



OPINION

European Economic and Social Committee

Packaging industry

Making packaging a safe, affordable and eco-friendly industry
(own-initiative opinion)

CCMI/186

Rapporteur: **Matteo Carlo BORSANI**

Co-rapporteur: **Dirk JARRÉ**

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1. **Conclusions and recommendations**

- 1.1 Packaging is an enabling-technology essential in most supply chains. Its impact goes far beyond its own eco-system and for this reason, it is essential to Europe's economy and its Single Market and to support the recovery and foster sustainable economic growth. The EESC recommends that the EU Commission, and the national governments, in consultation with all stakeholders of the packaging industry, take initiatives along the entire life cycle of products to promote circular economy processes, encourage sustainable consumption and aim to ensure that waste is prevented and that the resources used are kept in the EU economy for as long as possible.
- 1.2 In light of today's societal challenges, representative organisations of industry and workers, governments, public bodies and non-governmental organisations should all find innovative solutions to increase the sustainability of the packaging industry, considering that circular packaging plays a pivotal role in protecting the planet.
- 1.3 In addition, the Commission should strongly encourage the establishing of a European social dialogue between trade union federations and employers' federations in the packaging sector. Such a European dialogue, well integrated at national and company levels, would provide the European Commission with the necessary support to design and implement its initiatives, and the social partners with a platform to negotiate a just transition.
- 1.4 The EESC recommends "fit-for-purpose" packaging be introduced as a new measure for all packaging, meaning that all packaging should be developed according to "eco-design" principles: it must fit the product with minimum void space and weight, thus preventing over-packaging and under-packaging and the associated unnecessary waste and losses. This would also optimise the carbon footprint of transportation of packaged goods, allowing to the meeting of the emission targets set by the European Commission.
- 1.5 The scope of change has not yet trickled down sufficiently to stakeholders, therefore the EESC demands that EU institutions take stronger responsibility and leadership in managing this process.
This includes the presentation of the missing regulatory parts in a way that is easy to understand and implement, as well as supportive actions across the whole ecosystem, with a particular focus on the most sensitive entities, such as SMEs and private individuals.
- 1.6 The EESC encourages a holistic approach in assessing the overall role and impact of packaging: looking at packaging alone can negatively influence the regulatory framework and push companies to pursue strategies that are costly, inefficient and ultimately less sustainable. Essential elements to be taken into account are the safety and protection of packaged products with a particular reference to food and beverages¹, so that packaging is both sustainable and effective. In this regard, a sustainability-oriented approach in packaging design must not undermine these functionalities.

¹ In some industries, such as agro-food, packaging also plays an important role preventing the cross-contamination of food and beverages, thus averting the associated health risks.

