

# Recycling Policy and Packaging Recovery in the U.S.

NYSAR Meeting – EPR Panel

October, 29, 2020



*Informed Packaging Decisions Start Here™*

## ABOUT AMERIPEN

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**AMERIPEN** is the only trade association focused exclusively on public policy for the entire U.S. packaging industry in order to promote the best use, benefits and functions of packaging.

We develop and advocate positions on issues related to packaging and the environment, using sound science and a philosophy of material neutrality.

Our membership represents the entire packaging supply chain, including materials suppliers, packaging producers, consumer packaged goods companies and end-of-life materials managers.

**VISION:** Packaging is recognized for all its benefits, including preventing waste and driving a circular economy.

**MISSION:** AMERIPEN is the leading voice for the packaging industry, using science to inspire, create and advocate for sustainable solutions for the packaging value chain.

## Understanding Recycling Realities

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- Increased perception of packaging as waste – however, the value of packaging is real:
  - Food waste reduction
  - Greenhouse gas reductions
  - Health and sanitary needs
  - Product protection (consider ecommerce)
- Impact on material and recovery markets (China Sword)
  - Some commodity values are down and others lack supply to meet brand commitments for recycled content
- Contamination in single-stream recycling system is a significant challenge
- Dramatic impacts on state and local budgets for 2020-21
- Voluntary industry goals include 100% recyclable, reusable or compostable packaging with increased recycled content
- **AMERIPEN** response = Financial Mechanisms Taskforce to develop industry funding models

## AMERIPEN Concerns with Traditional EPR Systems

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- Inefficient allocation of funding
- New administrative costs
- Lack of incentives to modernize the recycling system
- Lack of transparency of use of funds
- Who controls the solid waste system? Producers? Haulers? Local Governments?
- Reimbursement for landfilling of materials

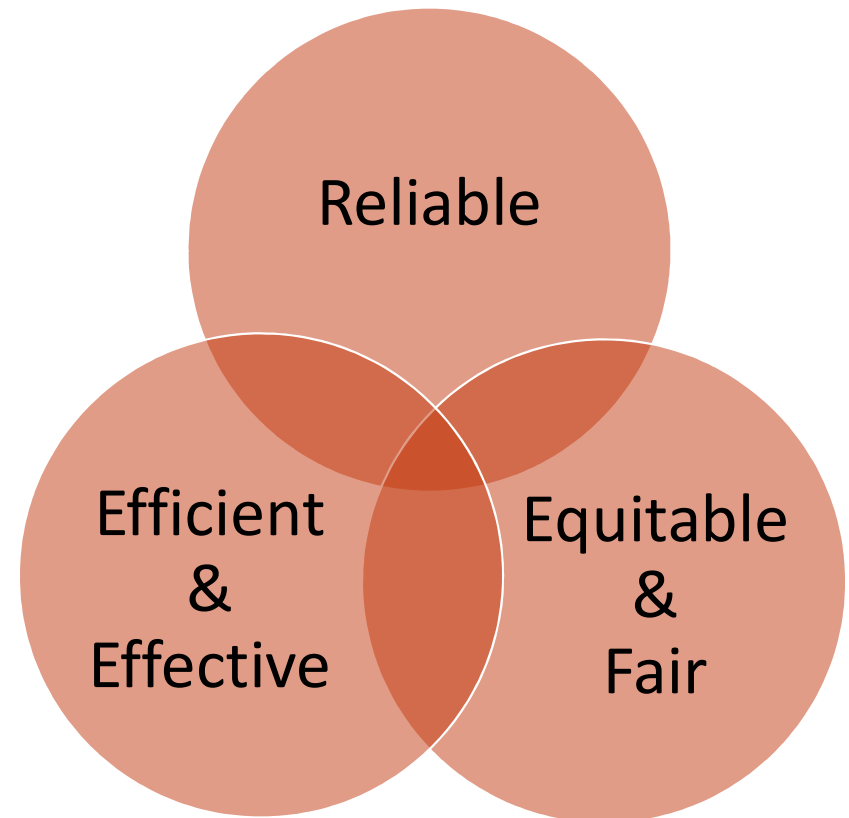
## PRINCIPLES FOR FINANCING

**Reliable** – can withstand market volatility; unlikely to be diverted; expected to provide needed levels of revenue for certain timeframe/objective.

