

## Our position

# Proposal for amendments to the Packaging and Packaging Waste Regulation



AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €3.7 trillion in 2022, directly supports more than 4.9 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

## Executive summary

The proposed Packaging and Packaging Waste Regulation (PPWR) presents a significant opportunity to improve the Single Market, align EU packaging regulations and decrease market fragmentation. If well designed, this regulation could be a crucial driver for circularity by promoting economies of scale and ensuring a climate-neutral Europe. To this end, the legislation's main priorities should be to harmonise packaging rules across the EU by simplifying labelling and sorting instructions, improving separate waste collection and promoting large-scale recycling of packaging. A comprehensive and science-based approach is essential when evaluating any proposed measures, and it is vital for lawmakers to use impact assessments and allow for sufficient transition periods for this purpose.

## Introduction

The European Commission proposal to transform the Packaging and Packaging Waste Directive into a regulation provides an opportunity to further enhance the Single Market, better align EU packaging rules and reduce market fragmentation. The amendments below seek to promote harmonisation, legal certainty, science-based assessments and realistic transition periods to ensure the realisation of these opportunities.

## Main priorities

### Harmonisation (Art. 4 and Art. 11.8)

The revision of Packaging and Packaging Waste Directive is an opportunity to introduce harmonised rules across the EU and strengthen the Single Market. Once the PPWR enters into force, it will prevail over any existing national sustainability requirements. To ensure legal certainty, Member States should not be allowed to introduce any new national sustainability requirements other than those stated in this Regulation. Any existing national requirements that Member States choose to maintain should apply on a purely voluntarily basis; companies that do not meet those national requirements should not be prohibited, restricted or impeded from placing packaging on the market as long as it complies with the PPWR's requirements.

#### Art. 4

Supported amendments: ENVI 788, 789, 790, 791, 793, 797, 798, 799, 800, 801, 802, 803, 804, 812

Rejected amendments: ENVI 786, 787, 792, 795, 796

#### Art. 11.8

Supported amendments: ENVI 1574, 1575, 1576

## Appropriate transition time for implementation

### Packaging efficiency (Art. 9)

The development of new packaging follows an annual cycle and is a highly complex process optimised in all aspects. Designing that packaging so that its weight and volume are reduced to the minimum necessary for functionality for a given material and a given shape would both maintain flexibility in packaging design and minimise packaging material. Moreover, realistic transition periods are necessary to comply with the new rules on packaging minimisation. The Commission proposal stipulates packaging minimisation rules apply 12 months after entry into force. However, this timeframe is unrealistic, as economic operators need more time to develop design alternatives, change manufacturing lines where needed and phase out the packaging types in scope. This multifaceted process encompasses vital elements such as strategic business decisions, package engineering, product certification, ingredient modifications and printing adjustments. Moreover, substantial capital investments and retooling efforts are anticipated to extend well beyond the 12-month horizon in most cases. A suitable transition period would last until 1 January 2030.

Manufacturers should be allowed 36 months to adjust their product and manufacturing process to comply with the new labelling requirements. The complexity of the supply chain impacts the timeframe and the processes to collect information from multiple packaging suppliers, make the necessary calculations, complete documentation and change the artwork.

Supported amendments: ENVI 1408, 1412, 1421, 1422, 1423, 1427, 1428, 1429, 1430, 1431, 1432

Rejected amendments: ENVI 1413, 1414, 1415, 1416, 1417

### Labelling (Art. 11)

Like the process for packaging alterations, the process for labelling alterations is multifaceted and requires time, substantial capital investments and retooling efforts. As labels are not changed every year for all products, and as there are likely to be technical bottlenecks (eg limited number of printers) due to many economic operators changing their artwork to implement the new measures, the Commission should consider a longer transition period. This would also help manufacturers to make both the regulation's required changes and the additional new labelling measures introduced through sectoral or product-specific legislation (eg Detergents Regulation, Cosmetic Products Regulation and initiatives announced under the Farm to Fork Strategy).

The 36-month transition period should be linked to the date of the entry into force of the Commission's implementing acts. This would give manufacturers certainty on the new measures' date of application. If the manufacturers' timeline is not linked to the adoption of the implementing measures, a delay from the Commission on the adoption of the implementing acts would impact the industry's ability to bring production lines into compliance with the new requirements within a short timeframe. This could even force manufacturers to sticker or destroy pre-ordered packaging, which is contradictory to the PPWR proposal's objectives.

Supported amendments: ENVI 1498, 1499, 1538, 1550, 1551, 1556, 1557, 1565, 1566, 1567, 1571

Rejected amendments: ENVI 1500

### Empty space ratio (Art. 21)

While the Commission's objective to ensure packaging optimisation is laudable, relevant metrics should be proposed only after thorough research and understanding of packaging efficiency and functionality requirements. Single metrics such as empty space or weight are too simplistic for packaging to fulfil its main functionalities, including product protection and safe delivery.

As with other design-related requirements, industry must have sufficient time (ie 36 months) to implement these changes and exhaust stock to avoid repackaging already packaged products.