- 1.7 The European Institutions should promote minimum standards to support European packaging companies in dealing with the objectives of the green and just transitions, also applying to all packaging entering the internal market from third countries. The EESC requests that policy makers ensure that the sustainability criteria in trade agreements is enforced and that imports include verification criteria regarding ILO convention on human and workers' rights throughout the value chain of the packaging sector. This would provide for a level playing field in the market.
- 1.8 The EESC urges that the Commission promote education, information and sensibilisation campaigns at EU level, to promote awareness on the importance of sustainability-oriented practices, at all the levels of the packaging life-cycle, orientating collective behaviour either in sustainable production, sustainable purchase choices, or the best practices in the disposal and recycling of the packaging.
- 1.9 Future EU legislation and action should not focus solely on packaging itself, but on the whole chain: production, consumption and waste-treatment. The EESC recommends fostering investments in technological innovation by supporting the demand for and supply of renewable and high-quality recyclable materials.
- 1.10 Packaging must support a circular economy, focusing on eco-design, existing well-established and recycling technologies and dispersion prevention. The EESC recommends the defining of efficient resource management strategies adapted to the nature of individual resources, based on common principles for resource management, conservation and restoration.
- 1.11 Proper collection and recycling of packaging are essential to reduce any wasting of resources. In this regard, the EESC recommends that future EU packaging legislation strongly promote public policy and behaviour aimed at improving packaging waste sorting, collection and disposal. This will furthermore support the achievement of EU recyclability targets for all packaging material. The EESC also recommends the evaluation of Deposit Return Scheme initiatives (DRS) as a possible way to increase packaging recycling activities in some specific sectors.
- 1.12 The EESC recommends the implementation of harmonised criteria for packaging recycling rules and collection schemes being used locally in Member States, including EPR (Extended Producers Responsibility) fee modulation, and ultimately for labelling of recyclable packaging. EU rules on packaging and packaged goods must be designed in compliance with the Single Market principles and support their harmonised implementation across the EU. It is essential that the European Commission ensures equal applicability and enforcement of the regulatory requirements of sustainability across the whole EU territory, avoiding fragmentation and internal technical barriers.
- 1.13 Evidence-based policy measures are needed in order to ensure the best environmental outcome. In this regard the EESC recommends that the upcoming revision of the Packaging and Packaging Waste Directive (PPWD) enable further innovation by setting targets that are aligned with life-cycle thinking, are supported by strong data and scientific evidence and deliver the best overall environmental outcome, which also pays due attention to any impact on the products contained within the packaging.

- 1.14 The normative approach that national and EU institutions should take in this sector needs to involve all stakeholders in decision-making. It is essential that the regulatory framework in place be reliable and ensure legal certainty. Without this, enterprises tend to postpone investments or may make investments that are not aligned with regulatory demands. This would most definitely result in jeopardising the overall objectives and in wasted resources and job losses in the sector.
- 1.15 Research and innovation in new technologies, as well as the training of sectoral workers, should be fostered. In addition, social partners should work together to identify the new skills needs of the industry and with the public authorities develop and promote the training of employees in the production and disposal of packaging.
- 1.16 The EESC recommends that future legislation also take into account the potentialities of digitalisation for transformative advancement in the packaging industry.
- 1.17 Given the unique centrality of packaging in every sector of the economy, the European Commission should also set up an annual Forum on packaging and packaging waste, between stakeholders and European institutions representatives, to monitor the implementation of the Directive, to exchange information on the evolution of the industry and to identify and promote good practices in relation to sustainable packaging regulations.
- 1.18 The European Commission is requested to organise a dialogue with the European Economic and Social Committee on the implementation of the recommendations put forward in this opinion and to exchange on the possibilities of cooperation in appropriate follow-up measures.

2. The packaging ecosystem background and regulatory framework

- 2.1 The packaging industry serves a wide variety of purposes in our daily lives: protection, promotion, information, convenience, utilisation, handling, and waste reduction. Packaging, which is a key societal and business infrastructure, has enabled societal wellbeing and trade and is a necessary element in supporting the recovery and fostering sustainable economic growth.
- 2.2 The packaging industry operates within an increasingly complex ecosystem, which consists of many players, from the producers of raw materials used in the packaging, to retailers selling the packaged product, sectoral workers, consumers, companies and public authorities that manage the end-of-life of packaging waste.
- 2.3 The EU packaging industry is the world's second largest and includes producers and users of glass, ferrous metals and aluminium, plastic, wood, and paper packaging products and it employs over 6.5 million people in Europe². The European consumer packaging market is expected to register a compound annual growth rate (CAGR) of 4% over the 2021-2026 forecast

² Eurostat

period. Technological innovation, sustainability and attractive economics are among the reasons for the remarkable expected growth in consumer packaging³.

