

Embracing Reuse in U.S. Packaging EPR Programs

Playbook for a Best-in-Class PRO

A position paper by Sydney Harris & Elizabeth Balkan

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Introduction

Extended Producer Responsibility (EPR) can be an effective policy tool for mitigating the environmental impacts of products and packaging. Without EPR, producers bear no responsibility for the waste created by the products they make and profit from — their responsibility ends once their products enter the marketplace. EPR extends producers’ responsibility to the post-consumer management of their products and/or packaging — often requiring producers to pay for waste recovery and recycling.

While decades of precedence across Canada, Europe and elsewhere have demonstrated that EPR programs improve collection and recycling, their application toward waste prevention and reuse is a new and necessary frontier. These programs must begin emphasizing waste prevention and reuse over recycling if we wish to address the significant impacts of everyday packaged goods. Well-crafted EPR policies extend producers’ responsibility upstream — to ensure they design their products and packaging with the best environmental outcomes in mind. While these upstream design incentives and requirements are increasingly making their way into EPR legislation and programs, they have not yet delivered the product and packaging design changes needed at scale to live within our planetary boundaries.

EPR programs must begin emphasizing waste prevention and reuse over recycling if we wish to address the significant impacts of everyday packaged goods.

If EPR funding were truly aligned with the sustainable materials management hierarchy, the majority of program funds would be directed toward source reduction and reuse, while the leftovers would go to recycling any packages that couldn’t be reduced or reused. In reality, we continue to see a focus on recycling (and occasionally composting) in packaging EPR legislation, programs and discourse. In keeping with the 3Rs (Reduce, Reuse, Recycle), [EPR policies should prioritize reduction and reuse](#), shifting their overall focus from waste management to waste prevention. Taxpayers should not be on the hook to build reuse infrastructure, just as we should not be on the hook to fund recycling: both are systems to manage producers’ packaging.

The onset of packaging EPR programs in the United States is very new, with five laws enacted since 2021 and no programs yet operational. There is one producer responsibility organization (PRO) registered to date, Circular Action Alliance (CAA), and some state rulemaking processes are still underway. Now is the time to think strategically and holistically about the future of reuse in U.S. packaging EPR systems, while there is opportunity to shape them from the ground up. In this paper, we call for an ambitious, public commitment from CAA and any future U.S. packaging PROs to invest in reuse systems.

These investments should occur across all five newly-enacted packaging EPR programs as well as any new programs launched in the coming years, irrespective of state-specific legislation. No

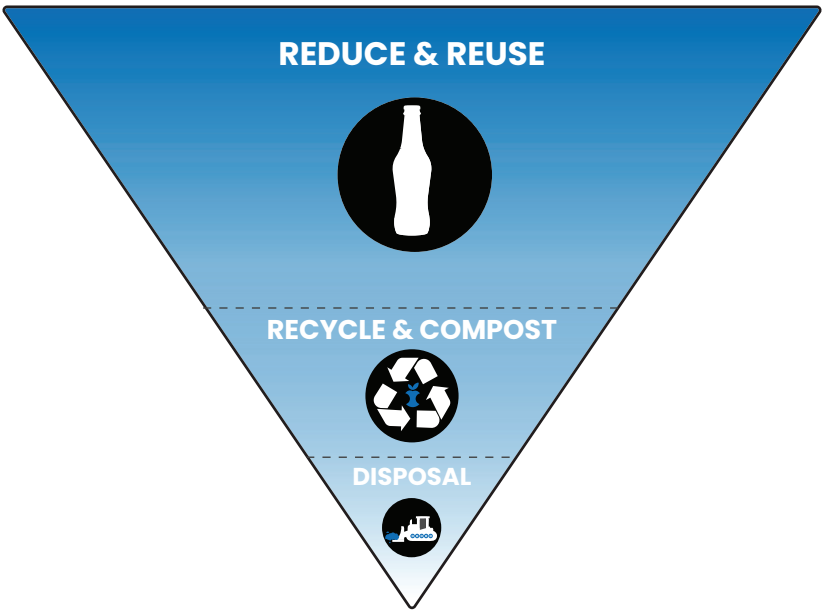
matter what a given statute specifies, a best-in-class packaging PRO will commit to developing reuse systems with its member brands.

A best-in-class PRO should employ four reuse strategies:

- 1. Adopt a long-term vision and set consistent program goals;
- 2. Offer incentives and technical assistance to producers choosing reuse;
- 3. Provide direct funding for reuse systems; and
- 4. Maintain transparency.

U.S. packaging PROs have many priorities while they work to stand up new programs. Fortunately, these strategies can be launched immediately — and they must be, if reuse is to be more than an afterthought for packaging EPR. However, they can also be expanded over time to allow flexibility while programs launch. Each of these strategies is also adaptable across distinct state legislative frameworks, meaning their adoption across programs will help streamline and harmonize compliance for producers. In every packaging EPR program enacted to date, reusable packaging offers advantages to producers. A best-in-class PRO will support its members in exploring and transitioning to advantageous reuse systems to achieve the best outcomes for their bottom lines and the planet.

Now is the time to think strategically and holistically about the future of reuse in U.S. packaging EPR systems, while there is opportunity to shape them from the ground up.



The Right Approach to Reuse in EPR: Beyond Food Service; Beyond Refill

Packaging EPR programs represent an unprecedented opportunity to scale packaging reduction and reuse beyond food service (think reusable cups at stadiums and coffee shops, or reusable take-out boxes) into the consumer packaged goods (CPG) sector. Similarly, EPR offers the structure necessary to embrace [returnable reusable packaging](#) rather than refill. In practical terms, this looks like the biggest consumer brands transitioning some of their everyday products into returnable reusables, collecting that packaging back, and reusing it again and again. As simple as this concept sounds, food service continues to be the default focus among policymakers, regulators, producers, advocates and other stakeholders

interested in reuse, and refill models continue to be the go-to approach for those who do extend their efforts to CPG packaging.

It's not surprising that the majority of EPR professionals remains focused on food service as a pathway to scaling reuse. The food service sector has been the primary focus of the reuse movement to date for good reason. Nearly [one trillion](#) single-use food service products are used each year in the United States. Single-use food service ware is something most of us interact with on a daily or weekly basis, so it is often the first thing we think of when prompted to consider single-use packaging. The [potential benefits](#) of reuse in food service are tremendous: In a scenario where 100% of foodservice establishments transitioned to reusable foodware in major urban areas of the U.S., 86% of disposables — and a corresponding 17 billion pieces of litter — could be

avoided, creating 193,000 jobs and saving \$5 billion for food service businesses. It follows that reducing waste in the food service sector is the subject of the vast [majority of existing reuse laws in the U.S. and Canada](#). Reuse in food service is a crucial component of the future reuse economy and can offer a needed stepping-stone for a PRO seeking to build reuse into its programming. But opportunities for [reuse beyond food service](#) abound and offer even greater potential for impact.

