

British Metals Recycling Association WEEE consultation – initial comments from BMRA 4 August 2006

As requested at the WAG on 25 July, these are comments which have been quickly put together following a first read of the documents circulated.

BMRA will be consulting further with metal recyclers in making a fuller response in due course – and will also take soundings from colleagues in the wider metals supply chain, and with other materials recycling associations.

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Most of the comments which follow relate to the effect and viability of the proposed arrangements on pre-existing businesses, notably in the metals sector, which will play a significant part in ensuring that the UK meets WEEE targets.

We would like to see a **recycling sub-group** established to look at these issues, and the process as a whole, from the recyclers' point of view. BMRA would be happy to help facilitate and chair this group, which should also include representatives of a cross section of recycling businesses (eg small and large businesses including metals exporters and traders).

### **1. Effect of DCFs on established business arrangements**

There is a real danger that the establishment of DCFs will damage or interrupt established trading arrangements and supply chains, unless they are encouraged or required to respect pre-existing WEEE treatment arrangements.

A high % of large appliances is already recycled by metals recycling businesses. Whilst some of these are large businesses that may be intending to develop comprehensive WEEE handling facilities, many others are small. In most cases these are SMEs which have been trading for many years.

It is important that WEEE implementation takes note of the implications for such companies, and their importance in achieving targets, otherwise:

- the trading viability of a significant number of pre-existing small businesses may be threatened; and, as a result,
- actual WEEE treatment capacity (and experience) may be insufficient

### **2. WEEE Treatment**

Until Defra treatment requirements (including those for hazardous items) and the detail of how these will be monitored by the Environment Agency are fully known, the treatment sector cannot make proper arrangements for implementation, particularly where investment is necessary, nor can it assess the costs of implementing WEEE.

The published timetable for implementation needs to include dates for publication of this information, including industry consultation by the Agency on monitoring checklists and any documentation that industry will be required to complete.

### **3. Recycling capacity**

Recycling of metals recovered as a result of WEEE activity should be straightforward. However, as ELV experience has shown, more problematic materials require not only treatment and separation, but new markets to be developed. Significant research and

development is required, including invention and implementation of new equipment; in some cases there are issues of international trading law to resolve.

As metal is the bulk material, metal recyclers will be at the forefront of these developments - but more information is required about product make-up and likely volumes, in order to move forward with the necessary investments.

#### **4. Evidence collection**

Treatment facilities, recyclers and re-processors have not been consulted on the evidence proposals set out in the documents. There needs to be practical run through of the proposals to test their viability [BMRA would be happy to facilitate this].

On first reading we have a number of concerns and queries:

- (i) the proposed additional licence requirements and costs to exporters and reprocessors are presumably proposed so that producers can demonstrate compliance. Such metals businesses are already exporting or reprocessing ferrous or non ferrous metals – and are already making a significant contribution to current WEEE recycling. There is no benefit to the exporting/reprocessing business, and they will not welcome an extra tax. Producers should therefore meet any costs.
- (ii) the proposed licensing requirements for (and information required from) exporters do not seem to take into account the reality and diversity of international trade in metals – particularly non ferrous metals which are traded by the hour on the London Metal Exchange - and the need for commercial confidentiality in such matters.
- (iii) the ‘two stage’ proposal sounds simple in theory, but in practice an ATF receiving a load of mixed WEEE is unlikely to send the treated materials to a single reprocessor. Also, for a given tonnage of WEEE, the reprocessing evidence may not relate to a specific batch of input, in which case, there may be a need for completely separate evidence notes for treatment and recovery, rather than linked two-part or multi-part documents.
- (iv) we are concerned at the apparent encouragement for export of whole WEEE products or parts for treatment overseas, when domestic capacity should be sufficient.
- (v) it will be important that actual proposals, including paperwork, is ‘road tested’ fully ~ and that such systems and paperwork is standardised across the country (ie not customised by different compliance schemes). It would be helpful if this were specified in the regs. The costs of such administration (including time) also need to be considered, and if appropriate passed back to producers.
- (vi) we think there are some inconsistencies in the current draft, eg:

In Part II, chapter 7, para 251, it says that evidence notes for household and non-household WEEE are not interchangeable, as they relate to different obligations. But in para 247 and chapter 8, para 266, it says that evidence notes will include a breakdown of the amount that is

household or non-household, as declared by the consignor. This is a contradiction, as it can't contain both household and non-household and still be non-interchangeable. In addition, when the material eventually goes for reprocessing, the reprocessor cannot possibly identify the origin of the WEEE that it came from; it's just material, so was it household or non-household?

In Part II, chapter 7, para 249, (and elsewhere) it states that "it is not permissible for ATFs to complete the section on recovery and recycling". Surely, this cannot be the case where the ATF is also the reprocessor or exporter. It is entirely possible that a company could receive WEEE as an ATF, process it, for example by shredding, and export the secondary raw material for recycling overseas, which would entitle them to generate the recovery evidence.

Consideration also needs to be given to a scenario where recovery evidence for different materials comes from different reproprocessors, e.g. steel and plastic, which would require a multi-part, rather than two-part evidence note.

Part II, chapter 7, para 245, last line, should include "or exporters".

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