

The Pros and Cons of EPR: Lessons from France

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Summary

This brief presents insights and recommendations on the design and implementation of Extended Producer Responsibility (EPR) schemes, drawn from France's history of EPR implementation since 1992. It focuses in particular on an analysis of EPR for household packaging, textiles, cloth and shoes, and toys.

The main conclusions are: (detailed recommendations appear in the conclusion)

- EPR is not merely a technical arrangement: strong political direction is needed for the definition and oversight of financial modalities, in order to avoid economic fall-out for reuse and recycling operators.
- From the outset, EPR's has had only a marginal role in reducing packaging waste, and particularly plastics: it can, under certain conditions, foster eco-design or partly finance re-use, but it was not designed to reduce the amount of packaging placed on the market.
- Given the limitations of EPR, it is essential to resort to other waste prevention and reuse levers to complement EPR, such as: production and market placement reuse quotes, regulation, including bans on single-use, short-lived or hard-to-repair products, and taxation.

Introduction

Key EPR principles and aims

EPR schemes are derived from the "Polluter Pays" principle, which holds that those responsible for environmental pollution should bear its costs. The Organisation for Economic Co-operation and Development (OECD) has played a central role in promoting this since the 1970s as a guiding principle for all environmental policy. It is also a major pillar of environmental law in the European Union and in many countries.

Applying the polluter pays principle through EPR consists of "internalizing environmental costs" – in this instance, those associated with waste prevention and management – in the budgets of manufacturers or distributors, in order to achieve two goals:

To provide financing for waste prevention and waste management actions.

To shape the behavior of economic actors towards waste reduction and the circular economy.

EPR is most often implemented through Producer Responsibility Organizations (PROs) created by producers and distributors to collect EPR fees and use them to accomplish goals set by governments. Current EPR schemes are often managed by producers, even though there are exceptions, such as in Taiwan¹.

The **EPR scheme design** is key: the parameters (cost scope for management, the eco-modulation system, etc.) and the mode of governance (PRO by-laws, procedures for oversight and penalty by public authorities) are critical to achieving the scheme's objectives. They can also majorly impact operations and economic models for players' prevention, reuse, recycling, and waste management, both in the formal and informal sectors.

EPR **effectiveness** must be assessed with respect to the two aims noted above: are EPR fees effective? Are they sufficient? Are they redistributed in an appropriate and fair manner in social terms? Are recycling and prevention making any progress? Are burning, co-incineration and landfilling receding? Are the quantitative and qualitative goals set in legislation being achieved? This evaluation should consider the broader policy context, and be updated as new research on climate and planetary boundaries emerges.

EPR schemes to address plastic pollution

¹ https://recycle.epa.gov.tw/en/aboutus_01.html

EPR schemes are organized by product types, the most common globally being that of household packaging. Other products streams are relevant for plastic wastes, including textiles, electronics, cars and toys.

All these schemes are **based on product types** and thus cover multiple materials. This helps avoid a mere transfer of environmental harm: one cannot "evade" an EPR fee simply by switching materials. But this also means that EPR does not address plastic pollution as such, it only addresses it indirectly through products. This means that EPR schemes must be created for every type of product containing plastic, which is a huge and time -consuming operation. **Current EPR schemes cover finished products**, through the companies that put them on the market, and **do not directly involve the petrochemical and plastics industry.** Therefore, they do not attack plastic pollution at the source.

Many EPR schemes share common challenges, and accordingly, an overall assessment is needed on where EPR is relevant. The establishment of EPR schemes can have **specific impacts on certain lines of work**. Impacts on recycling and reuse vary by sector and by country, and depending on the formal and informal economic players already involved in those sectors.

Reuse can also look very different in different EPR schemes; in some cases, reuse means giving up the use of plastic (e.g. to use glass bottles instead), while in others, such as textiles, the development of reuse is relatively disconnected from material choice. **EPR financing parameters therefore cannot always be transposed from one scheme to another.**

EPR in France

France was one of the first countries to establish **EPR for household packaging in 1992**, and then for many other kinds of products, including electronic and electrical equipment, furniture, and medication.