The beverage sector was one of the earliest adopters of reuse at scale and continues to lead the market globally in the number of reusables sold. Today, more beverage container reuse systems operate at scale than all other open reuse systems (such as reuse for take-out/delivery or bulk sales of dry goods). As early as the late 1800s, beer, soda and dairy companies created the original mass-market deposit-return systems to get their bottles back for washing and recirculation. The distribution and wash hubs they built allowed virtually all commercial beverages in the U.S. to be sold in reusable bottles. Around the world, beverage companies have continued to operate and expand their reusables lines, and interest in beverage container reuse has been reignited in the U.S.

The transport packaging sector (both business-to-business and business-to-consumer) has proven to be an early adopter of reuse. Their sturdiness and potential for tracking with Radio Frequency Identification (RFID) means reusable crates offer less product damage, easier product handling, and optimisation of inventory management, which in turn saves companies money. In the U.S. and Europe, an estimated 25% of all road-based freight trips are taken by empty vehicles, and only 60% of space is utilized in the average “full” vehicle, resulting in a load factor of under 50%.¹ The high cost of space in urban centers is forcing distribution centers farther out, creating traffic and inefficiencies. A 10–30% load efficiency gain would be worth \$100–300 billion a year.² To date, business-to-business reusable shipping applications have been quicker to scale, but direct-to-consumer reusable transport packaging is also increasingly available.

Entire categories of consumer packaged goods, from groceries to personal care products to cleaning supplies, could be sold in returnable reusable packaging without requiring any behavior change on the part of consumers. Rather than an empty shampoo bottle being collected at the curb for recycling, [the very same bottle](#) could be collected in the very same system, then returned to the brand for reuse. There are currently multiple pilots underway investigating the feasibility of commingled reusable and recyclable packaging collection in the US and Canada, and similar systems are being launched in Europe.

Many major CPG brands have piloted reusable packaging systems at this point, and many grocers and large retailers have experimented with everything from reusable shopping bags to refill stations. For the CPG and retail sectors, the barrier isn't feasibility — it's scale. The central question is how to move from small, disaggregated pilots to an interoperable system that works across brands and retailers.

One of the unique challenges to reuse in the CPG sector is that unlike in the dining and beverage sectors, most CPG packaging on the market today was never designed for reuse. Another challenge to expanding reusables beyond food service is that reuse systems may not reach cost parity with disposable packaging until they are fully scaled.³ This is precisely why EPR programs should invest in scaling reuse. Reuse cannot be scaled without infrastructure, and thus reusable packaging faces the quintessential chicken-and-egg conundrum: to achieve economic and environmental break-even points, reusable packaging systems must operate at scale; yet reusables can't circulate at scale until consumer brands adopt them statewide, regionally, or nationally, which they don't want to do until break-even points can be reached. Building reuse systems requires an upfront investment before the environmental and economic payoffs can be realized.

Each producer developing its own reuse system would be inefficient and very costly. It is also unnecessary, as the infrastructure required for a scaled reuse system is largely the same across product types and materials — all reusables

Returnable reusable milk bottles on the market in Maine.



must be collected, transported, and cleaned. The quickest and most efficient pathway to scaled reuse is through shared infrastructure, but producers have no incentive to build and share infrastructure with their competitors. One of the very best ways to break through these barriers is by pooling producer funds within an EPR program to establish a shared responsibility and infrastructure for reusable packaging.

Oversight of these funds by a government body — as is always the case in an EPR scheme — can also ensure there are social and community benefits to the reuse infrastructure that gets developed (for instance, allowing small reuse providers to share the same wash facility or collection system offered by the EPR scheme, or exempting local businesses), even further optimizing efficiencies and beneficial outcomes.



A best-in-class PRO working to scale reuse should set its sights on whole categories of consumer goods currently sold in single-use packaging (for example, hand soap, cereal, pet food, etc. The number of categories can be adjusted when program reporting requirements kick in, making clear data available). Over time, the PRO should work to assist all brands within each chosen category in converting to standardized reusable packaging at all retail and online points of sale in each state.⁴ By converting all brands within a given category, no producers have to be the first to take a risk by investing in reuse. Fears about consumers fleeing to a new brand (despite [a growing body of research](#) demonstrating that consumers want reusables) are allayed when reusable packaging is the default format across brands for a given product.

Packaging EPR programs that achieve optimized reuse systems will also require an emphasis on [returnable packaging over refillables](#). Refill models require continuous purchasing on the part of consumers, usually continuing to rely to some degree on single-use packaging for refills (think online subscription models that ship refills or concentrated tablets in sachets to customers who purchase a refillable container). These systems ask more of consumers in terms of behavior change than returnable packaging and present a greater challenge for measuring waste reduction and refill rates. They also present greater challenges in retail settings because they require specialized shelf and aisle space and can be messy, making widespread adoption more difficult.

Returnable reusables more closely map to current patterns of consumption and sales because they can mimic single-use packaging, taking most of the work and behavior change away from consumers and paving the pathway for more seamless adoption. They also involve industrial cleaning rather than at-home cleaning, which alleviates health-code concerns. Since returnables can fully replace disposable packaging, they provide greater assurance of waste prevention and will therefore provide producers with the quickest pathway to compliance with EPR goals.

