

The Swedish Food Retailers Federations reply on proposal for a regulation of the European parliament and of the council on packaging and packaging waste (PPWR).

The Swedish Food Retailers Federation (referred as SvDH below) is an organization for grocery retailers in Sweden. The federation's member companies account for 98 percent of the food retail market, and include Axfood AB, City Gross, Coop Sverige AB, ICA Sverige AB, Lidl Sverige KB, and Livsmedelshandlarna.

General feedback to PPWR

SvDH is positive about the proposal for a regulation on packaging and packaging waste. SvDH prefers a regulation rather than a directive to be able to drive the large transformations that packaging and packaging waste needs to undergo to achieve the Sustainable Development Goals in Agenda 2030.

We see that the regulation still needs to identify and specify demands, for example on recyclability. We have understood that the criteria for recyclability as well as other demands shall be set with delegated acts or standards. These are not presented as of yet and will clarify the demands that we need to fulfill at a set point in time.

The delegated acts should be scientific based and evaluated together with the industry and ensure a long enough implementation or transition period for the industry and member state.

We see that there is an issue in the term "units" within the regulation. We request to use the term "components" when the regulation is setting demands for each and separate parts of the packaging and "unit" when speaking about demands for the whole packaging.

See Annex I (Packaging)

Comments to specific articles within the PPWR Article 3 Definitions,

Paragraph 41

Each member state has different ways of handling and treating organic waste. The standards developed today do not fully align with the available ways to treat organic waste. For example, industrial composting has a standard, however industrial composting is not available in Sweden that has anaerobic digestion. Anaerobic digestion has no developed standard yet.



Therefore, there is need to be careful when determining and defining compostable packaging, and make sure that that standards are available that ensures that materials do decompose in the process available in each member state.

ARTICLE 6 Recyclable packaging

It is important that the result of the recycling will be circular and not linear. SvDH's request is to strive for closed loops. The writing in paragraph 2 (d) that "the resulting secondary raw material are of sufficient quality to substitute the primary raw material" can result in that a Food contact material can become the raw material in an item such as a park bench. Primary food contact materials shall have as a target in the regulation to become secondary raw material in Food contact material.

We question the timing for Article 6 in combination with Article 7; the delegated act shall define the design for recycling, but there is yet no deadline for the delegated act to become valid. There are several challenging materials about recyclability, materials which are needed for food preservation, and suppliers need to have enough time to redesign and develop. We request to have the sequence of actions in the right order. Clean the streams to achieve a high quality secondary raw material 2030, before this is in place and that the recycling is "at scale" 2035, we cannot have a demand of PCR in each unit, especially in contact sensitive materials. Our suggestion is to move the demands for recycled content until 31 December 2034 (paragraph 10), for the flow to be functional. An exception shall be made for the PET bottle stream, which can be achieved 2030.

Paragraph 7a

There is no "Table 3" in Annex II. (Table 3 is also mentioned in article 50)

ARTICLE 7 Minimum recycled content in plastic packaging

Paragraph 1

Move (b) and (c) to 31 December 2034

Paragraph 8

We request that PPWR regulates the closed loops, for example that the recycled PET stream does not end up in clothes but in bottle to bottle.

ARTICLE 8 Compostable packaging

There is a need for a standard that defines the different conditions of organic waste treatment facilities in each member state. This standard need to be in place in good time before the date of entry into force. Packaging needs to be adapted to the specified standards to make sure they decompose in the organic waste treatment plants available in each member state.

Making sure that the consumer understands the different materials and where to sort them is key in this area so that the plastic waste doesn't become contaminated by compostable materials. SvDH requests that single-serve units intended to be used and disposed together with the product, such as coffee capsules in aluminum, should not have to be in a



compostable packaging if there is proper waste collection and functioning recycling infrastructure in place for that packaging material.

Paragraph 1

There should be an option to use edible sticky label materials or materials adapted to degradation in other natural processes.

Paragraph 3

Definitions of industrially controlled conditions need to be in place before timing starts for date of entry.

ARTICLE 9 Packaging minimization

Paragraph 2

Clarify which packaging is "not necessary" to comply with any performance criteria.

ARTICLE 11 Labelling of packaging

We see a conflict with the need for more information on packaging and at the same time minimize printing inks on packaging to reduce contamination of recycled secondary raw materials. We favor a QR code that can hold all additional necessary information, if possible, without conflicting with" green claims" regulation.

We do believe that a harmonized labelling system is needed for consumer sorting and recycling purposes, but we cannot see that more symbols and information on the packaging would benefit nor inspire consumers to recycle more. In Sweden, since 1994, there has always been detailed information printed on the packaging how to recycle each component of the packaging. Successful examples where a shift in consumers behavior has happened is the fun, innovative and repetitive commercial campaigns that Returpack (deposit system for bottles and cans) has made for many years. They work with social media, television and billboard in order to inspire. We believe that positive nudging is more effective than more print on packaging.

ARTICLE 13 Obligation of manufactures

The Swedish retailers all have their own brands. The retailers do not produce any products but do influence or dictate the design and recipes. According to this regulation the retailers are all manufacturers, at the same time as our producers are also manufactures. This creates some questions regarding obligations and responsibilities and the allocation of the same when several economic operators fall under the same definition.

