INTERNATIONAL BEST PRACTICE FACTSHEETS ON POLICY INSTRUMENTS THAT PROMOTE ENABLING ENVIRONMENTS FOR GREEN AND CIRCULAR BUSINESSES

Extended Producer Responsibility

FRANCE
France is a frontrunner in Europe regarding the implementation of Extended Producer Responsibility (EPR) schemes. There are currently more than 20 EPR chains of different types operating in France and they are considered among the most advanced schemes in Europe.

The main idea behind EPR schemes is to make producers responsible for the end-of-life of their products. Besides ensuring proper collection and treatment (recycling) of waste, EPR should also stimulate producers to reduce environmental impacts in all stages of a product’s life-cycle through ecodesign, reuse, repair and other circular strategies.

OBJECTIVES

According to the Organisation for Economic Co-operation and Development (OECD), Extended Producer Responsibility (EPR) is “an environmental policy approach in which a producer’s responsibility for a product is extended to the post-consumer stage of a product’s life cycle”¹. By implementing EPR, producers take over the responsibility (at the financial and/or organisational level) for collecting or taking back used goods and for sorting and treating for their eventual recycling.

The aim of this policy instrument is to drive producers towards internalizing end-of-life costs in their business models, as well as moving towards a full life-cycle perspective on their products.

The three main objectives of the EPR sector reported by the French Environment and Energy Management Agency (ADEME) are:

- To save resources through resource-efficient recycling of waste streamss.

- To transfer the financial responsibility for waste management costs from public authorities to producers.

- To stimulate producers to adopt an eco-design approach, thereby reducing environmental impacts, and internalise the cost of end-of-life management in the price of products.

It is important that EPR schemes do not focus solely on waste collection and material recycling, but prioritise waste prevention and aim to minimize the impacts of a product on the environment throughout its lifecycle – from extraction of raw materials and manufacturing, to transport and distribution, use and disposal at end-of-life. This means producers should invest in eco-design, (re)use, repair and other circular strategies (e.g. remanufacturing, refurbishing etc.). It is crucial that EPR schemes follow the waste hierarchy and (preparation for) reuse is also eligible for financial support.

BACKGROUND

One of the reasons that led the French government to establish EPR were the increasing costs of waste management for public authorities. The EPR principle was therefore introduced in French legislation since 1975, implemented since the 1980s and regulated through Article L. 541-10 of the environmental code. This Article establishes the government’s authority to regulate products and the waste they generate and to require producers, importers and distributors of these products to pay for and manage the proper treatment of the waste they generate. Companies were thus required to improve their waste management practices, in particular for hazardous waste.

France’s EPR system consists of more than 20 schemes. The forms of implementation of the EPR schemes differ depending on the product stream. Most of the EPR schemes in France are established through regulatory obligations (based on national policies and on European Directives), but there are also voluntary industrial chains. Producers who became responsible for managing the end-of-life of their products under the EPR scheme can decide to manage waste in an individual manner, or in a collaborative manner by setting up a collective entity – called PRO (Producer Responsibility Organisation).

PROs are not-for-profit entities that can be organised in two ways:

1. Organisational schemes e.g. for waste electrical and electronic equipment (WEEE) – where PROs are in charge of organising waste management operations, they collect fees from producers and use them to contract waste management operators.

2. Financial schemes e.g. for packaging – where PROs are not in charge of such operations but they use the fees collected from producers and support municipalities who are responsible for waste management. According to the French legislation, producers can establish as many collective PROs as they wish or choose the individual option.

The French legislation defines the accreditation procedures for PROs which are then attributed by an ad-hoc entity called the CCA (‘Commission Consultative d’Agrément’). Accreditation Committees then define the “Terms of Reference” to be respected by PROs which include the conditions to obtain accreditation, financial rules, relationships with all stakeholders (producers and retailers, other PROs, collection and treatment operators, governmental agencies), precise targets in terms of territorial coverage, preparation for reuse, recycling and recovery, and reporting. PROs are then accredited by public authorities for a period of six years.

To promote dialogue between different stakeholders, an advisory commission of the Ministry of Environment convenes all involved parties (compliance schemes, local authorities, producers, associations, consumers, NGOs and recyclers) to monitor the objectives on the collection and recycling of waste. These should not only involve the compliance schemes, public authorities, producers, industry associations and recyclers, but also consumers, environmental NGOs and social reuse organisations. In the implementation EPR schemes should not only collaborate closely with treatment operators (e.g. between Ecosystem and FEDEREC to integrate flows treated by scrap collectors and shredders in the WEEE scheme) but also with social reuse organisations like the ENVIE federation and Emmaus.

The treatment operators that establish a contract with the PROs, generally for periods of three to six years, can invest in (pre-finance) the required infrastructures for recycling or preparation for reuse activities, which will eventually become self-sustaining. This is considered one of the economic advantages of the EPR schemes.

