



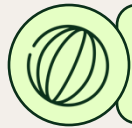
EU Packaging & Packaging Waste Regulation (PPWR)



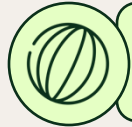
30 October 2024 | Jordan Girling, Head of EPR

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Presentation content



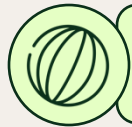
Who are WRAP?



Current EU system to manage packaging (EU PPWD)



New EU system to manage packaging (EU PPWR)



EPR fee eco-modulation & system governance

Who are WRAP?

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EPR at WRAP is led by Jordan Girling in his capacity as Head of EPR. Jordan works with international partners, governments, NGO's, charities, producers/manufacturers, and industry stakeholders to support the design of efficient and effective EPR systems. Jordan has 10+ years of EPR experience working with EPR stakeholders around the world.



Jordan Girling

Head of Extended Producer Responsibility (EPR)

jordan.girling@wrap.ngo | [LinkedIn](#)

Who are WRAP?

WRAP are a climate action NGO that work around the globe to tackle the causes of the climate crisis and give the planet a sustainable future. Our vision is a thriving world in which climate change is no longer a problem.



Governments & Policymakers

Support the establishment of new EPR systems (e.g., new waste streams) or expansion of existing EPR systems (e.g., expansion of scope or coverage). Recommending efficient & effective EPR mechanisms tailored to national EPR systems & national markets.

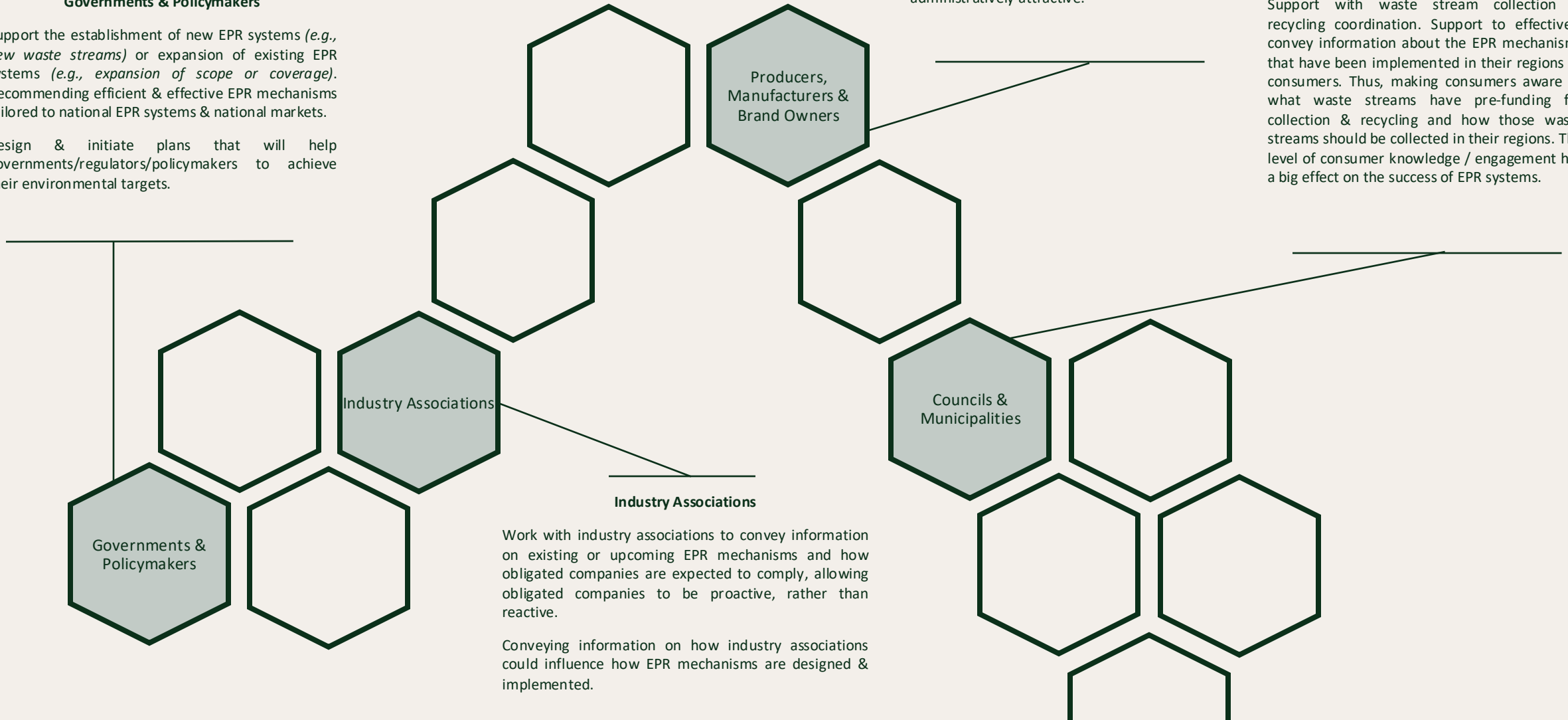
Design & initiate plans that will help governments/regulators/policymakers to achieve their environmental targets.

