

Extended Producer Responsibility and the “Framework” Approach: Q & A

Read on to learn answers to some commonly asked questions about Extended Producer Responsibility (EPR), also known as Product Stewardship. EPR creates incentives for producers to reduce waste.

What is Extended Producer Responsibility (EPR)?

EPR is a policy tool that impacts the design, recycling, and ultimate disposition of the products we use. It moves the physical and financial responsibility for managing old products from the general taxpayer or ratepayer to the producers, consumers, and others who benefit from products sold and used. This approach creates a link between production and waste management, which in turn creates an incentive to lower waste management expenses. These expenses decrease when products have fewer hazardous materials and/or are designed for easy reuse or recycling.

What is the EPR “Framework” approach?

Rather than implementing EPR through separate legislation for each product, a framework approach establishes one law that establishes EPR as policy and gives state government the authority, through regulation, to address multiple products. The state develops a public process to identify priority products, and then uses this process to select products that should be covered by a Product Stewardship Program. Framework legislation also provides state government with the authority to develop rules, set goals and targets, and establish oversight so a level playing field exists among all producers.

Why change the current system?

Americans throw out just as much trash as we did 20 years ago. We recycle a lot more, which is great, but recycling alone is not enough. Overuse of resources is not sustainable - it is wasteful!

Also, it is costly to safely manage wastes, especially products that contain hazardous or toxic substances. (In California these costs may be on the order of half a billion dollars annually.) Local governments need relief from these costs. The EPR approach calls for product producers to ensure safe management of products they produce. This change sends economic signals to the producers and provides an incentive for producers to find more economically viable methods of production that lead to fewer hazardous or toxic substances and less overall waste. Right now, for most products, there is not an economic link between production and waste management costs and until that link is



**Product
Policy
Institute**

PO Box 48433
Athens, GA 30604 USA

+1-706-613-0710

info@productpolicy.org

www.productpolicy.org

made through EPR product producers have little incentive to change product and packaging design.

In short, EPR can help fix an environmental problem and provide a more equitable distribution of costs. EPR can encourage green design and reductions in disposal, toxic releases and emissions of climate change gases in order to improve human health and our environment.

If EPR is a market-based approach, is there still a role for government?

Yes, just not in the traditional way. Instead of government predominantly providing waste management programs for products and packaging, EPR calls for producers to design and implement product stewardship programs that can achieve waste reduction targets set by the state. Producers may carry out this responsibility individually or participate in a group with others, called a stewardship organization. This way, EPR will swell the tax base, not municipal expenses.

Some governments, especially those with existing collection locations, may want to voluntarily offer their sites to be part of the more widespread collection infrastructure established by the stewardship program, and get paid, as are other service providers, for providing the service.

Government has a primary role to ensure a level playing field, which refers to having the same rules apply to all producers. It also has a role to protect the public interest and the environment by establishing performance goals and recovery rates. Just as it is hard to imagine a ball game without players, there is no game without referees and a rule book.

Who exactly are “producers”? Why not call them manufacturers?

Producers are defined as the owner or licensee of a trademark or brand name of a product sold or distributed in the state (brand owner) or an entity that imports the product into the state for sale or distribution.

The term “manufacturer” is too narrow. For example, many manufacturers are located overseas and work under contract to the brand owner. It is the brand owner who makes design and marketing decisions. Also, many retailers are producers as they sell products under their own brand. Generally, the producer will be the brand owner.

What products will be affected?

EPR Framework legislation should set out clear selection criteria and a public process for choosing products to be regulated. Legislation may identify an initial schedule of products to come under regulation, or products may be selected later according to the selection criteria. Eventually most products that make a significant impact on our

society through their effect on the environment, public health and costs to taxpayers, while offering a good potential for environmental improvements, could be selected. Because the legislative process consumes significant resources, the EPR Framework approach is a more streamlined approach than legislating one product at a time.

Is an EPR Framework a “one-size-fits-all” solution?

No. The EPR Framework approach is flexible and has the ability to be customized for each product category. A consistent and predictable process for each product type makes it easier for all stakeholders to understand how to participate in the process. All decisions should be made through a public process.

While goals are established by state government, with public input, producers determine how to achieve the goals. This allows producers who best know their products the opportunity to identify the most efficient system for reducing waste and recovering materials from their products.

Are “take back programs” considered EPR programs?

Sometimes. EPR occurs when the producers are ultimately responsible for managing their discarded products. When state government collects an advanced recycling fee at point of sale and uses the fee to subsidize a government-run recycling program, this does not make the critical link between production and waste management costs. Government-run, tax-supported “take-back” programs can create costly bureaucracies and leave the producers with no incentive to re-design or provide for enhanced recovery of old products.

What would happen to the existing reuse, recycling, and waste management infrastructure under an EPR Framework scenario?

Based on EPR programs elsewhere, the current infrastructure is likely to change and expand. In some cases the producers pay another organization, called a stewardship organization, to provide local services to take back and recycle designated products and packaging. That organization negotiates contracts with local reuse, recycling, and waste management companies and, transitionally at least, with local governments. For example, in British Columbia, the stewardship organization Product Care pays contracted return centers for each can of paint or other designated product they collect.

A producer can also choose to set up its own take back program, just for its own product. Sony, Inc. and Caterpillar, Inc. are examples of existing programs. When a producer sets up its own take back program, this creates an even stronger incentive to design products that are easy to refurbish and reuse or recycle because the producer

directly benefits -- these benefits are not shared with other producers. Even in these situations, contractors are likely to collect and recycle returned products.

What assurances will be in place so products are reused or recycled responsibly, rather than sent to a landfill or incinerator?

For each product category, the state establishes recovery rates and can also establish other stewardship requirements after consultations with producers and other stakeholders. Producers have to submit regular reports on their progress toward achieving specified recovery rates. Recovery rates and other environmental requirements can be adjusted over time to encourage higher levels of environmental and public health protection. Current laws governing the safe and proper handling of materials remain in effect.

Where can I get more information on EPR?

Visit www.productpolicy.org. For links to the following organizations actively supporting EPR, go to <http://www.productpolicy.org/content/epr-links>

State and Federal Government

- California Integrated Waste Management Board
- Environment Canada
- Minnesota Pollution Control Agency
- Oregon Department of Environmental Quality
- Washington Department of Ecology
- United States Environmental Protection Agency

Local Government Product Stewardship Councils

- British Columbia Product Stewardship Council
- California Product Stewardship Council
- Northwest Product Stewardship Council
- Vermont Product Stewardship Council

Non-Government Organizations

- Product Policy Institute
- Product Stewardship Institute
- Clean Production Action - EPR Toolkit
- Individual Producer Responsibility Works
- Organization for Economic Co-operation and Development
- Recycling Council of Ontario
- Recycling Council of Alberta
- Recycling Council of British Columbia

Adapted and generalized with permission from a document by the California Integrate Waste Management Board.