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# **Report Name:** French Decrees Set the Timeline for the Reduction of Plastic Packaging but Offer Few Details on Implementation and Enforcement

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## **Report Highlights:**

Recent French decrees set specific targets for reducing single-use plastic package waste by 2025, including a mandate for reusing packaging, starting 1 January 2022. The decrees are based on the Circular Economy and Fight Against Waste Law which ultimately seeks to ban all plastic packaging by 2040. To date, French authorities have had only limited consultations with French and EU stakeholders. Non-EU trading partners are deeply concerned that the lack of detail and the absence of consultations will be very disruptive to trade.

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#### **Summary**

On February 10, 2020, French President Emmanuel Macron signed the <u>new Circular Economy and Fight</u> <u>Against Waste Law (n° 2020-105)</u> (also known in France from its French acronym Loi AGEC) with the ultimate goal of banning all plastic packaging by 2040. While the law sets general principles, it is complemented by specific French government decrees. French <u>Decrees n° 2021-517</u> of April 29, 2021 and n° <u>2021-1318</u> of October 8, 2021 (the Decrees) set specific targets for reducing single-use plastic package waste by 2025. Many details regarding practical implementation have yet to be announced and more decrees are expected to provide further details on implementation are in the pipeline. One decree, currently notified as a draft to the European Commission, seeks to impose new mandates for reusable packaging, starting in 2022. French authorities have had only limited consultations with French and EU stakeholders. Non-EU trading partners are deeply concerned that the lack of detail and the absence of consultations could be very disruptive to trade.

The Decrees encompass all sectors of the economy, but the impact on the food and agricultural sector will be profound given the wide use of plastics to preserve and protect food from contamination. The Decrees set a clear timeline for specific objectives, but they lack important details on implementation and enforcement mechanisms. The Ministry for Ecological Transition (MTE), formerly known as the Ministry of Environment (MinEnv) together with the Ministry of Agriculture (MinAg) and the Ministry of Economy (MinEcon), are responsible for implementing the Decrees. France has formally notified some regulations such as the one on the reuse of packaging to the European Commission through the TRIS system, but has not yet notified the WTO, nor has France engaged in any consultations with non-EU trading partners. Stakeholders are therefore in limbo, waiting to better understand how the Decrees will be implemented and enforced.

#### The French Single Use Plastics Decrees and the Circular Economy Law

The European Union (EU) has longstanding rules on food packaging that date back to 1994 with <u>Council Directive 94/62/EC</u> that require EU Member States to "take measures that reduce packaging waste while introducing systems for reuse, recovery, and recycling of packaging materials." Certain types of single use plastic in the EU are also subject to additional regulations under the EU Single-Use Plastics Directive, Council Directive 2019/904. For further background, please refer to <u>GAIN Report E42021-0054</u>.

With the vote of Loi n° 2020-105 relative à la lutte contre le gaspillage et à l'économie circulaire, (French Law No. 2020-105, Regarding a Circular Economy and the Fight Against Waste), France is seeking to cement its leadership in the EU effort to reduce plastic waste.

In introducing the new law, the French government emphasized the need for a "radical but not brutal" transition to a new economic model. According to the MTE, more than 2.2 million tons of plastic

packaging is introduced into the French market ever year. <sup>1</sup> By their own estimation, France's current recycling rate, 27 percent, is "too low." In 2020, the French non-profit industry group <u>CITEO</u> published a study on <u>How French Consumers Perceive Packaging</u>. According to CITEO, French consumers increasingly prefer less packaging, less plastics and more recycling.

The Decret n° 2021-517 du 29 avril 2021 relatif aux objectifs de réduction, de réutilisation et de réemploi, et de recyclage des emballages en plastique à usage unique pour la période 2021-2025 (French Decree no. 2021-517 of April 29, 2021, Regarding the Goals of Reducing, Recycling and Reusing Single-Use Plastic Packaging for the period 2021-2025, also known as the "3R Decree") sets ambitious goals to accelerate the transition to a total ban on plastic packaging by 2040.

Specifically, the "3R Decree" calls for:

- 1. A 20 percent reduction in single-use plastics by 2025, where at least half of the single-use plastics are obtained by recycled and reused packaging materials.
- 2. A 100 percent reduction in "unnecessary" single-use plastic packaging by 2025 (for example, plastic bubble wrapping around batteries and light bulbs).
- 3. Moving toward 100 percent recycling of single-use plastic packaging by 2025, with the aim of discouraging substances or elements that can limit recycling, while at the same time not disrupting supply chains.

To complement the 3R decree specifically for the fruits and vegetable sector, <u>the French government</u>, implemented the article 77 of the <u>2020-105 AGEC law</u>, by introducing French Decree no. <u>2021-1318</u> of October 8, 2021. This decree prohibits plastic packaging for fruits and vegetables (<u>Décret n° 2021-1318</u> <u>du 8 octobre 2021 relatif à l'obligation de présentation à la vente des fruits et légumes frais non</u> <u>transformés sans conditionnement composé pour tout ou partie de matière plastique</u>). It sets very specific objectives, timelines and exemptions. For more details on article 77, please refer to <u>GAIN report</u> <u>FR2021-0004</u>. However, there is still no clear understanding why some products are on an accelerated schedule, while others are not. For example, fresh cranberries from the United States can still be marketed with plastic packaging until December 31, 2024. However, other berries have a reprieve until June 30, 2026.

