

Pallet Wrappings and Straps: Exemption from the 100% Reuse Targets under PPWR

Response from the Rethink Plastic Alliance to the public consultation on the Commission's proposal for a Delegated Act to exempt pallet wrappings and straps from the 100% reuse targets in the Packaging and Packaging Waste Regulation (PPWR, or the Regulation)

About Rethink Plastic

The Rethink Plastic Alliance is a coalition of leading European NGOs advocating for ambitious EU policies to tackle the growing crisis of plastic pollution. It brings together the Center for International Environmental Law (CIEL), ClientEarth, the Environmental Investigation Agency (EIA), the European Environment Bureau (EEB), the European Environmental Citizen's Organisation for Standardisation (ECOS), Greenpeace, Seas At Risk, Surfrider Foundation Europe, and Zero Waste Europe. Together, these organisations represent thousands of active groups, supporters and citizens in every EU member State working towards a future free from plastic pollution.

Summary

The Rethink Plastic Alliance is opposed to the exemption for pallet wrappings and straps from the 100% reuse target in the PPWR. We point out that the proposed exemption does not fulfill the conditions laid down in the Regulation, nor does it satisfy the criteria of having taken into account the latest scientific and economic data and developments. We also consider it unreasonable and non-transparent that this proposal has been made without publishing all relevant supporting documents and call for their quick publication.

The Rethink Plastic Alliance contends that the exemption **should not be adopted** unless it aligns with the PPWR's conditions, is supported by recent and verifiable data, and all preparatory documents are published in a timely manner.

Furthermore, we urge the Commission to avoid proposing any further exemptions from the PPWR. In order for Member States to have a decent chance of reaching their legally-binding waste prevention targets, it is imperative that this crucial Regulation is implemented as ambitiously as possible.

Note: The full title of the proposed Delegated Act - *Draft proposal on supplementing Regulation (EU) 2025/40 of the European Parliament and of the Council by exempting certain economic operators that use pallet wrappings and straps from the 100% reuse requirements of these packaging formats* - shall hereby be referred to as the "Draft Proposal".

The exemption does not fulfill the PPWR's own conditions

The conditions for adopting the exemption to the reuse targets in accordance with Article 29, para. (18) (a) of PPWR are not fulfilled by the Draft Proposal

1. Exemptions to the reuse targets under Article 29, para. (18) (a) must apply to a specific economic sector in order to be adopted. Instead, the *Draft Proposal* provides a general exemption to the reuse targets for a specific packaging format, and does not target a specific sector.

As is evident from the content of the Draft Proposal, by exempting plastic wrappings and straps from the reuse targets established under Article 29 of PPWR, the European Commission intends to establish a general exemption for a specific packaging format, namely, all plastic wrappings and straps used as transport (tertiary) packaging by any economic operator across the EU.

The legal basis for the exemption proposed in the Draft Proposal is Article 29, para. (18), letter (a) of the PPWR. However, this provision does not permit the adoption of general exemptions from the reuse targets established in Article 29, as envisaged in the Draft Proposal.

Article 29, para. (18) of the PPWR sets out the conditions under which the European Commission may adopt exemptions from the reuse targets established in Article 29. These exemptions are narrowly defined and limited to specific circumstances:

- a. Letter (a) covers situations relating to **economic operators from a specific sector**, facing particular economic constraints triggered by the compliance with the targets of Article 29 of PPWR;
- b. Letter (b) covers situations relating to **specific packaging formats** and hygiene and food safety standards;
- c. Letter (c) covers situations relating to **specific packaging formats** and connected environmental issues.

Letter (a) above-mentioned, which is the legal basis of the Draft Proposal, clearly mentions that an exemption to the reuse targets can be adopted provided that the exemption applies to economic operators from a specific sector, which means a specific industry or economic activity. Accordingly, this is the main condition that needs to be fulfilled in order for this exemption to be adopted. Furthermore, the exemptions adopted under letter (a) do not operate in relation to a specific packaging format, unlike the other legal basis for exemptions provided under letters (b) and (c).

In the case of the Draft Proposal, this condition is not fulfilled as the Draft regards a general exemption applicable to all economic operators in the EU that use a specific packaging format: plastic wrappings and straps. Although the title of the Draft refers to “exempting certain economic operators”, the Draft Proposal does not make any reference to a specific type of economic operator and/or the sectors to which they belong.

In conclusion, by failing to refer only to a certain economic operator from a specific sector, and instead providing a general exemption linked to a specific packaging format, the Draft exceeds the Commission's powers under Article 29, para. (18) of the PPWR and is therefore inconsistent with its legal basis.

2. Exemptions to the reuse targets can be adopted provided that they take into account *"the latest scientific and economic data and developments"*.

In accordance with Article 29, para. (18) of the PPWR, the exemptions to the reuse targets in Article 29 of PPWR can be adopted if such are based on the latest scientific and economic data and developments. It shall be thus interpreted that such data must be recent and had not been analysed before the drafting and adoption of the PPWR.

