

CGF Plastic Waste Coalition of Action

EPR Workstream

Key Messages & FAQ

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MESSAGE #1 [State our role and impact of our actions]

1. We believe Extended Producer Responsibility programmes are a strong method to help support the improvement of waste management systems worldwide.

To progress towards a circular economy, the performance of waste management and recycling systems throughout the world needs to urgently improve. As leading manufacturers and retailers of consumer packaged goods, we believe that Extended Producer Responsibility (EPR) programmes for packaging can accelerate this progress and provide critical and effective support to recycling, particularly when the right conditions are in place for a given market.

We understand that many public policy makers in markets around the world are looking for solutions, including Extended Producer Responsibility (EPR) programmes, for packaging. Seeking long-lasting solutions to building better funded systems that are convenient for consumers and unlock strong environmental outcomes, we believe that well designed EPR programmes for packaging can be such a solution.

MESSAGE #2 [State the value of our work on EPR]

2. We have aligned on guidelines for an optimal EPR framework to offer an industry-supported stance on the development of these programmes.

To demonstrate leadership, we have developed the following global principles and parameters for EPR policies that serve as a starting point for productive multi-stakeholder engagement and dialogue in markets around the world. Our principles and parameters are informed by experience in both developed and transitional markets. They have global application and set the stage for our industry's participation in the development and improvement of these programmes.

We balance a variety of factors and point to ideal policy outcomes while recognising that advocacy in any specific market will be shaped by and reflect local circumstances and exigencies. Importantly, the policy outcomes we prefer should meet the following general principles:

- Strong environmental outcomes;
- Efficient, cost-effective, transparent and accountable;
- Shared financial responsibility;
- Convenient for consumers;
- Long-term financial sustainability;
- Allow producers to secure material for closed loop recycling; and
- Social inclusiveness and fairness, especially in transitional markets with informal sector involvement.

We have co-developed this set of guidelines aligned to these goals, which we look to foster in markets around the world when such programmes are being pursued or developed, and take a proactive stance across our industry to deliver constructive and harmonised recommendations in markets where we operate.

MESSAGE #3 [Reinforce message that collaboration is key]

3. We work together—market by market—to advance fair and progressive initiatives and policies that increase collection and recycling rates, engaging with governments and other stakeholders to support positive change.

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All actors along the value chain have a responsibility to contribute to the success of these systems, including producers such as consumer goods manufacturers and retailers (specifically in relation to their private brands). Our consumers also have a critical role in supporting the circular economy. By making recycling convenient and easy to understand, optimal collection systems can foster active and enthusiastic consumer participation while promoting the view that packaging after use is no longer waste but a valuable resource.

As well, governments have a responsibility to ensure waste management systems are in place to provide a foundation on which recycling and a circular economy can be built. Under the right

conditions, we favour systems that are encouraged and enabled by government but left to producers to govern and manage, especially in cases where industry is providing substantial funding.

A range of policy options may be used to improve waste management on a local, national or regional scale. Of these policies, EPR offers the potential to sustainably finance the collection for recycling of a wide array of packaging after use. It can be adapted to the priorities of both developed and transitional markets while leveraging industry expertise to help design efficient approaches.

EPR Workstream FAQs

1. What is the CGF Coalition of Action on Plastic Waste?

- a. The CGF Plastic Waste Coalition of Action was launched in March 2020 as part of an organisation-wide strategy to help CGF members drive more impactful collaborations that benefit both people and planet, and seize the opportunities offered by purpose-driven business models. The Coalition's vision of accelerating progress towards the Ellen MacArthur Foundation's New Plastics Economy is embodied by its central aims for members to work towards implementing a small number of impactful "golden rules" on design and the development of an industry-supported EPR framework. It also aims to ensure that developed and transitional markets both make progress towards the development and/or improvement of effective waste management systems, and to help overcome barriers to scaling advanced chemical recycling effectively. For more, please visit: www.tcgfpasticwaste.com.

2. What is The Consumer Goods Forum (CGF)?

- a. The Consumer Goods Forum ("CGF") is a global, parity-based industry network that is driven by its members to encourage the global adoption of practices and standards that serves the consumer goods industry worldwide. It brings together the CEOs and senior management of some 400 retailers, manufacturers, service providers, and other stakeholders across 70 countries, and it reflects the diversity of the industry in geography, size, product category and format. Its member companies have combined sales of EUR 3.5 trillion and directly employ nearly 10 million people, with a further 90 million related jobs estimated along the value chain. It is governed by its Board of Directors, which comprises more than 50 manufacturer and retailer CEOs. For more, please visit: www.theconsumergoodsforum.com.

3. What is the purpose of this paper?

- a. A group of 26 leading multinational consumer goods manufacturers and retailers have come together under the umbrella of the Consumer Goods Forum's (CGF) Plastic Waste Coalition of Action to develop an aligned industry position on the optimal design of Extended Producer Responsibility (EPR) programmes for plastic packaging. The paper reflects their view that EPR can provide critical and effective support to recycling and outlines key principles and design parameters to guide their engagement.

4. Who has endorsed this paper?

- a. The paper has been endorsed by 26 members of the CGF's Plastic Waste Coalition of Action. The views expressed in the paper are of these 26 members and not of the CGF or the CGF Board. The full list of endorsing members is available in the paper.

5. Why have not all of the Coalition members endorsed this paper?

- a. The EPR position paper has gone through extensive consultation with the members of the Coalition's EPR workstream, who contributed to its development. Coalition members were then able to express their endorsement of the paper following an internal company review and in alignment with their corporate government affairs policies.
- 6. How will the CGF and its members use this paper?**
 - a. The EPR position paper will be used by its endorsers to support their internal company positions as well as to contribute to discussions with regulatory and legislative decision makers, public and private sector partners and industry associations. The paper can be downloaded and shared via the CGF website page on EPR.
- 7. Why are these companies coming together on the issue of EPR?**
 - a. This paper reflects its endorsers' view on the guiding principles and key design parameters of optimal EPR programmes. It supports a proactive stance across the consumer goods industry to deliver constructive recommendations when such programmes are being pursued or developed while fostering pre-competitive collaboration at the local level.
- 8. Why is CGF taking the lead in addressing the issue of EPR? / Why is the CGF the driving vehicle?**
 - a. The CGF is in a unique position to drive pre-competitive and CEO-led collaboration between consumer goods manufacturers and retailers through its action-oriented Coalitions. The CGF recognises the pressing need to address the challenge of packaging waste, especially the critical issue of plastic pollution, and to advance a circular economy by seeking long-lasting solutions to these two global concerns. Particularly, it notes the importance of building better-funded systems that are convenient for consumers and unlock strong environmental outcomes. Well-designed EPR programmes for packaging can be such a solution, helping to increase recycling by ensuring that the net costs of collecting and recycling packaging waste are covered.
- 9. Is the CGF working with other trade associations or business groups on EPR?**
 - a. The CGF provides support to the EPR paper's endorsers by facilitating alignment and collaboration among them; endorsers are able to drive their own engagement on EPR with other trade associations or business groups as a result.