

Introduction to Extended Producer Responsibility (EPR)

5 April 2023

Implemented by:



On behalf of:



of the Federal Republic of Germany

THE PRINCIPLE OF EPR

PRODUCTS ARE SOLD WORLDWIDE OFTEN IN THE SAME PACKAGING



Photos: ©cyclos, below right: ©Eisenhans / fotolia.com

PACKAGING CAN BE RECYCLED IF THEY ARE COLLECTED AND SORTED

Metall packaging (ferrous and non-ferrous)



Plastic bottles (PE, PP, PET)



Paper packaging



THE POLLUTER-PAYS PRINCIPLE



Those earning money with the products should be held responsible that this does not happen.

SHIFTING THE RESPONSIBILITY TO THE PRODUCERS

= EXTENDED PRODUCER RESPONSIBILITY (EPR)

EPR aims to apply the 'polluter pays principle' by shifting the responsibility and financial cost of the negative environmental impacts to the producers



CONCEPT OF EPR

Generic life-cycle of products:



“Traditional” Producer Responsibility:

- Sound production
- Functionality
- Product safety

Extended Producer Responsibility:

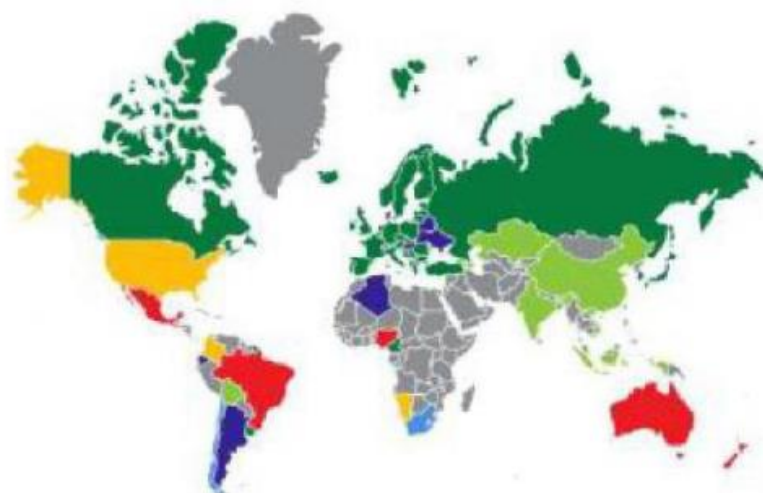
- Sound end-of-life management

GROWING COVERAGE OF EPR FOR PACKAGING

EPR for packaging in 2000



EPR for packaging in 2020



EPR for packaging in 2025



- > Mandatory EPR scheme
- > EPR pilot project
- > EPR under development
- > Regulatory framework on EPR
- > Legislative proposal for an EPR under debate
- > First reflections for a legal framework on EPR

How to organize EPR

GENERAL PRINCIPLE OF EPR (1/3)

“Environmental policy approach in which a producer’s responsibility for a product is extended to the waste stage of that product’s life cycle.

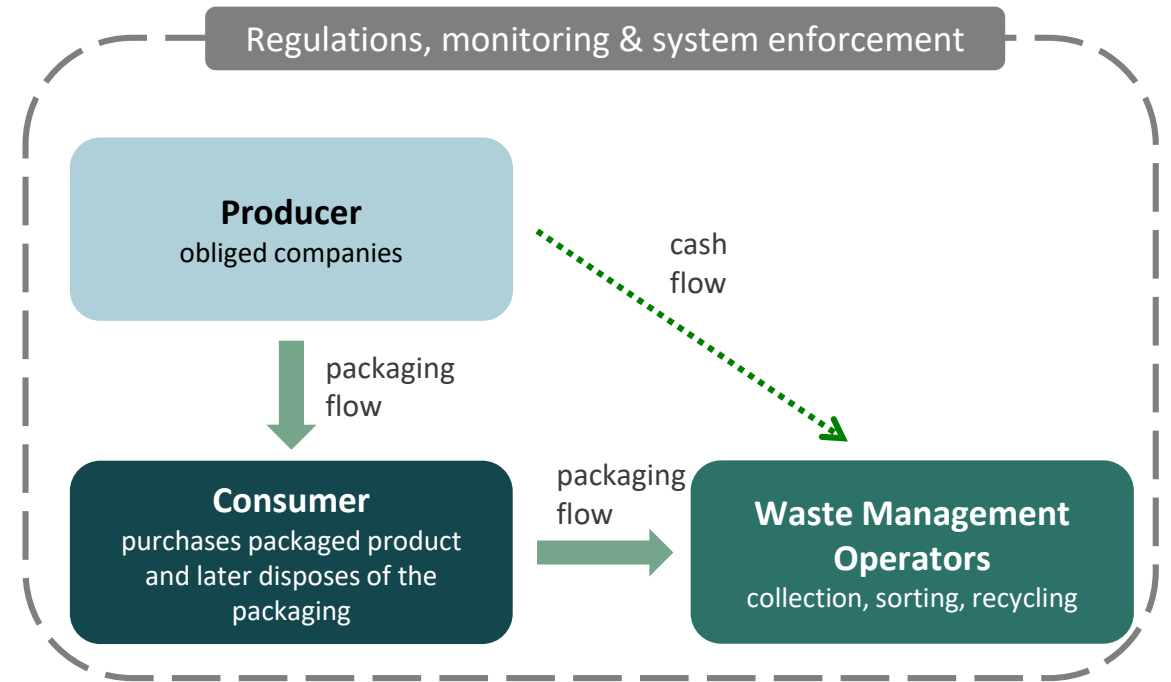
In practice, **EPR involves producers taking responsibility for the management of products after becoming waste**, including: collection; pre-treatment, e.g. sorting, dismantling or de-pollution; (preparation for) reuse; recovery (including recycling and energy recovery) or final disposal...”