The most recent schemes cover toys, sports and leisure equipment, hardware and gardening materials, and building products and materials produced by the construction sector. **New** schemes are yet to emerge in 2023-2024 for food service packaging and sanitary textiles.

French law allows for various ways to apply EPR, either individually or collectively: a company may, for example, establish its own system to handle waste from the products it puts on the market. However, **in nearly all cases, EPR schemes are operated by PROs** that belong to producers and distributors. One or more PRO operates each EPR scheme, and is approved by the government to do so, according to agreed terms and conditions.

In the wake of persistent criticism, the 2020 Anti-Waste Law for Green Growth **(AGEC - Loi Anti-gaspillage pour une croissance verte)** overhauled the functioning of EPR schemes. This reform aimed to improve governance and transparency, increase conduciveness to ecodesign by strengthening eco-modulation, and to further support reuse and repair through dedicated funds. While it is too early to fully assess this law's implementation, research for this publication suggests that these changes will not be sufficient to correct dysfunctions observed across EPR schemes.

Challenges and Hazards of EPR Financing

UNEP and the Ellen MacArthur Foundation have promoted EPR as "the most effective"² financing method for plastic waste management and transitioning to a circular economy.

In France, where EPR schemes are particularly well-established, total EPR fees for all schemes combined amounted to 1.8 billion euros in 2021, of which 835 million were allocated to local government.³ These are significant amounts, but they do not cover the total cost of waste management borne by public authorities, which amounts to 9.9 billion euros per year.⁴ This is due to the fact that not all waste streams are covered by EPR, but also by the failure to reach cost-coverage goals in existing EPR schemes.

Furthermore, while EPR clearly opens up financing possibilities, it remains an imperfect tool that can have both positive and negative economic impacts on recycling and reuse.

Does EPR really cover all waste management costs?

EPR holds that producers or distributors should bear the costs associated with the end-of-life of the products or packaging they put on the market. In practice, defining these costs is tricky: waste management consists of numerous stages, and cumulative costs. Three elements can generate conflict among producers and distributors, on one hand, and local government and operators, on the other:

- Defining the **scope of activities** financed by EPR: beyond collection and sorting of waste, does EPR financing cover the costs of residual waste? The costs of cleaning up and handling illegal dumping? Costs for the administration, follow-up and oversight of EPR schemes? Communication and awareness-raising costs?
- Defining the **share of costs** covered by EPR, while the remainder is borne by local government or operators.
- Defining the costs scale, that is, the amounts allocated to local government or operators for each covered activity. This scale is the result of a negotiation with producers and distributors, arbitrated by government. The costs of waste management can vary widely from one location to another, and depend on numerous policy choices,

² UNEP / Ellen MacArthur Foundation -

https://ellenmacarthurfoundation.org/extended-producer-responsibility/overview

³ Ademe, In Numeri. 2022. Déchets Chiffres clés, Édition 2023, p.68

⁴ op. cit., p.67

including the investment strategy for equipment and infrastructure, the intention to centralize or decentralize waste management, whether or not to encourage local actors. Defining reference cost values at the national level ends up shaping these choices and constrains maneuvering room for local actors.

In the french household packaging EPR scheme, defining costs has been a highly controversial since this scheme the began in 1992. The rate of coverage of costs to local government was 74% in 2021 according to Adeje (the French agency for ecological transition), whereas the target set by the government was 80%⁵ - this situation has not given rise to penalties for the PRO Citeo. Local governments estimate that only 50% of their expenses are covered by EPR financing.

Nevertheless, EPR cost coverage is improving: the 2020 AGEC law added costs for the separate collection for recycling of packaging of products consumed *outside households*, as well as costs of prevention and cleanup for household packaging discarded on public thoroughfares or in nature.

