

EPR Models: A Spectrum of Options

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Product Stewardship Institute

*Building capacity for product stewardship and EPR in the U.S. for **20 years***

Government Members & Board:

47 **state** agencies
& hundreds of **local** gov'ts

Multi-Stakeholder Partners:

100+ producers, recyclers, waste management, retailers, NGOs, academics, international gov'ts

Packaging EPR Policy Model

- 11 active States
- Federal BFFPPA

2020: Mediated Agreement between FPA, State & Local Governments

*Convening **public & private sectors** around shared principles & policies*

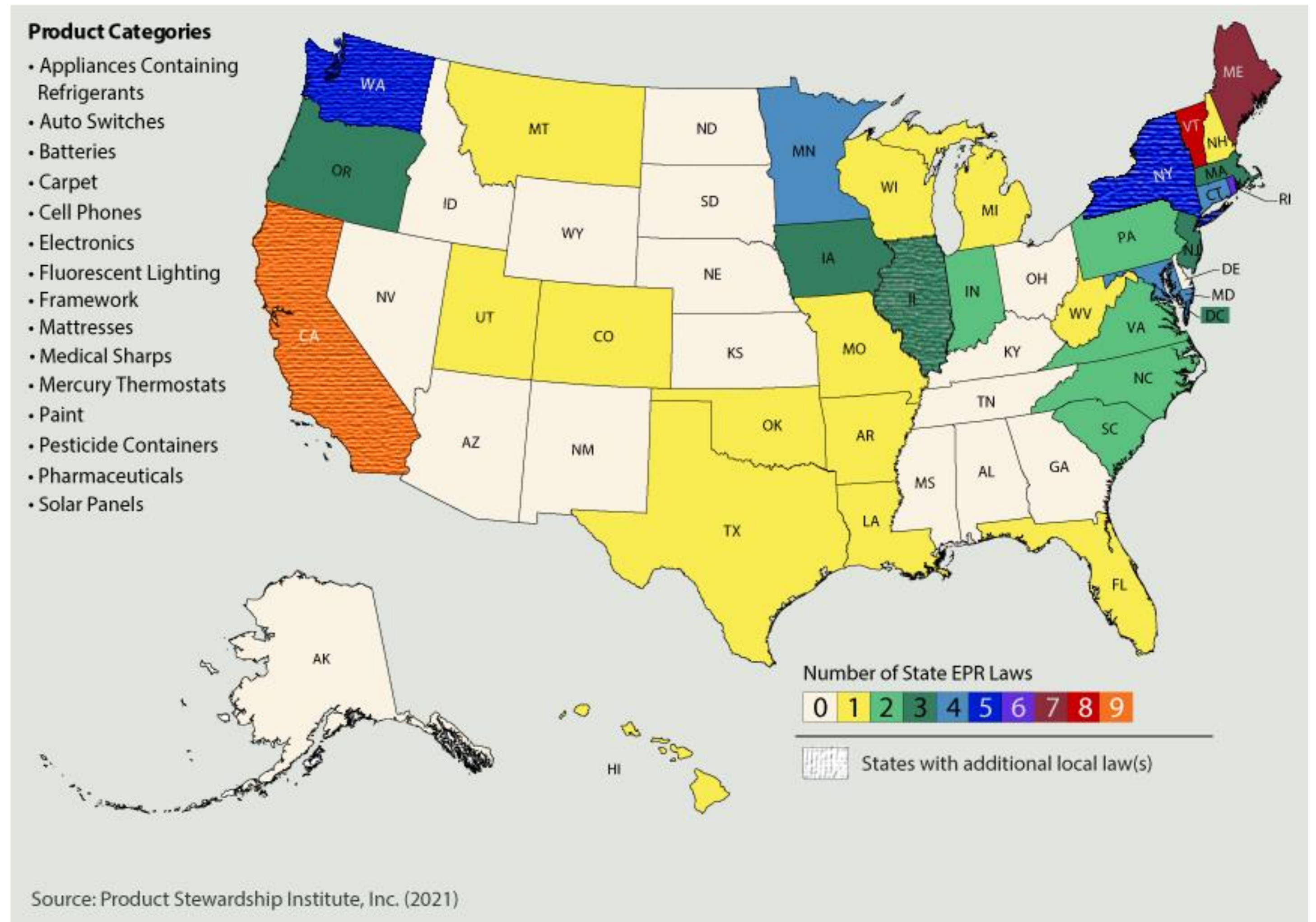


2021: EPR in the U.S.

