

SEFA's proposals to support the European Commission's initiative to simplify Environmental Legislation (OMNIBUS)

Who we are

<u>SEFA</u> is the leading organization representing Europe's steel drum industry. Its members specialize in manufacturing steel **drums** and a range of other **industrial sales packaging** for various sectors, including lubricants, chemicals, agrochemicals, and food.

Introduction

SEFA welcomes the European Commission's initiative to simplify environmental legislation concerning the circular economy and would like to support such measures. In this letter, we therefore highlight a few points that should be considered in your initiative. As we are an association of steel drum manufacturers in the packaging sector, our proposals are primarily aimed at implementing the Packaging and Packaging Waste Regulation (PPWR).

1. Review of re-use targets in PPWR Article 29 (1)-(3)

The current re-use targets do not reflect the technical and economic reality of all packaging formats. Certain formats (e.g. drums, pails, canisters) are not always reusable, but all rigid metal packaging and closures are designed for high quality recycling rather than re-use.

Steel drums of all sizes, but also pails and canisters are in direct contact with the filling product. In many cases, this direct contact means that these formats cannot be reused, at least not for the same purpose afterwards, for example because viscous filling materials such as paints, plasters, adhesives have hardened in the packaging or the filling material (e.g. pesticides, pigments) has contaminated it. The inclusion of "the same purpose" in the definition of re-use also poses other challenges. To illustrate this, for food packaging (as well as for feed and food ingredients), there may only be the possibility of re-use outside of the food industry (for non-food contact applications) due to contamination and purity reasons. Furthermore, re-use for steel drums may also require structural changes to the drum (converting tight head steel drums to open head drums), which in a strict reading may also fall outside of the current definition of re-use. Finally, since industry works mostly within the existing and successful open loop systems, customers in for example the food industry will not be willing to work with reused products as they will not (and cannot) know the previous content of the packaging which may create unacceptable risks.

In summary, whether **steel drums** can be reused depends primarily on the filling product and secondarily on the (intended) usage by multiple economic operators within complex supply chains. This should be taken into account when clarifying the scope of application. **Also, and of critical importance, whilst re-use in principle and even the 40% target may be achievable, it makes applying 100% reuse obligations (article 29 (2 and 3) and/or defining minimum numbers of rotations impossible in practice and puts industry and the supply chain at risk.**

Importantly, whilst large drums are commonly reconditioned in the market the same is not true for small and intermediate size commercial and industrial packaging such as **pails, small steel drums or for example canisters**. This packaging is collected from end users, but there is currently **no economically viable and environmentally sound set up for re-use**. There is however a strong



demand for used steel in the market and therefore recycling is a superior solution for these steel packaging formats.

SEFA proposals:

- Waiver of 100% reuse targets in a country or within a group of companies,
- All food packaging (including feed/food ingredient) to be excluded from obligations,
- Broad interpretation of "re-use" and of "for the same purpose",
- Small format steel packaging to be recycled instead.

2. Clarifying the wording "sales packaging used for transporting products" in PPWR Article 29 (1)-(3)

Environment Commissioner Roswall rightly pointed out the need to clarify the wording "sales packaging used for transporting products".

In our view all packaging, including sales packaging and grouped packaging, also has a transport function. Even consumer packaging is also used to get content to and from a shop or supermarket. In order to ensure legal clarity in line with the objectives of the regulation, we recommend clarifying the wording "sales packaging used for transport" to the effect that only sales packaging is covered which is specifically designed to transport products. The transport function must essentially be the sole function of this packaging, to the exclusion of other functions of the packaging, in particular the handling and presentation function. This distinguishes such sales packaging for transporting products from "normal" sales packaging.

To clarify this point further, it should also be clarified that such "sales packaging used for transport" must be designed solely for transporting products between economic operators and not for delivery to an end user. If the economic operator uses the filled packaging in its operations, in its factories or on its production line, this means that this economic operator is an end user, and we are speaking about 'normal' sales packaging that is therefore not covered by article 29.

SEFA proposals:

- only sales packaging covered which is specifically designed to transport products,
- designed solely for transporting products between economic operators.

SEFA is pleased to make its expertise available to the European Commission to support it in its work to simplify Environmental Legislation. Please feel free to contact us if our proposals are unclear or you require further detail.

Duesseldorf, 8th September 2025