How are waste prevention and reuse financed by EPR in France?

In theory, waste prevention and reuse have always been part of the missions ascribed to PROs by French EPR. Because there is no binding framework set by law or within the schemes' operating conditions, financing of these activities has remained trivial.

The 2020 AGEC Law requires the allocation of a **minimum percentage** of income from EPR fees to prevention and reuse. In the household packaging scheme, 5% of EPR fees must be allocated to finance reuse.

For capital goods⁶ EPR schemes, the law has created dedicated funds within the EPR framework to support reuse and repairs. At least 5% of EPR fees must be allocated to reuse for each capital goods scheme, while the amount of financing for repair is agreed on a scheme-by-scheme basis.

However, the creation of these funds does ensure that reuse financing levels by PROs meet the quantitative and qualitative targets set in law, or that they meet the needs of the reuse sector. For example, in the context of the EPR scheme for toys recently created in France as mandated by the AGEC Law, financing for reuse only covers one tenth of the needs initially estimated by the government's environmental agency (Ademe) in its studies. Indeed, producers generated their own contradictory figures and ultimately won the government's support. *"The amounts allocated per ton constrained the development of reuse because they do not take into account"*

⁵ **ADEME**, Édouard FOUQUÉ, Sylvain PASQUIER. In Extenso Innovation Croissance, Guillaume BERNEAU, Anaëlle CHRÉTIEN. 2022. Emballages ménagers: données 2021 - Rapport annuel. 66 pages.

⁶ Electrical and electronic equipment, Textiles, cloth and shoes, Furniture, Athletic and leisure articles, Hardware and gardening articles, Toys

real estate costs," explains Claire Tournefier, founder of *Rejoué* and a member of the *Rejouons Solidaire* network, focused on toy reuse.

As for direct waste prevention financing, it often consists of technical or financial support to companies' eco-design efforts, such as lightweighting. Lightweighting is part of ecodesign for waste reduction at source, ecodesign must also aim to avoid waste production and to extend the use phase and durability of products.

Furthermore, financing earmarked for prevention often primarily benefits producers and distributors at the expense of other players. Thus, in the French EPR scheme for textiles, the PRO *Refashion* presented its financing proposals for reuse and repair in early 2023. The AGEC law provides financial support for consumers who mend their own clothes. The PRO expects to complement this by devoting a substantial share of its funds for cross-cutting repair interventions. The largest share of financing (540,000 euros) has been allocated for the creation of repair facilities among producers and distributors. This model enhances their commercial attractiveness and could constitute unfair competition with independent repair workers. In contrast, external financing for the training of repair workers only amounts to 320,000 euros.

Does the notion of "extended" responsibility take into account all environmental impacts?

French EPR was conceived from the standpoint of waste management, and is accordingly focused on the **end-of-life** of products and packaging. However, it does not cover all the environmental costs incurred by the pollution arising from waste processing: air pollution and/or pollution associated with managing filter residues and incinerator ash, and water pollution by toxic substances and microplastics in the waste water of recycling plants, for example. Moreover, the global nature of these environmental impacts means that they cannot be adequately addressed through EPR mechanisms whose scale is national or regional.

EPR also omits the costs associated with all **upstream stages of product life cycles**: environmental impacts of extraction, production, and transportation, among others. This is problematic for plastics because their **production** is particularly polluting, and harms the health and safety of workers and fenceline communities.

These multiple EPR blind spots also raise a more fundamental challenge: our **limited ability to know, anticipate and measure the environmental impacts** of human activities, and **translate them into monetary terms**. This constraint of a philosophical, ethical and methodological order is the main weakness of the polluter pays principle, and thus of EPR schemes. It is particularly clear in the case of plastics and their components, whose toxicity has not yet been fully assessed.