Analysing the wording of the Draft Proposal, the scientific and economic data on which it is based are:

- a. *"Targeted stakeholder consultations with the packaging sector as part of a dedicated study"*. The minutes and documentation of such consultations have not been published, and are only announced to be published in the future without any further details. Moreover, a presentation given during the Commission Expert Group on PPWR on 10 October 2025 did not specify how the consulted stakeholders were distributed across the supply chain, nor did it provide a list of these stakeholders.
- b. *"According to Eurostat, 600,000 businesses in the EU could be affected by Article 29 (2) and (3)"*: This statement is accompanied by a link to Eurostat¹ that shows data connected to a general listing of NACE codes, namely: "industry, construction and market services – except public administration and defence, compulsory social security, activities of membership organisations)", and which indicates more than 33 million enterprises in the EU and not 600,000.
- c. *"Costs to these businesses have been estimated approximately at EUR 610,000,000; such costs relate to the adaptation of the packaging lines (i.e., often maintaining dual packaging lines), such as purchase of new automated machines for wrapping up the pallets, IT equipment, and staff training"*. This estimation statement has no source or further justification.
- d. *"Costs to competent authorities typically refer to performing audits to the businesses to check compliance with the reuse obligations outlined in Article 29 (2) and (3)"*.

None of the (a) – (d) statements above contain any solid evidence which could be reasonably considered as valid *"latest scientific and economic developments"* that justify the exemption envisaged by the Draft Proposal.

¹ https://ec.europa.eu/eurostat/databrowser/view/sbs_ovw_act_custom_17432478/default/bar?lang=en

Moreover, nothing from the above is new in the sense that there is nothing that had not been considered beforehand by the European Commission and co-legislators when drafting and adopting the PPWR.

Analysing the basis of the PPWR, laid down in its Impact Assessment, it is clear that the costs for both businesses and public authorities were known beforehand and still formed part of the decision to adopt the reuse targets in Article 29.

As reflected in the Impact Assessment of the PPWR:

- a. The costs of implementing reuse was already known and assessed as triggering a significant financial investment:²
 - The measures provided by the PPWR shall “result in additional costs for reuse and DRS of EUR 4.6 billion”.
 - On the other hand, it is recorded that it also results in “overall economic savings of EUR 47.2 billion compared to the baseline 2030” and “reduced costs in waste management of EUR 4.2 billion and reduced sales and consumption of packaging of EUR 51.7 billion”.
 - In connection to the public authorities, it “brings in additional annual administrative costs of EUR 1.3 billion”.
 - “The complex impacts on employment are estimated to result in a slight net increase of about 29.000 “green” jobs. If the economic savings were completely transferred to the consumers, the yearly savings per citizen are in the order of 100€”.
- b. The measures for plastic wrappings and straps were initially adopted under the PPWR, despite their considerable cost, because of the significant environmental impact and the high costs of managing the waste resulting from these packaging formats.
 - “Tertiary plastic films are the most prevalent type of packaging waste, making up 4.7% of all packaging waste (25% of all plastic packaging by weight).”³
 - “The biggest reductions are modelled for the producers of transport packaging: plastic wrapping: [...] 1.5 million tonnes down from 4.4 million tonnes in baseline 2030.”⁴

In light of the above, RPA finds it unreasonable that the exemption for plastic wrapping and strap to be adopted, considering that this specific packaging format was included under the PPWR’s reuse targets following a thorough assessment, as shown above, which took into account all essential factors: costs and future investments, as well as environmental and social aspects.

² Section 7.2, page 50 of Impact Assessment of PPWR part 1, SWD(2022) 384 final.

³ Section 8.2, page 287 of Impact Assessment of PPWR part 2, SWD(2022) 384 final.

⁴ Section 7.2, page 50 of Impact Assessment of PPWR part 1, SWD(2022) 384 final.

The Draft Proposal contains no latest scientific and economic development that would justify the exemption from the reuse targets for plastic wrapping and straps throughout the EU.

Relevant preparatory documents unavailable

RPA requests the publication of all relevant preparatory documents that constitute the basis of this Draft Proposal

In accordance with Article 12 of Regulation 1049/2001, the European Commission has the obligation to ensure the proactive dissemination of any legislative documents drawn up or received in the course of the preparation of this particular Draft Proposal.

RPA considers it unreasonable that the Draft Proposal was published without being accompanied by all the relevant documents which serve as a basis for its publication. We are also critical of the fact that the presentation given during the Commission Expert Group on the PPWR on 10 October 2025 did not give enough details about the Impact Assessment's underlying data and assumptions.

We therefore urge the European Commission to publish the minutes of the stakeholder consultation; reports, briefings and any other documents submitted by the stakeholders in this sense; and any other documents connected to this Draft Proposal. We request these documents be published as soon as possible so that the Council and European Parliament - as well as the public - can thoroughly examine them.

Conclusion

This exemption should not be adopted

The Rethink Plastic Alliance's position is that the exemption for plastic pallet wrappings and straps from the PPWR's 100% reuse target should not be adopted unless:

- it aligns with Article 29(18)(a), (b) or (c);
- it is supported by recent and verifiable data;
- all preparatory documents are published in a timely manner to allow for adequate review by co-legislators and the public.