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# RPE position on the Packaging and Packaging Waste Regulation

Position  
paper

# RPE's recommendations for the Packaging and Packaging Waste Regulation

Reusable Packaging Europe (RPE) fully supports the European Commission in its ambition to reduce packaging and packaging waste and therefore welcomes its proposal for a Packaging and Packaging Waste Regulation. However, improvements are still necessary to ensure the legislation's objectives. Consequently, RPE calls on the European Parliament and the Council of the EU to aim for higher ambitions, in respect of the waste hierarchy, thus promoting **reuse** of (transport) packaging (and thus **reusable** (transport) packaging) **above** the lower ranked **recycling** of (transport) packaging, as stated in the waste hierarchy. RPE's ambition is to help the legislative institutions set the EU on the path to a green transition through circular economy, and to ultimately reach climate neutrality by 2050.

## Who we are

[Reusable Packaging Europe](#) (RPE) is the European association which represents the interests of **companies active in the area of reusable, including pooled, transport packaging systems**, primarily in the pooling of Reusable Packaging Containers (**RPCs**) and Reusable Wooden Pallets (**RWPs**). Inspired by the EU Green Deal, it is RPE's mission to promote the **pooling of reusable transport packaging (RTP) as a circular service** and as the most efficient and sustainable solution for the transport of products in the European Union.

The transport packaging pooling business has been operating for several years with the ambition to **reduce the environmental impact including waste generation** of supply chains by reducing the use of natural resources (virgin material) needed to transport goods within the EU, and by maximizing the reuse of transport packaging within these pooling systems.

Please find below more information on RPE's position and ideas on the European Commission's proposed measures for (1) prevention and reuse (2) recyclability (3) enabling measures and (4) recycled content within the revision of the Packaging and Packaging Waste Directive.

## Prevention and reuse

On prevention and reuse, the European Commission introduced **mandatory packaging waste reduction targets** per capita at Member States level, as well as **mandatory reuse targets** and a **definition for reuse**.

### Key RPE points

1. An **updated definition for reuse** is crucial: the definition for reuse should be based on an average minimum number of **10 rotations**, ensuring that packaging is in practice reusable, and be aligned with an updated definition for “preparation for reuse” in the Waste Framework Directive;
2. The **introduction of (separate) reuse targets** for tertiary packaging, is key in pushing the industry to switch to more reusable alternatives. As the reusable transport packaging industry is already quite advanced in its transition to reuse and reusable packaging solutions are well established, **targets should be set as early as 2027, and gradually progress until 2040**. These targets would be monitored at retailer level.

### In more detail

1. To properly distinguish the truly reusable packaging options from others (such as corrugated cardboard) it is necessary to introduce **an updated definition for reuse** which indicates a **minimum number of “reuse times”**, based on a **number of rotations**. A rotation reflects the times the packaging is filled and thus reused. RPE is of the opinion that, in order to qualify as “reuse”, the packaging must have been designed to accomplish or prove its ability to accomplish **no less than 10 rotations**. RPCs themselves have a life cycle of 7-12 years and can make up to 120 rotations. RWPs have a life cycle of 8 years and can make up to about 30 rotations.

Current definition	Proposed amendment
'Reuse' shall mean any operation by which packaging, which has been conceived and designed to accomplish within its life cycle a minimum number of trips or rotations, is refilled or used for the same purpose for which it was conceived, with or without the support of auxiliary products present on the market enabling the packaging to be refilled; such reused packaging will become packaging waste when no longer subject to reuse.	'Reuse' shall mean any operation by which packaging, which has been conceived and designed to accomplish within its life cycle a minimum number of <b>10</b> rotations, is refilled or used for the same purpose for which it was conceived, with or without the support of auxiliary products present on the market enabling the packaging to be refilled; such reused packaging will become packaging waste when no longer subject to reuse.

A “system for reuse” should furthermore not only ensure the possibility of reuse, but the system should include sufficient incentives for reuse and return. As such, a system for reuse should be defined as “**established arrangements** (organizational, technical, and financial), with incentives to ensure reuse, in closed-loop, open-loop, or in a hybrid system”.

Furthermore, RPE is of the opinion that the current **definitions of the WFD and PPWR are not aligned** with the practical realities of circular reuse systems such as the ones used for the pooling

of RTP. The current definition of “preparing for reuse” only considers the preparation for reuse of “products or components of products that have become waste”, whilst there are items (such as RTP) that are reused or “prepared for reuse” without being categorized as “waste”, at any moment in time before being reused.