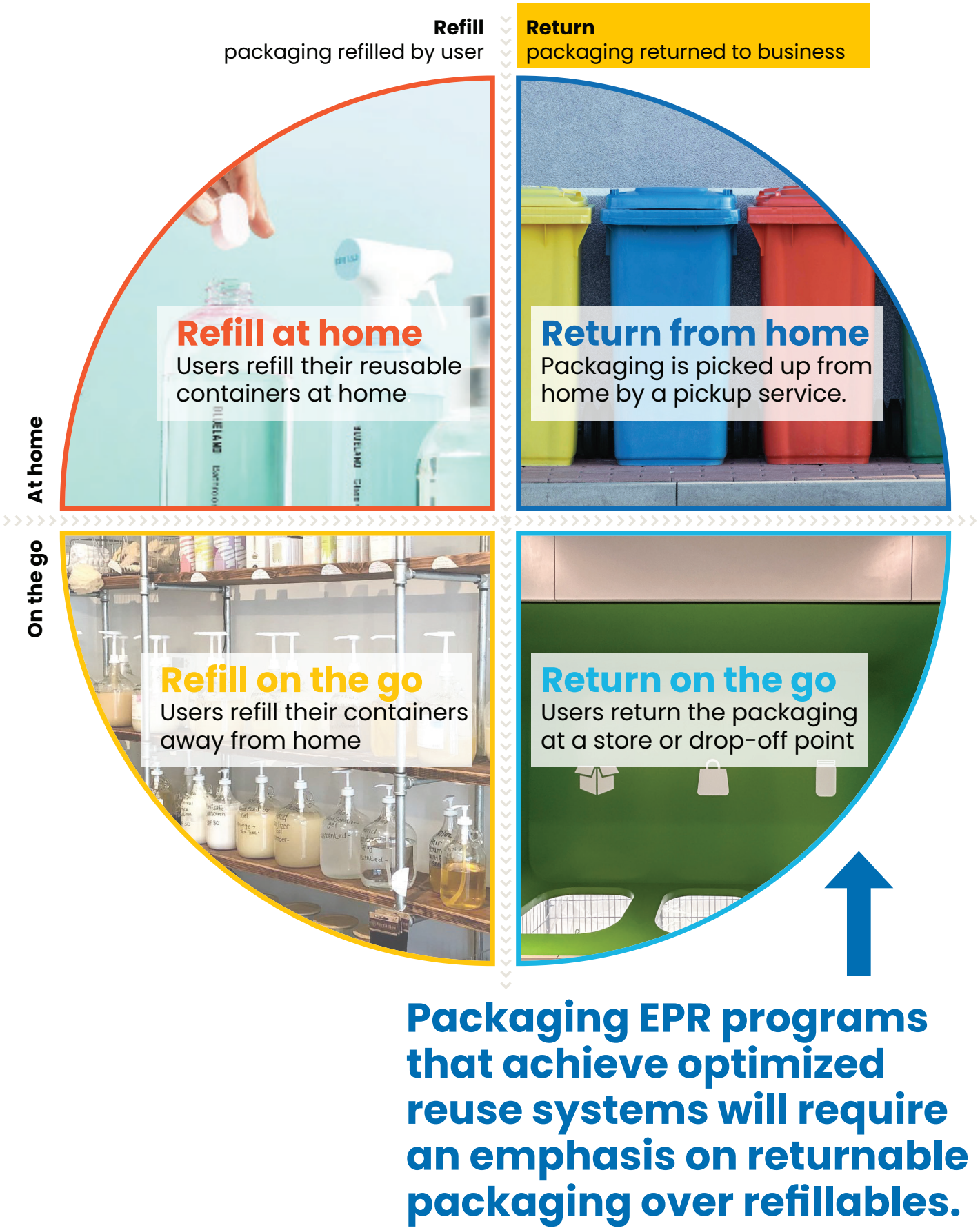
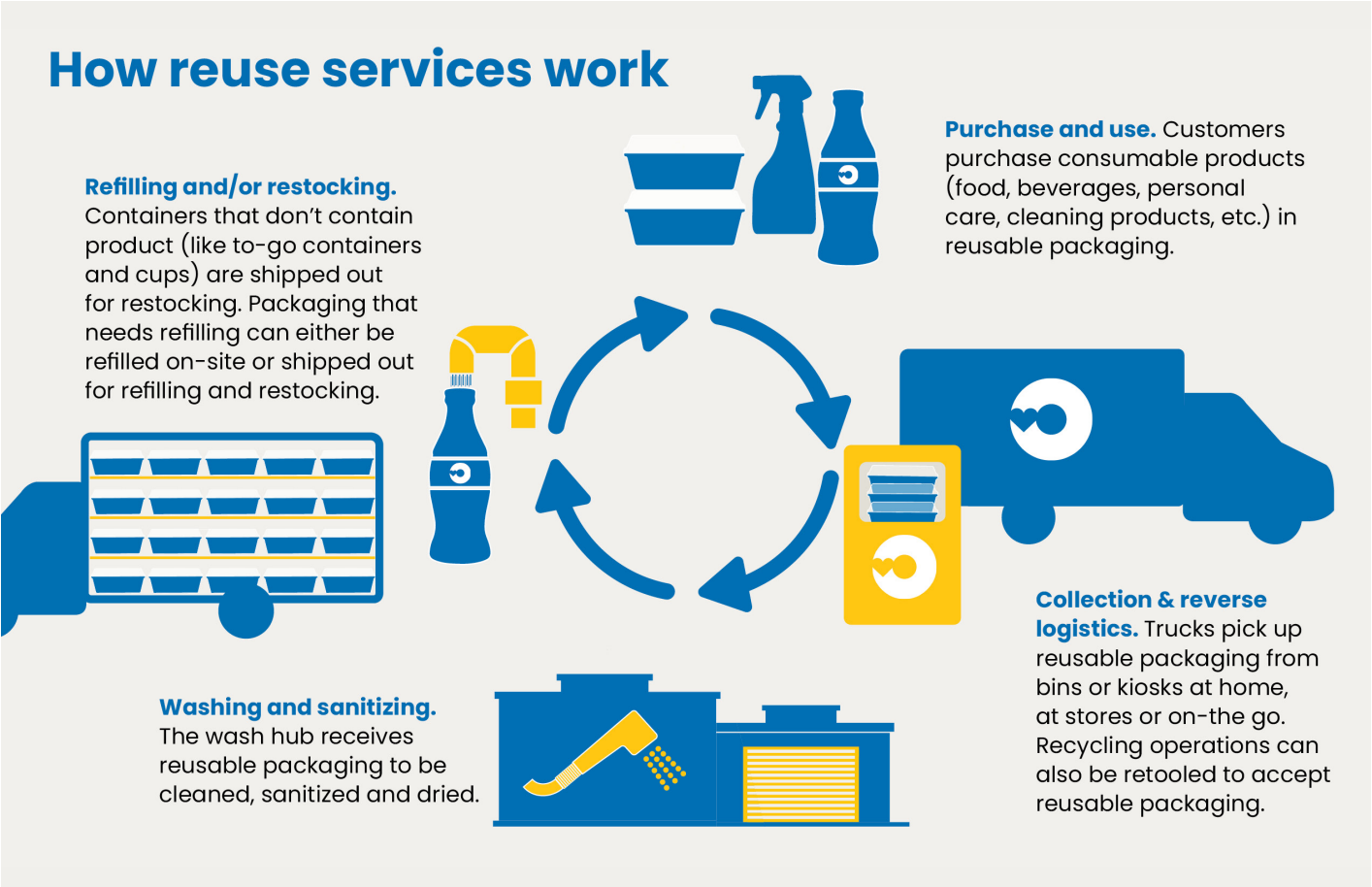


diagram concept courtesy of Ellen McArthur Foundation

In a functioning, scaled, interoperable EPR reuse system, the PRO will contract with one or more service providers to construct regionalized wash facilities with equipment to accommodate all chosen categories of reusable packaging, and with room to expand. The PRO will also contract with one or more service providers to collect empty reusable packaging, leveraging existing recycling and deposit return infrastructure wherever possible, as well as partnering with willing retail locations. Where there are not enough collection points, participating retailers, or convenient recycling collection programs, the PRO will fund the build-out of collection options, harmonizing with any necessary build-out of recycling infrastructure wherever possible. Once reuse systems are functioning well across the chosen product categories, additional categories can be incorporated into each program so that the market share of reusable packaging continues to grow over time.

Achieving this outcome will take time, but the vision must be embraced for progress to occur. Adopting this vision — and publicly setting measurable goals to achieve it — is the first step to success for a packaging PRO embracing reuse. Once consistent reuse goals are set across all EPR programs, the PRO can take steps to achieve them by supporting its member producers through incentives, technical assistance, and funding.



The Reuse Playbook for PROs: Four Strategies for Reuse in EPR

STEP 1: Adopting a Long-Term Vision and Setting Consistent Program Goals

A best-in-class PRO should set ambitious, time-bound, measurable targets to achieve its reuse vision across all packaging EPR jurisdictions.

