

Extended Producer Responsibility (EPR)

for Packaging & Paper Products: The Basics

Current Challenges with Packaging & Paper Recycling

Approximately, 33 percent of the municipal solid waste that is generated in the U.S. (more than 85 million tons) is composed of product packaging and paper products (or PPP). This waste stream includes plastic containers, steel and aluminum cans, plastic film, glass bottles and containers, newspaper, magazines, multi-material packages, and cardboard. According to the U.S. EPA, about 58 percent of PPP was recycled in the U.S. in 2015. While the amount of paper waste in general has declined in recent years, the amount of plastic waste is steadily growing. EPA has reported that about 15 percent of plastic packaging was recycled in 2015.

In the past year, recycling costs for municipalities have skyrocketed, driven by the loss of end-markets, and increased requirements for quality. This is a by-product of policies adopted by China that limit imports of paper and plastic. As a result, some communities that used to rely on recycling as a revenue stream are now facing significant costs, and in some instances those costs are dramatic. In a few communities, recycling programs have been suspended, or certain materials no longer accepted. Glass is the most common material to suffer this fate. A widespread phenomenon is increased education for residents about what is and what is not recyclable.



What is EPR?

Extended producer responsibility (EPR) is the term used to describe laws that mandate responsibilities for manufacturers/brand owners for the end-of-life management of their products. There are a few important features of EPR:

- Shifting end-of-life financial and sometimes physical responsibility upstream to the producers and away from the public sector
- Providing incentives to producers to incorporate environmental considerations into the design of their products and packaging

Benefits of EPR for Packaging & Paper Products

The benefits of EPR for packaging and paper products can include:

- Dedicated, non-taxpayer funding to sustainably support recovery and recycling, and disposal where necessary
- A more consistent and predictable system that enables states and, possibly, regions to take a more unified approach to strategic planning around recycling
- Increased investment in the end-markets and the recycling infrastructure

- Depending on how the program is structured, greater incentives for producers to improve PPP design so that it is more recyclable and environmentally friendly

How an EPR System Works

Under the current, traditional waste management system, brand owners/manufacturers sell products to consumers but have no responsibility for recovering or recycling products or packaging. In many areas, taxpayers bear the burden for managing waste, including the cost of recycling, regardless of how much they produce.

Under an EPR system, brand owners finance the collection, recycling, and, if not recyclable, disposal of their products. There are different models for how such a program can be implemented and funded, but a common strategy (in Canada and Europe) is the use of a Producer Responsibility Organization (PRO).

The major program elements that need to be considered under an EPR system for PPP include:

- Defining what materials and products are covered
- Determining how it is structured (from financing to collection)

- Describing the role of the existing municipal collection system, haulers, and material recovery facilities (MRFs)
- Characterizing oversight by government entities of the system and its operations
- Setting performance measures and incentives

Successes in Other Countries with EPR for Packaging & Paper Products

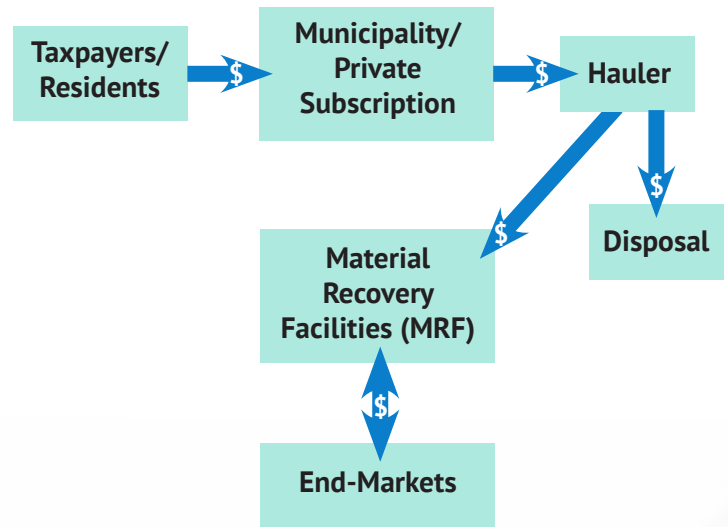
Many European Union countries and five of Canada's provinces manage packaging through EPR programs. The Maine Department of Environmental Protection's (ME DEP) review of the Canadian provinces' EPR programs for packaging has found key aspects that should be considered when establishing a paper and packaging stewardship program. These include whether:

