SUSTAINABLE FINANCING
EXTENDED PRODUCER RESPONSIBILITY TO SUPPORT RECYCLING

Rationale

To reduce waste and increase the amount of recyclable materials recovered for recycling.

Definition

The 2001 Organization for Economic Co-operation and Development (OECD) Guidance Manual for Governments contains defines EPR as:

> *" an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle. There are two related features of EPR policy: (1) the shifting of responsibility (physically and/or economically; fully or partially) upstream toward the producer and away from municipalities, and (2) to provide incentives to producers to incorporate environmental considerations in the design of their products. While other policy instruments tend to target a single point in the chain, EPR seeks to integrate signals related to the environmental characteristics of products and production processes throughout the product chain. "*

> Further, the OECD Manual describes a*" range of policy instruments available to implement the principles of EPR. There are three basic categories of EPR instruments: take-back requirements, economic instruments, and performance standards. Take-back requirements (product take-back) can meet policy objectives by assigning responsibility for the end-of-life management of products. Economic instruments can be used to meet the same objectives (deposit/refund schemes, advance disposal fees, material taxes, upstream combination tax/subsidy). "*

Policy

EPR is a multi-faceted, flexible approach to materials management. It may take the form of a voluntary, shared responsibility among all members of the supply chain from manufacturers to consumers. It can take the form of materials reuse, product redesign, product buy-backs, deposit systems or other recycling programs.

The National Recycling Coalition supports programs and policies for increased recycling and sustainable design where there is broad stakeholder support.