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PRIORITIES FOR THE POLITICAL TRILOGUES ON THE PACKAGING AND PACKAGING WASTE REGULATION

BusinessEurope supports efforts to accelerate the circular economy transition for a cleaner and more competitive Europe. European companies are already making extensive efforts to contribute, by developing new business models as well as circular material and product flows. The Packaging and Packaging Waste Regulation (PPWR) provides an opportunity to remove market barriers for sustainable packaging solutions and stimulate the shift to more circular packaging. However, there is a substantial risk that the Regulation – in particular in the version of the Council's General Approach – instead ends up harming the internal market, the circular and green transition as well as European competitiveness.

In view of the political trilogues on PPWR, we therefore urge EU negotiators to align with the European Parliament on key issues and:

→ SUPPORT GREATER HARMONISATION TO PREVENT MARKET BARRIERS

Harmonised legislation delivers environmental benefits by strengthening the business case for innovative circular packaging and new technologies due to the larger potential market and reduced operational and administrative costs. It also facilitates long-term investments and provides much needed predictability for businesses. Today however, European companies are confronted with divergent national packaging, labelling and information requirements as well as bans on packaging materials.

While PPWR could be a vehicle for greater harmonisation of packaging requirements, businesses are genuinely concerned of proposed provisions allowing member states to maintain or introduce additional national sustainability and information requirements. Article 4(5) must for instance be deleted, and any adjustments of the concept of 'placing on the market' in Article 4(4) as well as Council's proposal for a new Article 26(15a) should be resisted. It is of utmost importance that proposals that risk causing market fragmentation and preventing the free movement of packaging is rejected.

→ ENSURE COMPLEMENTARITY OF REUSE AND RECYCLING

Improved resource efficiency is critical to prevent biodiversity loss, water stress and to contribute to achieving climate neutrality by 2050. To advance on this aim, businesses have for instance made major investments to increase the recyclability of packaging. It is crucial that we do not sideline these efforts made, by mandating reuse in situations where it is not the environmentally preferred solution.

Reuseable and refillable packaging can be an efficient and sustainable waste prevention measure for some product categories and situations, but it can also trigger the use of more energy intensive or fossil-based materials, increased water consumption as well as transport emissions. Reuse and recycling are thus complementary solutions to achieve circularity, and should be treated as such in PPWR. Mandating reuse through a one-size-fits-all approach will not be beneficial for the green transition nor European competitiveness, and risks undermining the important role of recycling. We therefore strongly encourage negotiators to agree on horizontal exemptions from the reuse obligations and single-use bans as proposed by the European Parliament¹ in situations where disposable and recyclable packaging is more environmentally sustainable than reuse, linked to a lifecycle assessment or a high recycling- or separate collection rate.

¹ Such as in Articles 26(13a), 26(14a), 26(15), 26(15a), 22(1), 22(2).