- 2.4 The European Green Deal (European Commission, 2019), besides the overall aim of reducing greenhouse gas emissions, sets important policy goals to further advance the sustainable transition of the packaging value chain, which include:
- ensuring that all packaging in the EU market is reusable or recyclable in an economically viable manner by 2030;
 - defining measures to reduce packaging waste;
 - promoting a robust single market for secondary raw materials to increase recycling.
- 2.5 These overall goals have been further detailed in the [Circular Economy Action Plan 2.0](#), which plans for the revision of the [Packaging and Packaging Waste Directive](#) (PPWD)⁴. The latter, which came into force in 1994, is at the core of the present regulatory framework. Presently, the Commission is reviewing this directive – see the respective [consultation](#) and the corresponding [impact assessment](#) - with the general intention of reducing packaging waste⁵⁶) and replacing linear product and material flows (i.e. produce -> use -> waste) with circular flows.

3. **Fostering the circular economy**

- 3.1 The packaging sector is crucial in Europe's transition towards a circular economy given its capacity to recycle materials. More and more packaging materials are either being recycled or are themselves products of recycled materials from other manufacturing sectors. At the same time, it has the potential to close the loop of the circular economy by preventing the export of dubious waste materials⁷ and denying access to European markets to importers of packaging that does not comply with environmental best practice. The issue of unfair competition from non-EU companies remains a major concern, especially for SMEs, which would be the first impacted on the market.
- 3.2 In line with the Circular Economy Action Plan 2.0, all packaging should be re-used or recycled by 2030. Consequently, all packaging materials should be valued in the pursuit of the circular economy objective focusing on eco-design, existing well-established and new recycling technologies and strengthening measures to combat dispersion. A growing global population, coupled with increased per capita consumption, is placing increasing pressure on existing resources.
- 3.3 Fibre-based and other natural material-based packaging can support growth decoupled from resource use. It is made from renewable materials, whilst being durable, attractive, recyclable

³ [linkhttps://www.mordorintelligence.com/industry-reports/europe-consumer-packaging-market](https://www.mordorintelligence.com/industry-reports/europe-consumer-packaging-market).

⁴ <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:01994L0062-20150526>

⁵ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12263-Reducing-packaging-waste-review-of-rules_en

⁶ https://ec.europa.eu/info/law/better-regulation/have-your-say_en

⁷ For instance, some European countries export their plastic waste outside Europe. This should be avoided though a boosting of the EU internal recycle scheme, which would convert this waste into valuable recycled raw materials. (<https://www.theguardian.com/environment/2021/jan/12/loophole-will-let-uk-continue-to-ship-plastic-waste-to-poorer-countries>)

and biodegradable. Recent studies have indicated that fibre packaging can be recycled in excess of 25 times, demonstrating it is an essential component of the circular economy.

- 3.4 Likewise, aluminium and steel, as unique permanent materials, can also make a decisive contribution in supporting a circular economy. Through multiple recycling, products and packaging made from permanent materials such as metals or glass are kept in the material loop and can become resources for other products and packaging.
- 3.5 Further measures are needed to support the uptake of bio-based polymers because only a few Member States are willing to support the required infrastructure for compostable packaging collection and composting. As regards plastics, it is necessary to support projects and investments in emerging innovative technologies, such as the recycling of mechanical or chemical plastics, while ensuring that they reduce the overall environmental impact in a life-cycle perspective.
- 3.6 The way consumers view and interact with packages is also changing. According to the European Consumer Packaging Perceptions Study, conducted independently by Perspectus Global, and commissioned by Pro Carton in 2021, almost two thirds of respondents claim to have changed the products they buy due to concerns about the packaging, and even more would be prepared to pay more for more environmentally friendly packaging. These trends can be further enhanced through awareness-raising and information campaigns.
- 3.7 There is significant potential to increase the collection of packaging material, sorting, and recycling in Europe. At the same time, sustainable packaging can create significant environmental damage, if not correctly collected, disposed or recycled. While it is essential to push the packaging industry towards more sustainable practices, public authorities, waste management entities, civil society organisations, and consumers should also be directly involved in increasing the efficiency of waste collection, re-use and recycling. This aspect must be strongly promoted in future legislation and public policies in order to achieve the EU recyclability targets for all packaging materials, also in the view of helping reducing CO₂ emissions, thus contributing to the EU's green transition agenda.
- 3.8 Many of the needed adjustments will be enabled by digitisation. Digital technologies provide the possibility for transformative advancements in the packaging industry as traceability, convenience, and tamper detection can be optimised. This goes hand in hand with improvements in operational performance, thus providing the ability to better serve customers and assisting in the design for circularity through smart packaging with sustainability at its core. In addition, smart packaging facilitates recycling by allowing easier access to information on the raw materials used in the packaging.

