

US EPA Region 10 & Product Policy Institute
Product Stewardship Webinar 1

Product Stewardship for Governments
May 12, 2009

BILL SHEEHAN'S PRESENTATION

We have had two examples in some detail from the two most active product stewardship councils and I want to pan back and talk in a little more detail than Heidi did about the history of waste management and why local governments are so critical to changing the system to be more sustainable; and lastly, how the Product Policy Institute helps start local government product stewardship councils.

Local government product stewardship councils are forming across North America and it is in large part due to the work of the Product Policy Institute. Our interest in this grew out of the work of the Northwest Product Stewardship Council and the model programs in the province of British Columbia. Two of PPI's board members, Sego and David Stitzhal, were founders of the Northwest Product Stewardship Council, and the president of our board and another board member are from British Columbia, which is a leader in North America in extended producer responsibility. Product Policy Institute early on recognized the financial plight of local governments burdened with managing toxic and throw away products and the unique potential of local governments working together to change how waste management is financed and ultimately how products and associated packaging are designed.

I want to first go into a little more detail on the history of waste because this is how we came to focus on starting local government councils. Waste wasn't always a municipal responsibility. It only became a municipal responsibility 100 years ago. Before that you had private entrepreneurs like the rag and bone man on the left, and waste was much simpler. Households and businesses either hired private trash removers or more often dumped their waste in the streets where independent pickers would remove items of value. Waste became a municipal responsibility due to widespread community concerns over public health and safety arising from the rapid urbanization and industrialization toward the end of the 19th century. On the right you see street sweepers that were the first wave of municipal waste management as a sanitation issue. Waste management was originally part of health (sanitation) departments, but it shifted, over the decades, to engineers in public works and environmental services departments.

This is what the mix of waste looked like in 1900. Mostly coal ash used in cooking in heating. "Garbage" meant mainly food scraps, and that was the next biggest category, and "rubbish" was what we call products and packaging. But it was much simpler product and packaging than we have today. If you graph it out in a bar graph form (as opposed to a pie chart) you see the gray bar is the coal and ash and the green the food and the magenta the products and packaging. Over the course of the 20th century, the coal ash disappeared as a municipal

responsibility; it is now an industrial responsibility. But products have shot up as a proportion of the waste stream. Back then products and packaging was 7% of what local governments actually managed. Now it is 75% according to EPA data and you can see a good part of that is packaging. The other, non-product part is primarily food scraps and yard trimmings which we call "organics." What the Product Policy Institute did when we formed was do an analysis of the history of waste management and concluded that products are disposable and toxic by design in part because municipalities are providing free disposal service.

So what do we do about it? The vision is the easy part. This book by McDonough and Braungart, *Cradle to Cradle*, lays out a vision of where we need to get to. We need products redesigned to be infinitely cyclable back into industry or into the earth, and to get rid of toxics. This is another depiction of a circular system that's similar to what Heidi showed, but it also has a green arrow that shows that biodegradable materials are a legitimate local responsibility while producers should have primary responsibility for their products and associated packaging.

What do we need to get there? Basically there are two missing ingredients. *Missing Ingredient No. 1* is a policy piece. Both Heidi and Seago have talked about what extended producer responsibility, or product stewardship, mean so I won't dwell on that. The goals of extended producer responsibility policy in a nutshell are shifting costs so the costs are internalized in product prices, with the ultimate purpose being to improve product design.

Missing Ingredient No. 2 is local government speaking with a unified voice. As someone asked earlier, the phenomenon of local government product stewardship councils is spreading across North America, starting in the Northwest, moving down to California, and across the country -- in October 2008 Vermont formed a council, in January, Texas and just a couple of weeks ago the New York Product Stewardship Council was formally launched. The map of North America, it looks like this. Heidi mentioned the mission statement of the California product stewardship council. The same mission statement appears in one form or another in virtually all of the product stewardship councils. It's a pretty radical mission statement. We are talking about changing the product and packaging waste management system. All the councils have some variation of this mission and they also have adopted the common principles that Seago discussed. The New York State Association for Solid Waste Management, which is the local government organization that launched the New York Product Stewardship Council, has also adopted these principles and we expect the New York Council will ultimately. These are general principles for framework product stewardship or extended producer responsibility policy and they are going to be the focus of the Webinar in two weeks.

