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# Austrian TRIS notification 2021/262/A Federal Act amending the Waste Management Act 2002 The Brewers of Europe comments

The Brewers of Europe aims to have a positive impact on society, people and the planet. For many years Europe's brewers have encouraged sustainable practices in their brewing processes, in their supply chains, and in how beer is consumed and enjoyed.

Europe's rich range of beers comes in all sizes, shapes and varieties of packaging materials. The containers are essential for brewers to provide safe and fresh delivery of beers to their consumers. Packaging is thus an inherent, fully integrated and critical component of the beer production process. It is an ever-present part of the beer experience.

European brewers fully recognise and take their responsibility to demonstrate leadership in reducing the environmental impact of packaging along the life-cycle. The European brewing sector is a pioneer in packaging sustainability, working continuously to limit packaging volume and weight to the level necessary to maintain the required levels of safety, quality, hygiene and acceptance of the packed beer by the consumer. Efforts cover a range of different initiatives that span production, marketing, distribution, utilisation and disposal stages. They include:

- redesigning packaging to minimise use of materials and to ensure recyclability;
- reducing secondary and tertiary packaging;
- reuse of packaging;
- using lighter material;
- distributing products in bulk, where feasible and without prejudice to beer safety and quality;
- rationalising product ranges to reduce packaging;
- using recycled and recyclable packaging materials.

Packaging related legislative measures must be in line with the broader objectives for circularity and sustainable development. They must be supported by clear targets, criteria and definitions, thus ensuring a well-functioning European Union Internal Market. They must be based on reliable scientific data and respect a life cycle approach, without compromising on beer safety and beer quality.

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The proposal by which Austrian food retailers would be obligated to offer for sale 60% of beer and beer mixed beverages in reusable packaging runs counter to the requirements for legislation to be:

- proportionate;
- non-discriminatory;
- supportive of the Single Market.

## **Proportionality**

All packaging systems are linked to environmental impacts. Both reuse and one-way systems need the use of raw materials and energy resources in the stages of packaging production, filling, transport, collection, recycling and disposal. The differences in ecological impact of the various packaging systems for drinks are in a great part depending on packaging capacity (size of containers) and transport distances for distribution.

- a) The higher the capacity, the lower the specific impacts (per 1000 litre). Reuse and one-way systems with high capacity clearly reach lower impact levels than small containers made of the same packaging material. Big one-way containers can nearly reach the same values as smaller reusable glass containers
- b) With smaller distribution distances, reusable systems have less ecological impacts than light one-way systems. With increasing distribution distances this advantage is reducing. With higher distribution distances, light one-way packaging have lower ecological impacts than reusable systems.

Hence, single use packaging cannot be automatically qualified as bad packaging. When assessing the environmental impact of a beverage container and implementing policy measures, a holistic approach should be adopted and thus a full Life Cycle Assessment (LCA) implemented.

The encouragement of reuse systems, as allowed by the Packaging Directive, should not mean that single-use containers are unjustly penalized.

Austria fails to demonstrate why the introduction of a mandatory quota of 60%, much higher than for other beverages, is proportionate to its ambition to increase the percentage of reusable beverage packaging to 25% by 2025.

## Non-discriminatory

#### **Beverages**

Whilst Austria's ambition is set against the entire beverage category, some significant market segments would be exempted from a mandatory reusable packaging quota. This is discriminatory.

## Quota level

The quota threshold for beer is set at a significantly higher level than for other drinks whose consumption by far exceeds beer consumption. The level of ambition is thus not spread equally amongst the identified beverage categories.

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#### Imported products

As clarified before and also acknowledged by the European Commission in its <a href="Communication">Communication</a> — Beverage packaging, deposit systems and free movement of goods, national reuse quotas generally penalise imported products given the additional costs linked to the organisation of reuse systems and the transport distances involved. The proposed measure must therefore be assessed as a potential trade barrier.

#### State aid?

For the before reason, there is merit in assessing whether the proposed measure, albeit also challenging to domestic producers, constitutes state aid.

## **Supportive of the Single Market**

Restricting particular types of packaging at national level runs the enormous risk of undermining the entire Single Market.

Importers of beverages often use considerably more non-reusable packaging than do domestic producers to be able to compete with domestic products both pricewise and in terms of environmental footprint. Thus obligations to achieve certain quotas unduly promote domestic producers over importers and restrict the free movement of goods. This is extremely damaging to smaller producers who have only one canning line.

For the above reasons, The Brewers of Europe request Member States and the European Commission to issue a detailed opinion on the Austrian proposal.

Yours sincerely,

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