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# WHY E-WASTE MANAGEMENT IS A PRIORITY?

>E-waste stream includes discarded electrical and electronic equipment such as used TV sets, personal computers, monitors, laptops, digital cameras, printers, scanners, mobile phones, smoke detectors, batteries used in the electronics, etc.

> The electrical and electronic products that we buy don't last very long.

>Electrical and electronic equipment contains many toxic materials.

>More E-wastes are thrown in the trash than recycled.

### WHY E-WASTE MANAGEMENT IS A PRIORITY? (CNTD.)

- > Hazardous substances such as mercury, cadmium, lead, hexavalent chromium and polychlorinated biphenyls (PCBs) and ozone-depleting substances will be present in E-waste for many years and impact environment and human health.
- > E-wastes also contain scarce metal resources.
- Currently, there is no established system for managing Ewastes in Mauritius.
- > 6 registered E-wastes recyclers and exporters in Mauritius to date.
- > Out of the 7,000 to 8,000 tonnes of E-wastes generated annually, it is estimated that a small fraction (2-5%) gets dismantled and treated as well as landfilled (0.4%).

# WHAT SHOULD BE DONE?

- Inspire ourselves of what has been "tried and tested" in various countries:
  - EU (France, Italy, Ireland, U.K, Germany, Denmark, Netherlands, Sweden, Switzerland)
  - > Japan
  - > Chile
  - Singapore
  - > India
  - > China
  - > Brazil
  - > Kenya
  - Reunion Island
- Extended Producer Responsibility (EPR) principle in Legislation

## WHAT IS EPR?

- EPR is an environmental policy approach in which producers take responsibility for the management of products after becoming waste, and this includes:
  - Collection;
  - > Pre-treatment, e.g. sorting, dismantling or de-pollution; (preparation for) reuse;
  - Recovery (including recycling and energy recovery); or
  - Final disposal.
- > Several actors along the supply and disposal chain.
- > EPR may be applied on the following products:
  - Electrical and Electronic Equipment (EEE); Packaging; End-of-Life Vehicles, amongst others.
- > Over <u>400</u> EPR systems are operating worldwide.

#### **PROVISIONS OF FINANCE ACT 2020**

(i) in section 96(2) –

(i) by repealing paragraph (fa) "for the electrical and electronic equipment on which the advance recycling fee shall be payable" and replacing it by the following paragraph –

"(fa) for the goods in respect of which a manufacturer, an assembler or an importer is required to be registered under section 69D"

(ii) in paragraph (g), by repealing subparagraph (iii) "the introduction of producer and importer responsibility" and replacing it by the following subparagraph –

*"(iii) imposing producer responsibility obligations on every manufacturer, assembler or importer in respect of such goods as may be prescribed"* 

## **ACTIONS INITIATED FURTHER TO PROVISIONS OF FINANCE ACT**

Jun 20	Jul 20	Aug 20	Sep 20	Oct 20	Nov 20	Dec 20
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# **TECHNICAL WORKING GROUP ON EPR**