Reuse targets should include an overall percentage of covered materials converted to reuse as well as an average return rate for each type of reusable packaging. While individual statutory requirements differ from state to state, a best-in-class PRO will set consistent targets across all jurisdictions to achieve ambitious reuse outcomes within each program plan, working toward continuous improvement over time. Setting one goal across programs will enhance consistency while ensuring compliance in all states. For example, a minimum of 4% conversion to reuse from plastic packaging is required in California by 2032, while a target of 15% covered materials managed for reuse by 2030 is established in Maine’s regulations. A PRO target of 15% covered materials converted to or sold in reusables by 2030, with at least 5% representing conversion of single-use plastic packaging to reusable formats, will support compliance with both laws.

Suggested targets for reuse include:

Reuse rate/market share: The overall share of reusable packaging placed on the market, relative to single-use packaging. California, Maine, and Minnesota have established (or will establish) reuse rate program targets.

Return rate: Return rates are key to effective reuse systems. Systems should ultimately reach an average annual return rate of at least 90% to achieve lasting environmental and economic benefits. It will likely take several years to achieve a high return rate, but a target will help ensure this outcome is reached. Minnesota’s packaging EPR law requires both the Commissioner of the Minnesota Pollution Control Agency and the PRO to set distinct return rates for reusable packaging, so an overarching return rate target will help ensure compliance here while providing consistency across programs.

Reduction of single-use packaging and packaging waste: One of the best ways to account for the benefits of reusable packaging systems is to calculate corresponding reductions in the overall use of single-use packaging, as well as reductions in packaging waste — including packaging in the disposal, composting, and recycling streams. California, Maine, and Minnesota have established (or will establish) source reduction targets as measurable program outcomes.

Refill as Source Reduction

We recommend considering refill models as a strategy for achieving source reduction targets, while counting return models toward an overarching reuse target. This aligns with definitions of reusable packaging set in Maine and Minnesota, which explicitly establish refill as a source reduction technique while separately defining reuse as a returnable packaging system. Establishing consistency across all programs with this approach will reduce confusion among producers and simplify tracking and reporting for the PRO.

STEP 2: Offering Incentives and Technical Assistance

A best-in-class PRO should incentivize reusables and support its member producers in exploring and transitioning to reuse. The PRO must be a leader, showing its members the surest pathway to compliance and shepherding them through best practices to achieve program goals. Adopting a reuse vision, setting reuse targets and offering incentives and support to producers interested in reuse all serve to normalize reuse — an important step toward establishing a reuse economy. If companies are interested in reusable packaging but don’t know what steps to take, a best-in-class PRO offers them guidance and trusted resources and connects them to a community of practice. If companies are overwhelmed by participation in new packaging EPR programs, a best-in-class PRO shows them exactly how to achieve the lowest possible fees — especially by considering reusable packaging. If companies are skeptical about reuse, a best-in-class PRO provides them with insights and encouragement — as well as financial incentives — to challenge their misconceptions. A best-in-class PRO is not timid, especially when their status as the sole option for most producers for the next decade is secured in multiple states. Offering a clear path forward that is harmonized across programs and emphasizes reuse as a strategy to reduce overall costs will instill confidence in member producers as well as ensure the best program outcomes.

A best-in-class PRO is not timid, especially when their status as the sole option for most producers for the next decade is secured in multiple states.

A PRO has three strategies available for strong reuse leadership and should employ all of them simultaneously for best results:

One: Incentivizing reuse through program fees

The PRO is ultimately responsible for setting a fee structure for producers each year to fund EPR program activities. While there are increasingly specific guidelines in legislation and regulations that clarify what this structure must ultimately achieve, the PRO sets the actual fees. It therefore falls to a best-in-class PRO to ensure that reusable packaging and foodware are incentivized compared to single-use alternatives. The goal is to make reuse more attractive to producers and encourage them to choose reusables for their products. A successful fee structure should:

- Charge reusable packaging only once, upon first market entry. This is set in base fees.
- Incentivize reusables via eco-modulation factors, ensuring that when producers do put reusables on the market, their fees are lower than single-use alternatives.

Reusables as covered materials: To charge EPR fees on reusable packaging, reusables must be covered materials under an EPR scheme. The packaging EPR statutes in both California and Colorado exempted reusables, which means realistically CAA cannot charge these materials fees at all. Upstream does not recommend this approach for future legislation – it is best practice to include reusables as covered materials under an EPR scheme, while making sure the fees they do pay will ultimately serve as incentives for producers to choose reuse, as described above. One of the key reasons for this is that the PRO will lack leverage to collect valuable data on the performance of reuse systems if reusables are exempt from the program because producers will not be obligated to report on their reusables.

However, there are ways to incentivize producers as they transition toward reusable packaging that can also help bring additional data into the program – see Step 4 for considerations on voluntary reporting levers where reusables have been exempt.

Setting producer fees on reusables: To truly incentivize producers to transition from single-use to reusable packaging formats, the overall costs to introduce single-use packaging onto the market must exceed the costs to introduce reusable packaging. In the current status quo economy, most single-use packaging is heavily subsidized, making the comparative costs of introducing reusable packaging unappealing for the average company. Eco-modulated fees are an opportunity to correct this market failure by internalizing the full negative externalities of single-use packaging into program fees.⁵

It should be acknowledged that this type of approach requires more granularity in the fee-setting methodology than most packaging EPR programs use. Fees would need to be set on specific packaging formats, rather than simply on broad material-based categories. However, increasing specificity is required of eco-modulated fee schemes across EPR programs, so we expect to see this approach utilized more thoroughly as U.S. programs mature. At the very least, both Minnesota and Oregon require base fees to be set in such a way that reusable packaging is only charged once. A best-in-class PRO will establish this framework as the default across base fees in all states where reusables are covered, keeping compliance simple for members and maintaining strong incentives for reuse.