Definition of Extended Producer Responsibility – EPR
(Basel Convention, Practical Manual on EPR, 2019)

put into practice

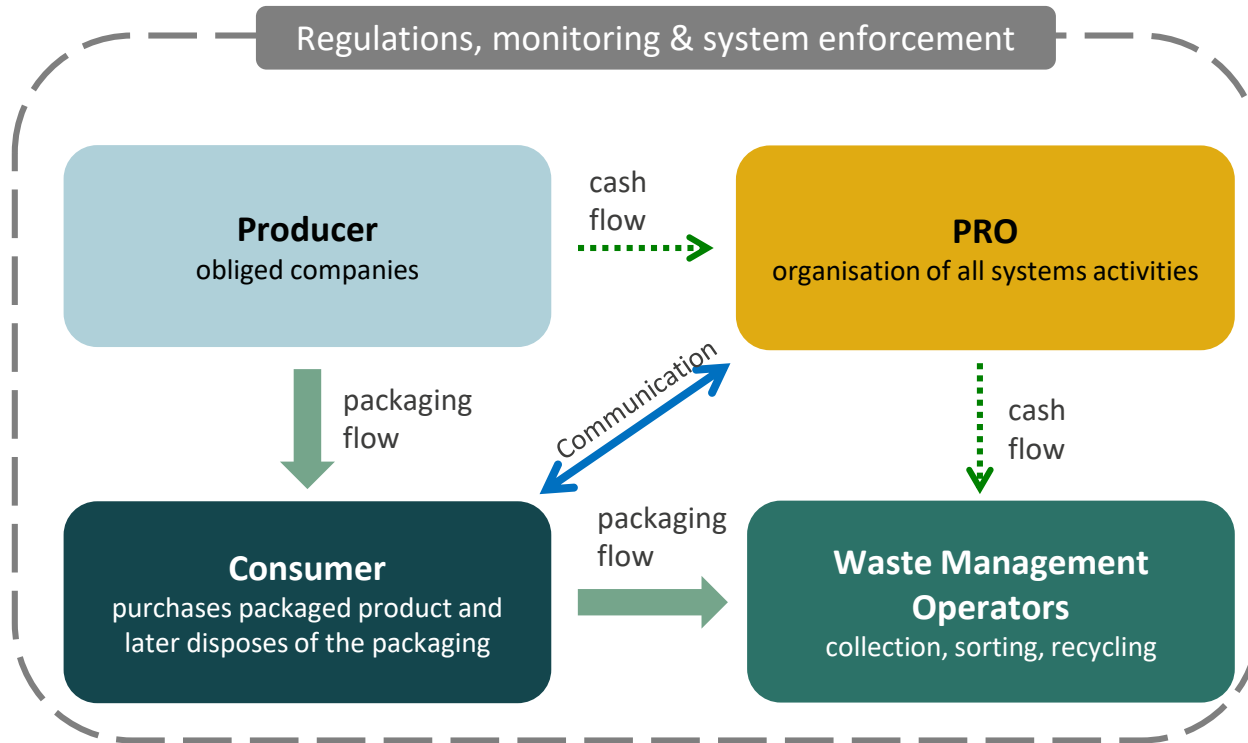


Simplest form: **individual compliance schemes**



However: Problems in practice when operating at scale; particularly for packaging waste

GENERAL PRINCIPLE OF EPR (2/3)



- Collective responsibility through third, central element taking over the take-back responsibilities
 - **Producer Responsibility Organization (PRO)**
 - EPR fees from producer to PRO
- PRO is central for managing all responsibilities on behalf of the producers
 - **acts as a system operator**
 - Particularly relevant for packaging waste
- PRO can be set up in various ways
 - state-led or industry-led
 - non-profit or for-profit
 - single PRO or if there are multiple PROs
 - PRO covers all packaging or specific packaging
- PRO setup depending on country context

Further reading: EPR Toolbox – Factsheet 02; https://prevent-waste.net/wp-content/uploads/2021/07/FS02_PRO.pdf

EPR IN PRACTICE – AN EASY CONCEPT?

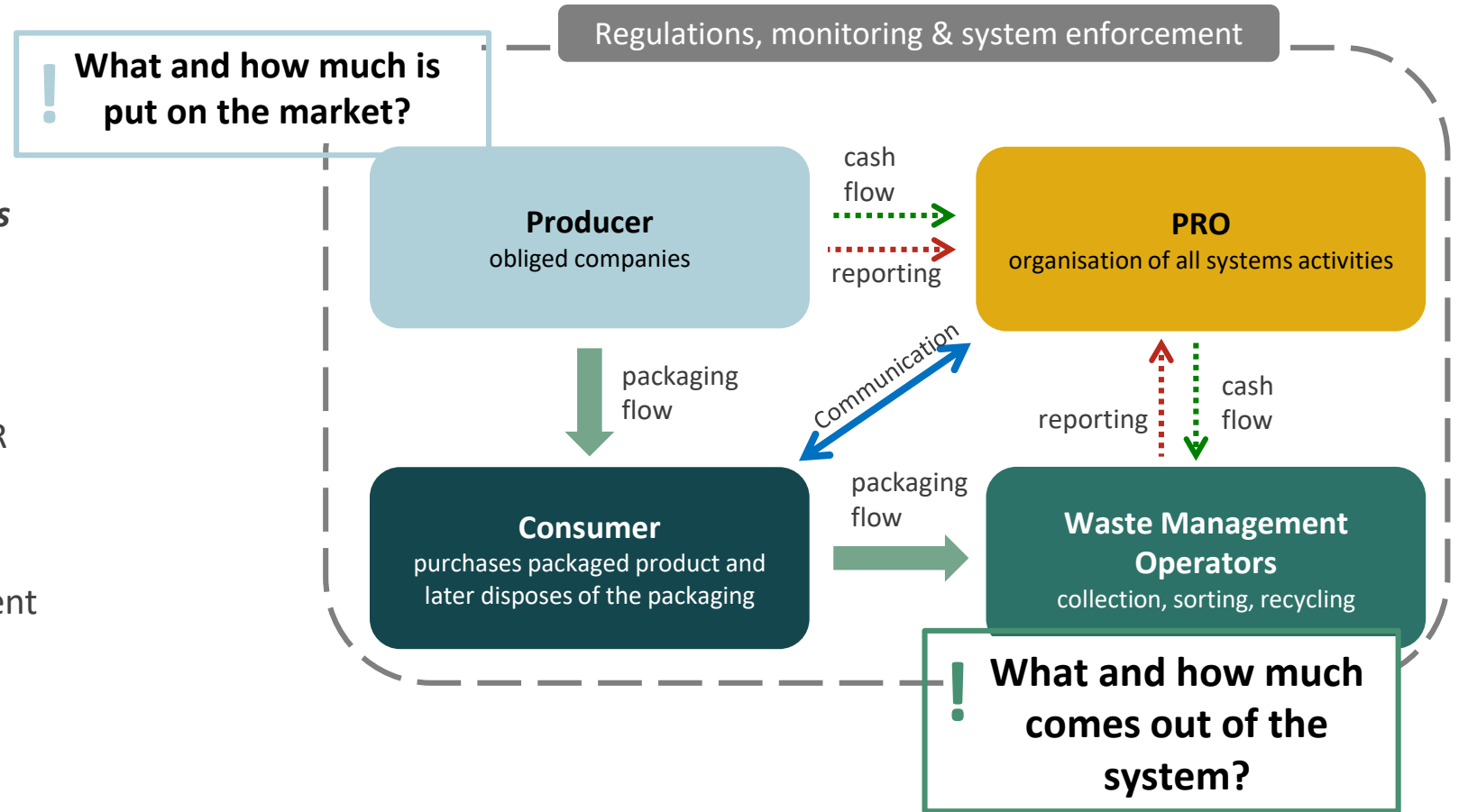
GENERAL PRINCIPLE OF EPR (3/3)