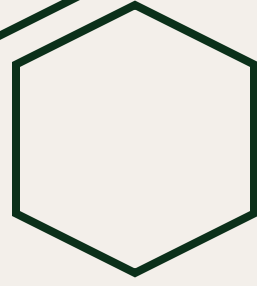
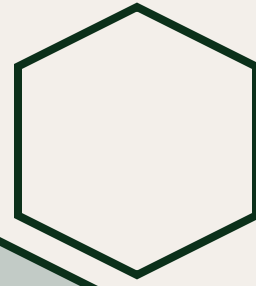
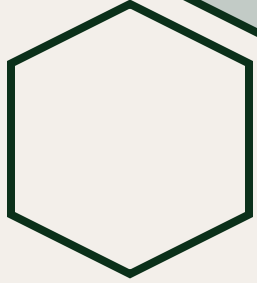
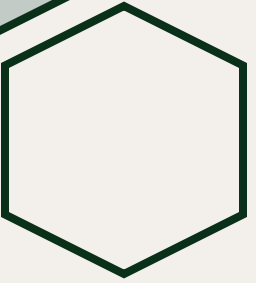
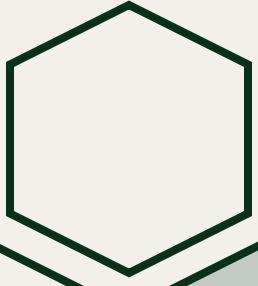
Producers, Manufacturers & Brand Owners

Help 'producers' to understand their EPR obligations in all regions where they operate, as well as their options for compliance and which compliance options are the most financially & administratively attractive.

Councils & Municipalities

Support with waste stream collection & recycling coordination. Support to effectively convey information about the EPR mechanisms that have been implemented in their regions to consumers. Thus, making consumers aware of what waste streams have pre-funding for collection & recycling and how those waste streams should be collected in their regions. The level of consumer knowledge / engagement has a big effect on the success of EPR systems.





Universities / Academics

Work with universities and other academics to coordinate participation in sectoral collaborations.

Investors & Grants

Work to acquire & mobilise funding for EPR systems and distribute funding to industry segments to facilitate the successful design, implementation, expansion, and operation of new and existing EPR mechanisms.

NGOs

Collaboration to present/distribute information to wider audiences.

Facilitate the establishment of new relationships & partnerships with governments/policymakers and industry associations in other geographies.

Waste Management Organisations

Support waste management organisations with understanding EPR systems that have been implemented in their regions, including how they should operate in accordance with such systems and how they can benefit from such systems in the most financially & administratively advantageous ways.

Current EU system to manage packaging

Current EU system to manage packaging waste

Currently, each member state of the European Union has transposed the [EU Packaging & Packaging Waste Directive](#) into national legislation. Different EPR systems and PROs operate in each EU member state.



Current EU system to manage packaging EPR

Packaging is:

“all products made of any materials of any nature to be used for the containment, protection, handling, delivery and presentation of goods, from raw materials to processed goods, from the producer to the user or the consumer.”

Categories of packaging:

- ❖ Sales Packaging (primary packaging)

Packaging for a sales unit presented to the consumer at the point of purchase.

- ❖ Grouped Packaging (secondary packaging)

Packaging grouping numerous sales units.

- ❖ Transport Packaging (tertiary packaging)

Packaging to facilitate handling and transport of a number of sales units or grouped packages to prevent physical handling and transport damage. Transport packaging does not include road, rail, ship and air containers.

