

Issue 4  
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# FEPE Magazine

## SUSTAINABILITY ISSUE

### PROFILE

**Elep CEO Yves Peiffer:**  
“Sustainability is about  
more than just products”

### RAW MATERIALS

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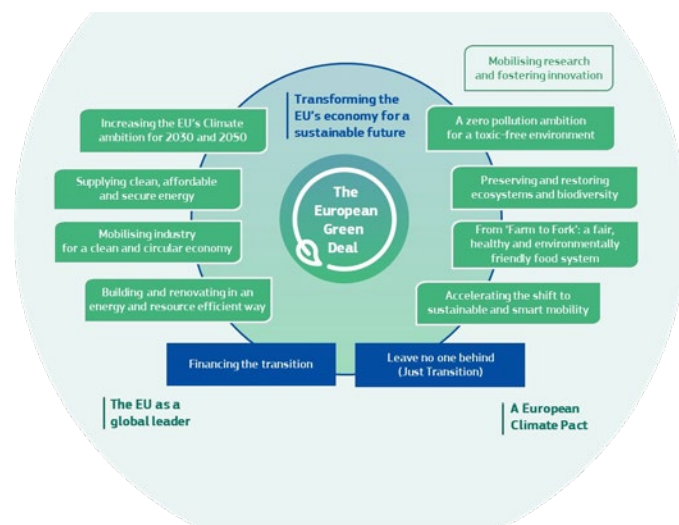
**Paper, packaging and  
packaging waste**



A magazine about the envelope, light packaging  
and ecommerce packaging industries

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# Editorial

Sustainability is a buzzword. Some people might find it overused, and it can even be a greenwashing flag, but that doesn't take away from the importance of the topic. In our industry, sustainability is a core. We might not even think of our actions, decisions and products as being 'sustainable' because it's already so much the nature of our business.

In this FEPE Magazine, Yves Peiffer tells us how sustainability is in the DNA of his company, Elep, and how this can show in daily activities. You can also find exciting articles about material suppliers. UPM is the frontrunner of sustainability in the paper industry, and they take care that raw material is respected and utilised as efficiently as possible. We can't afford to misuse our natural resources, and thus sustainability and recyclability must be taken into account throughout the whole lifecycle.

Plastic isn't always top of mind when you think of sustainability, but the issue isn't black and white. FEPE members in the window film industry give us an excellent review of this crucial part of our industry.

As I said, sustainability might be a buzzword — but it's not a topic that's going to disappear. There's a lot of ongoing EU legislation that will directly impact our industry. You can get a thorough overview of the policy side from the article on page 20, created together with CITPA experts.

I wish you an engaging, educational and inspiring read in this new issue of the FEPE Magazine!

*Matti Rantanen*

Matti Rantanen  
FEPE Managing Director

# We 'think sustainable' in everything we do!

As CEO of Elep N.V., Belgium, Yves Peiffer has been witness to and a major player in the transformation of the European envelope industry over the past three decades. In this article, Yves shares his insights into the industry trends, the way forward and on how operating a business sustainably is about much more than just raw materials and products.

*Yves Peiffer is CEO of one of the leading envelope manufacturing companies, Elep N.V., Belgium, and Board Member and Treasurer of FEPE.*

## *How has Elep changed during your tenure?*

Yves: Elep started as an envelope production company in Belgium in 1963, first as a subsidiary of the Dutch group Kovert, then as an independent company in 1993. Back then, Elep operated along with six other envelope producers in the country. Since 2020, Elep is the only remaining industrial envelope producer in Belgium.

A lot has changed in that time. Large organisations, like banks and utility suppliers, increasingly outsourced non-core activities – such as sending bills and statements – to mailing and printing companies, changing the type of relationship that Elep had with its customers. By the 2000s, digital information exchange was soaring, smartphones were introduced and the financial crisis started.

Consumption of envelopes dropped significantly and several competitors in Belgium stopped their activities or went bankrupt.



*Photo: Courtesy of Elep*



*Given the current trends in the envelope industry, what do you think the future holds?*

Yves: I'm not very optimistic about the volumes of envelopes in Europe. The trend towards digitalisation is a fact. It's boosted by EU policies such as the Digital Agenda for Europe.

As an envelope producer it's extremely difficult to influence this evolution. We should be backed by postal organisations. Instead, the more the volumes decrease, the higher the postal tariffs.

For Elep, the trend towards lower envelope volumes has always more or less been compensated for by the decreasing number of envelope producers in Belgium.

Today, Elep needs to find new solutions. In my opinion, diversification is the only way to get growth again.

*What does 'sustainability' mean to you, and to Elep?*

Yves: About 25 years ago, long before everyone was talking about CO<sub>2</sub>, there was a local initiative about saving energy. We got on board for economic reasons as Elep became independent and needed every cent for investment.

Since then, the world has evolved from thinking in terms of individual environmental topics towards a broader understanding of global sustainability; the whole world has adopted the United Nations' Sustainable Development Goals (SDG) since 2015. I was lucky to have employees and people in my

**"Legislation is not pushing us. In fact it's lagging behind our way of thinking. And we hope customers will also be more interested in the Sustainable Development Goals in the near future. Because we must — all of us."**

circle to point me towards new insights and help me find out how to deal with the UN SDGs.

What started out as an economic motivation to be ecological has today become a purely automatic reflex. We 'think sustainable' in everything we do.

Legislation is not pushing us. In fact it's lagging behind our way of thinking. And we hope customers will also be more interested in the Sustainable Development Goals in the near future. Because we must — all of us — think about the 5 Ps: Peace, People, Prosperity, Planet and Partnership.