(no packaging – yet...)

121 EPR Laws
14 Products
33 States + D.C.

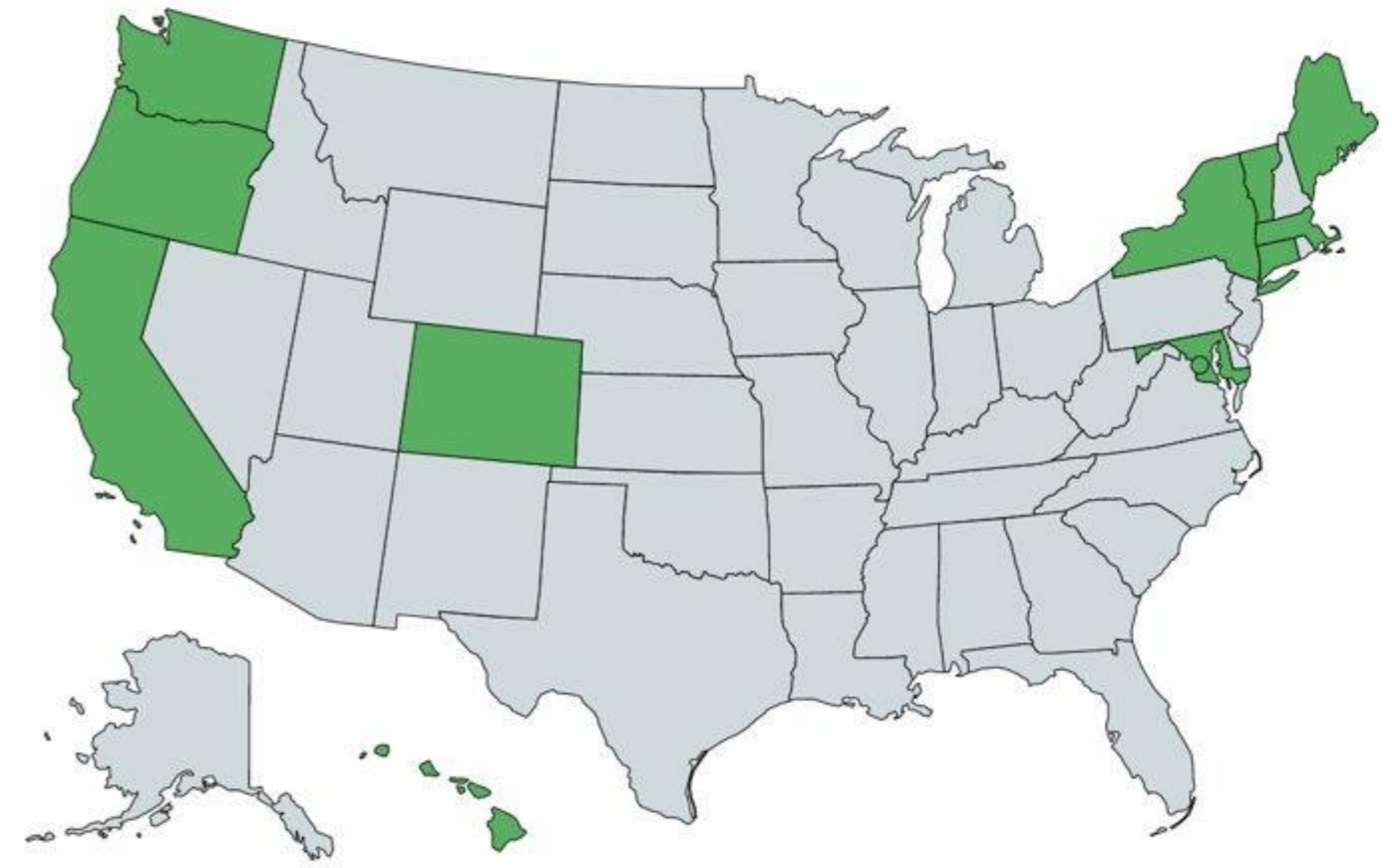
While **bottle bills are highly effective at recovering beverage containers, this count does not include the **10 state bottle bills** in the U.S. due to the different ways in which the disparate policies shift responsibility to producers.*



2021 Packaging EPR Bills

11 Active States

- Washington
- **Oregon**
- **California**
- Hawaii
- Colorado
- **Maine**
- **Vermont**
- **New York**
- **Massachusetts**
- Connecticut
- Maryland



