Flexible Packaging Initiative's POSITION PAPER ON PPWR

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Members of the Flexible Packaging Initiative call for the Packaging and Packaging Waste Regulation to set the right regulatory framework to enable flexible packaging circularity.

Flexible packaging is a highly efficient material providing the right level of safety, quality, product protection and preservation, thereby avoiding food waste. Flexible packaging represents 44% of post-consumer packaging in the EU. It is low in weight and has a reduced carbon footprint compared to most alternative packaging materials.

Unfortunately, flexible packaging – in particular flexible plastic packaging – is not recycled at scale in Europe. Key obstacles to flexible packaging being circular include insufficient collection, common landfill and incineration practices, technological challenges both for sorting and recycling and inadequate EPR schemes.

We believe that the PPWR has the potential to accelerate the transition towards a circular economy for flexible packaging and we welcome the overall ambition of the proposed Packaging and Packaging Waste Regulation. In particular we strongly support:

- Article 4, which stresses on the importance of free movement of packaging across the EU;
- Article 11.1 which sets up harmonized sorting labels across the EU, allowing consumers to properly sort their flexible packaging which will contribute to improving recycling rates.
- We also support the development of a harmonised definition of 'recyclable packaging' at EU level (article 6)
- Article 43 which mandates collection for all packaging (including flexibles)
- Article 6.11 which foresees EPR fees to be eco-modulated on the basis of the recyclability performance grade.

We think the proposal could go further in its ambition by solving some of the key barriers limiting the circularity of flexible packaging. As FPI we are asking for the PPWR to:

- 1. Create regulatory certainty for Chemical Recycling. Chemical recycling is, at the moment, the only mature technology which has the potential to recycle flexible plastic packaging, at scale, into recycled content suitable for new food contact applications. It is a complementary technology to Mechanical Recycling. As FPI members we are ready to invest and pay a premium for our packaging to contain recycled content but we need:
 - a. The certainty that recycled content coming from chemical recycling will be accounted for in recycled content targets. For this, mass balance allocation method needs to be recognized as part of the implementing act mentioned in article 7.7. As building chemical recycling facilities will require time (approx..5 years), the recognition of mass balance would need to happen at the latest by **2023**, to foster investments in the technology and secure sufficient volumes by 2030 to meet recycled content targets. We also call for the timeline proposed in article 7.7 to be revised: the delegated act should be adopted at the latest 12 months after the entry into force of the regulation.

- b. Article 11.3 shall ensure that we can communicate, in a credible way, to our consumers that our packaging contains recycled content, including when it comes from chemical recycling and has been allocated through mass balance method. Such claims shall be possible within a strict framework (eg. mandatory 3d-party certification) to help ensure the trust of consumers and avoid misleading claims.
- 2. Set the plastic recycled content targets at an overall company level rather than at 'per unit of packaging' level in articles 7.1 and 7.2. In practice, this would still lead to the same increase of recycled content in packaging overall and send the necessary strong signal to the market to create a secondary raw material market. But it would offer the benefit of giving the necessary flexibility for companies to allocate recycled content based on packaging suitability and on the availability in the market for food grade recycled content materials which a target at packaging level would not offer.
- 3. Clarify article 6 by introducing a specific and more realistic timeframe for entry into force of the recyclability requirements and in any case no earlier than 2030. In particular, clarity should be provided regarding the timeline for the release of design for recycling criteria (article 6.4). We support them to be developed by 12 months after the entry into force of the regulation. Moreover, as redesigning flexible packaging requires time and involves important financial and human resources we are asking to have at least 5 years between the moment design for recycling criteria will be adopted and the moment our packaging will need to comply with these criteria.
- 4. Strengthen recycling infrastructure throughout Europe to allow for a better uptake of the flexible plastics materials. If we want sufficient recycled material to be available on the EU secondary raw materials market we need to invest in better infrastructures to collect, sort and recycle flexibles, ensuring these valuable packaging get fully circular. This is a shared responsibility between industry (through e.g. EPR fees) and public authorities. Separate collection of packaging designed for recycling (including flexibles) should be made mandatory under art. 46.

Further details on FPI position and policy recommendations can be found on the following page: <u>https://flexiblepackaginginitiative.eu/</u>

Get in touch with FPI through CEPortaels@kellencompany.com

About the FPI: The Flexible Packaging Initiative is open and is currently composed of six members: Ferrero, Mars, Mondelez, Nestlé, Pepsico and Unilever. Participants to the Flexible Packaging Initiative have committed to increasing investment and providing support for a series of public policy interventions to accelerate the transition towards a circular economy for flexible packaging across Europe. For more information on the Flexible Packaging Initiative:

Transparency Register numbers:

Flexible Packaging Initiative: 897997048897-11

Ferrero: 04268127542-74 Mars: 99937329074-65 Mondelez: 19807921101-45 Nestlé: 15366395387-57 Pepsico: 010212710281-97 Unilever: 6200524920-25

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