Guiding principle for government for implementation:

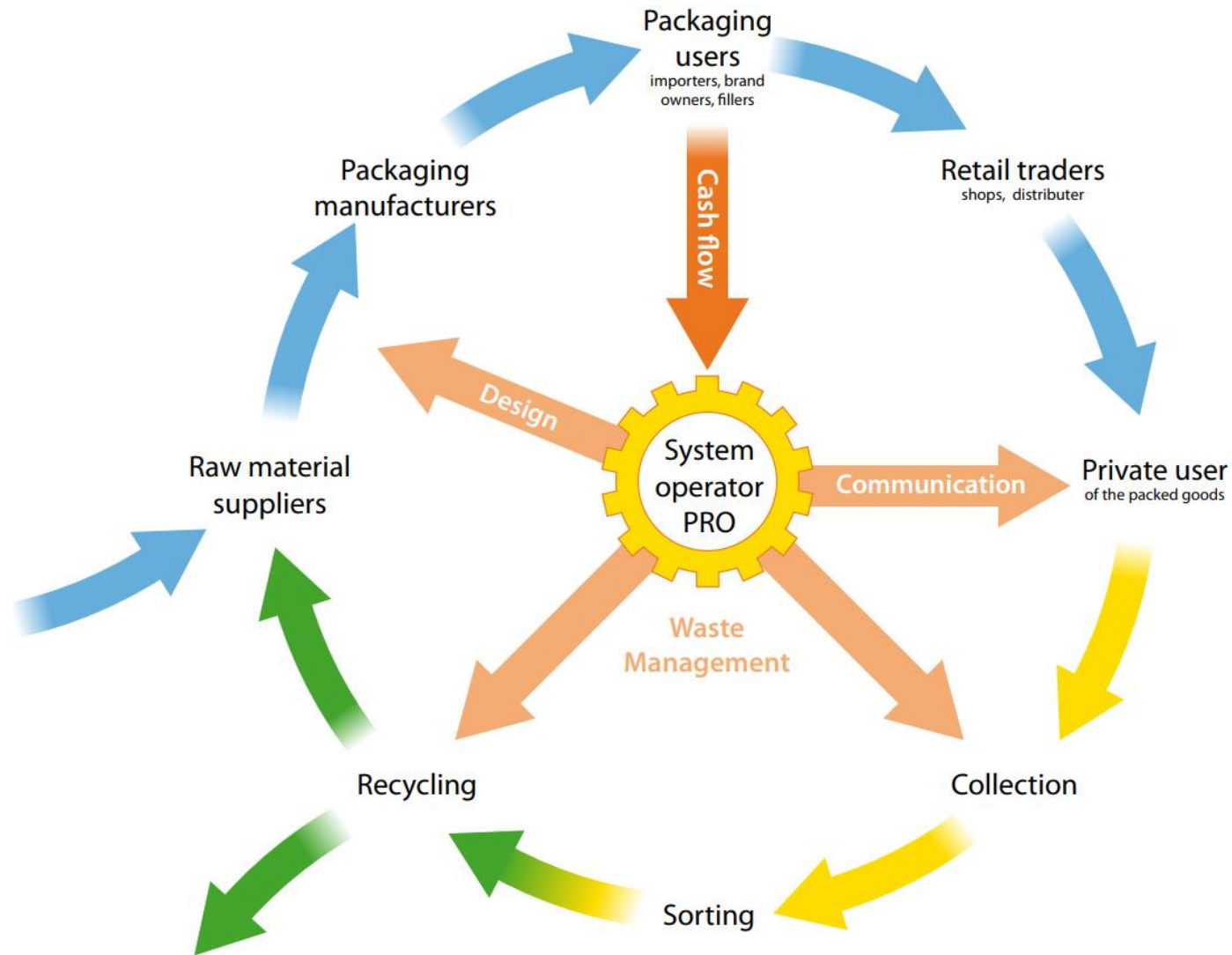
What is put into the system and what comes out of it?

