Working Group Meeting on Circular Economy

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Venue: WTO, Geneva

Study on items shipped for reuse and Extended Producer Responsibility fees

A case for extending EU EPR fees to cover end-of-life activities of products shipped outside the EU

Circular Innovation Lab
for the
European Environmental Bureau

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Overview

Focus of the study

- EPR in EU and Africa

- Domestic and Global Policy Landscape

- International Trade in Used Electronics and Vehicles

- Estimating Annual Quantity of Shipped Items from the EU to Africa

- Estimating Retained EPR Fees in the Exporting Nation

- Proposing Policy Recommendations

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What is EPR?

- Environmental policy approach that extends the producer's product responsibility to include the post-consumer stage of the product's lifecycle.

- Motivates producers to create more eco-friendly products, minimizing waste and incorporating end-of-life costs

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EPR Legislation in the EU

- In the EU, EPR first appeared as a policy approach in the 1990s
- Currently, the EU has well-established EPR policies within its directives
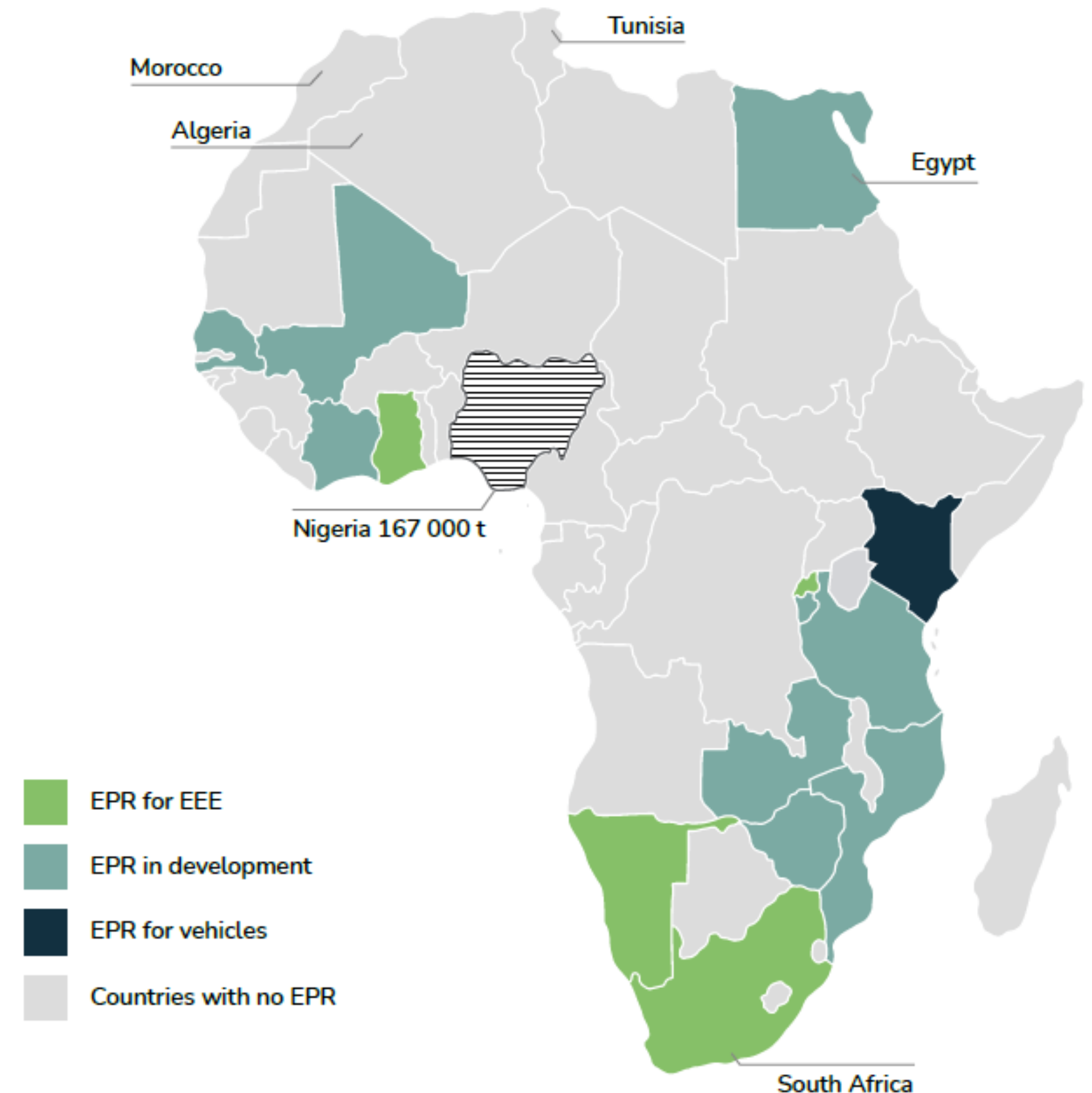
EU EPR Schemes Challenges:
- EPR schemes within the EU mainly focus on waste management, not waste prevention.
- Fees are a small fraction of the price of the product (eg for a mobile phone weighing 0.2kg EPR fees can be as little as 0.02 EUR)
- Large variation between states (some have basic EPR schemes, while others such as France have more robust, eco-modulated fees, lack of collaboration)

