



## **Frequently Asked Questions About Extended Producer Responsibility (EPR) for Packaging & Paper Products (PPP) July 2020**

### **Introduction**

In 2017, more than 147 million tons of product packaging and paper product waste was generated in the United States, according to the U.S. EPA's latest estimate.<sup>1</sup> This is the weight equivalent of 2,810 ships the size of the Titanic. This includes newspapers, printed paper, magazines, and corrugated cardboard; steel and aluminum cans and containers; glass jars and bottles; and plastic containers and film. For over 40 years, residents have collected some of this material as part of either municipally operated / taxpayer-funded or private subscription recycling programs.

Residential recycling programs, whether municipally operated or private subscription, need sustained financial support to maintain and expand collection. Very few municipal programs can secure adequate taxpayer funding for the level of education and investment that is needed to grow and sustain effective recycling. Moreover, today, recycling programs are facing additional financial difficulties:

- Depressed global commodity markets for paper, plastic, and metal
- Severely strained resources due to the financial impacts caused by the COVID-19 pandemic in 2020

At the same time that recycling programs are struggling, many large brands have made commitments to increase their use of recycled plastic content in their packaging and to make their packaging recyclable, reusable, or compostable.<sup>2</sup> To achieve their goals, recycling programs need to collect more clean materials, especially plastic food and beverage containers, as well as heavier household plastics, such as detergent bottles. But current municipal recycling

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<sup>1</sup> See Table 4 at [https://www.epa.gov/sites/production/files/2019-11/documents/2017\\_facts\\_and\\_figures\\_fact\\_sheet\\_final.pdf](https://www.epa.gov/sites/production/files/2019-11/documents/2017_facts_and_figures_fact_sheet_final.pdf) (pages 11- 12). According to EPA's figures, there were 267.79 million tons of MSW generated in the U.S. in 2017 (the latest year for which they have published data). About 67 million tons of paper and paperboard in non-durable goods; and about 80 million tons of containers and packaging for a total of about 147 million tons or 55 percent of total MSW.

<sup>2</sup> <https://sustainablepackaging.org/goals/>.

programs are not designed to support the degree of increased recycling that is necessary to provide the feedstock for the brand commitments.

Transitioning to a system where the companies that place the products on the market assume responsibility for the recovery and recycling of the consumer packaging and paper products that they send into the marketplace would support municipal efforts and significantly benefit the recycled-content goals.

Other countries, including Canada and those in Europe and Asia, have already transitioned to such a system. It is called extended producer responsibility (EPR). EPR can help address local budget challenges and lead us into the next generation of recycling in the U.S. The following provides answers to frequently asked questions about EPR programs for packaging and paper products.

### **Frequently Asked Questions**

*Question: What is extended producer responsibility?*

*Answer:* Extended producer responsibility (EPR) is policy implemented by national or state legislation and regulation that assigns responsibility for end-of-life management of specific products and product packaging to the companies or producers that place these products into the marketplace.

*Question: How are responsible companies defined?*

*Answer:* In most EPR programs, responsibility is first assigned to the companies that place these products into the marketplace. If a product or packaging does not originate in the jurisdiction with an EPR program, responsibility falls to the first importer. In practice, a mixture of brand owners, distributors, and retailers are assigned responsibility.

*Question: What types of products are typically covered by an EPR for PPP law?*

*Answer:* EPR for PPP focuses on the paper, plastic, glass, and metal packaging associated with consumer products and paper products, such as newspapers, boxes, unsolicited mail, magazines, and mixed paper. Not all these materials are currently recyclable through traditional systems, but many are.

*Question: Where are EPR for packaging and paper products laws being implemented?*

*Answer:* EPR for packaging is being implemented all over the world, in some areas for as long as 30 years. This includes the Canadian Provinces and most of Europe and Asia. The programs in the Canadian Provinces also cover paper products.

*Question: Why is EPR being implemented as a tool to support residential recycling?*

*Answer:* In most cases, the cost of residential recycling is borne by municipalities and their taxpayers, and the majority of what is recycled is packaging and paper products. EPR provides financial relief for residential recycling by equitably re-allocating the costs to the companies putting packaging and paper products on the market. It also improves recycling outcomes by

ensuring adequate funding and providing incentives to companies to use less packaging and packaging that is more easily recyclable.

*Question: Are there any EPR laws for PPP in the U.S.?*

*Answer:* Not yet. However, many states have actively considered EPR for PPP policies and legislation, including California, Connecticut, Indiana, Illinois, Maine, Maryland, Massachusetts, New York, Oregon, Rhode Island, and Washington State.

EPR, however, is a proven, successful policy approach in the U.S.; as of 2020, there are over 30 EPR laws enacted in the northeast U.S. states that require the companies that place these products on the market to fund and properly manage a wide variety of consumer products, including electronics, mattresses, batteries, paint, various products that contain mercury, and unwanted pharmaceuticals.

*Question: How are EPR programs financed?*

*Answer:* Companies that produce or use packaging and paper products pay for the management of their own packaging, instead of taxpayers or those with private subscription services. The cost paid by the companies would be fairly allocated among themselves to pay for collection, processing, and recycling, factoring in the value of the products as recyclable commodities.

*Question: Will I have to pay more to buy products because of EPR?*

*Answer:* No. There is no evidence to suggest that the costs of products would increase. Experience in the Canadian provinces has demonstrated that the cost of consumer products did not increase as a result of the implementation of EPR.

