



## September 2023 Blog Post – PSI 2023 U.S. Product Stewardship Forum

Earlier this month, I had the privilege of attending Product Stewardship Institute’s (PSI) Forum in Portland, Oregon. PSI is a policy advocate and consulting nonprofit based in Boston, Massachusetts, that powers the emerging circular economy to ensure products are responsibly managed from design to end of life. PSI pioneered product stewardship in the United States and has led the movement for over two decades by convening diverse stakeholders to construct extended producer responsibility (EPR) policies, programs, and laws. PSI is a proud partner of the Pack Green Coalition and has been an indispensable resource in our legislative and policy advocacy work and in helping us promote our support for transitioning away from unnecessary plastics to more sustainable alternatives in the packaging supply chains.

The Forum was essentially an international conference on the most critical matters affecting product stewardship, waste management, and the circular economy. It was attended by hundreds of leaders in, among other things, state and local government, environmental and compliance consulting, retail brands, law, and the NGO world, all of whom share an interest in forging a more sustainable future for our world.

The most prominent issue addressed at the Forum was Extended Producer Responsibility (EPR), which is a mandatory type of product stewardship required by law. EPR represents a waste management paradigm shift away from the prevalent model in which manufacturers put their products into commerce and then local governments assume the responsibility for their disposition at the end of their useful life. At a minimum, EPR requires that the manufacturer’s responsibility for its product extends to post-consumer management of that product and its packaging. There are two related features of EPR policy: (1) shifting financial and management responsibility, with government oversight, upstream to the manufacturer and away from the public sector; and (2) providing incentives to manufacturers to incorporate environmental considerations into the design of their products and packaging. EPR levels the playing field among competitors and incentivizes environmentally conscious design. It has been implemented for years in the EU and Canada but has only recently gained traction in the United States, including the passage of EPR laws for packaging in Maine, Oregon, Colorado and California since 2021. EPR laws pertaining to batteries, paint, chemicals, medical sharps, and other products have also been in place for years in the US and continue to gather momentum.

In its presentation on packaging EPR, PSI’s staff explained that materials subject to the new laws (Covered Materials) generally include all packaging regardless of recyclability. Multiple programs also include paper products and packaging-like products. “Covered Entities” under EPR laws will be single and multi-family residences, depots and transfer stations, and public places. The “Producer” or “Responsible Party” as defined in these laws will be the party that has legal ownership of brand that uses covered materials.



In essence, the two ends of the EPR spectrum are:

- **Municipal Reimbursement Model**, in which Producers reimburse municipalities for the costs of recycling covered materials; and
- **Full EPR**, wherein Producers fund and manage the recycling of covered materials.

PSI and representatives of the jurisdictions of each of the packaging EPR states explained in detail where each of their governments fall in this continuum, which of course includes hybrid models that selectively incorporate of the reimbursement and full EPR concepts in their respective regimes. They also addressed the key concept of **Eco-Modulation**, which, generally speaking, mandates that Producers be assessed higher fees for products and packaging that have more adverse environmental impacts than alternatives. While stressing that Eco-Modulation is not a magic bullet that will cause manufacturers to modify their behavior overnight, the goal is to create an incentive structure that will induce them to consider the end-of-life impacts and make more responsible choices when designing their products and placing them into commerce. In addition, the panelists discussed the importance of developing and verifying the existence of responsible end markets for products upon disposal. “Responsible” in this context means a market in which the recycling or recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety.

The Forum included extensive discussions on the role and function of Producer Responsibility Organizations (PROs), which are tasked with ensuring that their members – producers – comply with EPR laws. PROs may consist of individual producers or a collective of producers. Some states have designated the PRO or will contract with a stewardship organization to manage the program, while other states require producers to form PROs. A few states will require producers to directly register with the state and meet the targets for recycled content, recycling rates, and product composition. The panelists explored the pros and cons of single vs. multiple competing PROs, nonprofit vs. for-profit PROs, and the composition of PRO boards and addressed the foremost challenges they face as they navigate this relatively new paradigm.

Other issues critical issues that Producers will need to consider as we transition from the traditional take-make-waste model for commercial resource usage to a more circular economy that were addressed at the Forum included: Truth in Labeling, particularly with respect to claims of recyclability (an issue Pack Green has prioritized since its inception), Advanced (or Chemical) Recycling, reuse design models for products, and solutions to the challenges associated with collection of used products for recycling.

In all, it was a great opportunity to learn from the best in the business in these fields and to meet leaders and innovators who are working every day to live up to our responsibilities to deliver a better world to our brethren and progeny. Looking forward to future events with this great partner, PSI.