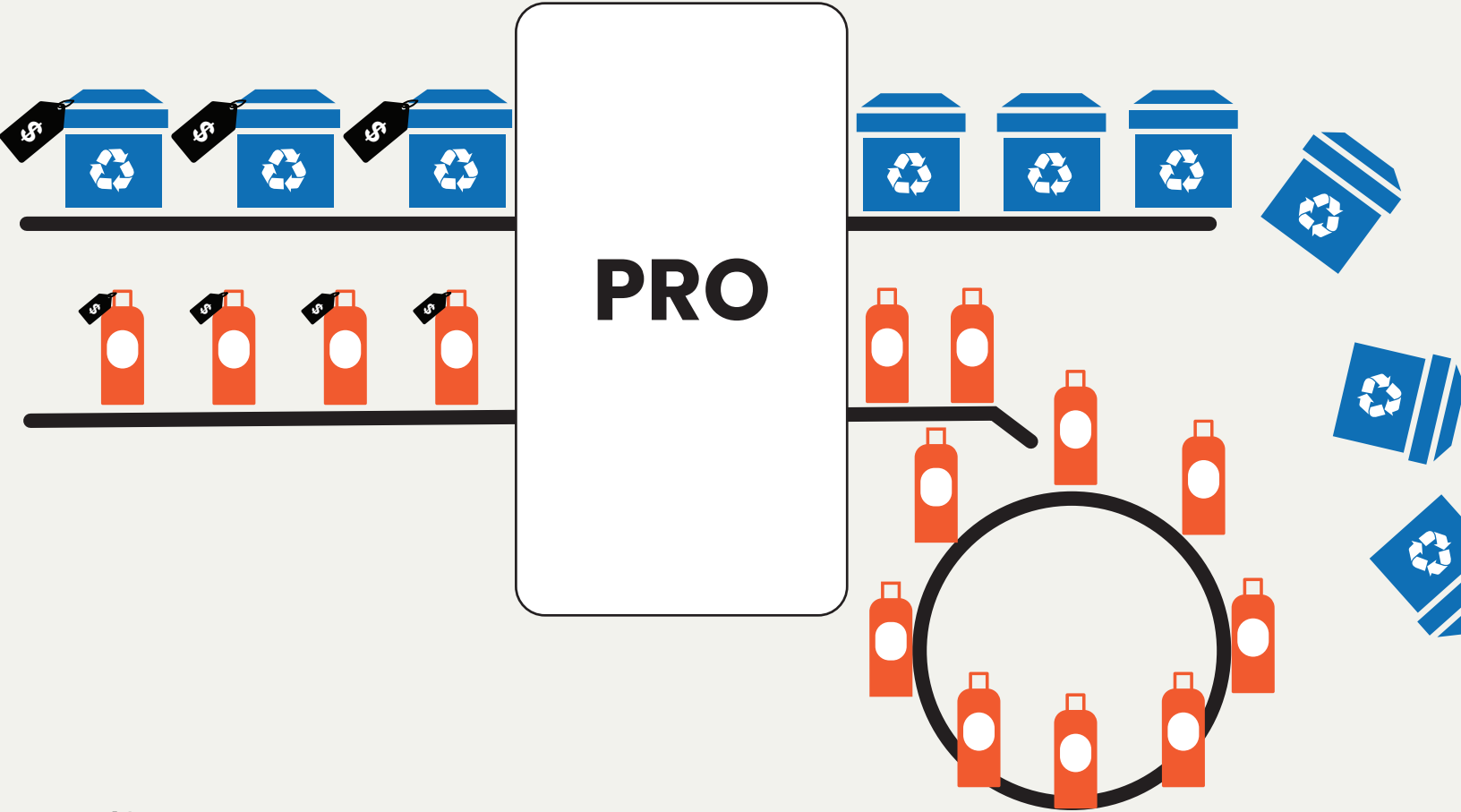
Two: Actively promote reuse among member producers

Once the PRO has set its fee structure, it should actively promote reuse among its members to help them optimize their packaging and achieve the lowest possible fees. Organizing informational sessions, webinars, and even study tours will help producers see the potential benefits of reuse, answer their questions about use of the shared infrastructure, and encourage them to choose reusables. Establishing a community of practice among member producers in coordination with existing trade associations and multi-stakeholder forums will help ensure all obligated producers have access to the latest best practices, resources and ideas while reinforcing the overall vision and goals set by the PRO.

Three: Provide technical assistance

Producers interested in transitioning their packaging and service ware to reuse should be provided with technical assistance, including a dedicated staff member in each state to serve as their primary point of contact and source of support. Producers wishing to lower their fees and decrease their environmental footprint by transitioning to reuse should expect that they can contact their PRO for assistance. A best-in-class PRO should dedicate at least one full-time staff member, and ideally a full team, in each state to serve as this initial point of contact for producers, answering their questions or connecting them with reuse experts outside the organization who can help. Once the PRO has built an interoperable reuse system (see Step 3), this staff member or team should help producers plug into the system as they transition to reusable packaging and foodware. The PRO’s team could also assist reuse service companies by providing them with access to the program’s infrastructure and helping them understand the needs of producers when shifting to reuse.

A successful fee structure should charge reusable packaging only once, upon first market entry, and incentivize reusables via eco-modulation factors, ensuring that when producers do put reusables on the market, their fees are lower than single-use alternatives.



STEP 3: Funding Reuse Systems

To achieve the ultimate vision of a scaled system for returnable reusable packaging with shared, interoperable infrastructure across entire EPR jurisdictions, the PRO will have to lean in and build it. **A best-in-class PRO must therefore dedicate a significant portion of its budget to developing and maintaining reuse systems every year.** Initially, much of this funding will be used to hire dedicated reuse staffers, ensure strong incentives are set within base and eco-modulated program fees, and support robust research as needed to set program goals.

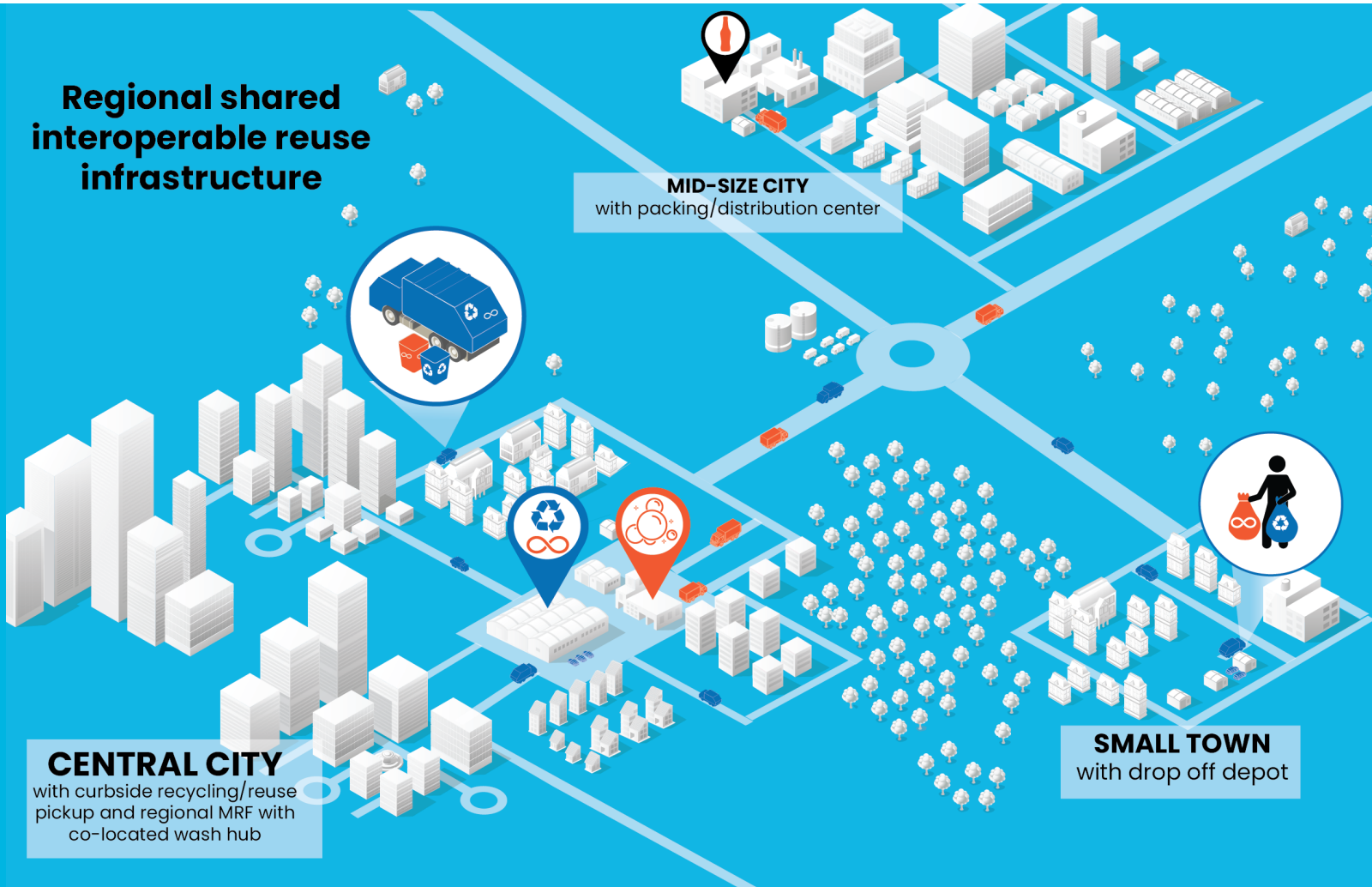
Once these first steps are complete, the best use of the reuse budget is to begin establishing a shared, interoperable reuse infrastructure across the entire jurisdiction — including collection points, transportation systems, sorting and processing facilities, and wash hubs. This will be most