Socio-economic impacts recycling and reuse operators

There is a paradox in EPR financing of recycling and reuse: the purpose of getting producers to pay undermines the strategies and autonomy of those engaged in reuse and recycling downstream. Since PROs are owned and managed by producers, the "payers" are also to some extent decision makers, and have considerable influence on how schemes are structured.

What opportunities does EPR offer operators in the recycling and reuse sectors?

Setting up an EPR scheme may seem like an opportunity for development (new markets) or additional financing for players engaged in recycling and reuse. It can help to:

- Create or develop activities whose economic model is unprofitable solely through the resale of recycled materials or reused objects. The Ellen MacArthur Foundation emphasizes that the collection, sorting and recycling of plastic packaging represents a net cost, and that no profitability whatsoever can be expected in the next few years⁷;
- **Provide some economic predictability** for operators engaged in recycling and reuse, when long-term contracts are established;
- Support actions or arrangements encouraging a shift to reuse or repair by the general public.

For these different reasons, the new EPR schemes created in France since the 1990s have generally been well received by relevant operators at the outset.

What threats should be considered?

However, this opportunity for development or additional funding has not always been available to existing reuse and recycling stakeholders. The introduction of the EPR, which is still being implemented for the most recent sectors, could even weaken the position of some of the traditional stakeholders (companies or associations), as the financing or operational choices made by some PROs favour the new competitors.

Feedback from France indicates that the following points require particularly close attention, if we are to preserve the existing social and economic fabric, including the informal sector insofar as it exists:

⁷ UNEP / Ellen MacArthur Foundation Extended Producer Responsibility Statement and position paper - page 9 <u>https://ellenmacarthurfoundation.org/extended-producer-responsibility/overview</u>

• Access to sources of recyclable waste or reusable products: traditional stakeholders sometimes find their access to recyclable waste and to producers challenged by the introduction of a new EPR sector, or by changes initiated by the PRO within an existing EPR sector.

In the household packaging sector, for example, access to sources of plastic waste has given rise to numerous debates and a tug-of-war between the PRO and manufacturers and distributors on the one hand, and local authorities and recyclers on the other:

- The flow of PET bottles is arousing a great deal of interest: manufacturers, distributors and the PRO are in favour of setting up a deposit return scheme. Local authorities are strongly opposed⁸ to this because it would mean them losing their main revenue from the resale of materials. They fear a "dismantling of the public waste management service" due to the gradual privatisation of the most profitable activities, which will benefit the drinks manufacturers and large-scale retailers.
- The recycling of plastic resins is a "work in progress" and from 2023 it will be entrusted exclusively to the PRO. Failure to do so will result in the local authorities losing half of their financial support. Local authorities and recyclers are strongly opposed to this new operational role assumed by the PRO, which will become the owner of the materials. FEDEREC (The Federation of Recycling Companies) did approach the Conseil d'Etat (Council of State) to oppose the first stage of this reform but its appeal was dismissed. Recyclers fear unfair competition, and do not want to become simply contractors acting on behalf of the PRO. They also believe that the PRO's strategy is likely to encourage (and finance) the creation of a new chemical waste recycling sector to the detriment of the already established mechanical recycling sector⁹.

• The contractual framework governing relations between operators and the PRO, when the latter has an operational role: certain conditions may exclude the current operators from the outset. It is important that traceability and reporting requirements, waste management procedures and productivity expectations be discussed and defined by both parties, and not unilaterally by the PRO. Public authority control is required in order to guarantee the fairness of the process.

• The investment capacity and funds needed to become an integral part of the sector: excessively high minimum investment amounts automatically favour the stakeholders with the greatest financial strength.

• Structural **economic dependence** vis-à-vis the PRO and producers: this is even greater when the PRO has an "operational" role, i.e. it directly handles the waste collected and concludes contracts with reuse or recycling operators. This management role, entrusted to

⁸1 See <u>the joint press release issued by the main French local government associations.</u> April 2023

⁹ For more information: <u>Actu-environnement articles and publications</u>

manufacturers and distributors, gives them an intimate knowledge of the downstream side of their business. This can be invaluable in improving product design, but it can also give them the opportunity to keep control over the highest-quality sources and to widen their sphere of activity by taking over reuse and recycling activities, to the detriment of independent stakeholders.