Objective of presentation: analyse typical problems, pitfalls and lessons learned on EPR implementation

& experiences and practices on how to prevent or overcome them or lessen the impact

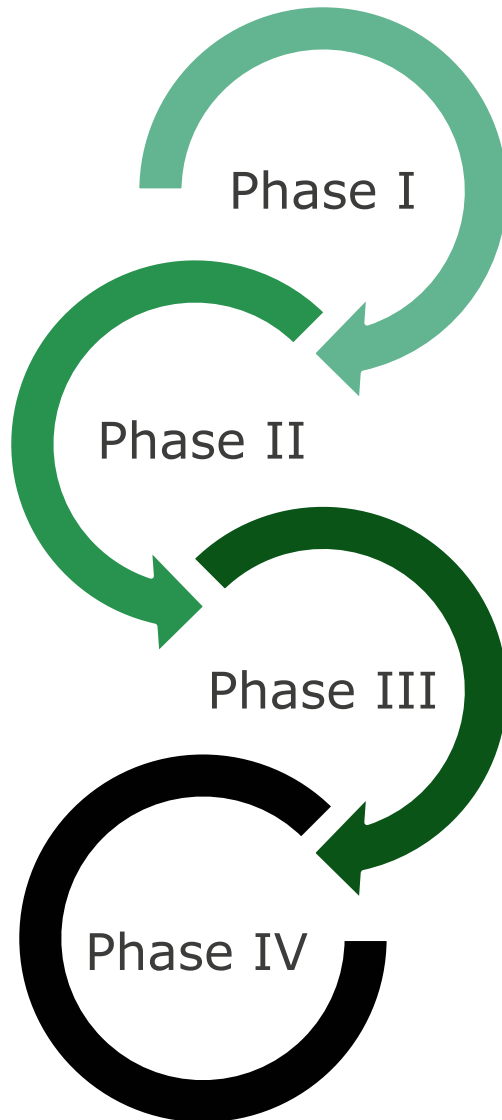


THE WHOLE SUPPLY CHAIN IN AN EPR SYSTEM



The PRO (Producer Responsibility Organization) is the most important actor in an EPR-System.

DEVELOPMENT PHASES OF A PRO IN A MANDATORY EPR-SYSTEM



Preparation:

- I a – Establishing a PROs on a voluntary basis
- I b – Establishing a legal basis for a mandatory EPR system

Roll out of the mandatory EPR system

Improving and optimising mechanisms when the mandatory EPR system comes into force

Evaluation and development

A close-up photograph of a person's hands signing a document. The person is wearing a light-colored dress shirt and a dark tie. They are holding a silver and black fountain pen in their right hand, writing on a white document. Their left hand is resting on the document. The background is a wooden desk. A semi-transparent dark grey rectangle is overlaid on the center of the image, containing the text 'LEGAL SETUP' in white, bold, sans-serif capital letters.

LEGAL SETUP

EPR REGULATION IS REQUIRED

Extended Producer Responsibility (EPR) systems can only be built up with a corresponding official regulation.

For the implementation of an EPR system, proposals for solutions have to be developed and the specific situation in the country is very important.

On this basis, a national regulation has to be developed and passed.

The following regulatory areas and elements, that are specified in the following, must be regulated in a mandatory EPR System:

- a) Terms of definitions,
- b) Mandatory PRO / system operator,
- c) Obligated producer and importer,
- d) Involved packaging,
- e) Scope of financing and calculation,
- f) Collection system and collection targets,
- g) Sorting, recycling and recovery targets,
- h) Involvement of the municipalities / local authorities,
- i) Involvement of the informal sector,
- j) Communication, information, education,
- k) Responsibilities, competences of the authorities and controlling



OBLIGED COMPANIES

In an EPR system, it must be legally determined who has to pay into the system and at which interface the involved parties can be identified

Such a definition could be for example:

- › The obliged companies are companies that bring packaged goods to the market of country A (i.e. the domestic producers and importers as obliged companies), which are used and disposed in country A.
- › The interface for measuring the quantities of packaging materials is the company that is the first one to introduce packaged goods onto the market of a country.
- › This company has to be registered with the PRO und provide all required information about its packaging to the PRO.
- › Based on this information, the (annual) financial contributions, which the obliged companies need to pay for their participation in the EPR system, are calculated.

EPR TARGETS



Important criteria of such requirements & targets:

- › Clear responsibilities can be assigned to stakeholders (countable scope)
- › Need to be specific (e.g. different materials)
- › Need to be relevant (responding to problems & challenges of current system)
- › Need to be accountable and verifiable (means counting, weighing, monitoring)
- › Need to be realistic (considering available infrastructure, data availability and financial means) and adjustable (more ambitious over time)

Requirements and targets can be formulated for various aspects, e.g.:

- › Collection & recycling (setting up infrastructure, achieving recycling rates, etc.)
- › Information-related (labelling, awareness campaigns)
- › Material and product-design (no use of PVC in packaging, no opaque PET bottles)
- › Others (for example requirements on decreasing packaging waste volumes)

THE INFORMAL SECTOR NEEDS TO BE INVOLVED

The informal recycling activities should be integrated into the EPR system.

The following items are required:

- Confidence building trust and showing the benefits,
- Information and professional support,
- Legal advice,
- Employment contracts for employees,
- Service contracts for business partners.



