



## Position on the Packaging and Packaging Waste Regulation

6 February 2023

The Roundtable for Reusable Containers Trays and Pallets (RCTP) represents the specialised European manufacturers of Returnable Transport Packaging (RTP). RTP is a form of reusable packaging predominantly used for transport and storage. This reusable packaging has a lifecycle of about 15 years, after which it will be recycled with a nearly 100% recyclability rate. The foldable model of many crate types also reduces transportation space. The environmental benefits of reusable packaging can be significant, especially for transport packaging, as research shows that RTP has a significantly lower environmental impact than a single-use equivalent<sup>1</sup>.

### Introduction

The RCTP welcomes the ambitious proposal of the European Commission for a review of the Packaging and Packaging Waste Regulation (PPWR) regarding clear reuse targets and would like to present suggestions for a realistic transition to the circular economy. The RCTP also welcomes the change to Regulation, as this allows for a harmonised approach across the entire Single Market.

### Enabling Reuse (art 3, 10, 27)

#### **Define Reuse**

Crucial for a successful transition to reuse is to define the properties of 'Packaging' (art. 3) and 'reusable packaging' (art. 10) to ensure the correct application of reuse. In order to ensure this, a minimum number of 25 rotations and a minimum of 5 years should be included in the definition of reusable packaging. This would contribute to the following:

- Stop misinterpretation and marketing of single-use packaging as reusable packaging, such as reusable cups, that are disposed after being used once;
- Legal clarity for consumers;
- Uptake and introduction of high-quality reusable packaging;
- Design and/or systems that enables reuse.

We also believe that a definition of reusable packaging must be included under Article 3. This will ensure legal clarity as it is a key term for the purposes of this Regulation.

#### **Reuse targets**

The RCTP welcomes the ambitious reuse targets for pallets, plastic crates, foldable plastic boxes, pails and drums in transport packaging markets (article 26 point 7) and endorses the exclusive use of reusable packaging for delivering goods within Member States, under point 12 and 13. However, the RCTP is extremely worried about the exclusion of cardboard in this article. In order to have a just and effective transition to a circular economy, all packaging types –

including cardboard – shall be included in the obligation to be reusable when delivering goods within the same Member State. Only this will ensure a level playing field for the packaging industry in Europe. By excluding cardboard packaging from the obligation to move to reusable solutions, the article will not contribute to an uptake of reuse and it hampers the EU's course to achieve a circular economy.

Whilst showing the right direction, we believe the 30% reusable packaging target for 2030 could be more ambitious - 50% is justifiable - to incentivise the transition toward a circular economy. Making reuse the standard for transport packaging saves large amounts of packaging waste and prevents pollution. These ambitious reuse targets provide:

- Positive incentives for waste reduction by moving away from single-use;
- Investment into viable reuse systems;
- Enabling environment for transition to the circular economy;

Stimulating reusable packaging is therefore a win-win for the economy and environment. Currently, the market share of reuse is a small fraction compared to the single use. Please, find below suggestions which will be crucial to achieving the target of 30% reuse by 2030 and 90% by 2040.

### **Scaling up Reuse (art 7 and 13)**

#### ***High recycled content can hamper the longevity, quality and scale-up of reusable packaging***

The RCTP underwrites the goal to keep resources as long in the economy as possible through recycled content. In practice, 100% of RTPs are, at end of the life cycle, recycled and remoulded into new crates over and over again.

However, to reach a level-playing field and to avoid unattainable targets for high-quality and long-lasting RTPs manufacturers, we want to ensure that the percentage of recycled plastic content reflects current technological and legal constraints and the future availability of material. RTPs are in fact long-standing investment goods which are fundamentally different from fast-moving consumer goods and must be therefore clearly distinguished in the targets for recycled content, with options of a derogation and/or a revision of the target for this specific type of packaging. On top of this, the RCTP believes that setting the targets per unit per packaging is not realistic and hampers the scaling of recycled materials. Therefore, we are recommending setting the percentage of recycled plastic content targets per factory at the producer level. This is specifically true for companies who manufacture a variety of products which – for their nature – must have different content of recycled material, for security and longevity reasons.