Federal Break Free From Plastic Pollution Act

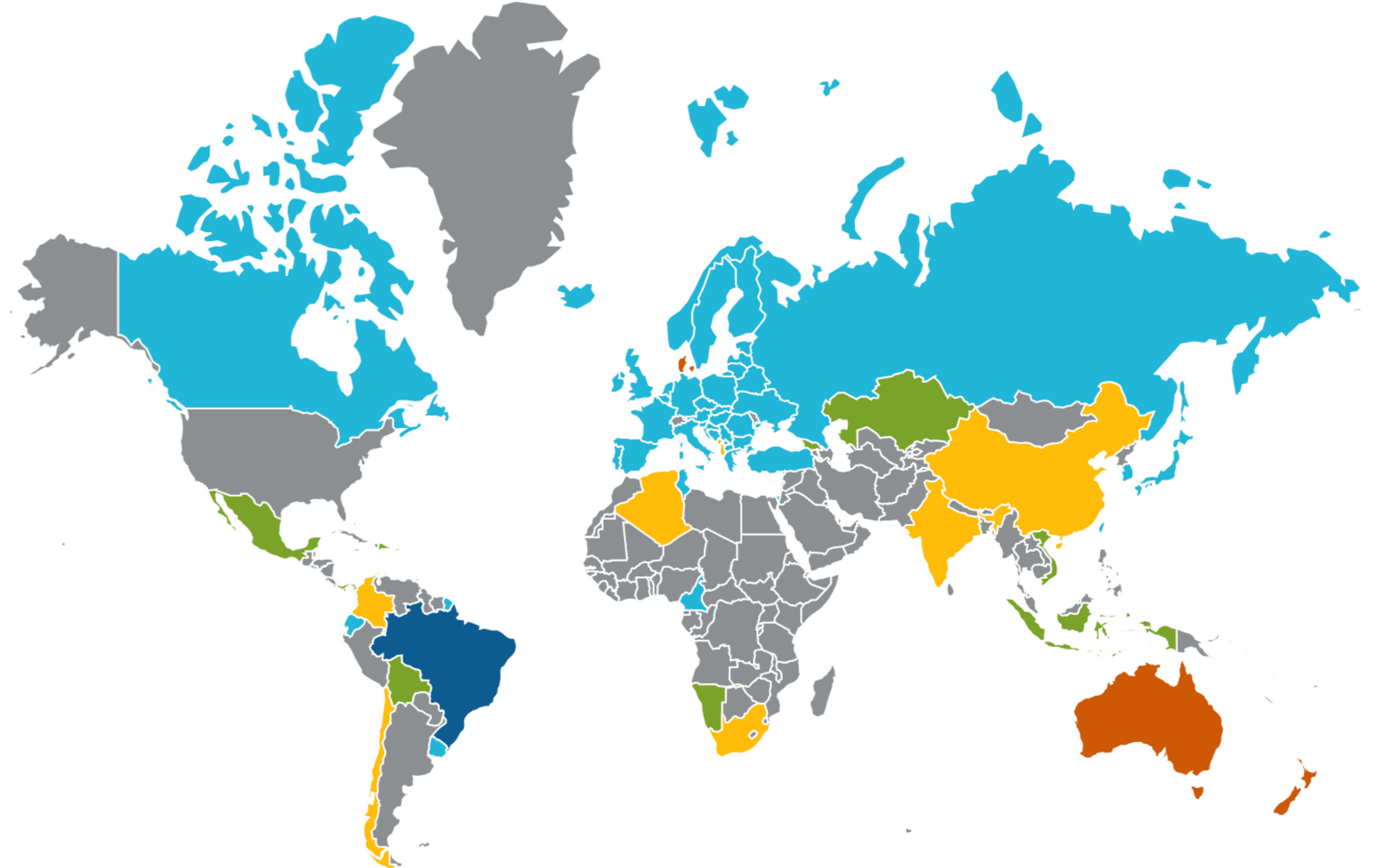
- **EPR** for packaging
- National bottle bill
- Single-use bag & plastics bans, fees
- Strong environmental justice provisions

EPR for PPP: Spreading Worldwide

2000



2020



- Mandatory EPR in Effect
- Voluntary EPR in Effect
- EPR in Effect (province-level);
In Implementation (country-level)
- In Implementation
(India and China expected by 2022)
- Framework EPR Legislation

