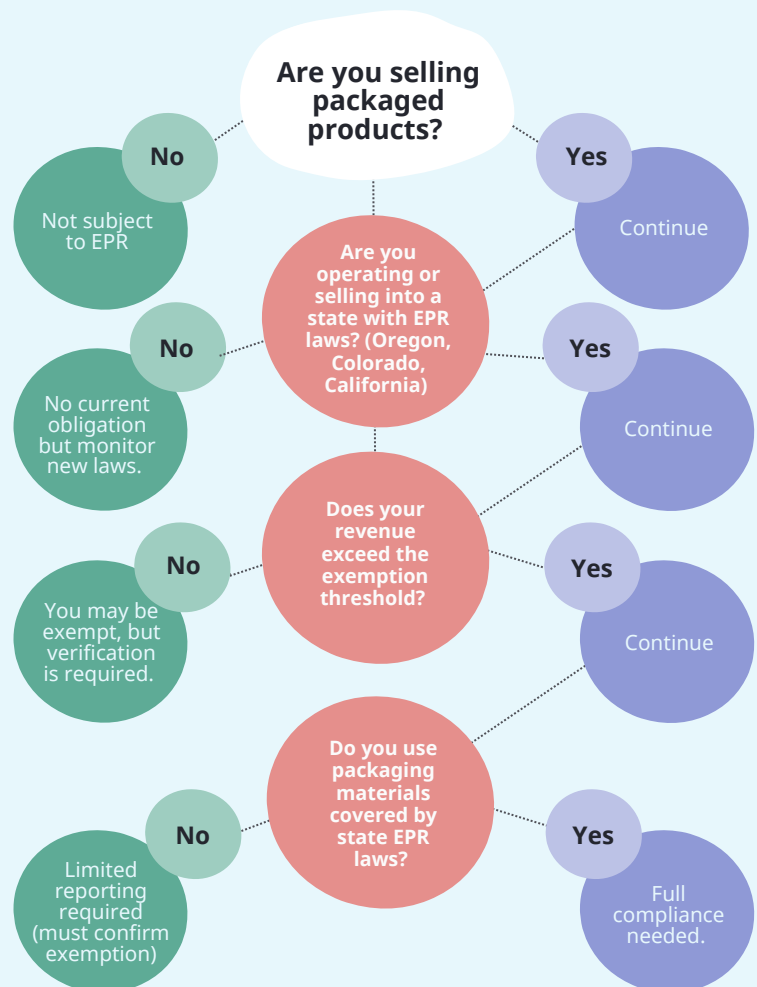


The new waste equation: How **Extended Producer Responsibility** is reshaping corporate environmental accountability

As we navigate 2025, environmental, social, and governance (ESG) reporting practices have evolved from voluntary disclosures to mandated frameworks. Despite current regulatory uncertainty, Extended Producer Responsibility (EPR) laws continue to expand at state levels, creating complex compliance challenges for organizations nationwide.

With the UN's 2030 climate goals fast approaching and investors increasingly factoring sustainability into valuation models, EPR is quickly becoming a crucial component of effective ESG/Circular Economy strategies. By addressing packaging waste responsibility, companies can take an overdue step forward to not only meet compliance requirements and strengthen their approach to Scope 3 emissions. EPR compliance would enhance investor confidence and preemptively avoid any future fines as regulations continue to evolve.

Compliance decision tree: How to determine EPR obligations



EPR fundamentals

Extended Producer Responsibility (EPR) is a regulatory framework designed to shift the financial and operational burden of managing packaging waste from municipalities and taxpayers to the producers of that packaging. Meaning companies are held responsible for cleaning up the waste they produce and distribute, not the consumers who purchase the items. The EPR laws require producers to report this year to reduce waste, incentivize sustainable design, and improve recycling systems.

Oregon, California, and Colorado have introduced EPR laws (that are in effect!) requiring companies that sell products with packaging to track, report, and pay fees based on the materials they use. These fees will fund statewide recycling programs, infrastructure improvements, and waste reduction initiatives.

