EuroCommerce for retail & wholesale

Statement
August 2023

EuroCommerce on refill station obligation under the proposal for a Packaging and Packaging Waste Regulation

Introduction

In the context of the proposal for the Packaging and Packaging Waste Regulation, the European Parliament and the Council are discussing a proposal that would oblige retailers with more than 400m2 to offer at least 20% of their products via refill stations.

This new provision, which was not included in the Commission proposal and the Impact Assessment, is concerning for several reasons. Our sector recognises the value of reuse systems to complement single-use systems and we wish to highlight that for several packaging waste streams, Extended Producer Responsibility schemes are already commonplace. Any reuse target should be based on a neutral and science-based analysis of the entire value chain, and only if the environmental benefits of reusable packaging are clearly proven[1], concrete quotas could be considered.

Our members are taking action to support and develop sustainable operations[2], including on reusable packaging while applying the required hygiene principles and ensuring the safety and safe use of the products they sell. Overall, we estimate that our sector needs to invest 10-20 billion Euro from 2023 up to 2030 to increase the circularity of packaging[3]. Retailers and wholesalers, therefore, support harmonising EU packaging rules and a Single Market for Waste.

This regulation should support our members in their efforts and refrain from forcing businesses to use a specific reuse format such as refill at store level, while other initiatives and innovations might be more appropriate to reach the stated objectives of more sustainable packaging.

Lastly, as retailers are considered part of the group defined as “final distributors”, it is also not clear how this provision would interact with the other reuse targets and requirements in Article 26.

We, therefore, ask you to refrain from adopting such a detailed refill station obligation and call on the co-legislators to ensure instead proportionate, realistic and workable reuse and refill requirements.

Key concerns regarding refill stations

- Defining retail: Reuse and refill requirements cannot be applicable to all retailers. Textile and electronic retailers, for example, could only provide refill stations for a very limited product range, if at all.
- Limited product availability: The majority of product ranges are not suitable for refill and make up less than 20% of the total product range. Reusable solutions are preferable in this context..

[1] The environmental benefits of waste savings must be compared, such as for additional transport energy or carbon emissions.

[2] Examples of our member’s action can be found at our sustainable commerce website: https://www.eurocommerce.eu/sustainable-commerce/packaging/

[3] Transforming the EU retail & wholesale sector report, 2022

- Losing freshness of products: Not all dry foods are suitable for self-service refill stations. Perishable products, such as certain spices, can lose flavour and freshness when exposed to air for extended periods of time. In addition, the range of refill stations may be limited compared to pre-packaged options, limiting customer choice.
- Allergen cross-contamination: Refill stations usually offer a variety of products, some of which may contain common allergens such as nuts, gluten or soy. Even with correct labelling, there is a risk of cross-contamination if customers use different spoons or dispensers, which can cause allergic reactions in affected individuals.
- Inaccurate labelling: Customers may inadvertently or deliberately mislabel products, leading to confusion about ingredients, nutritional information or potential allergens. If detergents, cleaning agents and dishwashing liquids are improperly stored in non-child-resistant containers without adequate labelling, there is a potential risk of poisoning children. This could create liability risks for retailers for actions outside of their control.
- Food waste and spoilage: Without the protective packaging that normally limits moisture loss and contact with air, many foods are more susceptible to spoilage. If customers do not have sufficient knowledge about proper storage or do not have the appropriate storage facilities at home, there is a risk that the food will spoil more quickly. This leads to increased food wastage. Too much product, erroneously overfilled, by the consumer, cannot be returned and would have to be destroyed. Smaller fill quantities in particular are difficult for consumers to adjust at refill stations, and there is a risk that consumers will purchase more than they originally needed, potentially leading to food waste.
- Hygiene standards: Not all customers may maintain proper hygiene standards, e.g. not cleaning containers properly when using the self-service refill stations in the shop. This can lead to potential risks such as improper handling of containers or neglecting basic hygiene rules that can lead to the spread of germs and bacteria. Some customers might not clean their containers thoroughly before using them at the refill stations.
- Additional space requirement: The additional space requirement must be created and also operated. From the consumer's point of view, articles offered as refill products will also have to be offered in sales packaging. This increases the sales area requirement of the market and thus also the energy expenditure per sales point (e.g. heating or cooling; lighting) with the same quantity of articles sold. As sales outlets cannot usually be expanded at will, this leads to a reduction in the range or variety of products on offer in the sales outlet.
- Increased prices for customers: The introduction and maintenance of self-service refill stations will lead to additional resource expenditure and costs for food retailers. Stations will need to be regularly refilled and monitored, cleanliness will need to be maintained and customer enquiries or concerns will need to be addressed. This will lead to an increase in the resources needed in shops and will potentially result in higher prices for customers.
- Potentially increased packaging waste: Although refill stations aim to reduce packaging waste, by promoting reusable containers, some customers may still prefer disposable bags or containers. In addition, the cleaning and maintenance of the refill stations themselves may require the use of disposable materials, which may contribute to more overall packaging waste. In terms of life cycle assessment, refilling stations only make sense if there are efficient processes behind them and if packaging is really dispensed with.
- There are additional concerns with regard to technical implementation including, for example, how to ensure the correct weighing of products and the prevention of fraud.

Contact:
Nick Dornheim - + 32 2 2 737 05 82 - dornheim@eurocommerce.eu Transparency Register ID: 84973761187-60