Waste policy and resource policy are converging. Commission strategy papers on both are expected by mid-year, and the forthcoming review of the Packaging and Packaging Waste Directive (PPWD) is expected to confirm this merged approach. Waste policy, once about “cleaning up the mess left behind”, now seems firmly cast as a toolbox preparing secondary raw materials for the circular economy.

The views of stakeholders involved in packaging policy reflect the strengthened confluence between European waste and resource policies. But, as this newsletter illustrates, views differ in answering the practical question: if waste policy is a tool for achieving a resource-efficient economy, how should it be applied for optimal effect?

Two schools of thought, not necessarily incompatible, emerge. One tends to assert that resource efficiency is best achieved by minimising packaging. The other, supported by ACE, places packaging in a broader context. It seeks to optimise resources used over packaging’s life-cycle, and also acknowledgement of its role in achieving a wide variety of social, economic and environmental purposes. These include preventing the loss of far greater resources than are used in packaging itself by safeguarding those contained within the package – e.g. helping prevent food loss. Narrow application of the waste hierarchy to packaging may have unintended consequences.

For Coca-Cola, a priority is to enhance extended producer responsibility (EPR). With greater clarity on EPR, industry will deliver improved collection and recycling, and thus build on the progress achieved since the PPWD first came into effect 20 years ago. Effective operation of EPR compliance schemes, such as Ecoembes in Spain [page 4], requires fair competition between them and also clear allocation of responsibilities between participants in the packaging waste chain.

ACE believes resource efficiency demands a life-cycle perspective (page 3). The particular contribution to it made by the responsible sourcing of materials should be considered by the EU when drawing up measures to promote recycling. An exclusively end-of-life focus could lead to overemphasis on the value of secondary packaging materials as the prime indicator of a material’s environmental performance. A life-cycle perspective would help to avoid this misconception.

This first semester provides the “last opportunity for this Commission to translate lofty political rhetoric on resource efficiency into down-to-earth action”, says the European Environment Bureau [page 5]. Among priorities are new legal and economic drivers which are needed to unleash the potential benefits for resource efficiency from waste policy.

For MEP Judith Merkies [page 5], moving towards a resource efficient economy means thinking “outside the box” and embracing really innovative ideas... but not the idea that recently saw an Austrian supermarket wrap bananas in cellophane!

Waste? What waste? The question comes from Juan Vila [page 2] who runs a Stora Enso plant in Barcelona annually recycling 90,000 tons of used beverage cartons. The plant, he says, turns all its inputs – the materials used in cartons – into valuable outputs, so there is no waste. The message? – Focus on value not waste.
The EU Packaging and Packaging Waste Directive (Directive 94/62/EC) is the core legal framework on packaging and packaging waste management in Europe. It sets out a number of measures to prevent or reduce the impact of packaging and packaging waste on the environment, and ensure the free circulation of packaged goods in all EU member states.

The Directive sets out recovery and recycling targets and deadlines for EU Member States to meet them. It also defines the essential requirements that packaging shall meet in order to be placed on the EU market. Among those requirements, packaging weight and volume must be the minimum needed for safety, hygiene and acceptability of the packaged product.


WASTE? WHAT WASTE?
A RECyClER’S VIEW OF THE PACkAGING AND PACkAGING WASTE DIRECTIVE

Take the word Waste out of the Directive. That would be my first wish of EU authorities. My dictionary defines waste as “a worthless or useless by-product of a process”. The collected paper products arriving at my plant – household paper or used beverage cartons from Spain, Portugal, Belgium, France – are anything but waste. They are the main raw materials of our process. Leaving semantics aside, let’s concentrate on needs. What measures does the Directive need to make recycling effective, economically as well as environmentally?

1. Within the EU, no borders or border controls: let materials go to wherever they are treated most efficiently.
2. Support and encourage investments in new recycling technologies including those that lead to zero waste.
3. Materials to be recycled within the EU when possible: their collection costs involve the EU taxpayer – so recycle and reuse them there, where they generate jobs and wealth.

Illustrating this is Stora Enso Barcelona, a paper and board mill recycling nearly 90,000t used beverage cartons annually. Funds from the EU’s Life programme and soft loans from Spain’s Industry Ministry backed the company’s belief in the value of developing the pyrolysis system.

This started up in 2010 as Project Clean after intensive development between the mill and Alucha, a company specialising in searching for new uses for by-products from the paper industry.

Project Clean ensures that recycling used beverage cartons leaves truly no waste: the cellulose takes new life in the form of recycled coated board for packaging; polyethylene is converted into steam required at the mill; aluminium is recycled into parts and chemicals. These results confirm the project as a platform for further development not just for the beverage carton industry but also for other materials that are now wasted.

What lessons are there for the Directive?
– Focus on value not on waste – on solutions to improve the collection, recycling and reuse of materials now being routinely discarded.

