



## PURCHASING BEST PRACTICES: CONTRACTING FOR PRODUCER RESPONSIBILITY FACT SHEET

The objective of this fact sheet is to outline:

1. What EPR is and how it can benefit purchasers
2. Incorporating EPR into procurement practices
3. Examples of successful implementation strategies

### WHAT IS EPR?

**Extended Producer Responsibility (EPR)**, otherwise known as Product Stewardship, is the extension of the responsibility of producers, and all entities involved in the product chain, to reduce the cradle-to-cradle impacts of a product and its packaging; the primary responsibility lies with the producer, or brand owner, who makes design and marketing decisions.

So how do you, as the purchaser, go about incorporating **EPR** into your procurement practices?

**The key to implementing EPR is to identify and contract with manufacturers who agree to collect and recycle their products when they reach the end of their useful life.**

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### What Are the Benefits?

- EPR initiates a “reverse distribution infrastructure” that ensures **efficient product collection, reuse and recycling**
- EPR encourages manufacturers to redesign their products to be durable, minimally packaged, easily recyclable, and devoid of toxic chemicals to avoid higher end of life management costs
- Bottom line: EPR saves you time and money

Government agencies typically purchase products from one vendor (the manufacturer), then contract with a different vendor to manage the recycling and disposal of their products, but that approach has proven to be inefficient, as well as costly in the short- and long-term.



By requiring manufacturers to take on financial and logistical responsibility for end-of-life management, and factoring it into the overall cost of owning a product, purchasers will be better equipped to identify brands that offer the **best overall value**.

*Example:*

Washington State's [new electronic waste recycling law](#), which came into effect in 2009, requires manufacturers to cover the costs of collecting and recycling TVs, computers, laptops and monitors. In 2008, Snohomish County, located just outside Seattle, paid vendors \$380,000 in e-waste hauling and processing fees. The new law makes manufacturers responsible for those vendor costs. In addition, manufacturers must reimburse the County nine cents per pound for e-waste collection fees, estimated at an additional \$170,000 per year, resulting in a total of approximately **\$550,000 in savings per year**.

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## INCORPORATING EPR INTO PROCUREMENT

### Go for the Gold: Strategies for Purchasers

#### **GOLD**

Buy directly from manufacturers (typically the brand owners), or local vendors, that offer collection and recycling systems that they operate or finance themselves. This creates the greatest incentive for manufacturers to redesign their products for maximum recyclability and minimum waste.

*Example*

Dell offers [Asset Recovery and Recycling Services](#) that include equipment collection, data destruction, and equipment donation and recycling.

#### **SILVER**

Buy from vendors who participate in a manufacturer-financed third-party recycling program.

*Example*

The California [Rechargeable Battery Recycling Act](#), passed in 2006, requires vendors that sell rechargeable batteries (or products containing rechargeable batteries) to accept rechargeable batteries for recycling. Manufacturers are responsible for the cost of collection and disposal of rechargeable batteries, which is managed through [Call2Recycle®](#), the Rechargeable Battery Recycling Corporation's recycling program.

#### **BRONZE**

Buy from vendors who collect and recycle products and packaging when new items are delivered, or when old items reach the end of their useful life. While sending products back up the supply chain will create an infrastructure for recycling, it may not incentivize manufacturers to redesign their products.



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### **Example**

In 2008, Office Depot began [Tech Trade-In](#), a take-back program available to Office Depot customers who can trade or recycle any qualifying consumer electronic product currently offered through the program.

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## **EXAMPLES OF SUCCESSFUL IMPLEMENTATION STRATEGIES**

### **How Government Agencies Can Promote EPR**

Enforcing producer responsibility has to come from the top-down. In order for **sustainability, environmentally preferable purchasing, product stewardship, or “zero waste” facility operations** to become a reality, government agencies need to include language in their regulations and policies that govern procurement (and manufacturing) protocol.

In addition to updating existing procurement documents (i.e. RFPs, commodity contracts, service agreements, etc.) with EPR-specific language, government agencies should ask for vendor take-back and recycling. Restructuring these documents ensures that EPR practices will remain in place even if vendors or procurement staff changes (*see Extended Producer Responsibility Policy Template*).

### **Examples**

In 2006, the City of San Francisco adopted [Resolution #90-46](#), under the authority of its Precautionary Purchasing Ordinance, which requested “*the Department of the Environment recommend local Extended Producer Responsibility policies, as well as work with necessary agencies to develop producer responsibility language for inclusion in city contracts.*”

Washington State Department of Ecology highlights EPR as one of the key goals of the Green Building Initiative, one of the five areas of focus of [Beyond Waste](#), the statewide plan for managing hazardous and solid waste. The plan calls for product stewardship programs for carpet, paint, and mercury-containing building products and general EPR awareness amongst all building material manufacturers.

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### **What To Include in EPR Clauses**

The details of EPR clauses can get technical, as different products require different recycling or disposal methods. The easiest method is to reference established environmental standards specific to a particular product category. For example, requiring manufacturers and suppliers of batteries to participate in [Call2Recycle](#)<sup>®</sup> (the Rechargeable Battery Recycling Corporation’s recycling program), is a simple and transparent way to ensure that rechargeable batteries are properly recycled; specify products that have already met strict environmental standards, such as the [Green Seal Standard 43 for Recycled-Content Latex Paint](#).

Contracts can require anything from specific amounts of post-consumer waste be used, or that all shipping materials be reusable.



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## Examples

- Washington State Department of Ecology worked with Dell to develop a computer equipment shipping system in which all units are delivered in durable cabinets that are returned to Dell to be used in future deliveries. This eliminated a significant amount of polystyrene waste that is difficult to recycle and expensive to discard.
- The State of California statute [Public Contract Code \(PCC\) section 12156](#) states that each state agency shall print a statement on the cover of its printer or duplicator cartridge bid packages, or in some other noticeable place in the bid packet, notifying all bidders that it is unlawful to prohibit a printer or duplication cartridge that is sold to the state from being recycled or remanufactured, except as specified in subdivision (b) of California PCC section 12156.
- Portland, OR issued a request for bids for computer equipment that requires vendors to offer recycling services. The city also offered bidders the opportunity to improve their chances of winning the contract by adhering to a [stewardship pledge](#).

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## It's About the Follow-Through

To ensure that products are properly recycled or disposed of, consider requiring vendors have their recycling procedures certified by an independent organization, or create a simple questionnaire that asks them to explain how they process collected product and packaging waste.

EPR is only one element of an overall **Environmentally Preferable Purchasing (EPP) Policy**. For more information on creating an EPP policy for your agency, visit [www.green.ca.gov/EPP/default.htm](http://www.green.ca.gov/EPP/default.htm).

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## Additional Resources

For general information on EPR, visit the **California Product Stewardship Council** at [http://www.calpsc.org/policies/green\\_purchasing.html](http://www.calpsc.org/policies/green_purchasing.html)

For help incorporating EPR requirements with procurement documents, contact the **California Product Stewardship Council** at [info@calpsc.org](mailto:info@calpsc.org)



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