## ELEP IS IN THE TOP 1% OF SUSTAINABLE BUSINESSES

Yves: "Elep is certified by UNITAR and we are now proud to be recognised as an SDG Pioneer since 2020. We can also measure our sustainability performance by benchmarking. In 2016, Elep was granted the European Ecolabel for a portfolio of envelopes. Elep achieved the Gold Ecovadis medal several years ago and the Platinum in 2020 and 2022. This is the highest sustainable business achievement, placing you in the top 1% of companies worldwide."



## WHAT IS A 'SUSTAINABLE BUSINESS'?

'Sustainability' means different things to different institutions, customers and other stakeholders.

The most widespread view is that it means that **products are made from sustainable raw materials** — paper, for the envelope sector. For some, recycled paper is the most sustainable. Others think about the various paper labels such as PEFC, FSC, Blaue Engel, Nordic Swan, European Ecolabel, and so on.

A second level is the **certification of the envelope production company itself and the product** it delivers. Envelope producers can be certified themselves as PEFC, FSC, etc.

This includes the chain of custody (CoC) and the whole conversion process as well.

The next level is to **certify the company as an entity**, not only the product or the conversion process.

"I think this is the only way to be able to claim true sustainability," said Yves. "The EU Green Deal with its 2030 Climate Target Plan can only be achieved if all individuals and companies cooperate. In a wider context, the UN developed the 17 Sustainable Development Goals. A company can try to be successful in any or all of these topics and seek certification."

*Are customers willing to pay more for sustainable products?*

Yves: Sustainability has a cost: it can mean higher raw materials, sourcing and certification costs. It's difficult to know how much customers value your sustainability. When you see customers googling until they find the lowest price, I wonder what they would choose if they could easily compare the lowest-price product with an equivalent sustainable product.

*How can overpackaging in the ecommerce sector be solved?*

Yves: It's great that some envelope producers are diversifying their portfolio of products. But there are still small items being packed in oversized carton boxes. The packagers need to find solutions: they buy systems to optimise their processes. They don't care about the shape of the packaging as long as the goods are well protected and don't generate more transportation costs.

*What do you think of FEPE's widened scope?*

Yves: As a FEPE board member, I fully support FEPE's widened scope, from just envelopes to light packaging such as ecommerce envelopes and paper bags. The envelope market is shrinking, and we need to be able – as an association – to offer value for all members' activities. Broadening our scope is the best solution.

FEPE, and its members, should also continue to focus on sustainability. It starts with paper, which was the first product to be recycled — in the 11th century! More broadly speaking, we need to stay focused on the 5 Ps.

Every member company should focus on its own strategy and its own market segments, and try to be one step ahead. We can succeed through diversification and innovation. It's not only about new products but also new processes, innovative production methods and marketing. Sustainability is one of the pillars we can build on to stand out and grow.

# A future beyond fossils

UPM is an industry leader in the bioeconomy, offering bio-based solutions and innovations, and sustainable, climate positive forestry. Its businesses range from pulp to paper to biofuels and biomedical.

UPM is responding to global megatrends and customer demand with an ambitious sustainability programme, based on the *UPM Biofore — Beyond fossils* strategy.

Photo: Courtesy of UPM



## CLIMATE: THE EXISTENTIAL THREAT EFFICIENT, GREEN ENERGY

The climate is changing rapidly, with scientists warning that we have already passed a series of climate tipping points, resulting in severe consequences – even an “existential threat to civilisation” – for humanity and the planet. It is no exaggeration to say that it is both urgent and critical for all of us to take mitigating action.

UPM-Kymmene Oyj, a Finnish forest industry company, has been recognised as being one of the few companies in the world taking significant action to mitigate climate change. UPM is:

- industry leader in the Dow Jones European and World Sustainability Indices
- AAA leader in the MSCI ESG Ratings assessment
- one of the 37 UN Global Compact LEAD participants
- one of only 10 companies on the CDP Triple A List, out of 5800 companies globally.

## UPM BIOFORE STRATEGY

Ella Vilén, Senior Sustainability Specialist at UPM Communication Papers, presented UPM's Biofore Programme and sustainability strategy at the FEPE Annual Congress 2021.

UPM's *Biofore — Beyond fossils* strategy is designed to create new markets and enable UPM's customers to make more sustainable choices. This includes developing innovative biomaterials produced in responsible operations and investing in a value chain with strong long-term fundamentals for growth.

UPM is committed to reducing carbon emissions by 65% by 2030 (see also: Figure 3, p.12).

UPM Communication Papers is the paper production arm of UPM. There are four pillars to UPM's Communication Papers' long-term contributions to UPM's Biofore targets (Figure 1).

1. Green energy production at mill sites.
2. Green energy procurement.
3. Improving mill energy efficiency.
4. Supplier and supply chain efficiency.

UPM's investments have helped reduce UPM's own carbon footprint by around 600,000 tonnes annually, while also contributing to the transformation of the European energy system. These include, for example:

- a €95 million investment in an 80 MW combined heat and power plant at the UPM Nordland Paper mill in Germany, which covers the heat demand of the mill
- a €110 million investment in an 87 MW biomass power plant at UPM Hürth in Germany, which covers the heat demand of the mill without CO<sub>2</sub> (replacing lignite) and supports Germany's energy transition
- a long-term wind and power purchase agreement (+/-4 TW/h) with a wpd GmbH wind park in Finland, designed to generate sustainable power for the next 25-30 years.

## SUSTAINABLE PAPER CYCLE

UPM Communication Papers' operations focus on creating a sustainable paper cycle (Figure 2).

It starts with sourcing virgin fibre from sustainably managed forests, and production of paper from



virgin fibre and/or recycled fibres and papers. Every step of the cycle is optimised in terms of energy, emissions and waste, from printing/ converting/manufacturing, to distribution, consumer use, collection and sorting for recycling.

UPM forest management is based on sustainable forestry practices, such as utilising the whole tree, no deforestation and planting 100 trees/minute.

