# Speciality Paper and the Future

Thursday 19 November 2015

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CEPI

@RBJori

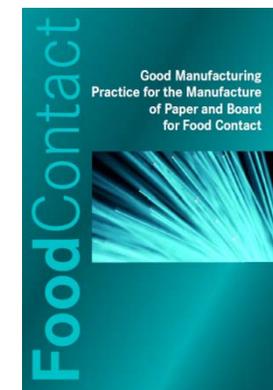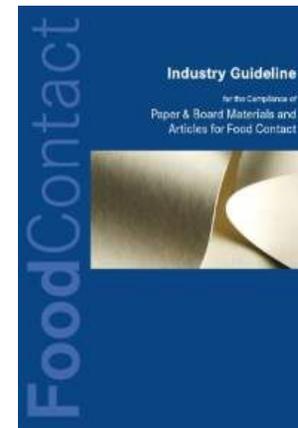# EU Policy framework for food contact

"Food contact materials must not transfer their components into the foods (migration) in unacceptable quantities."

**General EU legislation**

Regulation EC 1935/2004 - Framework Regulation on materials and articles intended to come into contact with food

Regulation EC 2023/2006 - Good Manufacturing Practice for materials and articles intended to come in contact with food

**CEPI guidance (self-regulation)**

[Link to the publication embedded in the image]

# EU Policy framework for food contact

## Legislation on specific materials

Regulation EU 10/2011 – **plastic materials** and articles intended to come into contact with food

Regulation EC 450/2009 - **active and intelligent materials** and articles intended to come into contact with food

Regulation EC 282/2008 - **recycled plastic materials** and articles intended to come into contact with foods

Directive 2007/42/EC - materials and articles made of **regenerated cellulose film** intended to come into contact with foods

Directive 84/500/EEC – approximating EU countries' laws on **ceramic articles** intended to come into contact with foods

On-going process to decide what material to harmonise next
→ EU expected to decide mid 2016

→ CEPI has, as many other stakeholders and major member states, indicated the need to prioritise paper and board in contact with food

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# Why a harmonised measure?

Currently, <u>in the absence</u> of a harmonised measure

**1** Legal uncertainty complicates prompt reactions where issues arise, limiting assurance of consumer safety and increasing reputational risk

**2** Paper-based packaging suffers a non-level playing field and a loss of competitiveness compared to already harmonised food contact materials

