



What is EPR for PPP and what does it mean for you?

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Managing Principal, RRS

Managing Partner, Signalfire Group



Who is Signalfire Group?

SUPPORTING BUSINESS & GOVERNMENT MOVING TOWARD A CIRCULAR ECONOMY



Assist in Policy Development & Implementation



Assess Markets & Policies to Understand Impact



Develop Strategies to Align Goals & Compliance



Design/Assess Programs & Pilot Implementation

U.S. Policy Trends

SIGNIFICANT POLICY ACTIVITY TO STRENGTHEN RECYCLING IN US

Major movement toward extended producer responsibility for packaging and paper products

GROWTH IN STATE AND LOCAL SINGLE USE PLASTIC BANS (I.E., BAGS, EPS)

STATE FOCUS ON INFRASTRUCTURE DEVELOPMENT NEEDS

MI, CO and WA NextCycle

NY Center for Sustainable Materials Management

INCREASING FOCUS ON END MARKET DEVELOPMENT

Mandatory recycled content, especially for plastic

CONSUMER FACING LABELS

Remove chasing arrows from the RIC

Set standards for "recyclable" label





What is EPR and How Has it Been Applied in the U.S.

What is Extended Producer Responsibility?

Extended producer responsibility is a policy approach and practice in which producers take responsibility for management of the products and/or packaging they produce at the end of their useful life. Responsibility may be fiscal, physical, or a combination of the two.

WHO ARE THE PRODUCERS?

- Brand Owners/Manufacturers



A Timeline of EPR in the U.S.

1990

Thomas Lindqvist coins the phrase EPR in report to Swedish Government

1991

German Packaging EPR/ Green Dot

1994

EU Directive on Packaging & Packaging Waste

1996-2006

OECD Analyses/ reports on EPR

1996-1998

US President's Council on Sustainable Development Explores EPR

1980s

Beverage Container Deposits

1994-1996

Rechargeable Battery EPR

1999

MN Product Stewardship Policy Statement

2002-2006

Mercury Switch EPR

2003-2014

E-Scrap EPR

2006-2013
Thermostat EPR

Flourescent Light Bulb EPR

2009-2016

Paint EPR

2009-current

CA Carpet EPR

Maine EPR Framework

2010

VT Single Use Battery Recycling EPR

2012 - current
Pharmaceuticals EPR

2013

Mattress EPR


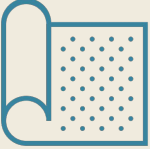












2014

VT Single Use Battery Recycling EPR

2021

Packaging & Paper Products

EPR is Widely Applied Across the U.S.

<p>BEVERAGE CONTAINERS</p> <p>CA, CT, HI, IA, ME, MA, MI, NY, OR, VT</p> 	<p>CARPET</p> <p>CA</p> 	<p>MERCURY SWITCHES</p> <p>AR, IA, IL, IN, MA, MD, ME, NC, NJ, RI, SC, UT, VA, VT</p> 	<p>CELL PHONES</p> <p>CA</p> 	<p>FLUORESCENT LIGHTING</p> <p>ME, VT, WA</p> 	<p>RECHARGEABLE BATTERIES</p> <p>CA, IA, MD, MN, NY, NJ, ME, VT*, WA, DC*, FL (*includes alkaline)</p> 	<p>ELECTRONICS</p> <p>CA, CT, DC, HI, IL, IN, ME, MD, MI, MN, MO, NJ, NY, NC, OK, OR, PA, RI, SC, TX, UT, VT, VA, WA, WV, WI</p> 
<p>MERCURY THERMOSTATS</p> <p>CA, CT, IA, IL, MA, MD, ME, MN, MT, NH, NY, PA, RI, WA, VT</p> 	<p>PHARMA</p> <p>CA, WA, NY, OR, MA, ME, IL, VT</p> 	<p>PAINT</p> <p>CA, CO, CT, DC, ME, MN, NY, OR, RI, VT, WA</p> 	<p>SOLAR PANELS</p> <p>WA, Niagara County, NY</p> 	<p>MEDICAL SHARPS</p> <p>CA</p> 	<p>PESTICIDE CONTAINERS</p> <p>CA</p> 	<p>MATTRESSES</p> <p>CA, CT, RI, OR</p> 

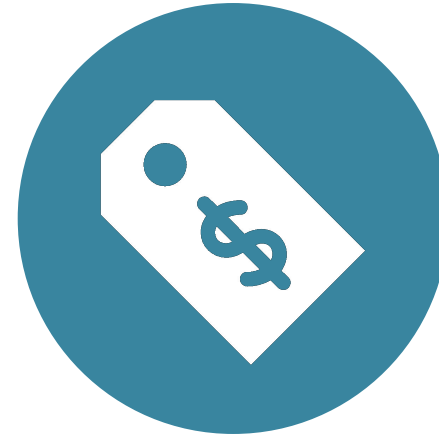
Why Choose EPR?