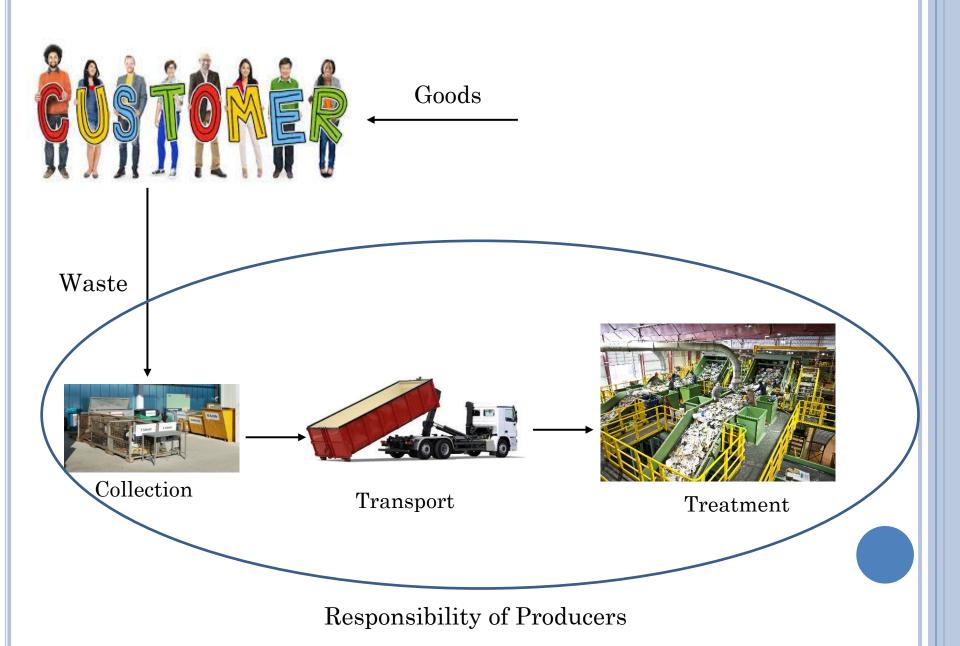
#### > Members

- Representatives from the Solid Waste Management Division
- Representative from the Department of Environment
- Representative from the Ministry of Finance, Economic Planning & Development
- Representative from the Mauritius Revenue Authority
- Representative of Ministry of Commerce & Consumer Protection
- Representative from the Ministry of Local Government and Disaster Risk Management

#### > Terms of Reference

- > Draft the content of the EPR Regulations for electrical & electronic equipment
- Have ad-hoc meetings with the private sector to share the progress on the Regulations and have their views on sections of the drafted EPR regulations
- Frequency of Meeting: Once every 2 weeks (A meeting to be held with Hon. Minister in the 6<sup>th</sup> week to discuss on the progress made on the Regulations)

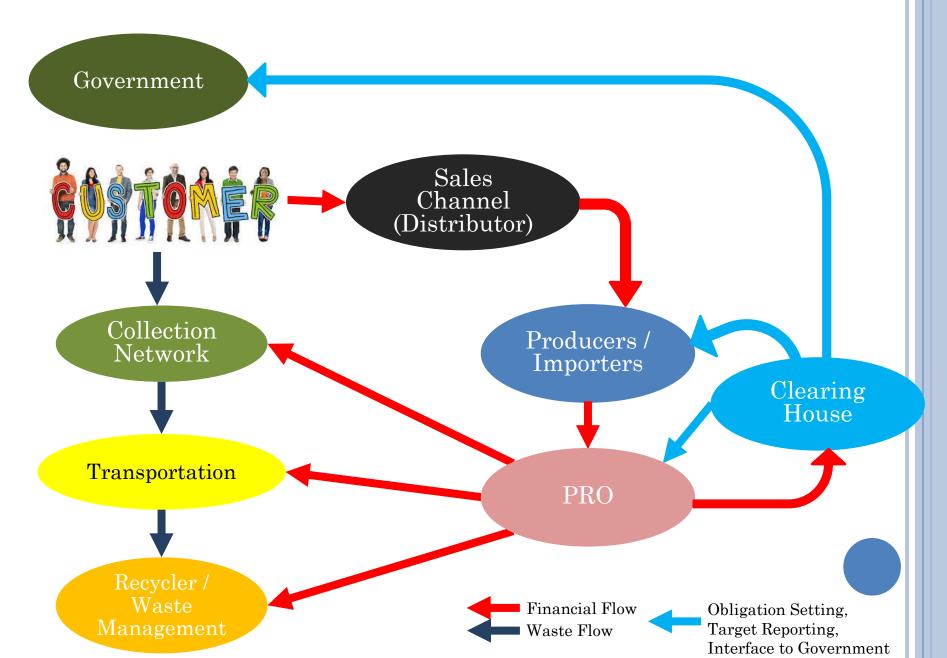
# **BASIC PRINCIPLES OF EPR**



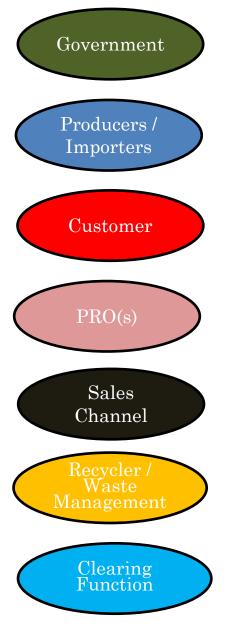
# **GENERAL ASPECTS OF EPR**

- Definition of the product (e.g. electrical and electronic equipment)
- Definition and registration of Producers (Importers, Assemblers & Manufacturers)
- Collective EPR systems: Make use of a Producer Responsibility Organisation (PRO)
  - > PRO is thus responsible for implementing the EPR system on behalf of the Producers/Importers
  - Maximum of 2 PROs per product stream
- > Responsibilities
  - Responsibilities should be defined to achieve the goals and objectives of EPR. These responsibilities can be assumed primarily by producers or shared among different stakeholders.
  - Responsibilities should be clearly defined throughout the whole life cycle of the products/waste flows.

