

**ENVIRONMENT DIRECTORATE  
ENVIRONMENT POLICY COMMITTEE**

**Cancels & replaces the same document of 6 June 2023**

**Working Party on Resource Productivity and Waste**

**Summary Record of the Workshop on Extended Producer Responsibility: New insights  
and the way forward**

9-10 May 2023 (hybrid)  
Paris, France

This summary record presents the main results of the OECD hosted workshop Extended Producer Responsibility: New Insights and the way forward held 9 and 10 May 2023 in Paris, France.

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### **Item 1: Welcome and opening remarks**

1. Shardul Agrawala, Head of the Environment and Economy Integration Division at the OECD Environment Directorate welcomed participants and previewed the agenda for the workshop.

### **Item 2: An overview of EPR for packaging**

2. Following Mr. Agrawala's introductory remarks, the discussions moved to the focus of the first day of the workshop, namely EPR for packaging. Peter Börkey (OECD) gave a presentation on the historical context for the use of EPR in the packaging sector, while Scott Cassel (Product Stewardship Institute) and Michelle Carvell (Lorax EPI Compliance) gave an overview of recent developments in EPR for packaging and related challenges and opportunities in North America and emerging markets, respectively. Key messages that emerged from the discussion include the existence of a variety of definitions for EPR being used in different geographies, and an uneven landscape of uptake and implementation across the globe.

### **Item 3: Incentivising product design through EPR – Early experience with fee modulation**

3. This session focused on EPR fee modulation and its impact as a tool for incentivising eco-design, or Design-for-Environment (DoE). The session started with presentations by Producer Responsibility Organisations (PROs), including EXPRA (Joachim Quoden), ÉEQ (Geneviève Dionne) and CITEO (Valentin Fournel), sharing their experience with fee modulation. These presentations were followed by a panel discussion involving all speakers and additional experts, including Eugénie Joltreau (European Institute on Economics and the Environment), Roeland Bracke (OVAM Belgium), and Philippe Bonningue (L'Oréal). The panel converged on the need for further evidence to assess the benefits of fee modulation (implemented only in a few European countries as of date), and efforts towards increased harmonisation of criteria for fee modulation which may help incentivise eco-design. How to avoid fragmentation across jurisdictions, as well as extending fee modulation beyond the End-of-Life stage of a product's lifecycle, are subject to evolving policy discussions and should be further investigated.

### **Item 4: Starting an EPR program: Considerations for developed and developing markets for implementing a new EPR program**

4. This session aimed to provide an overview of good practices for starting a packaging EPR and share lessons learned from a few concrete examples. It consisted of two parts: the first one focused on developing market contexts, with a presentation by Angelina Schreiner (GIZ/PREVENT) on the PREVENT Waste Alliance EPR Toolbox and One-Stop Shop idea, followed by a presentation by Tshildzi Ligaraba (Department of Environmental Affairs, South Africa) on South Africa's experience with setting up an EPR for packaging. The second part focused on developed markets and included presentations by Nicole Portley (Oregon Department of Environmental Quality), Darla Arians (Colorado Department of Public Health and Environment) and Tomás Saieg Páez (Ministry of Environment, Chile). The various experiences shed light on different national circumstances which call for differentiated approaches (i.e., no one-size-fits-all solution). International dialogue, however, may help establish a common understanding of the opportunities and challenges of EPR and identify best practices for implementing new schemes. Such considerations include, among others, the importance of stakeholder consultation in designing and implementing a packaging EPR, the need to consider the existing (informal) waste management sector, and the importance of ensuring traceability for transparency and enforcement.

## Item 5: The Global Treaty on Plastic Pollution and how to support the development of EPR for packaging

5. In February 2022, at the United Nations Environment Assembly, member countries adopted a resolution to develop a legally binding instrument on plastic pollution with the ambition to complete the negotiations by the end of 2024. A first round of negotiations in the framework of the Intergovernmental Negotiating Committee (INC) took place in December 2022 and a second round at the end of May 2023, during which EPR was identified as an important policy approach. In this context, this session convened a panel of experts to discuss what could be done at the level of the Global Treaty to end plastic pollution to support the implementation of EPR approaches across a wider number of countries. Jyoti Mathur-Filipp (INC Secretariat) gave a keynote presentation to set the scene for the panel, outlining the ongoing discussions around EPR in the context of INC negotiations. The potential options for elements towards an international legally binding instrument features EPR on several occasions, including as a principle of the legally binding instrument, as a possible obligation to strengthen waste management, promote reduction, reuse and repair, facilitate a just transition and the inclusion of the informal sector, or as a means of implementation for financial assistance and capacity building, among others. The INC Secretariat's presentation was followed by a discussion involving expert panel members Jean Hornain (CITEO), Laura Griestop (WWF), Feng Wang (UNEP), Anja Gerdung (UBA) and Ambrogio Misericocchi (EMF).

6. The discussion shed light on some of the merits of EPR and opportunities to contribute to a Global Treaty on plastic pollution and its main focus on ending environmental leakage. Opportunities include, for example, EPR's efficiency in implementing the polluter pays principle to raise dedicated funds for improved waste management, its ability to contribute to increased collection and recycling rates, its impact on raising awareness among consumers and producers alike, and its potential to promote product eco-design, reuse and repair. In addition, EPR may help to address the issue of remediation of existing plastic pollution in particularly vulnerable countries. A Global Treaty in turn may support the dissemination of EPR globally, for example by providing basic EPR guidelines and helping address issues of harmonisation across national EPRs, cross-border monitoring and enforcement, and ensuring a level-playing field through a gradual implementation approach in the treaty.

