



# Extended Producer Responsibility and Ecomodulation of Fees - Terms of Reference

## Terms of Reference

### Research

The Rethink Plastics Alliance (RPa) aims to further its research on Extended Producer Responsibility (EPR) with a particular emphasis on how Member State's can implement ambitious eco-modulation of fees and use EPR as a measure to enable waste prevention and a toxic free circular economy.

The key aim of the small study is to support the implementation of the European Commission's EPR Member State Guidance document - expected to be published in Q1 2021. At the national level it should help Member States to define how they will interpret the EU's guidance to implement eco-modulation of fees.

Key issues to be covered by the research include:

- Criteria to be covered by modulation according to specific sectors
- Size of the fees and modulation
- Costs which should be covered by the EPR system
- Use and allocation of the EPR revenues

The research should identify existing schemes and fee modulation that present best practices that can be emulated in other sectors and countries. The discussion on fee design and magnitude is currently lacking and this study can spur a debate, as well as supporting advocacy in the area of EPR.

The main deliverable will be a report of not more than 20 pages (as described below and excluding annexes) with analysis of modulation criteria, fee structure and magnitude of modulation for EPR schemes, as well as examples of schemes and concrete recommendations, which will be written in English and in a non-technical, clear and understandable way, using graphs, maps, infographics, concrete examples and other images where possible. The layout will be discussed between the consultant and RPa. The report is to be completed within 2 months after the study is commissioned, with a first draft after 1 month - see below for a detailed timeline.

### Background

The latest revision of Waste Framework Directive (2008/98/EC) foresees modulation of fees for EPR, based on products environmental performance, and requires the European Commission to prepare guidelines on the setting of modulation criteria, based on Article 8a(4) of the same Directive.

The publication of these guidelines is expected in January 2021. In preparation for this, the consultants hired by the Commission published a study in April 2020 with [recommendations for guidance on EPR schemes](#). The study focuses

on three main sectors: packaging, WEEE and batteries. In addition to the product groups covered by the study, we also consider the textile sector as a relevant one to be considered. This is because of the discussions on establishing EPR which are ongoing in relation to the development of an [EU textile strategy](#). The European Commission's commitment to issuing EPR guidelines alongside a growing number of Member State schemes implementing eco-modulation, suggest growing interest in how EPR tools can be designed.

Even though the Commission study touches upon modulation criteria, fees structure and magnitude of modulation, the research presented is limited in some aspects and further specific analysis is required. A key omission in the research is how EPR can enable waste prevention (extended life time, reusability, less hazardous contents), rather than just recycling.

As a study commissioned by Rethink Plastic alliance, it could be relevant to specifically point to how plastic material can be addressed through EPR modulation (even if the study should not be targeting plastic exclusively. For example single-use plastic waste prevention; design for reuse/refill, design for recycling; hazardous chemicals in plastics; microplastics release (textiles), recycled plastic content.

## The organisations

**Rethink Plastic** is an alliance of leading European NGOs, with thousands of active groups, supporters and citizens in every EU Member State. We bring together policy and technical expertise from a variety of relevant fields, and work with European policy-makers to design and deliver policy solutions for a future that is free from plastic pollution. We are part of the global Break Free From Plastic movement, along with over 1200 NGOs and millions of citizens worldwide. More information about the organisations to be found [here](#).

**The European Environmental Bureau (EEB)** is the largest network of environmental citizens' organisations in Europe. We have over 160 members in more than 35 countries. We stand for sustainable development, environmental justice and participatory democracy.

**Zero Waste Europe** is the European network of communities, local leaders, businesses, experts, and change agents working towards the same vision: phasing out waste from our society. We empower communities to redesign their relationship with resources, to adopt smarter lifestyles and sustainable consumption patterns, and to think circular.

**ECOS**, the European Environmental Citizen's Organisation for Standardisation is the only environmental organisation worldwide specialised in standardisation. We are an international network of members sharing a vision of a clean and healthy environment where people live in respect of the planet and its natural resources, preserving them for future generations.

## Objectives and description of work

The objectives of this study are to research, analyse and provide recommendations for the implementation of ecomodulation of fees in EPR systems in European countries to support waste prevention and the circular economy.

The modulation system should be compatible with the baseline condition that EPR fees should cover the costs of end of life, collection, proper treatment of waste and related communication to consumers and placers on the market (as well as clean-up costs for items covered under the Single-Use Plastics Directive). Otherwise said the modulation system should not degrade the cost recovery rate but create incentives or disincentives towards designing waste, toxicity and other externalities out of the targeted sectors. This means potentially going beyond the waste management stage to a more comprehensive life cycle thinking and more comprehensive extended producer responsibilities.