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**SIMPLIFIED EPR FLOW CHART**

**FIGURE 1** Simplified overview of how EPR works (Source: ADEME Agence de l’Environnement et de la Maîtrise de l’Énergie, 2017. Les filières à responsabilité élargie du producteur, édition 2017, Panorama, p.6)
RESULTS

In 2015, the French EPR sector managed 15.5 million tons of waste from households and other sources. The largest component by weight was household packaging, amounting to 4.9 million tons of waste. In the same year, about 7.8 million tons of waste were separately collected and 7 million tons of materials were either recycled or prepared for reuse. In 2016, more than 8.1 million tonnes were collected (from a total of 14.9 Mt). In total, the EPR sectors contributed with 1.2 billion euros to the financing of collection and waste treatment in 2016.

However, not all schemes met the established objectives, such as the one for plastic packaging. The rate of separate collection remained below 50% in 2016 for the following product groups: electrical equipment and professional electronics (27%), batteries and accumulators (44.5%), furnishing (42% for households, 16% for professionals), textiles/household linen/shoes (35%) and fluorinated gas (9.7%). That said, in 2017 France’s EPR schemes met the European targets in the WEEE sector (55% to 80% recycled or prepared for reuse) for all the categories of equipment, household and professional combined.

In general, French stakeholders claim that the EPR model has had positive impacts to establish and improve waste management activities and deliver good performance in terms of collection and recycling. It is also considered to have had a positive effect on employment.

The French EPR model has become a benchmark in Europe and it is considered by its stakeholders as transparent, effective and cost-efficient (OECD, 2014). One of the key strengths of France’s EPR system is its inclusive governance model in which the roles and responsibilities of different stakeholders are well balanced. Not only the producers but also public authorities play an important part in the decision-making, design and implementation of EPR systems, while other societal organisations can also provide feedback and input through multi-stakeholder platforms.

Another strong point of the French scheme is the application of eco-modulation: producers pay a differentiated fee based on how their products perform against environmental criteria, including the quantity of material used, recycled content, the use of renewable resources etc. This encourages producers to invest in eco-design.

The French EPR system is also based on a system of warnings and sanctions which go beyond the “approve/reject” approach historically used by the public authorities to evaluate PROs. Some sanctions include the possibility of progressive fines (“yellow cards”) for PROs that do not fully respect the “Terms of Reference”. This approach is more flexible (leading to adjustments and corrections) and less risky than a rigid approval model with only two options (approve/reject) which could lead to immobilization of segments of the waste management system. However, in a recent report from the Court of Auditors (2020) it is recommended to reinforce the sanctions in the event of non-compliance with obligations. The current maximum amount of the fine is 30,000 euros which is considered low. Another way to make sanctions more effective and dissuasive is to simplify their associated procedures.

SUCCESS FACTORS

The largest of these plants employs 180 people, treating about 50,000 tons of WEEE per year, including sorting of plastics.

In France, over five years, the WEEE recycling activities have created at least 30 new plants and more than 3,000 jobs (of which over 1,500 are qualified as “social economy” jobs) directly related to the sorting, depollution and recovery of metals and plastics from WEEE. The largest of these plants employs 180 people, treating about 50,000 tons of WEEE per year, including sorting of plastics.
**Collective Governance**

It is important that there is a balanced representation of all relevant stakeholders in the governance of EPR systems, including social reuse organisations. At the same time, the role of public authorities should be to ensure that ambitious objectives are assigned to PROs, that appropriate indicators are in place (typically separate collection rate, recycling rate, as well as (preparation for) reuse), and if necessary, to follow up and take sanctions.

**Prevention targets and circular design**

EPR schemes and PROs should promote waste prevention and circular design principles, for example by setting quantitative prevention targets tailored to the specific waste management model (e.g. reduce packaging volumes by 100,000 tons over 5 years for the packaging scheme). Circular design at the very beginning of the production process can facilitate reuse, repair, remanufacturing, refurbishing and finally, recycling.

**Differentiated fees**

Define differentiated fees that reward “pioneers” that apply circular design criteria and create a financial incentive for others to improve their practices. This fee should reflect the additional end-of-life cost due to “bad” design.

**Harmonization**

It is usually more efficient to establish one single PRO rather than multiple PROs for the same product group. However, in some cases it might be desirable not to create a monopoly but to allow diversity and competition. In this case, when there are more schemes running in parallel, it is important to create harmonization among schemes and replicate good practices.

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**In 2020, France adopted a new anti-waste law (Loi anti-gaspillage pour une économie circulaire) containing important developments for the EPR system:**

1. The creation of new EPR sectors to include new product families in the circular economy (toys, sports and do-it-yourself equipment, building materials, cigarette butts, sanitary textiles, etc).

2. The creation of new “solidarity reuse funds” and “repair funds” financially supported by EPR schemes.

3. New tools to stimulate eco-design (bonus/malus-type incentives and eco-design plans).

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**REFERENCES**


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