I want to finish up by telling you what Product Policy Institute does to help start *independent* product stewardship councils -- they are not appendages or part of Product Policy Institute. We look for local leaders to start them and make them serve local needs. It's really fascinating work because every situation is different.

- First, we identify appropriate leaders, or spark plugs as we like to call them, people who are passionate about product stewardship.

- One of the first needs is developing a funding and organizational strategy. We basically have a library collected of all the founding documents, such as this letter of agreement from the NWPSC. The California council has bylaws and incorporation papers. There is basically a lot of sharing going on here and nobody is being proprietary about this and, in fact, they are excited to share organizational documents. We help develop funding strategies. In the beginning the California Product Stewardship Council was funded through the Product Policy Institute. We helped raise the initial funds to hire the coordinators and we managed funds that came from state and local grants for the start up period. Now the California Council, which only started in 2006, is financially independent and it has just been racing along.
- A critical thing we provide is outreach materials so that local governments can do peer-to-peer outreach, teaching each other about product stewardship. The narrated Power Point Heidi mentioned is one that PPI commissioned two years ago. We hired the people who did the Power Point trainings for Al Gore's *Inconvenient Truth*. They did a professional job and this leave-behind brochure has been used all over North America and it has really been inspirational. CPSC recently developed a second version of this brochure, in addition to other brochures, and the NWPSC has built on and improved the narrated Power Point. All of these things are visible on the California and Northwest sites as well as Product Policy Institute's website www.productpolicy.org. These kinds of tools and train-the-trainer sessions are really critical to getting the word out.
- Another thing PPI does is develop simple “starter” websites. To look big quickly it’s important for Councils to have websites that show where basic information about the Council can be found, where people can find basic information about product stewardship and EPR framework principles and so on. This is the home page of the Vermont Product Stewardship Council’s website. We also developed the Texas PSC website. This is the New York Product Stewardship Council website which is under development -- we also developed the logo and the banner... All of this is so that the groups can look big quickly.
- There are many ways to get local governments engaged locally in facilitating the transition to product stewardship. Heidi mentioned all the resolutions they passed in California. Getting local resolutions passed, we think, is a good way of educating local government staff and electeds about what product stewardship is, what the problem is and what the solution is. This fact sheet has other information on how to get product stewardship into legislative platforms and sustainability plans, solid waste plans, and so forth along with model language.
- Purchasing is another local action that local governments can control. This is a 4-page fact sheet that the Product Policy Institute produced on how to get EPR into your purchasing policies. That's something you can start with.

- We also help publicize actions that help councils. This release was from last summer, the National Association of Counties adopted a resolution supporting the framework approach to product stewardship. This is one of many examples.

For more information on what Product Policy Institute does to help start independent local government councils, go to www.productpolicy.org. One of the tabs up at the top is Councils and along the left hand menu you can see the information we've got there. We'd welcome your sending us questions from the web.

That's basically it and I appreciate very much the opportunity to be able to talk with you and have you hear Sego and Heidi's detailed experience.

Q & A Period following Bill Sheehan's Presentation

Q: It looks like legislation might be a strong driver for producers to adopt EPR. Is that true or are there other key drivers in getting producers to adopt EPR?

There have been some academic studies done on this subject in Europe. It appears that more change happens from the threat of legislation than perhaps from the legislation itself. In the electronic world right now companies climbing over each other to have the best voluntary take back program. Given that 18 states have producer responsibility take back laws, I think definitely the threat of legislation is an important driver. It is not the only driver. I think that some businesses see this coming and want to get some advantage from being an early adopter. In the retail sector for example, Home Depot taking back compact fluorescent lamps is a good PR move to look green.

Q: Do you have an example of multiple states working together to develop streamlined legislation?

That's an excellent question. What we advocate is that states form state-specific product stewardship councils for a number of reasons. For one thing, no matter how similar, every state has different priorities and processes and ultimately legislation needs to be developed for a specific state. The NWPSA has two states and I think, Sego, you might want to jump in here, but I think it's difficult for somebody in Oregon to take a formal position on legislation in Washington for example and vice versa.