#### **EPR STAKEHOLDERS – ROLES & RESPONSIBILITIES**



#### **EPR STAKEHOLDERS – ROLES & RESPONSIBILITIES**



- Sets responsibility Sets targets Ensures Enforcement

- Reports imports Selects PRO
- Pays PRO
- Brings wastes (e.g. E-Waste) to collection points
- Organize Collection for their producers Organize Treatment for their producers Report data to Clearing House

- Run awareness campaigns
- Acts as collection side
- **Educates** Customer
- **Environmental Sound Treatment and Disposal**

- Determines liability of individual producers Controls if obligations are met Interface to government (e.g. recycling / collection data) Can play a role in enforcement •

# **EPR CLEARING HOUSE / FUNCTION**

- Register Producers
- Receives, Put on Market data (per category) from producer
- Calculates Market Share data for each producer / category
- Splits obligation between PROs based on their clients marketshare
- Receives collection data from PROs
- Coordinates access of Waste to PROs
- Manages undercollection/overcollection of PROs
- Controls / audits reports of producers and PROs
- Provides Reports to Government
- Coodinates Promotion activities of PROs

Operations (Calculations, Audits) can be outsourced

# **EPR – COSTS & FINANCING**

- Every PRO should cover their portion of the net costs related to waste management and this may include:
  - Costs for establishing a separate waste collection system (e.g. contracting out the waste collection & transportation);
  - Net costs for waste management (costs for collection and treatment minus revenues from the sales of recovered materials);
  - Administrative costs, i.e., costs linked to the running of PROs;
  - Costs for reporting and public communication/awareness-raising (on waste prevention, litter reduction, separate collection, etc.) as long as producers have a say in their design and implementation;
  - Costs for the appropriate monitoring of the system (including auditing and measures against free-riders).

# EPR – COSTS & FINANCING (CNTD.)

- Ensure competition amongst the waste service providers (collectors and recyclers), as it is an essential element to keep waste management costs at a low level (through public tenders).
- > Typically, the fees (average or graduated) are collected by PROs and no injection of public funds is required. Fees to be published.
- It is thus a private sector arrangement and the role of the Authorities is to only provide a legal framework, ensuring monitoring and compliance.

## **EPR – FEES VS. TONNAGE**

> Fees are usually set based on this formula:

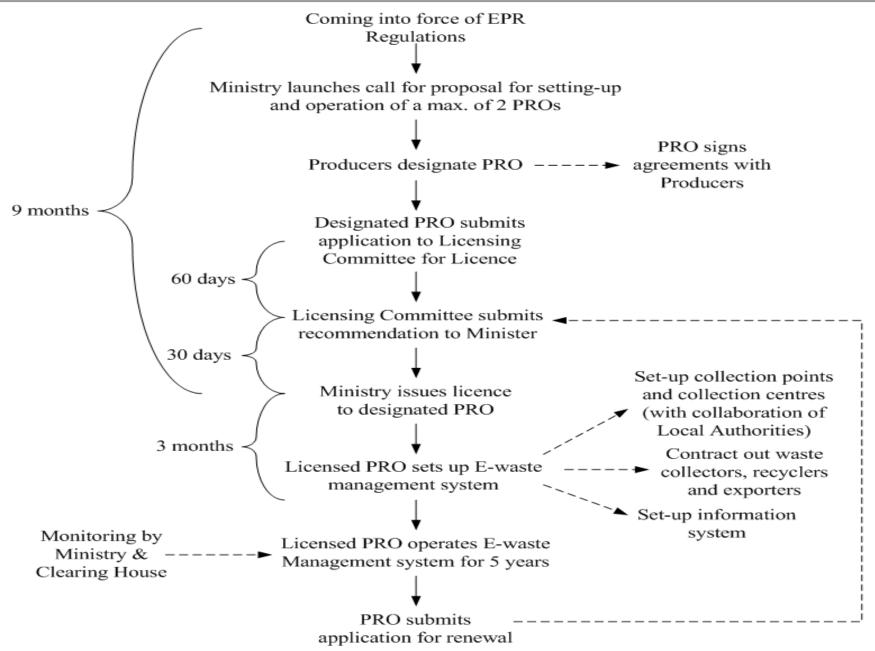
Fixed cost of the PRO +Transportation cost per unit + Recycling cost per unit + Clearing house fees) = Operational cost per unit \* units returned / products sold

