

February 2024 POLICY MONITORING BRIEF

POLICY ISSUES

PACKAGING AND PACKAGING WASTE: FIRST POLITICAL TRILOGUE - FEBRUARY 5

After weeks of technical talks, EU negotiators gathered on February 5. for a first political trilogue on new PPWR. According to POLITICO, the detailed discussion focused on: recycled content, return and collection systems, deposit return systems, extended producer responsibility, and how to minimize the presence of substances of concern — including a potential ban on PFAS and BPA in food-contact packaging. The Parliament wants to ban PFAS and BPA (chemicals that have been linked to health risks) in food packaging starting 18 months after the legislation enters into force — but the Council and the Commission aren't on board.

The most contentious aspects of the file — reusable packaging targets and which types of packaging should be banned — will be discussed at the next (and final) political trilogue on March 4. The Council and the Parliament are far apart on this topic, with MEPs taking a more industry-friendly stance. It was broached briefly at the end of this week's meeting, with negotiators acknowledging the yawning gap between their positions.

Next Steps: The EP ENVI Committee (14 February 2024) will update its members on the outcome of the first political trilogues. Next technical trilogues is foreseen on February 13 and the final political trilogue on March 4.

Source: Politico, European Parliament, Council of the EU, 07/02/2023

COMMISSION CALLS FOR FEEDBACK ON REGULATION BANNING USE OF BPA

The Commission calls association, businesses and other interested parties to give their feedback on a Regulation to ban the use of Bisphenol A (BPA) in food contact materials. This includes plastic and coated packaging, but also other types of products such as food processing equipment.

The deadline to send feedback is 8 of March 2024.

The proposed ban will apply in particular to food and drink cans but also to kitchenware, tableware and food contact articles used in professional food production.

Next steps: Once agreed with Member States, and adopted by the Commission, certain transitional periods will apply after the ban enters into force, to give industry time to adapt. The length of these transitional periods will depend on the product. The feedback mechanism will be followed by a discussion and a vote by Member States.

Source: DG SANTE, 07/02/2024

EU'S CLIMATE TARGET FOR 2040

In February 2024, the European Commission presented its assessment for a 2040 climate target for the EU. The Commission recommended reducing the EU's net greenhouse gas emissions by 90% by 2040 relative to 1990. The Commission's proposal follows a public consultation which took place from 31 March to 23 June 2023, in which we invited citizens and stakeholders to share their views on the EU's

climate target for 2040. The recommended 2040 climate target is based on the Commission's detailed impact assessment and the advice of the European Scientific Advisory Board on Climate Change.

Next steps: The Communication <u>launches the process</u> of setting the 2040 climate target for the EU. It opens a political debate on the choices for European citizens and governments on the way forward. This will inform the next Commission, which will take office after the 2024 European elections.

Source: European Commission, 07/02/2024

CIRCULAR ECONOMY: COUNCIL AND PARLIAMENT STRIKE PROVISIONAL DEAL ON THE RIGHT TO REPAIR DIRECTIVE

On February 2nd, the Council and the European Parliament reached a provisional deal on the directive that promotes the repair of broken or defective goods, also known as the right-to-repair (or R2R) directive. The legislation will make it easier for consumers to seek repair instead of replacement by making the access to repair services easier, faster, transparent, and more attractive. The provisional agreement applies to all products with repair requirements on EU law, sets an obligation to repair on manufacturers of goods with repair requirements, establishes a European information form providing consumers with key data on the repair service, and unifies the national repair information platforms into a European online platform.

Next steps: The provisional agreement reached with the European Parliament now needs to be endorsed and formally adopted by both institutions.

Source: European Commission, 02/02/2024

MEPS ADOPT NEW LAW BANNING GREENWASHING AND MISLEADING PRODUCT INFORMATION

On 17 January 2024, the European Parliament adopted the Directive on empowering consumers for the green transition (COM(2022) 143). Parliament has given its final green light to a directive that will improve product labelling and ban the use of misleading environmental claims.

Most importantly, the new rules aim to make product labelling clearer and more trustworthy by banning the use of general environmental claims like "environmentally friendly", "natural", "biodegradable", "climate neutral" or "eco" without proof.

