CEMR position on the proposal for a Directive on 
Waste Electrical and Electronic Equipment

Background

Among economic instruments, the principle of producer responsibility is widely acknowledged as a very important instrument to improve waste management.

In the Community strategy on waste management (1996), the Commission clearly states that the manufacturer of a product must play a leading role as regards the waste he creates. Indeed, it is the manufacturer who takes the essential decisions concerning the product, which will determine the possibilities of managing it in terms of waste.

The internalisation of costs of waste management in the purchasing price of products makes it possible to establish the "true cost" supposed to reflect the environmental impact of a product throughout its life cycle. This mechanism aims at making environmentally friendly products and product materials more competitive and at promoting producers and consumers to progressively opt for more environmental products.

The issue of waste take-back is inseparable from the question of who bears the cost and it is acknowledged that the application of producer responsibility will be a major incentive for these to develop more environmentally friendly products. This incentive should thus be optimised.

Application of producer responsibility to WEEE

The Council's Common Position of 14 November 2001 and the European Parliament's second reading of 10 April 2002, leave the question of who should finance the collection of WEEE from households and the set-up and running of collection facilities, up to the member states. Therefore each member states would need to decide whether the cost should be born by the producer or by local authorities.

In practice, this means that if the cost of collection from private households and the cost of setting up and running collection facilities is not taken on by the producers and thus integrated into the price of the products, the burden will fall on the tax-paying citizens.

It is estimated that in Germany, the cost of collection from private households will be around 500 million Euro per year. In addition possible creation and running costs of collection facilities could amount to over 100 million Euro per year. If these costs are to fall on local authorities, this would result in an increase of waste taxes by 5 to 6 Euro per inhabitant per year.
With the new regime, while producers will be able to increasingly benefit from the take-back of WEEE - in particular once the environmental performance of EEE is improved, as it is intended by the directive - the costs of the collection of WEEE on the other hand will rise in future (manpower, cars, fuel). It therefore cannot be appropriate for the tax-paying citizen to bear these costs, particularly as this will lead to citizens who produce very little WEEE having to pay the same amount as those producing large amounts of WEEE.

Furthermore, leaving it up to the member states to decide on this point goes against the objective of the directive to harmonise the management of WEEE and diminish disparities in the financial burden on economic operators. Indeed, the objective of avoiding distortion of competition in the internal market pleads for uniform producer responsibility rules throughout Europe. In a European market, differences in financial burdens on producers could lead to important differences in product prices and to disparities in reaching recycling and recovery objectives.