

EPR

Extended Producer Responsibility

Extended Producer Responsibility



Purpose:

- Highlight OECD's EPR work;
- Describe EPR programmes within the OECD and issues raised by Member countries

OECD



- International government organisation
- 30 Member countries that discuss and seek to harmonise economic and social policies

OECD Role

- Provide Member countries with policy analysis and guidelines
- Deepen the understanding of issues, propose alternatives and solutions
- Promote economic

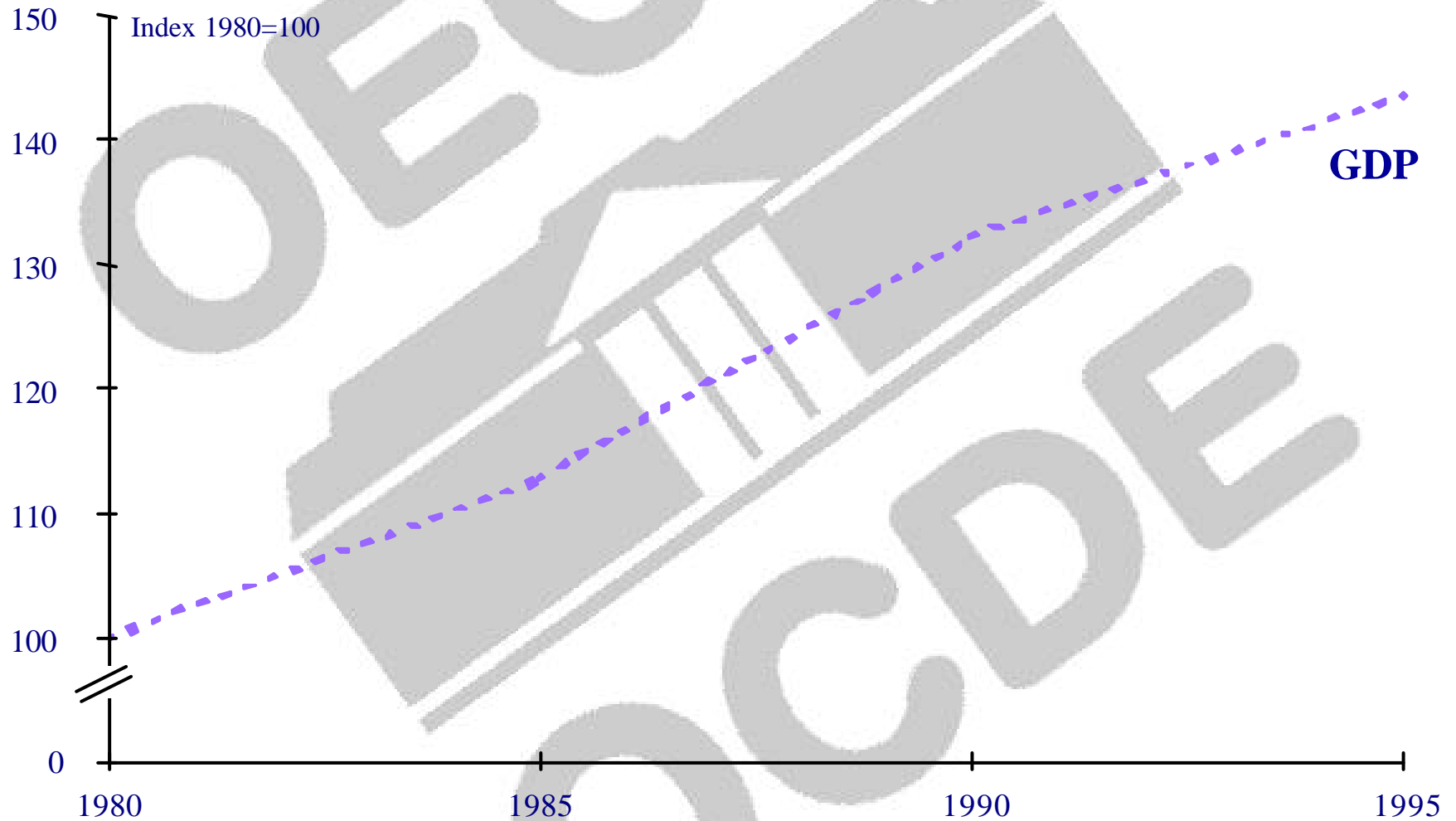


EPR

- Why are OECD countries interested in EPR?