A sustainable paper cycle uses paper waste as a valuable resource: increasing paper recycling from current levels of around 70–80% (in Europe) to 100% can contribute to meeting zero solid waste targets. While in use, paper stores CO<sub>2</sub>, contributing to removing carbon from the atmosphere.

### ALL CLIMATE EFFORTS COUNT...

UPM customers can further contribute to UPM’s Biofore strategy and improve their own sustainability credentials through the UPM

- CO<sub>2</sub>ACT carbon offsetting services:
- CO<sub>2</sub>ACT: offsetting carbon emissions related to production and transport of paper
  - CO<sub>2</sub>ACT+: offsetting total carbon emissions of the paper end-product, including printing and converting.

Both services are carried out through purchasing carbon credits achieved with offsetting through Gold Standard certified local climate projects.

### ... SHORT OR LONG TERM

However, these carbon offsetting services are a short-term initiative, while UPM continuously implements actions to reduce product footprint in the long term. UPM is committed to reducing emissions throughout its entire production chain through long-term efforts such as climate-positive forestry, innovative products and science-based reduction targets.

### TACKLING THE CRISIS TOGETHER

UPM has committed to the *Science Based Targets initiative (SBTi; see next page)*.

In addition, UPM is the only forest industry company that has joined *The Climate Pledge\** by Amazon and the Global Optimism, a cross-sector community of world-class companies working together to tackle the climate crisis and to decarbonise our economy. As a signatory of the Climate Pledge, UPM will:

- ◇ measure and report greenhouse gas emissions on a regular basis

- ◇ implement decarbonisation strategies in line with the Paris Agreement through real business changes and innovations, including efficiency improvements, renewable energy, materials reductions and other carbon emission elimination strategies
- ◇ neutralise any remaining emissions to achieve net-zero annual carbon emissions by 2040 — a decade ahead of the Paris Agreement’s goal of 2050.

\* See also: [www.aboutamazon.com/planet/climate-pledge](http://www.aboutamazon.com/planet/climate-pledge)

### UPM Communication Papers’ contribution to UPM’s climate change mitigation targets

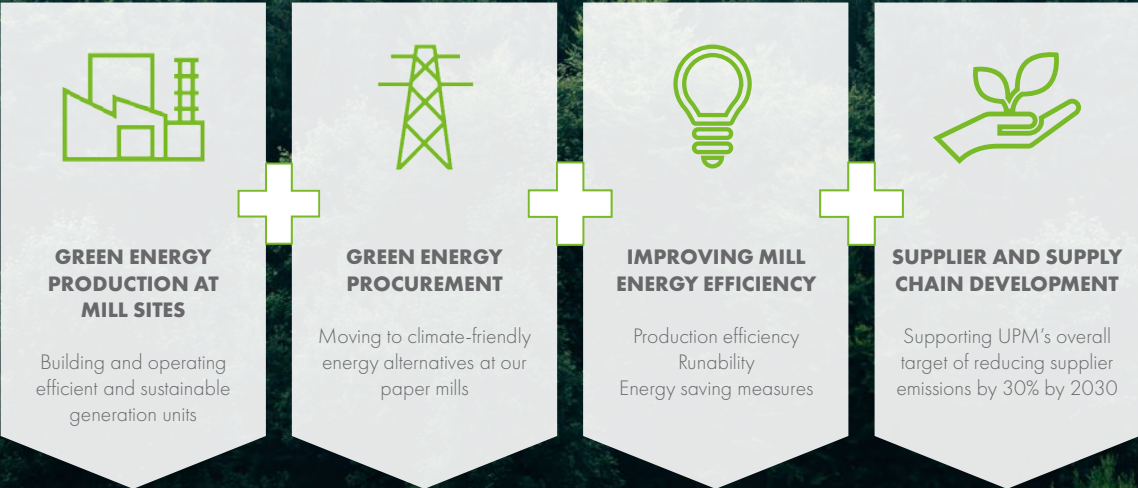


Figure 1: UPM Communication Papers’ contribution to UPM’s climate change mitigation targets. (Source: UPM)