EPR Legislation in Africa

- Only 17 out of 54 African countries have EPR policies in place, many of which do not cover imported products.

- The majority of EEE products consumed in Africa are imported so there is a significant challenge in enforcing EPR schemes as they do not cover goods not produced domestically

- Ivory Coast, Cameroon, and Ghana emphasise the responsibility of the consumer, not importing or manufacturing organisations
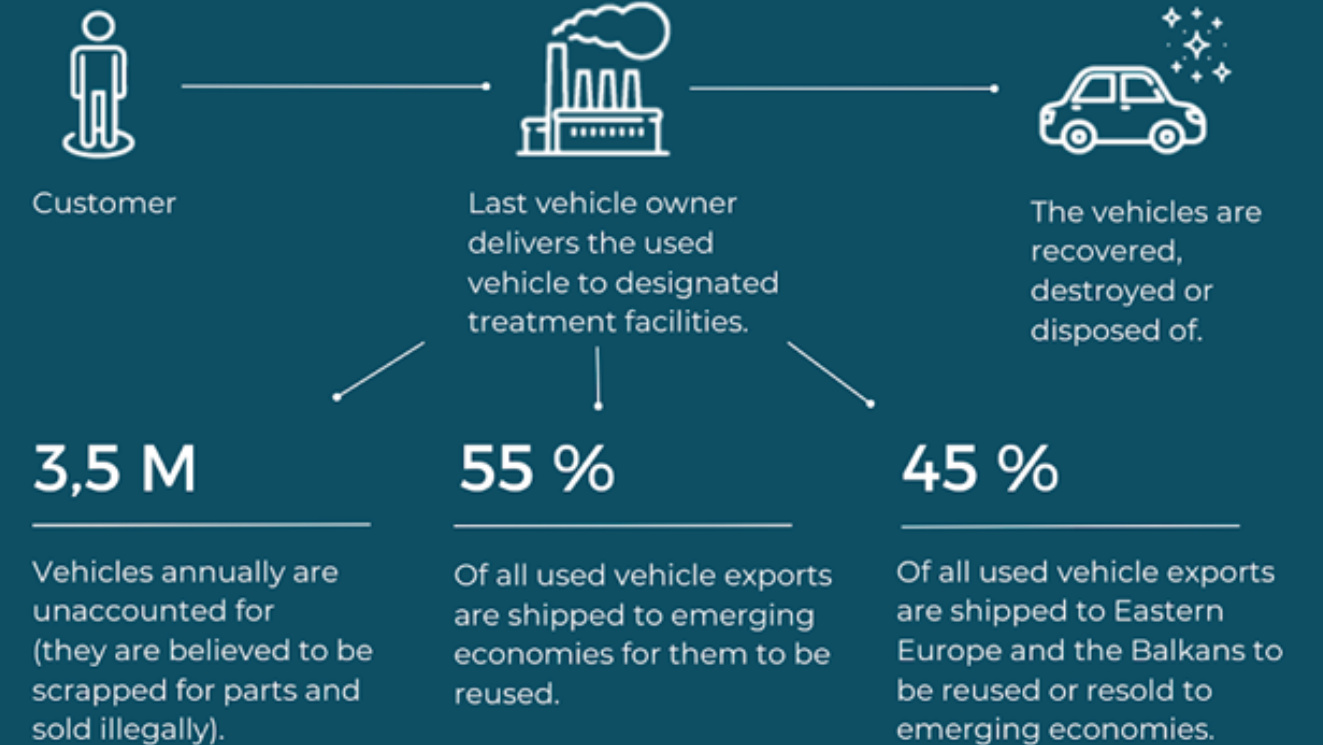
Biggest importers of EEE in Africa