Trend in Gross Domestic Product

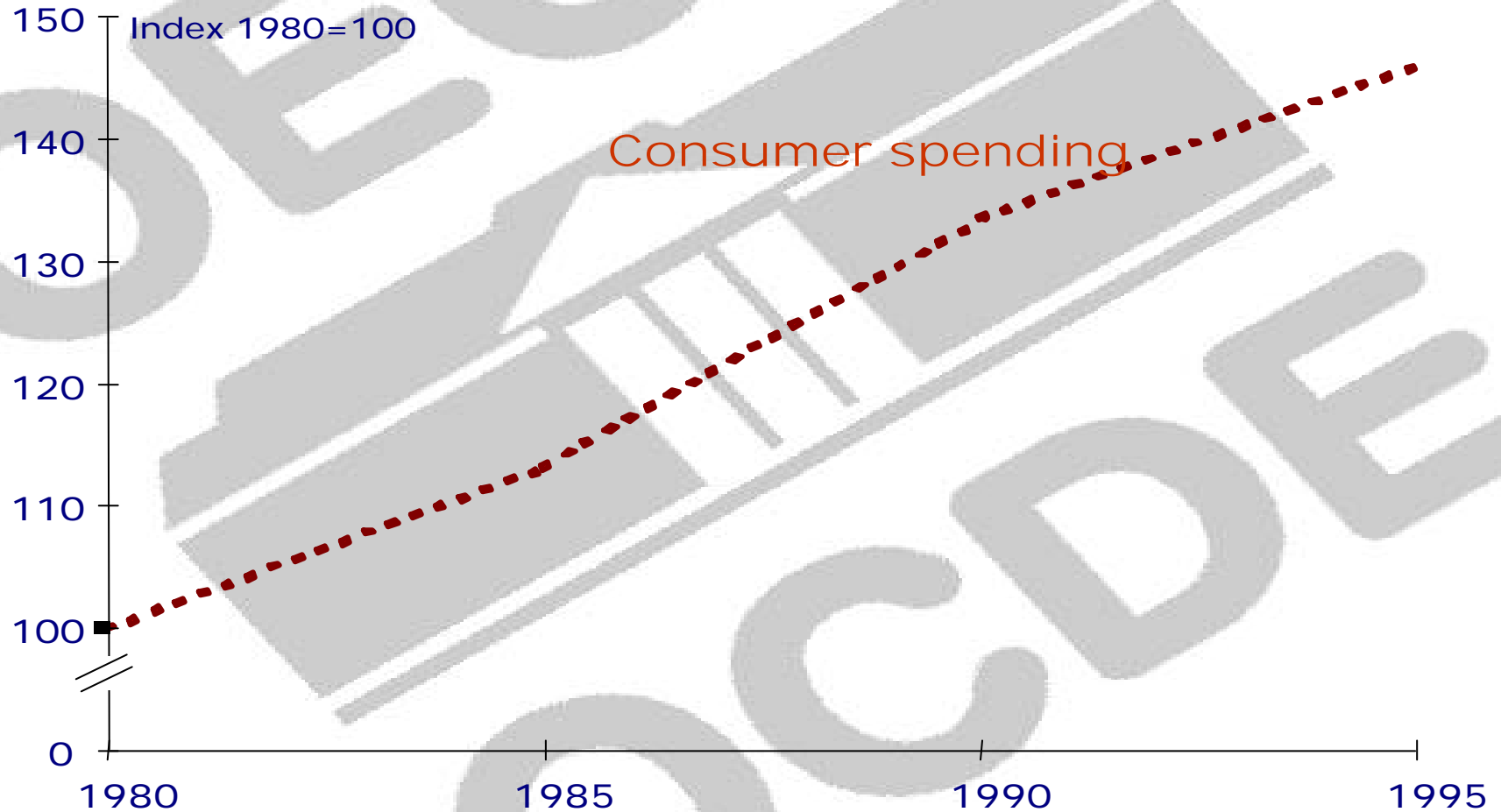
OECD Countries



