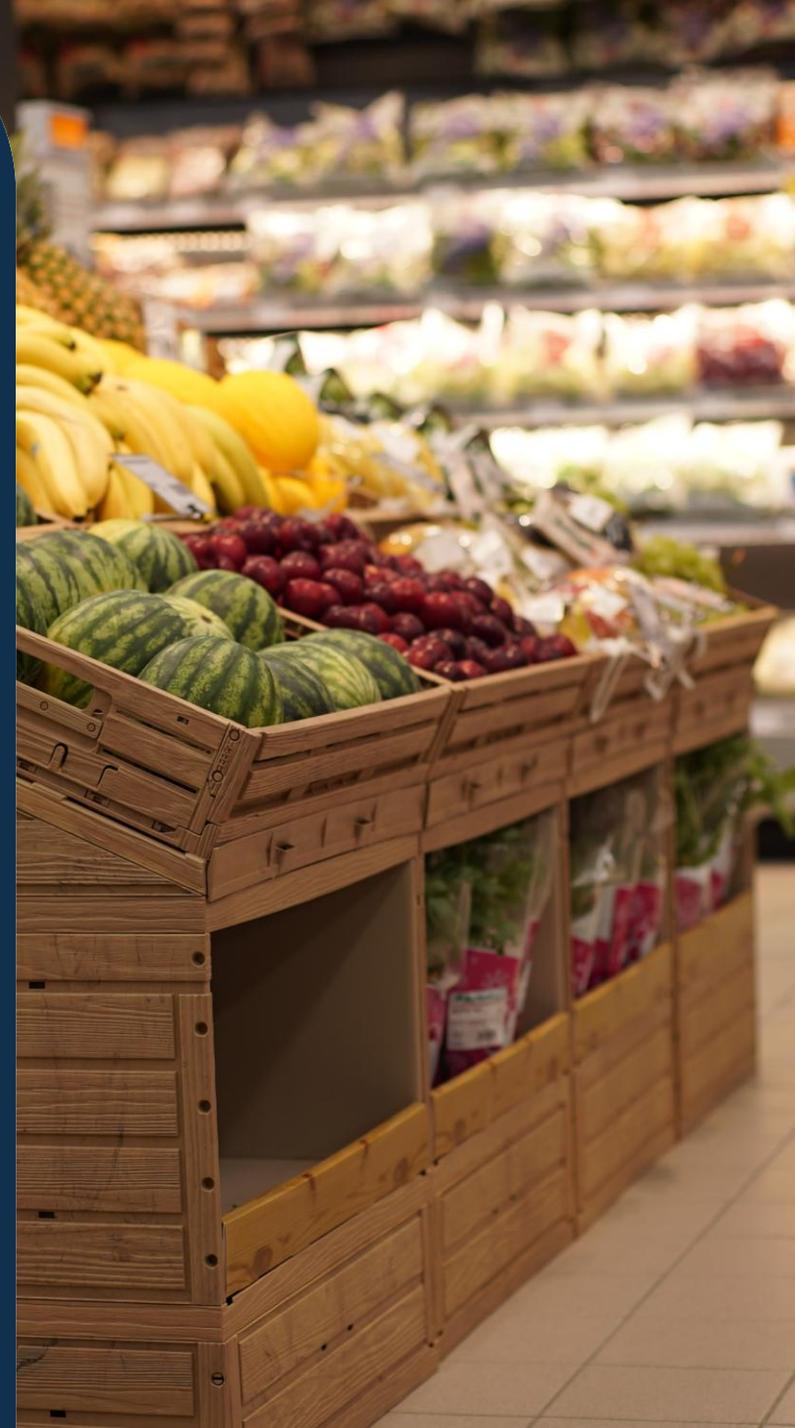




Extended Producer Responsibility

Compliance : NAM

Tosca Reusable Solutions



Extended Producer Responsibility

What is Extended Producer Responsibility (EPR)?



The purpose of EPR is for the ***producers or owners of packaging*** to fund recycling infrastructure instead of the consumer

It is a very new concept in the US and only just in place in Canada!