New EU Packaging & Packaging Waste Regulation (PPWR)

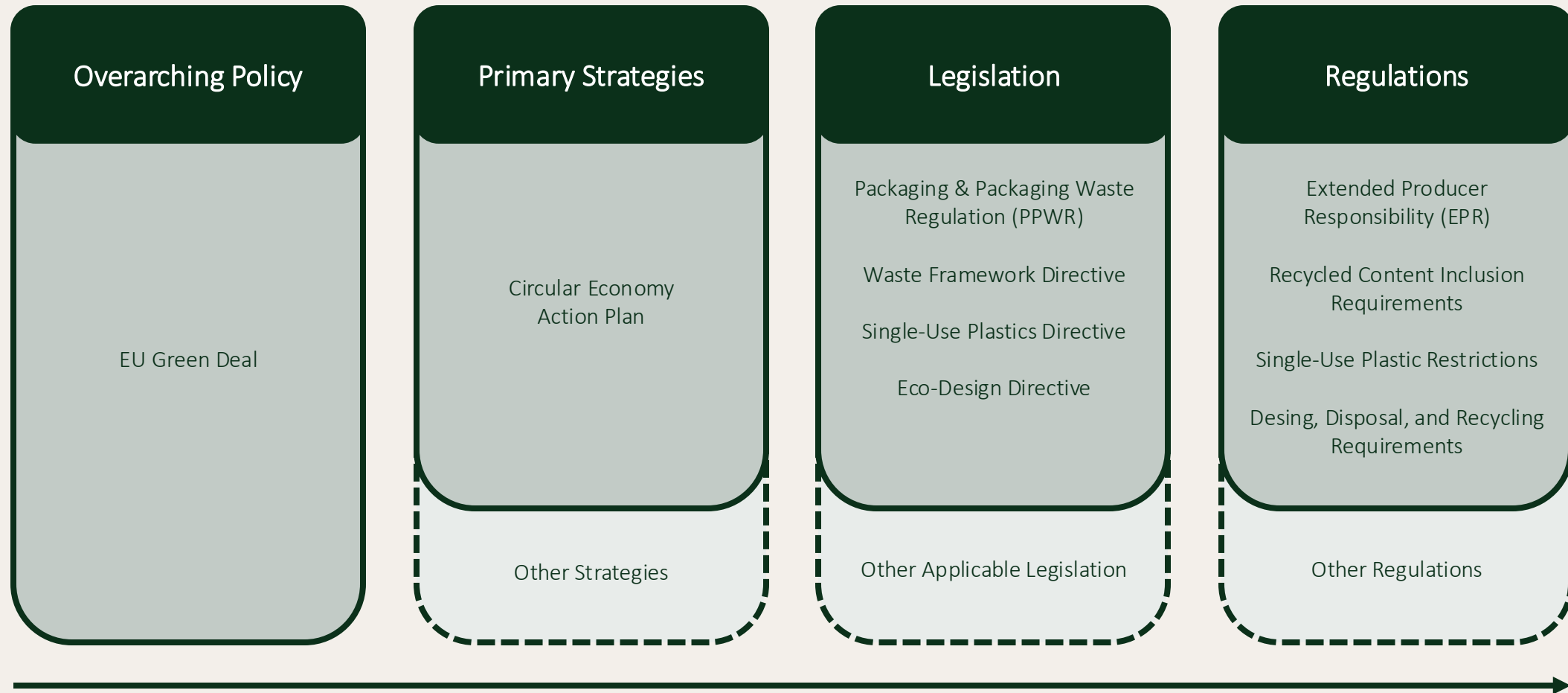
New EU Regulation to manage Packaging EPR

- ❖ On 30 November 2022, the European Commission proposed to revise the Packaging & Packaging Waste Directive. The proposed revision would overhaul the current packaging waste management system in Europe.
- ❖ Triilogue negotiations between the European Commission, European Parliament, and European Council took place during early 2024 and on 4 March 2024, a provisional agreement was reached.

