

# Recent EU regulations and requirements on the EPR scheme

**Extended Producer Responsibility – From directives to implementation**

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# EUROPEN: Representing the packaging value chain

## RAW MATERIAL SUPPLIERS



## PACKAGING DESIGNERS MANUFACTURERS



## PACKAGING USERS / BRAND OWNERS



## NATIONAL PACKAGING ASSOCIATIONS



# EUROPEN mission and goals

**EUROPEN** aims to achieve a fully accessible European market for packaging and packaged products, while protecting the product and the environment



Continuously improve the environmental performance of packaging and packaged products all along the supply chain



Promote the role, functionalities and benefits of packaging within all relevant EU policies



Strive for a harmonised policy framework and a functioning EU internal market for packaging and packaged products

# PPWD: the legislative framework for the packaging value chain

*Main elements of the PPWD, as per the 2018 review*

- Scope: **all packaging** placed on the EU market and **all packaging waste**, regardless of the material used
- Obligations for Member States:
  - **prevent the generation of packaging waste and minimise the environmental impact of packaging**
    - e.g. through national programmes, incentives through **extended producer responsibility schemes** and other economic instruments
  - **encourage the increase in the share of reusable packaging** without compromising food safety or the safety of consumers
    - e.g. through deposit-return schemes, targets, economic incentives
  - **meet recycling targets**
    - at least 65% by weight of all packaging is recycled by 2025 and at least 70% by 2030
  - **ensure that the packaging placed on the market meets the Essential Requirements**
    - to limit the weight and volume of packaging to a minimum adequate amount in order to still meet the required level of safety, hygiene and acceptability for the packed product and for the consumers
    - to minimise the content of hazardous substances and materials in the packaging material and its components
    - to design reusable or recoverable packaging, which may include design for material or organic recycling as well as design for energy recovery

# Review of the PPWD: what to expect?

*Initial mandate for review of PPWD extended with CEAP 2.0*

**UNDER REVIEW**



**Packaging design**  
Essential Requirements  
Heavy metals limits



**Free movement guarantee**  
for compliant packaging



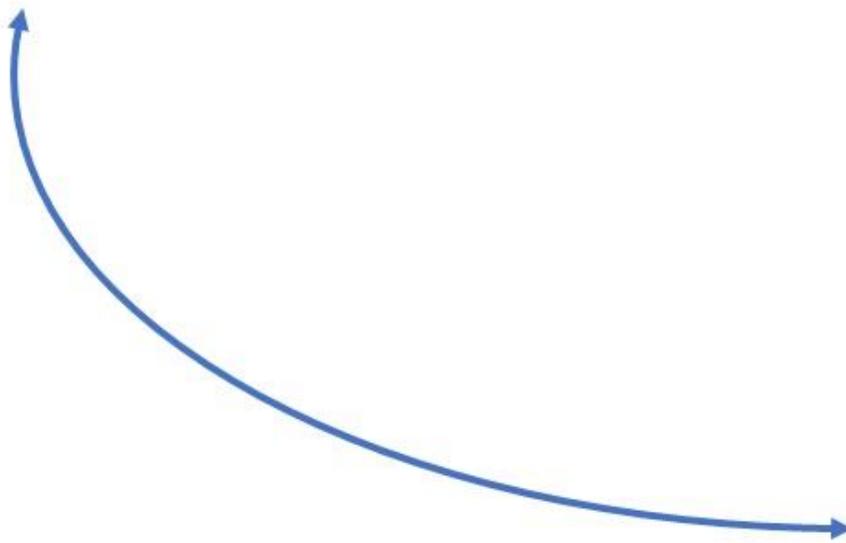
**Collection and recovery or**  
return and reuse systems