⇒ **Contact Sensitive Plastic Packaging: legal constraints (7.1a, 7.2a)**

The 10% of recycled content for contact-sensitive packaging is unattainable due to legal constraints. The RTP industry largely operates in the food segment and produces packaging that is in direct contact with food, therefore contact-sensitive as per [Regulation 1935/2004/EC](#). However, the proposed percentage of recycled content contradicts point 3.2 of Table 3 of Annex I of the [Regulation \(EU\) 2022/1616](#) where it is stated that recycled plastic materials and articles that are intended to come into contact with foods require that food-contact material be (partly) made of recycled plastics originated from a closed loop. Given this limitation, for safety reasons, the market for eligible recyclable material is too small to achieve the proposed target.

⇒ **Material availability necessary for maintaining and scaling up reuse (7.1d, 7.2c)**

RCTP is worried about the target of 35% of minimum recycled content recovered from post-consumer plastic waste per unit of plastic packaging. For reusable packaging, such as RTPs, this would have a counterproductive effect on reuse: increasing the percentage of recycled content with post-consumer plastic waste in this type of packaging will effectively reduce the quality, longevity and producibility of safe and functioning transport packaging. With high recycled content, the strength of the products becomes unpredictable, and the lifespan is shortened because of the lower quality of the plastics used.

Along with the technical barriers to using extruded post-consumer materials<sup>1</sup>, there are currently not enough RTP products available for recycling. RTP manufacturers are committed to taking back all of their reusable plastic packaging. However, due to the nature of RTPs, packaging will last for about 10 to 15 years in the market before manufacturers can claim it back to mechanically regrind it into a new product. In other words, there is no such availability in the market, unless RTPs are taken off the market prematurely, which would actually counteract the principle of the circular economy.

For reasons of the longevity of the products and the increasing growth for the sector enabled by the reuse target, we expect a continuous discrepancy between offer and demand and RTPs will still have to be manufactured with virgin material in order to support the reuse and circular economy.

We firmly believe that the objectives of Article 27 should be prioritised as reuse is preferred over recycling in the EU's waste hierarchy laid out in Article 4 of [Directive 2008/98/EC](#).

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<sup>1</sup> extruded material comes mainly from single-use plastics and does not have technical specifications for recycling, unlike injected products, such as RTP. Due to different MFI (Melt Flow Index), extruded material of one way packaging cannot be used for injected products as it doesn't allow to produce safe and well filled products.

### ⇒ **Delegated Act (§ 9 And 10)**

We welcome the vision of the Commission laid out in paragraphs (9) and (10). Recycled content target efforts need to rely on existing data, established industry practices and the reusable packaging industry expertise. This will enable RTPs manufacturers to visibly demonstrate their conformity and compliance against existing standards and consistently showcase their achievements. The industry stands ready to contribute to the implementing act on the calculation of the recycled content and welcomes instruments that allow the incorporation of market realities into legislation.

### **Article 13 - Obligations of manufacturers**

The RCTP proposes to apply Article 13 paragraph 8 only for reusable products placed on the market from 2030 onwards. While many RTPs will already meet the targets laid out in Article 7 by 2030, there will be a significant amount of high-quality and long-lasting RTPs from earlier batches circulating in the market with lower recycled content per unit. Therefore, recalling a significant amount of RTPs before they reach their natural lifetime potential (10-15 years) will cause a waste of resources.

### **Conclusion**

The RCTP appreciates the consideration of the provided feedback. We look forward to supporting the discussions on a sound and future-proof Packaging and Packaging Waste Regulation, that will help the industry to continue innovating sustainably and supporting the EU's circular economy goals. Our members are at the forefront of sustainability for packaging products and are already implementing the measures needed and reporting framework required to deliver on this goal. The RCTP is strongly focused on reducing packaging waste and fostering reuse making sure the regulatory framework is fit for a fully-fledged circular economy.