- Manufacturers are given complete financial and operational responsibility for establishing and maintaining recycling systems (full manufacturer responsibility)
- Manufacturers share that responsibility with municipalities
- The enabling legislation includes incentives for the use of recyclable packaging and/or disincentives for the use of non-recyclable packaging

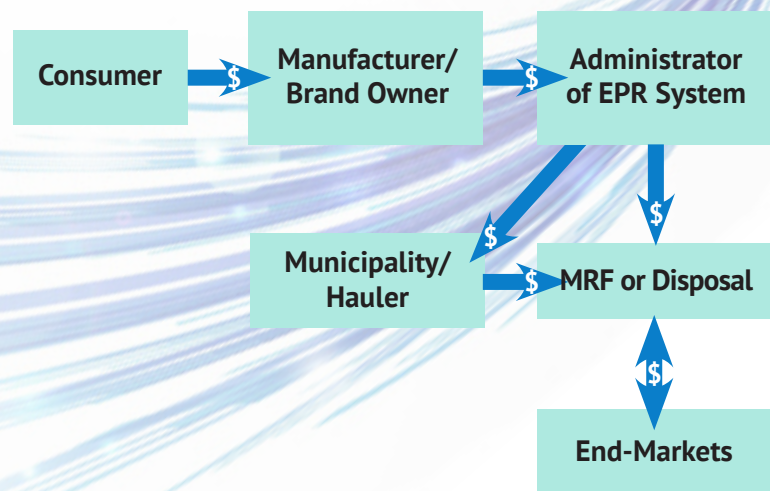
State Legislation

State legislatures in the northeast, particularly in Connecticut, Maine, Massachusetts, and Vermont are actively exploring EPR solutions and strategies for PPP. In 2019, the Maine legislature passed a resolution requiring the ME DEP to draft EPR legislation for packaging. A draft of this proposal is expected to be available on the [Maine DEP](http://www.maine.gov/dep) website in fall 2019.

Financing of Traditional PPP End-of-Life System



Financing of EPR System for PPP



This fact sheet was prepared by the Northeast Waste Management Officials' Association (NEWMOA) and the Northeast Recycling Council (NERC). This document is not intended as an endorsement of any particular strategy.

More Information

Product Stewardship Institute (PSI) Briefing on EPR for Packaging and Paper Products – https://cdn.ymaws.com/www.productstewardship.us/resource/resmgr/packaging_toolkit/2019_packaging_epr_briefing_.pdf. For more information contact: Kristin Aldred Cheek at 617-236-8293 or kristin@productstewardship.us and visit <https://www.productstewardship.us/page/Packaging>.

Maine DEP Report to the Joint Standing Committee on the Environment and Natural Resources, Annual Product Stewardship Report, January 2019 – <https://www.maine.gov/dep/publications/reports/index.html>.

National Stewardship Action Council (NSAC) – <https://www.nsaction.us/>.

Northeast Recycling Council (NERC) – <https://nerc.org/>.

Northeast Waste Management Officials' Association (NEWMOA) – www.newmoa.org.

Analyzing Product Stewardship Policies, Northwest Product Stewardship Council – <http://productstewardship.net/sites/default/files/PDFs/productsPackagingNWPSReport2011.pdf>.

<http://www.epa.gov/facts-and-figures-about-materials-waste-and-recycling/advancing-sustainable-materials-management>; see Table 18 & 22-25.