

## Six ways to tackle the plastic puzzle in food packaging

More than 8 million tonnes of plastic is used to pack food in Europe alone and the number is growing. Consumers say plastic waste is one of their most pressing environmental concerns and they're urging food companies to reduce or improve packaging. But it's not that simple. [Download the full report here](#)



### Plastic food packaging equals weight of 6 million cars

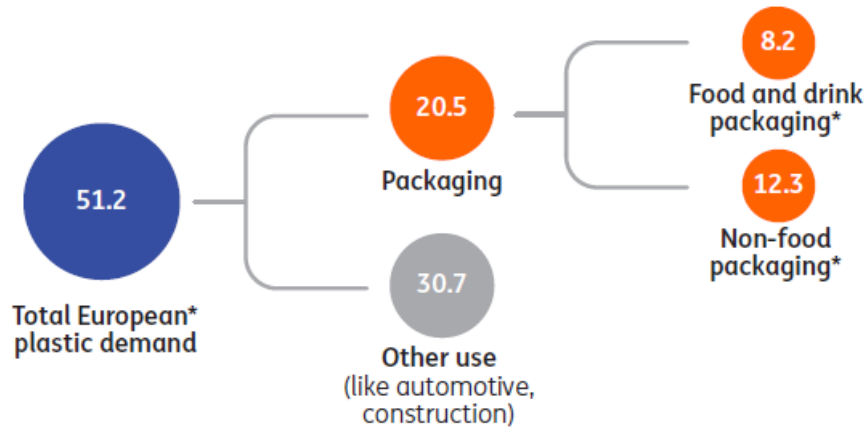
Plastic food and drink packaging forms a substantial part of European plastic use. According to calculations made by ING, European companies use over 8 million tonnes of plastic to produce food and drink packaging. This is roughly the weight of 6 million new cars. Plastic is a popular packaging material because it is light, flexible and inexpensive compared to other packaging materials, such as cardboard, can or glass. It also improves food safety and shelf life and offers ease of transport and consumer convenience.

At the same time, plastic packaging contributes to environmental problems as it is made from oil and gas and hardly decays when ending up as litter. Because only part of all plastic waste is

recycled, valuable raw materials are lost and the incineration of plastic waste for energy generation leads to CO2 emissions. In Europe, packaging accounts for 60% of all plastic waste and the total amount of plastic packaging waste is growing by 2% each year.

## Packaging accounts for a substantial part of the demand for plastic...

Plastic demand by segment, 2018, million metric tonnes



Source: Plastics Europe, Europe is EU28, Norway and Switzerland.

\* ING estimates, based on the assumption that 40% of all plastic packaging is used for food and drink packaging

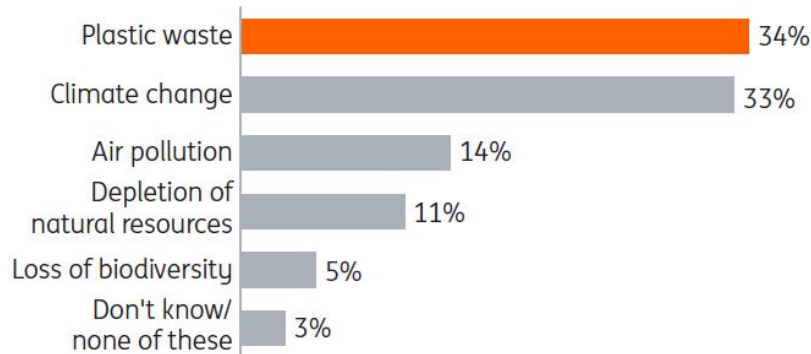
## Europeans put plastic waste on a par with climate change

In the eyes of European consumers, plastic waste is one of the most pressing environmental problems, as a recent ING survey among 13.000 international respondents points out. Both plastic waste (34%) and climate change (33%) are considered key problems for the environment while air pollution (14%), depletion of natural resources (11%) and loss of biodiversity (5%) score significantly lower. In the survey, people say they throw away an estimated three pieces of plastics waste daily, which makes it a very tangible problem they face every day.