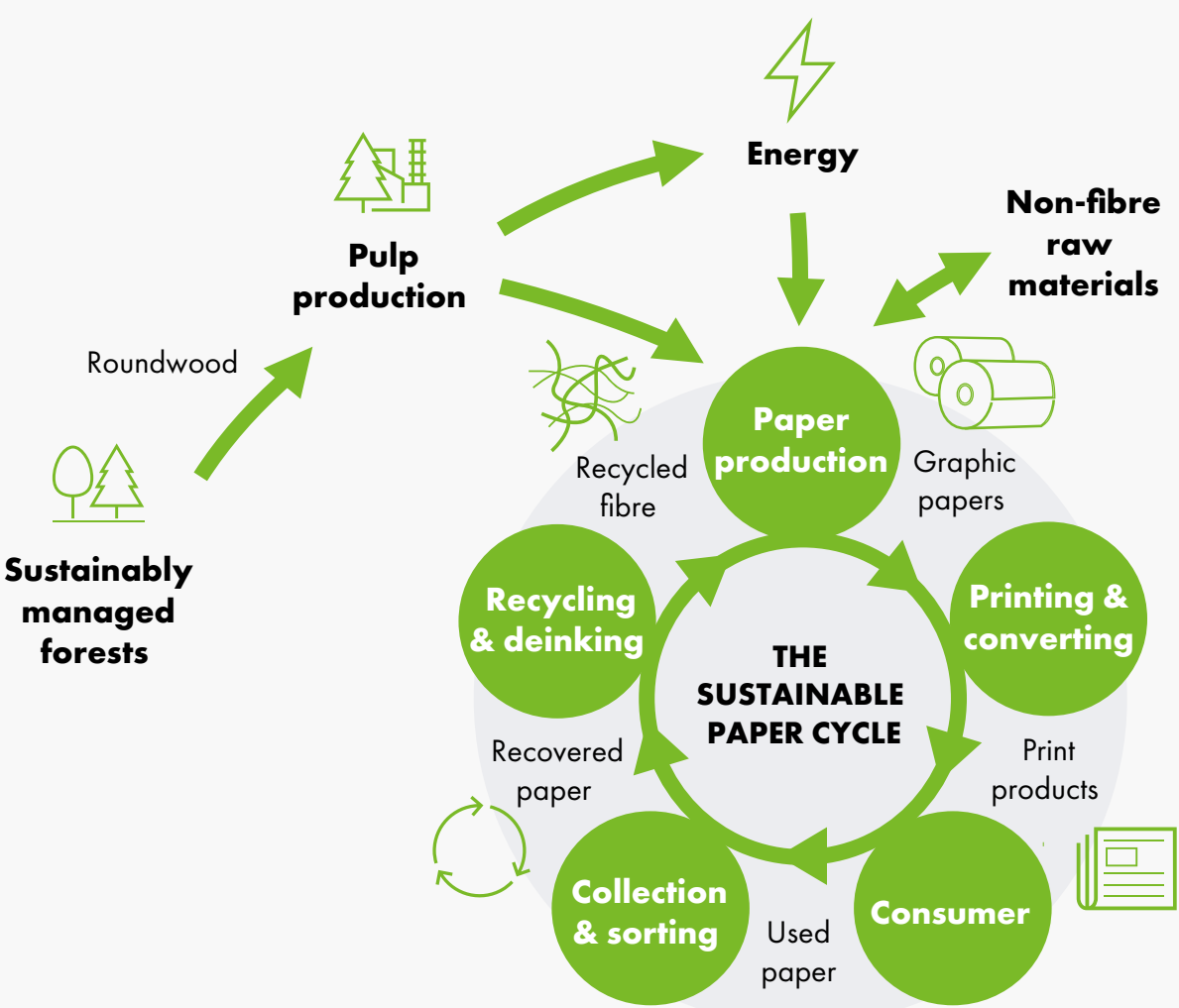


Figure 2: A sustainable paper cycle. (Source: UPM)

PRIVATE COMPANIES CAN SET  
SCIENCE-BASED EMISSIONS  
TARGETS

UPM has committed to the *Science Based Targets initiative (SBTi)*.<sup>\*</sup> Its -65% emissions target is approved by the SBTi, meaning that it is aligned with the Paris Agreement to limit global warming to 1.5 degrees.

The SBTi drives ambitious climate action in the private sector by enabling companies to set science-based emissions reduction targets. Science-based targets provide companies with a clearly-defined path to reduce emissions in line with the Paris Agreement goals. More than 2,000 businesses worldwide are already working with the SBTi.

<sup>\*</sup> See also: [sciencebasedtargets.org](https://sciencebasedtargets.org).

UPM's 2030 responsibility targets are guided by their Biofore strategy, which also guides UPM's contribution to the Sustainable Development Goals (SDG).

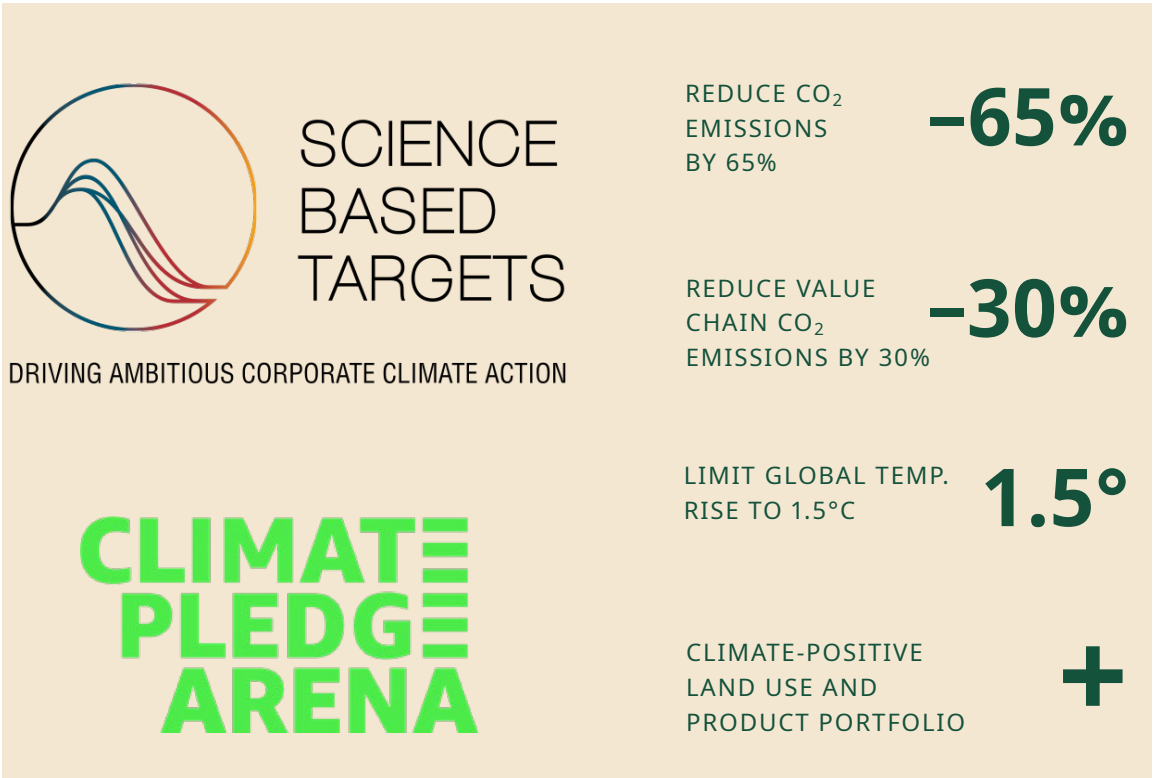
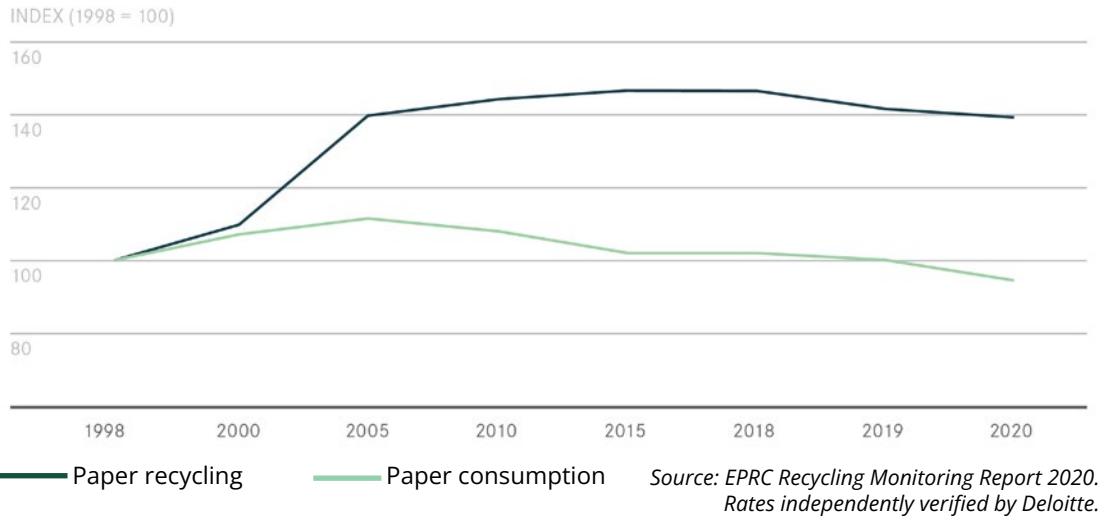