Increase
diversion and
recovery



Reduce
cost to
government



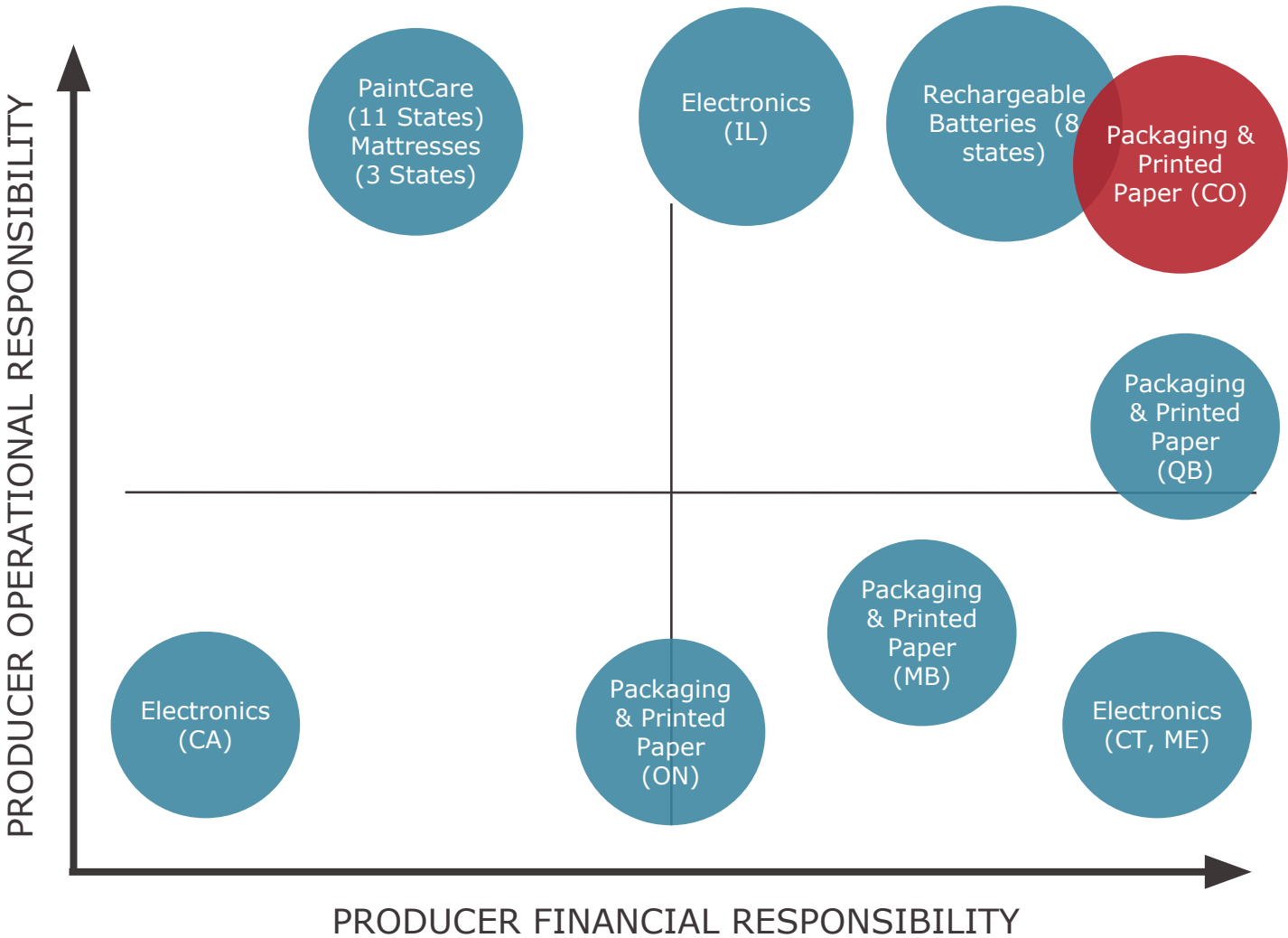
Incorporate the
cost of recycling/
end-of-life
management in
the cost of the
product



Improve the
design of
products to
reduce
environmental
impact

Spectrum of EPR Management Structures

The level of financial and operational responsibility varies depending on the structure of the program

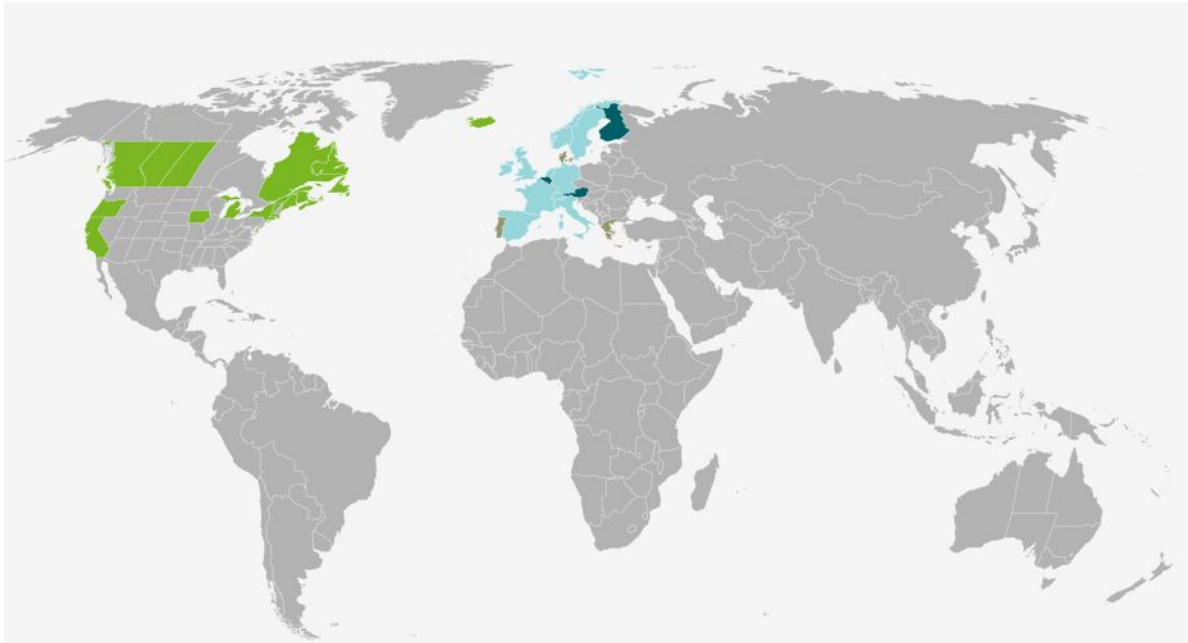




EPR for Packaging and Paper Products (PPP)