For more information on Project Clean visit: www.projectclean.eu

Juan Vila
Managing Director
Stora Enso Barcelona
The revision of the Packaging and Packaging Waste Directive (PPWD) provides a great opportunity for packaging companies to enhance their contribution to resource efficiency and to Europe’s circular economy. In particular, I am confident that the beverage carton’s steadily increasing recycling performance will be significantly strengthened up to 2020 and beyond.

A revised Directive could help the packaging value chain as a whole meet two big challenges: the first is the collection and recycling of consumer packaging – easily the largest share in the packaging waste stream – which is presently sub-optimal; second, the major divergences that exist between Member States in meeting the Directive’s targets. We support targets that drive recycling/recovery of all packaging materials, which give specific emphasis to consumer packaging and are set at levels that are ambitious but achievable by all Member States.

A life-cycle perspective is key. The contribution of packaging materials to resource efficiency at all stages of their life-cycle needs to be considered when setting measures to promote recycling. A solely end-of-life perspective on packaging’s contribution to resource efficiency is not enough to address the much higher environmental impacts that can occur at the material sourcing phase. While supporting recycling targets, beverage carton producers also call for measures to ensure that packaging materials are environmentally and socially responsibly sourced. This would prevent the revised PPWD leading to an unintended preference for materials which may not meet this requirement.

All packaging materials that can should in principle be recycled. In this context, a strong focus is required on achieving recycling and recovery targets at lowest sustainable costs to society. There include costs for separate collection, sorting and recycling; consumer information; services provided by local authorities; documentation and independent oversight.

The job impact of targets should not be ignored. Appropriate targets will maintain employment at packaging materials and manufacturing plants in Europe. Target changes are also likely to impact collection, sorting and recycling capacities as well as costs, to stimulate commercial innovation and consequently employment in Europe. This is a sector of green growth where European companies could develop competitive advantage as well as quality employment.

Coca-Cola is one of the largest users of beverage packaging in Europe, including cartons, and the adequate collection and recycling of packaging are of great importance to us. They are central to achieving legal compliance and to implementing our own sustainability strategy. In Europe the Coca-Cola System is an active and trusted partner in every extended producer responsibility (EPR) compliance organisation and we have invested significantly in closed-loop recycling capacity.

Overall, we believe that EPR works and has provided huge value and world class recycling rates to Europe. However, there are clearly shortfalls in some Member States which we believe are caused by a number of gaps, including: absence of a clear definition of EPR, a lack of common basic requirements for EPR compliance schemes, and a lack of transparency in their operations and of effective public oversight.

The European Commission now has the opportunity to address these shortcomings on EPR in the context of its wider waste review, and in doing so help Europe achieve higher recycling performance whilst managing its cost. In our view, one critical principle in this equation has to be that the industry obliged under EPR is also empowered to control the cost and performance of collection schemes. Defining clear roles and responsibilities for all stakeholders is critical as is the introduction of the ‘full net cost’ principle, for industry to balance the costs of collection with the value of the material.
SECONDARY MATERIAL MARKETS: FAIR COMPETITION, STABLE FRAMEWORK, SHARED BURDENS
THREE PRIORITIES FOR IMPROVED PERFORMANCE

There can be no question about the Packaging and Packaging Waste Directive’s (PPWD) success in helping set up packaging waste recovery schemes and helping them meet recycling and recovery targets. PPWD revision is a chance to build on this performance in a rapidly changing environment – and in three important ways:

• Fair competition: extended producer responsibility (EPR) schemes need a clear and stable legal framework ensuring their transparent operations and fair competition between market players. For this minimum rules should be set at EU level and enforced by national public authorities when accrediting the schemes. Particularly important is transparency on schemes’ participants, on agreements with waste management companies, on treatment operations and on costs. Nationally, action is needed to prevent free-riders and, in countries with multiple EPR schemes (as many as 40 in a single EU country!), to prevent cherry-picking – whereby some schemes go for the easiest and cheapest material to recycle.

• Data accuracy and reliability: If recycling/recovery targets are to be set at feasible and efficient rates, we need to know what’s really been achieved at national and thus European level. For that we need data per waste stream and on household/commercial waste, and also harmonised definitions and common calculation methods.

• Clear allocation of responsibilities: Industry on its own can only do so much – despite major efforts undertaken. These include not just the financing of packaging recovery organisations, but also investing in product and material technologies; in collection, sorting and recycling processes; in research into new uses for secondary materials. To achieve optimal results, responsibilities of other key participants in packaging recovery, e.g. public authorities and consumers, also need to be clearly defined.
WASTE POLICY: A TOOL TO DELIVER ON RESOURCE EFFICIENCY COMMITMENTS?
TIME FOR EU TO STEP UP TO THE MARK

The Resource Efficiency Package/Waste Policy Review initiatives announced by Commissioner Potocnik for spring 2014 provide the last opportunity for this Commission to translate lofty political rhetoric on resource efficiency into down-to-earth action. These initiatives could achieve a number of things. For example, calling for greater use of binding economic instruments and for new legal drivers (like essential requirements) would be useful steps towards meaningful action on resource efficiency.

