



December 2023

## An obligation to install detergent refill stations is risky for customers and imposes unjustified burdens on the economic operators

<u>Independent Retail Europe</u> and EuroCommerce welcome the <u>Commission's proposal on the Detergents and Surfactants Regulation</u>, which aims to modernise the applicable legal framework in light of new market trends.

However, we call on decision-makers not to propose mandatory refill stations for products such as detergents, which, given their nature, in case of misuse by customers can lead to harmful consequences for others, in particular for children. We also warned that proposals of amendments to the Commission proposal making refill stations mandatory have not been subject to any impact assessment, while creating many issues for consumers and customers alike.

## **Key concerns on mandatory refill stations for detergents:**

- 1. Increased packaging waste: In terms of ecological balance, refill stations only make sense if there are efficient and safe processes behind them and packaging is effectively reduced. This is far from granted as product-appropriate packaging will still be required for these products, for consumer health and safety reasons. Moreover, bulk containers to charge the refill systems cannot be heavy for worker safety reasons (about 10 kg max.) and will therefore require very frequent replacements or the installation of many systems for just one product (retailers have many different types of detergents on their shelves) occupying a large part of limited and expensive floor space.
- 2. Inaccurate labelling and inappropriate containers pose health risks: Customers may accidentally or intentionally (to get a lower price) mislabel products, which can lead to confusion about contents or potential allergens and therewith pose a risk to consumer safety and health. In addition, improper storage of certain detergents (e.g. washing dishwashing or cleaning products) e.g. in non-childproof containers poses a serious safety risk.
- 3. Hygiene standards: Some customers may not use properly cleaned containers for refill. This can lead to risks such as chemical reactions between products, spread of germs and bacteria in containers and products, damage to goods that are cleaned with mixed products or contamination of foodstuffs.
- 4. Safety and security measures: Customers risk contaminating food products because of leakage of detergents onto food in shopping baskets/carts/bags. Refill stations for detergents can lead to safety hazards as a result of spillage on the floor or through the transfer of allergens or other harmful substances from one user to another, or one product to another. Such risks are unavoidable.
- 5. Additional space requirement: From a consumer's perspective, items offered as refill products will also have to be offered in sales packaging as experience shows that most consumers still prefer single use packaging. A refill station thus takes up precious floor space while the number of items sold remains the same. Since stores cannot usually be expanded as desired, this will lead to a reduction in the range of products or variety in the store. To





compensate for this loss in sales, retailers will have to increase prices to maintain their already low margins.

6. Increased prices for customers: In addition, the introduction and maintenance of self-service refill stations will result in more costs and burdens for the retailers. Stations must be installed, very regularly refilled (see problem with weight above) and monitored, cleanliness of the station and floors must be maintained, and customer requests or concerns must be addressed. This will inevitably lead to higher costs for retailers and therefore to higher customer prices (due to existing very low profit margins in retail shops).

In light of the foregoing, while we support the goal of reducing packaging waste, the implementation of refill stations for detergents should remain voluntary. For instance, some — mainly specialised — retailers have voluntarily decided to install refill stations where appropriate and practical based on consumer demand. However, refill stations shall not become mandatory to avoid those who have currently successfully integrated them into their specific businesses are punished by further obligations or are to add even more refill stations. It should be up to the independent retail store to decide if it would be beneficial to install refill stations at their store. It is crucial to ensure that manufacturers and retailers can properly address the hygiene, safety, convenience, sustainability, and economic aspects of unpackaged products, and therefore a voluntary basis approach should be applied. For the same considerations, policymakers have already agreed that the PPWR should not make refill stations obligatory either.

## **About EuroCommerce**

EuroCommerce is the principal European organisation representing the retail and wholesale sector. It embraces national associations in 27 countries and 5 million companies, including leading global players and many small businesses. Over a billion times a day, retailers and wholesalers distribute goods and provide an essential service to millions of business and individual customers. The sector generates 1 in 7 jobs, offering a varied career to 26 million Europeans, many of them young people. It also supports millions of further jobs throughout the supply chain, from small local suppliers to international businesses. EuroCommerce is the recognised European social partner for the retail and wholesale sector. Find more information on our website, on X, and on LinkedIn.

## About Independent Retail Europe

<u>Independent Retail Europe</u> is the European association that acts as an umbrella organisation for groups of independent retailers in the food and non-food sectors. Our members are groups of independent retailers, associations representing them as well as wider service organizations built to support independent retailers. Independent Retail Europe represents 23 groups and their 462.000 independent retailers, who manage more than 737.000 sales outlets, with a combined retail turnover of more than 1,385 billion euros and generating a combined wholesale turnover of 604 billion euros. This represents a total employment of more than 6,39 million persons. Find more information on our <u>website</u>, on <u>X</u>, and on <u>LinkedIn</u>.