What is the impact on the economic model of the reuse stakeholders?

In addition to the aspects of competition and cost pressure mentioned above, **the introduction** of EPR also means a reduction in public funding where this existed before, for example in the case of reuse activities. This is not surprising, given that the objective of EPR is to make manufacturers and distributors (and indirectly their customers) pay, rather than the general public. However, this change is far from insignificant for the stakeholders who have traditionally been supported by these public funds.

Indeed, while ethical reuse activities, used to be supported by public funders because of their positive impact on several levels (social, environmental and economic), EPR payments will often be subject to the achievement of **operational objectives**. Public subsidies for added value in terms of cohesion, job creation or local services may not be continued, when EPR schemes are introduced.. The introduction of EPR gives the impression of a considerable financial windfall, which may seem sufficient in the opinion of the public stakeholders who have a number of other requirements to meet.

In this case, EPR offers no new financial perspectives or development opportunities; it replaces subsidies by generally imposing a **more rigid funding framework.** Under an EPR scheme, eligibility criteria, funding and reporting procedures are often more restrictive, and therefore it is more difficult for funding to be adapted to local conditions.

The effectiveness of EPR for prevention

According to neoclassical economic theory, **the internalisation of** environmental **externalities steers the attitudes** of economic stakeholders towards a preventive approach. In the case of EPR, this means incorporating the end-of-life costs of products and packaging into the budgets of manufacturers and distributors.

In this way, the simple payment of an eco-contribution on each item of packaging is supposed to encourage producers to reduce them, in order to control their costs and remain competitive. In addition, to encourage sustainable design, EPR mechanisms often include an **eco-modulation** system.

Do these incentives encourage waste reduction? **The effectiveness of EPRs** is regularly analysed from a financial perspective and in terms of recycling performance,¹⁰ but very **little is done to assess their effectiveness in terms of waste prevention.**

It is worth noting, however, that in the case of household packaging in France, the annual volume in tonnes put on the market in 2020 was around 20% higher than at the start of the 1990s, when EPR was introduced¹¹. Since the population has increased by only 15% in that time, we can conclude that in 30 years EPR has not succeeded in triggering an ethical dynamic in terms of the price signal of eco-contributions.

Is the amount of the eco-contributions sufficient to encourage waste prevention?

The total amount of eco-contributions is based on waste management costs (and the influence of producers on the assessment of these costs, as seen above), and not on their effectiveness as an incentivising factor. In relation to the price of each product, **the amount of the eco-contributions is rarely enough to act as a deterrent.**

For example, the structure of the eco-contribution scale for the French EPR scheme for household packaging automatically penalises over-packaging: the number of packaging units for each product is taken into account when calculating the eco-contribution. This sends a signal to producers, but its economic impact is too weak to discourage the use of individual packaging.

¹⁰ See for example <u>Assessment of the effectiveness and efficiency of packaging waste EPR schemes in Europe</u>

¹¹ Estimate based on Ademe data – Quantity of household packaging 1994–2009, and Household packaging, 2020 data.

If these price signals do not work, it is also because they are too weak compared to other product price drivers; the rates for primary and secondary raw materials, for example, have a much greater impact on manufacturers' packaging decisions. Similarly, in a hyper-competitive environment, marketing strategies based on packaging have a greater influence on design than attempts to make eco-contribution savings.

Do eco-modulations reinforce prevention?

The basic amount of eco-contributions is too low to constitute a real incentive to prevent waste, but does **reinforcing them with eco-modulations** help steer attitudes towards making more ethical choices?

