

One solution for 81 problems

Integrated compliance answer for national EU-implementations

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The European countries generate around 1.3 billion tonnes of waste yearly; out of this amount approximately 2.2 million tonnes are collected as e-waste, 330.3 million tonnes are collected as packaging waste and less than 50,000 tonnes are waste portable batteries. Concerned about the state of the European environment, the EU-Commission and European Parliament sharpen the rules for the eco-design of the manufactured products and for the management of their waste.

The EU-directives impose various obligations on producers who place their products on any EU market. Registration, reporting

as well as organising and financing of the environmentally sound management of waste from their products are the main requirements of the EU towards producers.

There is no doubt about the positive effect of these pro-environmental rules on the separation of waste, increased waste collection and efficient recycling. The authorities obliged to transpose these directives into their national legislation enjoy great freedom in the transposition process. As a result, one EU directive can have up to 27 variations (e.g. Waste Electric and Electronic Equipment - WEEE). Taking into account that most products are subject to more than one directive, placing a product in the European markets requires knowledge of quite a number of national regulations on waste. As there is almost no harmonisation across the Member

States, the difficulties in ensuring compliance increase with the number of countries serviced by producers. Differences occur in terms of scope of producer obligations, definitions of products and their waste, registration and reporting requirements, roles of other system participants, financing principles, treatment and recycling requirements, and monitoring standards, among others.

This complexity of the compliance requirements

1 product x 3 EU directives x 27 countries



Packaging

EC Directive 94/62/EC,
modified by EC Directive
2004/12/EC



Electronic Equipment

EC Directive
2002/96/EC



Battery / Accumulator

EC Directive
2006/66/EC

source: RLG

Producer responsibility for one electronic product sold in the EU

Some registration requirements	Poland	Austria
Registration by	<input type="checkbox"/> individual	<input type="checkbox"/> both possible
Registration fee	<input checked="" type="checkbox"/> charged	<input type="checkbox"/> free of charge
Registration & fee renewable	<input checked="" type="checkbox"/> yes, yearly	<input type="checkbox"/> no
Registration language	<input checked="" type="checkbox"/> native	<input type="checkbox"/> native & English
Submission mode	<input type="checkbox"/> online	<input type="checkbox"/> e-mail
Local legal representation	<input checked="" type="checkbox"/> yes	<input type="checkbox"/> no
Information on products sold	<input type="checkbox"/> in kg	<input type="checkbox"/> in units
		<input checked="" type="checkbox"/> in kg & units

source: RLG

Registration requirements in Poland und Austria

engages considerable resources on the side of the producer that otherwise could have been invested in the development of his business.

Multiple producer obligations

The products that seem to raise the most doubts and questions are electrical and electronic devices. The principles of producer obligation for e-waste are set out in the EC Directive 2002/96/EC on Waste Electric and Electronic Equipment. Apart from that, two other directives have to be considered for every electric or electronic product placed on the EU market: the EC Directive 94/62/EC (modified by EC Directive 2004/12/EC) on Packaging Waste and the new EC Directive 2006/66/EC on Waste Batteries.

All three directives require the producer to:

- register at the national register,
- ensure financing and organisation of collection, transport, storage, sorting, re-use, recovery or environmentally friendly disposal of waste arising from the products they placed on the market,
- report the quantities sold and the collection and recovery quantities and / or rates of waste arising from their products.

In the best case, the producer covers only his homeland market and has to deal with three national transpositions of the directives. But for an international company this

multiplies with the number of EU markets where their devices are sold and can reach up to 81 legal documents!

According to the study by United Nations University, the two most crucial compliance hurdles for the producers are registering in national registers and reporting. As assessed in the study, the total administrative burden across EU27 for registering and reporting activities required by WEEE legislation ranges from EUR 36.7 million to EUR 42.8 million, if one assumes that eight hours are needed per report.

The following examples from the national transposition of the WEEE Directive and the Packaging Directive illustrate some of the differences in the requirements towards the producer:

- Obligation: producer shall register as producer of EEE in the national register

Example of differing requirements when registering as producer at the national registers in Poland and Austria:

- Obligation: producer shall report the quantities placed on the market

Example of variations in terms of the reporting requirements for products placed on the market in Romania and UK:

