

## **Swedish Forest Industries Federations' (SFIF) position on Packaging and Packaging Waste Regulation (PPWR)**

SFIF is grateful for the opportunity to submit comments on referral M2022/02243.

### **Summary**

SFIF welcomes the European Commission's objective to set revamped harmonised rules on packaging and packaging waste with the aim of putting an end to wasteful packaging and boosting its reuse and recycling. In the framework of the European Green Deal and the Circular Economy Action Plan, it is crucial to ensure that products placed on the European market contribute to reach the climate neutrality by 2050 objective.

The proposal is ambitious. We propose some additional improvements to safeguard that relevant environmental performance is achieved.

#### **1. Acknowledge the renewable materials' contribution to climate neutrality**

Renewable materials can help phasing out products made of fossil finite resources. It is important, whenever possible, to incentivise products made from renewable – sustainably managed – resources.

#### **2. Recyclability and re-use of packaging are complementary solutions**

Evaluations need to be based on the full life-cycle impact of all packaging products and solutions that achieve the best environmental outcome. Reuse and circularity targets must be based on scientific and material-specific data.

#### **3. Packaging bans and restrictions on specific packaging need a thorough assessment**

The proposed ban of reducing packaging for fruit and vegetables (less than 1,5 kg) risks leading to increased waste of packed goods in the distribution chain, thus inducing an increased environmental and social burden. Furthermore, the hygiene and safety must not be jeopardised.

#### **4. Mandatory recycled content for plastic packaging should be applied to packaging that has plastics as predominant material**

The market supply of high-quality plastic needs to be ensured before quota obligations are introduced on all packaging containing plastic.

#### **5. Design for Recycling guideline should be drawn up by European Committee for Standardisation (CEN)**

CEN is an established standardisation body and has published a considerable number of standards related to recycling.

<b>All packaging is reusable or recyclable by 2030</b>
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## Position by SFIF: Main arguments

### 1. Acknowledge the renewable materials' contribution to climate neutrality

**Packaging is an essential part of daily life. The function of packaging such as product protection**, ensuring safety and hygiene and as an information carrier contributes to sustainability and circularity. As the aim of the proposed Regulation is to use our resources more efficiently, it is important, whenever possible, to **incentivise products made from renewable – sustainably managed – resources. Renewable materials can help phasing out products made of fossil finite resources.** Renewable materials from sustainable sources are truly circular as they are not only recyclable in the short perspective, but also replenished and recovered repeatedly. The EU has the opportunity to support the development of the biobased industries and recognize the potential of biobased products to substitute fossil based products. We acknowledge that renewability of raw materials was not included as a principle in the 2020 Circular Economy Action Plan<sup>1</sup>, but since then, it has become more and more evident that Europe's dependency on fossil resources must be reduced if we are to reach **climate neutrality no later than 2050.**

### 2. Recyclability and re-use of packaging are complementary solutions

A circular society needs a smart use of resources. Recycling and reuse of packaging are both needed from a system perspective. **SFIF would like to emphasize that the reuse and circularity targets must be based on scientific and material-specific data. These must clearly show the environmental benefits in consideration of the externalities and logistics involved (e.g., socio-economic and geographical aspects), hygiene aspects and the importance of high return and rotation rates, as well as low wastage.**

An example is the current range of transport packaging where both reusable and recyclable packaging are complementary to achieve sustainable logistic chains. Therefore, legislation on multiple use should be preceded by independent comparisons from a system and life cycle perspective to avoid environmentally undesired impacts. This means that the future legislation needs to provide optimal requirements for different packaging solutions based on their environmental benefit, remaining technology and material neutral.

**SFIF emphasizes the urge to evaluate the full life-cycle impact of all packaging products and solutions that achieve the best environmental outcome.** This means that deviation from the waste hierarchy must remain possible when justified by a life cycle assessment (LCA), and in line with Waste Framework Directive<sup>2</sup>.

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<sup>1</sup> Circular Economy Action Plan, European Commission (2020)

<sup>2</sup> Waste Framework Directive (2008/98/EC), article 4.2.

### 3. Packaging bans and restrictions on specific packaging need a thorough assessment

Any possible bans or restrictions on specific packaging types should be duly justified by impact assessments and science-based facts. The environmental impact of the packaging is generally a very small percentage in relation to the environmental impact of the packed product. In the Commission proposal, several packaging types are banned. **Among others, SFIF emphasizes that a general ban or focus on reducing packaging for fruit and vegetables (less than 1,5 kg) needs to be further assessed.** The proposed ban risks leading to increased food waste in the distribution chain, thus inducing an increased environmental and social burden. In addition, the hygiene and safety must not be jeopardised. Furthermore, the requirements to be exempted from the ban needs to be clear. Both the type of packaging and the products falling under the scope of the bans as well as those that can be exempted, need to be easily and clearly identifiable. To this end both the ban and the exemption should be detailed after consulting the relevant stakeholders (e.g., producers, transporters, wholesalers and retailers).

