



# SUPPLIERS PARTNERSHIP FOR THE ENVIRONMENT

## SP Sustainable Packaging Work Group Packaging Extended Producer Responsibility (EPR) Executive Summary July 2025

### What is EPR?

Extended Producer Responsibility (EPR) is a policy approach that assigns responsibility for end-of-life management of a “covered product” to its “producer”, which is often the brand owner or importer.

EPR laws generally require producers to report on the types and amounts of covered products they place into a given market and to pay fees that help to fund recycling infrastructure and programs. EPR is a concept that has been applied to a wide range of products, some of which may also be relevant to automotive companies, but packaging is one category where U.S. policymakers are increasingly considering EPR schemes.

### US Packaging EPR Policy Trends

Globally, several countries have proposed or enacted packaging EPR legislation, with the European Union’s Packaging and Packaging Waste Directive (PPWD) representing one notable example. In recent years, momentum for packaging EPR has begun accelerating in the U.S. as well, with states such as California, Colorado, Oregon, Maine, Maryland, Minnesota, and Washington having enacted packaging EPR laws as of May 2025.

Some key trends across enacted U.S. State legislation include:

- **Phased Implementation:** Reporting is expected to begin in 2025 for California, Colorado and Oregon programs, with EPR fee payments expected to begin in 2025–2027 depending on the State. Other enacted State programs follow with staggered reporting and fee timelines.
- **Producer Responsibility Organizations (PROs):** States have legislated that a Producer Responsibility Organization (PRO) act as an intermediary between each Producer and each State agency for reporting packaging materials accompanying products sold / distributed within the State and collecting funds to support the recycling of these materials. Circular Action Alliance (CAA) currently serves as the designated PRO for those States with active programs.
- **Eco-Modulated Fee Structures:** Eco-modulation refers to the practice of adjusting producer fees under EPR programs based on the environmental performance of packaging materials. Several States will be implementing incentives and/or penalties based on criteria such as recyclability, recycled content, and other material choices.
- **Packaging Design Targets:** Some States may require packaging sold into their State to meet certain performance targets by a set date, such as being reusable, recyclable, compostable, or containing a minimum percentage of recycled content. For example, California has established design targets covered packaging products must meet by 2032.

In general, EPR laws are often designed to primarily address packaging waste that enters the consumer municipal solid waste stream. In existing U.S. packaging EPR programs, business-to-business (B2B) packaging used solely within manufacturing plants, such as returnable containers, racks, crates or pallets, may often be excluded from reporting and fee obligations.

Please note that EPR policies vary by jurisdiction in scope, terminology, and reporting thresholds, requiring careful analysis and compliance management.

## **Preparing for Packaging EPR Policy Trends**

There are several steps companies may want to consider to help prepare for Packaging EPR policy trends, such as:

1. **Understand your Obligations as a Producer or Supplier:** Determine whether your company is considered a “producer” under applicable EPR laws (e.g., brand owner, importer, manufacturer with branded products) and required to register with a PRO. Consider starting assessment with products sold into California, Colorado, and Oregon, the U.S. states with the earliest reporting deadlines. Consult your legal or compliance experts to assess your reporting responsibilities and potential risk exposure.
2. **Identify and Gather Packaging Data:** Begin to develop process to engage stakeholders to collect detailed data on each packaging component used for products shipped into relevant states. This could include items like: Material Class (e.g. plastic, paper, metal, glass, wood, etc.), Material Type (e.g. HDPE, LDPE, PET, etc.), Material Form (e.g., flexible, rigid, etc.), Weight per unit, Recycled content (PCR %), Recyclability, Compostability, and other data points. Work with packaging suppliers to confirm specifications and composition as needed.
3. **Coordinate Internally and Assign Responsibility:** Designate an internal Packaging EPR lead to coordinate compliance efforts across relevant teams and sites. Create a cross-functional process for packaging data validation, version control, and quality checks. Prepare for annual updates as packaging specifications and individual State requirements change.
4. **Review OEM and PRO Data Requests:** OEMs are expected to be obligated to comply with EPR regulations and will need packaging information from their suppliers to support those obligations. Even if your company is not considered a “producer” obligated to report directly to a PRO, expect you may be required to report packaging data to customers doing business in relevant EPR States. Ensure staff involved in reporting are trained and understand the importance of accurate data, as inaccurate or misleading data could result in a State issuing fines and penalties.
5. **Monitor EPR Policy Developments and Guidance:** Packaging EPR in the U.S. is new and rapidly evolving, so companies should stay up to date on changes in state legislation and reporting deadlines. Consider reviewing training materials from PROs like Circular Action Alliance (CAA) and monitoring updates from State agencies, industry groups, and customer requirements.
6. **Assess Sustainable Packaging Design Opportunities:** Assess opportunities to increase sustainability of covered packaging products to prepare for any applicable EPR performance targets or seek to take advantage of potential incentives. SP’s Sustainable Packaging Design Guidance can provide one starting point for ideas.

## **Helpful Resources**

- [Guide for EPR Proposals – Sustainable Packaging Coalition](#)
- [Circular Action Alliance \(PRO\)](#)
- [The Packaging School – EPR for Packaging](#)
- [SP Sustainable Packaging Guidance](#)

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