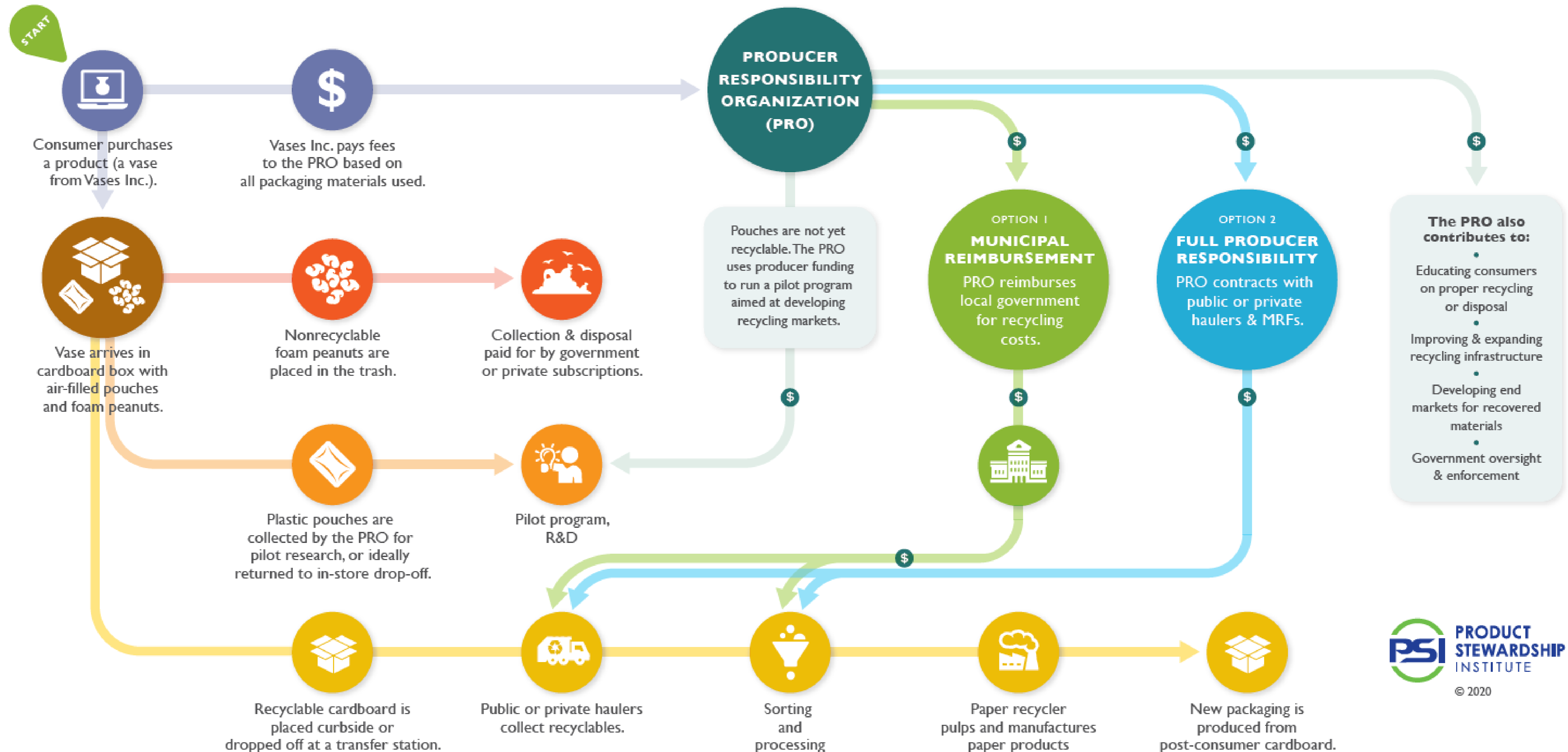
Source: Lorax EPI Compliance, June 2020

Legislative Elements of EPR

Covered Materials/ Products	Funding Inputs	Equity & Environmental Justice
Covered Entities	Funding Allocation	Enforcement & Penalties for Violation
Collection & Convenience	Design for Environment	Stewardship Plan Contents
Responsible Party (“Producer”)	Performance Standards	Annual Report Contents
Governance	Outreach & Education Requirements	Implementation Timeline

EPR FOR PPP: TWO BASIC MODELS

Extended Producer Responsibility (EPR) for packaging and printed paper (PPP) shifts responsibility for post-consumer management to producers. EPR can shift both financial and management responsibility to producers, with government oversight, and provide incentives to design PPP for improved environmental outcomes.



