



# How to make packaging free shops go mainstream?

*Policy Briefing*

June 2020 – Zero Waste Europe

Drawing from the findings of the pioneer study<sup>1</sup> on the state of packaging free shops in Europe, Zero Waste Europe makes the case for the European Union to put in place a set of legislative and economic measures to support expanding the packaging free shops market.

## Packaging waste in Europe

The overall production of packaging and generation of packaging waste has been steadily growing over the past 10 years. In 2017, 173 kg of packaging waste was generated per inhabitant in the EU<sup>2</sup>. Also, the packaging sector is the biggest contributor to plastic waste, generating around 17.8 million tonnes in Europe in 2018<sup>3</sup>, accounting for about 60% of post-consumer plastic waste<sup>4</sup>. As statistics have shown, a real solution to packaging waste is urgently needed.

Zero Waste Europe believes that the only way to address packaging waste generation is through the adoption of measures that address primarily value preservation and not waste - in line with the waste hierarchy<sup>5</sup>. This means putting in place waste prevention measures (that are able to stop packaging waste from being produced in first place) and supporting business models that are waste-free by design, such as packaging free shops and reusable systems (e.g: deposit-return schemes).

## EU Policy Framework on packaging

The European Commission, through their Communication on the European Green Deal<sup>6</sup> and the new Circular Economy Action Plan<sup>7</sup> (CEAP), have confirmed their intention to **focus on prevention and reuse**, including the adoption of a **sustainable product legislative framework to support new business models and systems that prevent environmentally harmful products from being placed on the EU market**. Also, in the European Strategy for Plastics in a Circular Economy<sup>8</sup>, the European Commission has asserted that “by 2030, all plastics packaging placed on the EU market is reusable or easily recycled”.

Furthermore, the Waste Framework Directive (WFD) and the Packaging and Packaging Waste Directive (PPWD) have been revised in 2018 in order to provide the right support for a real system change in the economy, focusing on prevention and reuse as follows:

- Article 4 of the revised WFD states that Member States should use **economic incentives to enforce the waste hierarchy**, meaning that such measures, including extended producer responsibility (EPR) schemes, should aim at moving up the waste hierarchy which has waste prevention and reuse as preferable options.
- Article 5 of the revised PPWD obliges Member States to take measures to **increase the share of reusable packaging** placed on the market, as well as systems to reuse packaging. Such measures may include “setting up of a minimum percentage of reusable packaging placed on the market every year for each packaging stream.”

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<sup>1</sup> [Zero Waste Europe. Eunomia & Reseau Vrac - Packaging free shop in Europe. an initial report](#)

<sup>2</sup> Eurostat, 2017

<sup>3</sup> [Plastics Europe \(2019\). Plastics - The Facts 2019.](#)

<sup>4</sup> [European Commission Inception Impact Assessment Document.](#)

<sup>5</sup> For more information access: [A Zero Waste hierarchy for Europe: New tools for new times. From waste management to resource management](#)

<sup>6</sup> Communication from the Commission to the European Parliament, the European Council, the Council, the European Economic and Social Committee and the Committee of the Regions (2019). The European Green Deal. Brussels, COM (2019) 640 final, Brussels, 11 December 2019. Available at: [ec.europa.eu/communication-european-green-deal\\_en](https://ec.europa.eu/communication-european-green-deal_en)

<sup>7</sup> Circular Economy Action Plan for a cleaner and competitive Europe. Available at: [ec.europa.eu/new-circular-economy-action-plan.pdf](https://ec.europa.eu/new-circular-economy-action-plan.pdf)

<sup>8</sup> A European Strategy for Plastics in a Circular Economy. Available at: <https://ec.europa.eu/environment/circular-economy/pdf/plastics-strategy-brochure.pdf>

The Single-use Plastics Directive (SUPD) adopted in 2019, which marks a significant moment in the EU's approach to tackling the plastic waste crisis, also introduces economic incentives to reduce consumption and support the transition to reusable systems, as well as establishing high collection rates and EPR schemes.

**In fact, moving away from single-use packaging and towards waste prevention and reuse is a clear objective of European policymakers. Nevertheless, the current EU market is flooded with single-use packaging which ends up being landfilled or incinerated with great environmental and economic impacts.**

Moving the EU single market away from disposable products and reducing packaging waste generation will only happen if **the biggest barriers for waste prevention and reuse are addressed**. Making packaging-free products and reusable systems go mainstream will require **a level playing field with disposable packaging, while today the latter doesn't internalise the costs. This requires introducing appropriate and effective incentives to producers to develop new ways of bringing their products to the consumer through waste-free business models, including packaging-free shops.**

## Policy recommendations

In order to achieve the objectives stated in the CEAP and the European Green Deal, and move towards waste-free packaging systems and products, the European Commission should adopt a comprehensive strategy with a set of measures to **support upstream solutions**.

In addition to the recommendations described in the Packaging free Shops Report<sup>9</sup> to support the development of packaging free chains (through notably full cost transfer, and clarification of legislations and definitions), some other key complementary recommendations are<sup>10</sup>:

- Set an overall **cap on the amount of single-use packaging** material put on the EU market;
- **Restrict the use of some packaging** types/formats for certain applications, in particular **where reusable products or systems are possible** or consumer goods can be handled safely without packaging. The Packaging free Shops Report has shown that there are a great variety of products that can be sold in bulk, including fruits and vegetables, dairy products, dry food products (e.g. pasta, rice, grains, etc.), cleaning and cosmetics products, which are the biggest products sold by these shops.
- **Set binding sector-specific reuse/refill targets** for sectors where reuse and refill are already being explored, such as the food and beverage ones. Mandatory refill targets in the beverage sector are already in place in some countries (e.g. Germany);
- Ensure better design of packaging by:
  - Introducing **sector-specific harmonised packaging formats**, also called 'universal' packaging formats
  - **Reducing the complexity of packaging** materials (e.g: less layers, materials and polymers used);
- Introduce **minimum mandatory green public procurement (GPP) criteria and targets** for packaging; and
- Enforce the measures by requiring a **mandatory reporting mechanism** on reuse/refill targets.

