

A Just Transition to Reusable Packaging

NECESSARY CONDITIONS, BENEFITS AND BEST PRACTICE

Executive Summary

“A Just Transition to Reusable Packaging: Necessary conditions, benefits and best practice” looks beyond the environmental benefits of reuse and explores the potential socio-economic benefits, with a focus on the grocery retail and HoReCa (Hotel, Restaurant, Cafés) sectors.

The triple planetary crisis¹ (climate change, pollution and biodiversity loss) is now widely acknowledged as a real and existing threat to human societies. Current resource consumption levels are unsustainable, as is the amount of waste produced, and so governments, businesses, consumers and communities must increasingly adopt new models to transition from a linear to a circular economy. This includes the transition from single-use packaging (SUP) to reusable packaging, or reuse.

European Union (EU) policy is being developed to tackle these key environmental and societal concerns; however, there is limited legislation specifically in relation to reuse, and action to develop the systems required is currently falling mainly to the private sector on a voluntary basis.

The transition to reuse brings both opportunities, and challenges, for workers, businesses, consumers and communities. Therefore this study endeavours to outline conditions, criteria, and recommendations for scaling up reuse in a way that benefits all, in line with Just Transition principles.

Our research suggests that a transition to reuse for grocery retail and HoReCa could have an impact on:

→ **Businesses** - reuse offers clear potential to create new business models, deliver on environmental promises, control packaging costs and offer enhanced customer experiences. Research suggests reuse may also offer particular benefits to SMEs, the backbone of the EU economy, particularly when they can access existing pooled infrastructure.

→ **Workers** - reuse can create new jobs, including regionalised and localised jobs with the potential for greater job satisfaction, as well as the development of knowledge-based, professional and vocational skills for workers. Some jobs could be lost from the SUP sector and this should be carefully managed, applying Just Transition guidelines to support any worker who is impacted, to ensure a fair outcome for them.

→ **Consumers** - reuse offers huge benefits to consumers in terms of helping them to reduce their packaging waste. Challenges around price, accessibility and availability should be managed to ensure reuse is fairly available to all consumers, and businesses should collaborate to create standardised reusable packaging and systems in order to be able to offer the widest access. By facilitating SMEs to access the market, reuse can also provide consumers with the benefit of a broader diversity of products to choose from.



→ **Communities** - the more local reuse systems are, the better the environmental benefits. This leads to other socio-economic benefits such as local employment opportunities which, in turn, bring higher consumer spending. Additionally, spending with SMEs leads to the Local Multiplier effect, where money is retained in the local economy for longer.

However, it is unlikely that the transition to reusable packaging at scale will occur organically. A Just Transition to reuse needs targeted support through effective policy-making, and further research to ensure any decisions are based on sound evidence, including:

→ **Supportive legislative & policy frameworks** e.g. harmonised reuse targets, mandatory standardisation and a supportive legal framework to promote reuse.

→ **Supportive economic policies & incentives:**

- Access to finance: e.g. financing reuse infrastructure from ringfenced Extended Producer Responsibility (EPR) monies, supporting businesses to invest in reuse and funding capacity-building reuse associations.
- Supportive Just Transition policies: e.g. enabling social dialogue and supporting both workers and businesses.
- Leading by example: e.g. using sustainable procurement policies to support reuse.

→ **Collaboration & communication** e.g. sharing best practice, undertaking further research into infrastructure requirements, fostering cross sector collaboration and creating awareness raising campaigns for consumers and businesses.

There's also a role for social enterprises (companies that benefit society through job creation and social inclusion) to facilitate the Just Transition to reuse, and they should be supported to do so. In the context of reusable packaging, social enterprises could help guarantee a Just Transition for vulnerable groups through the development of circular skills, particularly via on-the-job training, and the development of local communities.

If managed well, a Just Transition to reusable packaging is an opportunity for grocery retail and HoReCa to be part of green recovery plans, to attract investment, and for the work of employees in these sectors to be better valued going forwards. It's also an opportunity to improve the consumer experience by putting accessibility at the forefront and ensuring reuse is designed from the start in an inclusive way, accessible by all.