The EPR is being used as a means of eliminating single-use packaging!

Challenges



- Manufacturers/ producers/ owners pay a fee for putting new packaging on the market (first time on the market)
- Moving packaging between states requires proof of ‘first time on the market’ and for some states a need to report on packaging left in the state
- Registering with the competent body and reporting packaging volumes in each state you operate in adds complexity & will be time consuming
- Non-compliance will incur fines
- Most states are still developing their EPR laws (fee structures and fines) and often differ from state to state resulting in confusion and concern

EPR is adding costs and administrative complexity to packaging waste management

Currently EPR is in play in CA, CO, OR, ME, MA

Pooling and reusable assets is the solution

Tosca pooling is the solution

- Reusable packaging is exempt from fees in CA
- Industrial and commercial packaging is exempt from registration and fees when moving goods from grower to processor but not from processor to retailer
- We are not required to pay fees in OR as we do not have a hub there, and fees only apply if waste stays within the State!
- If customers use our pooling services they have no fees or reporting obligations, and are free of the headache of trying to understand the regulations!
- By using more robust transport packaging customers may be able to reduce their primary packaging volumes
- Tosca is working with specialists in the field to keep ahead of EPR laws state by state!

[^]A Packaging Recovery Note (PRN) is a document that proves packaging materials have been recycled or recovered.

Lets discuss fees for RPCs [and Bins]

- A reusable crate can be used 100 times vs one time per corrugated box
- Therefore an EPR fee for cardboard has to be multiplied by 100 times while an EPR fee (if charged) is only charged once on a Tosca RPC!
- And while earnings from recycling corrugated boxes may off set some of the EPR fees, the anticipated increase in volume of corrugated entering the market is likely to depress the cost/ton currently paid.
- **And those costs do not include the increased admin costs of all that reporting.....**

The life of an RPC

An RPC can be used on average 100 times before recycling



A cardboard box can only be used once before recycling (or disposal!)



Need 100 x as many cardboard boxes to do the work of 1 RPC

Lets discuss fees for Pallets

- A reusable pallet can be used 80 times vs one time per single-use wooden pallet or 10 times per reusable wooden pallet
- Therefore an EPR fee for wood has to be multiplied by 80 times / 8 times while an EPR fee (if charged) is only charged once on a Tosca reusable pallet!
- And while earnings from recycling wood may off set some of the EPR fees, the anticipated increase in volume of wood entering the market is likely to depress the cost/ton currently paid.
- **And those costs do not include the increased admin costs of all that reporting.....**

The life of a Pallet

A plastic pallet can be used approx. 80 times before recycling



A single use pallet is what it says!

A reusable wooden pallet can be reused approx. 10 times before recycling*



Need 8 x as many reusable wooden pallets to do the work of 1 x plastic pallet

*Deviatkin, Ivan, et al. "Wooden and plastic pallets: A review of life cycle assessment (LCA) studies," Sustainability 11.20 (2019): 5750.

Review and analysis of the legislation is the pooler's responsibility

Establishing necessary data and documentation management systems is performed by the pooler

Registration fees are eliminated

Time to collate data for reporting is freed up

Fines for non-compliance are eliminated

Tests needed to prove compliance are performed by the pooler

Engagement with third-parties / suppliers to obtain their data is eliminated

Benefits of RTPs On Total Cost of Packaging

Regulatory compliance can be an expensive element of the TCOOP which is rarely considered.

Our 2030 Goals



Regulatory Compliance

- Enable customers **to readily comply with packaging regulations**, maintain high ethical standards in our operations, and require the same from critical suppliers

Learn more about Packaging Regulations



[Navigating the Future: A Guide to EU Packaging Related Regulations](#)



[Regulations Are Changing – Is Your Packaging Strategy Ready?](#)



[Webinar: PPWR & EPR Unpacked with Tosca](#)



[The Food Safety Modernization Act: What suppliers, manufacturers, and retailers need to know](#)



[Ensuring Compliance with New EU PPWR Packaging Regulations With Reusable Plastic Crates](#)



[Mastering FSMA 204 compliance: A strategic guide for food industry leaders](#)