



European
Recycling
Platform

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1. About the European Recycling Platform

European Recycling Platform (ERP) is a pan-European compliance scheme set up in December 2002 by Braun, Electrolux, HP and Sony to respond to the introduction of the European Union's Waste Electronic and Electrical Equipment (WEEE) Directive regarding individual producer responsibility.

The WEEE Directive was set up by the European Union. It requires Member States to establish legislation which ensures that producers of electronic and electrical appliances manage and finance the recycling of a proportion of waste electronic and electrical equipment disposed of by households or other producers from waste collection points onwards, based on their market share.

The mission of ERP is to ensure a cost-efficient and competitive solution for the take-back and recycling of waste electronic and electrical equipment as set out in the WEEE Directive. As such, it devises innovative waste management strategies and recycling solutions for the benefit of participating companies.

The overall objective is to achieve economies of scale, to reduce overheads and to establish the most competitive cross-border market price for the highest quality available on the market.

ERP is the only scheme to operate on a pan-European level, thus providing a common European-wide alternative to national recycling management consortia. ERP operates according to a set of core principles that are fundamental to the protection of the consumer, the business and the environment.

Currently, ERP operates directly in 10 European countries: Austria, Denmark, France, Germany, Ireland, Italy, Poland, Portugal, Spain and the UK, and can match producers with compliance schemes in 19 additional countries through the Europe Plus Package. ERP has 28 European members and over 1,200 members in total.

2. Political and Legal Context

2.1. The European WEEE Directive

Context

The production of electrical and electronic equipment (EEE) is one of the fastest growing domains of manufacturing in the western world, and with broad consumer take-up of products in this arena, there is also a rising issue of waste. It is estimated that about 5 million tons of WEEE are generated in Europe each year – that's about 14 kg per inhabitant.

In June 2000, the European Commission put forward proposals to address this issue, and in December 2002 these were passed as the EU Waste Electronic and Electrical Equipment Directive (Directive 2002/96/EC of the European Parliament and of the Council of 27 January 2003 on Waste Electrical and Electronic Equipment).

The WEEE Directive is founded on the principle of "Producer Responsibility" and its general objectives are:

- to prevent waste of electrical and electronic equipment (WEEE) and to promote the reuse, recycling and recovery of such waste.
- to improve the environmental performance of all operators involved in the lifecycle of electrical and electronic equipment, including producers, distributors and consumers and, in particular, those operators directly involved in the treatment of waste electrical and electronic equipment.

WEEE legislation covers all EU Member States, who were given until 13 August 2005 to transpose the legislation into national law.

2.2. The Creation of the European Recycling Platform

European Recycling Platform (ERP) was set up in December 2002 by four companies (Braun, Electrolux, HP and Sony) in response to the introduction of the European Union's Waste Electronic and Electrical Equipment (WEEE) Directive.

The mission of ERP is to ensure cost-effective implementation of the Directive for the benefit of its members and the environment. ERP is the first pan-European compliance scheme.

ERP recycles all WEEE categories marketed by its members, e.g. large white goods, small household appliances and consumer electronics / IT. ERP is also branching out into the areas of bulbs and lamps.

2.3. The National Directives

Member States were given until 13 August 2005 to ensure that the WEEE Directive was transposed into national legislation.

Differences exist between the European WEEE Directive and its transposition into national legislation.

Some differences include the compulsory availability of collection points in every municipality or the absence thereof (Poland), interregional differences (as is the case in Spain, where every autonomous region decides how WEEE is collected) or compensation for WEEE collection (France).

3. The Parties Involved in Managing WEEE and Their Obligations

3.1. Producers

A producer means the first national player who places a product on its national territory.

Producers are responsible for financing the take-back of WEEE and have responsibilities regarding collection, recycling and treatment targets, along with the preparation of a Waste Management Plan and reporting to the national registry (see 3.7.).

Historical Waste

Each producer's responsibility for the recycling of historical waste (products sold before 13 August 2005) is based on the actual market share of each producer for each type of equipment. Therefore each producer's market share needs to be identified by the national registry (see 3.7.). In order to reflect the market dynamic, in most markets a quarterly assessment seems to be sufficient. ERP bases its take-back obligation on the weight of EEE which has been collected.

Producers have the option of making the cost of recycling historic waste visible to the consumer when selling similar new products; however, producers can not be forced to make the recycling cost visible. Any fee collected must be handled by the producer and used to finance the required take-back and recycling services for historical waste.

Future Waste

Following the WEEE Directive, producers should only be legally responsible for the recycling and associated costs of their own products sold after 13 August 2005. Provisions for financing future waste should be made by producers when a new product is marketed. However, most Member States deviate from this obligation in their national legislation.

3.2. Consumers

When buying a new electronic or electrical device from a retailer, private consumers can bring their equivalent old product, regardless of brand, to this retailer who will then take it back for recycling, free of charge.

Private consumers can also deliver WEEE free of charge to municipal collection points.