2. Moreover, RPE is convinced that, to stimulate reuse, it is necessary to introduce **binding reuse targets at Member State level**. However, the **reference point for such targets** should be clarified, since it relates to the share of total movements of (transport) packaging in the supply chain.

Importantly, RPE supports the Commission’s proposal establishing **distinguished targets for primary, secondary and tertiary packaging** as these different types of packaging have already reached different levels of reuse. Primary packaging is principally used in B2C context and, in comparison with tertiary packaging, which is principally used in B2B environments, only reaches a lower level of reuse.

RPE welcomes the long-term ambitious reuse target for transport packaging proposed by the European Commission, namely 90% by 2040. However, RPE regrets the lowered ambition of the final proposal with regards to the 2030 target, set at 30%. **RPE stresses that the target of 30% of reusable transport packaging by 2030 is a bare minimum and should in no circumstances be further lowered.** Furthermore, RPE believes that an intermediary reuse target of 20% by 2027 is necessary to help the industry progressively achieve the objective and accelerate the transition. Reusable packaging solutions and business models are sufficiently established and efficient for such target to be achievable.

As delegated acts will still come to define the calculation method for reuse targets, RPE stresses that the **implementation and monitoring** of such minimum reuse targets should in most of the cases ideally take place at the **level of retail outlets**. Retailers have a complete overview of transported products which are sold in their outlets to the consumers, making them to be in the best position to report which volumes per product category have been transported to their outlets in which type of tertiary packaging (e.g. in RPCs or one-way corrugated cardboard, or on reusable or single-use pallets).

- RPCs provide the most straightforward (and easy to implement) example for the implementation of reuse targets. RPCs reuse rate can be monitored by retailers who have a full view on their movements in the supply chain. Indeed, RPCs are used to transport the type of goods which are purchased by retailers and often directly presented in physical shops. This concerns for example fruits, vegetables, (packed) meat and fish, eggs, bread, dairy and non-perishable consumer goods. Retailers can thus monitor the number of RPCs entering their shop and being picked up by system managers for reuse.
- Retailers also have a full view on the products that are transported to their distribution centers and retail outlets on RWPs (as opposed to one way pallets).

Still, even within the sector of reusable transport packaging, certain types of transport packaging are also used in other (than retail) business models which should ideally also be considered in the implementation of reuse targets at national level:

- While the majority of products transported on RWPs are Fast Moving Consumer Goods (FMCG) and are therefore also handled by retailers in the course of the sale of such FMCG in their outlets, some other market segments focus exclusively on transport of industrial (B2B) goods which are directly delivered to the producers of the finished products (in which

such industrial goods are processed). In such instances, implementation of reuse targets should be aimed at the end users of the goods that are delivered on such RWPs.;<sup>1</sup>

- Finally, there also exist specific types of RTP for the horticultural sector: these supply chains do not involve retailers at all, and implementation of reuse targets should in the opinion of RPE, ideally also take place at end user level (i.e., at the level of the recipient of the products (transported in the RTP) who sells such products to the end users (consumers)).

## Recyclability

On recyclable (and compostable) packaging, the Commission proposed **measures to foster all packaging to be reusable or recyclable by 2030** whilst all reusable packaging must also be recyclable. It is also considering introducing a definition of recyclable packaging/design for recycling criteria.

### Key RPE points

1. All packaging, including transport packaging, should (in line with the waste hierarchy) first be **fully reusable and, at the end of its lifecycle, be recyclable**;
2. A **design for recycling criteria**, in line with the recommendations for the technical screening criteria of the EU Taxonomy with the proposed minimum recycling rate of 50% (or higher), should be established.

### In more detail

1. RPE **supports the fostering of all packaging (including transport packaging) to be reusable and (eventually, at the end of their lifecycle) to be recyclable** RPCs and RWPs are designed to be reusable during their lifecycle and recyclable at the end of their lifecycle (and are all recycled upon their return to the pooling organization owning the RTPs).
2. RPE also supports establishing a **design for recycling criteria**, in line with the recommendations for the technical screening criteria of the EU Taxonomy, with the proposed **minimum recycling rate of 50% (or higher)**. Therefore, RPE welcomes the proposal's Article 6, which requires all packaging to have to comply with a design for recycling criteria by 2030. RPE remains available to contribute to the process of developing the delegated acts establishing the design for recycling criteria which remain to be adopted by the European Commission.

## Enabling measures

On enabling measures, the European Commission's proposal introduces harmonized labelling for reuse together with minimum requirements for Deposit Return Systems across the EU. In addition, RPE believes that additional supporting measures would further ensure effective reuse of packaging.

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<sup>1</sup> Examples of other market segments include industrial and pharmaceutical products, as well as polymer.