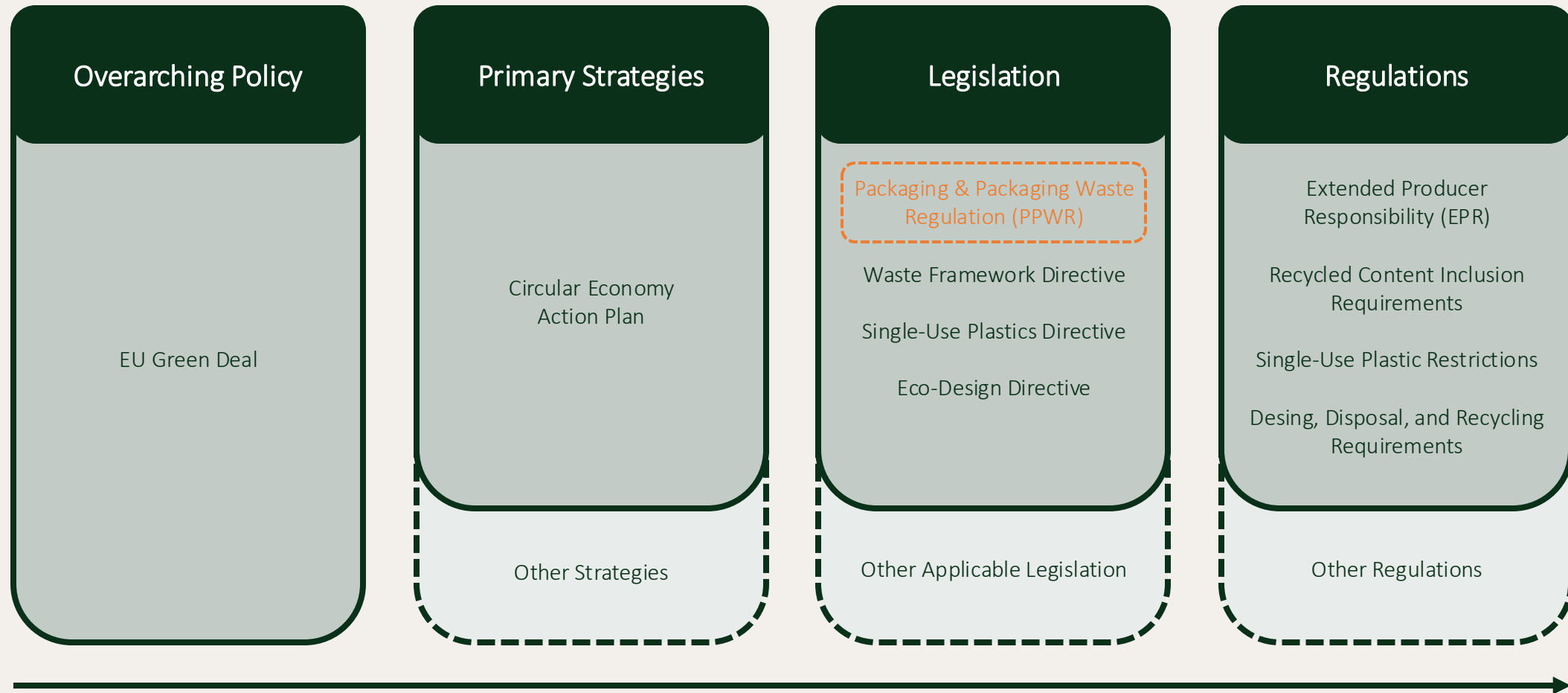
Final adoption is expected at the end of 2024 or the beginning of 2025.

New laws will enter into force 18 months after publication.

Environmental policy in European Union



Environmental policy in European Union



New EU Regulation to manage Packaging EPR

The purpose of the revision is to support with the objectives of the [European Green Deal](#) and the [circular economy action plan](#), i.e.,

“All packaging on the EU market is reusable or recyclable in an economically viable way by 2030”

The expectation of the overhaul is that the following will be achieved:

- ❖ Prevent the generation of packaging waste and promote reuse.
- ❖ Ensure all packaging on the EU market will be recyclable by 2030.
- ❖ Increase the use of recycled plastics in packaging, thus enabling more high quality (‘closed loop’) recycling and substituting virgin materials.

EU member states must reduce packaging per capita by 5% by 2030, 10% by 2035, and 14% by 2040 (compared to 2018 baseline).

New EU Regulation to manage Packaging EPR

Obligated Producers

Any manufacturer, importer or distributor, who, irrespective of selling technique used, including by means of distance contracts...