Figure 3: UPM's science-based climate targets.

RECYCLING

# Paper recycling reaches 74% target in Europe



The European Paper Recycling Council (EPRC) reports that the paper recycling value chain has met its set target, reaching a paper and board recycling rate of 73.9% in 2020\*.

In Europe, the paper industry was constant in its use of paper for recycling through 2020. The drop in collection was due to Covid-19 and to a further decrease in Chinese demand for paper for recycling, which was not offset by the increased demand from other countries.

The structural change in paper consumption patterns continued in 2020; decline in the consumption of newsprint and graphic papers accelerated in 2020 at a rate of -17.8% while consumption of case materials, the other most recycled paper product, increased by 1.0%.

Europe continues to be the world champion in paper recycling followed by North America. The paper recycling rates of other world regions are improving, but from lower levels. In Europe, paper fibres are used 3.8 times on average in 2020, while the world average is 2.4 times.

<sup>\*</sup> A statistically insignificant difference from the target of 74% set in 2016.

Download the report from EPRC: [bit.ly/EPRC2020](https://bit.ly/EPRC2020)



# A peek into sustainable window films

Using more-sustainable window films can contribute to significant savings in plastic, reduce envelope weight and lead to additional savings such as fuel and emissions.

We interviewed representatives from two of FEPE's supplier members, Irplast S.p.A. (Italy) and Innovative Film Solutions S.L. (IFS, Spain), to hear about how they are working to supply the envelope industry with sustainable window films.

## *In what ways are your window films innovative and sustainable?*

**Irplast/Daniela:** Irplast has developed unique know-how in the design and production of innovative and customised BOPP films focusing on sustainability. In 2020, Irplast became the first company in Europe to produce ISCC PLUS certified bio-based films on a large scale by partially replacing fossil-fuel based resins with feedstocks from chemical recycling using the mass balance principle: NOPP, Natural Oriented Polypropylene from certified renewable feedstocks and LOOPP, PCW-based\* polypropylene films.



Irplast is a producer of biaxially oriented polypropylene films (BOPP), including window films for commercial envelopes. Key Account Manager Daniela Steri spoke to us about Irplast's commitment to offering its customers sustainable packaging and films, with particular attention to the reduction, reuse and recycling of raw materials.



IFS is a producer of window and packaging films including BOPP and bioriented polyethylene (BOPE) films. Eduardo Romero is Global Business Development Manager, responsible for worldwide AW window film sales and an active member of the FEPE Marketing Committee. He spoke to us about IFS's focus on continual innovation based on a circular economy model.

We began developing BOPP films for envelope windowing in 2015, applying our experience in other packaging applications to develop a polypropylene film (DEW27/ DEW29) that could effectively work on existing envelope makers at high speed and for a worldwide market.

We've used the unique characteristics of our LISIM line to design our window films to be extra stiff and with the controlled matte/transparent appearance which allows them to easily substitute window films made from other substrates. We can now introduce bio-based resins or PCW resins to substitute traditional fossil fuel inputs in our resin. These products, which are ISCC PLUS