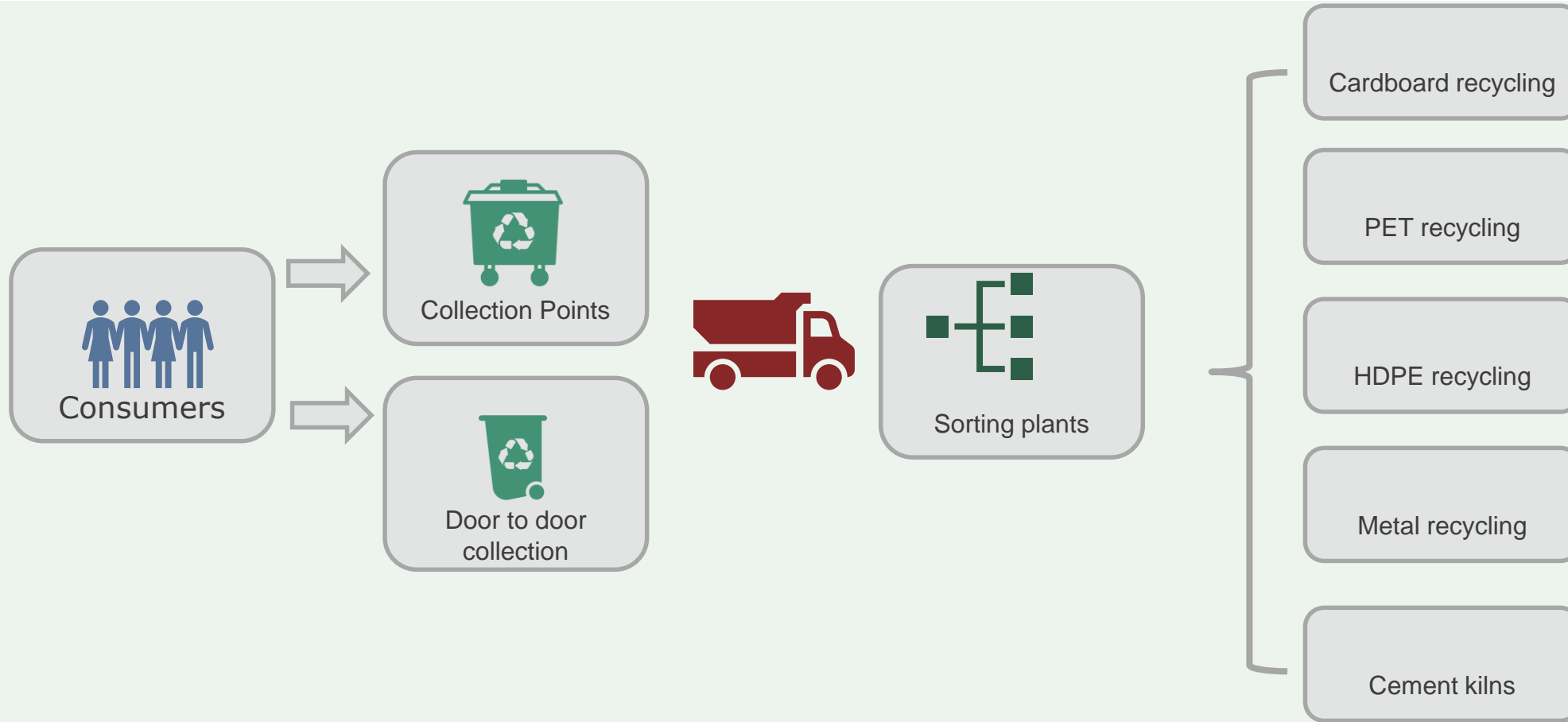
Informal workers sorting out recyclables both from waste containers and landfills / dumpsites (left and centre pictures taken in Indonesia and right picture taken in Kenya)

Photos © cyclos 2019, 2020



FURTHER DEVELOPMENT WITHIN THE FRAME OF A MANDATORY EPR SYSTEM

PACKAGING FLOW IN THE EPR SYSTEM

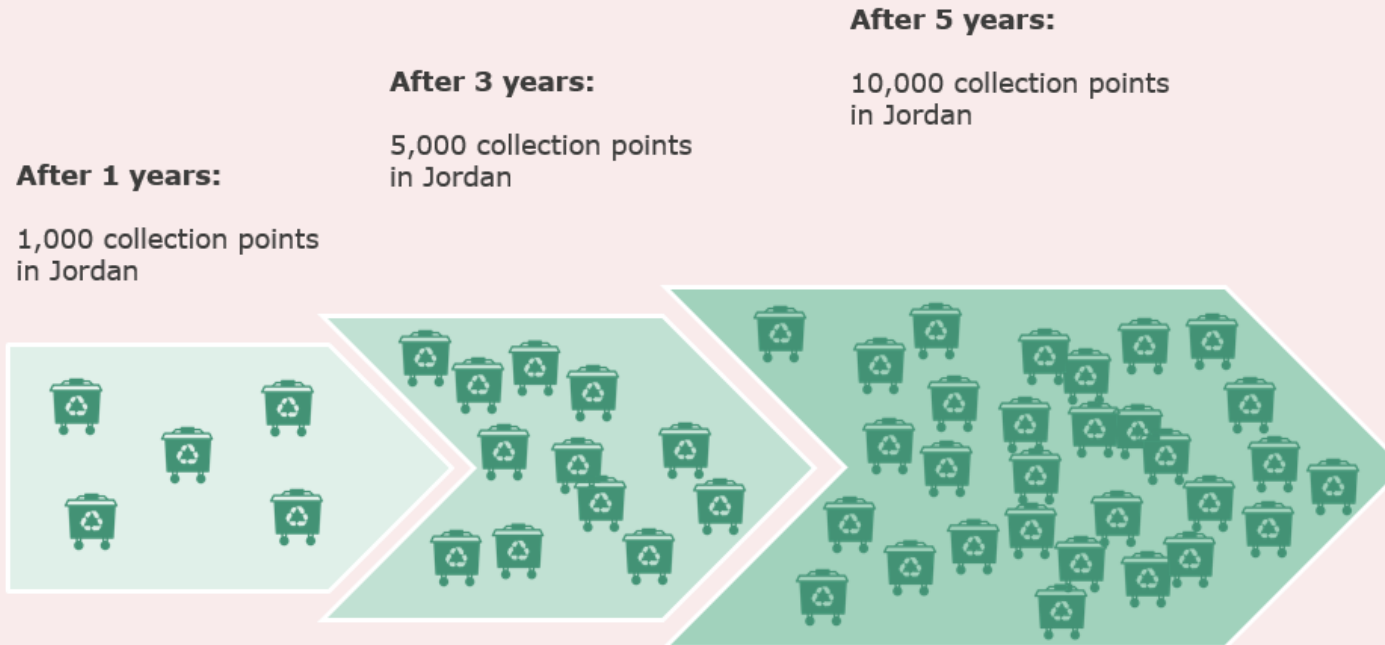


A great number of new jobs will be created along the whole chain

INCREASING THE COLLECTION STEP BY STEP - EXAMPLE JORDAN

Number of collection points / bins for collection in the first initial years until an extensive and comprehensive collection system has been established, e.g. within the first 5 years.