Trend in Consumer Spending

: OECD Countries

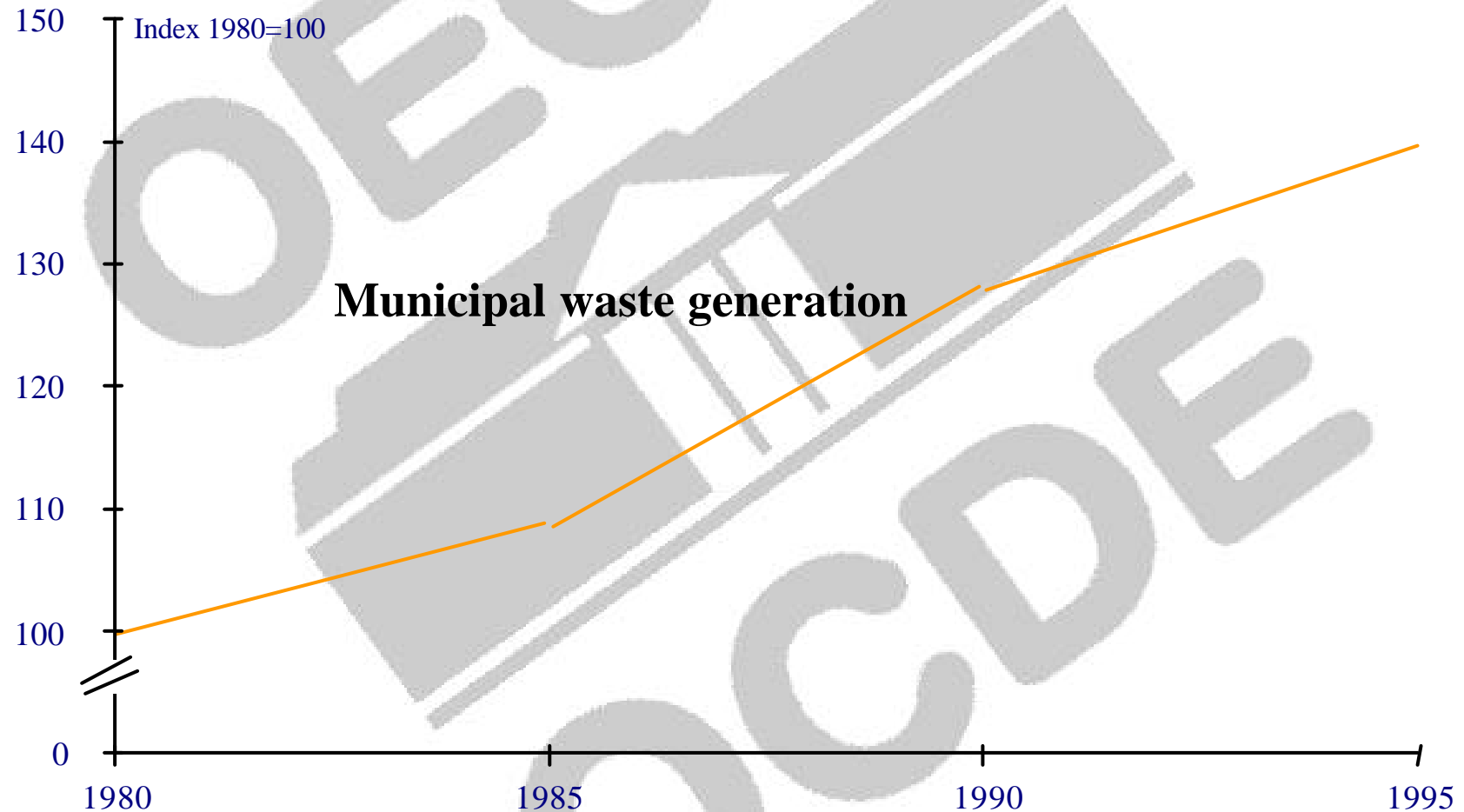
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