

EPR for Processing Recycling Steering Committee

June 18, 2020

Not on today's agenda

Ad hoc workgroup is discussing:

- What does Oregon want out of the processing system that handles recyclables from Oregon?
 - Inbound
 - Outbound
 - Equity (labor)
- How will processors be held to these standards?
 - Permits
 - Certification
 - Licenses
 - Other (non-EPR)

Which Materials Could Be Subject to EPR for Processing?

Reminder

“Subject to EPR” ≠ “Must be recovered”

Non-exhaustive list of options:

1. All printed paper and packaging
2. Defined types of printed paper and packaging (e.g., “plastic packaging”)
3. Materials that are recoverable, but difficult to market or recover
4. Materials that contribute to system contamination*

*Not a “market” in the traditional sense, but contaminants imperil markets and marketability

EPR for Processing: Options

- “Classic” EPR
- Financial-only EPR
- “Rates and Dates”

“Classic” EPR

- Producers are responsible for management of processing system
 - PRO has contracts with processors
- Responsibility begins at front gate of MRF through end market
- Typically involves:
 - Program plan (and approval)
 - Annual reporting and auditing
 - Extended accountability and regulatory reach
 - Infrastructure investments



Financial-Only EPR

- Processors are required to meet processing standards
 - Outside of Oregon, many MRFs are under local control (i.e., municipal contracts)
- Producers could provide financial support to processors:
 - To cover processing costs
 - To invest in infrastructure improvements
 - To manage received contamination



“Rates and Dates”



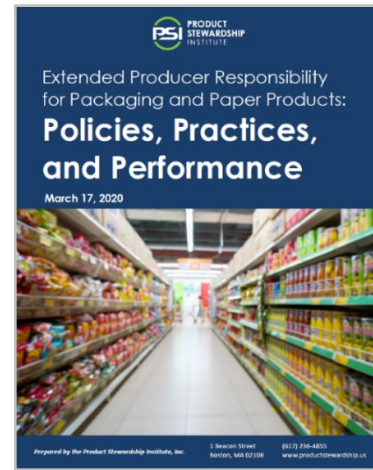
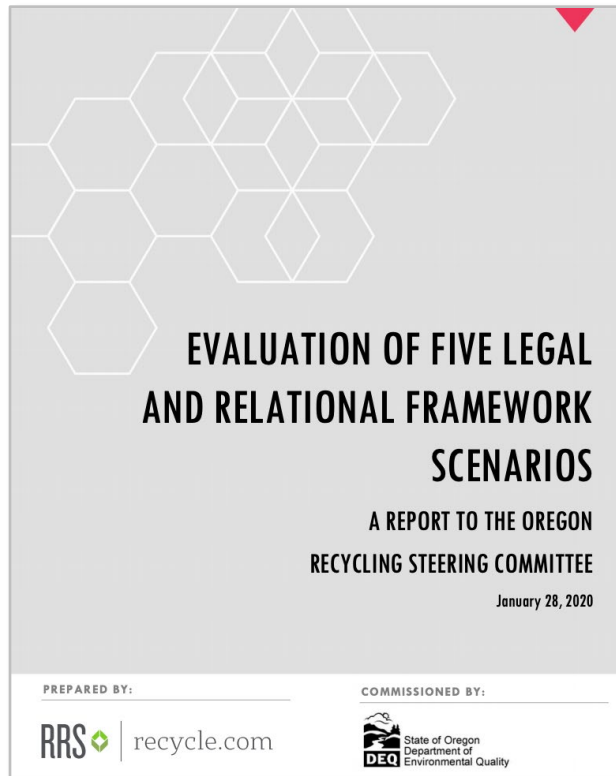
- Processors maintain responsibility to meet processing standards
- Producers are obligated to achieve a recovery rate by a certain date (e.g., 50% by 2030) or other performance benchmark. If they don't, producers can be:
 - Fined, and/or
 - Required to implement another option (classic EPR, financial-only EPR, etc.)

Producer Responsibility Organizations

Recycling Steering Committee

June 18, 2020

Sources



All source documents can be found here:
<https://tinyurl.com/RSCsharedfolder>



COMMON FEATURES RECOMMENDED FOR ALL EPR SCENARIOS:



Managed by a
Producer
Responsibility
Organization (PRO)



Guided by
a Program
Plan



Uses Eco-
Modulated
Fees



RECYCLEBC™

CITEO

Éco
Entreprises
Québec

MMSM
Multi-Material
Stewardship Manitoba

ARA

SLOPAK
ŽIVIMO Z OKOLJEM.

WHAT IS A PRO?

- Represents brands / retailers
- Manages obligation
- Authorized in legislation
- Develops and implements Program Plan
- Sets and collects fees



WHAT IS A PROGRAM PLAN?

- Blueprint for meeting goals and obligations
 - Proposed list of recyclables
 - Collection / processing arrangements
 - Education and outreach
 - End market development
 - Waste reduction and litter abatement
- Must be approved by oversight entity (DEQ)

STATE LAW



OVERSEEING AGENCY



PROCESSORS



**LOCAL
GOV'TS**



COLLECTORS

STATE LAW



OVERSEEING AGENCY



PROCESSORS

LOCAL GOV'TS

PRODUCERS



COLLECTORS

Brand #1

...

...

Brand #2

Brand #500

...

...

...

Brand #4000

STATE LAW

OVERSEEING AGENCY

PRO(s)

PROCESSORS

LOCAL GOV'TS

COLLECTORS

Brand #1

...

...

Brand #2

Brand #500

...

...

...

Brand #4000

STATE LAW

OVERSEEING AGENCY

PROGRAM PLAN

PRO(s)

3RD PARTY AUDITOR

PROCESSORS

LOCAL GOV'TS

COLLECTORS

Brand #1

...

...

Brand #2

Brand #500

...

...

...

Brand #4000

Benefits of PRO(s)

- Makes producer responsibility possible (especially if there are many producers)
- Reduces burden on smaller producers (who meet *de minimis* standards)
- Achieves significant economies of scale; reduce transaction and overhead costs
- Simplifies the flow of funds
- Strengthens accountability

PRO experience in Oregon

- Oregon eCycles program is administered by two PROs:
 - MRM
 - National Center for Electronics Recycling (state contractor program)
- Paint program is administered by PaintCare Oregon
 - PaintCare also operates in CA, CO, CT, DC, ME, MN, NY, RI and VT
- Bottle Bill is administered by OBRC
 - Considered one of best-performing beverage container redemptions programs in the world
- Drug take back legislation passed in 2019
 - Legislation requires a non-profit PRO



Owned and Operated by
Oregon Beverage Distributors

PRO experience in Oregon

- Oregon has seen how PROs can:
 - Increase access and service
 - Reduce local government burden of collection and recycling of unused products
 - Innovate delivery of services
 - Affect design
- Early experience with PROs has yielded valuable “lessons learned”
- Continue improving producer accountability by ensuring:
 - Objective standards for measuring compliance
 - Meaningful consequences for failing to meet standards

Discussion