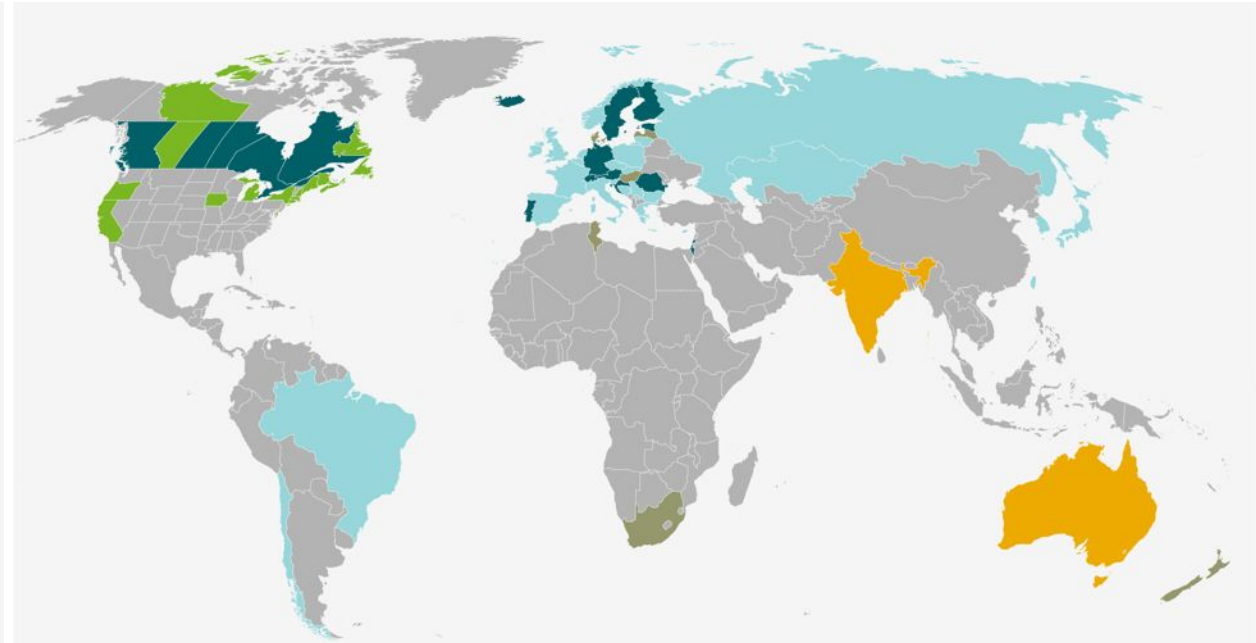
EPR for Packaging and Paper Products

2000



- No EPR
- Beverage Container Deposit
- EPR
- EPR + Beverage Container Deposit

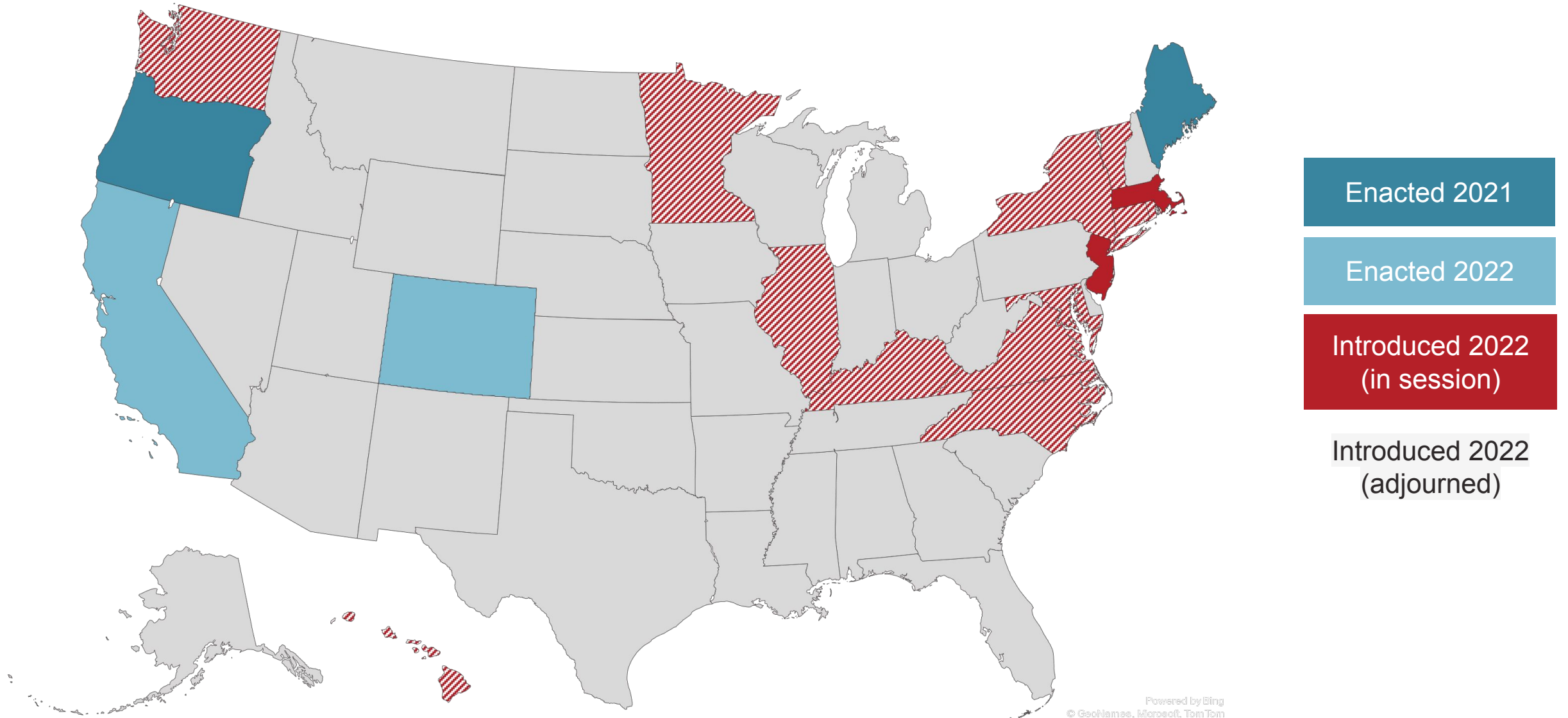
2020



- Voluntary EPR, Packaging Tax, or Other
- Voluntary EPR, Packaging Tax, or Other + Beverage Container Deposit

EPR for PPP Landscape

As of 08.15.22



Drivers for Printed Paper and Packaging (PPP) EPR

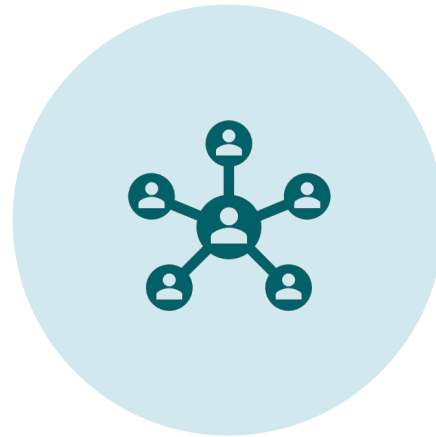
- Need for stable funding
- Market challenges / post National Sword disruption
- Focus on circular economy
- Stagnant recycling rates



Common Features of EPR for PPP Programs



Created by
legislation