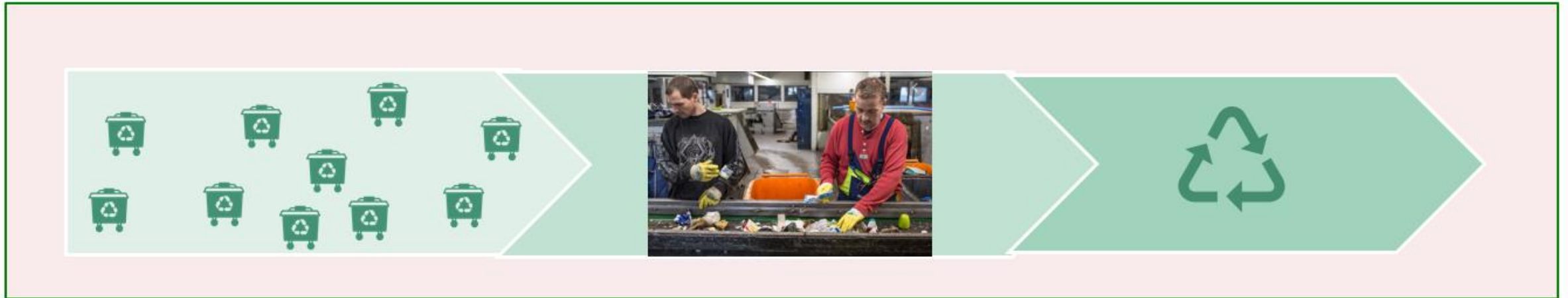
Scenario of separate collection of Packaging in Jordan in an EPR System



➤ This option can be easily checked. The financial risk is low. The services can simply be tendered.

SOME IMPORTANT TASKS

- Evaluations/Monitoring
- List and approval of inspectors/certifiers
- Criteria for recyclability of the packaging
- Criteria for verification of recyclate content
- Rules and regulations for obliged companies, waste management operators, municipalities, ...
- Information material for other stakeholders and for the consumers





OBLIGED COMPANIES OBLIGED PACKAGING

EXAMPLE JORDAN - OBLIGED COMPANIES IN AN EPR SYSTEM IN JORDAN

Obligated Companies

- **Every importer of packed goods** intended for consumption in Jordan
- **Every producer of packed goods in Jordan** intended for consumption in Jordan
- **Every importer of service packaging** intended for consumption in Jordan
- **Every producer of service packaging in Jordan** intended for consumption in Jordan

Consumption in Jordan

Obligated packaging of goods and service packaging that are sold in Jordan.

Packaging becomes waste in Jordan

No consumption in Jordan

Not obliged packaging of goods and service packaging in Jordan **that are sold outside of Jordan. If they are exported to a country with EPR System, the companies have to pay fees in these countries.**



Import

Consumption in Jordan



Packaged Products produced and packaged in Jordan

Export

Consumption in Jordan

SYSTEM RELEVANT PACKAGING AND OBLIGED COMPANIES

| Types of packaging | Obligations and responsibilities |
|--|--|
| <p>EPR</p> <p>Sales packaging with goods used by private households or equivalent places of origination with similar packaging (like restaurants, hotels, offices, kindergarden schools...)</p> <p>This includes also shipment packaging and service packaging.</p> | <p>Packaging of the obliged companies => have to participate in the EPR System</p> |
| <p>Transport / commercial packaging</p> <p>Packaging in large business and industry</p> | <p>Individual take-back and recycling obligations of the supplier (basis is waste law)</p> |
| <p>Packaging with fillings containing hazardous substances</p> | <p>Individual take-back and recycling obligations of the supplier</p> |
| <p>Reusable and refillable packaging</p> | <p>Back to the filler</p> |

The **EPR fees** must be calculated for this packaging.

SYSTEM RELEVANT PACKAGING AND OBLIGED COMPANIES



...AND SERVICE PACKAGING



Foam Products



Paper Dinnerware



Disposable Plastic Dinnerware

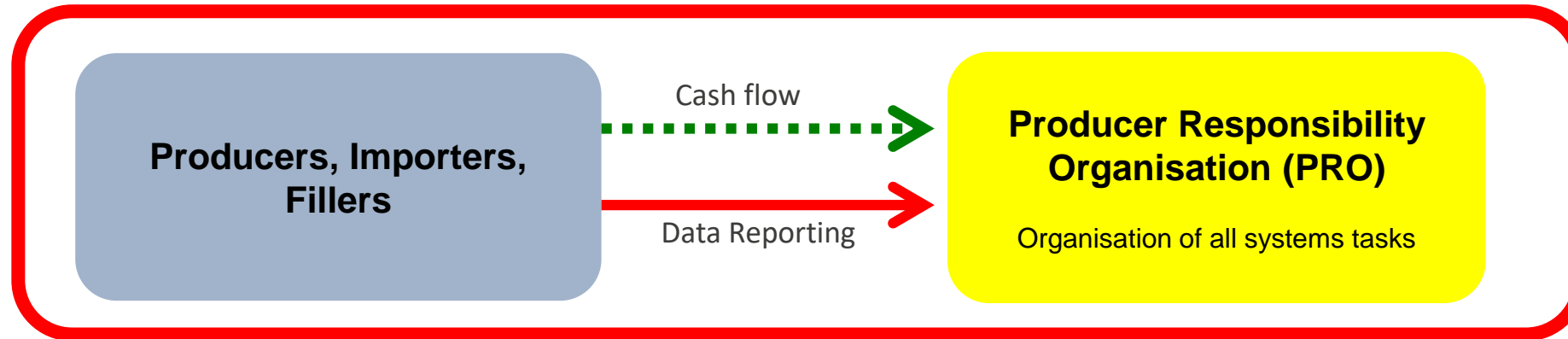


Eco-Friendly Disposables



Take-Out Containers & To-Go Boxes

REGISTER AND DATA REPORTING OF THE OBLIGED COMPANIES



Registration: Master data of obliged companies (registration number, name, brands, import, ...)

