

Voluntary Report – Voluntary - Public Distribution

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Report Name: European Union Finalizes New Rules for Packaging and Packaging Waste Reduction

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Prepared By: Sophie Bolla

Approved By: Joseph Taylor

Report Highlights:

In March 2024, the Council of the European Union and European Parliament concluded negotiations on the EU's Packaging and Packaging Regulation. The current text is going through a legal review but is now de-facto final and is expected to be formally adopted in the coming months. The Regulation introduces waste reduction targets and requires that all packaging placed on the EU market is recyclable and carries recycling labeling. The Regulation also introduces new requirements for packaging minimization, minimum recycled content in plastic packaging, re-use targets for packaging, and bans certain packaging formats.

On November 30, 2022, the European Commission published [its proposal](#) for a Packaging and Packaging Waste Regulation (PPWR) as part of the European Green Deal¹.

In March 2024, the European Commission, the European Parliament, and the Council of the European Union reached a political agreement on the proposal. The [Regulation](#) was adopted in April 2024 by the European Parliament.

General Requirements

The PPWR requires each Member State to progressively reduce the packaging waste generated per capita compared to a 2018 baseline level by at least 5 percent by 2030, 10 percent by 2035 and 15 percent by 2040.

The PPWR also details recycling targets of packaging waste that Member States must meet:

Recycling targets by December 31, 2025 (by weight)	Recycling targets by December 31, 2030 (by weight)
65% of all packaging waste	70% of all packaging waste
50% of plastic	55% of plastic
25% of wood	30% of wood
70% of ferrous metals	80% of ferrous metals
50% of aluminum	60% of aluminum
70% of glass	75% of glass
75% of paper and cardboard	85% of paper and cardboard

To reach those objectives, the PPWR introduces requirements over the entire life cycle of packaging. The PPWR also mandates that all packaging placed on the EU market is recyclable.

This report looks at some of the requirements that will impact U.S. exports of agricultural commodities and processed food and beverages to the European Union. Please note that the information contained in this report is based on a preliminary review of the current text of the Regulation. It should not be viewed as a definitive reading of the rules in question or of the implications for U.S. agricultural trade interests. Import approval for any product is subject to local rules and regulations as interpreted by Member State officials at the time of import.

Definitions

The Regulation establishes definitions that will create new requirements for products that are placed on the EU market. Please find below a non-exhaustive list:

Packaging is defined as “an item, irrespective of the materials from which it is made, that is intended to be used by an economic operator for the containment, protection, handling, delivery or presentation of

¹ For more information about the Commission’s proposal, please see GAIN Report [European Commission Proposes New Rules on Packaging and Packaging Waste](#).

products to another economic operator or to an end-user and that can be differentiated into packaging formats based on its function, material and design, including:

[..]

(f) permeable tea, coffee or other beverage bags or soft after-use system single-serve units that contain tea, coffee or other beverage and are intended to be used and disposed of together with the product;

(g) non-permeable coffee, tea or other beverage system single-serve unit intended for use in a machine and which is used and disposed of together with the product;”

Transport packaging is defined as “packaging conceived so as to facilitate handling and transport of one or more sales units or a grouping of sales units, in order to prevent damage to the product from physical handling and transport, but excluding road, rail, ship and air containers.”

Compostable packaging is defined as “packaging that biodegrades or is capable of undergoing biological decomposition, combined, if necessary, with physical treatment, only in industrially controlled conditions, including anaerobic digestion, resulting ultimately in conversion into carbon dioxide or in the absence of oxygen, methane, mineral salts, biomass and water and does not hinder or jeopardize the separate collection and the composting and anaerobic digestion process.”

Harmonization of Rules across the Member States

The PPWR updates a 1994 Directive and aims to harmonize the growing fragmentation of packaging rules in the European Union that have become internal trade barriers that disrupt the single market.