costly upfront, but will of course require ongoing funds to maintain. A best-in-class PRO will first look to [existing reuse providers](#) in each state and consider whether they can accommodate covered materials (or the transition of covered materials to exempt reusables). Any gaps in existing infrastructure that could enable broader participation in a shared reuse system among producers should be the next targets for reuse funding.

Note: It is likely that existing providers will primarily accommodate food service items. This is perfectly acceptable as long as the ultimate goal of expanding to full categories of consumer packaged goods remains intact.

[Deposit Return Systems](#) (or DRS) can also fund **national- or state-scale infrastructure for reuse**, and these two policies (EPR & DRS) should be advanced together, as they complement one another and will lead to a better overall outcome when combined. Wherever DRS is in place alongside packaging EPR — for now, California, Maine and Oregon — existing DRS

infrastructure should be leveraged to the greatest extent possible for reuse systems.⁶ Bottle depots are perfect redemption locations for reusable packaging, especially if they are furnished with technology that enables containers to be collected intact (rather than crushed).



Leveraging existing DRS infrastructure for reuse systems: a reverse vending machine that accepts reusable packaging (L), a bag drop program for bottle return collecting reusables (top R), a bottle depot with a set-aside place for reusables of all shapes & sizes (bottom R).

How France’s packaging EPR scheme funds reuse

When France passed its [Waste Prevention Law](#) in 2019, it introduced reuse targets previously unknown at the federal or EU level. This includes a mandate for 5% reusable packaging by 2023 and 10% by 2027, as well as a 20% single-use packaging reduction requirement by 2025, half of which must be achieved through reuse. They also require any packaging PROs to allocate at least 5% of their annual budgets to developing reuse systems.

France’s packaging PRO, CITEO, is working to comply with these requirements. CITEO has committed 5% of its budget — equally allocated across participating companies and packaging material types – to a Solidarity Reuse Fund dedicated to financing reuse and supporting reuse activities conducted by social enterprises.⁷ In 2023 alone, this amounted to more than \$50 million.⁸ Already, there has been significant progress in the development and expansion of reuse solutions in France because of the high bar CITEO has set. Beginning in May 2025, CITEO intends to launch the first phase of a returnable reusable packaging system in large retailers throughout four regions in Western France, reaching a projected 16 million customers as a first step toward a nation-wide reuse system.



CITEO’s [vision of standardized reusable packaging formats](#).

In 2023, CITEO brought together more than 200 organizations to imagine a food and beverage packaging reuse system that could be deployed on a national scale (see below). The upcoming regional activation phase will put their shared vision, which includes over 30 million units of open-source, standardized “R-Coeur” packaging across several formats, to the test. A single service provider will be selected by CITEO to streamline collection, transport, washing and redistribution for all participating manufacturers, distributors, and operators in the region.

What would a national and optimized system look like in the long term?

- 2 billion reusable packages, including 67% standard;
 - 7000 collection machines and 18,000 manual recovery devices;
 - Strong adoption of reuse by citizen consumers which would make it possible
- to obtain a return rate of 95% of reusable packaging;
 - 26 washing centers throughout France;
 - A collection system optimized by a mix of dedicated rounds and mass trips between collection points and sorting and washing centers.

STEP 4: Maintaining Transparency

Reporting and transparency are crucial to maintaining the public’s trust and continuously improving program outcomes. Producers should report on the number or percentage of products they place onto the market in returnable and refillable packaging each year, and this number should increase over time in line with public goals and commitments. The PRO should also report on average return and refill rates for reusable packaging and foodware, which again should increase over time in line with public commitments.

How to report on reuse when reusables are exempt? There may not always be a statutory requirement to report all of the member brands with reusables on the market, or each reusable packaging offering in the state, but these would go a long way toward boosting public trust. Even in jurisdictions where reusables are exempt, there are options for the PRO to request and encourage reporting from producers. First of all, a given producer will need to provide evidence of its qualifications for exemption to the PRO and/or the state oversight agency. This information should be requested regularly, such as on an annual basis, to prevent compliance loopholes. Making this information public will ensure the greatest possible transparency and public trust in the program. Second, reusables are covered materials in Oregon, Minnesota and Maine. Even reporting across these three states on progress toward both overarching and state-specific reuse goals will go a long way toward building and nurturing trust among regulators and the public. Offering incentives, such as access to exclusive content, connections, and resources, may help persuade companies to voluntarily report additional data, even in states where they are exempt. One option a PRO might consider is providing discounted fees to member producers for their non-exempt packaging if they have exempt reusables on the market as well – this could encourage additional reporting on the part of producers to secure discounted fees.



Learning from Europe

In 2018, the European Commission amended EU EPR requirements in a measure called [Article 8\(A\)](#) to address regulatory inconsistencies across member states and create a level playing field for EPR systems operating across Europe. This measure was written to ensure:

- Producers pay no more than is necessary for a cost-effective service;
- All producers are treated fairly, with a particular emphasis on ensuring that smaller producers receive equal treatment; and
- Eco-modulated fees (financial incentives for improved product design) are applied effectively.

Article 8(A) established key transparency and reporting requirements across European EPR programs, including that PROs must ensure a reporting system is in place **“to gather data on the products placed on the market [and] on the collection and treatment of waste resulting from those products.”** PROs must specify, as appropriate, waste material flows and any other data needed to support the tracking of progress toward waste management targets, set in line with the waste hierarchy.

The Article also requires producers or their PROs to conduct regular independent audits, where relevant, that appraise their financial management and regulatory compliance under each EPR program and assess the quality of data collected and reported. **PROs must publicly report on their progress toward waste management targets, their ownership and membership, the financial contributions paid by producers per unit sold or per ton of product placed on the market, and selection procedures for waste management operators (service providers).**

Article 8(A) also requires producer fees to sufficiently cover the costs to the PRO of gathering and reporting on program data.