Oregon's Recycling Modernization Act requires companies to register and submit detailed reports on their packaging materials by March 31st. Though EPR laws have become a top priority for most producers it is not new.

Many countries have well-established producer responsibility laws and regulations, including:

Europe: the EU's Packaging and Packaging Waste Directive (PPWD) sets strict targets for material-specific recycling, this requires producers to take responsibility for end-of-life packaging. [Read more here.](#)

Canada: most provinces operate full EPR programs where producers cover the entire cost of collecting and recycling packaging waste. [Read more here.](#)

Japan: the Container and Packaging Recycling Law has been in effect since 1997. [Read more here.](#)

South Korea: strict recyclability requirements are enforced for plastic packaging. [Read more here.](#)

In the United States, there are 141 [EPR](#) laws across 33 states, each with a varying degree of covered product types. For businesses, understanding and complying with EPR laws is now a necessity and a requirement. Unlike countries with nationwide EPR laws, the US is leaving this up to the states to act.



Europe:

Most countries have comprehensive EPR systems under the EU Packaging and Packaging Waste Directive.



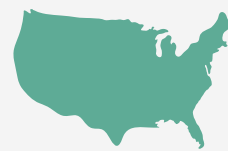
Canada:

Fully implemented in most provinces, requiring producers to cover the full cost of recycling.



Asia:

Japan, South Korea, and China have strict packaging waste policies, with bans on non-recyclable materials in some cases.

