

P.O. Box 85612 | 2508 CH The Hague | The Netherlands

+31-70-3123910 | info@finat.com | www.finat.com

VAT: NL 8015 78 929 B01 | IBAN: NL34ABNA0467934932

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FINAT Feedback to Public Consultation on review of Packaging and Packaging Waste Directive

<u>FINAT</u> is the European association for the self-adhesive label industry. We welcome the opportunity to provide feedback on the European Commission's proposal to revise the Packaging and Packaging Waste Directive.

Self-adhesive labels, also known as pressure-sensitive labels (PSL), play a critical economic and social role in packaging. PSL enable communication of information about packaging and its contents, provide resource-efficient functionality that reduces package complexity and waste, and enable entire supply chains by allowing tracking, tracing and security. Industries such as medical, pharmaceutical, food and beverage, logistics, as well as consumers, rely on self-adhesive labels for a well-functioning supply chain and economy.

We would like to provide feedback on the following aspects of the proposal:

- 1. **Definition of packaging**. Article 3 (1) and subparagraphs provide a definition of packaging material, complemented by specific examples specified in Annex I. We find that these definition and examples do not provide sufficient clarity for some components and applications of self-adhesive labels:
 - a. **Release liner.** An essential part of pressure-sensitive labels is the release liner, which enables the manufacturing, converting and application of labels onto packaging and products. The definition of "packaging" under Article 3 (1) and the examples in Annex I do not allow the unequivocal assessment of the status of release liner of self-adhesive labels with respect to packaging. The release liner turns to waste at the same time that self-adhesive labels become packaging/part of packaging, but this takes place at the manufacturer's facilities and does not reach consumers; we refer to the position papers from CELAB Europe and IRLA for more details on this specific topic. In order to provide legal certainty, and to favour the separate collection of release liner to facilitate its recycling and preserve the efficiency of other packaging recycling streams, we propose to *include "release liner from self-adhesive labels" as an example of "Not packaging" under Annex I*.
 - b. Labels permanently attached to a product. Pressure-sensitive labels are in some cases attached to products to provide identification details (e.g. VIN on vehicles, serial number on household appliances), to provide safety or usage information (e.g. recommended tyre pressure on a vehicle) or to provide required legal information (e.g. composition, energy requirements, CE marking, waste sorting information like the crossed-out wheeled bin for WEEE, identification and contact details of manufacturers, importers and other market actors, etc.). These labels are attached to the product for the complete lifetime of the product, in many cases spanning several years. In particular with regard to statutory labelling obligations, such labels have to be affixed to the product in a durable manner, so that the label cannot be removed under normal and reasonably foreseeable conditions of use. Thus, such labels are obviously intended to remain affixed to and be disposed together with the product in the specific waste stream. Conversely, they can be



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considered not to enter packaging waste streams under reasonable foreseeable conditions. In addition, because of the life cycle of these labels which result in specific technical requirements different than for packaging applications, we consider that they should not be considered packaging, but instead an integral part of the product they are attached to.

As a result, we believe that the considerations of Article 3 (1) (a) and (c) are not fulfilled in these cases, and therefore these labels are *not packaging*. To provide explicit clarity, we propose to

- include "Labels hung directly on or attached to products that remain so during the service life of the product" as an example of "Not packaging" under Annex I, and
- ii. rephrase "Labels hung directly on or attached to a product including sticky labels attached to fruits and vegetables" to "Labels hung directly on or attached to a product that are intended to be removed before using the product, including sticky labels attached to fruits and vegetables", as an item to be considered as "Packaging" under Annex I.
- 2. Role of adhesives. Adhesives are polymeric materials that are used in very small amounts in final packaging, but that critically enable their function and enable the minimization of packaging. There is currently no feasible process to recycle adhesives (they are not the target of recycling process, due to the small amount they are incorporated in packaging), as there is for many other plastic materials that form the core of the weight of packaging units. The definition of plastic under Article 3 (43) refers to polymers that can function as a main structural component of packaging; this definition could be understood to include adhesives as enablers of necessary function, most likely unintendedly as adhesives are explicitly not considered plastic under the SUPD. Therefore, we propose to
 - i. exempt adhesives from being considered as plastic under Article 3 (43), as well as
 - ii. explicitly consider adhesives as not contributing to the "plastic part of packaging" for the calculation of recycled content in Article 7.
- 3. Post-consumer waste recycling. Article 7 of the proposal refers to "recycled content recovered from post-consumer plastic waste". In this context, it is unclear whether the recovery operations allowed are limited to mechanical recycling only, or if also chemical recycling of post-consumer waste would be considered in scope. Furthermore, we consider that enabling the use of chain-of-custody mass-balance approaches for materials recovered from post-consumer waste have the potential to increase the scope of the recycled content requirements.
- 4. **Design for recycling guidelines**. Article 6 states no clear timeline for the implementation of the guidelines but a firm entry into force by 1 January 2030, while "innovative packaging" is granted a 5-year exemption to develop DfR guidelines. Furthermore, there is no clarity in the proposal on the process to develop these guidelines and how the input from suppliers of packaging would be included. We propose to:
 - define the entry into force of the Article 8 requirements 5 years after official publication of DfR guidelines;
 - ii. request European standardisation organizations to develop harmonised standards for Design for Recycling criteria, with a clear timeline and process, and involving all relevant stakeholders; and



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- iii. refrain from defining a negative list of packaging characteristics prior to the drafting of DfR criteria taking into account state-of-the art recycling processes
- 5. Compostable labels for fresh produce. Article 8 mandates that labels attached to fresh produce are to be compostable 24 months after entry into force of the Regulation. While some of the materials required for this application are available, they are not (yet) produced at scale, and there are technical limitations in the development of these materials into compostable labels for application on fresh produce that make the proposed timeline difficult to achieve. Certification of multiple individual components would be necessary, but testing of compostability is extremely time demanding with individual tests requiring several months to complete. As a lack of suitable labels could cause disruptions to food supply and potentially result in food waste, we propose to **postpone the timeline** for this measure to at least 48 months after entry into force.
- 6. Conformity assessment. Article 13 places a requirement on manufacturers to demonstrate conformity of their packaging with the requirements of the Regulation. To this effect, Article 14 burdens any "supplier of packaging or packaging materials" to "provide the manufacturer with all the information and documentation necessary for the manufacturer to demonstrate the conformity of the packaging and the packaging materials". We consider that the information to be exchanged needs to be limited to the technical requirements to demonstrate compliance with the requirements, explicitly excluding confidential or commercially sensitive information from the scope of Article 14. Furthermore, the proportionality of the requirement on small manufacturers and suppliers of packaging should be assessed: SMEs would be at a resource disadvantage to comply compared with larger economic actors.

FINAT represents over **500 member companies** established in more than 50 countries, covering the complete value chain of self-adhesive label industry. The label printing industry alone **directly employs around 100.000 people** in the EU, with a **yearly revenue in the order of €14B**. FINAT is committed to increasing the sustainability of the value chain and to applying circular economy principles in packaging.

FINAT, The Association for the European Labelling Industry

P.O. Box 85612, 2508 CH The Hague, The Netherlands +31 (70) 312 39 10 | regulatoryaffairs@finat.com | www.finat.com Transparency register ID: 942560116264-61