

PROPOSED REPLACEMENT EU ACT INITIAL ASSESSMENT OF IMPACT

DSC REF: DSC/04a/2024

Proposed Replacement EU Act

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on packaging and packaging waste, amending Regulation (EU) 2019/1020 and Directive (EU) 2019/904, and repealing Directive 94/62/EC.

[EUR-Lex - 52022PC0677 - EN - EUR-Lex \(europa.eu\)](#)

This Regulation will replace European Parliament and Council Directive 94/62/EC on packaging and packaging waste (included in Annex 2 of the Windsor Framework, Heading 25 on Waste).

[Directive - 94/62 - EN - EUR-Lex \(europa.eu\)](#)

This Regulation will amend Directive (EU) 2019/904 on the reduction of the impact of certain plastic products on the environment (included in Annex 2 of the Windsor Framework, Heading 25 on Waste).

[Directive - 2019/904 - EN - SUP Directive - EUR-Lex \(europa.eu\)](#)

This Regulation will amend Regulation (EU) 2019/1020 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011 (included in Annex 2 of the Windsor Framework, Heading 8 Goods – general provisions).

[Regulation - 2019/1020 - EN - EUR-Lex \(europa.eu\)](#)

Summary of the Act

The European Parliament adopted the Packaging and Packaging Waste Regulation (PPWR) on 24 April 2024. Due to the EU elections in June 2024, the Regulation is not expected to be published in the Official Journal of the EU until late 2024, with regulation requirements applying 18 months after. The aim of the regulation is to increase recycling and reduce packaging waste in response to citizens concern on over-packaging and resulting plastic pollution.

The PPWR will repeal the current packaging and packaging waste directive (94/62/EC) which has been in place since 1994. Directive 94/62/EC lays down requirements on packaging which relate to the composition of packaging and its reusable and recoverable nature, and sets recovery and recycling targets. The Council of the European Union considered the current directive had not gone far enough to reduce the negative environmental impacts of packaging. The change from a directive to a regulation aims to harmonise a range of additional measures across member states.

The PPWR will make amendments to Directive (EU) 2019/904, which is the Single Use Plastics Directive. Under the Windsor Framework, articles 2 to 7, 14

and 17 of this Directive apply to NI. These place restrictions on the supply of commonly littered single use plastic products and other measures such as labelling and recycled content requirements to target plastic pollution.

In line with the EU Green Deal and new Circular Economy Action Plan, the PPWR intends to reduce the consumption of single-use plastics, foster recycling and boost the circular economy. The proposed regulation on packaging and packaging waste will introduce:

- reusable packaging targets for companies operating in the beverages, transport and retail sectors from 2030.
- minimum recycled content targets that will be in place for 2030 and 2040.
- single use packaging will be banned for small items in the hospitality sector from 2030.
- limits on plastic packaging for perishable food, beverages and other small packages from 2030.
- limit to PFAS ('forever chemicals') in food-contact packaging from 18 months after entry into force of restriction.
- packaging must not exceed 50% empty space in its total volume from 12 months after entry in force.
- requirements for compostable packaging by 24 months after the entry into force of the regulation.
- Extended Producer Responsibility requirements to apply to all packaging producers by end of 2024.
- Deposit Return Schemes to be established for plastic and aluminium beverage containers up to 3L by 2029.
- A harmonised label, indicating material composition and consumer sorting, via a QR code or other digital carrier is required either 42 months from PPWR entering into force or 24 months from an implementing act
- A mirror clause, meaning imported plastic must meet the same environmental standards as plastic sourced within the EU single market
- De minimis exemptions from PPWR apply for micro businesses, in relation to packaging re-use targets

Department(s) Responsible

DAERA is the lead department for Directives 94/62/EC and (EU) 2019/904. The new PPWR contains a number of provisions related to trade which are reserved matters for UK Government. HMRC and HM Treasury will have an interest in relation to measures on recycled content and the plastic packaging tax. The Food Standards Agency leads on provisions on food contact materials. The Office for Product Safety and Standards (OPSS) coordinates the application of UK and EU market surveillance legislation.

Initial Assessment of Impact

At this stage, it is not possible to assess if the application of the proposed regulation would have a significant impact specific to everyday life of communities in Northern Ireland in a way that is liable to persist. Until the

regulation has been formally passed and guidance issued it is difficult to assess specific impacts. The extent of application to NI is not confirmed. The regulation will also be supplemented by a range of Implementing Acts and Delegated Acts that will provide much more detail on what it covered and how it should be implemented, which will allow impacts to be better assessed.