Technical point

Eco-modulations are often likened to a "bonus/malus" system, which helps us to understand the general idea; however, a more precise technical distinction can be made between:

- **bonuses and maluses** which are reductions or increases in the eco-contribution paid (e.g. a malus of 50% is equivalent to 1,5 times the amount of the eco-contribution for the product in question)
- **rewards and penalties** which are financial incentives paid independently of the amount of the eco-contribution. (e.g. a reward of 0.05 euros per kg for using a material containing recycled raw material, or a flat-rate reward per product that meets specific ecodesign criteria)

These different mechanisms may or may not be combined, depending on the choices made by the PRO or the government.

Several parameters determine the effectiveness of eco-modulations in general, and their role in terms of waste prevention:

Issue n°1 : the volume of modulations vs. the volume of eco-contributions

In order to be effective and provide an incentive, eco-modulations must account for a significant proportion of eco-contributions, both in terms of overall volume (to steer the overall strategy of producers and the PRO) and in terms of amount per unit (in particular for maluses, each of which must act as deterrents).

In the French household packaging ERP scheme, eco-modulations were only applied from 2012, and then only to a very limited extent (around 5% of eco-contributions), until the French government imposed more precise guidelines in 2017. Their proportion has increased since then but remains very low: scarcely 7% of the final volume of eco-contributions in 2021¹².

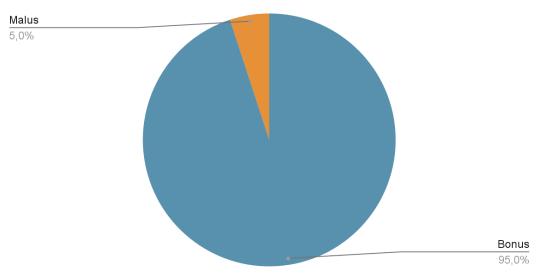
¹² op.cit.

As regards their amount per unit, in 2017 Ademe suggested creating malus rates of 500% or 1,000%, in order to give them real deterrent power. For packaging subject to an eco-contribution of 0.5 euro cents, the malus could have been as high as 5 centimes, giving a total malus of € 0.055. Ultimately, their maximum rate is currently only 100%, which is equivalent to doubling the eco-contribution, and for the units in question, **this maximum rate applies to only 0.03% of the amount of packaging in tonnes**.

2 Issue n°2 : the bonus volume vs. the malus volume

The influence of producers on the definition of eco-modulations is reflected in the **overuse of bonuses and rewards, and the underuse of maluses or penalties.** In other words, eco-modulations are not used enough to put an end to particularly problematic design choices.

In the French household packaging EPR scheme, the cumulative amount of bonuses and rewards was 56 million euros in 2021, compared with 3 million euros for maluses (out of a total of 850 million euros in eco-contributions). These maluses also relate mainly to paper and cardboard (penalising the use of mineral oil-based inks), **with only 0.37% of plastic packaging (in tonnes) subject to a malus**.



2021 - Packaging EPR Scheme (% of the total amount of ecomodulations

In the French EPR scheme for textiles, which has existed since 2007, the eco-modulations applicable from 1 January 2023 include only rewards.

③ Issue n°3 : management and choice of eco-modulation criteria

The design of the eco-modulation scheme is a sensitive issue. If left solely to the manufacturers, distributors and the PRO, progress can be very slow or limited.

In accordance with the AGEC law (2020), French PROs must propose a schedule of eco-modulations within six months of their approval. However, this provision is not systematically observed. In the EPR scheme for textiles, the French government had to take back control of the eco-modulations design, because the PRO had not proposed anything, despite the existence of studies conducted by the environmental agency (Ademe) containing numerous quantified ideas and suggestions.

The definition of eco-modulation criteria is crucial if we want to be able to encourage waste reduction at source. All too often, eco-modulations that are geared only towards improving recyclability reward sorting awareness campaigns, which have nothing to do with eco-design.

