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Stable supply of food, pharmaceuticals, and medicals under threat

Ongoing tension in polymer markets worry European Flexible Packaging manufacturers

There has been tension in the polymer market for some time which is very concerning for the members of Flexible Packaging Europe (FPE). Deliveries of all relevant polymers to the industry continue to be unpredictable in terms of volumes and time of delivery and therefore jeopardize many production plans. Converters are seriously affected as they have difficulties to supply finished products to meet their customers' order requirements. In particular, the food and beverage sectors rely on the safe supply of packaging materials to meet the continuous high demand of retailers and ultimately end-consumers.

The concentration of 'force majeure' declarations or 'maintenance' announcements by the leading polymer manufacturers in Europe created sudden and significant shortages along with unjustified price increases in the supply chain by the polymer manufacturers. The indications in recent weeks show that the situation will likely continue for some months, if not worsen further.

Guido Aufdemkamp, FPE's Executive Director, commented on the ongoing situation: "The polymer industry should not take the end-consumer hostage during these difficult times of the coronavirus pandemic in which the entire population is so dependent on the safe and stable supply of food and hygienic products as well as medical and pharmaceutical goods. We call on the polymer industry to do their utmost cooperating with their customers to solve this unfortunate situation."

In Europe almost half of the Fast-Moving Consumer Goods (FMCG), excluding beverages, are packed with flexible packaging. Examples include all kinds of packaged foods, pet food, personal and household care products. Almost two thirds of the materials used for flexible packaging are plastics. The ongoing unstable supply combined with the pressure by legislators and consumers in terms of sustainability increases attempts for material substitution.

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Flexible Packaging Europe's (FPE) members manufacture all types of flexible packaging. FPE comprises more than 80 small and medium sized companies as well as the major European producers of flexible packaging for all materials. These companies cover more than 85% of the European flexible packaging turnover. Also, six national flexible packaging associations are members of FPE ensuring consistency between national and European activities and lobbying. www.flexpack-europe.org