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Joint Industry Statement on mandatory re-use and refill targets.

The undersigned associations recognise and support the European Commission's commitment to advance the Green Deal and the Circular Economy Action Plan and are engaged in the ongoing revision of the Packaging and Packaging Waste Directive (PPWD). We endorse the harmonised approach of the Commission's proposal; reiterating that targets should be set at EU level to avoid the fragmentation of the internal market.

We **support an evidence-based regulatory approach** and would like to highlight that **recyclable, reusable and refillable systems all have a role in the transition to a circular economy as complementary and not competing solutions**. This is also in line with the EU Circular Economy Action Plan's goal "all packaging to be reusable or recyclable by 2030".

- 1. Re-use and refill targets should be evidence-based and should take a life cycle approach in line with the Waste Framework Directive.** Packaging is a fundamental part of every industry since it protects goods and helps to convey information in the business-to-consumer and business-to-business sector. Waste prevention can be achieved via both reuse & refill, and recycling. Implemented as complementary measures, they can support the achievement of a circular and resource efficient packaging model. Re-use and refill targets should be therefore only set for packaging categories and/or systems when they have proven benefits for the environment and society.
- 2. Reuse may have an impact on scarce water resources.** In the European Commission's proposal, reusable packaging is considered the solution to reducing the impact of packaging on the environment. However, there is currently no comprehensive scientific evidence to support this assumption. **Reusable packaging could require more material use**; more logistics, transport and storage space; and **more water and detergent for cleaning the packaging**. The significant amount of water needed to implement reuse systems at an industrial level is unsustainable considering the ongoing water shortages due to droughts in many Member States. As underlined by the European Parliament in its Resolution of 15 September 2022 on the consequences of drought, fire and other extreme weather phenomena, water is an increasingly valuable, yet scarce, resource and sustainable water management is

important to guarantee food security. **A risk assessment of the implementation of reuse systems vis-à-vis EU water management strategy is therefore necessary.**

3. Packaging with high recycling performance should not be subject to reuse targets. Well-functioning recycling systems are based on the commitment and investments in infrastructure (collection, sorting and recycling facilities) and in technological development made by the industry to optimise the recycling performance. Replacing them with reuse systems without clearly defined logistics and without being able to guarantee an equal environmental outcome at minimum, would be counterproductive.

4. Packaging plays a critical role in consumer product supply chains.

a. In the case of large household appliances; the protection of the product from physical damage and humidity, amongst others, is the main focus of the packaging design process. Packaging is necessary to protect home appliances in the factory, warehouses, during shipping, ensuring that the product is in good working condition when it arrives at the consumer, by avoiding any water-damaged equipment and further securing their safe use.

b. Packaging used for food and drinks need to respect food safety and hygiene requirements in line with the relevant food safety legislation, while ensuring prevention of food waste in line with the Farm to Fork Strategy.

Ambitious targets on packaging must be based on strong and reliable scientific evidence to avoid food waste, as well as cost increases and negative impacts on the quality of food products, in particular:

For products such as milk and juice which have a fragile microbiological nature and are less stable compared to soft drinks or water, packaging works as an effective barrier against entry of microorganisms, oxygen, light and loss of aromas¹. If placed in non-sterile packaging, fruit juices and milk spoil fast risking consumer and food safety, and potential food waste.

We consider the obligation to sell fruit and vegetables that weight under 1.5 kilograms in bulk in the retail trade disproportionate. In this case, packaging is used to physically and biologically protect fragile and perishable produce and to increase its shelf life. Furthermore, packaging provides important information to the consumers (such as information on the origin, way of production, healthy diet).

¹ Directive 2001/112/EC on fruit juice prevents the use of any type of preservatives to maintain the freshness of the product

Mandatory reuse/refill targets for wine sector are not feasible and may be counterproductive in achieving a circular packaging model. Wine is produced in the EU and exported internationally, which makes reuse challenging if not impossible, and may also pose significant hygiene risks. The cleaning and reuse of wine bottles is quite water-intensive and increases the risk of entry and development of pathogens. For this reason, reuse is not recommended in the reference health guide of the wine sector.

- 5. Reuse targets for transport packaging will impact the entire supply chain of goods; for finished consumer products and intermediate products used in industrial processes.** The establishment of complex reuse infrastructure across Europe will require the cooperation of all actors in the single market, including producers and consumers. Reuse targets will require packaging producers to adapt their packaging, brand owners and packer fillers to adapt packaging lines and storage facilities. The unrealistically high reuse targets for transport packaging would disrupt the existing logistic and supply chains and force them to reinvent their infrastructure.

Collection and sorting systems will also have to change to simultaneously support two systems: reuse and recycling. This will over-burden local municipalities responsible for waste collection, especially in Member States where recycling systems are not yet well-developed. Additionally, a shift to reuse will require huge investments and may undermine the ongoing investments into existing, well-functioning recycling systems.

Finally, when it comes to sales and e-commerce packaging, the role of the consumer is paramount and will determine the efficiency of reuse systems.

- 6. Legislative predictability is required to foster packaging innovation while preserving existing investments on recycling.** Care must be taken to avoid the Regulation contradicting the announced provisions of the Circular Economy Action Plan, which requires all packaging to be reusable **or** recyclable by 2030. This will create the unintended effect that industry will not be able to mobilize additional capital to invest in areas that would enable the achievements of the goals set in the European Green Deal, such as energy efficiency and climate mitigation techniques or new product innovations.

In conclusion, recyclable, sustainably sourced packaging should be used where it has an environmental advantage over reusable alternatives as well as where reuse can pose health, safety, and food security issues. **Policy decisions should be founded on an evidence-based evaluation of the lifecycle impact of packaging**, and its system, accompanied by the evaluation of the economic and technological implications, and consequences for human health and food security.

List of Signatories:

Cepi - Confederation of European Paper Industries

ACE - The Alliance for Beverage Cartons and the Environment

APPLiA – Home Appliance Europe

Cepi Container Board - The European Containerboard Organisation

Citpa - The International Confederation of Paper and Board Converters in Europe

Copa Cogeca – European Farmers and European Agri-cooperatives

ECMA - European Carton Makers Association

Edana -The Voice of Nonwovens

Fefco - European Federation of Corrugated Board Manufacturers

Pro Carton - European Association of Carton and Cartonboard Manufacturers