Red expressions: These values are based on estimations. As PROs are not supposed to incur any losses, they usually overestimate these costs, therefore charge higher fees and accumulate huge reserves (up to 350 million € in the first two years in Netherlands).

#### > Alternative:

Tonnages (based on market share) are assigned to each producer. The PRO charges its fixed cost, logistics & recycling cost as well as Clearing House fees based on the tonnage they handle to producers. As all cost are covered and adjustable on a short term basis, there is no need for establishing reserves.

#### **OVERVIEW OF THE DRAFT EPR REGULATIONS**



# **KEY ELEMENTS OF THE DRAFT EPR REGULATIONS**

- > Title of Regulations Completed
- Definitions of Terms used in the Regulations To be finalised
- > Objective of Regulations Completed
- Scope of Application of Regulations Completed
- Obligations of Producers (Importers, Manufacturers & Assemblers) Completed
- > Obligations of Distributor Completed
- Responsibilities of Consumer/Bulk Consumer Completed
- Obligations of Producer Responsibility Organisation (PRO) Completed
- Obligations of Recyclers, Exporters & E-waste collectors Completed
- > Obligations of Licensing Committee Completed
- Obligations of the Ministry Completed
- Obligations of Clearing House Completed
- Penalties To be drafted

#### **TITLE OF REGULATIONS**

> These regulations may be cited as the Environment Protection (Extended Producer Responsibility for Electrical and Electronic Equipment) Regulations 202X.

## **AIM/OBJECTIVES OF REGULATIONS**

- > The aim of these Regulations is to provide for the legal conditions for the implementation of a collective EPR scheme for electrical and electronic equipment, with the following objectives –
  - > Promoting E-waste prevention, reuse and recycling;
  - > Promoting a circular economy approach in E-waste management;
  - > Promoting environmental stewardship;
  - Decreasing final disposal;
  - Internalizing the costs of E-waste management into the price of an electrical and electronic equipment; and
  - > Protecting human health and the environment through the environmentally sound management of E-wastes.

## **SCOPE OF REGULATIONS**

- ▹ These regulations shall apply to
  - > The electrical and electronic equipment put on the Mauritian market as listed in the First Schedule;
  - > Orphaned products and historical products of the same nature as those listed in the First Schedule; and
  - Collective EPR schemes only and is not applicable to individual EPR scheme.
- These regulations shall not apply to the islands of Rodrigues and Agalega.
- > Without prejudice to regulation XX, these regulations shall not apply to any of the electrical and electronic equipment listed in the Second Schedule.

### **OBLIGATIONS OF PRODUCERS**

- Every producer of electrical and electronic equipment listed in the First Schedule shall, for the purpose of these regulations, -
  - Finance the environmentally sound management of E-wastes generated from electrical and electronic equipment that it puts on the Mauritian market;
  - Designate a PRO and sign an agreement with the PRO to fulfil the obligations specified under regulation XX;
  - Make its eco-contribution to a licensed PRO for the management of E-wastes as per an agreed eco-contribution rate for the electrical and electronic equipment as listed in the First Schedule;
  - Submit to the Director-General a proof of its membership with a licensed PRO upon importation of electrical and electronic equipment; and
  - > Be allowed to import electrical and electronic equipment only if it is a member of a licensed PRO.