3.3. Distributors and Retailers

A distributor or retailer refers to any person who provides electrical and electronic equipment on a commercial basis to a third party for its use

In many cases, these operators are obligated to accept WEEE from consumers free of charge if they sell the same type of product, or when the consumer purchases a similar product. In Spain, the obligation only applies in the case of a similar product purchase. They also have an obligation to accept WEEE from business customers free of charge if these customers purchase the same type and quantity of products. Moreover, the operators are obliged to store and handle WEEE properly for further collection by subcontractors. Finally, they are also obliged to inform their customers in their shops and in advertising materials about their obligation to take-back products.

3.4. Cities and Regions

Each country has a different approach when it comes to the collection of WEEE. In some countries each municipality is required to provide collection points, while in other countries the municipalities are free to choose if they offer these collection points.

3.5. Recycling Systems (Recyclers and Subcontractors)

The recyclers and their subcontractors provide services for collection and recycling of waste. They separate the pieces of WEEE, reuse raw materials where possible, and correctly dispose of the other parts. Furthermore, they also ensure that any toxic substances contained in WEEE (arsenic, bromine, cadmium, halogenated flame retardant, hydro chlorofluorocarbons (HCFCs), lead and mercury) are correctly disposed of, so they do not pollute our land and air.

3.6. The Compliance Scheme

A compliance scheme is an organisation that complies with relevant regulations on behalf of its member companies. ERP complies with WEEE regulations.

Compliance schemes develop waste management strategies and recycling solutions, thus providing their members with an efficient response to the compulsory take-back and recycling of waste electronic and electrical equipment in Europe deriving from the WEEE Directive.

Compliance schemes can be based at a national or European level; they can be monopolies or commercial initiatives that allow for market competition.

3.7. The National Registry

The WEEE Directive's implementation hinges on a system of operational and effective National Registries to identify producers and the volumes of new products (tonnage or units) placed on the market which defines a producer's market share. This market share is used to define and calculate a producer's take-back obligation, which is monitored by the National Registry.

The National Registry generally has a government mandate and there is usually one in every country.

4. Take-Back Obligation for WEEE

4.1. Obligations of the EU WEEE Directive

The general objective of the EU Directive on WEEE is to oblige the producers of electronic and electrical equipment to take-back 'end-of-life' or waste products free of charge in an effort to reduce the amount of waste going to the landfills. A sister directive, RoHS (Restriction of Hazardous Substances) complements the WEEE Directive by banning the presence of specific hazardous substances in products during the design phase.

The directive concerns all EU Member States. Business will have to comply with national legislation implementing the measures. The directive also outlines a series of measures for manufacturers and producers, including measures on the separate collection of WEEE, the treatment of WEEE and the recovery of such waste. Manufacturers and producers involved in the lifecycle of electrical and electronic equipment will have to:

- Take financial and physical responsibility for certain phases of the waste management of their products (including adapting the design of products to the prerequisites of sound waste management and enabling private households to return equipment free of charge).
- Ensure separate collection of WEEE through appropriate systems and achieve certain recycling and recovery targets.
- Set up appropriate systems (i.e. treatment plants) that improve treatment and re-use / recycling of WEEE.
- Ensure labelling of equipment (particularly for private users).

Producers are not responsible for the collection of waste from private households. The producer's responsibility begins at the collection points. For electrical and electronic equipment not used by private households, the financing of the waste management will need to be agreed between the producer and the user of the equipment at the time of purchase

4.2. Which Products Fall Under the WEEE Take-Back Obligation?

The WEEE Directive applies across ten categories of Electrical and Electronic Equipment (EEE).

The following ten categories have been identified in the WEEE Directive as belonging to EEE:

- Large household appliances (ovens, refrigerators, etc.)
- Small household appliances (toasters, vacuum cleaners, etc.)
- IT and telecommunications equipment (PCs, printers, phones, faxes, etc.)
- Consumer equipment (TVs, Hi-Fis, portable CD players, etc.)
- Lighting equipment (mainly fluorescent tubes)
- Electrical and electronic tools (drills, electric lawn mowers, etc.)
- Toys, leisure and sports equipment (electronic toys, training machines, etc.)
- Medical appliances and instruments
- Surveillance equipment
- Automatic dispensers (ticket issuing machines, etc.)

4.3. What Are the Consequences of the Take-Back Obligation for Consumers?

The WEEE Directive allows consumers to dispose of electronic and electrical equipment for recycling free of charge. Waste management costs will be integrated in the product price at the time of purchase.

Some groups, such as trade associations, are pushing for the enforcement of a visible fee reflecting the recycling cost in order to avoid abusive price increases.

5. The ERP System

5.1. A Pan-European Approach

ERP is a pan-European lean structure that outsources all of its services, based on the following considerations:

- The process to buy the services (logistics, recycling, administrative) is not specific to a country, thus resulting in a significant reduction of overheads in management structures.
- A pan-European service provider reaches a significant “economy of scale” and is able to buy services from the market at reduced conditions.
- A pan-European service provider increases competitive pressure on other service providers, thus resulting in an increase on the price-service pressure (i.e. the most competitive cost and the highest quality).