Morocco

Algeria

Tunisia

Egypt

Nigeria 167 000 t

EPR for EEE

EPR in development

EPR for vehicles

Countries with no EPR

South Africa

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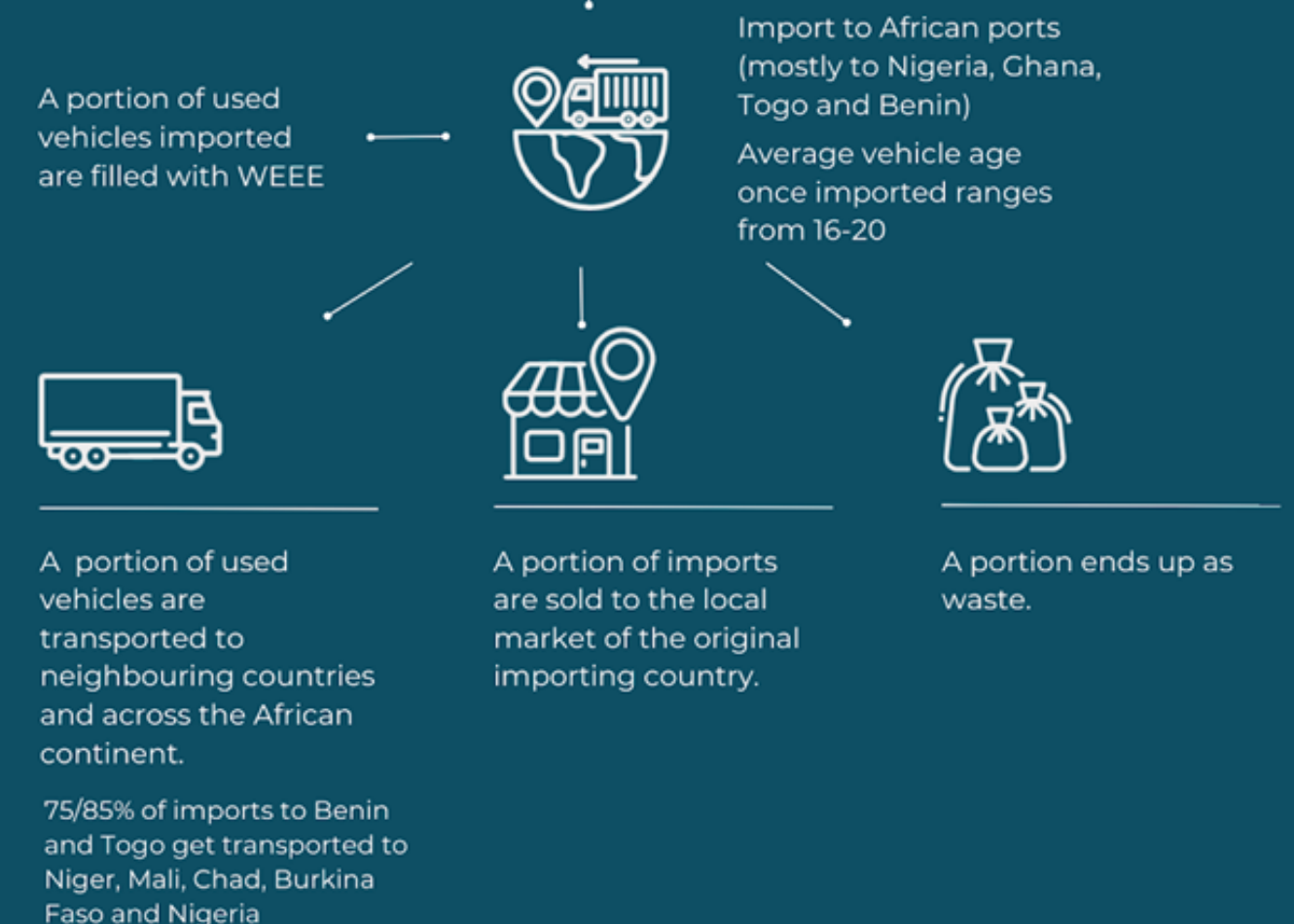
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International trade in used items