## Plastic waste and climate change a top consumer priority

### Plastic waste and climate change are considered as the most pressing environmental problems

Question: What do you see as the most pressing problem for the environment? % of respondents



Source: ING International Survey

## Plastic food packaging is expected to grow

Paradoxically enough, despite consumer sentiment towards plastic, the total use of plastic food packaging in Europe is expected to increase further in the coming years due to three reasons: First are demographic trends such as population growth and the increase in number of households. Second are trends in consumer behaviour, such as the rise of convenience products like pre-cut fruit and vegetables and products aimed at to-go consumption. Third is that plastic packaging is gaining ground in several areas of the supermarket to prevent food waste or to replace other materials like glass, cans or cardboard.

### The use of plastic packaging is on the rise due to:



More people and more households



More convenience products



More plastic instead of other materials

## Six ways to tackle the plastic puzzle

Due to the environmental impact and the negative sentiment among consumers, more and more food manufacturers and retailers are striving for less packaging material and better plastic packaging. ING's research suggests six ways to tackle the problem:

1. lighter packaging, which requires less plastic;
2. the use of recycled material or omitting the packaging altogether;
3. improving recyclability by modifying the packaging and investing in the recycling system;

4. the use of bio-based and biodegradable plastic;
5. more re-useable packaging; and
6. switching to other materials such as cardboard, can or glass.

No one-solution-fits-all There is no one-solution-fits-all, however. Omitting packaging, for example, can lead to food waste and bio-based plastic made from food crops requires more arable land. Cardboard, cans and glass also come with their own environmental challenges and therefore often mean transferring the problem. No single solution is sufficient on its own to remedy the plastic problem making combinations of multiple solutions necessary if food companies want to tackle the plastic puzzle.

**This article condenses the main points of our major report, 'Plastic packaging in the food sector; Six ways to tackle the plastic puzzle' which you can download [here](#)**

## Author

### Thijs Geijer

Senior Sector Economist, Commodities, Food & Agri

[thijs.geijer@ing.com](mailto:thijs.geijer@ing.com)

## Disclaimer

This publication has been prepared by the Economic and Financial Analysis Division of ING Bank N.V. ("ING") solely for information purposes without regard to any particular user's investment objectives, financial situation, or means. *ING forms part of ING Group (being for this purpose ING Group N.V. and its subsidiary and affiliated companies).* The information in the publication is not an investment recommendation and it is not investment, legal or tax advice or an offer or solicitation to purchase or sell any financial instrument. Reasonable care has been taken to ensure that this publication is not untrue or misleading when published, but ING does not represent that it is accurate or complete. ING does not accept any liability for any direct, indirect or consequential loss arising from any use of this publication. Unless otherwise stated, any views, forecasts, or estimates are solely those of the author(s), as of the date of the publication and are subject to change without notice.

The distribution of this publication may be restricted by law or regulation in different jurisdictions and persons into whose possession this publication comes should inform themselves about, and observe, such restrictions.

Copyright and database rights protection exists in this report and it may not be reproduced, distributed or published by any person for any purpose without the prior express consent of ING. All rights are reserved. ING Bank N.V. is authorised by the Dutch Central Bank and supervised by the European Central Bank (ECB), the Dutch Central Bank (DNB) and the Dutch Authority for the Financial Markets (AFM). ING Bank N.V. is incorporated in the Netherlands (Trade Register no. 33031431 Amsterdam). In the United Kingdom this information is approved and/or communicated by ING Bank N.V., London Branch. ING Bank N.V., London Branch is authorised by the Prudential Regulation Authority and is subject to regulation by the Financial Conduct Authority and limited regulation by the Prudential Regulation Authority. ING Bank N.V., London branch is registered in England (Registration number BR000341) at 8-10 Moorgate, London EC2 6DA. For US Investors: Any person wishing to discuss this report or effect transactions in any security discussed herein should contact ING Financial Markets LLC, which is a member of the NYSE, FINRA and SIPC and part of ING, and which has accepted responsibility for the distribution of this report in the United States under applicable requirements.

Additional information is available on request. For more information about ING Group, please visit <http://www.ing.com>.