

# How Should Industry Fund Compostable Packaging Within EPR Systems?

Did you know that compostable packaging is only accepted in an estimated 15% of compost facilities across the U.S.?<sup>1</sup> As packaging extended producer responsibility (EPR) for packaging is gaining traction in the U.S., compostable packaging is often a part of that discussion. EPR programs require companies to pay fees towards the end-of-life management of their products, including companies that make compostables. However, EPR fees collected from compostable manufacturers have historically not funded compost collection or processing and more recently, some countries are banning the inclusion of compostable packaging in EPR systems.

Colorado recently passed a landmark EPR bill that includes consideration of compostable packaging. This law was informed by dialogue with industry.

Industry wants to encourage compostable packaging to be part of an EPR system, but where its included, we believe:

1. Fees collected on compostables should be earmarked to compostable infrastructure.
2. Since compostable packaging is only a small portion of compostables processed, packaging should only pay their portion of the waste stream costs – not the full cost to compost other products and materials.
3. More needs to be done to encourage increased acceptance of compostable packaging, including incentives for composters, education for consumers and clear and accessible labeling.

To learn more please visit BPI and USCC's joint statement: [Guiding Principles for Compostables in Extended Producer Responsibility \(EPR\)](#)

AMERIPEN supports BPI and USCC's Guiding Principles and works with states on a case-by-case basis to see how we can incorporate these principles into legislation.

**Did you Know?** AMERIPEN and PMMI's research into packaging trends for the next decade indicate that compostable packaging is expected to see a significant increase by 2025. With an average annual CAGR of 6-9% compostable packaging is one of the fastest growing packaging formats. We need to engage the composting and legislative communities to explore the best ways to ensure responsible recovery of this resource.

<sup>1</sup> SPC (2021) Understanding the Role of Compostable Packaging in North America