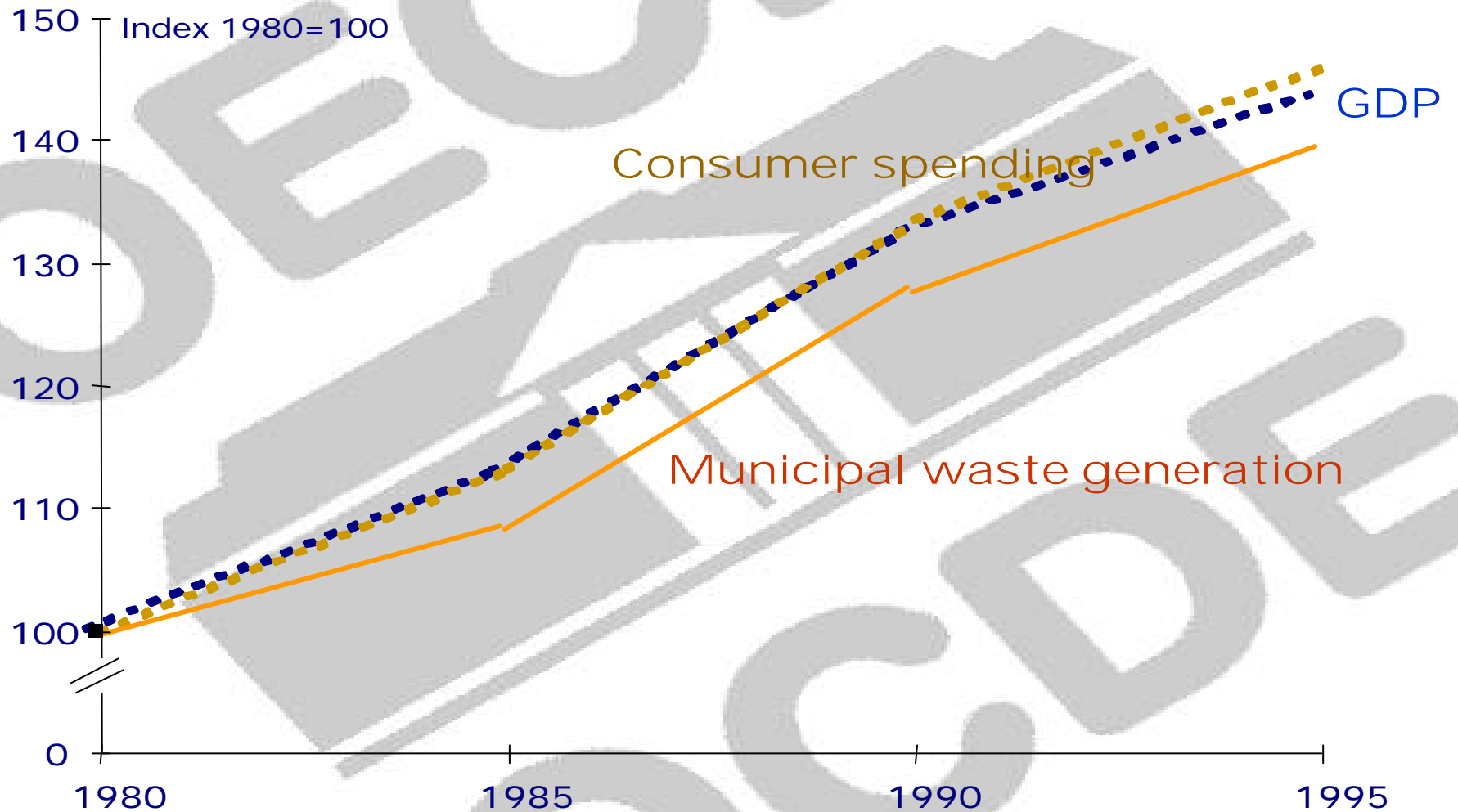
Trend in Municipal Waste Generation