Sego: The way I would respond is that as we are seeing this has to roll out state by state in terms of legislation. That you've got to have state specific legislation but there has been a tremendous amount of coordination between various parties both within the councils and through the electronic take back coalition through other means to share information and try to harmonize and try to learn from each other as much as possible and that is certainly something we will address when we talk about framework. The irony is that as we government folks try to harmonize things as much as we can, often we have lobbyists that are working against the legislation picking apart the very things that we are trying to harmonize to make it easier for industry to roll out on a national basis so there is a real disconnect there right now. I think that will be changing over time.

Bill: I would say one more thing on that. I think it is important to get strong state legislation before we start talking about national EPR framework legislation in particular. The proof of that might be the electronics state legislation. If you had federal legislation back in 2003, 2004, even 2005, it would have gone a totally different direction than it would probably go now because now the principle of producer responsibility is firmly entrenched in 18 state laws. We feel it is really important over the next few years to establish the low bar in state legislation for producer responsibility.

Heidi: I've heard from industry groups that what's very important to them is the states don't develop different standards for their product, especially when it comes to data collection. Because right now they are having to do different data collection for example because of the Wal-Mart packaging score card and industries are having to report certain data to Wal-Mart and then they have to report different data points to different states. So if we can get harmonized, and this is part of why we have these monthly Council Coordination calls amongst the state councils and make sure that we are at least trying to help industry by providing harmonized data collection points, make sure we get what we need but we don't ask for too much and we don't ask for things that aren't really helpful. It is incredibly helpful to them. It makes it easier to pass the legislation so we do have to talk about that, absolutely.

Q: Do you think that when local governments set up pharmaceutical collections, does that take the heat off of the drug manufacturers to develop their own program?

Heidi: I would totally agree that it kind of does. Basically, what we have been doing as governments is trying to solve the problems in front of us, but by doing that you've enabled and taken the pressure off the front end to do anything. If local governments continue to try to fix everything at the back end it's taking away... Unfortunately, what I've noticed, at least in California politics, is there has to be a crisis before we get any action and so until local government has organized and said enough, we are not doing this anymore and we have this complete crisis where we cannot collect materials that we've been default mandated to collect, we haven't seen any change in policy. Now we seeing huge policy movement because local government spoke up and said we can't do this and we've got an environmental and public health problem because of it.

Sego: I would largely agree with that and want to point out that the medicine return program that I described so briefly again was set up like we did the electronics take back program where from the beginning we said we are only doing this to try and demonstrate what needs to be a producer responsibility system provided state wide and started going through the process to prove that something like that was possible. So we have something like 35 locations now and I've forgotten the correct number from the number of pharmacies if a pharmacy take back program was established by the pharmaceutical companies. Either 1300 or 1700 in Washington state so you see that we have only scratched the surface and that has really taxed us time wise and financially. It has really been an important piloting demonstration. That is different than us trying to solve the problem by setting up a take back program that won't do the job and think that government can do that because we can't and we are very clear with people [on that]. Now we have had lobbyists use that against us where it is easy for them to

confuse people and say, look there is already a take back program. Why would we need something else? Then you just have to explain 35 locations is not very many for a state as big as Washington, etc.

Tommie Jean: We still have some questions coming in and feel free to continue typing your questions but we are a little bit past our time here so I am going to hand it back over to Vicki Salazar with EPA to wrap up here.

Vicki: Thank you very much Heidi, Sego, and Bill. I think it has been a really fabulously information session and, hopefully, all of you on the phone have thought so as well. Just as a reminder, our next session is May 26, at 10 AM Pacific time. Some of the questions I have coming up on the question set are, how do we avoid doing this on a product by product basis and we will again have three fabulous speakers and if you did not register online go ahead and register and you'll get a link from EPA's website and if you have any problems using the link that you get sent, that is available on EPA's website. Last thing is please do give us feedback. We really do read it and listen to it and if there is additional information that you need, we might be putting on more than these two webinars. Thank you everyone and our speakers and particularly to Product Policy Institute for co-hosting this with us.