Program Models: Full EPR vs Muni Reimbursement

Full EPR

- Entirely financed by producers, from collection through processing
- PRO manages day-to-day operations
- **Flexibility for local gov'ts (opt-in/opt-out), but act as contractors to PRO**

Municipal Reimbursement

- Munis continue day-to-day management & hold contracts with collectors & processors
- **Even with 100% producer financing, not all muni costs are covered**

Full EPR: Flexibility for Local Governments



Partial Opt-In: Operate as contractor to PRO

Full Opt-In: Turn program over to PRO

Opt-Out: Continue with existing program; no funding received

Municipal Reimbursement: Incentives for Efficiency

Quebec (*old model*)

- Cost-averaging amongst muni groups
 - Based on size, location
- Avg. muni expenses reimbursed: 96%

Continued fragmentation, contamination

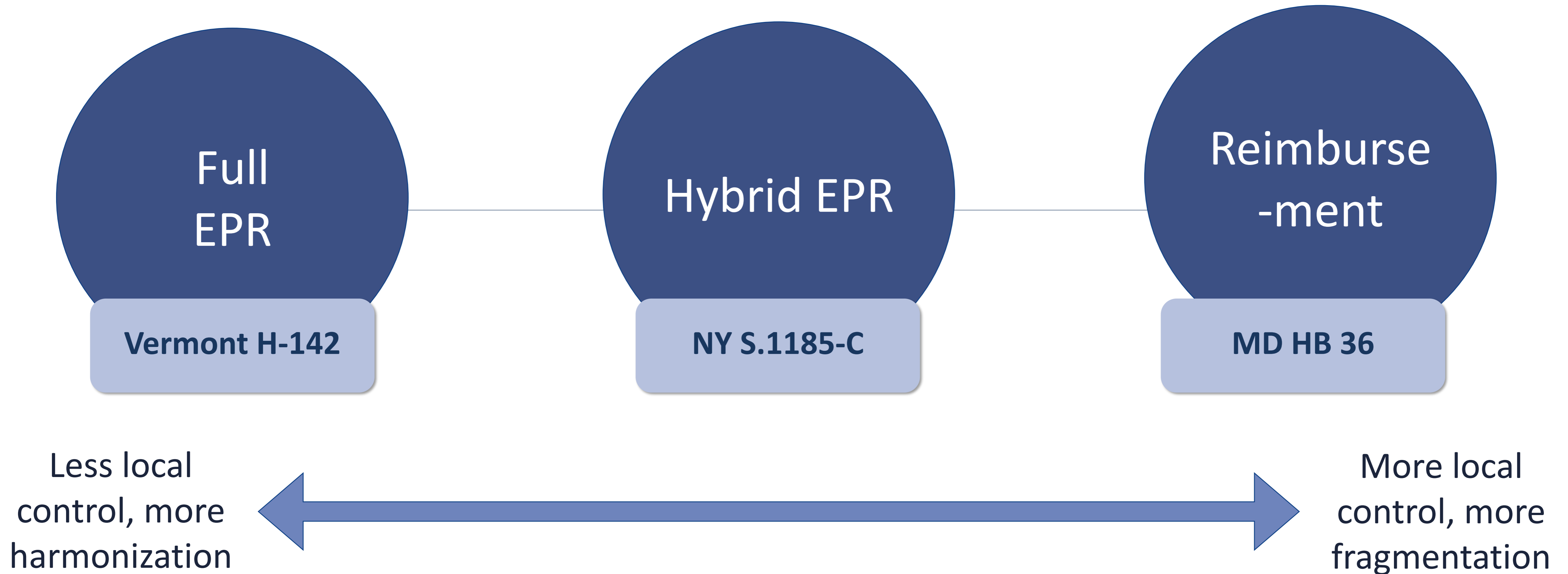
Ontario (*old model*)

- Reimbursement capped (**cost-share**)
 - Munis report costs, RPRA adjusts for best practices
- Avg. muni expenses reimbursed: ~50%

Stagnated recycling rates

→ **BOTH MOVING TO FULL EPR**

The EPR Model Spectrum



Hybrid Model: Options for Local Governments

Reimbursement: Receive reimbursements from PRO

Full Opt-In: Turn program over to PRO

Opt-Out: Continue with existing program; no funding received

Subscription Services:

No program? No problem. PRO must ensure recycling access & program performance state-wide

Key Considerations for Collectors & MRFs

- Transition period
- Requirements to use existing infrastructure
- Protection of proprietary information
- Ownership of covered materials (chain of custody)
- Funding for infrastructure, innovation, and market development



