

REUSE REQUIREMENTS FOR INDUSTRIAL AND COMMERCIAL PACKAGING IN THE PPWR

The EU Packaging and Packaging Waste Regulation (PPWR for short) provides, among other things, for far-reaching reuse obligations for certain industrial and commercial packaging and corresponding reporting obligations for companies that use this packaging from 2030. The regulation is expected to come into force at the beginning of 2025 and will be directly effective for companies.

Article 29(1) to (3) of the PPWR obliges "economic operators" - subject to certain exceptions (see below) - to ensure that certain packaging formats listed in paragraph 1 are reusable to a certain extent "for the same purpose" and within a "reuse system" **from 2030**. Specifically, the reuse quotas apply to "**transport packaging or sales packaging used for the transport of products** within the territory of the Union, including for e-commerce" in the following specifically named formats "of all sizes and materials" (Article 29(1)):

Pallets	Flexible intermediate bulk containers
Pallet wrapping	Pails
Straps for stabilising and protecting products transported on pallets	Trays
Drums	Plastic crates
Canister	Boxes, except those made of cardboard, see paragraph 4 (d)
Rigid bulk containers ["intermediate bulk containers"]	Folding plastic crates

Different reusable quotas apply depending on the application:

- For **cross-border transport** between legally independent economic operators within the EU, the reusable quota is at least **40 per cent** for the packaging formats **as a whole** (Article 29(1)).
- For **internal (inter-company) transport of** products between different locations within the EU, a complete (**100%**) reusability obligation applies to these packaging formats (Article 29(2)).
- Transport between legally independent economic operators **within the same Member State** is also subject to a full (**100%**) reuse obligation for these packaging formats (Article 29(3)).

Conversely, single-use packaging in these formats will be prohibited in national business transactions and between company locations from 2030.

According to Article 3(12), "**economic operators**" are *producers, suppliers of packaging, importers, distributors, authorised representatives, final distributors and fulfilment service providers*, but not industrial or commercial *end-users* or *consumers* (see Article 3(23) and (22)). These "economic operators" must demonstrate compliance with the quotas from 1 January 2030 - or 18 months after the entry into force of the implementing acts referred to in Article 30(3) on the calculation method of the targets, whichever is the later (see Article 30(4)). For imports from third countries, the logistics company is considered to be the responsible "producer" of the packaging (see recital 124).

Pursuant to Article 29(4), transport packaging and sales packaging for the transport of products are **exempt** from the reusable packaging requirements if they

- are used for the transport of dangerous goods;
- are used for the transport of large machinery, equipment and raw materials for which packaging is designed according to the individual requirements of the ordering economic operator;
- are used in a flexible format for transport and are in direct contact with food and feed;
- can be used in the form of cardboard boxes.

Small businesses are also exempt from the reusable packaging obligation if they (1.) have made no more than 1,000 kg of packaging available on the market in the territory of a Member State during a calendar year and (2.) fulfil the definition of microenterprises in accordance with the Commission Recommendation, i.e. currently employ fewer than 10 employees and have an annual turnover or annual balance sheet total of no more than EUR 2 million (Article 29(13)).

When packaging is "**reusable packaging**" is determined by Article 11: According to this article, packaging must be "*designed, developed and placed on the market with the aim of being reused or refilled several times*" (Article 11 (1) (a)). Reuse means repeated use "for the same purpose" (Article 3 (27)). The Commission shall issue a "**minimum number of cycles**" within two years for the most frequently used packaging formats (Article 11(2)). In addition, reusable packaging must in future be **labelled** to inform customers of the reusability of the packaging (Article 12(2)).

Economic operators who use reusable packaging must participate in a so-called **reuse system** (Article 27(1)). This system must **incentivise** the collection of packaging and meet the requirements of **Annex VI** (Article 26(1), first sentence): According to this, such reuse systems must have the following elements, among others, from 2030:

- Governance structure and guidelines,
- System operator who controls the functioning of the system,
- Definition of a minimum number of rotations,
- Report from the participating companies on packaging quantities, collection rates and the number of cycles,
- Design specifications for the packaging format,
- all companies must be granted equal access to the system and
- a fair distribution of costs and benefits between the participants must be ensured.

Companies must report comprehensive **data on reuse** in relation to each packaging format to the national authorities each year (Articles 30 and 31). Member States will publish the **results of the reports** (Article 31(6)). In addition, a "**European Reuse Observatory**" is to be set up at the Commission to monitor the implementation of reuse quotas and collect data (Article 31(7)).