**Recycling targets**  
2025 and 2030



**Prevention of**  
packaging waste and  
packaging environmental impact  
(in addition to Essential  
Requirements)

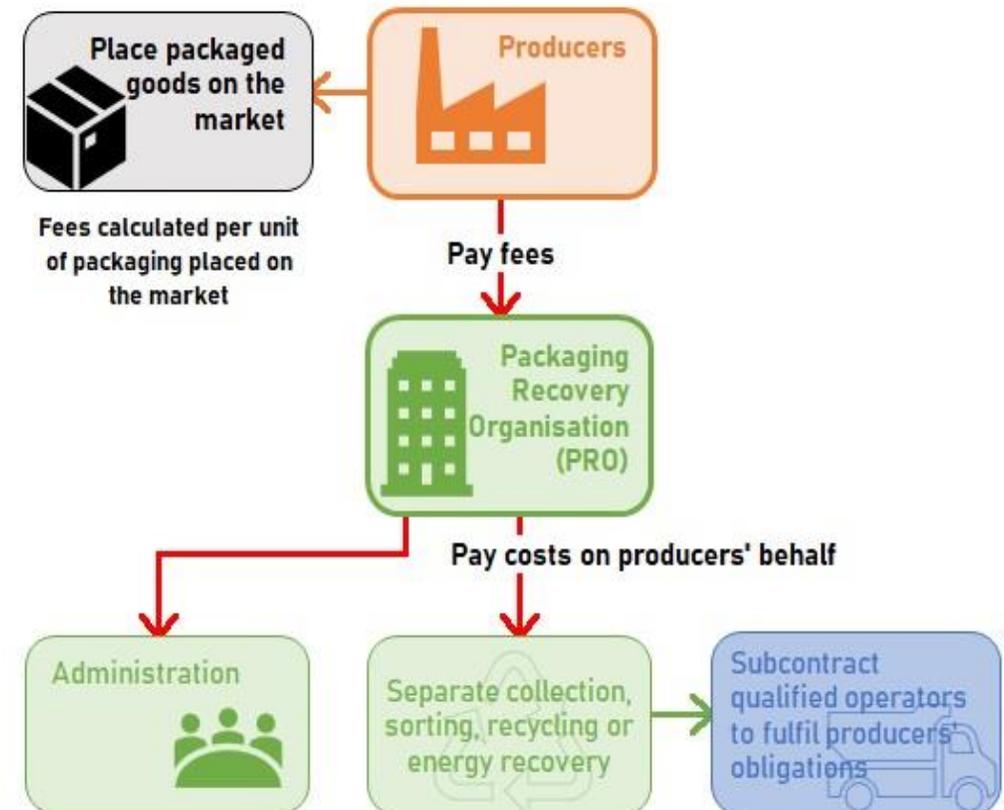


# What are EPR schemes and how do they work for packaging?

- EPR are defined in EU legislation as measures to ensure that producers bear **financial or financial and organisational responsibility** for **managing the waste stage** of a product's life cycle (including packaging)
- **EPR schemes for packaging** provide for the return and/or collection of used packaging and/or packaging waste and its channeling to the most appropriate waste management option, as well as for reuse or recycling of the collected packaging and packaging waste

## Basic standard EPR model for packaging recycling

- Detailed implementation varies case-by-case
- Deposit-return schemes may be implemented for reusable packaging



# Towards mandatory EPR schemes and greater harmonisation

*Main changes introduced by the 2018 legislative review*

- EPR schemes become **mandatory**
  - All Member States shall ensure that EPR schemes are established for all packaging by 31 December 2024 (art. 7.2 PPWD)
  - Previously they could choose from a range of systems, such as EPR, taxes, voluntary agreements
- **Minimum requirements** are set for all EPR schemes
  - Member States are required to ensure that EPR schemes comply with general minimum requirements to improve their effectiveness and performance across the EU (Art. 8a WFD)
- **Eco-modulation** of EPR fees becomes mandatory
  - Collective schemes have an obligation to modulate the financial contributions paid by producers considering the durability, reparability, re-usability and recyclability of the products and the presence of hazardous substances (Art. 8a.4)
  - The Commission is due to publish non-binding EU guidelines on the eco-modulation of EPR fees aimed at increasing harmonisation of operational requirements to improve transparency, governance and cost-efficiency

# General minimum requirements for EPR schemes

*Opportunity to prevent a "race to the bottom", drive investments into collection and recycling, strengthen transparency and enforcement*

## To ensure success of collective schemes MSs must ensure mandatory minimum requirements are met

- **Roles & responsibilities** of all relevant actors clearly defined
- Clearly defined **geographical, product and material coverage** not limited to the most profitable and providing appropriate availability of waste collection systems
- Necessary **financial and/or organisational means** to meet its obligations, along with a mechanism to audit financial management and quality of data collected and reported
- **Transparency** on progress in meeting targets, scheme ownership and membership, fees paid by producers, selection procedure for waste management operators
- Ensuring fees cover the **necessary costs** of separate collection, transport and treatment, provision of information to waste holders, data gathering and reporting

## Clarifying obligations, improving transparency and strengthening enforcement

- Harmonised minimum requirements should help prevent the risk that fees are paid by producers, but packaging is neither collected or recycled
- Effectively, Member States can no longer substitute EPR with a packaging tax with no investment in collection and recycling
- Clear demarcation of roles and responsibilities alongside improved transparency should drive stronger enforcement



# Potential pitfalls during implementation

*Harmonisation of eco-modulation criteria should not hamper innovation*

- Risk of **cross-subsidisation** from permission for fees on some packaging formats to be lower than the net costs associated with their collection and recycling, while fees for others could exceed the net costs
- Referring only to **Design for Recycling** guidelines as appropriate basis for modulation would discourage the uptake of innovative solutions that would not fit current infrastructure
- Transition to use only **recycling rates** for fee modulation, without sufficient time and incentives to scale up innovation, would penalise formats that are today not recycled, but in principle can be; in the interim period, methods to assess recycling rates are likely to be impracticable or unreliable
- A **bonus-malus system** for recycled content is expected to consider mechanical recycling only, while consideration is not expected to be given to the potential of chemical recycling and bonuses for renewable content



# Success factors for packaging EPR schemes

*Main conditions to ensure that used packaging is collected and recycled and legal targets are met*

- Roles and responsibilities defined in such a way that actors (including private or public waste operators and local authorities) deliver waste management tasks for which producers are legally responsible, but which fall outside their **operational scope**
- Full implementation and enforcement of minimum legal requirements on transparency and the obligation to appoint an independent body (where multiple schemes operate) to minimise the risk of **free-riders**, secure schemes' **financial sustainability** and prevent **fraudulent reporting**
- Full implementation and enforcement of the minimum legal requirement on geographical, product and material coverage to ensure a **level playing-field** where multiple schemes operate and that the EU recycling **targets are met**



Thank you

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