

Revision of the WEEE Directive

This paper highlights the key concerns of CECEDⁱ, the association of household appliance manufacturers in Europe, with respect to the European Commission's proposal to recast Directive 2002/96/EC on Waste Electrical and Electronic Equipment (WEEE).

CECED's Main Observations and Concerns

The Commission has proposed to modify major principles of the WEEE Directive, despite the limited experience available in many Member States related to WEEE.

The Commission has identified the real and serious problems with WEEE:

- Illegal shipment of WEEE out of the EU
- Improper treatment of WEEE within and outside the EU
- Lack of enforcement

CECED agrees that these are the main problems and is committed to contributing to finding solutions.

The Commission's proposal will not solve the identified problems

In particular, the Commission has proposed to make producers responsible for reaching the collection target (Article 7) and to finance household collection (Article 12). Unfortunately these proposals will not solve the identified problems but will have very negative consequences.

The Commission has missed the following key factors:

- Many actors are involved in handling WEEE, as some WEEE can be an economic resource. However, only producers are obligated to meet the requirements of the Directive.
- The economic outcome of the treatment of WEEE depends on how it is treated. Actors not under the obligation of the Directive are not required to treat WEEE in accordance with treatment requirements and can thereby generate an enhanced economic result.
- Today only volumes from producer recycling systems are accounted for in the official statistics of Member States.
- The volumes going to channels other than producer recycling systems are currently either unknown or they are based on estimates. This results in a big gap between the EEE volumes sold and those WEEE reported as collected.

To make matters worse, the economic impact of the proposal is estimated to be an additional annual cost to industry of €1 billion (source: Commission's Impact Assessment). This is particularly critical given the foreseeable economic climate.

CECED is recommending the following solutions:

- Any actor that handles WEEE should be subject to the Directive and obliged to register, report and treat WEEE according to the same requirements as producers.
- International treatment standards should be established to guarantee environmentally sound handling of the WEEE around the world and to avoid cost advantages for treatment of WEEE on the basis of inferior treatment processes outside and inside the EU.
- Enforcement requirements and enforcement activities should be strengthened.

Supporting Details for Observations and Concerns

Making producers responsible for aspects that are beyond their control is not the solution to the identified problems

The proposal follows a misguided assumption that shifting onto producers the responsibility for meeting national collection targets and for financing household collection of WEEE will overcome the flaws in the legislation and in its implementation. It will not.

A. Collection targets

Producers do not and cannot control waste streams. They have no enforcement powers. Accordingly, it is unrealistic to propose that they be responsible for achieving national collection targets under the recast WEEE Directive. More precisely:

- Producers cannot oblige consumers to give back end-of-life equipment.
- Producers cannot prevent other economic operators (such as scrap merchants and local authorities themselves) from collecting and selling used/end-of-life products to make a profit.

If end-of-life equipment is diverted away from the producer-run take-back and treatment schemes for alternative exploitation then producers are *de facto* unable to meet the WEEE collection targets. This is a fundamental flaw in the Commission's thinking. **Meeting collection targets must remain the obligation of national waste authorities.**

B. Financial responsibility for household collection

Making producers financially responsible for household collection of end-of-life equipment will not resolve the identified problems of the WEEE Directive.

More precisely, the following problems arise:

- **Producers would be financially liable for an activity they cannot control.** The physical collection of WEEE would still be carried out largely by local authorities, as this infrastructure is already in place. In practice, local authorities will have no incentive to operate in an efficient manner as all costs could be passed on to producers. Almost certainly, costs for collection facilities will spiral out of all control.
- **The consumer will pay twice.** On the one hand, local authorities are unlikely to decrease local (waste) taxes even if producers are made financially responsible for the collection of WEEE from households. On the other, producers will have no option other than to pass on these increases to the consumer. So, the consumer would, effectively, pay twice – once in a tax bill and again in the higher product price.
- **No guarantee that there will be effective separate collection, registration and proper treatment of higher volumes of WEEE.** Local authorities and other actors will continue to collect and sell the most commercially valuable WEEE for profit, passing on only the more difficult end-of-life material, thereby increasing the cost of producer-run take-back and treatment schemes.

CECED's Proposed Solutions

CECED members are ready to treat all of the WEEE deposited at collection facilities according to the Directive's treatment requirements.

The following measures should be introduced:

- **Any actor or any third party acting on behalf of that actor that handles WEEE should be subject to all the requirements (including treatment) of the WEEE Directive. They should also be required to register and report the volumes treated and collected.**
 - At present only producers, or third parties acting on behalf of producers, need to fulfil the requirements.
 - Recyclers, waste collectors, local authorities and traders also deal with WEEE in practice and need to be subject to the same legal obligations for the reporting and treatment of WEEE.
 - Extending the reporting obligation to all actors is a precondition for getting correct and comprehensive data on WEEE.
- **International treatment standards should be established** to guarantee environmentally sound handling of the WEEE around the world to avoid cost advantages for treatment of WEEE outside the EU on the basis of inferior treatment processes.
- **Enforcement requirements and enforcement activities should be strengthened.**

CECED very much welcomes the new minimum inspection requirements for the shipments of WEEE. However, legislation can only be effective if its provisions are enforced on all relevant actors by the Member State authorities.

It is essential that decision makers in the European Parliament and Council fully understand the problems with the current WEEE Directive and the reasons for those problems. They need to propose workable, sustainable and cost effective amendments to the current proposed recast as this will ensure that the key problems are tackled. Otherwise, improper treatment and illegal export will continue and policy makers will face exactly the same situation as before.

ⁱ CECED represents the household appliance industry in Europe. Its member companies employ over 200,000 people, are mainly based in Europe. If upstream and downstream business is taken together, the sector employs over 500,000 people. Direct Members are Arçelik, BSH Bosch und Siemens Hausgeräte, Candy Group, De'Longhi, Electrolux AB, Fagor Group, Gorenje, Liebherr, Indesit Company, Merloni Termosanitari, Miele, Philips, Saeco, SEB and Whirlpool Europe. CECED's member associations cover the following countries: Austria, Belgium, Czech Republic, Denmark, Estonia, France, Germany, Greece, Hungary, Italy, Latvia, Lithuania, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, Turkey and the United Kingdom.