establishing rules
and targets



Managed by one or more
Producer Responsibility
Organizations (PRO)



Guided by a
Program Plan

Legislative Structure

- Sets requirements for brand/retailer responsibility for residential recycling programs
- Creates performance standards (e.g., recycling rates, service standards, etc.)
- Establishes oversight



What is a PRO?

- Authorized in legislation to represent brands/retailers
- Manages obligations set in legislation
- Develops and implements Program Plan
- Sets and collects fees



What is a Program Plan?

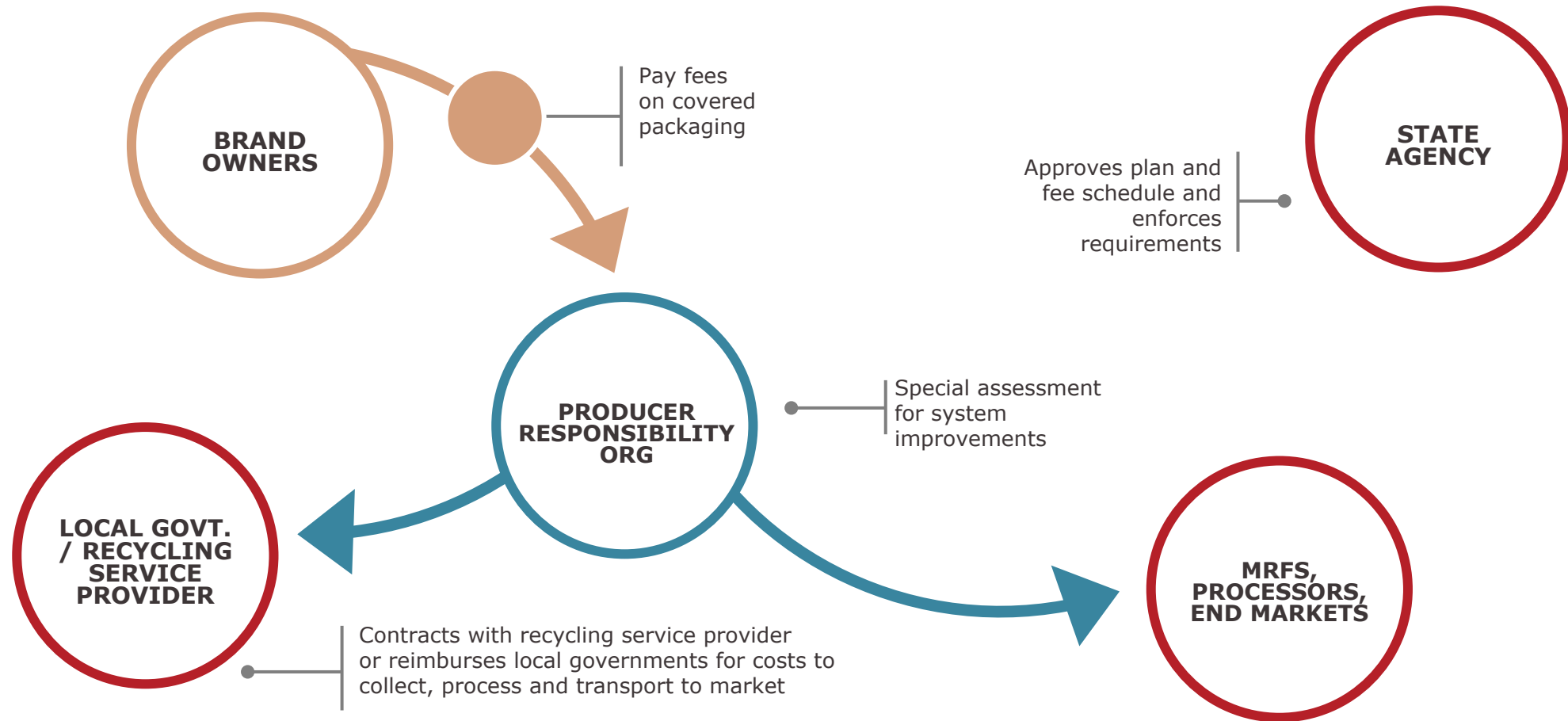
Blueprint for meeting goals and obligations, which could include