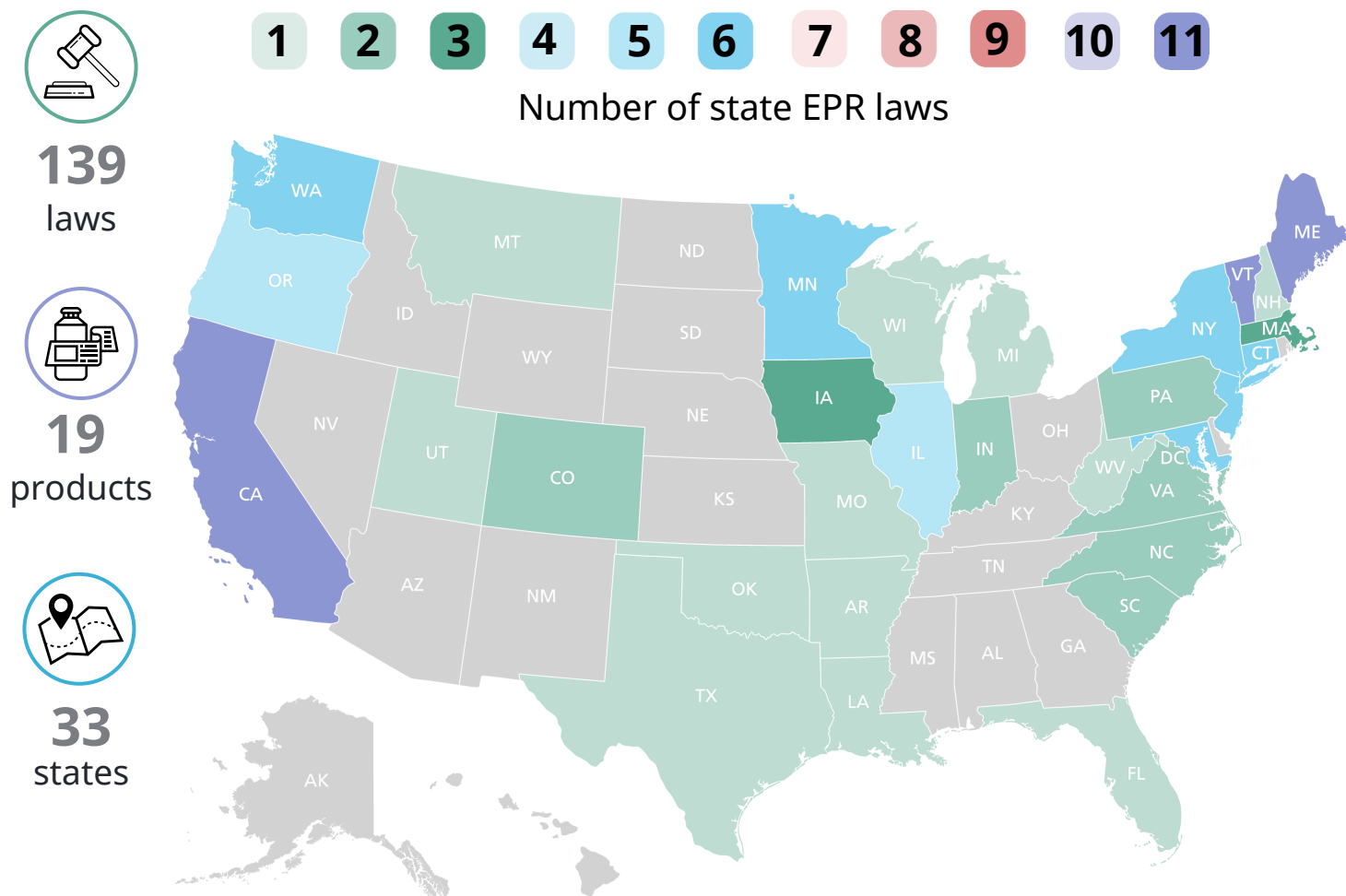


United States:

EPR is expanding state by state, creating a patchwork of compliance requirements.



US EPR laws 2024



State-level requirements

Maine was the first US state to pass an EPR law for packaging in 2021. Its model operates as a fee-based system, where companies must pay into a fund based on the volume and recyclability of their packaging. These funds support local recycling programs and cover municipal costs for waste management.





Colorado's EPR law focuses on improving statewide recycling infrastructure. Like Oregon, it requires companies to join a PRO and pay fees based on the recyclability of packaging waste. The fees are allocated toward increasing access to recycling services, particularly in rural areas.

California's law is the most ambitious. In addition to requiring producers to fund recycling programs, it also mandates a 25% reduction in plastic packaging by 2032. The state is also implementing a phased ban on non-recyclable plastic packaging.

Oregon's Recycling Modernization Act is considered one of the most detailed EPR programs in the country due to its comprehensive requirements and specific guidelines including:

- Producers must track and report all packaging materials used in the state.
- Businesses must fulfill their obligations by registering and reporting to an approved Producer Responsibility Organization (PRO), such as Circular Action Alliance (CAA).
- Eco-modulated fees encourage the use of sustainable packaging by charging lower fees for materials that are easily recyclable.
- Oregon's Phase 2 EPR rules were approved by the Environmental Quality Commission (EQC) in November 2024, further detailing producer obligations and reporting requirements.

State-by-state comparison matrix: US EPR laws

	Maine 	Oregon 	Colorado 	California 
Reporting date	Pending	March 31st	July 31st	August 31st
Covered materials	Packaging materials	Packaging and paper products	Packaging and paper products	Single-use packaging & plastic food service ware
Fee structure	Flat fees (based on packaging type and volume)	Eco-modulated fees (based on recyclability and design)	Flat fees, transitioning to eco-modulated fees, fees due 2026	Eco-modulated fees + plastic reduction mandates, fees due 2026
Exemptions	Revenue ≤ \$2M OR ≤ 1 ton packaging annually	Revenue < \$5M, < 1 ton annually, or nonprofits	Revenue ≤ \$5M OR < 1 ton packaging annually	Revenue ≤ \$1M OR < 1 ton annually
Implementation timeline	Program rules under development; expected within 1-2 years	Reporting deadline March 31st, program implementation starting in July, fees due at program start	Reporting deadline July 31st	Reporting deadline August



More states are expected to pass EPR laws in the coming years. New York, Washington, and New Jersey are actively considering legislation.

