Extended Producer Responsibility (EPR) for Packaging & Printed Paper

Paul Gardner, Executive Director, Recycling Reinvented

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Recycling Reinvented

• New 501(c)(3) nonprofit
• Partner with Nestlé Waters North America
• Only purpose: Educate/advocate for EPR for packaging & printed paper
• Staff includes two former state legislators with EPR experience
Product Stewardship is the act of minimizing health, safety, environmental and social impacts, and maximizing economic benefits of a product and its packaging throughout all lifecycle stages. Stewardship can be either voluntary or required by law.
EPR vs. Product Stewardship

Extended Producer Responsibility (EPR) is a mandatory type of product stewardship that includes, at a minimum, the requirement that the producer’s responsibility for their product extends to post-consumer management of that product and its packaging.

Product Policy Institute, Product Stewardship Institute, CA Product Stewardship Council
Deposits work.

EPR is about more than just beverage containers.
EPR offers opportunities...

• To increase recycling rates at a lower cost per household
• To provide more raw material for domestic manufacturers
• To make it easier for brands to use post-consumer material
• To reduce demands on government
Percent of MSW Covered by EPR vs. Deposits

- other paper types
- office-type papers
- newspapers & magazines
- other plastic
- other containers
- HDPE natural bottles
- PET bottles and jars
- bags and sacks
- folding cartons/paperboard
- gable top/asceptic cartons
- corrugated boxes
- other cans, foil, closures
- beer and soft drink cans
- other steel packaging
- other cans
- other bottles and jars
- wine and liquor bottles
- beer and soft drink bottles
U.S. vs. European Packaging Recycling Rates

Sources: Eurostat, U.S. Environmental Protection Agency
Value of Wasted Packaging Materials in the U.S.

- Paper: $1,294,625,417
- Glass: $97,325,060
- Steel: $285,000,000
- Aluminum: $1,446,228,571
- PET: $2,917,345,309
- HDPE: $2,854,896,000
- PVC: $136,000,000
- LDPE/LLDPE: $726,000,000
- PP: $1,273,600,000
- PS: $371,000,000

Total: $11,402,020,357

Source: See Appendix 1 for methodology and plastic material definitions.
EPR: Several drivers

- Shareholder advocacy
- Tightening commodity markets
- Market demand
- Few comprehensive alternatives
- Concerns among brands about something worse
Myths abound…..

- Will brand owners operate their own hauling operations & MRFs?  **No.**
- In-store take back?  **No.**
- Brands take their own stuff?  **No.**
- Government handling the money?  **No.**
- Food tax?  **No.**
# How does EPR work?

## TODAY
- Consumers pay hauler or city for recycling service
- Enterprise fees, utility bill, general taxes
- Typical household cost = $30-40 per year

## UNDER EPR
- Brand owners set up a producer responsibility organization (PRO)
- PRO assumes cost of recycling collection
- PRO allocates cost to brand owners
- Consumer pays with new product
How it would work II

- PRO would move toward more harmonization, scaling up of best practices
- Would use existing infrastructure, especially private sector
- Would take until the end of decade to mature completely
Not all EPR is the same

- Belgium USD $15.89/HH/yr
- France $25.73/HH/yr
- Germany $34.15/HH/yr
- Netherlands $20.51/HH/yr
- U.S. (w/ no EPR) $30-40/HH/yr
It depends on what you want

- Zero landfill/incinerator?
- Higher recycling rates?
- More funding?
- Lowest cost?
- More efficiency?
- Higher quality of materials?

We want to develop a uniquely American solution.
What could EPR mean for you?

- PRO reimburses public or private MRFs at negotiated rate—no “blank check”
- Can’t charge for reimbursed services or services no longer provided
- If a city doesn’t want it, it pays
- Won’t void existing contracts
- Innovators will get more business
Stars & planets starting to align

- **Cities/counties** seek relief
- **Retailers** don’t want stuff in the store
- **Brands** have set high recovery goals but don’t have a plan to meet them
- **Manufacturers** need more material
- **Labor** seeks stronger manufacturing
- **NGOs** concerned about climate change/marine debris
What some brands are saying

If you want our support…
• Harmonize materials collected
• Scale up best practices
• Do it on the largest scale possible
• Keep the system simple and flexible
• Keep government’s hands off the $$$
• Don’t create 50 different solutions
Next Steps

• Seeking state legislation in 2013 or later
• Developing a cost-benefit analysis
• Targeting several non-bottle bill states
• Check out our white paper
Contact Info

Paul Gardner
Recycling Reinvented
612-227-4582
paul@recycling-reinvented.org