- Is established in a Member State and makes available for the first time transport packaging, service packaging, including reusable service packaging or primary production packaging, or products packaged in other than those listed.*
- Is established in a Member State or third-country and makes the aforementioned packaging available for the first time to another Member State directly to end-users.*
- Is established in a Member State and unpacks packaged products without being the end-user.*

Scope

All packaging, regardless of the material used, and all packaging waste, whether such waste is used in or originates from industry, other manufacturing, retail or distribution, offices, services of households.

Impacts of new EU PPWR on product sellers



Adoption of **minimum recycled content rates** for plastic packaging

(Exemptions apply to compostable packaging, infant food, medicines, medical devices, and components under 5% of the total weight of packaging.)

- ❖ **Contact sensitive PET:** 30% by 2030, 50% by 2040
- ❖ **Contact sensitive non-PET:** 10% by 2030, 25% by 2040
- ❖ **Single-use plastic beverage bottles:** 30% by 2040, 65% by 2040
- ❖ **Other:** 35% by 2030, 65% by 2040

What counts as recycled content?

“PCR (post-consumer-recyclates) made from waste plastic products collected within the EU or in a third country with separate collection standards equivalent to EU rules”

Impacts of new EU PPWR on product sellers



Adoption of **minimum recycled content rates** for plastic packaging

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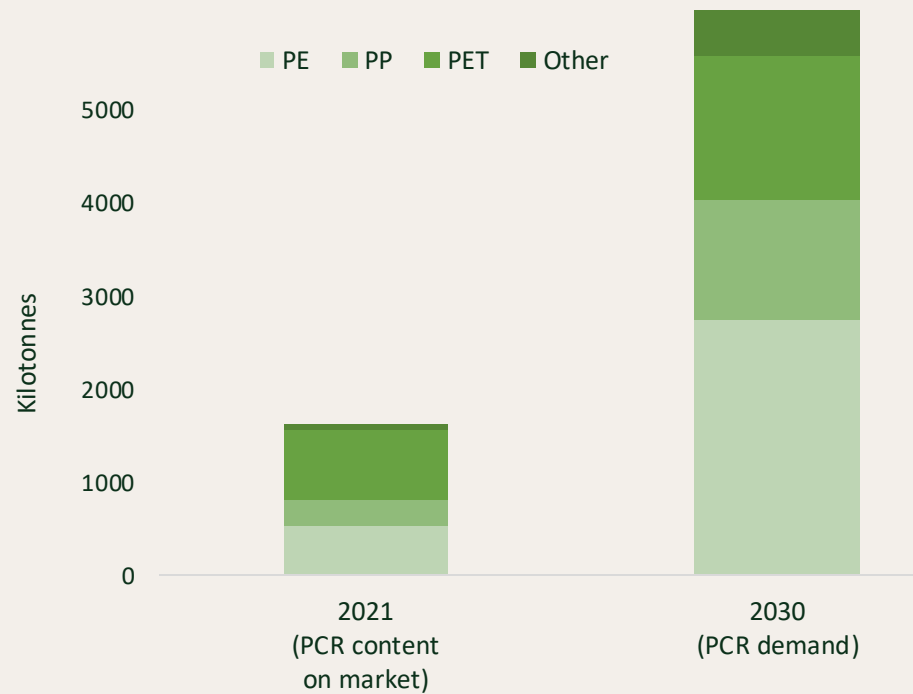
- ❖ Manufacturers must conduct conformity assessments to ensure compliance.
- ❖ Importers must only introduce packaging in conformity of the requirements.
- ❖ Distributors must act with due care and verify compliance with the requirements.

Impacts of new EU PPWR on product sellers



Adoption of **minimum recycled content rates** for plastic packaging

(Exemptions apply to compostable packaging, infant food, medicines, medical devices, and components under 5% of the total weight of packaging.)



X 5 demand

Impacts of new EU PPWR on product sellers



Mandatory packaging waste **reduction and reuse targets** will be adopted



Over-packaging and unnecessary packaging will be restricted



Impacts of new EU PPWR on product sellers



Harmonised packaging **labelling** requirements to facilitate the correct disposal of waste packaging

- ❖ The European Commission will adopt a harmonised label within 18 months from PPWR entering into force.
- ❖ Within 42 months of PPWR entering into force, packaging must be marked to identify the material type to facilitate consumer sorting. A QR code is permitted in addition to the harmonised label.
- ❖ Within 42 months, the proportion of recycled content must be identified by a label.
- ❖ Within 48 months, reusable packaging must be labelled to show its reusability.