*Question: Are EPR for PPP laws a tax?*

*Answer:* No. Responsible companies either fully fund and operate the collection, processing, and recycling themselves or reimburse local governments for those services.

*Question: How can EPR for PPP policy improve recycling?*

*Answer:* EPR takes a systems-based approach to improving recycling efficiency and recovery and support for recycling markets. The current recycling system is underfunded and fractured, and there is a lack of coordination among producers, municipalities, and recyclers. Those who pay for collection and recycling (i.e., taxpayers, households, or commercial/institutional entities) have minimal control over the packaging design, recycling process, and investments in recovery systems. Holding companies responsible for recycling their packaging and paper products assures that there are enough available resources for a consistent and efficient system, and some EPR systems are now integrating financial incentives to promote improvements in packaging and paper product design. EPR systems in Canada, Europe, and Asia have improved collection rates and the quality of recyclables by providing the necessary resources to consistently educate the public on how to recycle properly.

*Question: How would EPR for PPP work with the existing recycling programs?*

*Answer:* It is important for EPR to build upon the existing collection and recycling infrastructure, not replace it. The laws can be designed to protect the existing system of waste haulers, processing facilities, and markets.

*Question: Will EPR for PPP affect how residents recycle?*

*Answer:* The way residents recycle, either curbside or at a transfer station, would not fundamentally change. None of the current EPR proposals under discussion in the U.S. would result in a significant change to how households recycle, just how the program is funded. The EPR program may result in an expansion of the type of materials collected and better packaging labeling. Additionally, consistent and comprehensive outreach and education as part of the EPR programs will increase the quality and marketability of the collected materials.

*Question: How would an EPR for PPP law impact jobs?*

*Answer:* In the northeast region, there are almost 33,000 jobs directly associated with recycling.<sup>3</sup> Recycling generates more jobs than landfill disposal.<sup>4</sup> EPR for PPP laws are designed to result in increased recycling and, therefore, most likely increased employment in the recycling sector.

#### **More Information from NEWMOA & NERC**

White Paper: [www.newmoa.org/solidwaste/EPR\\_for\\_PPP\\_White\\_Paper.pdf](http://www.newmoa.org/solidwaste/EPR_for_PPP_White_Paper.pdf) or White Paper: <https://nerc.org/documents/NERC-NEWMOA%20White%20Paper%20for%20EPR%20for%20PPP.pdf> & Fact Sheet: [www.newmoa.org/solidwaste/NEWMOA\\_PPP\\_flyer.pdf](http://www.newmoa.org/solidwaste/NEWMOA_PPP_flyer.pdf) or Fact Sheet: <https://nerc.org/documents/EPR%20for%20Packaging%20&%20Paper%20Fact%20Sheet.pdf>

#### **Additional Resources**

From the Product Stewardship Institute (PSI)

Report: <https://www.productstewardship.us/page/epr-for-ppp-policies-practicies-performance>

Toolkit: <https://www.productstewardship.us/page/PackagingEPR>

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<sup>3</sup>Source: ISRI [2019 Economic Impact Study Executive Summary](#).

<sup>4</sup> Source: <https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Jobs/Recycling-Means-Jobs>.

### **About NEWMOA**

The Northeast Waste Management Officials' Association (NEWMOA) is a non-profit, non-partisan, interstate association whose membership is composed of the state environment agency programs that address pollution prevention, toxics use reduction, sustainability, materials management, hazardous waste, solid waste, emergency response, waste site cleanup, underground storage tanks, and related environmental challenges in Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, and Vermont.

NEWMOA' mission is to provide a strategic forum for effectively solving environmental problems through collaborative regional initiatives that:

- Advance pollution prevention and sustainability
- Promote safer alternatives to toxic materials in products
- Identify and assess emerging contaminants
- Facilitate adaption to climate change and mitigate greenhouse gas sources
- Promote reuse and recycling of wastes and diversion of organics
- Support proper management of hazardous and solid wastes
- Facilitate clean-up of contaminant releases to the environment

For more information, visit [www.newmoa.org](http://www.newmoa.org).

### **About NERC**

The Northeast Recycling Council (NERC) is a multi-state non-profit organization whose programs emphasize source reduction, reuse, recycling, composting, environmentally preferable purchasing (EPP), and decreasing the toxicity of the solid waste stream in the 11-state region comprised of Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Maryland, Pennsylvania, Rhode Island, and Vermont. Its *mission* is to minimize waste, conserve natural resources, and advance a sustainable economy through facilitated collaboration and action. For more information, visit <https://nerc.org/>.

### **Contributors/Acknowledgements**

Terri Goldberg, NEWMOA Executive Director and Lynn Rubinstein, NERC Executive Director prepared this FAQ document. NERC and NEWMOA gratefully acknowledge the contributions of Tom Metzner, CT DEEP; Elena Bertocci and Megan Pryor, ME DEP; Sarah Nichols, NRCM, Phil Goddard, MassRecycle; Peter Pettit, NYS DEC; Andrew Radin, OCRRA; Cathy Jamieson and Josh Kelly, VT DEC; Claire Galkowski, South Shore Recycling Cooperative; John Hite, Conservation Law Foundation; Scott Cassel, PSI; and Victor Bell, Lorax EPI Compliance Ltd. to this effort.

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