4. General Comments

- 4.1 Sustainability must continue to be one of the key priorities of the EU packaging industries. In line with requirements of the New Circular Economy Action Plan⁸, the packaging industry should take initiatives along the entire life cycle of products.
- 4.2 Policies affecting the legislative framework in which the packaging industry operates, including rules on packaging waste, therefore have a major effect on all industries and social activities which utilise packaging. For instance, in relation to food packaging, it ensures safety and the protection of products, keeps food edible for longer, minimising food waste, and plays a key role in driving and maintaining access to affordable food for everyone.
- 4.3 In light of today's societal challenges, all stakeholders need to find innovative solutions to increase the sustainability of the packaging industry, considering that circular packaging plays a pivotal role in protecting the planet. All social actors must establish a clear dialogue respecting their own roles and competences in achieving the above targets.
- 4.4 It is fundamental that, internally, single EU markets must ensure the equal applicability and enforcement of the regulatory requirements of sustainability across the whole EU territory, avoiding fragmentation and internal technical barriers. EU rules on packaging and packaged goods should be designed in compliance with Single Market principles and support their harmonised implementation across the EU. This requires enshrining core principles, targets and clear definitions in the body of the legislation and its implementing acts, thus preventing diverging national measures from occurring in the first place. Single Market implications of any national measures should not introduce restrictions to the free movement of packaging and packaged goods, which would be disproportionate and/or unnecessary from an environmental protection standpoint and could cause unfair EU market distortions.
- 4.5 Packaging's contribution to economic, environmental and social sustainability is essential. Looking at packaging alone can also negatively influence the regulatory framework. In fact, products generally represent far greater resources and have a much higher inherent value than the packaging used to protect them. Thus, product losses due to underperforming packaging are likely to cause much greater adverse effects on the environment. For instance, in the food industry, 30%⁹ of all food produced worldwide is lost or wasted along the supply chain; an optimised packaging may be one of the solutions to reduce this rate. Food losses and waste – in supply chains and by consumers – account for around one-quarter of greenhouse gas emissions from food, namely 6% of total global emissions¹⁰.
- 4.6 Supporting the European packaging industry is important for many reasons. For example, although legislation exists to ensure packaging materials comply with environmental standards,

8 [link](#).

9 Gerber, P.J., Steinfeld, H., Henderson, B., Mottet, A., Opio, C., Dijkman, J., Tempio, G. (2013). Tackling climate change through livestock – A global assessment of emissions and mitigation opportunities. Rome: Food and Agriculture Organisation of the United Nations (FAO).

10 [Food waste is responsible for 6% of global greenhouse gas emissions - Our World in Data](#).

European packagers also voluntarily decide to follow a number of guidelines, such as FSC certification for paper, board or wood packaging, in order to reduce emissions and promote environmental best practice. Non-European competitors, although required to comply with European legislation, may not adhere to these voluntary codes or the standards followed by European companies.

The packaging sector needs a highly skilled workforce and more attractiveness for the younger generation. The sector must strive to continuously improve working conditions, while creating training options and focusing on motivating highly skilled and digital specialists to join the industry.

- 4.7 Therefore, sectorial worker training, as well as a constant update of the due diligence process, are key to the packaging industry and should be promoted.
- 4.8 The double transition which will interest the EU economy in the next year will therefore also be a central priority in the packaging sector. In this regard, the "just transition" mechanism should be taken into account in the new redefinition of the regulatory framework, to ensure that no one is left behind.