Data reporting:

- ✓ Information about packaging brought to market.
- ✓ Packing information (general; e.g. food, non-food, beverage...)
- ✓ Information about the material of the packaging
- ✓ Information about the volume of each material
- ✓ Recyclability of the packaging
- ✓ Ratio of recycled material

Billing: Information about financing and payment

EXAMPLE - DATA REPORTING

| | PET البولي ايثلين | Plastic films and plastic bags أغشية وأكياس بلاستيكية | Plastic packaging of HDPE مواد التعبئة البلاستيكية من HDPE | Other plastics and mixed plastics مواد بلاستيكية أخرى وبلاستيك مختلط | Beverage Cartons مغلفات كرتونية للمشروبات | Metals Cans علب معدنية | Paper and Carton الورق والكرتون | Glass زجاج | Other مواد تعبئة أخرى |
|---|----------------------|--|---|---|--|---------------------------|------------------------------------|---------------|--------------------------|
| Food packaging without beverage packaging مغلفات الطعام بدون عبوة المشروبات | | | | | | | | | |
| Beverage packaging عبوة المشروبات | | | | | | | | | |
| Packaging of home and personal care مواد التغليف المنزلية والعناية الشخصية | | | | | | | | | |
| Service packaging مواد التعبئة للخدمات | | | | | | | | | |
| Other مواد أخرى | | | | | | | | | |

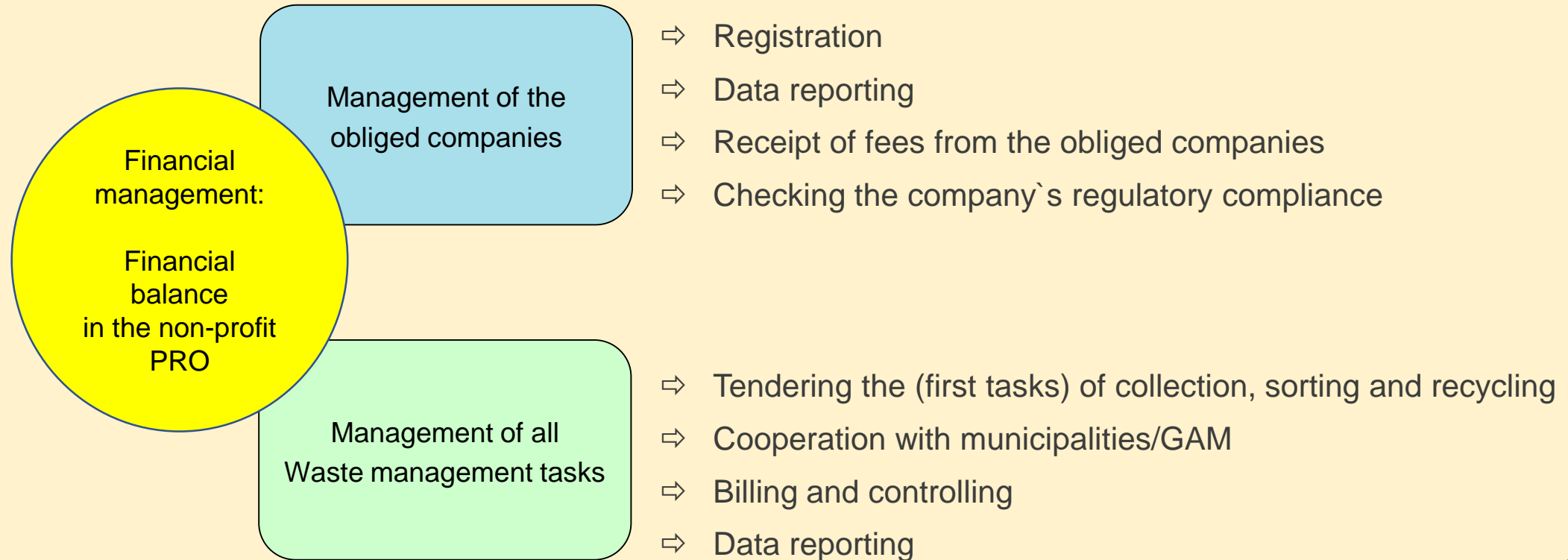


BUILDING UP THE PRO

KEY PROCESSES IN THE PRE-ORGANISATIONAL PERIOD

PRO

Organisational management, working with the stakeholders, clarification of legal issues,...



NEEDED MOST URGENTLY



Personnel resources

- ⇒ Competent head to organize the key processes
- ⇒ Competent staffs to consolidate the key processes of the PRO

For the development of the EPR system, there is an urgent need for personnel.

- Senior manager:** competent head to organize the key processes
- Finance manager:** competent staff for the management of finances
- Waste manager:** competent staff for the organisation of tasks in the field of waste management

IMPORTANT TASKS OF THE PRO

Tasks that need to be done by a PRO (independently from their specific set-up):

- Registration of all obliged companies,
- Collection and administration of all funds from all producers/importers,
- Tendering and contracting of all or specific task,
- Documentation of collection, sorting and recycling of packaging waste,
- Informing and educating,
- Monitoring all services that have been awarded to service providers,
- Documentation and verification to the supervisory authorities.

MAIN TASKS IN PREPARATION PERIOD FOR THE CONCRETE PLANNING OF THE EPR SYSTEM

- ⇒ Setting up the administration and the entire organisational structure of the PRO with competent head and competent staff to consolidate the key processes of the PRO; office rooms and an address, IT equipment and other office equipment
- ⇒ Establishment of the register for the obligated enterprises and preparation of the data reporting of the obligated enterprises
- ⇒ Establishment of programme for the invoices to the obliged companies.
- ⇒ Establishment of a billing programme for the financing of the waste management operators (collectors, sorting companies, recyclers)
- ⇒ Financial management for internal costs
- ⇒ Plan for infrastructure step by step
- ⇒ Information of the companies, the population and all other stakeholders
-



Questions?