The Role of Advisory Councils

- Appointed by legislature, state agency, governor, PRO
- Multi-stakeholder representation
- Review or help draft stewardship plan
- Advise on or negotiate key program elements
- Advise the state and the PRO



PSI Resources

Packaging EPR Toolkit & Policy Model

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

EPR for PPP Report

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



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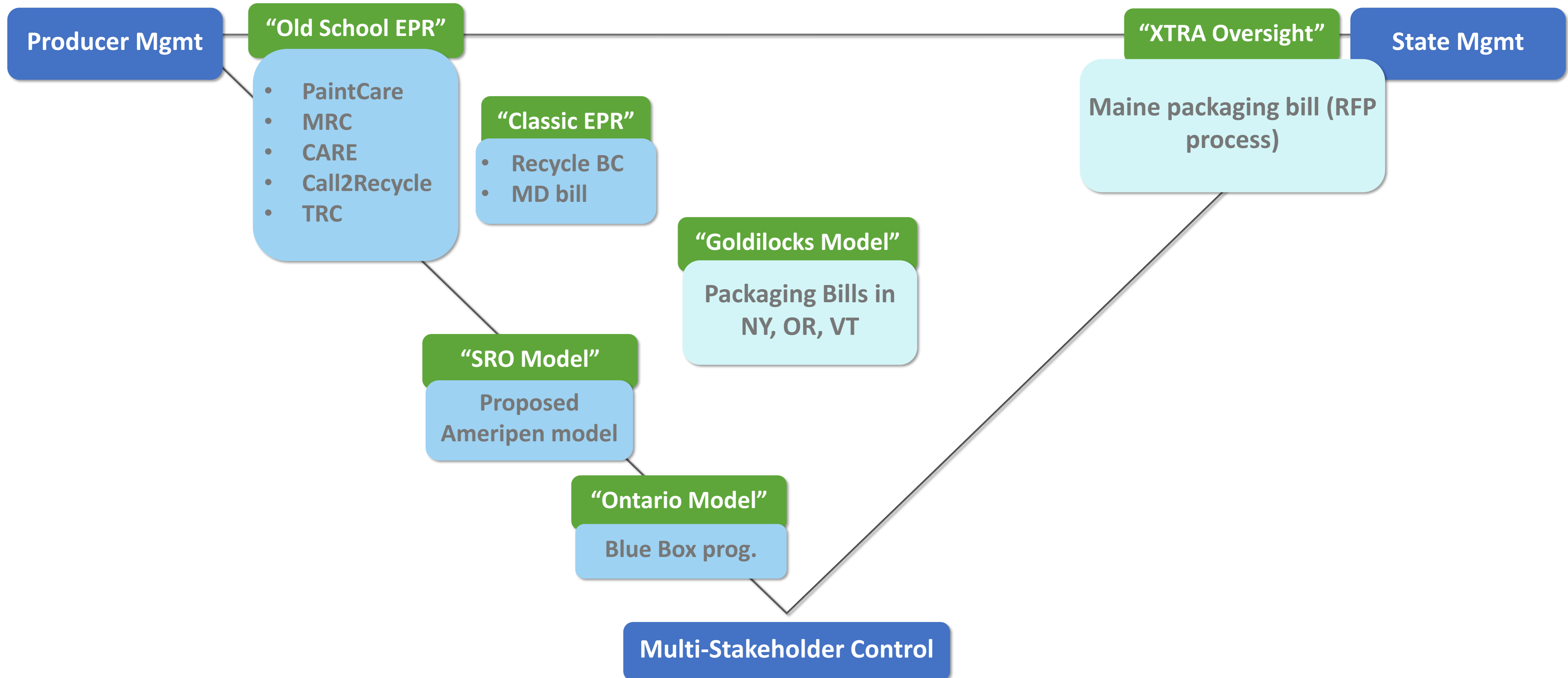
www.productstewardship.us

Emerging Policy Elements

- ✓ Eco-modulated fees
- ✓ New governance (aka system management) models
- ✓ Recycling accessibility
- ✓ Responsible end-of-life management
- ✓ Inclusive economic opportunities



System Management



Modulated Fees: ANOTHER Spectrum!

Modulated fees
(weight, net
costs)



Eco-Modulated
Fees (DfE
incentives)



Eco-Modulated
Fees (incentives
and penalties)



Advanced Fees
(broader policy
goals)



- Cover system costs
- Less production, fewer fees



- ☺ PFAS-free
- ☺ Recycled content



- ☹ Becomes marine debris
- ☹ Hard to recycle



- Support informal waste sector
- De-carbonize

X-TRAS:

