

Packaging and Packaging Waste Regulation

1. Union law background and objective

The Packaging and Packaging Waste Regulation (PPWR) is an EU regulation that focuses on the entire life cycle of packaging of all materials: (preventing) placing on the market, increasing the proportion of recycled materials, promoting reusability, design requirements and waste management. The PPWR, which amends or repeals existing directives and regulations, is a further development of the Extended Producer Responsibility (ERP). The regulation aims to minimize the negative impact of packaging on the environment. In order to reduce their ecological footprint, manufacturers and distributors of packaging in the member states of the European Union are to be obliged to reduce their resource consumption and packaging waste and to promote the circular economy. Although the regulation also contains passages relating to single-use plastic fund products, it is important to note that the PPWR is a regulation that is independent of the EU plastic tax and the EWKFondsG, which are also currently under discussion.

2. Status quo of the new regulation

On March 4, 2024, the EU Council and the EU Parliament agreed on a provisional version of the PPWR in the EU internal market. However, the regulation still required the approval of the European Parliament and all EU member states to be formally adopted. This Approval was given on 24 April 2024. The EU Parliament adopted the PPWR with a clear majority on 24 April 2024. Before the agreement can enter into force, it must be formally approved by the European Council.

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3. Nature of the new regulation

The PPWR amends or adapts existing regulations. The special feature is that the existing regulations are in the form of directives (e.g. EU Packaging Directive 94/62/EC or Single-Use Plastics Directive (EU) 2019/904), which are replaced or modified by a regulation. Instead of directives, which are (merely) the framework for national implementation laws in the EU member states, the PPWR as a regulation becomes directly applicable law in the member states without any further options for shaping it. The EU Commission feels compelled to take this more stringent step in order to achieve the objectives of the Green Deal, as the existing directives have either not been implemented by the member states, or have not been implemented in full, or have been implemented only slowly.

4. Planned measures

The PPWR provides for a comprehensive catalog of measures to achieve the set goal of significantly reducing plastic packaging and waste by 2030. These measures affect both EU-based companies and companies from non-EU countries that import packaging into the EU. The measures range from bans on certain packaging to specific minimum requirements for the recyclability of packaging and the promotion of reusable packaging solutions.

Essentially, the PPWR provides for the following:

- Reduction of packaging (5% by 2030, 10% by 2035 and 15% by 2040)
- ▶ Ban on single-use containers by 2030 in the hotel/restaurant/catering sector (HORECA for short) (bottles, body lotions, etc.) and in the food sector (fruit, vegetables, sauces, sugar, etc.)
- ▶ Minimum proportion of recycled material in plastic packaging (30% by 2030, 50% by 2040)
- ▶ All packaging must be recyclable from 2030
- ▶ Introduction of a deposit and return system (DRS) by 2029 for plastic beverage containers (<3 liters)
- ▶ Harmonization of environmental labelling at European level
- ► Harmonization of the EPR Directive (Extended Producer Responsibility)

5. Practical note

The fixed period of 18 months between the entry into force and application of the PPWR and the impending delay due to circumstances caused by the European elections suggest that the consequences of the regulation are not imminent. However, this should not obscure the fact that the latent pressure to comply with the adjustments and changes in operational practice is increasing rapidly and significantly. The PPWR does not have a sector focus such as the EWKFondsG in the food sector. The more cross-sector modifications are made as a result of the PPWR in such a way that counting/reporting is required, which did not previously exist, that product portfolios and processes must be adjusted and that registrations and notifications must be complied with, the sooner the changeover process must be initiated. Affected companies, whose number will be larger than before due to the comprehensive approach of the regulation and its noticeably stricter planned implementation, should therefore tackle the topic of "PPWR" in good time and plan for it as soon as there is complete clarity about the legal framework.