**Efficient and Effective** – reasonable administration costs; incentivize positive behavior; fund desired element.

**Equitable and Fair** – allocation of costs perceived as fair among all contributing; free riders only by design.

(adapted from Carton Council “Moving the Needle”)

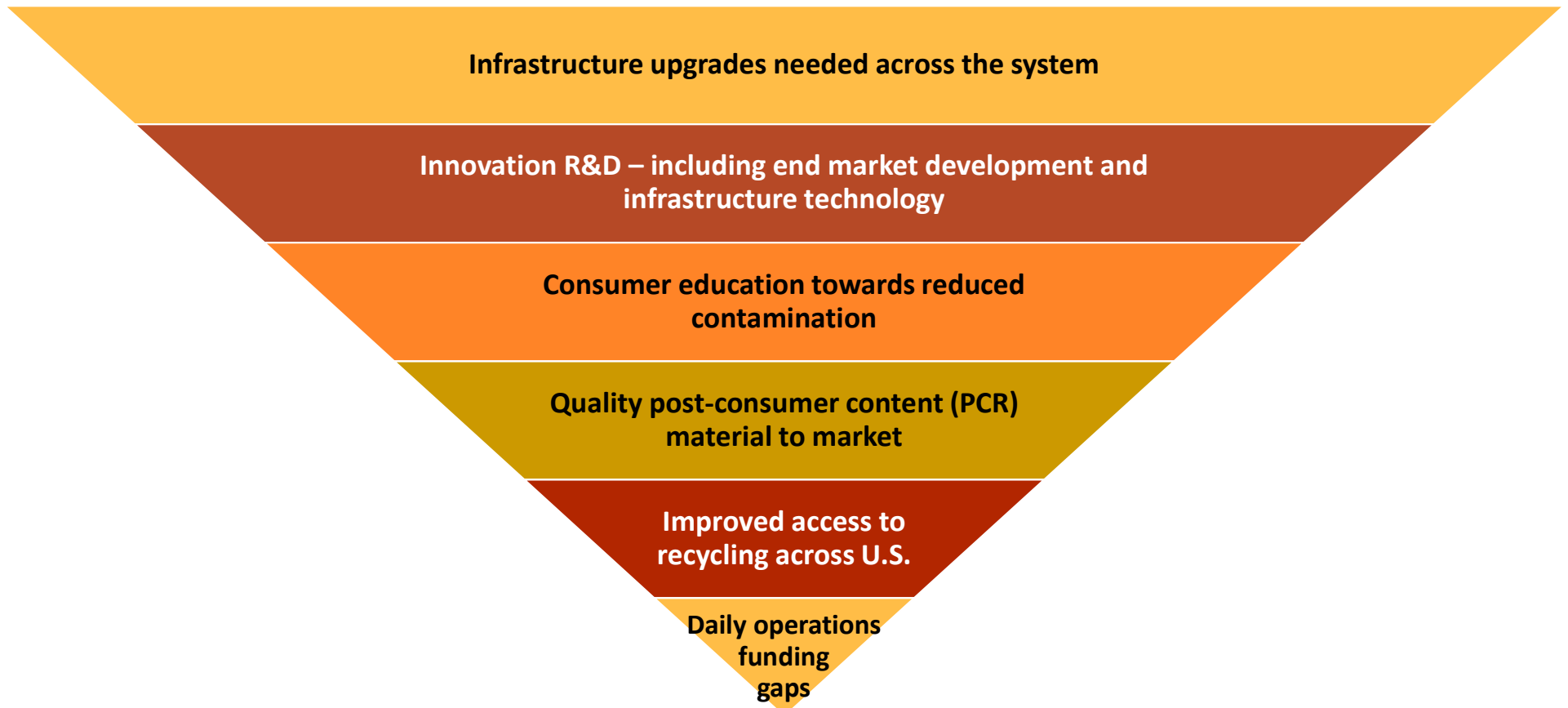


## OBJECTIVES FOR FINANCING

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1. Industry funding directed towards initiatives that increase packaging recovery
2. Industry funding must work at state level but be managed at national level
3. Industry funding should be managed by industry; caps on administrative costs
4. Industry funding should be tied to best practices for packaging recovery
5. Industry funding should not compete or duplicate successful initiatives and programs
6. Industry funding should support the future of packaging – not just immediate needs
7. Industry funding phase out should be allowed after reaching thresholds (TBD)
8. Funding should not go to a state government managed fund or the General Fund

# PREFERRED HIERARCHY OF INVESTMENT



## AMERIPEN Next Steps Toward State Solutions

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1. Created structure for financing principles and objectives
2. Dialogue with stakeholders on common ground and areas of concern
3. Finalize agreement with various stakeholders on structure of a program and model
4. Create a functional national structure for financing with state level opt-in elements
5. Work with states on local implementation and integration



# THANK YOU!

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