### Key RPE points

1. RPE **does not support** the introduction of **minimum requirements for Deposit Return Systems (DRS)** in the context of RTPs.
2. The **introduction of harmonized labelling** should happen in close consultation with the transport packaging sector and should not lead to an obligation to implement physical changes to the packaging;
3. **Protection of ownership** of RTP is key to the further growth of the sector, which is why enabling measures for such protection of ownership are crucial at EU level;

### In more detail

1. RPE believes that introducing **Deposit Return Systems** is **not a suitable measure for transport packaging as DRS are not workable with the majority of transport packaging re-use systems**. Due to the **great variety of pooling business models**, DRS requirements would not be efficient, as they might require numerous exemptions to adapt to all type of reusable transport packaging. Moreover, not all systems function best with a fee/deposit system. Oftentimes, there are simply too many movements and actors involved in the supply chain, as it is the case for RWPs. Therefore, it is crucial that other types of incentives delivering the same result are also considered.
2. Regarding labelling, RPE supports **harmonized labelling of reusable packaging**. The criteria for reuse labelling should be based on the (updated) definition of reuse (see above), to ensure that only effectively reusable packaging can be labelled as such. This would avoid user confusion and greenwashing between truly reusable packaging and single-use packaging that can in practice be reused a few times by the user.

Yet, RPE stresses such labelling **cannot be physically put on the RTP**. RTPs require servicing (i.e. the cleaning, washing and/or repairing of such RTPs) upon the completion of a rotation and return to the RTP pooling operator. Any physical label will be easily washed off or fall off in such servicing processes. In addition, the existing pools of RTPs are so big (829.731.694 assets in 2020), that makes it virtually impossible to label and maintain the label of every individual asset.

Alternatively, RPE calls for **digital labelling** through a digital platform where all relevant industry stakeholders could provide information about the reusability of their transport packaging, accessible to the public.

3. Finally, **secured legal ownership of reusable packaging** is a key element for effective reuse, to ensure that no asset leaves the pool before it has reached the end of its life and cannot be reused anymore. Measures are needed at EU level to ensure a harmonized recognition of the ownership of reusable assets across Member States, ensuring assets owner legal certainty over their assets in case of theft. Therefore, RPE welcomes the recognition of ownership as inherent to a closed-loop system in the proposal's definition. However, RPE calls upon the European Commission to adopt additional **enabling measures safeguarding the legal ownership of reusable packaging**, in order to ensure the effective return of assets by users and/or economic operators.

## Recycled content

On recycled content, the Commission introduced a **definition of recycled content** and **measurement method** as well as **recycled content targets** for plastic packaging for 2030 and 2040.

### Key RPE point

1. RPE supports a maximum **target of 10% by 2030 of recycled content for non-PET contact sensitive plastic packaging** but calls for a lower target than 50% by 2040, based on feedstock availability of food grade recycle.
2. RPE welcomes the **exemption scheme** in case of lack of availability or excessive prices of specific recycled plastics.

### In more detail

1. RPE is aligned with the target set by the Commission of 10% of recycled content for non-PET contact sensitive plastic packaging by 2030, which can be realistically reached by the industry. However, it needs to be clarified that the target cannot apply retrospectively as it would mean that hundreds of millions of assets would need to be recycled prematurely to meet the target. Not only would the measure hamper reuse it would also lead to negative economic and environmental impacts for the EU's circularity in general.

However, RPE calls for the target of 50% recycled content for non-PET contact sensitive plastic packaging by 2040 to be lowered for reusable transport packaging. Indeed, **RTP, such as RPCs should not be subject to such high recycled content target by 2040**, given:

- (1) **their typical reuse character and RPCs' inherent strength in reducing packaging as a concept; and**
- (2) **the mere unavailability of sufficient single origin, pure and certified food safe regrind plastic to reach such high targets.**

The introduction of targets for recycled content, coupled with the absence of sufficiently available recycled content for RPCs (given the durable and long-lasting life cycle of RPCs) would make it impossible for RPC pooling organizations to produce RPCs with (high levels) of recycled content. As a result, if high (material) "recycled content targets" would be imposed for these RPC pooling organizations, they will not be in the position to meet such targets, simply because of the absence of sufficient recycled content.

The result of this would be that reuse will be discouraged and the use of one-way transport packaging would be promoted. This would thus **go against the goal of a (fully) circular economy and go directly against the waste hierarchy, and the introduced binding reuse targets**. The limited (currently available) volumes of recycled content materials would as well play a key role in increasing the circularity of products placed lower in the waste hierarchy (e.g., single-use products).