The new directive is meant to work together with the <u>green claims directive</u>, currently being discussed at committee stage in Parliament. The upcoming green claims directive will be more specific and elaborate the conditions for using environmental claims in greater detail.

Next steps: The directive now also needs to receive final approval from the Council, after which it will be published in the Official Journal and member states will have 24 months to transpose it into national law.

Source: European Parliament 9/02/2024

WASTE FRAMEWORK DIRECTIVE

The Commission Expert group on waste held on February 8 discussed Early Warning Reports and national derogations from the targets and End-of-Waste Criteria. DG Environment provided an update on major waste-related legislative initiatives, report on bio-waste and Infringements to be launched/pursued in 2024.

Source: European Commission, 08/02/2024

WFD: COMMISSION DECIDES TO REFER SPAIN TO THE EU COURT OF JUSTICE FOR FAILURE TO APPLY THE WASTE MANAGEMENT REQUIREMENTS

On February 7, the European Commission decided to refer Spain to the Court of Justice of the European Union for failure to comply with the requirements of the Waste Framework Directive (WFD - Directive 2008/98/EC).

The Waste Framework Directive requires Member States to take all necessary measures to ensure that waste management does not endanger human health or harm the environment. Member States also need to ensure that waste is safely disposed of, and that original waste producers treat the waste themselves or ensure that the treatment is properly handled.

The Commission considers that efforts by the Spanish authorities to comply with the WFD, have to date been insufficient and is therefore referring Spain to the Court of Justice of the European Union

Source: Politico, 07/02/2024

ECHA LAUNCHED THE ECHA CHEM NEW PUBLIC CHEMICAL DATABASE

ECHA CHEM is ECHA's new public chemicals database launched in early 2024. Initially, it includes data that companies have submitted in their REACH registrations. Over the coming years, ECHA will gradually transfer the data it makes publicly available from their current location (Search for chemicals) to ECHA CHEM.

ECHA CHEM will be incrementally developed. Here the <u>timeline</u> for the main releases, their features as well as the known issues. The information will be updated continuously.

Source: ECHA 01/02/2024

GERMAN, FRENCH LEADERS CLASH OVER MERCOSUR DEAL

German Chancellor Olaf Scholz and French Prime Minister Gabriel Attal on Monday traded barbs over whether to conclude the EU's landmark trade agreement with the Mercosur bloc of South American countries. During a press conference at the German chancellery, which Attal was visiting for the first time since being appointed last month by President Emmanuel Macron as France's new head of government, the two leaders presented such divergent views of the EU-Mercosur deal that Attal concluded: "We agree to disagree."

Source: Politico, 15/02/2024

COUNCIL POSTPONED THE VOTE ON THE CORPORATE SUSTAINABILITY DUE DILIGENCE DIRECTIVE (CSDDD)

The Belgian presidency of the Council of the EU has postponed a decisive vote by member countries on new business supply chain oversight rules following a massive push from German liberals. In a last-minute move, the co-governing Free Democratic Party (FDP) came out against the law, which would require companies based within the bloc to police their value chains for human rights and environmental violations. The decision to postpone the vote indicates that the Belgian presidency has not yet succeeded in rallying enough support for the law to pass.

Next steps: Lawmakers in the European Parliament's legal affairs committee are slated to give their final approval to the text next week, with a vote in plenary scheduled for April.

Source: Politico, 08/02/2024

COMMISSION REVISION OF THE EU RULES ON FOOD CONTACT MATERIAL

Revision of EU rules on food contact materials. Originally scheduled for 2023, the FCM revision has had many delays. A report on IT infrastructure requirements for the revision is expected in "spring 2024" and another report on "sustainable packaging" should come out later in 2024 but the policy impact assessment and public consultation may not come until 2025.

The planning for, and subsequent delay of, the FCM regulation may be a contributing factor in the pause and delay of the Food safety – plastic food contact materials (FCMs) (update to quality control rules). Meant to align rules between Regulation (EU) 10/2011 on plastic FCMs with the regulation on recycled plastics and the regulation on biocidal products. It would also affect migration testing procedures. Originally scheduled for adoption in Q2 2023.