- Proposed list of recyclables
- Collection/processing arrangements
- Education and outreach
- End market development

Must be approved by oversight entity (e.g., state agency)



Roles and Responsibilities in EPR for PPP Programs



EPR for PPP in the US: Key Elements

Key Element	Maine	Oregon	Colorado	California
EPR Model	State Managed	Broad modernization of recycling with certain elements PRO funded / managed	Conventional EPR / PRO managed	Partial EPR + waste prevention and plastic pollution mitigation
Program Delivery	Municipal	Municipal	Municipal / Private	Municipal
Financial Structure	Municipal Reimbursement	Producer-funding for new programs and “gap filling”	Reimbursement for municipalities that opt-in; contracting for services in other areas	Producer-funding for new programs and “gap filling”
PRO	Contracted to the state	Multiple	Single PRO (multiple allowed in future)	Single PRO (multiple allowed in future)
Covered Materials	Packaging	Packaging and Paper Products	Packaging and Paper Products	Packaging and single-use plastics



Stakeholder Perspectives:
What does EPR for PPP
mean for you?

Stakeholder Roles Today: uncoordinated, low performing



Creates demand for material but does not influence supply

Price increases if supply does not grow



May or may not have access to recycling

If recycling is provided, paid for through taxes or rates

Education on what / how to recycle inconsistent



Limited automatic access to recycling

Lack of sustainable financing



Diversity of what and how well MRFs sort recyclables

Contamination and yield loss



Supply constrained

Financially volatile



May elect to provide or require recycling services

What does EPR mean for consumers?



It is as easy to recycle as it is to throw something away

Information on what / how to recycle is clear and consistent

There is no cost to recycle

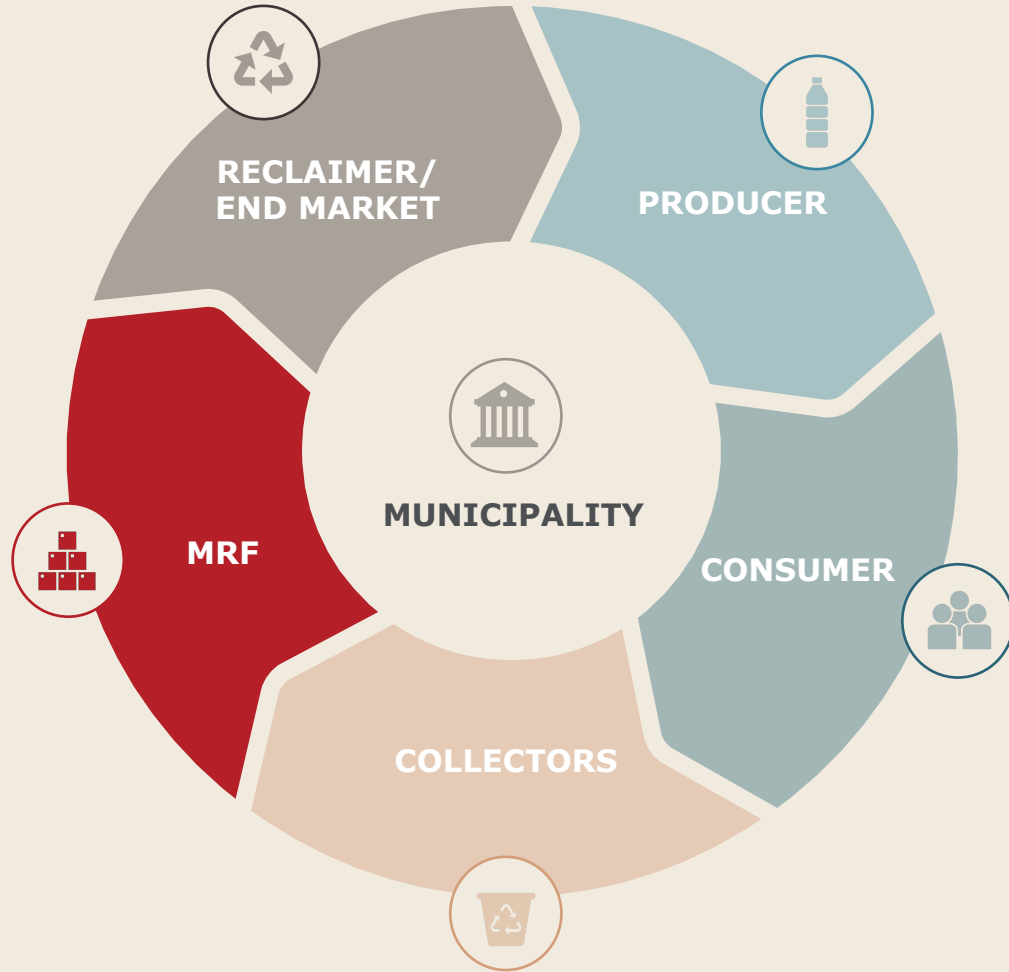
What does EPR mean for collectors?



Opportunity to provide recycling services to all Coloradans

Contract with PRO (instead of customer or municipality)

What does EPR mean for MRFs?



Consistent suite of materials collected statewide

More material to process

Better quality / less contamination

Resources for upgrades / investments

What does EPR mean for end markets?



