

Background and proposal

Product stewardship asks those who produce and use products, rather than government, to be responsible for the impacts of producing, using and discarding products.

Definition — Product Stewardship

Product stewardship means all parties who have a role in designing, producing, selling or using a product shall assume responsibility for the environmental impacts of that product throughout its life.

Manufacturers undertaking product stewardship have made changes in products that result in efficient use of raw materials and energy. They have designed products so the products have less impact on the environment, and are reused and recycled more.

For example, Minnesotans are required to return old vehicle batteries – which contain lead, a heavy metal that can harm human health and the environment – when they buy a new one, or else pay a \$5 fee.

Since the requirement went into place, manufacturers have made design changes to make vehicle batteries easier to recycle. Now lead recovered from old batteries is used to make new ones. The plastic casings from the old batteries are also recycled.

Today, those who produce, sell and use products generally do not have to pay for the true costs associated with products. Under the OEA's product stewardship proposal, more of the true costs would be borne by manufacturers and users.

Annually, Minnesota counties and cities spend about \$7 million in taxes and fees to handle products that cannot be thrown in the garbage because they contain toxic materials or cause problems for garbage incinerators and landfills. Those who produce and use those products don't have to pay the \$7 million in extra costs for safe recycling and disposal.

Why product stewardship?

There are four reasons for instituting product stewardship policies in Minnesota: lost resources, increasing amounts of garbage, rising costs to governments and potential harm from toxic material exposure.

Treating waste as a resource has economic benefits.

Minnesota manufacturers that make products from recyclable materials employ 9,000 people and contribute about \$1.8 billion to our economy. Looking at discarded products as resources rather than waste has the potential to bring additional jobs, economic wealth and tax revenue to the state.

Several Minnesota companies that were started to recover and recycle products have grown nationally. Recyclights, a Minnesota firm, now operates in all the lower 48 states. The firm was created to recycle fluorescent light bulbs which many states have prohibited citizens and businesses from putting in the trash. The firm started with one employee and no revenues in 1992. Now it has over 50 employees, 34 of them in Minnesota, and expects sales of \$5 million in 1999.

The amount of garbage in Minnesota keeps growing.

While the goal of product stewardship programs is to bring about changes in all aspects of a product – energy and material use, manufacturing processes, and end-of-life disposal – the OEA proposal focuses on using product stewardship to address issues facing waste management systems.

The amount of garbage Minnesotans throw out has grown at twice the rate of population growth over the past five years. This, despite the fact that Minnesotans recycle almost half of their garbage. Product stewardship can bring about changes in products so that we have less waste and recycle more.



**Minnesota
Office of
Environmental
Assistance**

www.moea.state.mn.us

phone: 651-296-3417

toll-free: 800-657-3843

520 Lafayette Rd. N.
Second floor
St. Paul, MN 55155-4100

In response to product stewardship requirements in Europe and Asia for electronic products such as computers, manufacturers are making changes to make it easier to reuse and recycle them.

Manufacturers are designing computers to make them easier take apart and upgrade. They have also started leasing programs so customers can “trade in” their old computers for new ones rather than throwing them away.

Minnesota spends a significant and growing amount of money to manage discarded products that cannot or should not be managed as waste.

Cities and counties spend \$7 million each year to handle products that are a problem for waste systems (such as used motor oil, unused or old paint, fluorescent light bulbs, or old televisions).

In a constantly changing marketplace, businesses have more products for disposal. Some of these products, such as computers and monitors, may pose problems to waste systems. Businesses are not allowed to throw them in the garbage. Businesses can pay \$15 to \$20 to properly get rid of one computer monitor.

Toxic materials continue to be a problem for our state. Certain materials used in some products continue to be a potential threat to Minnesota’s environment and the health of our citizens.

Every pound of lead or mercury in a product has the potential to pose risks to human health and the environment if it is not used and managed properly. Managing in a responsible way means public taxes and fees have to be spent on pollution control equipment or special disposal. Product stewardship can lead to less public money spent for these activities. It encourages redesign of products to remove problem materials before they become problems.

What is the OEA proposal?

Establish state objectives

The OEA proposal outlines the principles of product stewardship. The OEA believes these principles will:

- Clearly establish state objectives and priorities.
- Establish a consistent approach to managing products which makes reduction, reuse and recycling a priority.
- Lead to the development of products that create less waste and are less toxic.

Broad goals with flexibility

The proposal will establish a process to set broad recovery and recycling goals and timelines for specific products. The process of setting goals will involve all interested parties involved in producing, selling, using and managing products, including representatives from the private and public sectors.

After consulting with all interested parties, the state will establish broad recovery and recycling goals and timelines for meeting those goals. The state will not dictate details, but will allow flexibility in how to meet the goals.

The focus is on getting all interested parties to work on solving the problems facing the state and setting clear goals for performance.

Product manufacturers will be responsible for making sure products are managed in a way that meets the recovery and recycling goals. They will also be responsible for ensuring that the costs of management are not borne by government and are incorporated into the cost of products.

Develop goals for a few products at a time

The OEA proposal recognizes that any product stewardship requirement will have to be phased in gradually to allow manufacturers, sellers and purchasers time to establish product stewardship practices.

The OEA has selected electronics containing cathode ray tubes, paint and carpet as the first three priority products. These materials were chosen based on the challenges they bring to Minnesota’s garbage system.

The proposal also establishes criteria that will be used as the basis for selecting additional priority products in the future.