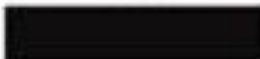
Impacts of new EU PPWR on product sellers



Harmonised packaging **labelling** requirements to facilitate the correct disposal of waste packaging

How the harmonised label will look is not determined yet. In September 2024, an EU [consultation](#) was held on the design of the label.

The consultation indicated that a colour coding system is likely, per below.

GARDEN WASTE 	FOOD WASTE 	GLASS 	PAPER 
CARDBOARD 	ELECTRONIC WASTE 	HAZARDOUS WASTE 	PLASTIC 
METAL 	RESIDUAL WASTE 		

Impacts of new EU PPWR on product sellers



Harmonised packaging **labelling** requirements to facilitate the correct disposal of waste packaging

How the harmonised label will look is not determined yet. In September 2024, an EU [consultation](#) was held on the design of the label.

Provisional colour coding and pictograms for feedback from stakeholders are displayed below.



Impacts of new EU PPWR on product sellers



Harmonised packaging **labelling** requirements to facilitate the correct disposal of waste packaging

How the harmonised label will look is not determined yet. In September 2024, an EU [consultation](#) was held on the design of the label.

This is an example of a label on multi-component packaging:



Impacts of new EU PPWR on product sellers



Harmonised packaging **labelling** requirements to facilitate the correct disposal of waste packaging

Informative obligations

Producers must provide the following information to consumers through a website, public information, and education programmes and campaigns:

- ❖ Role of end-users in contributing to waste prevention, facilitating the separate collection of packaging waste.
- ❖ The meaning of labels and symbols displayed on the packaging.
- ❖ The impact that incorrectly disposed of packaging can have on the environment and human health.
- ❖ Any reuse arrangements available for the packaging.
- ❖ Any composting properties and arrangements/options for disposing of compostable packaging. Consumers must be informed that compostable packaging is not suitable for home composting and that the packaging should not be disposed of freely in the environment.

Impacts of new EU PPWR on product sellers



All packaging must be **fully recyclable by 2030** and 'Recycled at Scale' by 2035.

Packaging recyclability will be graded A-C. Packaging that does not meet grade C will be deemed as non-recyclable and will be banned from the market by 2030. From 2038, packaging must meet grade B to enter the market.



Mandatory **deposit return systems** for plastic bottles and aluminium cans



Eco-modulated EPR fee criteria will be harmonised in every EU member state, based on packaging recyclability credentials and recycled content.

- ❖ From 2025, eco-modulation will be applied for packaging that is designed to be recycled and potentially packaging that contains recycled content.
- ❖ From 2030, EPR fees will be modulated based on recyclability grades (A-C).

Impacts of new EU PPWR on product sellers



Member states will be able to decide whether to allow **compostable packaging** in their markets based on the availability of treatment infrastructure.



Targets for a proportion of packaging to be **reusable or refillable** by 2030.

- ❖ 40% of transport packaging (incl. sales packaging for transporting goods) must be reusable by 2030 (2040 aspirational target is 70%).
 - ❖ *(Cardboard boxes, flexible packaging for food, and custom packaging for large equipment are exempt.)*
- ❖ Grouped packaging must be 10% reusable by 2030 (2040 aspirational target is 25%).
 - ❖ *(Cardboard boxes are exempt.)*

Impacts of new EU PPWR on product sellers



Packaging format bans

- ❖ Single-use plastic grouped packaging that forces end-users to purchase more than one product (e.g., shrink wrap)
- ❖ Single-use plastic packaging for fresh fruit and vegetables (except if required to prevent water loss or other hazards)
- ❖ Expanded polystyrene (EPS) in retail food packaging
- ❖ Single-use plastic packaging for food & drink filled and consumed within the premises of hotels & restaurants
- ❖ Single-use plastic packaging used for condiments & preserves
- ❖ Single-use hotel miniature packaging (e.g., shampoo)
- ❖ Lightweight plastic carrier bags (<15 microns)
- ❖ From 2030, packaging with double walls, false bottoms, or other means “to give the impression of an increased product volume” will be banned.

