Extended Producer Responsibility Overview
Extended Producer Responsibility

- efficient resource management tool whereby producers take over the responsibility for the environmental impact of their products throughout their life
- includes products’ ‘upstream’ impact linked to the selection of materials, product design and production processes as such, as well as ‘downstream’ impact relating to the products’ use and end of life management of used products
Typical EPR product categories

- Packaging
- Electrical and electronic appliances
- Batteries and accumulators
- End-of-life vehicles
- Tyres
- Motor oils
- Newspapers and magazines
EPR instruments

- Product take back requirements
  - recycling and recovery targets

- Economic and market based instruments
  - e.g. product taxes, deposit refund schemes

- Regulations and performance based standards
  - e.g. minimum recycling content

- Information based instruments
  - e.g. labeling of products, public awareness, reporting
EPR purpose
Packaging waste

- to guarantee achievement of recycling and recovery targets
- to provide additional financial stream and incentives for separate collection, sorting (and recycling)
- to avoid temporary interruptions in the collection processes in case of negative trends in recyclable waste prices
- to support incorporation of prevention, re-use and recycling issues into product design
- verify the data and reporting of obliged companies.
- report to national authorities

Economic stakeholders within the packaging chain (manufacturer, packer/filler, distributor, importer) are responsible for packaging waste management.

Foundation of operating Producer Responsibility Organization, run on behalf of obliged industry.
EPR benefits

Providing incentives for ecodesign, design for environment innovations

Development of recycling and recovery channels and reducing landfilling

Sustainable production and consumption policy

Reduction of public spending on waste management and overall waste management costs
Legal requirements play a major role

- Size of recycling targets set in the national law
- Common or separate requirements for household packaging and commercial/industrial packaging
- Grade of differentiation between packaging materials for the purpose of setting targets
- Time limit to establish the system (quotas, targets, area coverage, etc.)
- Definitions set concerning recycling and recovery
## EU recycling and recovery targets for packaging waste

<table>
<thead>
<tr>
<th>Preparation for reuse and recycling for packaging waste</th>
<th>2001</th>
<th>2008*</th>
<th>2025</th>
<th>2030</th>
</tr>
</thead>
<tbody>
<tr>
<td>All packaging</td>
<td>25% (max 45%)</td>
<td>55% (max 80%)</td>
<td>65%</td>
<td>70%</td>
</tr>
<tr>
<td>Paper and cardboard</td>
<td>15%</td>
<td>60%</td>
<td>75%</td>
<td>85%</td>
</tr>
<tr>
<td>Glass</td>
<td>15%</td>
<td>60%</td>
<td>70%</td>
<td>75%</td>
</tr>
<tr>
<td>Plastic</td>
<td>15%</td>
<td>22.5%</td>
<td>50%</td>
<td>55%</td>
</tr>
<tr>
<td>Ferrous metals</td>
<td>15%</td>
<td>50%</td>
<td>70%</td>
<td>80%</td>
</tr>
<tr>
<td>Aluminum</td>
<td>15%</td>
<td>50%</td>
<td>50%</td>
<td>60%</td>
</tr>
<tr>
<td>Wood</td>
<td>-</td>
<td>15%</td>
<td>25%</td>
<td>30%</td>
</tr>
</tbody>
</table>
Obliged producers alternatives to implement obligations

Individually
Providing by themselves the collection of packaging put on the market by establishment of deposit systems or by providing places for return acceptance of packaging waste at the place of sale.

Collectively
Transferring their responsibility to approved by the competent authorities collective compliance scheme (Producer Responsibility Organization) against payment of fee.