### The French Decree on Reusable Packaging

In July 2021, the French Ministry of Ecological Transition published a draft <u>decree on the Minimum</u> <u>Proportion of Reused packaging to be Placed on the Market Annually</u>. This draft decree implements Articles 9 and 67 of the French Law for a Circular Economy (the official comment period closed on September 19, 2021). The draft decree states that producers with annual sales exceeding 50 million Euros must employ at least 1.5 percent reusable packaging in their total use by the end of 2022. By 2026, all producers must comply with the reusable packaging requirements.

<sup>&</sup>lt;sup>1</sup> Ministry of Ecological Transition - Anti-waste law: towards the end of single-use plastic packaging

The minimum annual requirement for reused packaging in France is set according to the following timetable from 2022 to 2027:

- 1.5 percent in 2022
- 5 percent in 2023
- 6 percent in 2024
- 7 percent in 2025
- 8 percent in 2026
- 10 percent in 2027

The draft decree further notes that products can be exempted from the annual requirements "if consumer health or other safety requirements specifically prohibit the reuse of a packaging." Packaging bearing Geographic Indications or similar quality schemes labels can also be exempted. No precise list of products has been published so far.

The draft Decree specifies what producers must comply with the new mandates and provides for the possibility that producers can organize within a collective structure (defined as an eco-organization) to fulfill their obligations. No details have been provided. It is assumed that organizations currently handling the recycling of packaging such as <u>CITEO</u> or <u>Leko</u> (a German counterpart of CITEO ) could help fulfill this goal in handling the reuse of packaging.

Some products like, packaging for phytochemical products (which are already covered by another recycling scheme) are outside the scope of the decree. The full list of exemptions is not available.

The decree uses a very broad definition of packaging found in Article R543-43 of the French Environmental Law. That definition states, in part:

"packaging" means any object, whatever the nature of the materials of which it is made, intended to contain and protect goods, to allow their handling and their transport from producer to consumer or user, and to ensure their presentation. All "disposable" items used for the same purposes should be considered as packaging.
<a href="https://www.legifrance.gouv.fr/codes/article\_lc/LEGIARTI000042904582/">https://www.legifrance.gouv.fr/codes/article\_lc/LEGIARTI000042904582/</a>

The proposed decree has been notified to the European Commission under the TRIS system.

## No Clarity on Implementation and Enforcement

While the general goals of France's "3R Decree" and the New Circular Economy Anti-Waste Law are widely supported, few people seem to know how exactly these goals will be reached. Key stakeholders are only now beginning to ask fundamental questions on how to best implement these measures in the marketplace. <u>Currently, the targets set in France's "3R Decree" are not subject to any specific provisions for monitoring or for enforcement.</u> Article 5 of the "3R Decree" specifies that <u>French Agency for Ecological Transition</u> (ADEME) "will consult with stakeholders and will submit a progress report by 31 December 2023."

French authorities are also bound to abide by <u>Article 18 of European Directive 94/62/EC</u> which states that "Freedom to place on the market Member States shall not impede the placing on the market of their territory of packaging which satisfies the provisions of this Directive." The decree also plans for the creation of an office in charge of the assessment of the re-use of the packaging

The French Food Industry Association (ANIA) is currently assessing the consequences of the decree for French food and drink manufacturers. How the decree will impact foreign producers and French importers is also completely unclear. In their comments to the French government and to the TRIS notification, several producers' representatives have already highlighted the excessive carbon footprint that could be generated by the shipping back to producers' plants of empty packaging and their sanitation/repair prior to re-use.

While the French Government appears generally satisfied with the official adoption of the "3R Decree," reactions from both the industry and environmental groups remain rather muted. Many environmentalists, already frustrated by the distant target date of 2040 for the elimination of plastic packaging, note that the Decree lacks ambition in failing to impose clear targets and sanctions. On the other hand, industry stakeholders criticize the Decree for lack of clarity around definitions, including "single use," "unnecessary packaging," "authorized or unauthorized alternatives," etc.

Industry stakeholders also note the need for stronger mechanisms to modernize recycling, upcycling, and reusing supply chains. Plastic industry stakeholders point out that the Decree overlooks many important functional aspects related to product safety.

While the draft decree and the <u>2020-105 AGEC law</u> state that packaging product producers are "required to comply with the minimum proportions of reused packaging," other provisions of the law only "encourage" commercial practices. As a result, many see the draft Decree on Reusable Packaging as fundamentally "aspirational." Yet, the Decree clearly sets targets for 2021-2027, offering no details on implementation or enforcement. In addition, France does not currently have adequate mechanisms in place to even begin to monitor progress toward these objectives Many remain hopeful that the French Ministry of Ecological Transition will soon provide more information and establish clearer mechanisms for engaging with stakeholders to truly ensure a smooth transition.

#### Attachments:

No Attachments.