EPR fee eco-modulation & system governance

Scope categorisation

Within the scope of an EPR system, the scope is split into different product categories to allow collection and recycling fees to be filtered for specific products (higher fees being paid for harder-to-recycle products/packaging) and to allow system performance to be reported and monitored accurately.

As examples, the Packaging EPR systems in Austria, Bosnia, and Bulgaria have the categories summarised in the table below.

Austria		Bosnia		Bulgaria	
Material *	ERP Fee (per kg)	Material	ERP Fee (per kg)	Material	ERP Fee (per kg)
Paper	€0.100	Glass	€0.013	Plastics	€0.089
Glass	€0.095	Metal	€0.009	Paper & Card	€0.082
Ferrous Metal	€0.300	Paper	€0.013	Glass	€0.095
Aluminium	€0.340	Plastic	€0.018	Steel	€0.040
Plastic	€0.780	Wood	€0.008	Aluminium	€0.046
Beverage	€0.750	Composites	€0.015	Composites	€0.099
Composites	€0.850	Other	€0.017	Wood	€0.050
Ceramic	€0.150	Packaging containing hazardous materials	€0.281	Other	€0.132
Wood	€0.020				
Textiles	€0.180				
Biodegradable	€0.440				

* Split by household & commercial packaging

Eco-modulated EPR fees

The introduction of the variable recycling fee concept was driven by Europe's Circular Economy Package, and subsequently a [2018 amendment to the EU Waste Framework Directive](#).

Essentially, the concept of eco-modulated EPR fees presents cheaper EPR fees to producers for easier-to-recycle products/packaging or for products/packaging that are produced with a certain proportion of recycled materials, and conversely, more expensive EPR fees for harder-to-recycle products/packaging. This encourages producers to use greener material alternatives and to produce products in a way that fosters recycling.

Simple Example (Ireland)

- ❖ Recycling fee for composite packaging produced from recycled materials: **€105.28** per tonne
- ❖ Recycling fee for composite packaging produced from non-recycled materials: **€201.91** per tonne

Advanced Example (France)

Penalties are charged for packaging that is more difficult and costly to recycle. There are three penalty thresholds which are determined by the type of packaging:

- ❖ **10% fee penalty** (e.g., High-density PET plastic bottles)
- ❖ **50% fee penalty** (e.g., Cardboard packaging that has contained printing inks)
- ❖ **100% fee penalty** (e.g., Reinforced cardboard)

As well as penalty charges for packaging that is more difficult and costly to recycle, there are bonuses for packaging that is more environmentally friendly; for example:

- ❖ A **bonus of €0.05 per kg** is applied if PET plastic is sourced from a recycled context
- ❖ An **8% bonus is applied if refillable packaging** is deployed, the number of packaging pieces in a single packaged unit is reduced, and material weight reduction is used.

EU Packaging EPR PROs (Producer Responsibility Organisations)

	Government PRO	Non-Profit PRO	Privately Owned PRO
Pros	PROs operated by arms of government can be easily controlled by the regulator.	By design, non-profit organisations cannot make significant profits. Consequently, other than operational administrative costs, all resources would flow into EPR related infrastructure.	Permitting the operation of privately owned PROs fosters a competitive market. With various PROs striving to gain market share, the performance of the EPR system is continuously advanced.
Cons	PROs managed by governmental bodies require semi-regular stakeholder consultations to listen to industry feedback and avoid disgruntlement with the system.	Regulators would need to conduct semi-regular audits to confirm that the externally governed PRO is operating in accordance with regulatory requirements.	Regulators would need to conduct semi-regular audits to confirm that the externally governed PRO is operating in accordance with regulatory requirements.

EU Packaging EPR PROs (Producer Responsibility Organisations)

Single PRO

Numerous Competitive PROs

Pros

Having a single PRO allows for all EPR compliance for producers and performance metrics for the EPR system overall to be stored in a central location. It is also easier for governments to regulate and manage a single PRO. This is particularly convenient option for producers and regulators.