**3** There are negative impacts on recycling activity of the sector, in the absence of clear rules

**4** Functioning of the internal market is highly questionable

**5** There is a negative impact on many sectors in the EU, notably the food industry

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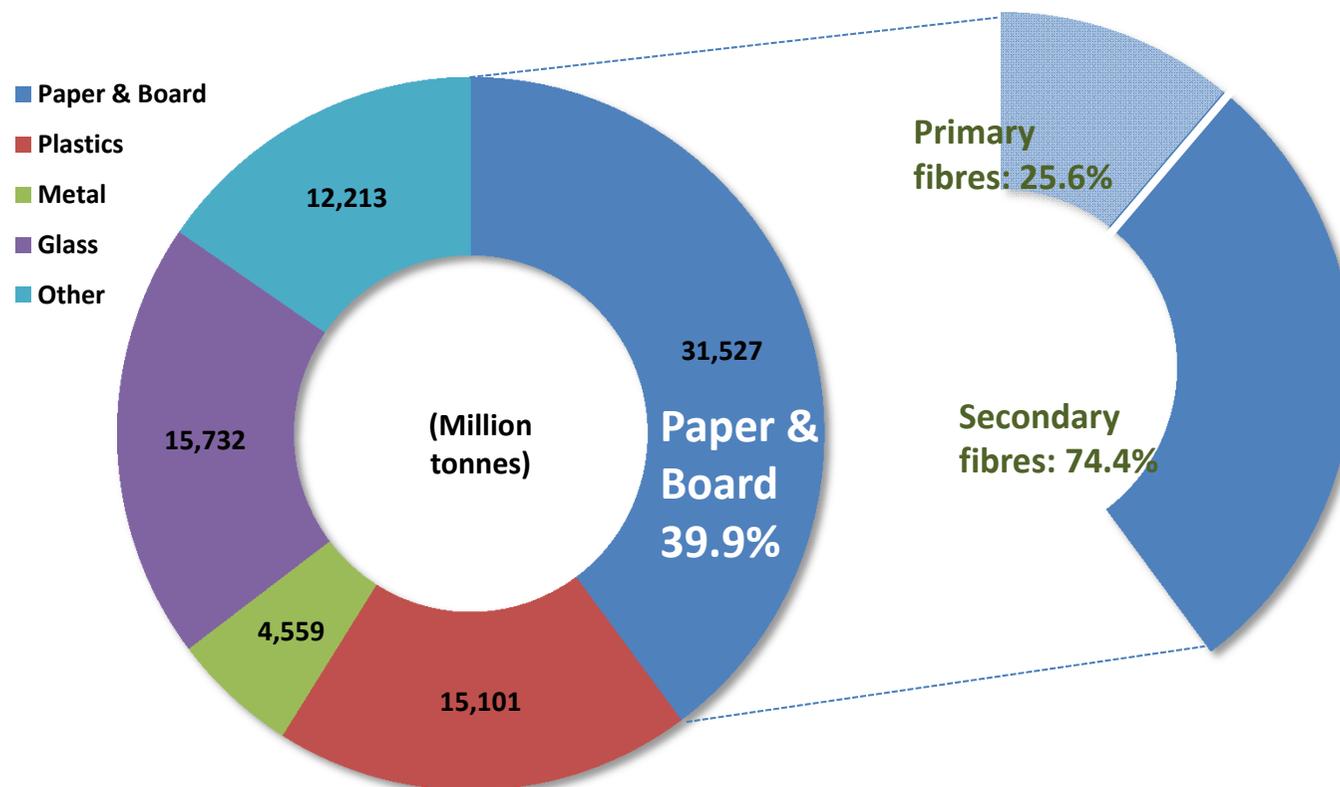
# Juncker's motto

I want to be serious about
*being big on big things
and small on small things*.

Jean-Claude Juncker,
President of the European Commission
10 September 2014

# Packaging Generation, EU-28 (2012)



Legend:
- Paper & Board
- Plastics
- Metal
- Glass
- Other

(Million tonnes)

Paper & Board: 31,527 — **Paper & Board 39.9%**
Plastics: 15,101
Metal: 4,559
Glass: 15,732
Other: 12,213

Primary fibres: **25.6%**
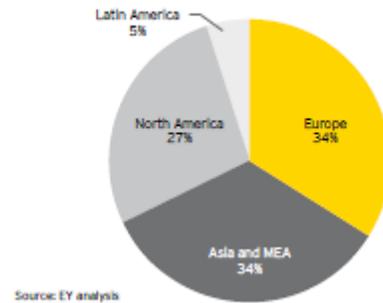Secondary fibres: **74.4%**

- Paper and board is **the leading packaging material**, 39.9% of all packaging generated in EU (**Eurostat, 2012**), more than Nr 2 and Nr 3 combined.
- Of the **recycled packaging** materials available on the market, paper and board **continues to account for the majority of demand** (**CEPI 2014**).

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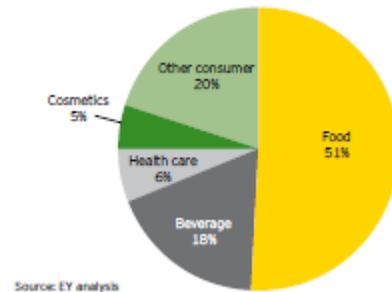
# EU food and packaging - global players



Chart 1: Global packaging, by geography – 2012
Total market size = US$400b

Latin America 5%
North America 27%
Europe 34%
Asia and MEA 34%

Source: EY analysis



Chart 2: Global packaging, by end market – 2012
Total market size = US$400b

Other consumer 20%
Cosmetics 5%
Health care 6%
Beverage 18%
Food 51%

Source: EY analysis

Source: EY "Unwrapping the packaging industry
Seven factors for success"

**The food and drink industry is the largest manufacturing sector in the EU in terms of turnover (14.9%) and value added (12.9%). It still has growth potential in exporting to the growing global middle-class.**

Europe holds a share of 34% of the global packaging markets.

Food and drink, on average, have 51% and 18% shares respectively.

EU rules are often preferred by developing economies as a template – in the absence of such rules, also export markets will fragment.

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# Without Packaging no Cassis de Dijon!

