FOR IMMEDIATE RELEASE
March 25, 2020

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BOSTON, MA – Today, the Product Stewardship Institute (PSI) released a seminal report that provides guidance for stabilizing and modernizing fragmented U.S. municipal recycling systems that have strained under the weight of major market disruptions. The report outlines problems faced by U.S. recycling programs and how extended producer responsibility (EPR) programs in four Canadian provinces have increased packaging recovery and recycling, reduced contamination, and developed markets for difficult-to-recycle materials. It also provides a detailed case study of the packaging EPR program in British Columbia (B.C.), North America’s first full producer responsibility program for packaging.

The report, Extended Producer Responsibility (EPR) for Packaging and Paper Products (PPP): Policies, Practices, and Performance, which was funded by Metro regional government in Oregon, outlines key elements of EPR for PPP and how they contribute to program success. The report is perhaps the first to provide such in-depth research about the success of packaging EPR programs and how they continue to improve. It shows that EPR not only provides sustainable financing for recycling by placing financial responsibility for the system on producers, it also can reduce the burden of day-to-day recycling management away from the public sector, allowing limited public resources to be redirected toward other priorities.

“Our goal is to offer reliable information on high-performing EPR programs for materials that are traditionally accepted by residential recycling programs,” said Scott Cassel, PSI founder and CEO. “EPR programs provide proven options for U.S. governments desperate for recycling solutions.”

The most successful programs to date, according to the report, place full responsibility on producers to achieve results, but also provide local governments with the option to continue collecting recyclable materials and educating residents. One of the most transformative benefits of existing EPR programs is the standardization of collected materials across jurisdictions, reducing resident confusion and contamination. In Europe, where EPR has been established for decades, many countries report PPP recycling rates above 70% or 80%, as compared to the current U.S. recycling rate of 50%.

EPR-driven systems also weather the effects of the “China Sword” and other export restrictions better than U.S. systems. For example, while recycling costs in some U.S. regions increased by as much as 200% in the last year, costs to producers in B.C.’s EPR system grew just 26%, despite the large decrease in the
value of materials. This was in part because Recycle BC, the industry-run organization that manages the program, focused on building local recycling markets.

“Metro commissioned this study because of the ongoing challenges related to managing packaging and paper waste, including recycling market disruptions,” said Kristin Aldred Cheek, PSI’s director of policy and programs. “This report will be a vital tool as they assess options for modernizing the recycling system.”

The PSI report highlights several trends. For example, while producers in all programs pay variable (or modulated) fees based on the weight and recycling cost of materials, many programs are beginning to incorporate eco-modulated fees that incentivize producers to reduce the impacts of their packaging by using more reusable or recyclable materials, and to consider greenhouse gas emissions and other environmental factors. In addition, in the B.C. program, producers considered the needs of small haulers and processors in the system design. The report also points out that EPR programs can help companies achieve their recycled content goals by providing a consistent supply of high-quality recycled materials.

The report also emphasizes the importance of striking the right balance between government and industry roles by ensuring public oversight while allowing producer flexibility in implementing a program. Experience has shown that more successful programs have a proper balance between government and producer interests, and also address the interests of waste management companies, environmental groups, and other key stakeholders.

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The Product Stewardship Institute (PSI) is a national nonprofit working to reduce the health and environmental impacts of consumer products from design and production through end-of-life. PSI developed a packaging EPR model that provides a tool for stakeholders to develop packaging EPR policies and is part of a larger toolkit for packaging stewardship.