

April 25, 2022

Representative Lisa Cutter 200 E Colfax, RM 307 Denver, CO 80203

Senator Kevin Priola 200 E Colfax Denver, CO 80203

Senator Julie Gonzales 200 E Colfax, RM 346 Denver, CO 80203

*Re:* Comments on HB 22-1355, a bill concerning the creation of the producer responsibility program for statewide recycling.

Dear Representative Cutter, Senator Priola, and Senator Gonzales:

The undersigned companies are members of the Consumer Goods Forum's Plastic Waste Coalition of Action, and we write to express our strong interest in seeing a model EPR program for packaging and paper products introduced in Colorado and elsewhere. We are writing in support of HB 22-1355 which we believe would establish a top-tier curbside recycling system in the United States.

As a group of eleven leaders in the consumer-packaged goods value chain, our companies are supportive of well-designed EPR systems as a solution for packaging waste and helping to create a circular economy. We have taken a leadership position to develop principles and key design parameters for optimal EPR programs, which you can review in *Building a Circular Economy for Packaging: A View from the Consumer Goods Industry on Optimal Extended Producer Responsibility.* We are collectively advocating for EPR solutions in the U.S. and worldwide.

As described in our paper, we support well-designed EPR founded on the following principles:

- Strong environmental outcomes,
- Efficient, cost-effective and accountable,

- Shared financial responsibility,
- Convenient for consumers,
- Long-term financial sustainability,
- Allow producers to secure material for closed loop recycling, and
- Social inclusiveness and fairness, especially in developing markets with informal sector involvement.

These principles are largely represented in HB 22-1355 and aim to shift from the status quo toward a waste and recycling future with high recycling rates, activated consumers, and circular use of materials, including recycled content in our packaging. Our companies are investing in the improvement of recycling systems around the world, innovating our packaging designs, and collaborating with suppliers, local communities, and customers to advance solutions that are good for consumers, the environment, and our industry.

As producers, our companies have learned through decades of experience that EPR systems can be an effective way to improve and manage collection and recycling systems depending on a set of critical design features. Producers need to be empowered to run the program under the supervision of public authorities, with appropriate provisions for transparency, reporting, performance, auditing, and compliance. We applaud the state in drafting strong EPR legislation that will invest in solutions for packaging waste and help create a more circular economy.

HB 22-1355 provides industry with a strong management role that would enable producers to achieve robust collection and recycling targets efficiently while reducing costs and achieving strong environmental outcomes over time. While our principles outline a 'shared financial responsibility' model, we remain supportive of HB 22-1355 because its form of EPR is more appropriate for Colorado and it contains strong operational control while providing the PRO and our CGF membership with flexibility to manage costs and drive improvements in recycling rates in the state.

We believe that HB 22-1355 mirrors the principles that have enabled EPR systems to perform at extremely high levels in other markets. If enacted, this legislation would establish an EPR program that will achieve increased recycling rates for all materials and set a standard for other states as they consider ways to improve their recycling systems. Our membership brings decades of experience evaluating EPR systems and applauds the introduction of excellent legislation.

Thank you for your hard work toward establishing a best-in-class EPR system. We are eager to work together with you to help HB 22-1355 over the finish line and be signed into law.

Sincerely,

Amcor The Coca Cola Company Danone North America L'Oréal USA Mars, Incorporated McCain Foods Nestle PepsiCo Reckitt SC Johnson Unilever United States Please contact Alex Schenck, Sr. Manager, Environmental Policy at PepsiCo with any inquiries [alex.schenck@pepsico.com].