**PAPER INDUSTRY 4.0**
**EUROPEAN PAPER WEEK**



Cassis de Dijon... in packaging made in Europe!

Cork from Portugal

Label printed in Italy

Glass bottles from Germany

Boxes from Spain

... sold in Germany!

(Illustrative example - Original images copyright by Briottet S.A.S.)

**Packaging often can be assembled with input from various EU countries**

**Without packaging, free movement of goods would not be possible.**

The free flow of goods and services along the supply chains to the consumers throughout the EU increases choice and drives the economy.

It provides the EU businesses with a large home market in which they can improve efficiency and build capacity to compete globally, resulting in jobs and growth for Europe's citizens.

This is best ensured with harmonisation.

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# Self-regulation ensures safety – but not internal markets

- Europe's paper industry is concerned about the lack of a harmonised measure for paper and board packaging in the EU. Whereas the industry has taken up the responsibility to self-regulate the sector to ensure a high level of consumer protection, the lack of harmonisation comes with a cost.

- This is of an importance as paper and board are a leading packaging material and with the aim of circular economy and bio-based green growth, the sector has a potential for adding more value and jobs in the European economy whilst ensuring a high level of consumer protection and food safety.

*You*

**RENEWABLE**
**BIODEGRADABLE**
**RECYCLABLE**

*Me*

# Self-regulation ensures safety
# – but not well perceived

- In the absence of a harmonised measure, some Member States have taken or are taking action to regulate the material nationally which hamper the functioning of the internal market and creates different levels of consumer protection across the EU.
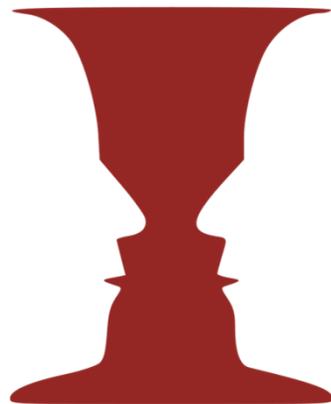
- This trend of national regulation is now fast accelerating as the Commission is *perceived* taking no action.

- This is a concern recently repeated by several NGOs.
- Now also the European parliament is taking up this issue!
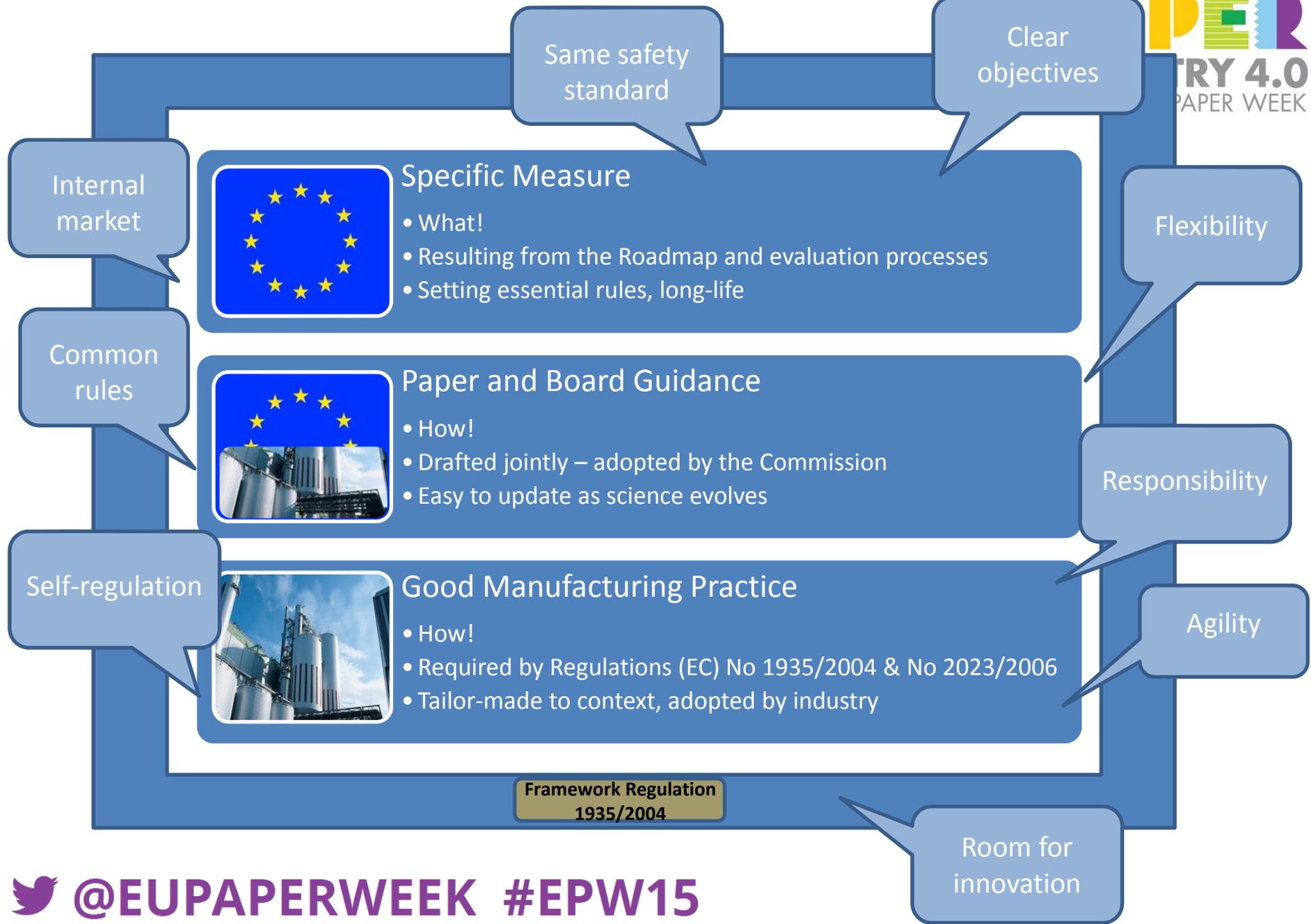
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# Case of Italy