The Regulation lays down the principle of free movement within the single market for packaging to ensure that sustainability and labeling requirements are met throughout the EU. Indeed, Member States cannot prohibit, restrict, or impede the placing on the market of packaging that complies with the sustainability, labeling, and information requirements set out in the Regulation.

Additionally, in case some Member States choose to maintain or introduce additional national sustainability or information requirements, those requirements shall not conflict with those laid down in the PPWR. Member States shall not prohibit, restrict, or impede the placing on the market of packaging that complies with the requirements under the Regulation for reasons of non-compliance with those national requirements.

Labeling requirement

The PPWR requires that all packaging be marked with an EU-harmonized label containing information on its material composition to facilitate consumer sorting. The Commission is tasked with the establishment of this label and the specifications for the labeling requirements and formats, including when provided through digital means, for the labeling of packaging through an implementing act.

Except for e-commerce packaging, this requirement does not apply to transport packaging or packaging part of a deposit and return system.

Additionally, reusable packaging shall also bear a label informing users that the packaging is reusable.

Please note that the information contained in the labels and QR code or other types of digital data carrier shall be made available in one or more languages which can be easily understood by end users as determined by the Member State in which the packaging is to be made available on the market.

Rules that Specifically Impact the Food and Beverage Sector

While many provisions will impact all economic sectors, the PPWR will particularly impact the food and beverage sector. Please find below information on some of the requirements. Please note this is not an exhaustive list.

Packaging Minimization

The PPWR aims to minimize the weight and volume of packaging. Therefore, by January 1, 2030, manufacturers or importers will need to ensure that the packaging placed on the EU market is designed so that its weight and volume is reduced to the minimum necessary for ensuring its functionality taking account of the shape and material of the packaging. Annex IV lays down the methodology for packaging minimization assessments. Packaging with characteristics that are only aimed to increase the perceived volume of the product, including double walls, false bottoms, and unnecessary layers will not be allowed.

However, there is an exemption to the packaging minimization requirement if:

- the packaging design is protected by a Community design;
- the packaging design is protected by design rights;
- the shape of the packaging is a trademark;
- the packaged product or beverage belongs to geographical indications protected under Union legislation including Regulation (EU) No 1308/2013 for wine and Regulation (EU) 2019/787 for spirit drinks;

This exemption applies only to design rights and trademarks protected by the date of entry into force of the Regulation.

Minimum Recycled Content in Plastic Packaging

The PPWR requires that as of January 1, 2030, any plastic part of packaging placed on the market shall contain a minimum percentage of recycled content recovered from post-consumer plastic waste, per packaging type and format.

From January 1, 2030	From January 1, 2040
30 % for contact sensitive packaging, except single use beverage bottles, made from polyethylene terephthalate (PET) as the major component;	50 % for contact sensitive packaging, except single use beverage bottles, made from polyethylene terephthalate (PET) as the major component
10 % for contact sensitive packaging made from plastic materials other than PET, except single use plastic beverage bottles	25% for contact sensitive packaging made from plastic materials other than PET
30 % for single use plastic beverage bottles	65 % for single use plastic beverage bottles
35 % for all other plastic packaging	65 % for all other plastic packaging

The Regulation requires that recycled content recovered from post-consumer plastic waste needs to comply with strict requirements if recycled in the EU. The Regulation also requires that plastic content recycled in an installation located in a third country needs to follow the same sustainability criteria as in the EU. The European Commission is tasked with a deadline of January 1, 2026, to establish the methodology for assessing, verifying, and certifying, including through third-party audit, the equivalence of the rules applied in case the recycled content recovered from post-consumer plastic waste is recycled or collected outside the EU.