As retailers we do not have the detailed information regarding the packaging to set up the conformity assessment procedure. SvDH requests clarity on the responsibilities, and requests that the documents are created where the base knowledge is, for example the material supplier. SvDH requests that retailers are allowed to refer to the original documents created at the source of knowledge and add on documentation for the parts that fall on the retailers, for example article 11 (labelling).

If Retailers will end up with the responsibility to create the conformity assessment there is a risk that the responsibility will be pushed in the supply chain and the risk is higher for non-compliant packaging on the market.



Paragraph 5

We question if traceability should be regulated within PPWR since there are other regulations and certifications that regulate this.

ARTICLE 20 Identification of economic operators

We request that there is a specification on how far in the chain the economic operators shall identify suppliers. Shall we as retailers for example identify primary packaging supplier or even the raw material supplier? SvDH requests clarification on identification backward in the chain.

ARTICLE 21 Obligation related to excessive packaging.

We recommend that transport packaging for an economic operators' internal transports should be allowed to have more than 40% empty space ratio, to eliminate the risk that additional products are added to each transport entity. This could otherwise potentially lead to increased food waste. SvDH recommends that Article 21 should not apply to re-use packaging.

ARTICLE 22 Restriction on use of certain packaging formats

Modified atmosphere should be included in the criteria to justify a packaging format to decrease food waste for example fresh cut salad, peppers, and cucumber.

Grouped packaging should apply to all packaging materials since the purpose of the restriction is to reduce packaging waste. There will otherwise be a risk for transit from plastic to paper packaging which still has a commercial purpose, and which will maintain the waste.

ARTICLE 23-25 Re-use and refill

We welcome reuse or refill availability although it is unclear how the alternatives could be chosen or combined to create packaging with the least impact on the environment. It should be clear that the regulation will create environmental advantage and not create a new system where it is not motivated because of already existing systems or could create more impact on the environment than systems already in use.

In Sweden there are already several good examples of well-functioning re-use systems. For example, "Svenska Retursystem" a reusable (and designed for recycling) system of plastic crates and pallets for shipping for example consumer products. This system is used on vegetables, meat products amongst other product segments. For the dairy industry another reusable system with rolling metal cages is standard.

For re-fill, the brand Sodastream has succeeded to create a well-functioning re-fill of Co2 cylinder for the consumers. We believe in reuse and refill where there is a greater incentive for the consumers or where there is a natural closed system that enables ease of return.

ARTICLE 26 Re-use and refill targets

A Member State where a deposit and return system is established and that system delivers a



rate of separate collection of packaging formats reported to the Commission under Article 50(1) point (c) is above 90 % by weight of such packaging placed on the market on the territory of that Member State in the calendar years 2026 and 2027 will exempt the manufacturers and final operators that are registered in the register of the deposit and return system to comply with the reusability requirement laid down in article 26 4-6 § for the packaging formats that the deposit and return system include.

Paragraph 1

Annex II point 2 to directive 2012/19/EU = small household appliances.

Paragraph 2, 3, 6

It is difficult to state if the development and technical possibilities available by 2030 will be efficient to meet the targets presented. It is important to give businesses enough time for the implementation and transition to new systems and to form targets that are based on scientific evaluation, and which do not create new systems or products too fast, which could have a more negative impact on the environment.

Paragraph 12b

There is a need for at least 24 months to adjust to a re-use system.

A pallet or other transport unit that is transported from its production place to its destination intact, in any material including pallet wrap film, shall be exempted from re-use targets. We should avoid that reloading and repacking pallets is done without purpose, other than due to rules in the regulation.

Paragraph 16-17

Changes and additions in a delegated act should be scientific based, evaluated and ensure a long enough implementation or transition period for the industry, member state and consumers to create a system which is beneficial for the environment.

ARTICLE 47 Rules on the calculation of the attainment of recycling targets

Paragraph 9

Anaerobic digestion results in end-of waste of both compost and biofuels, we believe that this should be regarded as recycled since we do fulfill one criteria: compost. SvDH requests clarification in the regulation that one criteria needs to be achieved in order to reach the recycling target.

ANNEXES

Annex I

All flowerpots should be defined as packaging and be included in the packaging recycle streams.

<u>Annex II</u>

Table 1: Indicative list of packaging materials

The table lacks the definition of two streams of glass, colored and transparent. It further lacks colored PET.



Table 2: Recyclability performance grades

It is important to define what the purpose is here. Should the calculation be done per packaging/unit? We do not see any purpose of calculating per unit other than for communication. If the purpose is to define the recyclability, to achieve high quality secondary raw material, we prefer to speak about component as they end up in the recycling process. Update the terminology in table 2 according to article 6 (8)

ANNEX V

Table 1.

Grouped packaging should concern all materials since the purpose of the restriction is to reduce packaging waste. There might otherwise be a transit to, for example, paper packaging which still then has a commercial purpose.

The definition of "grouped packaging" needs to be specified. As a suggestion, could it be defined with an amount of primary packaging in a grouped package?

See Artikel 9. Minimization.

See Artikel 6 (3)

Table 2.

We suggest that the" demonstrated need" can be verified with a factor. For example, if we can prolong the best before date with x2, then the packaging is deemed necessary (i.e. has a demonstrated need).

ANNEX VII

We would like to include a matrix that presents all possible roles (manufacture, distributor etc) and a reference to their respective obligations.