Further to the above, there are extensive research and development activities within our industry to develop renewable and recyclable packaging that contributes to reduce CO<sub>2</sub> emissions. We aim at providing alternatives to fossil-based packaging that can improve resource efficiency and circularity. Therefore, **SFIF urges a reconsideration of the bans on packaging in HORECA sector that overlaps with the bans and restrictions triggered by the ongoing implementation of the measures set out by the Single Use Plastic Directive<sup>3</sup>.**

### 4. Mandatory recycled content for plastic packaging should be applied to packaging that has plastics as predominant material.

SFIF acknowledges that mandatory recycled content can be a useful policy instrument to support and build markets for recycled materials, especially for materials with low recycling rates. In the Commission proposal, the plastic packaging is targeted due to its need to improve its circularity. However, the mandatory recycled targets need to be well gauged, and their technical feasibility assessed with a view to determine viable thresholds and implementation timelines. The variety of use of plastics are high, **and the market supply of high-quality plastic needs to be ensured before quota obligations are introduced on all packaging containing plastic.** There is a wide range of packaging that contains plastics, some entirely of plastics and other such as paperboard with a thin layer of plastics. There is a risk that a scenario arises with lack the of necessary quantity and quality of sustainable recycled plastics to meet the proposed threshold. Therefore, **SFIF urges that the mandatory recycled content initially should be applied to packaging that has plastic as the predominant material.**

Furthermore, the targets of recycled content in plastic parts needs to be given a sufficient granularity as to what should be excluded, such as in the Single Use Plastic Directive<sup>3</sup> where paints, inks and adhesives are excluded from the definition of plastics, nor are metal caps or lids with plastic seals considered as made of plastics.

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<sup>3</sup> Directive (EU) 2019/904, Directive about reduction of the impact of certain plastic products in the environment.

5. **Design for recycling guideline should be drawn up by European Committee for Standardisation (CEN)**

The design of packaging will significantly contribute to reach the material recycling targets. Therefore, **SFIF urges an adequate industry representation in the development of Design for Recycling (DfR) guideline.**

In the Commission proposal, the DfR guideline should be established by delegated acts. However, it is not entirely clear how involvement of the industry and other stakeholders is ensured in upcoming delegated act process. SFIF therefore suggests to give **CEN a mandate to develop standards for material specific DfRs**. CEN is an established standardisation body and has published a considerable number of standards related to recycling.

An alternative solution could be the creation of a Packaging Forum, based on a mandate from the Commission and as part of the delegated act process. The Forum will need to have a transparent process, i.e. well regulated and structured. Furthermore, the participants in the Forum should be a composition of national authorities together with industry representatives from the entire value chain, to ensure that all knowledge is taken advantage of.



# Swedish Forest Industries Federations' (SFIF) position on the framework for Packaging and Packaging Waste Regulation (PPWR)

## Summary

Swedish Forest Industries Federation (SFIF) welcomes the European Commission's objective to set revamped harmonised rules on packaging and packaging waste with the aim of putting an end to wasteful packaging and boosting its reuse and recycling. In the framework of the European Green Deal and the Circular Economy Action Plan, it is crucial to ensure that products placed on the European market contribute to reach the climate neutrality by 2050 objective.

The proposal is ambitious. We propose some additional improvements to safeguard that relevant environmental performance is achieved.

**1. Acknowledge the renewable materials' contribution to climate neutrality.**

Renewable materials can help phasing out products made of fossil finite resources. It is important, whenever possible, to incentivise products made from renewable – sustainably managed – resources.

**2. Recyclability and re-use of packaging are complementary solutions.**

Evaluations need to be based on the full life-cycle impact of all packaging products and solutions that achieve the best environmental outcome. Reuse and circularity targets must be based on scientific and material-specific data.

**3. Packaging bans and restrictions on specific packaging need a thorough assessment.**

The proposed ban of reducing packaging for fruit and vegetables (less than 1,5 kg) risks leading to increased waste of packed goods in the distribution chain, thus inducing an increased environmental and social burden. Furthermore, the hygiene and safety must not be jeopardised.

**4. Mandatory recycled content for plastic packaging should be applied to packaging that has plastics as predominant material.**

The market supply of high-quality plastic needs to be ensured before quota obligations are introduced on all packaging containing plastic.

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**All packaging is reusable or recyclable by 2030**

## Background

The Circular Economy Action Plan (CEAP) was published in March 2020 and one of the objectives was to reinforce the essential requirements for packaging in view of making all packaging reusable or recyclable by 2030.