Supported amendments: ENVI AM 1659, 1674, 1676, 1678, 1687, 1689, 1690, 1691, IMCO AM 520

Rejected amendments: ENVI AM 1664, 1665, 1666, 1667, 1668 1670, 1671, 1672

## Transport packaging (Art. 26)

To meet the deadlines, industry needs a sufficient transition period after the publication of the implementing acts establishing the detailed calculation rules and methodology for the targets.

As currently drafted, the provisions in Article 26(12) and 26(13) apply at the Regulation's entry into force instead of in 2030, which is the effective date for all the other transport packaging obligations in Article 26. The 26(12) and 26(13) provisions also apply absolutely, ie they require 100% reusable transport packing in both cases. This is a much more stringent target in both timing and magnitude, and economic operators need sufficient time to adapt to them.

Article 26.9 does not sufficiently capture the problem that lack of alternatives poses for a number of sectors, including the healthcare sector, or dangerous goods and products labelled under the Classification, Labelling and Packaging Regulation, as safety and quality must be maintained. For example, not a 100% of pallet wrappings and straps used are part of re-use system, and they cannot be, as no alternatives are available that ensure the safety of the operator, product and user. This same point applies to Article 26.10, as having 95 or 100% of transportation packaging (between locations or within the same Members State) as part of re-use system is currently not possible for the reasons stated above.

Lastly, the text should clarify how the targets will be measured, reported and the consequences of non-compliance.

Supported amendments: ENVI 2033, 2034, 2035, 2036, 2037, 2038, 2066, 2067, 2068, 2069, 2070

## Digital labelling (Art. 11)

Allowing digital labels can help to improve accessibility, reduce waste, spur innovation and modernise the labelling process, all of which can contribute to more sustainable packaging practices. The use of

digital labels as an alternative to physical labels would also provide greater flexibility for companies in complying with regulations. Many companies have already invested in information technology infrastructure and resources to comply with existing national laws, many of which allow the use of digital channels. They should be able to keep producing their labels in digital format, as has all been allowed in [Art. 11a in the Revision of Regulation \(EU\) 2019/1009 on digital labelling of EU fertilizing products](#). Finally, allowing a digital format would support the digital transition in alignment with the European Green Deal objectives.

Moreover, it is preferable to use digital solutions such as QR codes instead of physical printing on packaging to provide mandatory information about the packaging material composition as well as voluntary information on the recycled content. These digital solutions should mirror those foreseen for information on packaging reusability under Article 11(2). This is particularly relevant for packaging which has significant space limitation and is required to carry other mandatory product labelling, such as health warnings, disclosures of ingredients and product composition under other established EU regulations.

Supported amendments: ENVI 1503, 1504, 1505, 1514, 1015, 1530

## Waste prevention through reuse and packaging design

The Regulation should require recyclability and recycled content for packaging placed on the market. The Commission's proposal to have 2030 mandatory recycled content targets – including the 10% target for contact sensitive applications – is essential to support the plastics industry circularity and climate neutrality transitions. The provision would boost the market for secondary raw materials and reduce the need for fossil feedstock, reducing greenhouse gas emissions and improving plastics' circularity. It would also provide sufficient legal certainty and regulatory incentive for the industry to continue investing in chemical recycling technologies and improve mechanical recycling sorting and processing to ensure recycled plastics are of sufficient quality to be used for food contact applications.

The proposal should not ban packaging formats that are already collected for recycling. Hotel, restaurant and cafe services provided within means of transport should be allowed to resort to single-use solutions, such as paper cups with hydrophobic film, for serving beverages on site. Additionally, the Regulation should require reusable packaging only if it is scientifically proven through a life cycle analysis to be more environmentally friendly than single-use packaging. Additionally, the Regulation should clearly identify the entity responsible for meeting reuse targets and implement comprehensive reuse systems.

Derogations from reuse targets should apply where the reusability of packaging does not provide the best overall environmental outcome and where viable reusable options do not exist. Examples include the flexible formats and pallet wrappings used for safe transportation in the supply chain. While the latter are recyclable and already recycled at scale, no viable solutions exist today for efficient reusable alternatives. A reuse target on these types of transport packaging would therefore result in a de facto ban on a packaging which is essential to safely transport product loads, allowing for load stability and preventing the product from being damaged or causing accidents. Furthermore, the reuse target for transport packaging for home appliances is disproportionate, as it does not take into account that these types of packaging vary hugely depending on the size, weight and other specific design features of each home appliance while allowing for shock absorbing protection (Art. 26, paragraph 9).

Supported amendments: ENVI 2725, 2726, 2727, 1095, 1154, 1147, 1148, 1189, 1190, 1128, 1231, 1253, 1274, 1784, 2029, 2033, 2034, 2035, 2036, 2037, 2038, 2030,2076, 2713, 2716

## Conclusion

If the PPWR proposal is amended to include these recommendations, the Regulation could help enhance the Single Market, better align EU packaging rules and reduce market fragmentation. American companies stand ready to partner with Members of the European Parliament and other stakeholders to ensure the legislation achieves harmonisation, legal certainty, science-based assessments and realistic transition periods efficiently and effectively.