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<sup>9</sup> View pages 6 and 7 of [Zero Waste Europe, Eunomia & ReseauVrac - Packaging free shop in Europe, an initial report](#).

<sup>10</sup> Further details on these recommendations are available on: [rethinkplasticalliance/5 recommendations to reinforce the Packaging and Packaging Waste Directive with prevention and reuse measures](#)

Beyond the EU level, **national measures** are critical and we believe **the transposition of the SUP Directive** is a good opportunity for Member States to go further with the inclusion of waste prevention measures and facilitate the development of reuse models by<sup>11</sup>:

- **Ensuring EPR schemes are implemented with modulation of fees covering the full end-of-life costs of all packaging, including clean-up litter costs;**
- Establishing a **dedicated fund** where at least 5% of the **EPR fees** collected are invested in **subsidies for waste prevention and reuse systems** (such as packaging free models);
- Enlarging the consumption reduction targets to other single-use packaging formats;
- Reducing or removing taxes on packaging-free and reusable/refillable products;
- Applying **deposit return scheme (DRS)** policies for beverage bottles containers, as well as for other packaging items, increasing ambition in terms of scale of coverage, and mandating reusable items within the scheme;
- Introducing **economic incentives for packaging-free and reusable products and systems to overcome barriers to entry**, such as subsidies (e.g. tax/price reduction) for packaging free/reusable models and levies or taxation for single-use packaging placed in the market; and
- Reviewing **public procurement standards** to incorporate bans on single-use items, and targets and incentives for packaging-free and reusable products.

## Background : The Packaging free Shops Report

These policy recommendations are supported by the aforementioned pioneer study on packaging free shops in Europe. It represents one of the first attempts to evaluate the state of play, and potential future growth scenarios for the packaging free shop sector in Europe.

To make it happen, Zero Waste Europe and Réseau Vrac<sup>12</sup> conducted surveys with packaging free shops across ten European countries through their network, which led to a set of findings regarding the overall packaging free shop landscape, and potential future growth scenarios, which was further developed and drawn by Eunomia Research & Consulting<sup>13</sup>.

The data collected from the survey provided a range of insights into the economic, social and environmental context of packaging free shops. The following figures (extracted from the Executive Summary)<sup>14</sup> illustrate a few of these findings:

- There is a strong increase in job growth within the sector, with modelling presenting a mean estimate of 10,000 jobs in packaging free shops across Europe in 2023<sup>15</sup> ;
- **Packaging free shops estimate to have avoided, on average, 1 tonne of packaging per year per shop**<sup>16</sup> ;
- **Estimated EU wide avoided packaging in 2023, as a result of packaging free shops, is approximately 5,500 tonnes**<sup>17</sup> ;

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<sup>11</sup> Further detail on these recommendations is available on [rethinkplasticalliance.eu/reusable\\_solutions\\_report.pdf](https://rethinkplasticalliance.eu/reusable_solutions_report.pdf)

<sup>12</sup> Réseau Vrac

<sup>13</sup> Eunomia

<sup>14</sup> Zero Waste Europe – Eunomia & Réseau Vrac – [Executive Summary – Packaging Free Shop Report](#)

<sup>15</sup> 95% confidence limits show a lower bound of 1,036 jobs, and an upper bound of 26,937 jobs.

<sup>16</sup> 95% confidence limits show a lower bound of 362kgs, and an upper bound of 1,690kgs.

<sup>17</sup> 95% confidence limits show a lower bound of 1,968 tonnes, and an upper bound of 9,185 tonnes.

- Approximately 70% of products within the shops sampled are packaging free;
- **Mean shop turnover is around €170,000**, although this does vary from country to country. There is evidence that average shop turnover has increased over the past 3 years;
- 74% of shops are located in city centres, whilst 6% are located in villages and rural areas;
- Food and drink products are the most sold, followed by cosmetic products, cleaning products and zero waste accessories;
- Packaging free shops prefer to source from closer suppliers: evidence has shown that as the distance between the shops and their suppliers increases, the quantity of goods sourced decreases.

In addition, the Packaging Free Shops Report has identified **three main barriers to upscale the packaging-free model** in Europe:

1. **Disposable packaging being effectively 'subsidised'**, because true end-of-life costs, including 'external' costs associated with mismanaged packaging (such as pollution) are not at present adequately reflected in the price of the packaging;
2. A **lack of clarity and consistency of application from regulators**, in respect of how bulk sales are defined, and practices relating to food hygiene for packaging free shops; and
3. **Supply chains not yet being fully developed** for the packaging free model, meaning they are much less efficient than the 'mainstream' supply chains for packaged goods.

Based on these barriers, the Report highlights important actions to enhance the competitiveness of packaging free supply chains and support their development, including: progress in transferring the full costs of packaging to producers (e.g. by further expanding the costs covered by EPR schemes) and improvements in clarity and consistency with regard to bulk good definitions and food hygiene regulations in the sector.

Further data and the methods applied to arrive at these estimates can be found within the full report<sup>18</sup>.

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<sup>18</sup> Zero Waste Europe – Economia & Réseau Vrac – [Executive Summary – Packaging Free Shop Report](#)

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Zero Waste Europe is the European network of communities, local leaders, experts, and change agents working towards the same vision: phasing out waste from our society. We empower communities to redesign their relationship with resources, to adopt smarter lifestyles and sustainable consumption patterns, and to think circular.

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