

Product Stewardship



Minnesota
Office of
Environmental
Assistance

www.moea.state.mn.us

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

Ph: 651-296-3417
800-657-3843
Fax: 651-215-0246

What is product stewardship?

Product stewardship means that all parties who have a role in designing, producing, selling or using a product assume responsibility for the environmental impacts of that product throughout its life. These impacts can occur in the selection of raw materials, the design and production processes, and in the use and disposal of the product.

Product stewardship extends manufacturers' responsibility for products to the disposal and recycling stage. This shift in responsibility provides an incentive for manufacturers to think differently about resources and materials, so that toxicity reduction, reuse and recycling are considered at the product design stage.

Example: Minnesota law makes manufacturers of rechargeable nickel-cadmium batteries, and the manufacturers of products that contain those batteries, responsible for the costs of collecting and recycling old batteries. As a result, manufacturers funded collection sites at local stores for people to return their batteries. The manufacturers then pay to have the batteries recycled. The manufacturers of products such as cellular phones and power tools redesigned products to make the batteries easy to remove

How will product stewardship change the way Minnesota manages its waste?

Product stewardship shifts responsibility for the management and recycling of products from the public sector (government and taxpayers) to the private sector (manufacturers and purchasers). Currently, state and local tax and fee dollars fund Minnesota's household hazardous waste collection programs. Under proposed product stewardship policies, the manufacturers of products that are selected as priorities would be responsible for ensuring the products are recovered and recycled. Tax dollars now being spent on recycling certain products could be freed up for other uses.

The OEA's proposal is not a mandatory "take back" one. The proposal simply establishes a process by which those involved in producing,

Questions and answers

selling, using products, including government, set recycling and recovery goals and timelines for meeting those goals. Manufacturers are asked to ensure that those goals are met for specific products.

Are product stewardship policies effective?

Product stewardship policies in Minnesota and around the world have successfully reduced pollution and garbage. Product stewardship has spurred manufacturers to reduce the toxic content of products, make products easier to recycle, and use recycled materials in their products. Product stewardship also has effectively shifted the costs of recycling and properly managing certain products from government and taxpayers to manufacturers and product purchasers.

Some manufacturers, such as Xerox, have saved millions of dollars by recovering their old products and remanufacturing the components to use in new products. Below are examples of how product stewardship reduces pollution, reduces the amount of garbage, increases recycling and fosters design changes.

- The Minnesota Legislature passed laws requiring that mercury-containing products be removed from the garbage. After these new requirements took effect, mercury emissions at the Hennepin County waste incinerator steadily declined. The decrease in emissions can be partly attributed to product stewardship policies, since the decrease occurred after the new laws were passed, but before pollution control equipment was added to gain additional reductions in mercury emissions.
- In response to product stewardship requirements in Europe and Asia for electronic products such as computers, the computer manufacturers have begun making their products easier to recycle by minimizing the different types of plastics they use, labeling the plastics, and designing products to be more easily taken apart and upgraded. Some manufacturers have also started leasing programs for their computers.

Is anyone else doing product stewardship?

Many other countries are using product stewardship strategies to encourage environmental considerations in product design and to shift the costs of managing products at end-of-life to manufacturers. Sweden and Norway have enacted manufacturer responsibility laws for electronic products which require manufacturers to be responsible for products at the end-of-life.

Several states are examining product stewardship policy initiatives which seek to place more responsibility with manufacturers for the end-of-life management of difficult to manage products.

What are the economic benefits of product stewardship?

By spurring recycling and reuse opportunities, product stewardship programs can promote economic development. For instance, with the passage of legislation requiring utilities to provide collection of fluorescent light bulbs in 1993, businesses emerged to manage and recycle the bulbs. Some of these businesses have expanded to other states in response to other product stewardship programs. The product stewardship initiative will bolster Minnesota's already successful recycling industry, which a 1997 report showed contributes about \$1.8 billion to the economy and is responsible for employing an estimated 9,000 people.

Will product stewardship isolate or burden Minnesota manufacturers?

The OEA is proposing that manufacturers of certain products make sure that products are recovered or recycled instead of thrown in the garbage. All manufacturers of priority products, not just Minnesota manufacturers, will be asked to work toward these goals. In the past, manufacturers throughout an industry have responded to product stewardship policies by working together to figure out the most efficient and economical way to provide their customers with recycling and reuse opportunities.

Will manufacturers be forced to design products a certain way?

The OEA's product stewardship proposal does not specify how products should be designed or produced, or prohibit materials such as heavy metals from use. The proposal seeks to maintain flexibility for manufacturers as to how they achieve overall product stewardship outcomes. With the proposal, the OEA encourages, but does not dictate, product stewardship activities such as design changes which seek to eliminate and reuse toxic or hazardous constituents and addresses the reuse and recyclability and reuse of products.

Will product stewardship raise the price of a product?

In past product stewardship programs, the price of most products has not changed considerably. For instance, the price of rechargeable batteries did not increase with the passage of a manufacturer responsibility initiative in 1993. Emphasizing flexibility for manufacturers, the OEA proposal does not specify how costs for assuming responsibility by manufacturers are to be covered. The cost for manufacturers of implementing a product stewardship program will vary depending upon the product, the recycling and reuse infrastructure currently in place and other factors which will in turn affect the price of the product at retail sale.