Re-Use Targets for Packaging

The PPWR aims to increase the re-use of packaging in the European Union. Therefore, it introduces re-use targets for some categories of packaging:

Product	% of such packaging is reusable within a system for re-use from Jan 1, 2030	% of such packaging is reusable within a system for re-use from Jan 1, 2040
Transport packaging used within the EU <u>Exemptions:</u> <ul style="list-style-type: none"> ○ Packaging in flexible format in direct contact with food, feed, and food ingredients ○ Cardboard boxes 	40%	70%
Grouped packaging in the form of boxes <u>Exemptions:</u> <ul style="list-style-type: none"> ○ Cardboard boxes 	10%	25%
Alcoholic and nonalcoholic beverages <u>Exemptions:</u> <ul style="list-style-type: none"> ○ Beverages carrying a “use-by” date ○ Milk and milk products ○ Wine ○ Spirits 	10%	40%

Specific Forbidden Packaging Format

The PPWR bans certain packaging in the formats and for the purposes listed in Annex V to the proposal. Please find below a non-exhaustive list of banned packaging formats starting from January 1, 2030:

	Packaging format	Restricted use	Illustrative examples
1.	Single-use plastic grouped packaging	Plastic packaging used at the point of sale to group goods sold in bottles, cans, tins, pots, tubs, and packets designed as convenience packaging to enable or encourage consumers to purchase more than one product. This excludes grouped packaging necessary to facilitate handling	Collation films, shrink wrap
2.	Single use plastic packaging for unprocessed fresh fruit and vegetables	Single use plastic packaging for less than 1.5 kg pre-packed fresh fruit and vegetables. Please note that Member States may set up exemptions to this restriction if there is a demonstrated need to avoid water loss, or turgidity loss, microbiological hazards or physical shocks, oxidation, or if there is no other possibility to avoid commingling of organic fruits and vegetables with non-organic fruits and vegetables in compliance with requirements in regulation EU 2018/848, on certification or labeling, without entailing disproportionate economic and administrative costs.	Nets, bags, trays, containers
3.	Single use plastic packaging	Single use plastic packaging for foods and beverages filled and consumed within the premises in the HORECA sector, which include all eating areas inside and outside a place of business, covered with tables and stools, standing areas, and eating areas offered to the end users jointly by several economic operators or third party for the purpose of food and drinks consumption.	Trays, disposable plates and cups, bags, boxes
4.	Single use plastic packaging for condiments, preserves, sauces, coffee creamer, sugar, and seasoning in	Single use plastic packaging in the HORECA sector, containing individual portions or servings, used for condiments, preserves, sauces, coffee creamer, sugar and seasoning, except	Sachets, tubs, trays, boxes

	HORECA sector	in the following cases: a) such packaging is provided together with take-away ready-prepared food intended for immediate consumption without the need of any further preparation; b) such packaging is required to ensure safety and hygiene in establishments where there is a medical requirement for individualized care, such as hospitals, clinics, nursing homes.	
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The Commission is required to publish guidelines within 24 months from the entry into force of the Regulation to explain in more detail Annex V, including examples of the packaging formats in scope, any exemptions to the restrictions, and provide an exemplificative list of fruits and vegetables excluded from point 2.

Specific requirements for tea bags, coffee pods and fruit stickers

Within 36 months following the entry into force of the Regulation, the following products shall be compostable in industrially controlled conditions in bio-waste treatment facilities and shall be compatible, when required by the Member States, with home composting standards:

- sticky labels attached to fruit and vegetables.
- permeable tea, coffee or other beverage bags or soft after-use system single-serve units that contain tea, coffee or other beverage.

Use of per- and polyfluorinated alkyl substances (PFAS) in food contact materials

The Regulation includes a ban on the use of per-and polyfluorinated alkyl substances (PFASs) above certain thresholds in food contact packaging. The thresholds are laid down in Article 5 of the Regulation. This ban will enter into force 18 months after the entry into force of the Regulation.

Next Steps

The text of the Regulation is expected to be formally adopted by the Council sometime before the summer of 2024. Following formal adoption, the text will be published in the Official Journal of the European Union. It will enter into force 20 days after publication and will start to apply 18 months after the entry into force.

Attachments:

No Attachments.