

UNESDA SUBMISSION TO THE CONSULTATION ON THE INCEPTION IMPACT ASSESSMENT ON REDUCING PACKAGING WASTE – REVIEW OF RULES

Overview of UNESDA

UNESDA - Soft Drinks Europe is the Brussels-based trade association representing the non-alcoholic beverages sector, representing European producers of soft drinks including carbonates, still drinks (e.g. ice teas), energy drinks and fruit-based drinks.

The membership of UNESDA comprises 24 national beverages associations and 9 companies with operations in several member states.

The EU soft drinks sector is rooted in the European economy and society throughout its €185 billion value chain - employing 1.7 million people throughout its value chain, and with 424 soft drinks production and bottling plants.

UNESDA fully supports the input to this consultation provided by its umbrella association FoodDrinkEurope. In this present submission, UNESDA places emphasis on some of the key aspects of major importance and relevance to the EU soft drinks sector.

Making packaging more circular

The EU soft drinks sector is delivering beverages to all EU consumers in different formats, using different packaging (aluminum, glass, plastics, carton beverage). Packaging is a means to an end: storing, transporting and delivering our beverages in a safe and convenient way for the right consumption circumstance. Our industry has long been supporting sustainability and circularity objectives.

We agree more needs to be done: UNESDA members want to actively contribute in making beverage packaging in general more sustainable. UNESDA members want more packaging collected and recycled or refilled and not discarded or left to blight our environment. This is why our industry committed to making its packaging recyclable, collected and recycled, and using recycled content to a minimum of 25% by 2025, with some of our members have already taken even more ambitious commitments.

We very much welcome the reference in the inception impact assessment to multistakeholder initiatives such as the Circular Plastics Alliance as we believe achieving a circular economy is a complex task, where a number of different factors must be taken into account, requiring the full mobilisation of industry, governments, consumers, academia and civil society.

Ensuring positive environmental impact of new requirements

UNESDA supports the review of the essential requirements for reuse and high quality recycling of packaging, hence the need to support sustainable packaging that is recyclable, recycled and using recycled content, which considerably reduce the environmental footprint of beverage containers. We believe the impact assessment should look at science-based criteria to establish those requirements (such as lifecycle analysis) in order to avoid unintended environmental consequences. UNESDA is committed to using more reusable packaging where it makes environmental and economic sense: any objective on reusable packaging is conditional on having in place a collection scheme like DRS, should be accompanied by a long transition phase to accommodate a systemic change that will be needed,

as it is particularly complex in supply chains. Packaging sustainability is affected by a number of factors and we are focused to make all packaging circular and sustainable and we therefore need to have a holistic approach of various packaging formats, that can be complementary to promote more sustainable packaging.

Reuse, repair and recycling are different tools that each contribute, when optimised, to achieving circularity of the EU economy.

Optimising recyclability, collection, recycling and building a competitive secondary raw materials market

We fully support the assessment of the Commission that in order to boost the uptake of recycled content, there should be a competitive secondary raw materials market in Europe.

Efficient collection schemes and high-quality sorting facilities to increase collection of all beverage containers are needed to ensure the availability of food-grade quality rPET and continue to successfully recycle aluminium and glass in a sustainable way. We believe it is crucial indeed that producers are encouraged to strive for recyclability, that collection systems are optimised, in order to increase recycled rates of all packaging.

Indeed, to support this agenda, efficient collection schemes to avoid littering and increase collection of all beverage containers will be crucial. Deposit return schemes - where consumers return their packaging to collection points - can be an effective way to reach collection and recycling targets with the right conditions in place, and we believe that the Commission should develop guidance on the matter to ensure the implementation and proper functioning of DRS across Europe.

To this date, the beverage industry is the only sector with mandatory collection and recycled material use targets. However, the availability of food-grade quality rPET is not sufficient. Many other sectors compete for this material too. This is why we believe beverage containers should be dedicated to closed loop recycling, not only to ensure the beverage sector can reach its mandatory targets, but also to avoid downcycling and that high quality material continue being used for food-grade purposes. We also believe that exports of high-quality material outside of Europe (e.g. China) is detrimental to further use of recycled material within the EU market.