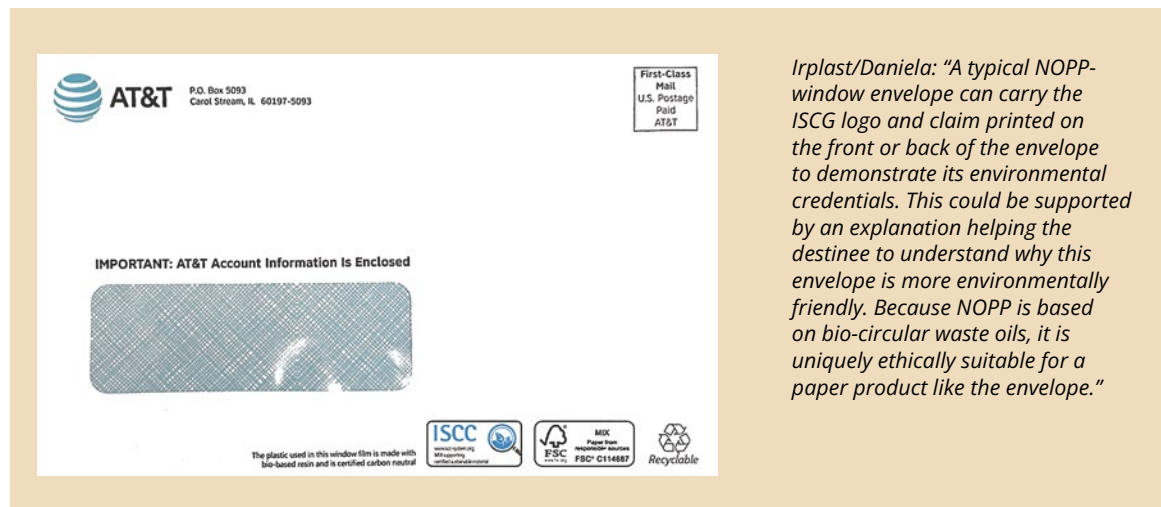
certified, offer extremely advantageous scenarios for companies committed to reducing GHG emissions\*\* in their products.

**IFS/Eduardo:** Environmental sustainability has been at the core of our DNA since IFS was created. It's part of our mission, and the driving force behind all our innovation efforts, in our window film business as well as our food and non-food packaging films.

\* PCW: post-consumer waste

\*\* GHG emissions: greenhouse gas emissions





*Irplast/Daniela: "A typical NOPP-window envelope can carry the ISCG logo and claim printed on the front or back of the envelope to demonstrate its environmental credentials. This could be supported by an explanation helping the destinee to understand why this envelope is more environmentally friendly. Because NOPP is based on bio-circular waste oils, it is uniquely ethically suitable for a paper product like the envelope."*



*IFS/Eduardo: "IFS AW®-RBC window film is our sustainable, 100% biodegradable film, specially designed for envelope converting that satisfies recognised standards and definitions for recyclability, biodegradability and ecotoxicity, established by ISO, ASTM and EN:*

- *biodegradable in soil – ISO 17556 / ASTM 5988*
- *free of bisphenol and phthalates*
- *heavy metal free – ISO 17088 / ASTM 6400/ EN 13432*
- *low environmental impact – ISO 17088 / ASTM 6400/EN 13432*
- *100% recyclable – EN 13430"*

All our products are 100% recyclable — and 100% biodegradable in the case of our AW-RBC film. RBC stands for *REBICOM: REcyclable, Biodegradable and COMpostable*. It has lower weight and lower density, which makes these very competitive products and the perfect alternative to traditional films used in the industry for decades. AW-RBC is based on an enzymatic technology, based on our patented NEWIE® technology (from NEWIE, a company in the Partners Connect business group, which also includes IFS). This is a complex of ingredients derived from vegetable by-products, which allows us to provide very competitive pricing.

IFS' REBICOM project consists of achieving the transformation, using current manufacturing methods, of films based on standard thermoplastic polymers of fossil origin or renewable origin, into biodegradable and compostable films. And without losing their capacities of recyclability, reuse, and safety for people and the environment. They are designed to biodegrade completely in a relatively short time period, leaving no microparticles or other residues.

Our products are certified ISCC Plus and have the EU Seal of Excellence, which is proof of our deep commitment to the circular economy. In recognition of our sustainability achievements, IFS received the EcoVadis Silver Medal in 2021.

Our products have been quite successful in the market and that keeps pushing us into a cycle of continuous innovation.

### *How are the trends in the envelope market affecting your company?*

**IFS/Eduardo:** Even though the market has recovered part of what was lost in 2020, FEPE trend data still show that envelope manufacturing will maintain its decrease, but at a slower pace. This is a challenge for all actors involved in this sector (suppliers and converters) but more so for envelope converters, as they need to become less dependent on traditional envelopes and rely more on direct mail.

There are two aspects to the changing market: reduced demand for traditional postal envelopes, and higher demand for sustainable products — partly because of new plastics regulations, but most importantly, because more and more companies are focusing on their social responsibility and sustainable strategy.

IFS was founded on the belief that the plastics industry has to be transformed to be able to offer smarter, more efficient and sustainable solutions.

That requires ongoing innovation: we want to continually offer the market new, more specialised sustainable products that are better suited

to the current customer needs and that meet new EU and national laws and regulations concerning plastics. Our investment in developing our 100% biodegradable AW-RBC range is a clear signal of where we believe the market will go in the future.

**Irplast/Daniela:** From our involvement with the FEPE Marketing Committee over the past years, we've been able to clearly identify the growth of interactive marketing as a potential area of growth for direct mail, which counteracts the inevitable decline of traditional letter post. We have seen numerous developments in digitally printed personalised mailings which make very effective use of windowing on envelopes to enhance the "wow" effect for the recipient.

As the letter envelope market declines, material costs become ever more important. We believe that the scale and efficiency of our production operations give a valuable cost advantage to our BOPP product compared to other options, making Irplast the perfect partner for companies in the industry who are relaunching their products post-consolidation. We have expert advisors for machine runnability, and experienced designers for adapting our products to new requirements.

### *How do your products support your customers' sustainability targets?*

**Irplast/Daniela:** We start from a very positive platform, given the lower density of BOPP compared to other alternatives. That automatically takes weight out of products and lowers annual consumption.

The switch to BOPP now takes on new significance from an envelope producer's environmental perspective. High stiffness and flatness can allow producers with new machinery to keep window sizes to the absolute minimum. And then, to all our existing films, we can add the innovation of reducing or removing fossil fuels and CO<sub>2</sub> equivalents.

**IFS/Eduardo:** IFS is a pioneer in reducing the amount of raw materials needed to produce window film that is viable for envelope converting: we started doing so in 2013, partnering with key envelope converters in order to reach this goal.