It is clear to see that this situation translates to a loss to
1. those **manufacturing paper and board** as they have a de facto reduced market access;
2. for those **buying paper and board for converting** since they can procure with reduced competition in supply;
3. this translates to higher cost to those **using packaging** and finally to **consumers**.

This, naturally, is not supporting the jobs&growth agenda.

**PAPER**
**INDUSTRY 4.0**
**EUROPEAN PAPER WEEK**

*The Ministerial Decree of 21 March 1973 on Hygienic Requirements for Packaging, Containers, and Utensils Intended To Be Used in Direct Contact with Food and Substances for Personal Use*

# Innovation in Regulation?

**Same safety standard**

**Clear objectives**

**Internal market**

**Flexibility**

## Specific Measure

- What!
- Resulting from the Roadmap and evaluation processes
- Setting essential rules, long-life

**Common rules**

**Responsibility**

## Paper and Board Guidance

- How!
- Drafted jointly – adopted by the Commission
- Easy to update as science evolves

**Self-regulation**

**Agility**

## Good Manufacturing Practice

- How!
- Required by Regulations (EC) No 1935/2004 & No 2023/2006
- Tailor-made to context, adopted by industry

**Framework Regulation 1935/2004**

**Room for innovation**

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Experience tells us
where to make a difference

PAPER INDUSTRY 4.0
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Virgin fibres        Recycled fibres

