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### **Product Risk Radar**

# EU Packaging and Packaging Waste Regulation

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### An update

On 4 March 2024 the Council of the European Union and the European Parliament reached a provisional political agreement on the new Packaging and Packaging Waste Regulation (the "**Regulation**"), which will replace the current <u>Packaging and Packaging Waste Directive 94/62/EC</u>. The Regulation aims to reduce packaging waste and introduces a range of sustainability measures including a requirement for all packaging to be recyclable by 2030.

The Regulation is an integral part of the European Green Deal and the EU Circular Economy Action Plan and is seen as key to helping the EU transition to a more sustainable and resource-efficient economy. Crucially, the Regulation contains progressive targets for reducing packaging waste, requiring Member States to achieve, as compared to 2018, a 5% reduction by 2030, a 10% reduction by 2035 and a 15 % reduction by 2040.

### What are the key features of the agreed Regulation?

Sustainability and manufacturing requirements include:

- All packaging must be recyclable by 1 January 2030.
- Minimum percentage requirements for recycled content in plastic packaging will be required from 1
  January 2030, increasing substantially from 1 January 2040. However, exemptions were agreed for
  compostable plastic packaging and packaging whose plastic component represents less than 5% of the
  packaging's total weight from those targets.
- Restrictions on certain chemicals (including PFAS) being used in food contact packaging.
- Certain packaging items (including labels on fruit, very lightweight plastic bags, and tea and coffee bags or pods) will need to be compostable 2 years after the Regulation comes into force.
- Empty space in packaging has to be reduced to the minimum necessary, with a maximum empty space ratio of 50% for transport and e-commerce packaging used to group multiple products. With exceptions, manufacturers and importers are to ensure that the weight and volume of packaging are minimised.

Labelling, marking and information requirements include:

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- Requirements to display information relating to material composition.
- Labelling packaging with a digital data carrier (such as a QR code) containing information on its reusability, and enabling packaging to be tracked.

Packaging manufacturers will need to draw up an EU Declaration of Conformity confirming that packaging complies with the applicable sustainability and labelling requirements.

Re-use targets and re-fill obligations include:

- Minimum percentage targets for the re-use of a number of types of packaging by 2030 with indicative
  targets for 2040. These targets cover certain types of transport and sales packaging, grouped packaging
  as well as sales packaging for alcoholic and non-alcoholic beverages (with exclusions for wines, milk and
  certain other beverage types). Note, cardboard packaging is generally exempted from the aforementioned
  requirements.
- An obligation for take-away businesses to offer customers the possibility to bring their own food and beverage containers to be filled at no extra charge.
- An obligation for take-away businesses to endeavour to offer 10% off products in re-usable packaging from 2030.

Deposit return systems ("DRS") include:

Requirements for member states to set up a deposit return system and collect at least 90% of single-use
plastic bottles and metal beverage containers by 2029. An exemption applies to a member state if they
reach a separate collection rate of above 80% in 2026 and if they submit an implementation plan with a
strategy for achieving the overarching 90% separate collection target.

Restrictions on certain packaging formats include:

 Restrictions on certain types of single-use plastic packaging, including for fruit and vegetables, food and beverages, condiments within the HORECA sector, for small cosmetic and toiletry products used in the accommodation sector (e.g. shampoo or body lotion bottles), and for very lightweight plastic bags (e.g. those offered at markets for bulk groceries). These restrictions will add to the restrictions on single use plastic already provided in the Single Use Plastics Directive.

Member States will be subject to enhanced targets to reduce the amount of packaging waste generated per person compared to 2018 to achieve reductions of 5% by 2030, 10% by 2035, and 15% by 2040.

### Why is this important?

The proposal considers the full life cycle of packaging, therefore all packaging placed on the EU market will be caught by the Regulation with different obligations applicable to packaging manufacturers, suppliers, importers, distributors, and fulfilment service providers. This Regulation will be relevant to any business selling packaged goods.

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#### **Next Steps**

The agreed text was formally approved by the European Parliament on 24 April and now needs to be approved by the European Council before it can be published in the Official Journal and enter into force. The Regulation will become applicable from 18 months after the date of entry into force.

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