IFS' Copolymer AW Window film is designed for window envelopes and, in particular, for high-speed mailing sorting machines, optical character

recognition (OCR), barcode (BCR) and QR code readers. It's available in a range of different thicknesses, from 48 microns down to as little as 25 and even 24 microns — compared to the standard film thicknesses in the industry, which are usually 27 and 29 microns. Using lower-weight film enables our clients to improve their yield by as much as 40%, depending on which thickness they switch to. That adds up to significantly less plastic used, fuel savings and reduced CO<sub>2</sub> emissions (see box).

Our AW films range has excellent properties for any size and any kind of machines, with excellent performance in mail sorting machines. Using our films can improve machine performance by 15–40%, compared to commonly-used polystyrene films.

### *Do envelope window films affect the envelope's recyclability?*

**Irplast/Daniela:** Recycling window films into new post-consumer plastics is a dream which we expect to come true on a large scale in Europe and the USA by 2025.

Today, the paper industry separates paper from plastic window films during paper recycling. The specific density of BOPP (below 1) certainly helps in the process. But the plastic removed by paper manufacturers is of little or no intrinsic value because it cannot be easily recycled mechanically. Advanced chemical recycling will enhance the environmental credentials of window film.

### *Are customers willing to pay more for more sustainable products?*

**Irplast/Daniela:** Sustainable products are naturally and correctly more expensive. Our planet is at risk because none of us truly pay the real cost of extracting fossil-based raw materials. Our window films in the NOPP category are certified Carbon Neutral. That of course comes at an additional cost, but we have already contracted producers in the FMCG sector willing to pay the full cost of change, because of the positive reaction they get from consumers who realise they are truly committed to reaching their COP26 environmental pledges.



*IFS is focused on using plastics as efficiently and sustainably as possible. Reducing the thickness and weight of window film has generated significant savings in raw materials, fuel and emissions for IFS and their customers.*

It will be very interesting to see which big corporations realise first that they can include their commercial and direct mailing envelopes in their global drive for carbon neutrality. Irplast will be alongside the envelope industry to make that transition easy to achieve when the right moment comes, and we expect it might be already in 2022.

**IFS/Eduardo:** All companies naturally want to be as cost-efficient as possible to improve their margins. Sustainable products are often a more expensive option. But it's not just about shaving costs of supplies. For many companies, quality

and sustainability have higher priority. Choosing biodegradable, more sustainable window film helps companies meet their sustainability targets.

The demand is higher in markets such as the UK and Germany, where direct marketing envelope demand is at least partially compensating for lower volumes of standard commercial envelopes. But this is definitely the direction companies are going in. As a supplier, we strive to make our products as cost-efficient as possible and also help clients understand the indirect savings that can be achieved.

### *Window film is made from plastic. How can it be truly sustainable?*

**IFS/Eduardo:** Plastic is not an inherently unsustainable material! At IFS, we know that we can't have a world without plastic — but we do need to make plastic sustainable and use it well. The world is unquestionably moving away from the plastics that end up in landfill and that could take 600 years to disappear. We're moving towards bioplastics from natural sources that will biodegrade fully and naturally in the soil, in a matter of months. IFS is part of that movement.

### *What can FEPE members do?*

**Irplast/Daniela:** We have been very impressed over the past five years by how so many traditional envelope manufacturers have been able to change their business models, their customers, their machinery, and even their way of approaching the future. They are now playing an active part in shaping the future of ecommerce packaging, for example. Irplast in parallel has been a pioneer in redesigning the future of flexible PP packaging film to incorporate alternative source materials. There hasn't been an enormous amount of synergy between our FEPE colleagues and ourselves yet during this evolution, but now is the time to pull together all these new ideas and to add value for all our enterprises.

Wherever there is a practical or marketing need for transparent windows, we can find a way to get cost-efficient windowing on the package, if necessary involving the other FEPE members from the machinery and adhesive businesses for a turnkey solution.

*"Many traditional envelope manufacturers have been able to change their business models, their customers, their machinery, and even their way of approaching the future."*

*Daniela Steri, Irplast*

*"Plastic is not an inherently unsustainable material! ... We're moving towards bioplastics from natural sources that will biodegrade fully and naturally in the soil, in a matter of months."*

*Eduardo Romero, Innovative Film Solutions*

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# EU paper, packaging and packaging waste legislation

At the 2022 meeting of the FEPE Marketing Committee, CITPA Director Krassimira Kazashka presented information about the latest EU policies affecting paper, packaging and packaging waste.

## FEPE-CITPA COLLABORATION

FEPE works in collaboration with the International Confederation of Paper and Board Converters in Europe (CITPA) and other organisations to monitor and – where appropriate and possible – influence EU policy in matters that may affect their respective missions and member companies.

These organisations share a common goal to monitor, inform and act on policy issues, and to speak with one voice to the EU institutions, other stakeholders and consumers.

At the 2022 meeting of the FEPE Marketing Committee, CITPA Director Krassimira Kazashka gave an update on the latest EU legislation that may affect paper, packaging and packaging waste.

## CIRCULAR ECONOMY PLAN

The EU circular economy action plan is one of the EU initiatives with a potentially major impact on FEPE members' activities and products, and on paper packaging in general. This contains a wide range of relevant initiatives.