:OECD Countries

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Comparison of trends



What is EPR?



- Extended Producer Responsibility (EPR) is a policy for reducing environmental impacts from post-consumer products

What is EPR?



OECD Definition

- EPR: shifting of financial and/or physical responsibility of a product at the post-consumer stage upstream to the producer.

What is different about EPR?



- **EPR extends** responsibility upstream to the producer

What is different about EPR?

- Sends clear and strong signals upstream to producers to change product design
e.g. reduce material and resource inputs, eliminate toxic chemicals in products **OR** improve recyclability

Extended Producer Responsibility

Inputs to Guidance Manual

- ① 70 expert interviews across the OECD
- ① secretariat research and analysis
- ② consultants' reports
- ② secretariat research and analysis
- ③ 4 multi-stakeholder workshops
- ③ secretariat analysis (including input from other OECD Directorates)
- ③ consultation of experts

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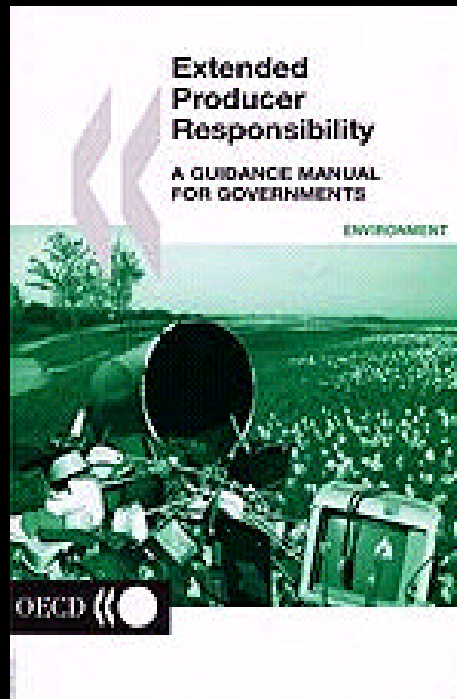
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EPR
Guidance
Manual for
Governments

Guidance Manual for Governments

2001



OECD Country Examples

- Take-back - Germany packaging law with the DSD
 - Responsibility is clearly placed on the producer, actors across the chain participate
 - Flexibility given on the implementation

OECD Country Examples

- JAPAN
 - Container and packaging law
 - Electrical appliances and electronics law
 - put into force in April, 2001
 - fee paid when consumer is finished with product, however the consumer is informed at point of sale
 - large degree of illegal dumping identified already
 - 2001 - Recycling Society law passed
 - EOLV law expected to pass Diet

OECD Country Examples



United Kingdom

- UK system of producer responsibility notes for packaging
 - results to date not known/ trading notes
 - OECD expects to review programme in more detail in 2002

OECD Country Examples

Netherlands

- Covenants: packaging, electronics and more
- Voluntary agreement made with a sector
- *Stick*: establish a mandatory system if sector does not organise programme.

OECD Country Examples

North America

- No national programme in US, Canada or Mexico
- Variety of state, province and local programmes for paint cans, bottles, carpeting, computers, etc.
- US developing a voluntary agreement for computers and other small electronics

EPR Trends -- OECD

- Most OECD countries have implemented EPR policy and instruments
- Rapid expansion and implementation
- Application to new product groups
- Extending outside OECD to Asia and South America



Issues

- What are the conditions under which EPR is an efficient and effective policy?



Issues

- Need more research, data and analysis to answer the questions:
 - Define the scope of EPR
 - Identify optimal policy mix in relation to objectives

Issues

- Applicability of EPR to products and waste streams (*proposal*)
 - Which products or waste streams would be more responsive to EPR and
 - Are there specific EPR instruments that are more applicable to a particular range of products and or waste streams than other policy instruments?

Issues



- Imperfect information
 - Improve Communication
 - public about policy and their participation and
 - between actors across the production-consumption chain

Issues

- What are the effects of trade and competition as EPR expands to new products with different market structures?
- How do the particular aspects of EPR effect the design of the implementing instruments (e.g. allocation of responsibility, funding mechanisms, product type, etc.)?

EPR Workshop



Key Activity - 2002

Workshop on Economics of EPR

➤ 9-10 December, 2002, Tokyo

The Future...



- New stage of EPR work -- from theory to practice
- Review of economics of EPR
- Review effectiveness and efficiency of EPR and implementing instruments e.g. take-back, deposit-refund, ADF, material taxes, UCTS *and credit trading*

Tokyo Workshop Topics



- Economics of EPR: An Analytical Framework
- Economic evaluation of EPR instruments

Tokyo Workshop Topics



➤ Implementation of EPR
Instruments

➤ *Ex post* evaluations of EPR