#### **OBLIGATIONS OF DISTRIBUTORS**

- Each distributor of electrical and electronic equipment listed in the First Schedule shall, for the purpose of these regulations –
  - Accept free of charge from a consumer, E-wastes of similar or equivalent type, with the same functionality and without any contamination, when supplying a product to that consumer;
  - > Inform consumers of the available facility of return and collection systems when supplying a new product to a consumer;
  - For retail premises covering an area of at least 400 m<sup>2</sup>, make provision for the setting up of a collection point for the in-store collection of E-wastes not exceeding 25 cm free of charge to endusers and with no obligation to buy electrical and electronic equipment of any type;
  - Inform the licensed PRO when containers are nearly full and ready for collection; and
  - Not transfer E-wastes collected to any unauthorised person other than an E-waste collector contracted by a licensed PRO.

#### **OBLIGATIONS OF CONSUMER/BULK CONSUMER**

- > A consumer, who wants to discard E-wastes, shall
  - Segregate and store E-wastes separately from the normal waste stream;
  - Deliver E-wastes to a designated E-waste collection point or Ewaste collection centre;
  - Make available E-wastes to a distributor through a take-back mechanism offered by the distributor as per regulation XX; and
  - Make available E-wastes for pick-up through periodic E-waste pickups organised by a licensed PRO.
- > A bulk consumer, who wants to discard E-wastes, shall
  - > Store E-wastes separately from other wastes; and
  - > Deliver their E-wastes at their own costs directly to a designated collection centre.

# MAIN OBLIGATIONS OF PRO

- > A PRO designated under regulation XX shall
  - > Be responsible for executing EPR obligations, on behalf of the producers, for E-wastes originating from the electrical and electronic equipment including orphaned products and historical products, as listed in the First Schedule;
  - Finance the procurement of the services of a Clearing House as per regulation XX;
  - Following the launch of call for proposals by the Ministry, submit an application to the Licensing Committee for a licence to operate as a PRO as per the standard forms and requirements specified in the Third Schedule within the allocated time frame;
  - > Pay a licence fee of Rs. XX to the Ministry;
  - Receive a non-transferable licence with a Licence Number from the Ministry that shall be valid for a period of 5 years as from the date of issue of the licence;

# MAIN OBLIGATIONS OF PRO (CNTD.)

- > A PRO designated under regulation XX shall, within 3 months from the date of licensing as a PRO,
  - > Issue a membership card to each producer forming part of the PRO;
  - > Mobilise its resources and set-up its office;
  - Set-up collection points and collection centres across the island with the collaboration of Local Authorities from each region;
  - Establish and maintain an information management system that would be capable of transmitting real-time information to the Clearing House and the Ministry. The information management system shall contain data in the form of a registry;
  - Set-up a financial system for the collection of all eco-contributions related to the management of E-wastes as agreed by the producers for each electrical and electronic equipment in the agreements signed between the producers and the PRO;
  - Carry out Open Public Tendering for all Services outsourced;
  - Set-up a registry for the purpose of record keeping of data;

# MAIN OBLIGATIONS OF PRO (CNTD.)

- A PRO designated under regulation XX shall, during the course of execution of the collective EPR system as a licensed PRO,
  - > Update the registry as and when required and make same available to the Clearing House and the Ministry on a continuous basis via the information management system;
  - > Have regular contacts with the distributors to ensure that E-wastes collected at the collection points set-up by the distributors are regularly collected by E-waste collectors;
  - Carry out communication and awareness-raising at regular intervals to ensure proper E-waste storage and maximum E-waste collection;
  - Submit an annual operational plan to the Licensing Committee for approval;
  - Commission annual performance and operational audits on E-waste collectors, dismantlers, recyclers, refurbishers and exporters;
  - Commission an annual independent performance audit including an audited financial statement;
  - Submit a fresh application for renewal of its licence to the Licensing Committee at least 9 months prior to the expiry of the previous licence.

#### **OBLIGATIONS OF LOCAL AUTHORITY, E-WASTE COLLECTOR, RECYCLER & EXPORTER**

- Each Local Authority may collaborate with a licensed PRO and facilitate the setting-up of collection points and collection centres across the island and also for the collection and transportation of E-wastes.
- > An E-waste collector contracted by a licensed PRO for E-wastes collection and transportation shall ensure that the collection and transportation complies with the technical and environmental requirements specified by the Ministry.
- A recycler or exporter contracted by a licensed PRO for E-wastes recycling or exportation shall –
  - Be registered with the Ministry and meet all their obligations as per provisions made under the Local Government (Registration of Recycler and Exporter) Regulations 2013;
  - Comply with the technical and environmental requirements specified by the Ministry on the storage of E-wastes;
  - Ensure that E-wastes are completely recycled or exported within a year of their receipt by the recycler or exporter; and
  - Comply with record keeping and submission requirements as specified by the PRO.