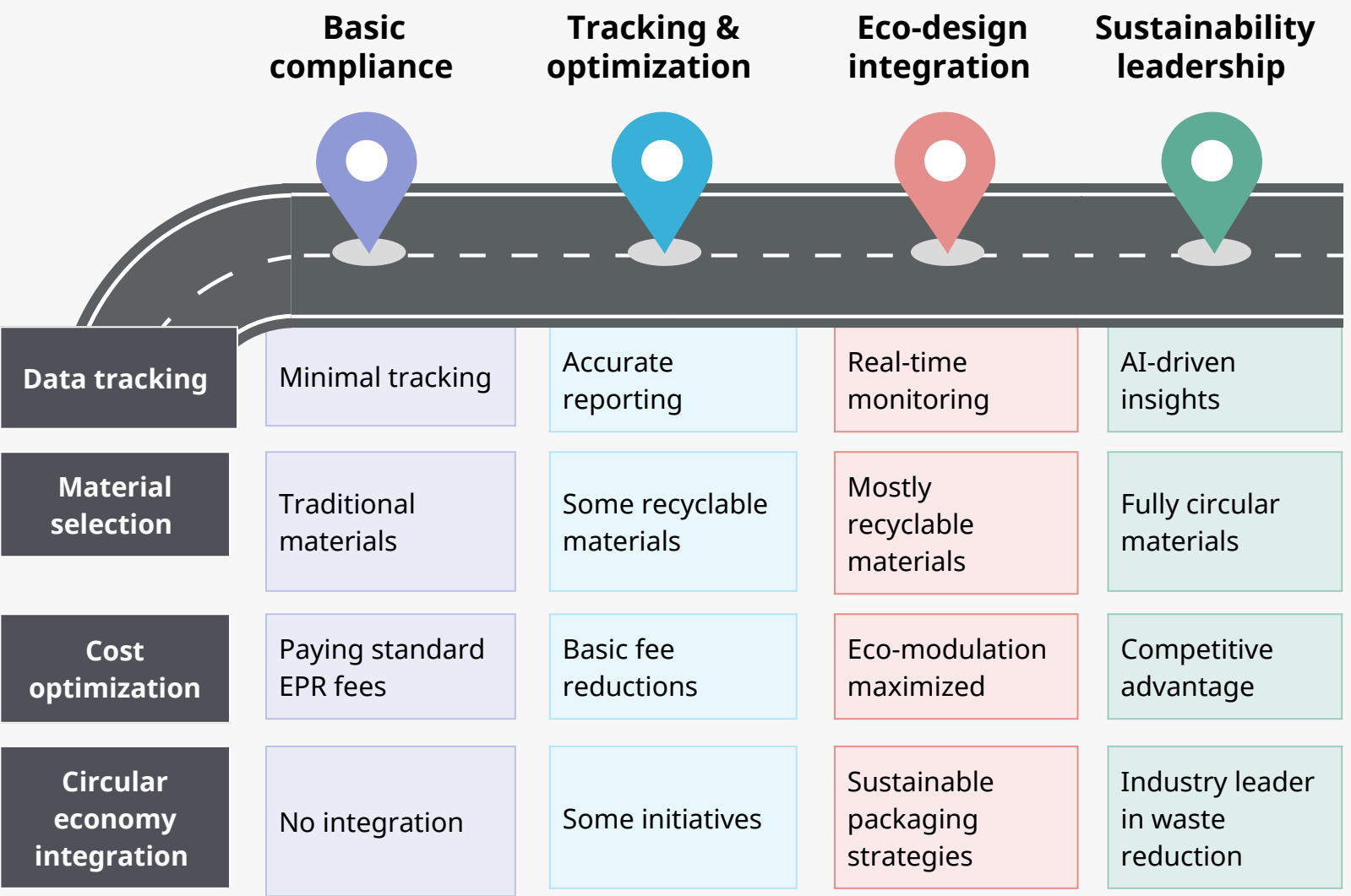
Strategic integration

For many businesses, EPR compliance may seem like just another regulatory hurdle. EPR encourages companies to optimize operations, reduce costs, and improve sustainability performance.