<u>Food safety – heavy metals in ceramic, glass and enameled table and kitchenware</u>. There has been no movement on this initiative since the roadmap feedback period closed in June 2019. Public consultation was originally scheduled for Q4 2022.

Food packaging Forum, January 2024

UNITED NATIONS ENVIRONMENT PROGRAM (PLASTICS TREATY)

The Final two meetings of the Intergovernmental Negotiating Committee to develop an international legally binding instrument on plastic pollution, including in the marine environment this year.

April 19-30

Meeting 4 of the Intergovernmental Negotiating Committee (INC) on Plastic Pollution in Ottawa, Canada.

November 25 – December 1

Meeting 5 of the INC on Plastic Pollution in Busan, South Korea

Source: Plastic treaty January 2024

REACH REVISION

Chemicals legislation – revision of REACH Regulation to help achieve a toxic-free environment. The revision is running late but the Commission confirmed in December 2023 that it will continue to move forward. However, publication of the draft will not be available until after the next parliamentary term begins in June 2024. Originally, the REACH revision was planned for early 2023. The delay has been a source of consternation for civil society organizations and Member States.

Source: FPF, January 2024

COMUNICATION ON THE CLEAN TRANSITION DIALOGUE

The Commission is expected to adopt the Communication on 10 April 2024.

Source: OPP, January 2024

PERMANENT STORAGE OF EU ETS EMISSIONS THROUGH CARBON CAPTURE AND UTILISATION

Following the recent revision of the EU ETS Directive, <u>this initiative</u> will set out the conditions under which ETS emissions can be deemed necessary to determine if the greenhouse gases have been permanently embedded in a product, preventing their release into the atmosphere during regular use and end-of-life.

SMEI / IMERA: COUNCIL AND PARLIAMENT STRIKE A PROVISIONAL DEAL ON CRISIS PREPAREDNESS

The Council and the European Parliament reached a provisional agreement on the regulation for a single market emergency instrument (SMEI), which after the agreement will be renamed Internal Market Emergency and Resilience Act (IMERA). Council and Parliament have also agreed on several accompanying legislative proposals (IMERA omnibus) to anticipate, prepare for and respond to the impact of future crises using the strength of the internal market.

Application dates: Finally, the co-legislators have agreed that member states will have a period of 18 months to implement the new rules, once the regulation comes into force.

Next steps: The provisional agreement reached with the European Parliament now needs to be endorsed and formally adopted by both institutions.

Source: Council, 01/02/2024

POSITION PAPERS

EUROPEN jointly with ACE, AIM, AISE, APEAL, published a <u>joint statement</u> focusing on the deletion of the Council's reference to "state-run producer responsibility organisations".

The Alliance for Sustainable Packaging for Foods (ASPF) announced among its members the Reusable packaging Association. Todd Hoff, Executive Vice President at Reusable Packaging Association, and vice chair of ASPF remarks that "sustainable packaging solutions for food, such as reusable packaging, can also lead to superior product protection and temperature management performance, ensuring food quality and safety and reducing waste," The alliance's position paper can be found on the ASPF website.

The Toy Industries have released a <u>position paper</u> advocating for the setting of feasible reuse targets for transport packaging in Article 26, urging legislator to take into account the impact on the environment and the supply chain, especially for multinational toy producers with decentralised supply chains and the different applications of the transport packaging covered.

The European Waste Management Association (FEAD) published a statement emphasizing the crucial need to keep biobased feedstocks for plastics packaging separate from recycled content targets.

ChemTrust, HEAL and Zero Waste Europe shared a newsletter about synergies between PPWR and Food Contact Material (FCM) <u>here</u>.

<u>Eat Europe</u> - an initiative of FarmEurope - published a <u>piece</u> following the <u>roundtable</u> in Berlin on "The European Packaging regulation – Benefit or Damage for the Fruits and Vegetables Value Chain?". They advocate for postponing the PPWR to the next Commission, citing insufficient data and potential risks to the entire European agri-food sector.