- Used electronics are exported from Europe to Africa under the categorisation of reuse, recycle and donation

- Benefits:
  - Prolonged life-cycle of items
  - Reach of reuse targets
  - Partnerships & local market access
  - Economic opportunities

- Challenges:
  - Lack of traceability and monitoring
  - Social & environmental issues for the importing countries
  - Lack of proper waste management

Part 1: From an EU consumer to an export

Customer

Last vehicle owner delivers the used vehicle to designated treatment facilities.

The vehicles are recovered, destroyed or disposed of.

3,5 M
Vehicles annually are unaccounted for (they are believed to be scrapped for parts and sold illegally).

55 %
Of all used vehicle exports are shipped to emerging economies for them to be reused.

45 %
Of all used vehicle exports are shipped to Eastern Europe and the Balkans to be reused or resold to emerging economies.

Part 2: From arrival in African countries to consumers or dumpsites.

A portion of used vehicles imported are filled with WEEE

Import to African ports (mostly to Nigeria, Ghana, Togo and Benin)

Average vehicle age once imported ranges from 16-20

A portion of used vehicles are transported to neighbouring countries and across the African continent.

75/85% of imports to Benin and Togo get transported to Niger, Mali, Chad, Burkina Faso and Nigeria

A portion of imports are sold to the local market of the original importing country.

A portion ends up as waste.

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Key findings - used electronics

- Main EU exporting countries: Germany, the Netherlands, Spain, France and Italy

- Main African importing countries: Morocco, Tunisia, Nigeria, Egypt, South Africa

