

EXTENDED PRODUCER RESPONSIBILITY (EPR) FACT SHEET

WHAT IS EXTENDED PRODUCER RESPONSIBILITY (EPR) SYSTEM?

1. EPR is a concept where producers/importers are responsible for the management of their end-of-life packaging and products to promote plastic circularity.
2. EPR system provides an opportunity for producers/importers to create an ecosystem for circular economy, sharing the burden of managing the packaging waste and frees up public funds typically spent for managing the packaging waste to be available and used for basic social services for the community.
3. EPR systems are different in each country but have common basic principles, such as packaging and product design improvement for greater recyclability or reusability, and reduce materials used, especially virgin materials.
4. An effective EPR scheme clearly defines the types of packaging materials and EPR fees of each material to be paid by obliged companies – companies that put packaging on the market. For example, reduced EPR fees for high-value recyclable packaging and an increased EPR fee for low-value and non-recyclable packaging.
5. The effectiveness of EPR system relies on the active role of government to govern the system through regulatory framework to provide the conducive environment for EPR, and to supervise the system operator, collection and recycling targets.
6. EPR for packaging is different from tax or public fee as fees are not collected by public fiscal authorities and does not flow into public budget. EPR fees are collected and managed by a system operator and should be exclusively used to fund packaging waste management related activities.

WHY EPR IS AN EFFECTIVE TOOL?



ENVIRONMENTAL

- Reduce overall packaging use
- Improve collection and recycling of packaging waste
- Improve packaging designs for greater recyclability and reusability
- Increase resource efficiency by reducing the use of virgin material
- Halt plastic leakages into nature



SOCIAL

- Strengthen interaction along packaging value chains – material suppliers, converters, manufacturers, brands, retailers and waste management operators
- Job creation along the packaging value chain
- Integrate informal sector, improve health and safety of waste pickers and collectors










ECONOMIC

- Collective action to shift towards circular economy
- Boost recycling market and improve market mechanism to align demand and supply of waste and recycling sector
- Reduce dependency on virgin material
- Minimize landfill dependency and environmental abatement cost

HOW DOES EPR WORK AND CONTRIBUTE TO IMPROVE PACKAGING DESIGNS, INCREASE COLLECTION AND RECYCLING RATE?

- EPR system provides a dedicated stable financial source to improve the collection, sorting and recycling infrastructure for packaging waste. With additional financial source, collection coverage can be expanded, recycling quality can be improved through effective sorting and recycling process to ensure good quality recycled resins return into the system and encourages brands to use recycled materials or increase recycled content in the packaging.
- EPR system requires the formation of a Producer Responsibility Organisation (PRO) as the system operator. PRO manages the EPR fees, engages obliged companies, and issues contracts with waste management operators and municipalities. The PRO can be operated by the producers themselves, by a third party they contracted, by a hand-over to the government or a mix.
- Obligated companies pay for an EPR fee based on the types and amount of packaging they put on the market in a specific country. The collected EPR fee covers all or parts of the costs for collecting, sorting, and recycling and create awareness among consumers.
- A legal framework for EPR from the Government should outline clear objectives, responsibilities, enforcement mechanisms, and a timeline for implementation. EPR complements other environmental regulations such as shifting to a circular economy, promoting eco-design, and transitioning to a more resource-efficient economy.
- Part of the EPR fees will be used for awareness raising among consumers on waste separation at source. Obligated companies may incorporate part of the EPR fees into product prices. The additional costs per product, however, are minimal around 0.45 cent (USD) per item or lower.
- EPR system requires transparent registers and data management systems for obliged companies and approved waste management operators (collectors, sorts, recyclers).
- EPR system strengthens interaction between public authorities and stakeholders along packaging value chains, and guides manufacturers, consumer brands and retailers to incorporate eco-designs, such as recyclability and reusability, to their products and packaging.