REQUIREMENTS

Transport packaging        Consumer packaging

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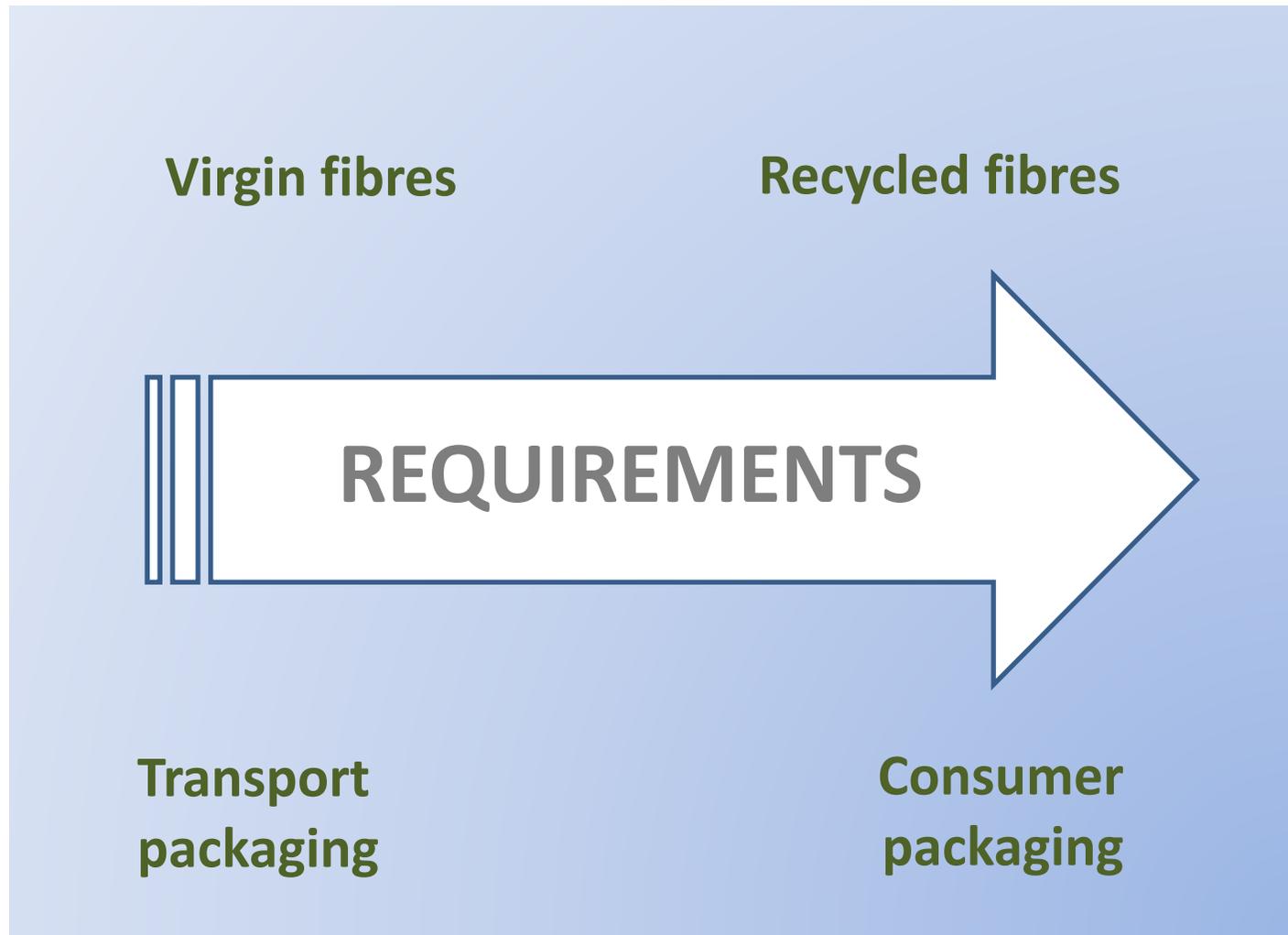
# Work to be done!

- Consumers are not exposed to health risks related to paper and board packaging. Nevertheless, industry wants to see a world-class standard for consumer safety applied uniformly across the EU.

- The European Commission equally holds the key to ensuring internal markets, growth and jobs; growing trend of non-EU regulation is increasing compliance costs and where it limits offer on the market, increasing cost to consumers.

- One harmonised measure would greatly simplify and modernise the fragmented European regulatory framework!

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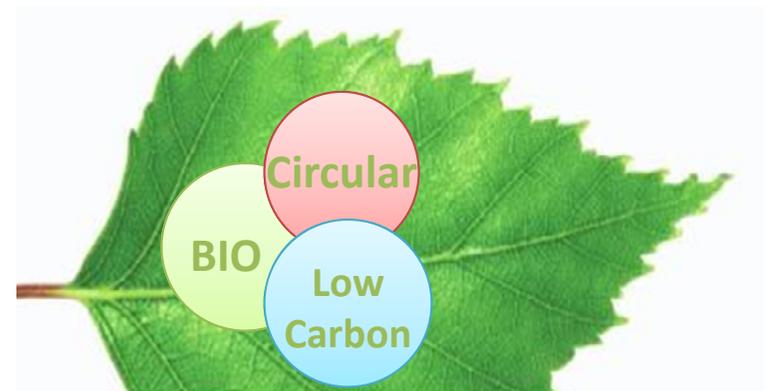
# Thank you!

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