More material to process

Better quality / less contamination

Resources for upgrades / investments

What does EPR mean for producers?



Pay fees on covered materials

Responsible for achieving program goals

Influence on whether their products are collected for recycling / ability to achieve "recyclability" goals

More material available to achieve content goals

What does EPR mean for municipalities?



Can choose whether or not to provide recycling services / engage in the system

Stakeholder Roles in an EPR system: more coordination, better results



Pay fees on covered materials

Responsible for achieving program goals

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More material available to achieve content goals



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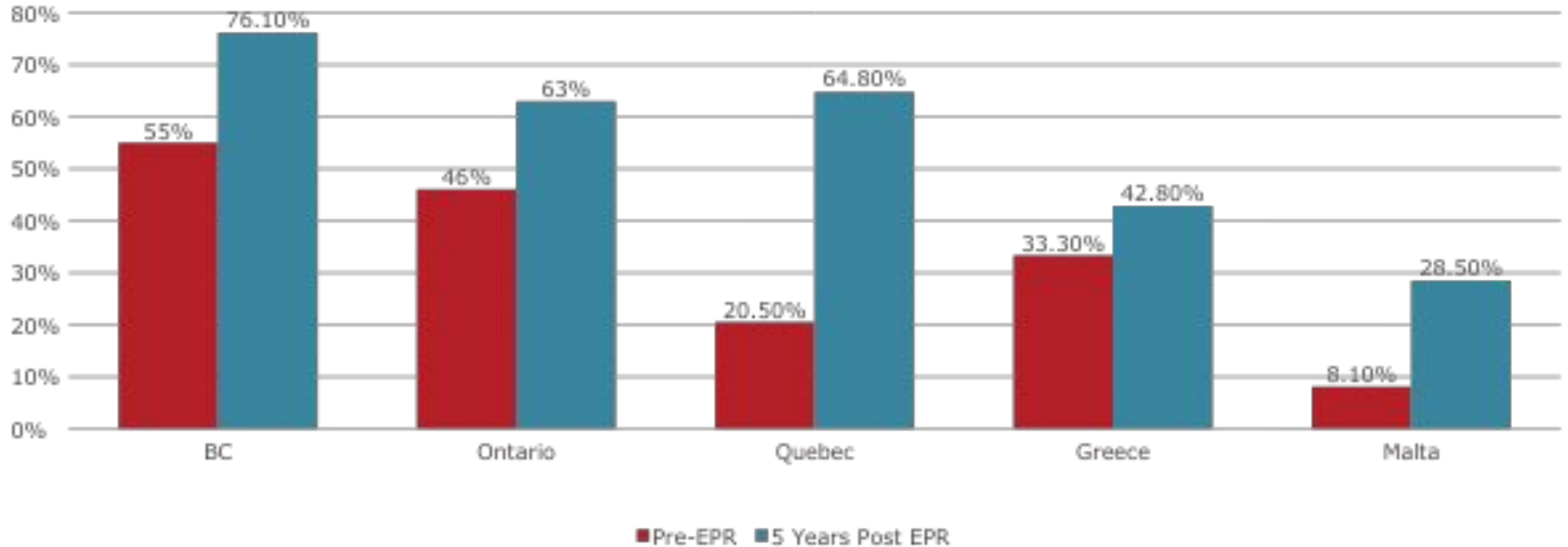
Does EPR for PPP really
mean more recycling?

Key Questions about EPR for PPP

- Will EPR improve recycling rates?
- Will EPR stabilize recycling markets?
- Will EPR increase the costs of groceries/package goods?
- Will EPR improve the recyclability/design of packaging?



Impact of EPR for PPP on Recycling Rate



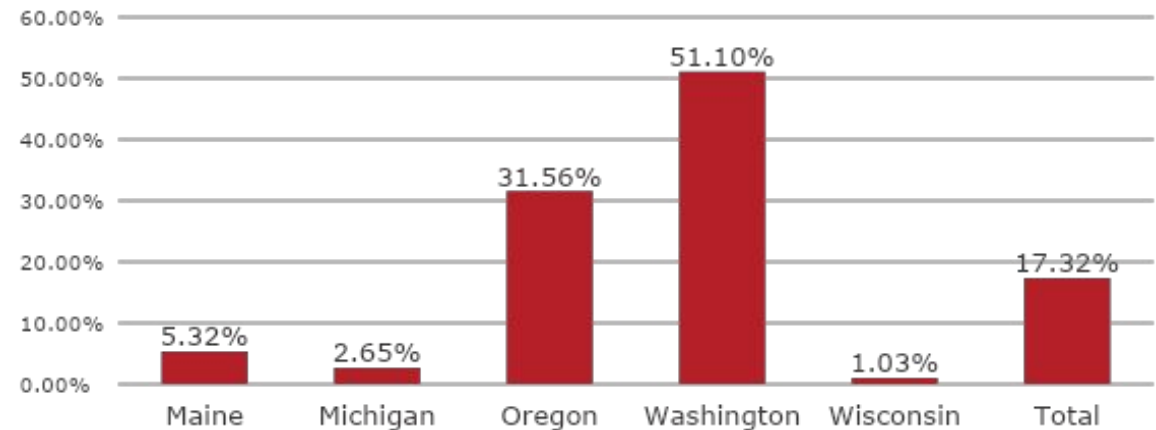
Impact of EPR for PPP on Recycling Market Stability

