulation is a great opportunity for improving the current situation on the internal market and help accelerate the circularity of packaging. However, she doubted if this Regulation will be the right framework to achieve the targets of the European Green Deal and of the Circular Economy. Building on this, Ms. Dolce addressed three key priorities for the EU: recyclability, reuse and labelling. Moreover, she argued that this Regulation should be agreed on before the European Parliament elections in 2024, in order to address this problem now.

In regards to a question asked by Mr. Grampas on how producers will react to the changes in the single use business models for packaging streams, Mr. Ciobanu Dordea replied, addressing some important figures on the current situation of packaging waste in the EU. Each European generates over 180 kg of packaging waste per year, and waste has increased by more than 20%, with a further estimated increase of 20% until 2030. In addition, plastic packaging waste has increased



by 46%. However, **only 30% of plastic is recycled**. Therefore, Mr. Ciobanu Dordea emphasised that all packaging should be recycled in an economically viable way. **Space for innovation** must be made, since it could help transition from an excessive use of single use plastics to a limited use of single use plastics.

While addressing a question about the Swedish presidency's priorities for the proposal, **Mr. Brodd** stated that Sweden will focus on the **green transition and EU competitiveness**. The packaging proposal is therefore a priority for the Presidency and the aim is to progress negotiations as far as possible in the Council. Some key issues on which he expected a lot of discussions among EU Member states are reuse and recycling targets, and the requirement for recycled content which can improve building a market in the EU that uses more recycled plastics.

In light of a question on the key elements that will determine the success of the Regulation, Mr. Musso underlined five key elements. First, since there is no time to waste to stop the continuous increase in packaging waste, the legislative process must be concluded by the end of this parliamentary term, so that the Regulation can enter into force by 2025. Second, targets on waste prevention and reuse must be clear and ambitious and provide the economic signals to mobilise investments that are needed to support this transition. Standardisation of reusable packaging formats across the EU is key to support the large scale deployments of reuse systems and moving away from business-as-usual models. Third, there is the need to remove from the proposal several unnecessary derogations and unjustified exemptions that would create loopholes and regulatory uncertainties with perverse effects on investments predictability. Fourth, the decision to convert the directive into a regulation is an appropriate step. However, it must be ensured that more ambitious measures can still be implemented by the Member States, especially those necessary to meet waste prevention targets. Lastly, , the proposal leaves the definition of several substantial aspects to secondary legislation, but a better approach would



be for the legislators to already agree on key provisions over the course of the ordinary legislative process.

Moreover, Mr. Grampas directed a question to **Ms. Papagrigoraki** on what Member States can do to meet the recycling targets. She replied by stating that **recycling must be done correctly**. For example, consumers should make sure to put the products in the right bins. **Effective recycling facilities** should also be considered across Member States, since products must be sorted and recycled accordingly, and the quality of fibres must be preserved.

A last question was addressed to **Federica Dolce** on the main recommendations to achieve packaging circularity in the EU. She pointed out that this Regulation must lead the way to **unblocking recycling technologies**. Moreover, the legal basis on the internal market will help meet the objective of harmonising recycling systems throughout Member States. Ms. Dolce also addressed the need to **implement the regulation right away**, and the problems linked to the high number of delegated acts that would delay its implementation. Finally, she also mentioned the need to create linkages between the food contact material Regulation and the Packaging and Packaging Waste Regulation.

Mr. Ciobanu Dordea replied to the comments made by the other panellists providing once again the point of view of the Commission. He rather pleaded to avoid changing the targets that are currently proposed because adopting a more ambitious legislation would further complicate an already problematic situation. It is necessary to find balance and cooperation with Member States and concerned industries and this proposal is the most fitting for this role. A second comment concerned implementing acts. He reassured that these acts are functional to the technical, detailed nature of the Regulation, which is moreover replacing a directive. The aim is not to subtract power from Member States or the civil society. Impact assessments and



dialogues will be held to monitor the process. He also underlined that the single market legal basis should remain central, to avoid fragmentation.

## **Reactions by MEPs**

#### **MEP Nils Torvalds**

"In Finland we have had deposit return systems for a long time, and it works like a machine. You have a lot of young people getting a lot of money by collecting the bottles and bringing them to the system"

MEP Mr Torvalds' comments focused on the processes for impact assessments, defining two possible perspectives: the environmental climate one and the industrial processes one. The issue with the latter concerns the different levels in the value process and the presence of different sectors with no unified processes. He underlined how the Commission needs to be pragmatic in regard to industrial processes and look at current, relevant examples. One of the risks of the current approach is to end up importing plastics from China in the attempt of replacing single use packaging with reusable ones. He then provided the example of deposit return systems for bottles in Finland; the attempt to push for a similar system in Europe has been ignored by the Commission. The risk is to end up in an overregulation.