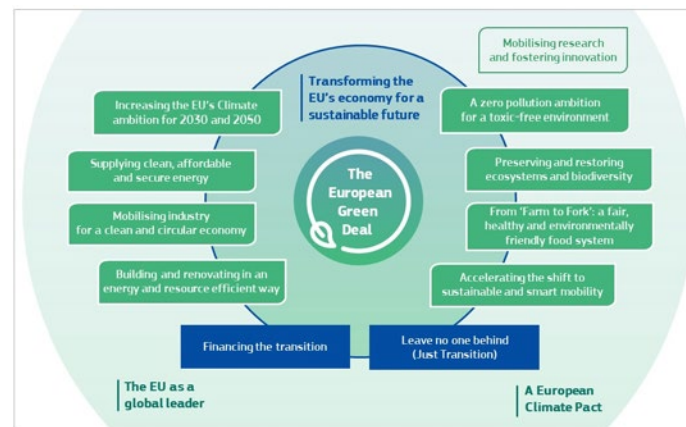
The **sustainable products policy (SPP)** will cover whether or not a product can be identified as a 'sustainable product'. In a leaked version of the initiative, there was a statement that all single-

use products would, by default, be considered unsustainable. This could have a massive impact on the business of FEPE and CITPA members whose products are single use, but recyclable. CITPA is actively engaged in trying to correct this inherent misunderstanding of what a sustainable product is. However, this policy is extremely difficult to influence as the criteria are decided internally.

The **digital product passport** would identify the information about the makeup of each product so that users across the supply chain can reuse it or treat it correctly at waste management facilities. While our members do collect relevant information, it is generally not communicated in detail to customers. Developing systematic communication could be a challenge.

The **substances of concern** initiative may have an impact in terms of raw materials, including recycled fibres, used in paper production. There is strong pressure to expand the list of substances considered hazardous and subject to bans, restrictions, limits or reporting requirements.

**Certification of carbon removal** refers to the carbon footprint. This will define the conditions for calling a product 'fossil free', 'low CO<sub>2</sub>', 'carbon neutral', etc. It is connected to the **substantiating green claims** proposal, expected in July 2022.



## EU GREEN DEAL

The EU Green Deal includes a vast number of policies, directives and initiatives that directly or indirectly may affect paper and paper packaging. From the EU forest strategy and deforestation initiatives to the EU chemical strategy, the circular economy action plan, the sustainable product initiative, the initiative on substantiating green claims and the Directive on packaging and packaging waste.

The **deforestation regulation** will define the conditions for identifying a product as 'deforestation free'.

The **Directive on single-use plastics (SUP)** affects single-use products that include plastic, such as bubble envelopes. It is likely that the next review of the directive, which will start in 2024–2025, may refocus the directive to single-use *products* rather than single-use *plastics*, as of 2027. Recent legislation in the UK connected to the EU SUP actually refers to single-use *packaging* (rather than plastics), opening the door to further legislation in the UK on single-use packaging.

## DIRECTIVE ON PACKAGING AND PACKAGING WASTE (PPWD) REVIEW

The EU Directive on packaging and packaging waste (PPWD) is under review, with a proposal expected in Q2/2022. Access to the proposal is limited, but CITPA is lobbying in cooperating with the Packaging Chain Forum.

The main threat within the PPWD is the focus on **single use**; with some exceptions, our products are not intended for reuse. There is pressure from all sides, from organisations to retailers and consumers, to reuse products and to set targets for reuse.

The question of reuse is extremely complex — what does reuse mean and how can it be verified? For example, if an ecommerce customer can return a product in the original package, does that qualify as a reusable package?

There is also a big difference between design for reusability and whether or not a product is actually reused. While the Commission wants to focus on reuse, it is very unclear how this might be monitored, reported and controlled.

CITPA is trying to engage the Commission in constructive discussion of such details, which are absolutely critical for the industry.

**Packaging waste reduction** is also a potential issue. CITPA is lobbying to put focus on reducing packaging *waste* rather than reducing packaging *per se*.

PPWD will also address overpackaging. The Commission wants to regulate on **overpackaging and void space**, particularly in the context of ecommerce.

FEPE will continue to keep its members and stakeholders up to date on these legislations. For more information, contact [secretariat@fepe.org](mailto:secretariat@fepe.org).



# PPWD — What to expect

Since January 2022, the Commission has delivered several presentations on the PPWD review. It is likely that the points below will be included in their forthcoming proposal.



- ◇ Essential requirement update = all packaging to be recyclable and packaging minimisation
- ◇ Harmonised definition of recyclable packaging. It may be a condition that at least 95% of a complete packaging (e.g. an envelope) must be *recyclable* (not *recycled*) in order for the packaging to be defined as recyclable.
- ◇ If the packaging includes different materials, they all count within the 95%.
- ◇ Harmonised extended producer responsibility (EPR) fee modulation
- ◇ Standardisation of reusable packaging and harmonised labeling
- ◇ Void space limit (proposal: 40%)
- ◇ Packaging reduction targets (5–10%)
- ◇ Mandatory reporting of recycled content for all packaging
- ◇ Labelling of recycled content
- ◇ Reporting and/or restrictions on use of hazardous substances
- ◇ Mandatory GPP\* packaging criteria for priority products

\* GPP - Green Public Procurement

# FEPE activities 2022

## ECOMMERCE STUDY

The FEPE Board has agreed that FEPE will proceed with a study on the European ecommerce envelopes market to 2027. The study will be prepared in collaboration with Smithers ([www.smithers.com](http://www.smithers.com)). The purpose is to assess and quantify the European market for envelope ecommerce packaging. It will explore the trends, preferences and future needs of consumers and retailers, and provide actionable recommendations for producers of envelope and ecommerce light packaging.

## FACHPACK 2022

FEPE will have its own booth at the FACHPACK 2022 exhibition in Nuremberg, Germany, on 27–29 September 2022. FACHPACK is a European trade fair for packaging, technology and processing and one of the most important events for our industry. For more information: [secretariat@fepe.org](mailto:secretariat@fepe.org).

## FEPE ANNUAL CONGRESS 2022

The FEPE Annual Congress, open to all FEPE members, will be held in Ljubljana, Slovenia, in September 2022. For details of FEPE membership, activities and events, see: [www.fepe.org/events](http://www.fepe.org/events).

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