7. Some of the limits of EPR were equally discussed. Notably, it emerged that there is no 'one-size-fits-all' EPR, meaning that policy and governance should be tailored somewhat to local conditions. As well, the discussants argued that EPR is not a silver bullet, nor can it be a sufficient stand-alone policy to tackle improper waste management and leakage. EPR cannot be expected to replace basic waste management infrastructure. To be effective, EPR schemes need to be based on a few key principles, such as transparency, strong monitoring and enforcement, and cost-effectiveness, consider local circumstances and the informal waste sector. Therefore, EPR may be part of a larger suite of policy instruments to end global plastic pollution through an integrated and coordinated approach.

## Item 6: New Aspects to EPR

8. Andrew Brown shared a presentation on the OECD's forthcoming publication *New Aspects of EPR: Extending producer responsibility to additional product groups and challenges throughout the product lifecycle*, in order to introduce subsequent sessions.

## Item 7: Sectoral session 1: EPR for textiles

9. This session took stock of experiences with the use of EPR in the textiles sector. Véronique Allaire-Spitzer (Re\_fashion) presented on the work of the French PRO Re\_fashion. Birgitta Losman (University of Borås, Sweden) presented on the work by the Swedish government to introduce an EPR law for textiles.

Following the two presentations, a panel discussion included the following experts: Valérie Boiten (Ellen MacArthur Foundation), Flore Berlingen (GAIA, En Mode Climat), Mauro Scalia (EURATEX). The panel considered the opportunities and challenges for EPR for textiles, for example opportunities for improved waste collection and management, and the potential to complement minimum quality criteria for eco-design and the adoption of digital passports to improve upstream value chain traceability. Nonetheless, it was noted that EPR cannot be expected to solve all environmental issues in the sector. Challenges for EPR relate to the need to shift toward reducing consumption trends, building cases for circular business models, closing the price gap between virgin and secondary fibres, and substituting away from virgin textiles. The panel also noted the need for harmonisation across borders and the difficulties of exports of used clothing garments. There was also discussion about using waste packaging for recycled content as this is upcycling but can inhibit closed loop recycling of packaging. Additional policies, such as taxation and trade policies, may be needed to complement EPR and incentivise higher steps in the waste hierarchy.

### **Item 8: Keynote address: Restoring the incentives for eco-design EPR – The challenges for eco-modulation**

10. Reid Lifset (Yale School of the Environment) shared a presentation on his forthcoming publication on restoring incentives for eco-design – the challenges for eco-modulation. He noted that EPR has traditionally focused on recycling, but that there could be greater emphasis on the ultimate goal of lowering environmental impacts by increasing the use of lifecycle analyses. He also explained practical difficulties in the implementation of eco-modulation, including:

- free-riding by online sales – some producers using online sales may be able to insulate themselves from eco-modulation;
- the ratio of the EPR fee to price of the product – the cost of EPR is often only a small share of product price, meaning that modulation may provide insufficient incentives for producers to change design; and
- data limitations – management verifiability, and traceability inhibit administration of EPR and ex-post quantitative analysis on the impacts of eco-modulation.

### **Item 9: Sectoral session 2: EPR for tobacco product filters and other frequently littered products**

11. Improper disposal and littering of products can generate various environmental, economic and public health externalities. This session reviewed effort at incorporating environmental and other impacts from littering in mandatory EPR schemes of relevant products as one possibility for recovering some of the costs to clean up litter, currently mostly borne by municipalities. Maarten Dubois (Deloitte Belgium) presented on his work in the Belgian context. Hyein Min (Ministry of Environment Korea) introduced the advance disposal fee system used in the Republic of Korea. Nicole Schmidt (German Environment Agency) presented on the special levy obligation in Germany. Chris Sherrington (Eunomia) introduced his company's work to estimate litter costs in the United Kingdom. The subsequent discussion focused on how the funds collected are used by government and differences in the methodologies and scope across the examples presented.

### **Item 10: Social and distributional aspects of EPR**

12. One criticism of EPR is that there is a risk that producers will pass on EPR fees to consumers through increased product prices. Incorporating end-of-life costs into essential products, such as food packaging, appears to be a particular concern for some stakeholders in the policy debate, due to the potential impact on low-income households. An additional concern in emerging markets, where informal waste pickers play an important role in waste management, is how they may be affected when new EPR systems are introduced and what measures are needed to avoid detrimental effects on these groups. This session focused on both of these dimensions. Flavio de Miranda Ribeiro (Universidade Catolica de Santos, Sao Paulo, Brazil) discussed how EPR systems can work with the informal waste sector work in Brazil. Satyajit Bose (Columbia University) presented his work to estimate the costs to households of introducing a packaging EPR in the United States. Henry Smith (Valpak) discussed his company's work to estimate the costs to households of introducing a packaging EPR in the United Kingdom. The example from Brazil illustrated how the national EPR system has worked to formalise the work by waste pickers by organising and supporting cooperatives in Brazil's National Solid Waste Policy. There was discussion on how different assumptions regarding the extent to which consumers will change purchasing patterns due to price increases and how producers will respond to increases in costs drive the differences in cost estimates for the impacts of EPR on low-income households. One argument was that the costs of EPR are unlikely to be fully incorporated into higher prices and that increases would be relatively small in comparison with contemporaneous increases due to inflation.

### **Item 11: Concluding remarks**

13. Kim Cochran (U.S. Environmental Protection Agency), Chair of the OECD Working Party on Resource Productivity and Waste, gave closing remarks to thank the workshop participants and speakers and gave a preview of OECD work on EPR in the coming two years.