



### Questions & Answers on the Regulation on Packaging and Packaging Waste

Brussels, 30 November 2022

#### Why do we need to act on packaging and packaging waste?

Packaging has a big impact on the environment. It is one of the main users of virgin materials, its waste pollutes air and soil and it makes up about half of marine litter. Even though recycling rates have increased in the EU, the amount of waste generated is growing faster than the actual recycling, with a more than 20% increase over the last 10 years, in particular from single-use packaging. Without further measures, the volume of plastic waste generated would increase by 46% by 2030 and 61% by 2040 compared to 2018<sup>[1]</sup>.

Packaging production and packaging waste management is an economically complex and important sector, generating a total turnover of €370 billion in the EU. As such, it has a significant role and potential in transforming Europe into a clean, sustainable, circular economy, in line with the [European Green Deal](#).

The current [Directive on packaging and packaging waste](#) introduced in 1994 did not succeed in reducing the negative environmental impacts of packaging. These include wasteful overpackaging; increasing amounts of non-recyclable packaging within the packaging mix; confusing labelling that makes it difficult for consumers to sort; and very low uptake of recycled content in plastic packaging which means huge loss of valuable resources.

#### How will the proposal contribute to European Green Deal objectives related to tackling climate change, reducing pollution and enhancing the circular economy?

Using materials more efficiently, by boosting the use of recycled materials instead of primary raw materials, and by supporting the circular economy will help decouple economic growth from natural resource use, contribute to achieving climate neutrality by 2050 and to halting biodiversity loss. It will also reduce our dependencies on raw materials and fossil fuels, strengthen our competitiveness and foster our open strategic autonomy, making the EU economy more resilient to disruptions in global value chains.

Applying all the measures in the proposal would bring GHG emissions from packaging in 2030 down to 43 million tonnes, compared to 66 million tonnes in the business-as-usual scenario. It would bring the sector on track for climate neutrality by 2050 and in line with the objectives of the European Green Deal for zero pollution for 2050. Water use would be reduced by 1.1 million m<sup>3</sup>. The costs of environmental damage for the economy and society would be reduced by €6.4 billion relative to the baseline 2030.

The measures on recycled content alone can reduce fossil fuel requirements of the EU by 3.1 million tonnes per year (about ¼ of the fossil fuel needed currently for plastic packaging production).

In addition, the proposal aims to improve recyclability of packaging, which would contribute to the increase of the overall packaging recycling rate from 66.5% in 2018 to 73% in 2030 (landfill is decreased from 18.7% to 9.6%).

#### What will consumers notice from this proposal?

Recyclability of all packaging, including through new design standards, will allow consumers to play an active role in waste reduction.

The proposal will also ensure that consumers can have some products in reusable or refillable packaging or without any packaging at all. To that end, the proposal includes mandatory reuse or refill targets and also bans of certain types of unnecessary packaging (e.g. single-use packaging for fruits and vegetables, single use packaging in restaurants and cafes when consumers eat in their

premises, single use miniature packaging in hotels).

Consumers will also get clear labels, which will make it easier for them to recycle waste. Very often, consumers do not know which packaging belongs to which recycling bin. The proposal will clear up this confusion, as every piece of packaging will carry a label showing what the packaging is made of and in which waste stream it should go. Waste collection containers will carry the same labels. The same symbols will be used everywhere in the EU.

To foster reuse or refill of packaging, mandatory EU-wide targets will apply for companies to reuse or refill packaging, for example takeaway meals or drinks. There will also be some standardisation of packaging formats and clear labelling of reusable packaging.

The proposal also envisages mandatory deposit return systems for plastic bottles and aluminium cans.

### **How does the proposal help small and medium companies?**

The proposed measures were specifically screened for impacts on SMEs. Packaging is a developing and innovative market, and SMEs are well positioned to succeed in the green transition. The proposed measures will give them predictability and legal certainty, allowing for technological progress, and reducing costs through more consistent EU-wide rules in the packaging sector.

