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## Extended Producer Responsibility Questions and Answers

Extended Producer Responsibility (EPR), also known as Product Stewardship, is an adopted strategic policy priority for the California Integrated Waste Management Board (CIWMB). CPSC supports the CIWMB in making that policy a reality. EPR provides an opportunity to use market forces to create sustainability, drive environmental benefits, and save local governments a lot of money!

### What is EPR?

EPR is a policy which ensures that responsibility for end-of-life product management is shared with the producers, and all entities involved in the product chain, instead of just the general public; EPR encourages product design changes that minimize a negative impact on human health and the environment at every stage of the product's lifecycle. This allows the costs of treatment and disposal to be incorporated into the total cost of a product. It places primary responsibility on the producer, or brand owner, who makes design and marketing decisions. It also creates a setting for markets to emerge that truly reflect the environmental impacts of a product, and to which producers and consumers can respond.

### Why change the current system?

Californians are generating more waste than ever before. We recycle a lot more, which is great, but recycling alone is not enough. Placing potentially useful resources in the ground is not sustainable - it is wasteful! It costs a lot to safely manage products that contain hazardous or toxic substances. Local governments need relief from these costs. It is time for producers to help pay for the management of products they create and profit from. EPR will send economic signals to the producers and the market will sort out the best solutions. Right now, there is no economic link between production and waste management costs. Until that link is made through EPR, producers have little incentive to change product and packaging design. In short, EPR can help fix a broken economic system.

### If EPR is a market-based approach, is there still a role for government?

Yes, but not in the traditional way. Instead of government designing and running programs to recover, dispose or otherwise properly manage products at the end of their useful life, EPR calls for producers to design and implement product stewardship programs that meet state goals. Producers may carry out this responsibility by themselves or participate in a group with others, called a stewardship organization.

Government will have a role in ensuring the same rules apply to all producers and to oversee a process that identifies products, and which sets performance goals and recovery rates. Just as it is hard to imagine a ball game without players, it is hard to image a ballgame without referees and a rule book.

### Who exactly are “producers”? Why not call them manufacturers?

Producers are defined as one of the following: the direct manufacturer that sells or distributes a product in California under its own name or a brand name; an entity that is not a manufacturer but is the owner or licensee of a trademark or brand name of a product sold or distributed in California; or an entity that imports the product into California for sale or distribution.

The CIWMB does not refer to “producers” as “manufacturers” because the term “manufacturer” is too narrow. For example, many companies that we think of as manufacturers are actually brand owners, while the manufacturer is located overseas and works under contract for the brand owner. It is the brand that is advertised. Also, many retailers are producers as they sell products under their own brand. Generally, the producer will be the brand owner.

### **What products will be affected?**

At this point we don’t know. Initially, a few products would be selected based on their impact on society in terms of the environment, public health, and cost to taxpayers and rate payers for their end-of-life management. Consideration would also be given as to whether or not there are good opportunities for improvements in design and manufacture. Given the high number of products meeting those criteria and the significant resources required to conduct individual legislative processes for each product, the CIWMB and the CPSC recommend a more streamlined, broad based approach. This approach is called “EPR Framework.”

### **What is meant by an EPR “Framework” approach?**

Rather than implementing EPR through individual pieces of legislation for each product, under a Framework approach, there is one law that gives state government the authority, through regulation, to address multiple products. The state would develop a public process to identify priority products, and then use this process to select products that should be covered by a Product Stewardship Program. This law would also provide state government with the authority to develop rules, set goals and targets, and establish oversight so there is a level playing field for all producers.

### **Is EPR a “one-size-fits-all” solution?**

No. An EPR Framework approach would be flexible and customized for each product category. A consistent and predictable process for each product type would make it easier for all stakeholders to understand how to participate in the process. All decisions would be made through a public process. While goals would be established by state government with public input, producers would determine how to achieve the goals. This allows producers, who best know their products, the opportunity to identify the most efficient system for sustainable design, reducing toxicity and waste, reuse, recycling, and ultimately disposing of their products.

### **Are “take back programs” considered EPR programs?**

The short answer is sometimes. Take back programs may or may not be EPR. It depends on whether or not the producers share in the management or the costs of taking back their discarded products. For example, when state government collects an advanced recycling fee at the point of sale, the fee may subsidize a state recycling program. Such a program may be successful at collecting materials, but it does not provide an incentive for manufacturers to make their products differently nor does it establish the economic link between production and waste management costs. Instead, it simply creates a costly bureaucracy and leaves the producers with no incentive to re-design the product.

### **What happens to the existing reuse, recycling, and waste management infrastructure under an EPR Framework scenario?**

Based on EPR programs being implemented elsewhere, most producers would contract for waste management related services. In some cases, the producers may pay another organization, called a

stewardship organization, to carry out their responsibilities for product management at the point of discard. This organization would then negotiate contracts with reuse, recycling, and waste management companies and local governments. For example, in British Columbia, the Paint Stewardship Organization pays the local governments, haulers and retailers directly for each gallon of paint collected at public facilities, private collections, and retail outlets.

A producer could also choose to set up its own take back program, just for its product. This is currently done by Sony and Caterpillar. Setting up its own take back program provides the producer with an incentive to design products that are easy to refurbish and reuse or recycle, because they directly benefit. Even in these situations, waste management companies may be hired to collect and haul old products.

**How do we know the products would be reused or recycled responsibly, rather than sent to a landfill or incinerator?**

After consultations with producers and other stakeholders, the state would establish recovery rates for each product category. Producers would have to submit annual reports explaining their progress toward achieving the recovery rates and the recovery rates could be adjusted over time to encourage higher levels of environmental and public health protection. Current laws governing the safe and proper handling of materials would remain in effect.

There are three incinerators in California. They can only incinerate the waste that remains after pulling out the recyclables. Pharmaceutical products are an exception because one of the current legal options for managing unused medications is incineration. Consequently, in this product category, incineration does occur.

**How can I get involved and show my support for EPR in California?**

- The [California Product Stewardship Council](#) has a variety of tools to assist local governments, businesses, health officials, citizens and others interested in advancing EPR.
- [Donate](#) to CPSC. Local governments can support CPSC through Associate's fees. Businesses and individuals can help us continue this important work by making tax-deductible contributions.
- The [CIWMB's EPR website](#) identifies other organizations actively supporting EPR.
- You can also contact companies and elected officials directly to voice your support for EPR.

**Have a question that we haven't answered?** Send questions to: [Heidi@CalPSC.org](mailto:Heidi@CalPSC.org)