- 4.3 MT of UEEE exported yearly

Sources of undocumented WEEE

WEEE in mixed residual waste

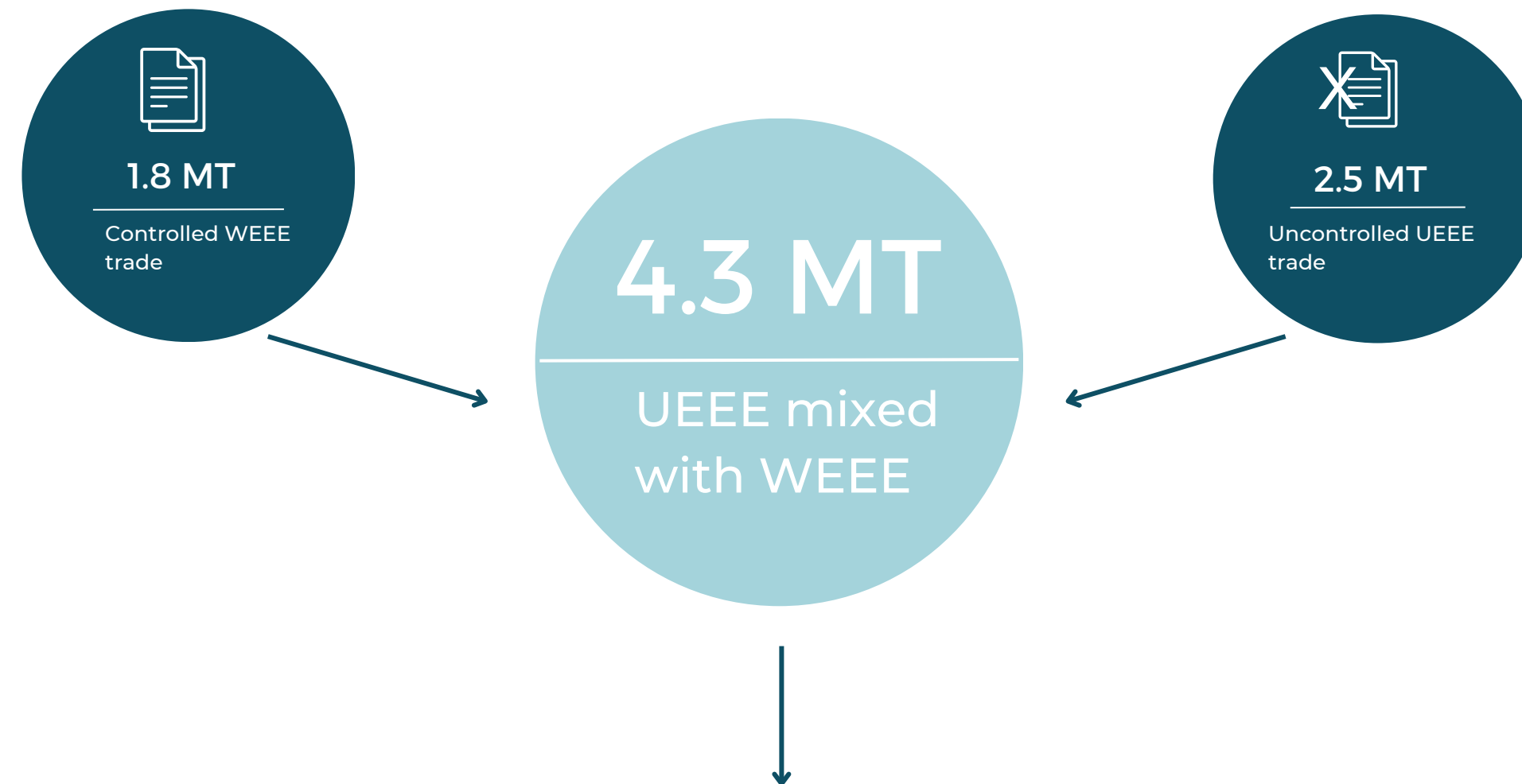WEEE collected with scrap and scavenged
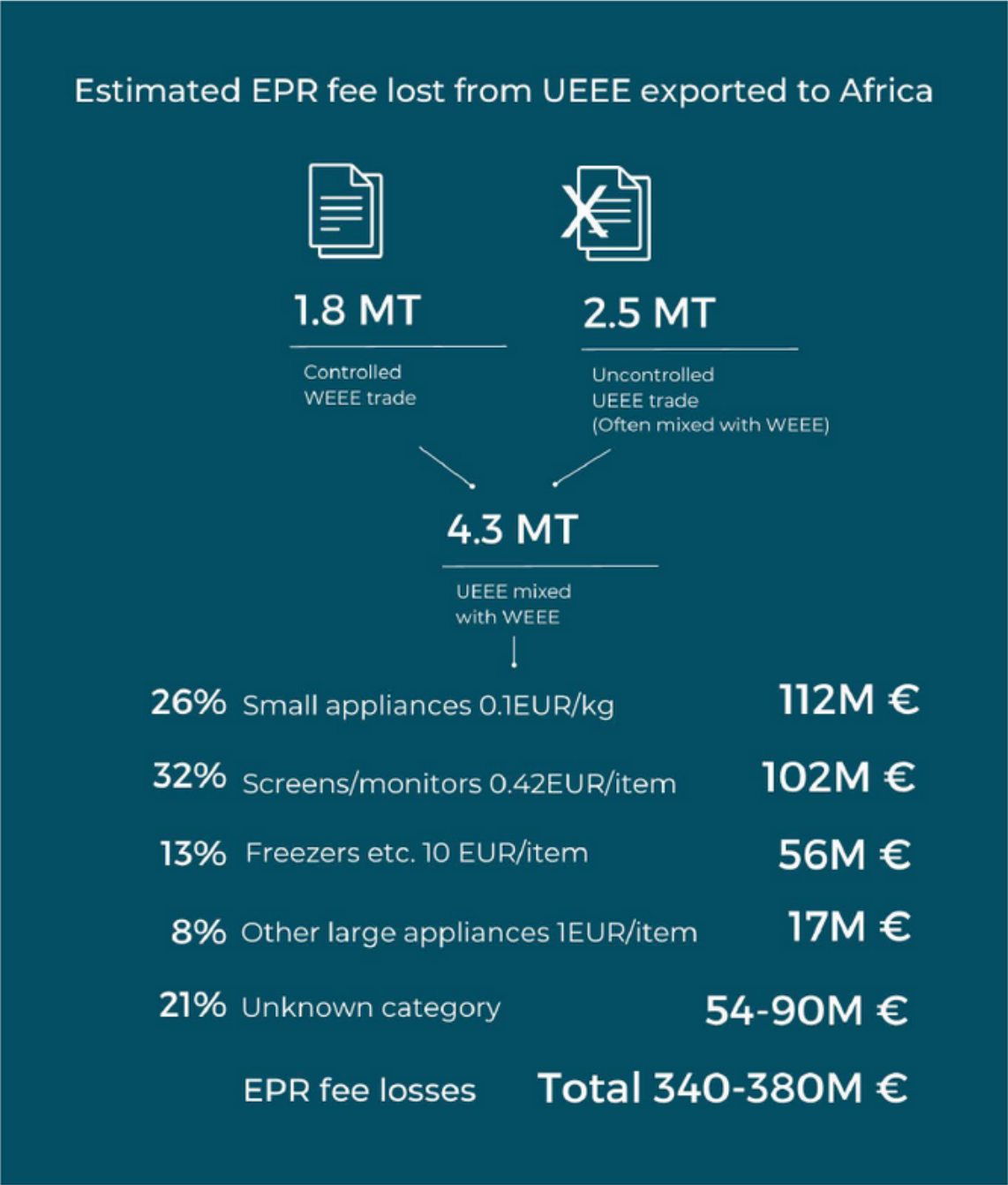
WEEE/UEEE hoarded, passed on