A Vision for Success: Opportunities by State

With five packaging EPR laws on the books in the U.S. and more likely to be enacted soon, it is time to think systematically about an effective path forward for reuse. Some of the best-in-class PRO actions outlined above will need to be adapted to each state’s conditions, while others apply universally and are intended to harmonize program planning across states, such as an overarching reuse target and dedicated reuse support staff.

Incentives: Some state-by-state adaptation will be needed to incentivize reusables through program fees. In Minnesota and Oregon, statutes explicitly require the PRO to charge reusables only once. On the other hand, reusables are fully exempt from program fees in California and Colorado, yet these statutes also require the PRO to ensure that eco-modulation factors incentivize reuse. In these situations, a best-in-class PRO should be creative with program fees to ensure the strongest possible incentives, such as by lowering fees for any producers in the process of transitioning to reuse, or even offering a small credit on non-reusable products to brands with other high-performing reusables on the market, as mentioned above. Maine’s program will encourage producers to channel reusable packaging through “Alternative Collection Programs,” which will then be able to set their own fees and operate independently from the Stewardship Organization (Maine’s version of a PRO). However, for any reusables not channeled through an Alternative Collection Program, Maine’s SO should ensure fees are only charged once and are lower than those for single-use alternatives to align as closely as possible with Minnesota and Oregon.

Funding: Similarly, while we strongly suggest that a best-in-class PRO dedicates a consistent, significant portion of its annual budget to reuse across states, variation across each of the programs enacted to date presents opportunities to experiment and explore for the first phase of each program, then apply learnings and best practices to all states as the programs grow.

Colorado

Colorado presents two excellent opportunities for exploration of scaled reuse systems. First, there is no DRS in place, which means beverages — one of the sectors most primed for conversion to a reusable packaging system — are covered under the EPR program. Second, Colorado has very little recycling infrastructure already in place compared to the other four states that have enacted packaging EPR to date. These factors make Colorado a prime location to focus on integrating reusable packaging collection and processing into the recycling system from the ground up, as the program funds the buildout of brand new infrastructure across most of the state. The state’s existing concentration of beverage brands and their distribution infrastructure, combined with the statute’s coverage of beverages, makes the beverage sector a great place to start when seeking categories of consumer goods to support in a conversion to reuse.

California

In California, CAA should determine a portion of its overall operating budget that will be necessary to invest in statewide reusable packaging systems to meet the statutory reuse target. Approaching the state’s relatively large cohort of reuse providers, practitioners, coalitions and municipalities experienced in administering local reuse policies to determine which of their programs already serve obligated producers and which could be adapted or retrofitted to support producers transitioning to reusables will help identify easy entry points for initial reuse expansion. These are likely to be focused in food service to start, but investments should be made with an eye toward expansion to the full CPG sector. The PRO should work with the state’s existing CRV system (California’s version of a DRS) as well as existing

municipal recycling infrastructure to create system-wide efficiencies for collection and sorting of reusable and recyclable packaging under both laws. Given the immense geographic variation across the state, CAA should consider phasing in reuse programs region by region, similar to CITEO’s plans in France.

Minnesota

In Minnesota, as in California, the PRO will need to determine a portion of its overall operating budget that is needed to invest in reusable packaging systems that can meet the program’s reuse targets, which will be set statewide by the Commissioner of MPCA as well as in the program plan. Minnesota’s program also requires return rate targets for reusable packaging, so this is a great place to focus on and experiment with the best possible models for optimized reuse, which can then be used to inform programs in other states.

Combined approach: CA & MN

A best-in-class PRO or pair of PROs operating across California and Minnesota should consider a combined approach for these two states. In each state, the PRO should phase in a scaled reuse system region-by-region, focusing on how to optimize for the highest possible return rates across different models and product categories, and leveraging existing recycling infrastructure and in-state reuse expertise. The PRO/s should then compare learnings across the two states and identify how these may be applied to other programs.

Oregon

In Oregon, funds for reuse are already set aside in the form of the [MIRROR fund](#), a state-administered grant program. However, nothing prohibits CAA from dedicating additional funds to reuse that are more focused on its member producers. CAA is also free to apply for some of the MIRROR funds on behalf of its members for the purposes of co-designing and building out a shared reuse system with standardized packaging. There is also an opportunity to coordinate with the Oregon Beverage Recycling Cooperative (OBRC) to build

upon their existing, small-scale reusable beverage container program and take-back infrastructure as part of Oregon’s DRS. CAA could even contract with OBRC to enable take-back of other forms of reusable packaging alongside DRS containers at redemption locations in the state.

Maine

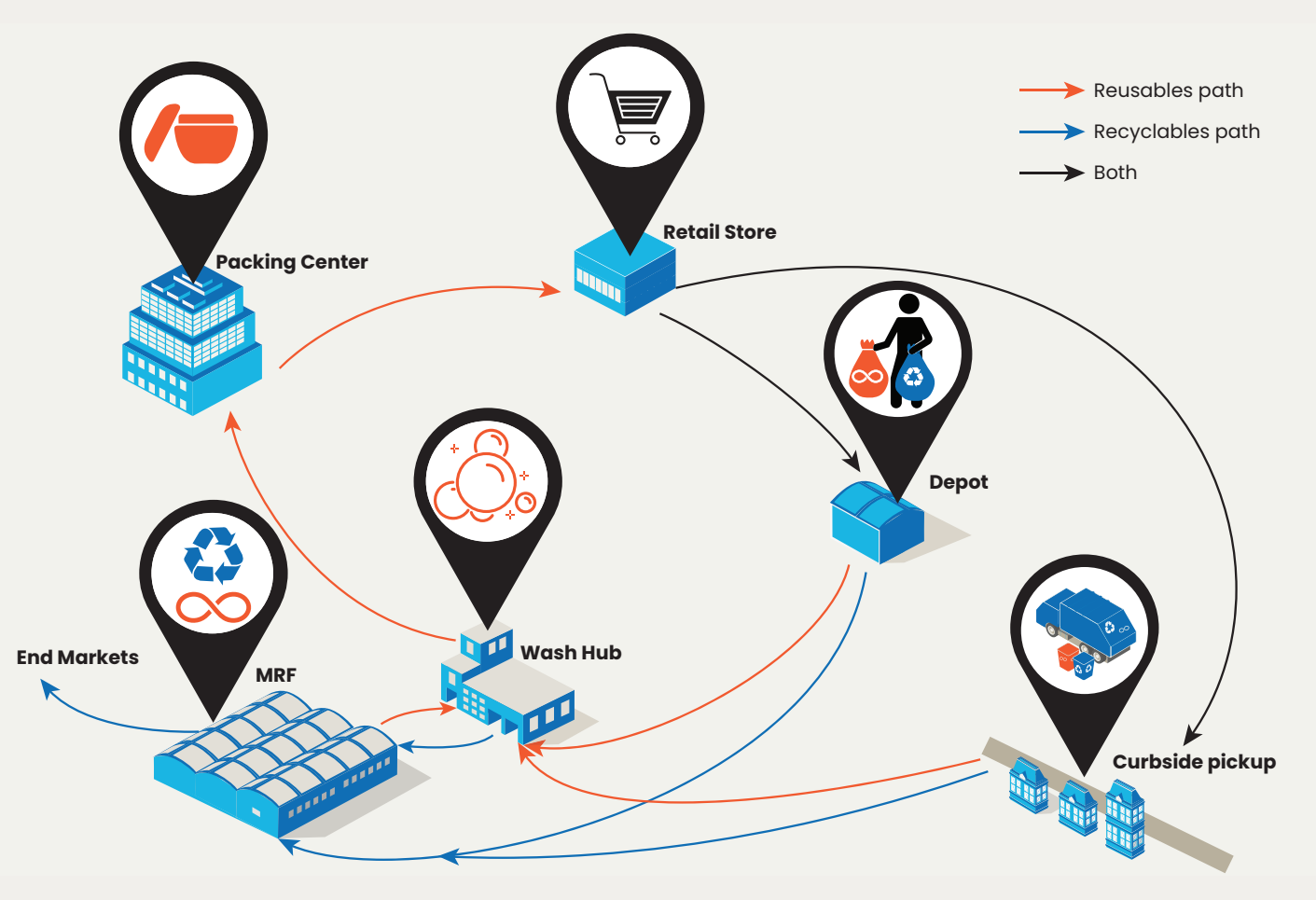
In Maine, investments into reuse systems can occur via two pathways.

