



Northern Ireland
Assembly

Windsor Framework Democratic Scrutiny Committee

OFFICIAL REPORT (Hansard)

COM(2022)677 Proposal for a 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:
Department of Agriculture, Environment and Rural Affairs

16 January 2025

The packaging and packaging waste directive was introduced in 1994. The rules regulated the kind of packaging that could be placed on the EU market, as well as packaging waste management and packaging waste prevention measures. The provisions were designed to reduce the disposal of packaging waste and promote a more circular economy. The EU has revised and amended its laws on packaging several times since the introduction of the directive.

As part of the European green deal and the new circular economy action plan, the European Commission put forward a revision of the packaging and packaging waste directive in November 2022. The directive was considered no longer sufficient to harmonise actions across member states to address wasteful over-packaging, and further measures were required to address the very low uptake of recycled content in plastic packaging.

As the existing rules are in the form of a directive, member states have taken inconsistent approaches to packaging requirements, defining recyclable and reusable packaging and enforcement. The introduction of the regulation will have a direct impact on member states, removing inconsistencies and improving legal certainty for businesses.

While the directive needed transposition by all EU member states into their legislation, it mainly dealt with recycling and waste management. The regulation will be directly applicable in all EU countries. As it is a regulation rather than a directive, all member states will be required to fulfil their obligations at the same time and in the same way.

In 2021, each European citizen generated an estimated 190 kgs of packaging waste, and that showed a 6% increase from the previous year. The figure is expected to grow by nearly 20% by 2030 if no new rules are applied. The packaging and packaging waste regulation (PPWR) is the result of nearly two years of discussion and lobbying between EU legislative bodies, industry representatives and environmental NGOs to strike a balance between achieving quick results and setting realistic targets for business.

The final text is said to have been watered down from its initial environmental ambition. However, it still maintains a focus on preventing waste being generated in the first place. With reuse measures, market restriction bans and deposit return scheme obligations, the regulation goes a step further in setting a clear direction for packaging and recycling in the EU. The packaging and packaging waste regulation will govern the design of packaging. It will reduce packaging volumes and minimise packaging waste. It will set recyclability targets and require an increase in the recycled content of packaging and the use of compostable packaging. It will mandate the separate collection of packaging waste. It will result in the reduction of new labelling, and it will introduce requirements for deposit return schemes, extended producer responsibility schemes and bans on some single-use plastic items.

The Deputy Chairperson (Mr Brooks): Before we move on to members' questions, I have some to ask. You said that you are unable to assess the likely impact of the regulation but that there is "significant interest" among stakeholders. Given that interest and what you have heard from stakeholders, is there a great deal of concern? What kinds of concerns are being brought forward? Will you comment, to the extent that you can, on the impact that you think that it is likely to have? Can you give some commentary on that?

Mr Colin Breen (Department of Agriculture, Environment and Rural Affairs): I will try to cover some of it. I have been speaking to some people in industry. The overriding thing is that the regulation is welcomed. The direction of travel towards sustainability and better environmental outcomes is very similar to that in the packaging industry. There is definitely some concern around how it will interact with GB regulations. A lot of the larger companies are selling to the GB market, the NI market and the EU market. It is problematic for them to have to do slightly different things for different markets, because it increases costs. That is probably where the main concern is. The overarching message is that the direction of travel and what the regulation is trying to do are welcome.

I appreciate that the regulation is very long, but there is not a lot of fine detail about how things will work. A lot of things are still quite far away. An awful lot of implementing Acts and delegated Acts are still to come to explain the detail. In stakeholder conversations, they seem to be, at times, unsure of what exactly it will mean, but the overall ambition is welcome. Likewise, consumers want to see better environmental outcomes. There are some natural concerns about how it will interact with GB regulations and whether GB will align with it. That is where we are so far.

The Deputy Chairperson (Mr Brooks): That is the crux of it. This Committee often discusses whether what is coming forward will have a positive impact on something such as the environment. The ambition will always be to bring forward something positive, you would think. You will not get any individuals or companies actively or openly arguing against environmental goals. It is about the impact of the regulation in this particular place, given our different relationships with the EU and GB, and about how that will impact on the cost implications and so on. That needs to be considered.

Leading on from that, are you aware of plans for the UK Government to align with elements of the PPWR in future? There is talk of some attempts to bridge gaps. Can you speak to that at all?

Mr Breen: I will say a bit more, and Janet will say a bit too. The UK Government have tentatively said that they will consult on alignment across those areas. They have held back on extended producers responsibility labelling to look at what the regulation will do and how they can harmonise it.

Ms Sheridan: The regulation contains what is referred to as a "mirror clause". There was heavy lobbying on the regulation when it was going through the EU process. Part of that was because, as you know, a lot of plastic things are imported from Asia, but the measures will apply equally to EU products and imported products. Therefore, a lot of GB manufacturers still have an interest in it. Likewise, they might lobby for alignment from that point of view.

The Deputy Chairperson (Mr Brooks): Yes. It is a response that the Committee is very familiar with: it is likely to happen or that there are arguments why it would make sense for manufacturers and so on to try to adhere to the highest possible standards. So, I understand that, but it is still unclear at the moment.

Are there any other indications?