The proposal of the framework for packaging and packing waste regulation (PPWR) is a follow up of the CEAP. PPWR is a revision of the current Packaging Waste Directive (PPWD) and aims to address:

- the increasing generation of packaging waste
- hinders to packaging recycling and re-use
- the low quality of recycled plastic packaging which leads to lack of plastics as secondary raw materials

The overarching objectives of the proposal are to reduce the negative environmental impacts of packaging and packaging waste, while improving the functioning of the internal market. The proposal contains a range of measures related to the Waste hierarchy's highest steps.

- Member States will be required to reduce packaging waste (per capita) by 2030, 2035 and 2040
- Minimum reuse and refill targets to achieve by 2030
- Recycling targets for plastic, aluminum, glass, and paper and board packages by 2025

The Commission proposes measures to be further developed through delegated acts, implementing acts, standardisation and guidelines.

## Position by SFIF: Main arguments

### 1. Acknowledge the renewable materials' contribution to climate neutrality.

Packaging is an essential part of daily life. The function of packaging such as product protection, ensuring safety and hygiene and as an information carrier contributes to sustainability and circularity. As the aim of the proposed Regulation is to use our resources more efficiently, it is important, whenever possible, to **incentivise products made from renewable – sustainably managed – resources. Renewable materials can help phasing out products made of fossil finite resources.** Renewable materials from sustainable sources are truly circular as they are not only recyclable in the short perspective, but also replenished and recovered repeatedly. The EU has the opportunity to support the development of the biobased industries and recognize the potential of biobased products to substitute fossil based products. We acknowledge that renewability of raw materials was not included as a principle in the 2020 Circular Economy Action Plan<sup>1</sup>, but since then, it has become more and more evident that Europe's dependency on fossil resources must be reduced if we are to reach **climate neutrality no later than 2050.**

### 2. Recyclability and re-use of packaging are complementary solutions.

A circular society needs a smart use of resources. Recycling and reuse of packaging are both needed from a system perspective. **SFIF would like to emphasize that the reuse and circularity targets must be based on scientific and material-specific data. These must clearly show the environmental benefits in consideration of the externalities and logistics involved (e.g., socio-economic and geographical aspects), hygiene aspects and the importance of high return and rotation rates, as well as low wastage.** An example is the current range of transport packaging where both reusable and recyclable packaging are complementary to achieve sustainable logistic chains. Therefore, legislation on multiple use should be preceded by independent comparisons from a system and life cycle perspective to avoid environmentally undesired impacts. This means that the future legislation needs to provide optimal

requirements for different packaging solutions based on their environmental benefit, remaining technology and material neutral. **SFIF emphasizes the urge to evaluate the full life-cycle impact of all packaging products and solutions that achieve the best environmental outcome.** This means that deviation from the waste hierarchy must remain possible when justified by a life cycle assessment (LCA), and in line with Waste Framework Directive<sup>2</sup>.

### 3. Packaging bans and restrictions on specific packaging need a thorough assessment.

Any possible bans or restrictions on specific packaging types should be duly justified by impact assessments and science-based facts. The environmental impact of the packaging is generally a very small percentage in relation to the environmental impact of the packed product. In the Commission proposal, several packaging types are banned. **Among others, SFIF emphasizes that a general ban or focus on reducing packaging for fruit and vegetables (less than 1,5 kg) needs to be further assessed.** The proposed ban risks leading to increased food waste in the distribution chain, thus inducing an increased environmental and social burden. In addition, the hygiene and safety must not be jeopardised.

Furthermore, the requirements to be exempted from the ban needs to be clear. Both the type of packaging and the products falling under the scope of the bans as well as those that can be exempted, need to be easily and clearly identifiable. To this end both the ban and the exemption should be detailed after consulting the relevant stakeholders (e.g., producers, transporters, wholesalers and retailers).

Further to the above, there are extensive research and development activities within our industry to develop renewable and recyclable packaging that contributes to reduce CO<sub>2</sub> emissions. We aim at providing alternatives to fossil-based packaging that can improve resource efficiency and circularity. Therefore, **SFIF urges a reconsideration of the bans on packaging in HORECA sector that overlaps with the bans and restrictions triggered by the ongoing implementation of the measures set out by the Single Use Plastic Directive<sup>3</sup>.**

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THE SWEDISH FOREST INDUSTRY is an essential contributor in the green transition to a more circular and biobased economy. The industry refines wood resources to bio-based products, such as pulp, paper, board, packaging material, sawn timber, refined wood products, biobased electricity and heat and advanced biofuels. The core business is industrial activities based on wood sourced from sustainably managed forests, but among the industry are also some of the largest private forest holdings in Europe. Any forest, climate, environmental, energy and product related European Union policy is of high importance.

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