Businesses can adopt these strategies:

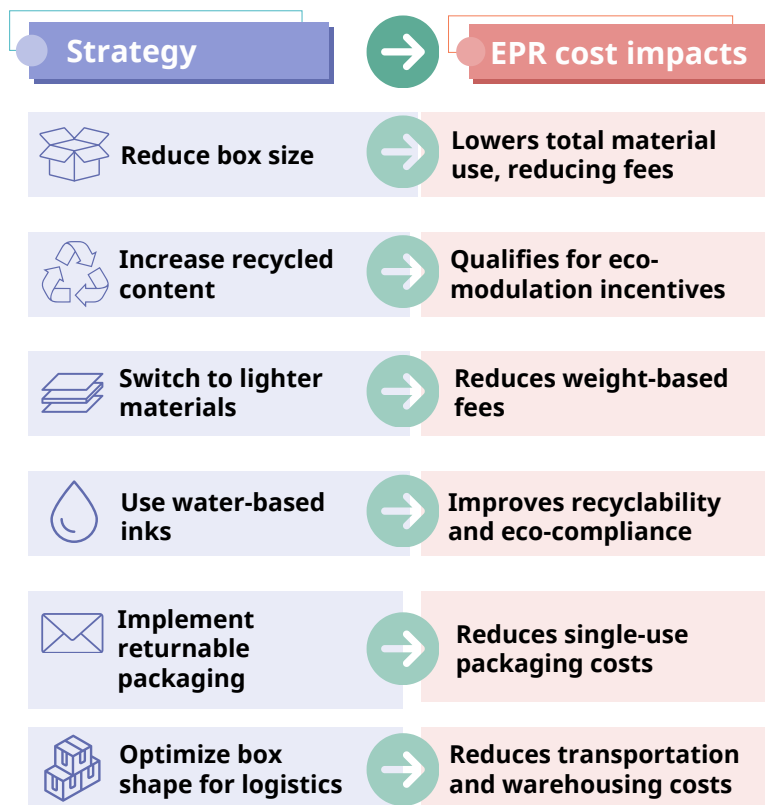
- 1. **Optimize packaging design** – Reducing packaging weight and switching to more recyclable materials can lower EPR fees and improve sustainability. Invest in packaging data tracking – EPR laws require detailed reporting on packaging materials. Implementing a robust tracking system now can prevent compliance headaches later.
- 2. **Work with consultancies** – Instead of handling compliance independently, businesses can work with consultants to streamline reporting and recycling contributions.
- 3. **Get ahead of potential regulatory changes** – With more states considering EPR laws, businesses should prepare for future requirements and align packaging strategies.

EPR maturity model: Business progression levels



As an example, under Oregon's legislation, corrugated cardboard, widely used in shipping and retail packaging, is categorized separately, meaning businesses need to track and report it accurately.

Cardboard optimization opportunities: Reducing EPR costs



A leading consumer electronics company recently revamped its packaging to reduce its cardboard footprint by:

- Switching to lighter, more efficient packaging designs using a higher volume of recycled material, and optimizing box sizes to reduce material use, the company cut its packaging-related EPR fees by 18% while also reducing coordination costs.
- For companies using significant amounts of cardboard, taking a closer look at packaging efficiency can lead to major cost savings.

The rise of EPR in the US marks a turning point in packaging waste management. Companies can no longer rely solely on municipalities to handle recycling. Instead, businesses must take responsibility for their entire packaging's lifecycle.

With more states considering EPR laws, companies that start preparing now will be in the best position to adapt and thrive in this evolving regulatory landscape.

Organizational readiness assessment: EPR preparedness checklist



The latest wave of EPR regulations has sparked momentum and conversation in the circular economy space. Companies that respond early not only reduce compliance risk but also position themselves to lead in transparency, innovation, and sustainability.



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BSI Consulting

Why BSI Consulting?

BSI Consulting offers a range of comprehensive services to support organizations through the Extended Producer Responsibility journey. Our environmental and sustainability experts offer end-to-end guidance from program development to data collection and reporting; helping to continuously improve and include more circularity within your organization and product life cycle.



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