# LICENSING COMMITTEE

- There shall be established for the purposes of these regulations, a Licensing Committee at the level of the Ministry which shall consist of the Permanent Secretary of the Ministry, as Chairperson, and one nominated Senior Representative from each of the following –
  - > The Solid Waste Management Division of the Ministry;
  - > The Department of Environment of the Ministry;
  - > The Ministry of Finance, Economic Planning & Development;
  - > The Ministry of Commerce and Consumer Protection;
  - > The Mauritius Revenue Authority; and
  - > The Ministry of Local Government and Disaster Risk Management

# **OBLIGATIONS OF LICENSING COMMITTEE**

- > The Licensing Committee shall
  - Subject to a quorum of 5 members including the Chairperson being reached, examine the application submitted by a designated PRO for licensing;
  - Assess the application of the PRO against a set of pre-established criteria;
  - Make such recommendations including conditions that may be attached to the issue of a Licence to the Minister within 60 days after the date the application was received by the Licensing Committee;
  - Regulate its meetings and proceedings in such manner as it thinks fit;
  - > Approve or reject any proposals made by a licensed PRO or the Clearing House in connection with changes to the eco-contribution rate; and
  - Negotiate with a PRO, if required, to decrease the eco-contribution rate being levied on the electrical and electronic equipment.

# THE MINISTER

The Minister shall, after taking into account the environmental, governance aspects and financial impacts of the operation of the PRO, approve the recommendations of the Licensing Committee for the issue or renewal of a licence on such terms and conditions recommended or any other as he may deem appropriate.

# MAIN OBLIGATIONS OF THE MINISTRY

#### > The Ministry shall –

- Launch a call for proposals for the setting-up and operation of a maximum of 2 PROs;
- Following payment of the licence fee by the PRO, issue a licence with a licence number to the PRO including a set of conditions that the PRO must comply with during the validity of the licence;
- Submit technical and environmental requirements to PROs, contracted E-waste collectors and registered recyclers or exporters pertaining to storage, handling and/or transportation of E-wastes;
- Determine and set clear collection and recycling targets (on a weight basis) for the PRO for E-waste management as part of the conditions attached to its licence to be effective as from the 2<sup>nd</sup> year of operation of the PRO;
- Assess any recommendations for changes to the eco-contribution rate submitted by a licensed PRO or the Clearing House during the course of the execution of the collective EPR scheme;
- Submit its recommendations to the Licensing Committee as to any changes proposed on the eco-contribution rate;

# MAIN OBLIGATIONS OF THE MINISTRY (CNTD.)

- > The Ministry shall
  - > Assess any reports submitted by the Clearing House pertaining to the performance of a licensed PRO and non-compliance of the producer, distributor, licensed PRO and contracted E-waste collectors, recyclers or exporters to the provisions of these regulations;
  - Revoke, cancel or suspend the licence of a PRO upon noncompliance to the conditions attached to the licence or upon noncompliance to regulation XX; and
  - > Apply penalties in case of non-compliance to the provisions of these regulations as per regulations XX.
- Without prejudice to regulation XX, the Ministry shall procure the services of a Clearing House, financed by a licensed PRO, to undertake the obligations as set out in the Fourth Schedule, as from the date the PRO has been licensed.

#### **SCHEDULES**

- First Schedule Category and Sub-Category of Electrical and Electronic Equipment subjected to the Collective EPR Scheme
- Second Schedule List of Electrical and Electronic Equipment Exempted from the Collective EPR Scheme
- Third Schedule Application for licence to operate as a Producer Responsibility Organisation (PRO)
- Fourth Schedule Obligations of the Clearing House

# WAY FORWARD – PLANNED ACTIONS

- 5<sup>th</sup> Technical Working Group on EPR: Finalise definitions, draft penalties and address comments received from Private Sector
- 6<sup>th</sup> Technical Working Group on EPR: Review/harmonise all sections of EPR regulations
- > Meeting with Hon. Minister to present draft EPR regulations
- > Vetting of EPR regulations by State Law Office

# Thank you for your kind attention