#### MEP Alessandra Moretti

"Reuse and refill targets should only be adopted when it makes environmental and ecological sense"

MEP Ms. Moretti highlighted the worries of Member States concerning the proposal. In her opinion, some aspects of the issue have been neglected in the proposal. Concerning food



packaging, she underlined the need to not forget that **certain materials are essential to preserve the quality and safety of foods, especially against food waste**. This proposal risks pushing some sectors to switch to reusable fossil-based packaging. Considering the export of food products, **packaging is often necessary to guarantee safe transportation without corrupting the quality of the products**. A replacement in materials might therefore affect the whole agri-food chain. She also mentioned to consider the impacts that packaging reuse targets for intra companies and intra Member State transfers could have on emissions. A **better assessment is needed**, based on several criteria like hygiene requirements and logistics. Reuse and refill targets should only be assessed if it makes environmental and ecological sense and without compromising consumer health and safety. The proposal should also **incorporate measures for collecting, sorting, recycling and reuse infrastructures**. Requirements on packaging are not enough if there is a lack of a system for regulation, investment and innovation in Europe.

## Reaction by the Secretariat of Reusable Packaging Europe (RPE)

Jeanne Haushalter, Secretariat of Reusable Packaging Europe (RPE)

"Only truly reusable packages have to be considered, which have been conceived and designed to accomplish a minimum number of rotations"

Addressing MEP Moretti's concern, **Ms.** Haushalter underlined that some companies have a history of success in assuring the efficiency of supply chains and environmental performance of their business models by the standardisation of packaging. Concerning the proposal, she addressed the need of considering only truly reusable packages. She also stated that three types of packagings are not very well defined in the proposal; the Commission proposed labelling for reusable packaging, but since management is needed for materials to be reused, there is the risk that these labels would struggle to be kept on the packaging. For reusable transport packaging



there is less need for physical labels as industries are aware of the nature of these materials; however, she called for **digital labelling**. All in all, the legislation must be aligned with the waste hierarchy without contradictions.

### **Q&A** session

Francesca Stevens, Secretary General of the European Organization for Packaging and the Environment (EUROPEN) expressed her belief that the environmental legal basis is used as an excuse not to do more; the need to fasten the process due to the Commission's delay cannot rush decisions as the file is extremely complex with different aspects that need better understanding. When it comes to climate, she stated that there is a lack of consideration. She addresses her concerns particularly to the EEB. Mr. Musso intervened, clarifying that the Regulation's legal basis must ensure that Member States can take the measures needed to pursue the targets on packaging waste prevention. In terms of reuse, he confirmed that the objective must be to minimise overall environmental impacts. Reusable packaging can play a key role to prevent waste, especially considering the several critical environmental impacts of disposable packaging, including in terms of quality of recycling, chemical content and resource use. Mr Brood also mentioned that finding the right balance between the proposal and what can be dealt with afterwards is necessary. Mr. Ciobanu Dordea addressed the issue of timing linked to the proposal. Debates and collective decision-making have led to this proposal, not conflict and constant disagreement. This proposal reflects a vision, it does not simply impose rules and objectives. The industry needs to invest and innovate, and for this process time is needed.

Another question was posed by **Annick Carpentier**, Director General of the Beverage Cartons and the Environment. She disagreed with the Commission when mentioning not to burden States with new targets, since they want to require industries to have recycling at scale for 2035. The



responsibility to collect packaging waste should not rely on industries; innovation should rather be their only concern. Another issue she mentioned is the lack of carbon-centred provisions in the proposal. **Mr Ciobanu Dordea** addressed these points saying that stringent rules are coming, and industries will be given a timeline to adapt. The attention should be focused on innovation, allowing a smooth adjustment towards the obligations of the proposal.

The Association for Citizens and Regions for Sustainable Resources Management also posed a question concerning the situation of local authorities which have changed their collection systems; since the new Regulation will change waste streams, the concern is on how these actors will be compensated for their lost investments, and if there are already projections of the potential changes expected. Mr. Musso addressed this question underlining the risks associated to a perpetuation a linear economy model. He explained that, in the transition to a more circular packaging system, the role of recycling in bringing back materials is complementary but must not be used as an excuse to delay the efforts to reuse and prevent waste whenever possible. Ms. Papagrigoraki gave her opinion on the matter as well, highlighting the need for investment towards local authorities in order to push towards innovation. It is also fundamental to consider reusing and recycling as complementary. Separate collection and sorting systems must follow clear guidelines at every part of the value chain. The reusing and recycling process must be of clear understanding. Ms. Jeanne Haushalter complemented what her colleague said, underlining that every reusable packaging must be recycled.

A member from the audience, working as a consultant for innovative start-ups active in reuse and refill systems, asked if there is consideration for including targets for reusable packaging also in retail for dry food, other than take away foods. **Mr. Brodd** replied that other examples could be introduced in the future. **Ms. Dolce** underlined that the issues encountered in the impact assessment phase show that adding new targets could further complicate a situation where



timing is becoming a crucial matter. **Ms. Papagrigoraki** stressed the need for a thorough impact assessment, and **Mr. Musso** concluded by mentioning that to ensure the success of the Regulation, it will also be key to look at how to improve monitoring, enforcement and compliance instruments, as this proved to be a shortcoming of the previous Directive.

## **Concluding remarks**

Mr. Ilias Grampas, on behalf of the Secretariat of the intergroup, traced back the key points underlined during the discussion; the needs for preserving food safety, food security, science-based solutions and innovation have been presented as crucial points by the MEPs. It is important to make every packaging on the EU market recyclable in an economically viable way, boosting reuse and waste prevention, avoiding loopholes and tackling regulatory uncertainty and looking at the whole lifecycle of plastics.