Export

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EPR fees and flows - used electronics

Key findings - EPR fee lost from the UEEE exports

Case study: Used Electronics in Lapaz, Ghana

- **Exporters**- Germany, Italy, and Netherlands; China, Japan South Korea

- **Key Actors**: Suppliers and exporters; Importers, dealers, Ghana Ports Authority, consumers, repairers, and scrap dealers; customs agents and the government

- **Goods**: Televisions, washing machines and rice cookers
- **30%** are faulty
- **Scrap dealers**: financial return
- **Informal waste pickers**: poor working conditions

Image Source: The Wired

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Policy Recommendation

1 GLOBAL COLLABORATION

3 TRADE DATA

2 TRACEABILITY AND TECHNOLOGY

4 CIRCULAR PRODUCT DEVELOPMENT

Global Collaboration & Coordination

- Between countries, PROs and local organisations involved in recycling and waste management

- Ensuring better product reuse, recycling and disposal

- increase reuse and recycling targets

- Increased monitoring and reporting of products

Traceability and technology

- Through technology, we can ensure better global traceability of products, their second life and end-of-life

- Ultimate Producer Responsibility (UPR), Material passports, Digital product passports (DPP)

- Stricter boarder control, eco modulation fees, increased traceability

Trade data collection

- More informed global environment

- Better understanding of where products end up

- Better understanding of how products are treated

- Better understanding of the amount of waste or broken products are shipped

Circular product development

- Increased product value for a longer amount of time - durability, modularity, adaptability

- Decrease environmental footprint, less waste creation

- Reduce raw material dependency

THANK YOU

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