



POSITION PAPER COSTS OF INITIAL COLLECTION

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SUMMARY

The NVMP Association is willing to compensate municipalities and retailers for the costs they incur for the initial collection of e-waste, subject to the following conditions:

- *the compensation is based on the current 'bring it yourself' system and cannot be expanded unilaterally to cover the costs of collecting e-waste house-to-house*
- *municipalities and retailers provide all the e-waste they collect to Wecycle and a legally mandated delivery regulation is put in place to guarantee this*
- *the compensation is based on the actual costs that the collectors incur and is not influenced by the intrinsic value of the e-waste*
- *municipalities make efforts to prevent e-waste from 'leaking away' to dumpster divers, scrap dealers or other uncontrolled channels*

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The manufacturers of electronics and low-energy lamps, allied in the NVMP Association, bear the costs of the 'initial collection' of e-waste produced by consumers and companies via municipalities and retailers.¹ Implementation organisation Wecycle pays them a fixed compensation per kilotonne, based on the costs they have incurred. A compensation rate of €81 per kilotonne has been agreed with the municipalities for 2012, for example.

The NVMP Association accepts this financial responsibility and does so subject to four important conditions:

1. Current services

The compensation is based on the costs of the current 'bring it yourself' system in which consumers submit their waste equipment and lamps at the municipal civic amenity site or other collection points. Without further investigation, the NVMP does not accept financial responsibility for a pick-up system in which, for example, persons can call to have their unwanted televisions picked up at their home nor for a chemical waste collector (for HCW) that picks up electronic waste at the door. Even if such a pick-up system is desirable, the costs are difficult to estimate and will in any case be considerable. Manufacturers cannot simply be saddled with these additional costs.

2. Complete and immediate mandatory delivery

In exchange for compensation of the collection costs, it should be obligatory for all collected e-waste to be submitted to the manufacturers' collection system. The collection system takes responsibility for processing, which taken as a whole costs (considerably) more than it generates. As such, it is unreasonable to think that the municipality should have the freedom to sell the discarded equipment that has a positive residual value to the highest bidder. Were it to do so, the municipality would boost its revenues at the expense of the collection system, which would then see an even lower overall residual value and receive only the cost-consuming e-waste. This statutory mandatory delivery requirement currently does not exist, and the NVMP Association calls for its immediate implementation.

3. Cost compensation, not value compensation

The responsible processing of e-waste is a societal objective, not a commercial activity. The processing is organised by Wecycle, a non-profit organisation, under contract with manufacturers. Municipalities cooperate in the collection effort and receive reimbursement of their costs, obviously also without any profit mark-up.

Wecycle is owner of the e-waste. It bears the burden of the system, at the cost of the manufacturers. Conversely, it is also the recipient of any generated revenue, which compensates a portion of the costs.

Thus this is expressly not a matter of e-waste being purchased from municipalities by the collection organisation on the basis of its intrinsic value. Municipalities are not asked for compensation if that value is negative, nor can they stipulate a higher compensation if it is positive. The municipalities are in complete agreement with this standpoint, as is apparent from the position presented in GRAM, the magazine of the umbrella organisation for municipal refuse collection.²

4. Municipality protects against 'cherry picking'

Municipalities must make efforts to prevent e-waste from 'leaking away' to uncontrolled channels. This includes deterring 'dumpster divers' and junk dealers.

¹ 'Initial collection' implies collection from the disposing party. 'Second collection' is the collection performed under contract with Wecycle that transfers the waste from the first collector (e.g. municipality or retailer) to the Regional Sorting Centre (RSC). Manufacturers are already (financially) responsible for the second collection – see the compensation of €81/kilotonne for municipalities and €140/kilotonne for retailers.

² From GRAM, magazine for refuse collection and waste management, June 2011, p. 16:

"[...] Within this framework the manufacturer is responsible for the collection and recycling of products it has put on the market. The municipality is, as it were, relieved of the responsibility for disposal of these items. The manufacturer can make use of the municipalities' collection infrastructure, naturally for full compensation of the costs. The benefit of this arrangement is that the municipality maintains full control over its public space and what occurs within it. The municipality offers the use of its infrastructure to the manufacturer at cost price. Consequentially, the manufacturer has control of the value of the waste but also bears the costs of the (residual) waste streams with a negative value."

About the NVMP Association

The NVMP Association was established in 1999 and represents 1500 manufacturers and importers of electrical equipment and low-energy lighting in the Netherlands. These manufacturers and importers have established the first national system in the world for the responsible collection and sustainable processing of electrical appliances and low-energy lighting. The implementation thereof has been entrusted to the non-profit organisation Wecycle.

For more information

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