| STAKEHOLDER | ROLES & RESPONSIBILITY IN THE EPR SYSTEM |
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| RAW MATERIALS SUPPLIERS, MANUFACTURERS AND CONVERTERS OF PACKAGING MATERIAL |  <ul style="list-style-type: none"> • Provide packaging material for producers and importers – either virgin material or secondary resources • Their packaging design/material is a crucial determinant for the reusability and recyclability of the packaging waste |
| PRODUCERS, AND IMPORTERS OF PACKAGED GOODS, SERVICE PACKAGING AND SPECIFIC NON-PACKAGING ITEMS (OBLIGED COMPANIES) |  <ul style="list-style-type: none"> • Put the system-relevant goods on the market by selling imported products or locally produced goods in packaging (comprises of both SMEs and MNCs) • Responsible for their packaging waste to be properly collected, sorted and recycled • Register relevant packaging and products with the PRO and pay EPR fees |
| DISTRIBUTORS, FOOD OUTLETS & RETAILERS OF PACKAGED GOODS |  <ul style="list-style-type: none"> • An interface between the private sector and end consumers of packaged products • Contribute to informing consumers about environmentally sound packaging waste handling • Could implement take-back responsibility by providing collection bins/sites for consumers |
| CONSUMERS |  <ul style="list-style-type: none"> • Correctly dispose of packaging and products through waste separation at source to ensure high-quality recycling • Strive for waste reduction, opt for unpackaged goods and products and reuse packaging as often as possible |
| WASTE MANAGEMENT OPERATORS |  <ul style="list-style-type: none"> • Receive funds from PRO for their services in collecting, sorting and processing the packaging waste • Crucial prerequisite registration with the competent authority • Recycle packaging according to the highest standards possible to ensure high quality recycling; include the informal sector |
| LOCAL AUTHORITIES / MUNICIPALITIES |  <ul style="list-style-type: none"> • Act as linkages between consumers and waste management operators • Responsible for implementation of EPR on the local level through organising the collection (PRO contracts out/pays for waste collection through the local authorities) |
| GOVERNMENT AND OTHER PUBLIC AUTHORITIES |  <ul style="list-style-type: none"> • Legislation, governance and enforcement of the EPR system • Manage register for the waste management operators |

WHY EXTENDED STAKEHOLDERS RESPONSIBILITY (ESR) SHOULD NOT BE CONFUSED WITH EPR?

ESR does not have clear definition, framework and mechanism. The concept is undefined and untested. The unclear concept of ESR may deflect the accountability and influential role of producers for the end-of-life products and packaging management.

The responsibility of waste management has always been the responsibility of public authorities and the system has proven to be insufficient. The system requires greater involvement from producers to improve waste collection, separation and recycling through an EPR scheme. EPR, a well-established and globally recognised scheme not only provides a systemic approach for producers to reduce packaging use, it improves packaging designs and increases resource recovery. EPR clearly defines the key roles and responsibilities of all the stakeholders in the value chains.

While all stakeholders should be accountable and should contribute to eliminating plastic waste and marine plastic pollution, the sectors' role and accountability can be laid out in other measures. It must not be muddled with EPR. These are interventions that different stakeholders in society can do collectively to address plastic wastes:



Governments' roles in policy formulation and implementation, including laying down legislation for EPR

Businesses transform business models through EPR

Consumers make smart choices to shape supply and demand

Civil society support government efforts and assist society

Schools educate and facilitate behavior change

WWF'S WORK ON EPR

SUPPORTS GOVERNMENTS

to incorporate EPR into their legal framework

FACILITATES MULTI-NATIONAL AND LOCAL COMPANIES

to create an ecosystem for circular economy for plastics and packaging



PROVIDES SUPPORT TO BUSINESSES

to extend their responsibility to end-of-life packaging and products management

DEVELOPS STUDIES, ANALYSES AND PROVIDES RECOMMENDATIONS

for governments and businesses with country-specific EPR schemes