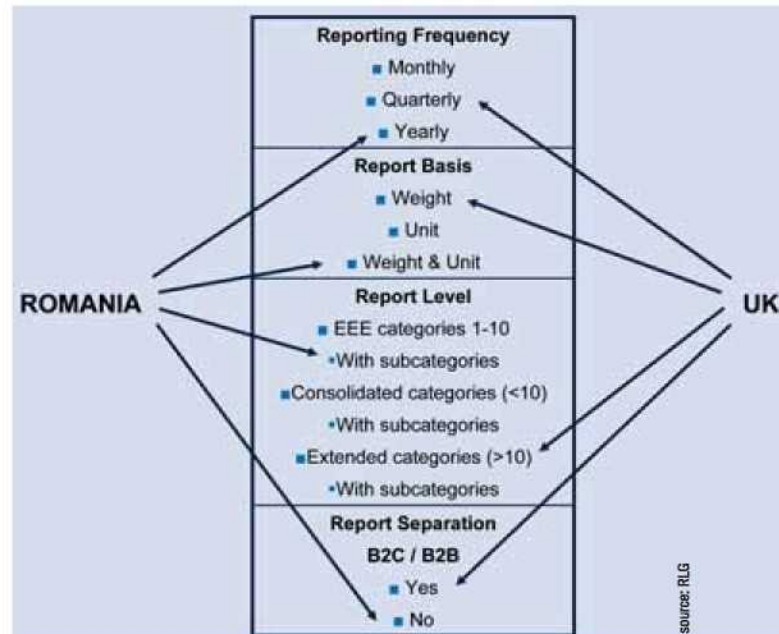
- Obligation: producer shall ensure take-back of waste packaging from end users

Example of different definitions of who the producer is, what type of packaging waste shall be take-back and from what end user segment, what compliance options are available, etc. in Germany and Denmark:

This complexity may increase with the new Battery Directive that brings along 27 new transposition versions. The promised standardisation of the registration requirements does not seem to take place. In addition, the issue of separating the financial responsibility for WEEE from the financial responsibility for waste portable batteries that are sold together with the electronic device (the so called “double charging”) may turn out to be another problem.

In the worst-case scenario, the producer has to sign a contract with a service provider for each type of waste and in every country. Even if this option offers fulfilment of producer obligations, the administrative burden of the contract management remains very high (negotiating the conditions of every contracts, controlling, invoicing, reporting in varying reporting systems, etc.). For an internationally active producer of e-equipment this may amount to as many as 81 contracts (three compliance providers for three types of waste x 27 national regulations)!

What producers are looking for are solutions providing transparent requirements, low administrative burden and a guarantee of fulfilment of their producer responsibility – this all at a reasonable cost. Currently, most of existing



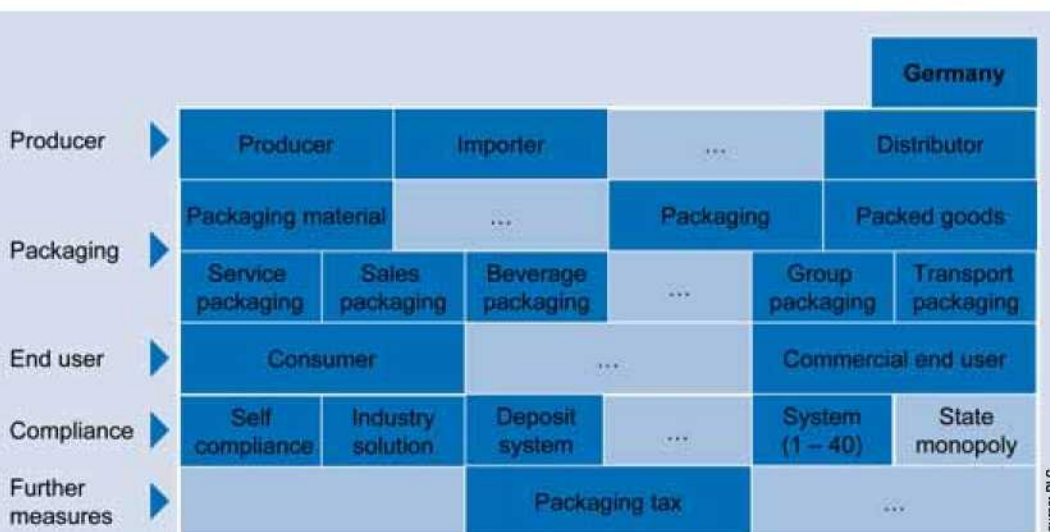
Reporting requirements in Romania & UK

compliance schemes specialise in the management of one type of waste and are established in one land. Very few reverse logistics specialists offer integrated compliance solutions for several waste types and are able provide their services in multiple EU countries – this is exactly the solution sought after by the producers.

At RLG, we have established the necessary expertise and have taken up this challenge. Today we can offer our international

or internationalising clients integrated compliance solutions in many European countries. Our goal is to become a complete pan-European one-stop-shop for every producer required to comply under the European waste directives.

Setting up of an integrated compliance solution is as complex as the legislation according to which such a scheme is created. Among many detailed tasks it specifically requires:



Differing definitions of producer, waste products to be collected and compliance options

