



A WPO Position Paper
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Re-usable packaging

1. Description of the loop model

The idea of the loop is simple and not completely new: a nominal amount of money is initially invested in reusable packaging and delivery system. The service provider organizes deliveries to the customer and pick-up of used packaging and the cleaning and refilling operations – together with its partners naturally.

2. History, current scenario, and position

Classic example of the loop model is a milkman driving his milk float in the streets and delivering fresh milk in glass bottles to your doorstep. These were common practices for a long time in the UK but have also existed at least in USA, Australia, and India. The loop model used to be mainstream in the UK but has since the 1970's suffered from harsh competition from super- and hypermarkets and their market share has shrunk to a few percent. There are some signs of revival, but even though relative growth can be impressive, the market share is still marginal.

There are also more recent examples like some companies, that have paired with some of the world's most well-known brand owners to bring reusable containers to households all over the world.

3. Prospects and challenges

Especially new actors that come from the recycling industry are focused on mobilizing their new materials, products, and programs; in doing so, the companies hope to transform the way we think of waste and what can be done about it. The millions of pounds of materials that companies divert from landfills and incinerators on a weekly basis effectively convert a traditionally linear disposal system to a circular one.

The challenge facing the new loop model companies at this point in development is reaching a mainstream audience wide enough to sustain its mission. Many of these companies are small. They simply have not yet become the household names they need to be if they are to effect real change on a large scale. However, these small companies have got the support. Several major brands have partnered with small companies – even start-ups – in order to work on and expand the loop model programs; these companies are not only publicly acknowledging that wasteful packaging should be left in the past but are also taking steps to bring these sustainability objectives to reality. In fact, among loop model -companies' sponsors include eight of the top 10 corporations Greenpeace has listed as the biggest contributors to throwaway plastic.

4. The loop model offers clear advantages

The loop model and companies that are reviving it, have gained lot of attention in the media and it is obvious that some players see that there is a great potential. At the same time there are also some questions that remain open.

The potential is naturally in the reuse; instead of using packaging only once, the loop model is based on reusable packaging. Both primary packaging (boxes, bottles, jars, tubs etc.) as well as secondary packaging (typically larger boxes or containers) can all be reusable especially in applications with short cycle times and return transports. Reusing packaging naturally means a potential to reduce the environmental impact caused by producing packaging materials but it must be balanced against potential impact from return transport cleaning, repair etc.

5. There are also clear disadvantages related to re-usable packaging

Reusable packaging means several usage cycles vs. single-use packaging. Recycling of single-use packaging as material is being increased by market economy. Both policies emphasizing recycling and increasing demand for recycled raw materials are making single-use packaging more compatible to circular economy compared to the situation in the past.

Reusable packaging means also that packaging needs to be returned to the fillers from the customers. In addition to picking-up the reusable packaging it needs to be cleaned and checked before reuse. All these phases cause work and impact to the environment.

Potential hygiene and safety issues are imminent. The one placing a combination of a product and its packaging is according to law also responsible for the compliance to laws and regulations. In the case of a service provider that is using standardized re-usable packaging for several different suppliers it is necessary to carefully assess and manage the risks that are involved.

Reusable packaging is often heavier and more voluminous than the single-use packaging. Increased weight and volume must be transported together with the packed product. Transporting heavier loads means bigger fuel consumption, increased emissions, and greater environmental impact.

6. WPO supports the objectives of the re-usable packaging and loop model and emphasizes need to assess the total environmental impact

WPO welcomes all new ideas related to packaging to improve system performance (e.g. logistics, marketing) and/or overall resource efficiency. WPO especially greets initiatives that target reducing of environmental impact caused by packaging directly and indirectly.

WPO supports fully the overall objective of the loop model to reduce the negative environmental impact of the single-use packaging.

WPO however strongly emphasizes the need to assess the total environmental impact of any packaging system or model – including the loop model – in pursuit of better and more environmentally sound packaging solutions. In cases of the loop model the environmental impacts caused by additional transportation of the returned empty packaging combined with cleaning and checking operations must be included in the analysis. Only after the holistic assessment of the total environmental impacts it is possible to make any firm statement about the environmental performance of the loop model compared to any other competing alternative available on the market.