The revision of the Packaging and Packaging Waste Directive provides in particular a key opportunity to “walk the talk” on optimising our resources consumption. Introducing prevention measures and specific reuse targets, and increasing recycling rates notably for plastic and wood-based packaging, are key priorities for the EEB. A recast of the essential requirements, starting with the design stage of materials, is a must, if conditions are to be created, which support ambitious packaging targets and ensure the cost-effective choice of end-of-life options.

Gaps in implementation – often the result of bad investment choices or poor enforcement – should not become an excuse for failure to push ahead. Nor should the energy agenda, by promoting energy from waste and new types of biofuels based on Municipal Solid Waste, undermine efforts to prevent resource use and maximise recycling of resources used. Effective resource use goes far beyond simple restrictions on landfilling; and for sure we must stop burning what is recyclable and compostable for reasons as trivial as the need to solve overcapacity problems in incineration plants.

Unleashing the potential benefits of waste policy means two-pronged action: introducing legal/economic drivers aligned with the waste hierarchy; and continuously minimising disposal and energy recovery options.

PACKAGING SOLUTIONS FOR RESOURCE EFFICIENCY
NOW LET’S THINK OUTSIDE THE BOX

Major new efforts, not least from the packaging sector, are needed to attain a European reuse and recycling society – but let’s not lose sight of the broader goal. This is to minimise resources used for a given purpose, e.g. for packaging a product, and only then to recycle what’s left into new resources. Recycling is not an end in itself. Consider the following: Last year, an Austrian supermarket decided to package bananas in cellophane. Bewilderment. Outcry. How can a banana be better packaged than in its own skin? From a resource standpoint, why on earth spend money (i.e. resources) on recycling packaging that need not be there? Bananas oblige, let us dare to think. Why not use corncobs to wrap rice or pasta? Why not distribute sodas with syrup machines, prompting consumers to bring their own reusable bottles?

By all means, let’s create a recycling society – by better implementing EU regulations and by setting minimum standards to prevent the landfilling of reusable and recyclable waste.

But now is the time for innovative ideas, too, to think outside the box (even the recycling box!) and consider the benefits of preventing unecessary resource use in the first place. Natural decomposable packaging materials might, for example, help mitigate the environmental footprint of the retail sector, and new business models conceived whereby packaging reverts to the manufacturer.

As we approach the revision of the Packaging and Packaging Waste Directive, I hope we in the EU institutions are courageous enough to embrace innovative ideas. They might take us out of our comfort zone – but towards a resource-efficient society.
ACE is pleased to note that recycling of beverage cartons reached 40\% in the EU in 2012. This represents an increase of 3 percentage points compared to 2011 data. The total recovery rate (recycling and energy recovery) reached 69\% in the EU. An increase in recycling rates was also recorded across Europe (EU-27, Norway and Switzerland) with 39\% of beverage cartons being recycled and total recovery reaching 70\% in 2012.

**NEW ACE RECYCLING BROCHURE**

ACE has published a brochure on beverage carton recycling in Europe.

The brochure is available at the ACE office: info@beveragecarton.eu

**BEVERAGE CARTON RECYCLING PLANT OPENS IN THE UK**

Europe’s newest beverage carton recycling facility opened in the UK in October. The result of a joint initiative between ACE UK and Sonoco Alcore, the plant is capable of recycling 40\% (25,000 tonnes) of the cartons manufactured each year for the UK food and drink market, and is expected to significantly boost UK recycling rates.

For more information see: www.ace-uk.co.uk

**VERIFIED TRACEABILITY OF BEVERAGE CARTON INDUSTRY’S GLOBALLY SOURCED WOOD FIBRE REACHES 88\%**

The global ACE industry commitment aims to put in place 100\% chain-of-custody (CoC) certification coverage by 2015 for all paperboard purchased, and by 2018 for all converting plants. Moving towards this goal, in 2012, the ACE beverage carton manufacturers have already ensured that 88\% of their liquid packaging board worldwide complies with FSC CoC certification. Within the EU, 100\% of the wood used for the production of beverage cartons already comes from paper mills that have an FSC CoC certification in place. In addition, 81\% of beverage carton converting plants around the world are now FSC CoC certified.

**A NEW LOOK FOR WWW.BEVERAGECARTON.EU**

ACE has a revised website. The improved layout was created to provide users with better access to key information about the beverage carton industry and its work with the environment.

Have a look at: www.beveragecarton.eu

ACE represents leading beverage carton packaging producers and their main European paperboard suppliers in EU environmental policy development.