Where significant negative impacts were expected, the proposal suggests SME exemptions, for the reuse targets or ban of single use packaging in restaurants. The Commission will also produce a guidance to help SMEs comply with the new rules.

The proposed measures should also result in the creation of 600,000 low and high-skilled jobs in innovative small and medium sized companies. The jobs would be in logistics, maintenance of infrastructure for take-back, dispensing and refill in retail, as well as in the design of packaging and supply chains.

### **How does the new regulation aim to tackle packaging waste?**

Waste prevention is at the heart of the proposed packaging and packaging waste rules. The overarching measure to stop the rising trend of packaging waste generation is a reduction target of 15% by 2040 per capita per Member State, compared to the 2018 figures. This would lead to an overall waste reduction in the EU of some 37% compared to a scenario without changing the legislation. The target will be reached progressively (5% reduction compared to 2018 figures by 2030 and 10% by 2035).

To achieve this target, the regulation proposes measures on EU level such as more reuse and refill, packaging minimisation, and banning avoidable packaging for certain uses such as shampoo bottles and other miniature packaging in hotels or single-use packaging when consumers eat within the premises of a restaurant or cafe. These will need to be complemented by further national measures, which Member States will decide. The proposal suggests for example deposit and return schemes for reusable packaging, economic incentives such as a charge for single-use packaging or information to consumers on the cost of packaging of a products, as well as obligations on companies to make certain additional products available through reuse or refill systems, e.g. detergents or other products, on which the proposal does not propose mandatory targets.

### **How will the proposed measures address plastic packaging?**

Three key proposed actions address the use of plastics for packaging:

- Fostering multi-use packaging to substitute single use plastic packaging. The impact assessment shows that, even if the multiuse packaging is produced from plastic heavier than the single-use packaging (paper, plastic or otherwise), there will be an overall significant reduction of waste and negative environmental impacts.
- Banning certain types of wasteful packaging, most of which is single-use plastics (such for example single-use hotel miniature packaging for shampoo, grouped packaging of beverage cans, single-use packaging in restaurants and cafes).
- Mandatory inclusion rates of recycled plastic in new plastic packaging. This will help closed loop for recycling, turn plastic waste into a valuable resource and reduce the use of primary natural resources, both fossil and biobased resources.

## **How will the proposal foster reuse and refill of packaging? \***

In the absence of regulation and policies to protect re-use and refillable markets across the EU, there has been a steep decline in reusable packaging over the past 20 years<sup>[2]</sup>. The Commission proposes strong measures to redress this:

- Mandatory, EU-wide targets for companies to ensure that parts of their products are provided in reusable or refillable packaging. This is proposed for sectors where this makes most sense. By 2030, 20% and by 2040 80% of cold and hot beverages will have to be filled to a container that is part of a reuse system, or enable consumers come with their own container for refill. Retailers of beer, for instance, would have to sell 10% of their goods in refillable containers by 2030 and 25% by 2040. For take-away prepared meals from restaurants, the targets would be 10% in 2030 and 40% in 2040. 10% of e-commerce packaging for transport will have to be reusable by 2030 and 50% of it by 2040.
- Some standardisation of reusable packaging formats, for instance beverage bottles, and clarifications about the design of reuse and refill systems based on best practices.
- Labelling of reusable packaging (i.e. pictograms to indicate reuse option) helping consumers make informed choices.

Based on the Commission's research, these targets are in line with citizens' expectations and will give the packaging sector the legal certainty and time for the necessary adaptations in the supply chain. The Commission also proposes exemptions from these targets, for example for very small shops.

Member States will have to take measures to encourage setting up reuse and refill systems and take additional measures, such as deposit and return schemes for reusable packaging, economic incentives, obligations on companies to make certain additional products available through reuse or refill systems, e.g. detergents or other products, on which the proposal does not propose mandatory targets.