INDICATOR: CHANGES TO RECYCLING PROGRAMS

Canada

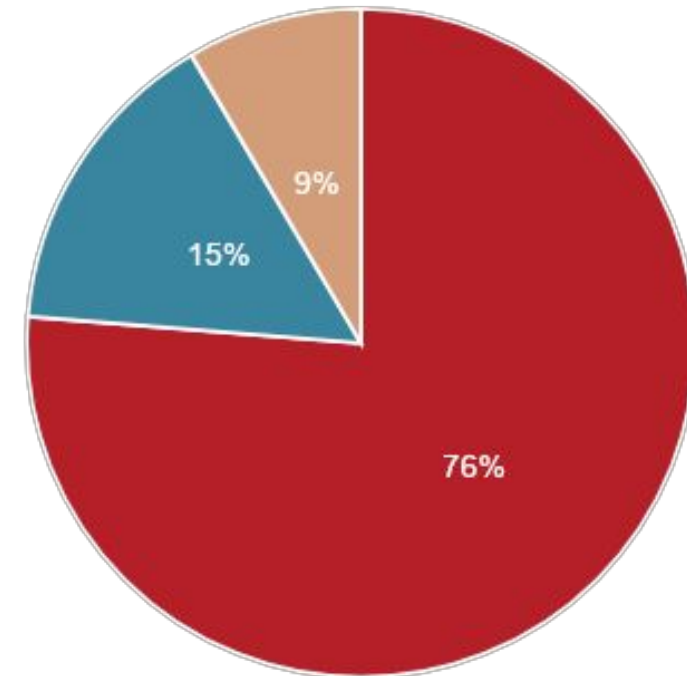
- EPR Provinces did not show meaningful changes in programs
- Alberta saw reduced access in 35% of Recycling Program Areas

Select US States



Impact of EPR for PPP on Product Pricing: Outcomes

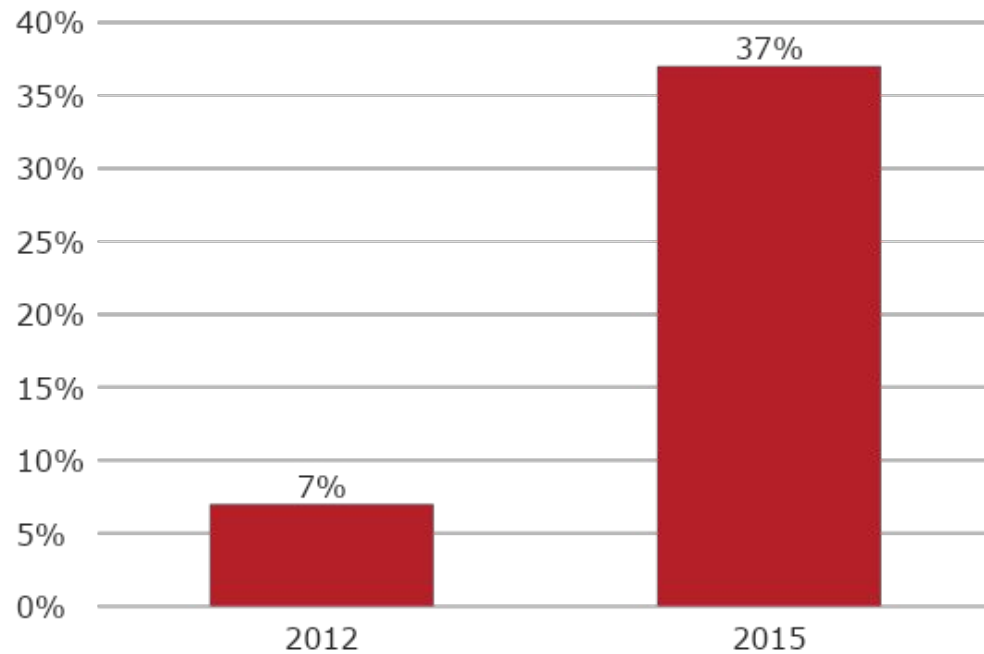
	Number of products	%
Prices equal in communities studied	90	76%
Higher price in communities in provinces without EPR for PPP	18	15%
Higher price in communities in provinces with EPR for PPP	10	9%
Total	118	100%



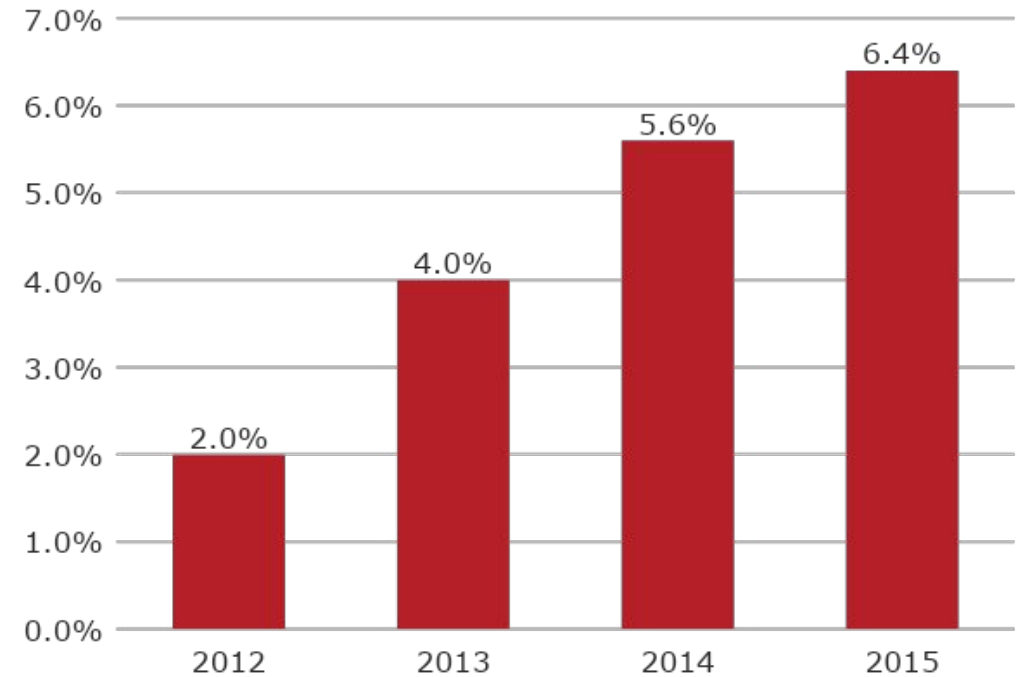
- Prices equal in communities studied
- Higher price in communities in provinces without EPR for PPP
- Higher price in communities in provinces with EPR for PPP