With this system, ERP is able to guarantee great operating flexibility and sharp reactivity to market opportunities in order to maintain its competitive position in comparison to other market players.

5.2. ERP's Geographical Scope



■ General Contractor Geodis (France, Ireland, Italy, Portugal, Spain, UK)

■ General Contractor Stena Metall (Austria, Denmark, Germany, Poland)

■ Europe Plus countries

5.3. ERP Services

WEEE for B2C users (Business to Consumers)

ERP focuses on the collection and treatment of WEEE used in private households.

This includes:

- Pick-up at collection point, transport, treatment, recycling and disposal of WEEE according to the national legal requirements
- Compliance with all legislation regarding WEEE take-back: this means ERP will hold all the required permits to be an accepted authorised compliance scheme. ERP will also provide full reporting in order to achieve compliance with regard to the authorities.

The chain for WEEE take back from private households is first taking the WEEE from the households and delivering it to either the municipalities or the retailer, depending on the country's local implementation. Once this has been collected, the WEEE is now the producer's responsibility. The producer transports, treats, and recycles the WEEE. Where necessary, they also report to the local government.

WEEE for B2B Customers (Business to Business)

ERP offers tailor-made solutions designed to suit the special arrangements between ERP members and their commercial customers in some countries.

ERP's general contractors will also handle WEEE that has migrated from commercial customers into households in the same manner as WEEE from private households. In these instances, the case is similar as with the B2C consumers: the WEEE is either collected from the business or from the municipalities or dealers. The WEEE is then transported for treatment and recycling and, where required, is reported to the government.

5.4. Two General Contractors: the Recyclers

The ERP recycling operation is currently handled by two general contractors – Stena Metall and Geodis, both carefully selected after a strict tendering process. Each contractor must always achieve the best competitive price (per country/product group). The contractors are in charge of designing, establishing, operating and managing all operations of the take-back process. They will also serve any collection point where necessary to achieve compliance.

Stena Metall is based in Gothenburg, Sweden and had a turnover of €2.6 million in 2006. The company was formed in 1939 and offers customized total waste management solutions. Stena Metall operates for ERP in Germany, Austria, and Poland.

Geodis is a Paris-based logistics company, with turnover of € 3.8 billion in 2006. The company operates for ERP in France, the UK, Ireland, Portugal and Spain.

5.5. Europe Plus: Comprehensive WEEE Solutions in 29 European Countries

In March 2007, ERP signed a partnership agreement with 1WEEE Services to extend its WEEE recycling offering to another 19 European countries. This enables ERP to deliver its competitive services with an unprecedented scope in 29 countries.

This partnership between ERP and 1WEEE Services combines the best aspects of each company to provide their members with the most extensive and highest quality WEEE management.

1WEEE Services brings value to the partnership with ERP through support at all levels of the WEEE chain. ERP's members will benefit from 1WEEE's connections to take back and recycling schemes in 19 countries where ERP was not present up until now, with a complete service package featuring registration, financing, input reporting, operations, legal and business consulting.

This expanded service is called Europe Plus and is available exclusively to ERP's European members.

The countries included in the programme are: Belgium, Bulgaria, Cyprus, the Czech Republic, Estonia, Finland, Greece, Hungary, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Romania,



Slovakia, Slovenia, Sweden, and Switzerland. This is in addition to ERP's current operations in Austria, France, Germany, Ireland, Italy, Poland, Portugal, Spain and the UK.

6. The Fundamentals of ERP

6.1. A Global Approach

The ERP WEEE compliance scheme was set up in November 2002 as a branded, totally outsourced, first ever pan-European WEEE compliance scheme. As such, it outsources all operational activities to two general contractors, who must always achieve the best competitive price (per country and product group).

In doing so ERP acts as a catalyst for the development of competitive compliance schemes, thus generating competitive pressure for all schemes. In this sense, ERP not only benefits the producers that have joined ERP but to the global market in general. Competition forces all schemes to be more efficient and it acts as a visible and natural benchmarking for the benefit of producers and consumers. ERP feels that competition between take-back systems will ensure the most competitive cost and the highest quality.

As a result, most countries now have multiple market players. In Germany, for example, there are more than 20 compliance schemes operating. Another good example is Austria, where competition has caused a beneficial financial impact on producers, consumers and consequently on national economies.

However, competition by itself is not enough: governments must ensure the development of a frame that allows competition between different schemes. The use of measures, including legal barriers that avoid competition (such as the principle of “proximity” that forces schemes to treat WEEE in specific plants at any cost) is clearly against the EU plan in relation to the recycling market.

6.2. Best Price/ Best Service

ERP’s target and commitment is to always deliver the best price for the best service.

Whenever other compliance schemes in the country offer more competitive prices, ERP will match these with new offers.

The ERP price strategy is simple and lean: members pay for what they get, i.e. cost is calculated based on real collection volumes processed by ERP members in relation to their market share within ERP per product category.

7. ERP Contact Details

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