5. **Specific Comments**

5.1 Optimising packaging design helps prevent and reduce packaging waste

Packaging design is significant to define its environmental performance across the product life cycle. Well designed, responsibly sourced and efficiently produced packaging that is appropriately used and effectively recycled provides multiple benefits, minimising damage to products, extending their useful life, facilitating efficient storage, transportation and distribution, giving safe and convenient access to goods, being attractive and communicating vital information to the consumer. Therefore, packaging cannot be considered in isolation from its product, because its material, format and design are inextricably linked to the functionalities that packaging needs to fulfil for each specific product. Yet, while recognising that packaging functionality is essential, it is clear that resource-saving, sustainable packaging should be developed according to eco-design principles. This includes:

- minimising the use of raw materials;
- maximising the use of recyclable and recycled materials (while respecting legal requirements);
- increasing the efficiency of production processes;
- optimising logistics management;
- enhancing awareness of the value and reusability of packaging;
- improving packaging collection, treatment and recycling.

It is essential to take into account both sustainability and functionality of packaging.

Independently of the type of packaging used, over-packaging should be always avoided, especially in e-commerce and home-delivered products, where the ratio between packaging and

products is 1:1. In this regard, attention should also be paid to research and innovative solutions that would decrease the environmental burden of packaging of delivered goods.

5.2 Evidence-based policy measures are needed in order to ensure the best environmental outcome.

Climate change challenges provide an opportunity for Europe to build a sustainable and future-oriented industrial base. As far as packaging is concerned, all upcoming policy initiatives should be based on scientific evidence and on a sound understanding of their real impact on the environment. It is strategically helpful to support the use of the Life Cycle Assessment (LCA) methodology as a tool to review the environmental impact of products throughout their entire life cycle.

5.3 Fully recyclable and renewable packaging materials foster the development of a circular economy

Future EU legislation and action should support the demand for renewable and high-quality recyclable materials, which fosters further investment in packaging innovation. More specifically, EU legislation and action should not focus solely on packaging itself, but on the whole production chain: e.g. how the materials are sourced and processed, the resources and energy required in the production process, and how readily the material/product can be and is actually recycled. The EU should increase the availability and quality of recyclates, focusing also on the ability of a material to retain its inherent properties after recycling, and its ability to replace primary raw materials in future applications¹¹.

5.4 Harmonisation of local collection and recycling schemes is critical for achieving packaging recycling targets

The EU has a goal to increase packaging waste recycling rates, but reaching it will also depend on how local authorities increase and improve collection.

When it comes to municipal waste recycling, rates vary widely across the European Union, and even in countries with similar recycling rates, the rules and methods of collection vary significantly. There is a need for greater harmonisation about recycling material rules and collection schemes being used locally in Member States, and harmonised criteria for EPR fee modulation and ultimately for labelling of recyclable packaging.

It is also crucial to evaluate specific targets for collection and recycling for some product categories like food service packaging for both commercial dine-in and takeaway. Through defining clear collection and recycling targets for retail, hospitality, catering, etc., as well as for municipalities, packaging littering can be reduced, consequently increasing the recycling rate.

¹¹ [European Parliament resolution of 10 February 2021 on the New Circular Economy Action Plan \(2020/2077\(INI\)\)](#), Paragraph 39,

5.5 Deposit Return Schemes system (DRS)

The DRS can indeed incentivise the recycling and provide collection efficiencies for businesses that can reduce littering on a massive scale especially for some kinds of consumption, like drinks sold in plastic and glass bottles.

5.6 The improvement of the quality of packaging collection boosts sustainability of the recycling industry

In order to support local authorities, it is essential to develop clear recycling guidelines and targeted communications, in consultation with the recycling industry, on how recyclable materials should be efficiently separated and presented for collection by householders.

Brussels, 19 May 2022.

Christa Schweng

The president of the European Economic and Social Committee