In the French household packaging EPR scheme, 92% of eco-modulated tonnes of packaging is generated by an awareness bonus (incentivising customers to sort) that does not relate to eco-design. Although the eco-modulation scheme is presented as an eco-design tool, **the proportion of modulations that actually relate to eco-design is marginal.**

What other prevention measures are the PROs taking and how effective are they?

In general, the PROs are given a preventive role, aimed at their member companies as well as the general public.

However, this preventive role can be nothing more than purely theoretical, given that **EPR does not aim to reduce or regulate the number of products put on the market**¹³. This undermines the EPR policy's ability to reduce the quantity of single-use plastic in circulation, particularly packaging. It also limits the effectiveness of waste reduction for other sources of plastic pollution, such as textiles.

The preventive role of the PROs may also be limited by their nature, which is operational rather than financial. An "operational" PRO is the owner of the material and sometimes has to invest in treatment technologies and facilities. It must therefore ensure that its investments are profitable, which can inhibit any significant progress on waste reduction.

¹³ This was reiterated on several occasions in 2021 and 2022 by the Chairman of the French Inter-Company EPR Commission, Jacques Vernier : "the purpose of EPR is not to regulate the quantities put on the market ; other laws and regulations are required to do this" - <u>2022 report</u>

On an even more general level, one might question the compatibility of the EPR system and the polluter pays principle with its aim of reducing production in certain industrial sectors. If we look at the packaging sector, for example, there is the alarming prospect that **preventive, reuse and recycling activities may become perversely dependent on funding from EPR schemes fueled by over-production of single-use plastic.**

Conclusion

Redefining EPR scheme governance

EPR scheme governance is a central issue, whether from the angle of financing or that of reuse and waste reduction goals.

The apparent simplicity of the EPR framework hides the great **challenges with its implementation**. The power balance within EPR schemes is at the root of their limited effectiveness and the risks they brings for local governments and pre-existing operators, since it currently favors the strategic interests of producers and distributors.

Producers are required to cover part of the end-of-life costs for products and packaging they place on the market, , but in return they acquire enhanced control over the whole value chain, from the supply of recycled material, to reuse and its economic model, to the purchasing behaviors of final consumers.

In France, the issue of EPR governance has often been discussed; the government had proclaimed it was tackling the matter within the framework of the AGEC Law, but the final text ended up becoming a "make-believe" reform, which also proved to be extremely time-consuming for all stakeholders: an inter-sectorial commission (CiFEPR) overseen by the State meets at least once a month, but its role remains an advisory one, and the specific technical or operational discussions for each scheme are referred to stakeholder committees composed and run by PROs, and which also operate in an advisory capacity.

The state can and must play the role of arbitrator on questions of defining costs and environmental goals. The political guidance of EPR schemes thus remains essential, and their oversight constitutes an administrative responsibility that is not negligible.

To correct the imbalance of power within EPR schemes and encourage waste prevention, three approaches should be explored:

- Entrust the definition of key criteria and procedures (price tables, eco-modulations) to public authorities or to an independent body of players introducing packaging to the market.
- Reconsider the ownership and management of PROs soely by players introducing packaging to the market: a mixed or public governance should be considered.

• Adopt oversight mechanisms and effective penalties in case the goals set by public authorities are not reached.

Giving EPR its rightful place among other environmental policy options

EPR is not designed to reduce sectoral overproduction – even for plastic packaging; it was designed as a tool for financing and to develop recycling, and has extremely limited impact on prevention.

Furthermore, by virtue of its national character, EPR cannot provide a complete and satisfactory response to the management of plastic waste and the global and ever-changing pollution it triggers.

It is therefore essential to resort to other environmental policy avenues to deal with plastic pollution:

- General and environmental taxation
- Supporting reuse, including through public and private investments
- Ending subsidies and other financial incentives that keep single-use plastic prices artificially low and thus indirectly penalize reuse
- Defining quotas for the placement of products on the market, to support a phasedown of plastic material production
- Prohibitions on problematic plastic products, materials, or uses
- A general reduction in the production of plastic through a new international treaty