Payment of tax to the state fund
Payment of product tax shall not be considered as alternative.
ERP model

State Authorities
- Defining national legislation and policy
- Permitting of activities

Local Authorities
- Organization of separate collection

Waste Management Companies
- Operate separate collection and sorting

PRO
Planning, organization, contracting and financing

Clients
(Obliged producers/importers of goods)
- Transfer of obligation and financing

Citizens
- Participation in separate collection systems, Public awareness

Recycling Companies
- Guarantee the recycling of collected and sorted
Full or shared responsibility. Role of the local authorities

1. PRO has full responsibility for the implementation

PRO is financing the full costs. No direct payments to local authorities

2. PRO and municipalities have shared responsibility for the implementation

PRO is financing only the incremental (extra) costs. Contribution per tonne + incentives paid to local authorities
Organizational alternatives
packaging waste management
EPR models
Packaging waste

**Dual model**
Austria, Germany, Sweden
Industry has full operational and financial responsibility over collection, sorting and recycling

**Shared model**
France, Spain, Belgium, Italy,
The responsibility is shared between industry and the local authorities based on common agreements regarding collection (and sorting)

** Tradable Credits**
UK
There is neither a link between industry and municipalities nor differentiation between commercial and packaging arising at the municipal level
**PROs in hands of obliged industry**

Obliged industry creates one common non-profit entity that collects the necessary funding, cooperates with local authorities and ensures recycling in the most cost-efficient way.

**Vertical integrated systems**

Several, usually profit-oriented entities compete to attract obliged companies.

**Sharing the collection infrastructure**

Inhabitants have access to a common container and the collected packaging waste is split between the various PROs prior to being sorted. The cost distribution is established by a clearing house.

**Competing on the infrastructure**

Every PRO offers its own container to inhabitants.

**Each PRO in a separate district**

Each PRO signs up with as many municipalities as needed to fulfil targets according to market shares.

**System scope**

PROs only responsible for packaging arising at the municipal level, for commercial packaging, or for integrated packaging waste streams.
Major factors influencing the implementation costs

- Existing collection and recovery infrastructure in the waste management sector.
- The source of waste used to meet national recycling quotas (e.g. household or all packaging).
- Household packaging waste is more expensive to collect and recover than packaging waste arising at industry’s back door.
- The proportionate share of costs which industry bears. Some schemes meet 100% cost of collection and recovery, while others only pay a share thereof.
- National recycling targets and the effect of derogations.
- Collection system used affect charges - bring systems are generally less expensive than kerbside collection.
- Geographic location and population density.
- Enforcement - the more companies who participate in the scheme, the greater the spread of the cost base.
- Labour costs and general overheads differ depending on the prevailing local economic conditions.
Licensing fees charged by PROs

- All of the systems have licensing fees per quantity of material.
- Different system use different fee per material structure.
- Some systems have different fees for household (sales) packaging and commercial/industrial (group, transport) packaging.
- Some systems have different fees depending on the packaging size and volume (e.g. ARA in Austria, Gront Punk Norway).
- Some system have additional fees per unit of packaging (e.g. HERRCO in Greece) or minimum fee per packaging unit (e.g. Fost Plus in Belgium).
- Some of the systems charge participation fee as a flat fee per tonne (e.g. Repak in Ireland).

**Paper&cardboard packaging (EUR/kg)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Price (EUR/kg)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>0.017</td>
</tr>
<tr>
<td>Austria</td>
<td>0.095</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>0.041</td>
</tr>
<tr>
<td>Cyprus</td>
<td>0.047</td>
</tr>
<tr>
<td>Lithuania</td>
<td>0.025</td>
</tr>
<tr>
<td>Latvia</td>
<td>0.033</td>
</tr>
<tr>
<td>FYR Macedonia</td>
<td>0.019</td>
</tr>
<tr>
<td>Czech Republic</td>
<td>0.0288</td>
</tr>
<tr>
<td>Luxembourg</td>
<td>0.0145</td>
</tr>
<tr>
<td>Slovenia</td>
<td>0.018</td>
</tr>
</tbody>
</table>
Some challenges

- Free riders
- Cross material subsidies
- Incorporation of prevention measures
- Reliable and comparable data
- Creating awareness
- Involvement of informal sector
- Incorporation of prevention measures
- Creating awareness
- Involvement of informal sector
- Free riders
THANKS!

Any questions?

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