## **How will the proposal help remove barriers to packaging?**

One of the key objectives of the initiative is to make all packaging recyclable by 2030 in an economically viable way. The main measure to increase recyclability is to set design criteria that all packaging will have to comply with to make sure it is recyclable. This applies to all packaging materials and it will be complemented by a verification system that the packaging placed on the market is recyclable. This will both help increase the overall recycling rate and is also a precondition to turn recycled packaging into a high-quality secondary raw material for making new products.

In addition, concerning plastics, in the majority of Member States the recycling rates for plastic waste are low and the recycled waste is only used in low quality applications. To create an attractive market for the secondary raw materials, the proposal sets mandatory inclusion rates of recycled plastic in new plastic packaging. Such legal targets can turn plastic waste into a valuable product, as shown by our experience with recycled content targets for PET bottles that are mandated by the EU Single-Use Plastics Directive.

## **How will the proposal improve the safety of packaging, especially in food?**

The proposal contains several measures to address the impacts of harmful substances (e.g. heavy metals) on human health and the environment over the whole life cycle of packaging, from manufacture to use until end of life.

The most harmful substances will ultimately be phased out in the EU in packaging for consumer products. Other 'substances of concern' found in the packaging material will be minimised to so that packaging and materials recycled from packaging have no bad impact on human health or the environment throughout their lifecycle.

Reuse obligations will apply to sectors selected after in-depth consultations, considering that the multi-use option meets the functional requirements of containment/tidiness, health/hygiene, and safety.

Existing specific legislation on food safety, for example on food contact materials, or hygiene standards will also be fully applied to all packaging, whether for single or multi-use.

## **How will the proposal help with sorting packaging waste?**

The proposal will clear up confusion on which packaging belongs to which recycling bin. Every piece of packaging will carry a label, likely in form of the same pictogram across the EU, showing what the packaging is made of and in which waste stream it should go. Waste collection containers will carry the same labels. That way, it will be immediately clear where to put which type of packaging, with the same symbols used everywhere in the EU. Moreover, the confusion about the correct disposal of biodegradable plastics will be overcome as a very small list of products will be designed for composting and the rest should go into material recycling.

## **How will the new rules affect companies manufacturing packaging and those managing packaging waste?**

The transition to a more sustainable packaging sector implies structural changes. Jobs in producing single-use packaging will decrease significantly, but many more new jobs will be created in multi-use packaging systems and recycling. Overall, according to the Commission's economic modelling, the new packaging system could result in approximately 600,000 new jobs in reuse by 2030. In financial terms, economic savings of about €47.2 billion in the EU are expected. On average, each EU citizen could save 100 euros per year, if the savings are transferred to consumer level.

## **What will the proposal mean for international trade partners?**

The measures would apply equally to domestic and imported products. European and non-European producers would face the same requirements.

As the proposed initiative will aim at further harmonisation, it will also facilitate imports from outside the EU, which will not have to comply with diverging requirements amongst the Member States. Third countries (most recently Canada, the US and South Korea), as part of the regular discussions on technical barriers to trade, have underlined their desire to have more harmonisation in Europe – in particular for labelling and rules for single-use packaging. They have also signalled that the current different regimes in the EU countries lead to unnecessary costs for their businesses operating in Europe.

## **For More Information**

[Press release](#) on Circular Economy Proposals

[Questions and Answers](#) on Biobased Plastics

[Factsheet](#) on Packaging and Biobased Plastics

[Circular Economy Action Plan](#)

[1] Data from the impact assessment to the proposal

[2] The market share of refillables decreased by 80% from 1999 to 2019 in Denmark and 19% in Germany.

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Press contacts:

[Adalbert JAHNZ](#) (+ 32 2 295 31 56)

[Daniela STOYCHEVA](#) (+32 2 295 36 64)

General public inquiries: [Europe Direct](#) by phone [00 800 67 89 10 11](#) or by [email](#)