Dr Aiken: Yes. Thank you very much indeed. You probably do not have the answer to this, but this is one of the questions that I have, particularly about products moving from GB into NI. You are aware, of course, that we can put labelling on to products coming from GB into NI, "Not for resale in the EU". Therefore, if products were coming in that were very clearly not going to contaminate the single market, for want of better terminology, would that apply to those, or would they still have to comply with the packaging rules and regulations, even though it quite categorically said on the packaging, "Not for resale in the EU"?

Mr Breen: We probably do not know yet. That level of information has not come out through the delegated Acts, so what is in the PPWR as it is now is the high-level ambition. I do not think that we can —.

Ms Sheridan: We understand that discussions enabling DEFRA and the devolved Governments are planned for 2025. Obviously, we will engage with those.

Mr Buckley: Thank you very much. Before I start, may I ask a question through you, Chair? Clerk, has the Department been given the appendix and suggested questions on this item?

The Committee Clerk: Not for this item, but we could certainly forward them.

Mr Buckley: To save me having to go through them, because they are all very good questions, I propose that we send them on for answer.

The Committee Clerk: Yes, OK.

Mr Buckley: Obviously, this is significant legislation, and we have received legal advice on that. From reading through it, we know that it is quite substantive. Is there an area of particular concern for the Department in any of these specific policy intents, whether it be minimum recycled content for plastic packaging, prohibition of certain types of single-use packaging, restriction on packaging size, chemical content and so on? Is there any particular area that causes you most concern?

Ms Sheridan: I will just note that this contains a mix of reserved and devolved areas.

Mr Buckley: What about from a devolved perspective?

Ms Sheridan: From a devolved perspective, chemicals, but that is a matter for the Food Standard Agency, so that will not sit with us. As Colin said, in most areas, it is about the general direction of travel.

Mr Breen: Certainly, from an environmental standpoint, all are saying the right things and going in the right way. However, I suppose that the main concern is not fully understanding how all these things will be implemented and exactly what the standards will be. The regulation is about 200 pages long. I imagine that the implementing and delegated Acts for those 70 articles will be nearly 1000-plus pages. Not knowing exactly what all these things mean is the thing that always concerns me. If I could read exactly what will apply, how it will apply and how it will be done, I would understand it much better.

Recycled content, for example, has been the direction of travel for the UK Government. They led the way on that with the plastic packaging tax. The big difference is that, in the UK, you can pay the tax rather than having the recycled content in. Generally, the EU direction with things like that is that you just have to get the recycled content in.

Mr Buckley: In a lot of the discussion points on regulations that have come before the Committee, it has largely been a case of our looking at Northern Ireland and saying that it does not, in itself, have producers that are supplying. I accept that this is slightly different.

Can you give me a breakdown of suppliers in GB who are supplying Northern Ireland vis-à-vis the Northern Ireland suppliers who are supplying the Republic of Ireland, Europe and GB, for example? I am just trying to work it out. Obviously, it is not just the supplying of the material; it is also the very material that makes the product itself. I am just trying to get my head around this. Obviously, there are many differences in some of the policy intent and how it would impact.

Ms Sheridan: We do not have that breakdown at the moment. I suppose that that is because further criteria and detail on how to calculate recycled content will come in the implementing Act. Until we see that, we and business will not know the exact impact, how many will be impacted or who will be impacted.

Mr Breen: We also have to see what exemptions will be in place for very small operators. On small item bans, I think that an exemption in the regulation means very small operations not having to do that. It is very hard to work out who will be impacted until you have the details of exactly what material types it will apply to etc. We have a couple of reasonably large packaging manufacturers here, and they will undoubtedly be affected — maybe positively, maybe negatively. There are a lot of positives out of this as well. We have some of the most sustainable packaging makers in the world in this country.

Mr Buckley: We will probably draw that out through discussions with stakeholders. It is important that, through you, the Department feed any available information on the potential impacts — the negatives as well as the positives — back to the Committee so that we can ascertain the impact of the overall scheme.

One interesting takeaway — excuse the pun — is that the takeaway industry seems quite different in how it ensures that there is a facility for the user.

Ms Sheridan: Yes, the option is that the consumer should not have to pay any more. I do not imagine that takeaways would charge more if you bring your own container. There is a focus on encouraging reuse in the regulation. I think that it starts with a fairly low threshold of around 10%. As a direction of travel, we would be keen to promote that

Mr Buckley: How would that be enforced?

Ms Sheridan: Again, the detail that is yet to be determined. I am not up to speed on the entire detail, but there are exemptions for smaller businesses.

Mr Buckley: If there are exemptions for smaller businesses, I imagine that most takeaways would be in that category.

Ms Sheridan: You may have larger retail chains of takeaways, so it might apply to them but not necessarily to a small individual takeaway. Again, I do not have all the detail of that.

Mr Buckley: That is interesting, in that it could have a considerable communal impact, particularly on those involved in the takeaway sector, given the other pressures that they are facing. It would be interesting to find out whether there is a derogation on that. Anyway, we will submit our questions, and we can take it from there.

The Deputy Chairperson (Mr Brooks): Any further indications? No. It just remains for me to thank you for your attendance and answers today. Thank you very much, and all the best.

Mr Breen: Thank you.

Ms Sheridan: Thank you.