Impact of EPR for PPP on Product Design: Bonuses

Increase in Packaging with Sorting Instructions

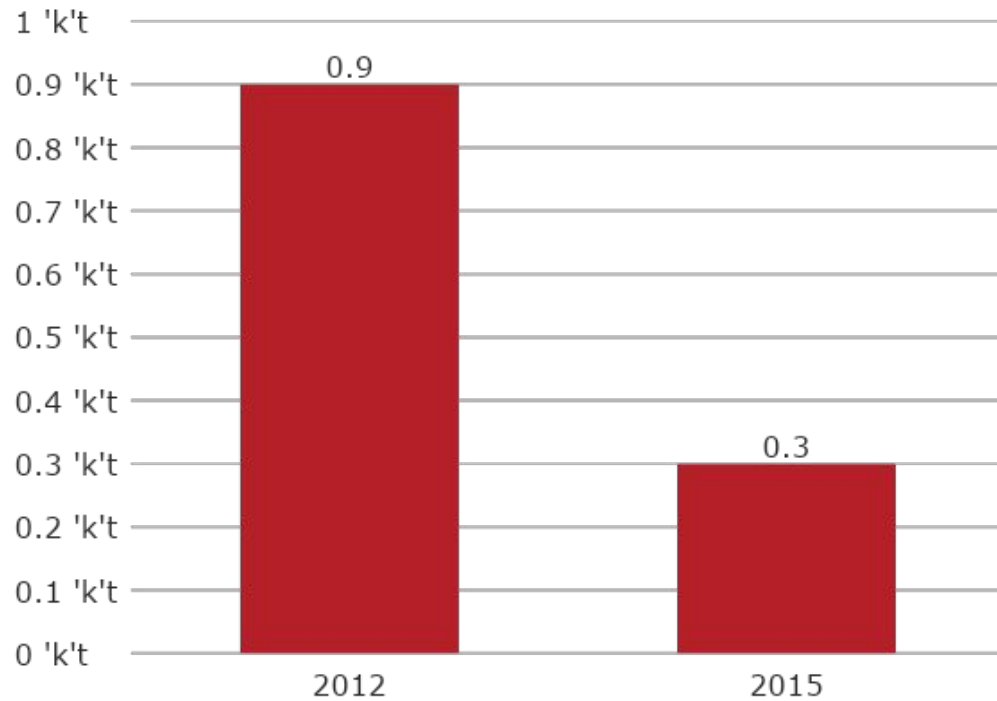


Percent of Packaging (by weight) Receiving Source Reduction Incentive

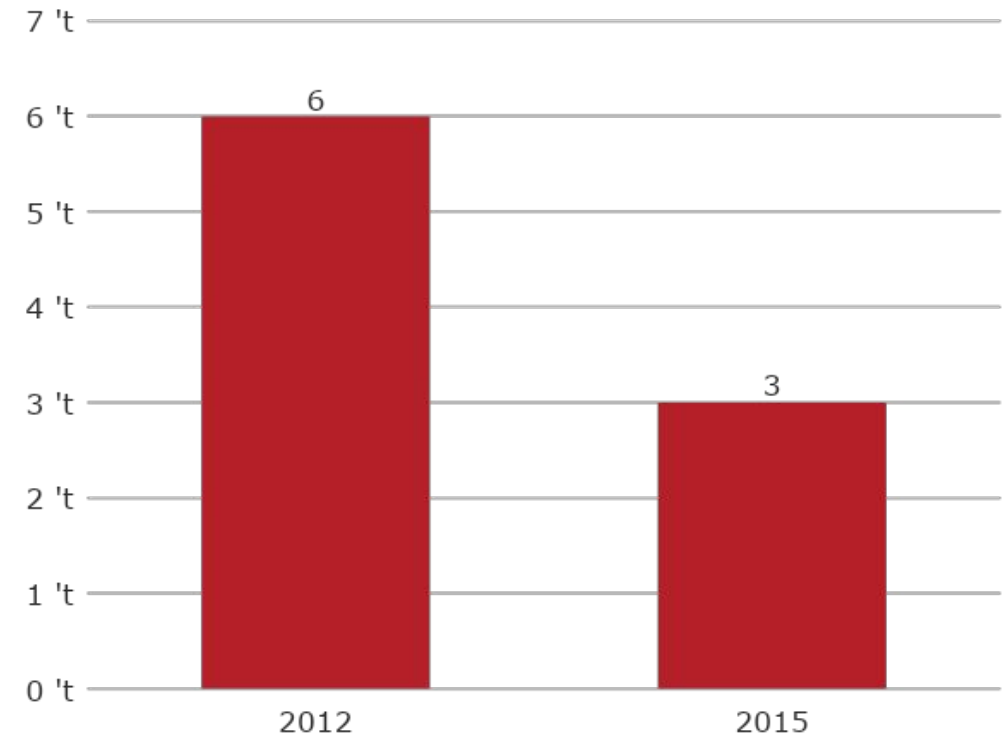


Impact of EPR for PPP on Product Design: Disruptors

Decrease in Clear PVC Bottles



Decrease in PET bottles with Aluminum



CITEO



Questions?



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