ECOS (Environmental Coalition on Standards), together with NGOs and the Rethink Plastic Alliance, published a <u>joint letter</u> ahead of the trilogues urging for a credible approach to address substances of concern in packaging materials. They stressed particularly the need to (1) introduce restrictions in the cases of significant risks to human health or the environment with wording aligned with the Ecodesign for Sustainable Product Regulation (ESPR), and (2) to introduce bans on PFASs and BPA in packaging. The letter addressed more generally the need to enforce the Chemicals Strategy for Sustainability considering the delays of the REACH revision and the Food Contact Materials Regulation (see our <u>note</u>).

EuRIC (The European Recycling Industries' Confederation) posted a <u>video</u> summarising their position for the trilogue negotiations, supporting exemptions for paper and cardboard from the reduce and reuse targets for a high circularity performance. They also call for separate targets for biobased feedstocks and recycled contents, the deletion of priority access to recyclates for certain producers, and a common methodology to guarantee the origin of materials.

STAKEHOLDER REACTIONS TO THE COMMUNICATIONS ON THE EU'S 2040 CLIMATE TARGET AND INDUSTRIAL CARBON MANAGEMENT

FEAD: Circular economy: paramount to achieve the European Commission's 2040 climate target.

Cepi: Reaching 2040 targets won't be easy as economic feasibility is uncertain

COGEN Europe: Achieving the EU's 2040 Climate Ambition: Cogeneration has a key role to play!

Bioenergy Europe: Advancing Towards the 2040 Climate Target with Bioenergy

Cefic: EU 2040 climate target

<u>European Environmental Bureau (EEB):</u> EU's 2040 climate ambition is undermined by distractions and shortsighted decisions on agriculture

Source: OPP, February 2024

INSTITUTIONAL BRIEFING ON ENVIRONMENTAL LEGISLATION

EP Briefing: A Union certification framework for carbon removals

STAKEHOLDER REACTIONS TO PPWR TRILOGUES

<u>Stakeholder Document</u>: Joint industry statement calling for thoughtful and science-based reuse policies in the transport packaging sector (by A.I.S.E, Flexible Packaging Europe, FoodDrinkEurope and others)

PUBLIC CONSULTATION OPEN FOR FEEDBACK

<u>Product safety</u> – ways for consumers and others to report potentially dangerous products.

<u>Food safety – restrictions on bisphenol A (BPA)</u> and other bisphenols in food contact materials

<u>Unlocking private investment in energy efficiency</u> – guidance to Member States and market actors <u>Screening of foreign direct investments (FDI)</u> – evaluation and revision of the EU framework Chemical safety – better access to chemicals data for safety assessments

UNITED NATIONS ENVIRONMENT PROGRAM (SPP)

The Intergovernmental Science Policy Panel on Chemicals, Waste, and Pollution Prevention is continuing to be developed in 2024.

June 17 - 21, 2024 - Open Ended Working Group -3

Source: FPF January 2024

COMMISSION SETS OUT HOW TO SUSTAINABLY CAPTURE, STORE AND USE CARBON TO REACH CLIMATE NEUTRALITY BY 2050

The European Union is committed to reaching 'net zero' CO2 emissions by 2050. While the major part of this effort will come from reducing current emissions levels in the coming years, we will also need technologies that can capture CO2 or remove it directly from the atmosphere and then store or utilise it.

Click here for the proposal

Source: OPP February 2024

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RATINGS: COUNCIL AND PARLIAMENT REACH AGREEMENT

The Council and European Parliament today reached a provisional agreement on a proposal for a regulation on environmental, social and governance (ESG) rating activities, which aims to boost investor confidence in sustainable products.

ESG ratings provide an opinion on a company's or a financial instrument's sustainability profile, by assessing its exposure to sustainability risks and its impact on society and the environment. ESG ratings have an increasingly important impact on the operation of capital markets and on investor trust in sustainable products.

Next steps: The provisional political agreement is subject to approval by the Council and the Parliament before going through the formal adoption procedure. The regulation will start applying 18 months after its entry into force.

Source: European Council, 05/02/2024

INDONESIA NEW NATIONAL POLICY ON FCM

Idonesia's new national policy on food contact materials should be published in 2024.

While discussions around food contact materials and chemicals are very active and get significant public attention in Europe and North America, many other regions around the world are engaged in FCM-related policy initiatives.

Source: Food Packaging Forum, 01/02/2024