The detail on how requirements within the PPWR should be implemented within the EU will be provided in targeted Delegated or Implementing Acts to be phased in over the next decade. The PPWR will impose new rules on packaging suppliers, manufacturers, producers, retailers and waste management companies for packaging made from any material placed on the EU market. The rules will apply regardless of a company's location therefore any UK business that trades with the EU will be impacted by these regulations.

There are exemptions to recycling requirements for small or micro businesses within the provisional agreement, it is not clear at this time how these will apply. The phasing out PFAS from food packaging has been viewed positively by NGO's as prioritising consumers' health.

Many of the provisions within the regulation would follow the general direction of travel of industry in terms of removing difficult to recycle or unnecessary packaging and would align with the trend from consumers demanding more sustainable packaging and related practices.

There is significant interest on the implications of the new regulations among NI stakeholders, however the extent of its application to NI has not been agreed by UK Government and the EU.

All UK nations are currently bringing in Deposit Return Schemes for single-use drinks containers, with a go-live date of 2027. Current legislation and proposals should align with requirements in the new regulation. The EU was formally notified of the Statutory Instrument to bring in DRS for Northern Ireland which is due to be laid in Westminster soon (The Deposit Scheme for Drinks Containers (England and Northern Ireland) Regulation 2024, and raised no concerns.

All UK nations are introducing Extended Producer Responsibility for Packaging with a Statutory Instrument due to be laid in Westminster by the end of this year (The Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024). A full analysis of provisions in the UK legislation against the EU regulation has not been completed. The EU were formally notified of the Statutory Instrument to bring in most provisions for UK packaging EPR and raised concerns over differences in recycling labelling requirements, which are reserved. All UK nations have agreed to pause introduction of statutory labelling and allow work to progress between UKG and the EU on achieving a harmonised labelling system that benefits both consumers and the domestic recycling processes.

UK Government Explanatory Memorandum

Defra completed an explanatory memorandum in December 2022, this noted that an assessment of the implications of the application of this EU Regulation in Northern Ireland, and any intra-UK legislative divergence would be required. Defra are drafting a revised Explanatory Memorandum on PPWR. This requires input and consideration from other UK departments. Once the regulation has been published in the Official Journal of the EU, the draft will be shared with the Devolved Governments as per the normal EM clearance process.

Analysis by the European Commission on its Impact Assessment

A 'fitness check' of Directive 94/62/EC carried out in 2014 identified the need for clearer and more specific requirements on the composition and the reusable and recoverable nature of packaging. Despite an overall trend towards light weighting across a wider range of packaging formats in the last three decades, there has been an overall increase in packaging waste generated. Demand for secondary materials from recycled packaging remains too low, resulting in valuable resources being lost to the economy: only a limited share of the packaging waste is recycled and finds its way back into new products or packaging.

The aim of this initiative is to tackle three groups of interlinked problems:

- growing generation of packaging waste linked to an increase of single-use packaging, a high level of avoidable packaging, and a bigger share in plastics within the packaging mix.
- barriers to packaging circularity, especially an increased use of packaging design features that inhibit recycling and confusing labelling of packaging for consumer sorting.
- low levels of uptake of recycled content in packaging, which limits the EU's ability to reduce the use of virgin materials in new packaging.

Based on an assessment of measures, the preferred option was to set mandatory targets for waste reduction, reuse and recycled content in plastic packaging, requirements to ensure full recyclability by 2030 and harmonised product rules.

The EU impact assessment concluded that more effective packaging waste prevention will reduce the cost associated with the collection and treatment of waste. Measures to reduce packaging waste will likely require adaptation of producers, retailers and consumers to new business and consumption models. Environmental impacts were assessed including reduced greenhouse gas emissions, increased resource efficiency, reduced pollution to water (including marine litter) soil and air from landfilling and incineration and related ecosystem degradation and health risks.

The consultation on the inception impact assessment generated 110 responses and an open public consultation generated 425 responses. Most stakeholders considered that technological, economic and social developments justified the creation of a new regulatory framework for packaging.

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

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Departmental Engagement

DAERA officials had some early engagement with Defra to scope the impacts of PPWR prior to the UK general election. Since the UK and EU elections, work on further analysis has recommenced. Defra leads on this and engagement with the EU will be carried out by the UK Government.