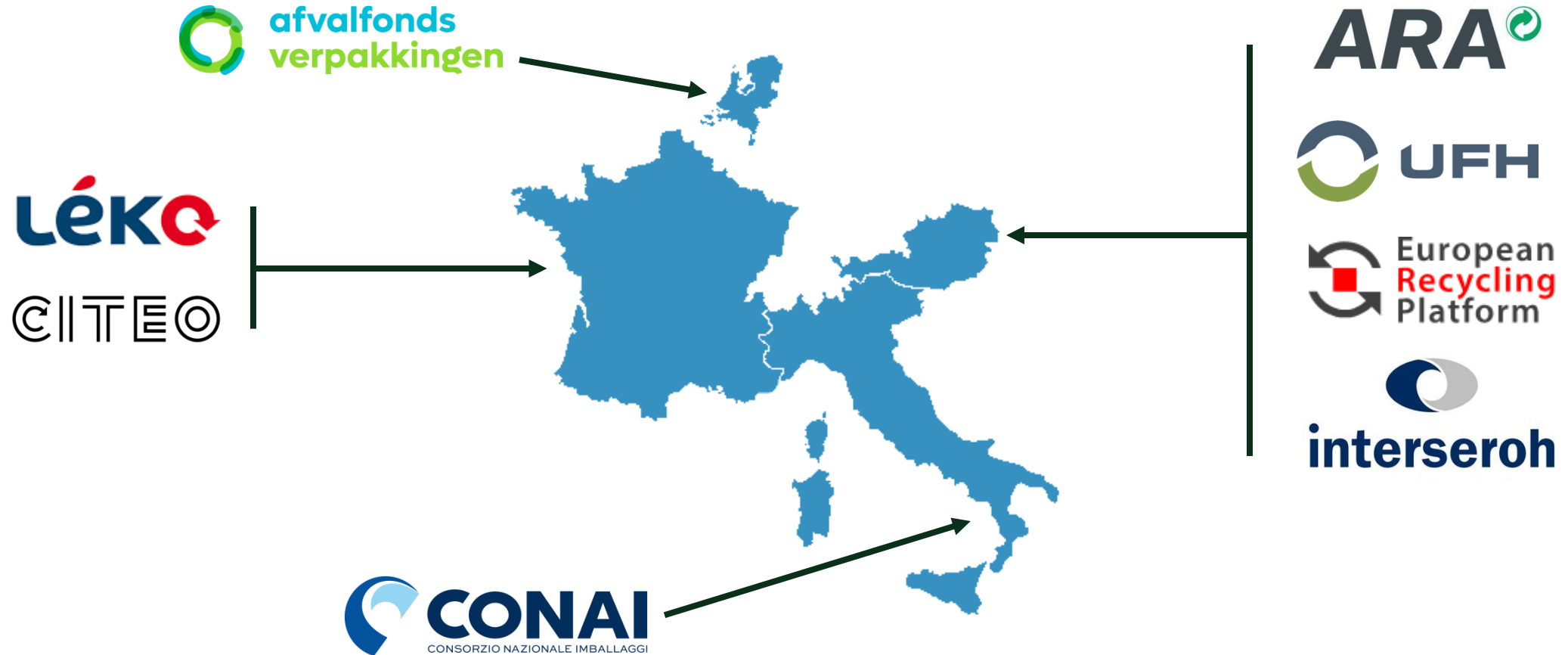
Permitting operation of numerous competitive PROs fosters a competitive market. With various PROs striving to gain market share, the performance of the EPR system is continuously advanced. If one PRO is performing badly, the performance of the entire EPR system is not necessarily affected. Producers will move to the best performing PROs which will ultimately foster continuous improvement of the EPR system.

Cons

A monopoly is created where, to a degree, the PRO can operate however the like without punity. With only one compliance option available, producers must join the single PRO regardless of administrative charges. Importantly, a poor performance of the PRO will ultimately relate to the poor performance of the EPR system as a whole. All eggs are in one basket, per say.

With numerous PROs, distributing EPR fee payments to national collection and recycling infrastructure becomes much more complex. Furthermore, with numerous PROs, regulators need to gather data from various organisations and amalgamate that data to produce an overall picture of the EPR systems performance. This is administratively challenging.

EU Packaging EPR PROs





**Thank you.
Any questions?**

**Jordan Girling | jordan.girling@wrap.ngo
Head of Extended Producer Responsibility (EPR)
WRAP**