



The right certification details ensure successful outcomes in rulemaking for PCR legislation.

To ensure minimum post-consumer recycled (PCR) content policies fulfill their intent, policy elements detailing third-party certification requirements are critical to enabling transparency and creating assurance of compliance. *What are these considerations and how should they be defined to ensure successful legislation?*

WHAT IS THIRD-PARTY CERTIFICATION?

Third-party certification is the process of an independent organization verifying a company’s claim of recycled materials utilized in products or packaging. Certification is verified according to standards (such as GreenBlue’s *Recycled Material Standard*), creating shared, transparent guidelines for companies and auditors to follow.

While there are many recycled content standards, it is important to recognize that all are not created equally, and improper definition of certification in policy can create unintended ambiguity in reporting or constrain companies’ abilities to meet mandated targets - ultimately undermining the goals these PCR bills are created to achieve.

SUCCESSFUL PATHS FOR SPECIFYING CERTIFICATION IN RULEMAKING

Rulemaking by environmental agencies allows more specificity for defining actual program requirements and implementation methods than the complex legislative process. Agencies and stakeholders should consider these details for inclusion. Properly outlining certification requirements will remove gray areas in reporting, streamline the review process for agencies, and support brands with opportunities to scale use of PCR.

BEST PRACTICE	IMPACT
Identify and approve certification standards allowed for reporting. Approve standards first, not certification bodies (CBs). CBs are companies that perform independent third-party auditing for standards and could potentially utilize multiple methods.	Recognizing certification standards ensures alignment of methodology and credible assessment of claims across many different brands and suppliers. Certification standards eventually select CBs to perform verification through rigorous evaluation criteria.
Enable brands to use mass balance accounting paired with strong certification.	Standards that offer mass balance accounting enable scaling and drive investment where current capacity and capability may be lacking.
Any mass balance accounting approach should only allow the accounting of materials that become inputs for other manufacturing processes. Fuels should not be carried forward in the accounting process.	In chemical recycling, it is possible for waste plastic inputs to be converted into fuel while claimed as recycled credits for new plastic via mass balance accounting. This is deceptive per the Green Guides.
Be cautious of standards managed by industry associations, the FTC GreenGuides require these to have additional external support for valid consumer claims.	Industry standards are developed fully in the private sector and are not fully consensus based. Companies’ claims can create confusion as to whether their certified by an independent organization.



ALTERNATIVE COMPLIANCE

Because capacity and quality continue to scale in recycling, particularly for plastics, sufficient volumes may not be available to enable compliance for every brand at the time of policy implementation.

BEST PRACTICE	IMPACT
Regulatory agencies should consider how alternative compliance can be achieved if brands can demonstrate suitable materials are not available.	While fines are an effective method to drive change, outlining alternative compliance pathways (ACP), drive companies to take action building PCR supply.
Enable purchase of book & claim certificates (also referred to as plastic credits) as an ACP. With proper additionality requirements, similar financial instruments have supported expansion of sustainable practices like renewable energy.	These tradable environmental commodities (similar to renewable energy credits) allow brands to support expansive investments in recycling and take accountability for responsible stewardship.
	Allowing targeted investment in the recycling system as corrective action today ensures full compliance in the future.

MATCHING THE VOLUNTARY SPACE

NGOs have made significant progress establishing consensus criteria for certification in the voluntary reporting space. Aligning these efforts with regulatory requirements can truly accelerate demand for PCR. The **US Plastics Pact PCR Certification Principles** offer guidance on criteria certification standards should contain. Legislators and regulators should refer to these as a baseline for evaluating comparative standards or setting requirements in text. The *Recycled Material Standard* aligns with these principles, and is an example of a transparent, comprehensive third-party certification to trust in PCR regulation.



OTHER OPTIONS TO CONSIDER IN ALTERNATIVE COMPLIANCE OR CORRECTIVE ACTION PLANS

BEST PRACTICE	IMPACT
Mandating formal requests to suppliers to increase certified recycled content	Suppliers respond to customers' requests, and forcing the discussion eventually increases supply or adoption of certification.
Explore availability of mass balance attributed material	Companies may not be able to find PCR usable for direct use in their packaging (possibly due to food contact requirements), but suppliers may be able to attribute recycled claims via mass balance. PCR can command a higher price premium if it can be attributed to products that do not physically contain it.
Source certified post-industrial recycled content	While not driving growth of PCR markets, post-industrial content is material diverted from other waste streams and supports the transition away from virgin resources.

ADDITIONAL RESOURCES

US Plastics Pact PCR Certification Principles: A consolidated set of criteria defining essential PCR certification requirements for voluntary reporting, developed by a joint industry-NGO coalition. The Certification Principles provide guidance to companies on identifying quality standards and can be used as a reference for defining TPC requirements in policy.

RMS Guidance on Principle Alignment: Analysis of the US Plastic Pact Principles and detail of how the Recycled Material Standard meets those criteria. RMS is the only certification to meet the compliance guidance and offer all approved accounting methods - segregation, controlled blending, mass balance, and book and claim.

Mass balance explanation video: Short video explaining mass balance accounting and how it supports expansion of PCR utilization when paired with third party certification. Widely accepted in other manufacturing certification systems, mass balance tracks the inputs of PCR at a facility over a specified time and allows a company to more allocate claims to output products while ensuring there is no double counting or improper activity.

CONNECT WITH THE RECYCLED MATERIAL STANDARD TEAM TO ENSURE YOUR POLICY DETAILS SUPPORT YOUR DESIRED OUTCOMES. TO LEARN MORE, VISIT [RMSCERTIFIED.COM](https://www.rmcertified.com).

www.rmcertified.com

rms@greenblue.org



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