We call on the Commission to develop guidance to promote the circularity of materials especially with regards to restricting recycling of foodgrade PET into foodgrade rPET to secure adequate supply without compromising safety standards for the food and beverage sectors. This will not only improve the availability of secondary raw material but will inevitably impact positively the separate collection.

We also believe that incentivising a stronger uptake of recycled content should come with long-term perspectives and legal certainty for economic operators: indeed, investing in recycling innovations, infrastructures, networks, require long-term planning. We absolutely share the vision of the European Union to promote sustainable packaging that uses resources wisely, has increased amount of recycled material and its life-cycle serves the goal of climate neutrality. But to achieve that, it needs to be clear that sustainable packaging can be part and contribute positively to circularity and that it should not be banned, hence the need for legal certainty and long-term vision.

Reducing packaging waste generation

As producers, we have always been supportive of reducing raw material usage, waste, and that reducing CO2 emissions is of paramount importance.

While we share the Commission's perspective that too much packaging is not recycled at the moment, we believe that all aspects of the issue must be taken into consideration, including reducing food

waste and increasing the shelf lives of food and drink products, as well as food safety, supply chain constraints, etc.

This is why we believe than rather than strive for absolute targets of reducing packaging waste, it is also about truly considering all waste (product, packaging) and waste as a resource.

Drinks must be delivered with a fit-for-purpose packaging.

Overpackaging should have one clear definition. Multipacks should not be considered overpackaging automatically, their functionality and the fact that they are needed for transport and for consumer experience should also be taken into account. We also believe a holistic approach should be considered when looking at packaging ratios, as promoting bigger packaging could be detrimental to helping consumers managing their diets via smaller portions.

Underpackaging is the other extreme that the revised Essential Requirements will have to avoid. There are no absolute references to define what should be right amount of packaging: packaging can only be assessed in relation to the product it contains and the function it serves, whilst ensuring safety and hygiene for the consumer.

Similarly, restricting the use of some packaging materials will limit the different rationales, advantages and needs each packaging delivers for a specific context. All materials and their variations have a reason to exist and to have a place in the market for a given function. Producers are constantly adapting to local requests and preferred formats, taking into consideration existing EPRs schemes, distribution channels and waste management options.

We believe freedom of packaging should be maintained whilst ensuring minimum common requirements are respected across Europe to promote only circular packaging to be used. This will better help the sector pivot for innovative and circular solutions.

The Revision of the requirements for packaging should be made also by leaving room for innovative design and new packaging solutions. While having different objectives, the Directive will have to adapt to new packaging, new EoW management options and ensure that the Directive withstands at least for the next ten years and beyond.

It is crucial to continue protecting the very principles of circular economy, meaning that a packaging that is easily recyclable, collected and recycled, must be considered as a full and legitimate part of that circular thinking.

Proposing new meaningful changes to promote circularity

The inception impact assessment lists a number of measures which will be examined as part of the review of the Packaging and Packaging Waste Directive:

- We fully support to explore all measures that aim to define recyclability and enforce it, as well as ensuring incentives through eco-modulation for recyclability. UNESDA has been a founding member of EPBP – the European PET Bottle Platform – providing ambitious guidelines to ensure PET recyclability. EPBP guidelines should be used as basis of the work the Commission plans in this area.
- We advocate for a clear definition of recyclable packaging, but avoiding lists of positive and negative materials, in order not to stifle innovation.
- We believe it is crucial to ensure that any measures proposed for the essential requirements are implemented and enforced in a harmonised way, ensuring a transparent and predictable way for business to comply and report.

- On recycled content, UNESDA members are committed to going significantly beyond the 25% recycled content target of the SUP directive provided that the supply of affordable food-grade quality rPET is secured. Regulators must set the right legal framework so that PET bottles, e.g. in DRS systems, have to be recycled to beverage bottles as a priority. We also think the definition of recycled content should stay technology neutral and boost innovation in the recycling space.
- Regarding other measures in particular promoting reusable packaging, we believe those should be carefully considered in particular to avoid a one-size-fits-all solution for example about refillable bottles and to take into consideration interdependence with other principles such as carbon emissions, logistics and/or raw materials sourcing.
- The legal basis of the PPWD being the internal market, we believe it is also crucial to ensure it remains that way and that avoiding fragmentation of the EU internal market continues to be at the core of the directive.