The study should aim to determine and recommend criteria to be covered by eco-modulation. Recommendations should move from the concept of design for recycling but rather to design waste out of production and to shift towards

product systems which enable waste prevention, lifetime extension, increased reusability and repairability, disclosure of chemicals found in products and the identification of sustainably sourced materials. Where relevant other criteria such as due diligence and transparency may be considered. Consequently, the purpose of fees should not be constrained to the recycling process, and recommendations should include the consideration of earmarking fees for reuse systems, deposit refund systems and to assist social economy actors in the repair sector, amongst others.

The study should complement and go beyond the Member State recommendation document which will be published by the European Commission this year.

The work should cover the following product groups: packaging and products covered under the Single Use Plastics Directive, WEEE, batteries and textiles. There should be a specific focus on the contribution of EPR to addressing plastic waste and pollution, though wider issues such as toxicity, repair and reuse should also be covered.

As stated above the key issues we are interested in are as follows:

- Which criteria should be covered by the eco-modulation of fees - this could include: weight, material, recyclability, repairability, reuse, eco-design, recycled contents,/sustainable sourcing, toxicity, information and transparency, amongst others. Should any be prioritised?
- What size of fees and modulation is necessary to bring about a change in behaviour? For example: what size of modulation can result in a change in product design, will expanding the number of criteria potentially dilute the signalling effect?
- What costs should be covered by the EPR fees collected? Moving beyond a focus on merely waste management (collection, sorting and treatment), how can full cost recovery be achieved, what other externalities are relevant through the value chain of each product group? E.g. littering and marine pollution in the case of packaging.
- How will the EPR fees collected be used or allocated? For example, should the fees be ear-marked for waste prevention or social economy activities to avoid a lock-in to business as usual. E.g. 5% earmarked for social economy actors in French EPR system.
- How to ensure a proper implementation and enforcement? For example, avoiding free riders (notably for online sales), registration and third party verification, governance and monitoring of the EPR schemes. How can transparency on the use of fees be ensured?

Recommendations should be sectoral with a special focus on plastics.

If resources allow, we are also interested in broader issues such as what happens to EPR fees when waste is traded, including outside of the EU. The study should clearly highlight and explain that a significant volume of waste is exported, especially in the textiles and electronics sectors.

The EPR study will also be used to facilitate the mobilisation of national members to highlight and address difficulties and concerns with EPR schemes, identify best practices in the field and promote the adoption of effective EPR initiatives.

## **Deliverables**

- Report covering recommendations for EPR modulation
- Executive summary with key recommendations
- 15 minutes presentation of key findings in a webinar organised by the EEB

Report length should be around 20 pages (excluding annexes) including a short executive summary. The report will be in English and should be non-technical, focused on fee and modulation criteria analysis and recommendations, clear and understandable by both policy makers and interested stakeholders.

We suggest covering each “issue” with at least two examples and making recommendations for all four sectors (Packaging, EEE, Batteries and Textiles). The majority of examples should address plastics, but not exclusively.

The findings of the report will be used by the **Rethink Plastic alliance** to contribute to common objectives.

## Proposals

Proposals for this project should not exceed 2 sides of A4 outlining your understanding of the task, your intentions for the project, the reasons why you are suitable for carrying out the study and a simple budget. CVs of the team carrying out the study should also be submitted separately.

The deadline for proposals is the 16th March.

All proposals should be submitted by email to: Blaine Camilleri [blaine.camilleri@eeb.org](mailto:blaine.camilleri@eeb.org) and Jean-Pierre Schweitzer [jean-pierre.schweitzer@eeb.org](mailto:jean-pierre.schweitzer@eeb.org)

## Budget

The budget set for this report is 15,000 euro (VAT included if applicable)

## Approach and timeline

While the approach is left to the contractor, it should at least encompass the following:

- A kick off meeting
- An open channel of communication with EEB to discuss pro actively any issue related to contents, timing and communication
- An intermediary milestone to suggest a report structure
- A advanced draft with a list of policy recommendations to be discussed before finalisation

We suggest the following timeline for the work:

- Publication of ToR: 26th Feb
- Deadline for proposals: 16th March
- Selection of consultant: 23rd March
- Start of work: 29th March
- Outline of report: 5th April
- First draft: 26th April
- Final draft: 17th May
- Webinar and presentation of results: Tbc.