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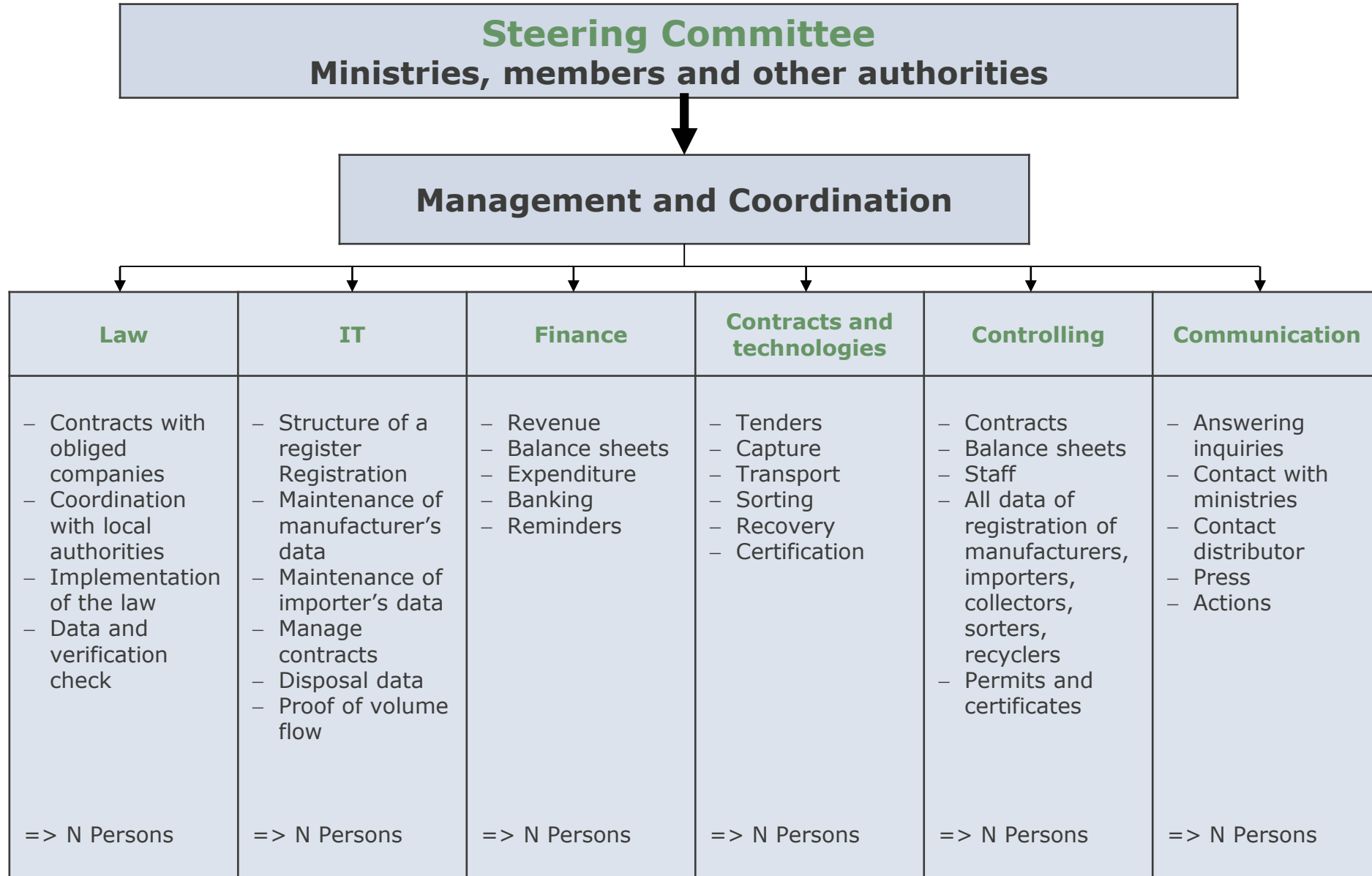
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Annex

EMPLOYEES IN PRO - EXAMPLES FROM OTHER COUNTRIES (2021)

| Country | Name of the PRO | Inhabitants | Employees | Detail |
|-----------------|---|-------------|-----------|---|
| Belgium | asbl Fost Plus vzw Since 1994 | 11,6 MIO | 50 | Managing director, Account management, Customer service, operational communication, quality assurance and quality control, finance, IT, data management, innovation, business development, litter teams |
| Bulgaria | ECOPACK Bulgaria Jsc Since 2004 | 7 MIO | 22 | Finance Director, Public Relations and Communications, Operational Director, Business Development Department, Waste Activities Unit, Internal control & reporting , Separate Collection Unit, Financial and Administrative Department |
| Cyprus | Green Dot (Cyprus) Since 2002 | 1,2 MIO | 10 | General Manager, Executive Assistant, Commercial Officer, 2 Technical Officers, Administration Officer, WEEE Administration Officer, AFIS Administration Officer, WEEE Operation Manager, Customer Service Officer |
| Finland | RINKI-Finnish Packaging Recycling Since 2016 | 5,5 MIO | 16 | IT, Costumers service for producers, customers service for people, Big department for coordination, 2 persons for the communication and social media. |
| Tunisia | ECO-Lef Since 2001 | 11,9 MIO | 5 | Finance, IT, Controlling, Managing, Workers within ECO-Lef points in the Hand of Anged |
| Malta | Greenpack Since 2006 | 530,000 | 14 | No more details |

EXAMPLE OF PRO IN OPERATION



EXAMPLE ECOPACK BULGARIA

ECOPACK BULGARIA has a one-stage management structure that incorporates a seven-member Board of Directors.