First, the SO can submit a proposal to ME DEP to make investments necessary to meet Maine’s reuse targets, set in the newly-adopted program regulations. There is a great opportunity to leverage additional funds available through Maine’s updated DRS statute for the beverage sector. Ideally the SO and the newly formed beverage distributor cooperative will work together – perhaps with the SO matching annual DRS funds to start – to build a system that can accommodate reusable packaging including and going beyond beverage containers, so that producers under both programs can take advantage of the same system statewide.

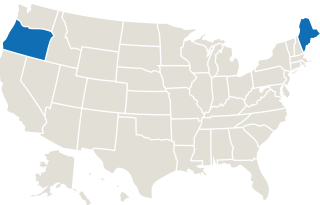
Alternatively, producers can form an independent group and/or individually apply to collect reusable packaging through an alternative collection system. This will have the advantage of avoiding fee payments to the SO, but may not as easily promote robust technical assistance and coordination across brands. An independent producer or group of producers can still work with the newly formed beverage cooperative to leverage the new reuse funds.

Combined approach: ME & OR

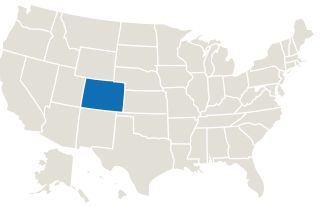
As with California and Minnesota, a combined approach is possible for one or more PROs serving Maine and Oregon. With these two states boasting the highest performing DRSs in the U.S., they offer an ideal opportunity to identify a model for cooperation between high-functioning DRS and EPR programs that accelerates reuse in the beverage sector and beyond. Compare learnings between the two states.



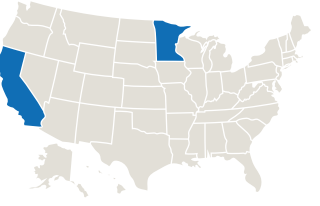
In every program, reuse equals opportunity.



In **Maine** and **Oregon**, leverage the two highest-performing Deposit-Return Systems in the U.S. to collect reusables.



In **Colorado**, integrate reusable packaging collection and processing into the recycling system during buildout; focus on the beverage sector.



In **California** and **Minnesota**, phase in scaled reuse region-by-region, and optimize for high return rates.

Conclusions

Each of the five U.S. packaging EPR laws enacted to date offers an opportunity to scale reusable packaging systems. While all five statutes are distinct (see Table 1), learnings across the programs are beginning to emerge as rulemaking processes conclude and the first stages of program implementation begin.

It is ideal to include reusable packaging as a covered material, rather than offer reusables an exemption, because this gives the PRO and regulators more visibility into reuse data and more leverage to incentivize reusables. Base fees should be set such that reusable packaging items pay only once, upon first market entry, to incentivize the highest possible return rates. Eco-modulation incentives should be layered onto base fees such that reusables always pay less than single-use packaging, so producers are encouraged to transition to reuse.

It is best for packaging EPR laws to set statutory or regulatory program targets for the overall market share of reusables as well as associated return rates to ensure they are repeatedly reused. Targets should differentiate between returnable and refillable packaging, with a strong emphasis on returnables. Refillable packaging should be credited toward source reduction goals.

Ideally, a packaging EPR law and its regulations should require direct investments into reuse systems and infrastructure by the PRO, in addition to requiring separate investments into consumer education and outreach to ensure reusables are properly handled and returned. Needs assessments should identify robust opportunities to achieve either voluntary or required program targets by making system-wide investments into an interoperable system that can accommodate all member brands and scale over time. Even where targets and funding are not required, a best-in-class PRO will pursue them regardless.

There is no time to waste when it comes to building the new reuse economy. The reliable domestic jobs, stable commodities markets, environmental and economic payoffs will be tremendous and are desperately needed in today’s changing world. Opportunities to convert from single-use to reusable packaging abound across the CPG sector: reuse in food service is critical but can also be a stepping stone to broader sectors.

Packaging EPR programs offer another invaluable opportunity to overcome both of the major challenges preventing widespread adoption of reuse today: collective action among competitors and the chicken-and-egg conundrum of scale. It is time for both the EPR and reuse movements to call upon emerging packaging PROs and their members to seize this opportunity for meaningful change. The U.S. is ready for robust reuse in EPR, and with the strategies outlined herein, a best-in-class PRO will be well-equipped to lead the way. ♦

Reuse in US EPR (so far)	ME	OR	CO	CA	MN
Reusables = covered material	✓ (Alt. collection programs)	✓	X	X	✓
Reusables pay only once	N/A (likely pay into alt. collection programs)	✓	N/A (exempt)	N/A (exempt)	✓
Incentives through eco-modulated fees	Indirect (focus on malus fees)	✓	✓	✓	✓
Explicit targets	✓	X	Voluntary, qualitative	✓ (only plastics)	✓✓ (reuse & return)
Direct funding for infrastructure/systems	✓	✓	If voluntary	✓	✓
Education & outreach	Indirect	TBD	✓	✓	✓

Table 1: The State of Reuse in EPR Policies. Up-to-date as of February, 2025. [See here for updated chart.](#)

Endnotes

1 Ellen McArthur Foundation, [The New Plastics Economy: Rethinking the Future of Plastics](#). 2016.

2 *ibid.*

3 Ellen McArthur Foundation, [Unlocking a Reuse Revolution: Scaling Returnable Packaging](#), 2023.

4 Sustainable Packaging Coalition, [Framework for Scaling Reuse](#), 2024.

5 For a more in-depth overview of this concept and real-life examples, see Zero Waste Europe and Eunomia’s report, [Facilitating the Adoption of Takeaway Reuse Systems](#) (September 2024).

6 Eunomia, [The Fifty States of Recycling](#), 2023.

7 Accessed via www.rreuse.org/wp-content/uploads/France-to-create-a-Solidarity-Re-use-Fund_Final.pdf

8 Accessed via <https://cosmeticobs.com/en/articles/pack-75/citeo-wants-to-accelerate-the-development-of-reuse-7104>