Consultation on reforming the UK producer responsibility system for waste electrical and electronic equipment

Partial Business and Regulatory Impact Assessment (BRIA)



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1.0 Title of Proposal: Reforming the UK producer responsibility system for waste electrical and electronic equipment

This document is the partial Business and Regulatory Impact Assessment (BRIA) for the reforms to the UK-wide system of producer responsibility for waste electrical and electronic equipment (WEEE) which will introduce extended producer responsibility (EPR). A full range of proposals for changes to the current WEEE producer responsibility (PR) system are presented across the Consultation, Call for Evidence and impact assessment documents. This document is the BRIA for Scotland.

2.0 Policy intent and rationale

Background

- The Scottish Government is committed to reducing the environmental impact of waste electrical and electronic equipment (WEEE) and moving towards a circular economy which keeps all resources in high-value use for as long as possible. In June 2023 Scottish Government introduced the Circular Economy Bill¹ which will establish the legislative framework to support Scotland's transition to a zero waste and circular economy, significantly increase reuse and recycling rates, and modernise and improve waste and recycling services.
- 2. The growth of electrical and electronic equipment (EEE) in recent decades has brought great benefits for Scottish society and has become indispensable in all areas of modern life. New EEE, especially Information and Communication Technology (ICT), has come to play a key role for economic growth and development in all countries. The speed of this development has increased over the past two decades.²
- 3. These new technologies have simultaneously led to the rapid growth of WEEE, also known as e-waste. Approximately 1.6 2 million tonnes of WEEE^{3 4} is disposed of every year in the UK. This includes an estimated 155,000⁵ tonnes of smaller household WEEE items that are disposed of in the residual waste stream annually.
- 4. The growth of WEEE is three times greater than other sources of household waste,⁶ and has shown significant growth rates worldwide in recent years, particularly in developing countries in Africa and in China and India. WEEE from ICT has seen the highest increase, with an annual growth rate of 4.5%.⁷ As EEE markets expand and innovation cycles become shorter, the replacement of EEE has accelerated, owing to the high obsolescence rate and rapid consumption of EEE.

¹ Scottish Government News - Circular economy bill published

²Erumban, A.A., Das, D.K., 2016. Information and communication technology and economic growth in India. <u>Telecommun. Policy 40 (5), 412-431</u> 3The Global E-Waste Monitor 2020

⁴ Health and Safety Executive - Waste Electrical and Electronic Equipment recycling (WEEE)

⁵Anthesis (2020) Electrical waste – challenges and opportunities: <u>https://www.materialfocus.org.uk/report-and-research/electrical-waste-challenges-opportunities-2/</u>

^{6&}lt;u>Cruz-Sotelo et al., 2017. E-waste supply chain in Mexico: Challenges and opportunities for sustainable management</u>

⁷Qu, Y., Wang, W., Liu, Y., Zhu, Q., 2019. Understanding residents' preferences for e-waste collection in China – A case study of waste mobile phones. J. Clean Prod. 228, 52-62.

- 5. The lifetime of EEE varies greatly, with mobile phones lasting, on average, 2 years, and refrigerators 15 years.⁸ However, technological obsolescence periods are becoming shorter and the acquisition cost demonstrates a downward trend.⁹ This, in turn, leads to the growth of WEEE.¹⁰ The deeply embedded culture of advertising EEE also contributes to this growth, with the industry tending to promote newer and more attractive devices to the public.¹¹
- 6. WEEE is recognised as one of the main environmental consequences of the use of EEE and ICT in modern society¹². It is a complex and hazardous waste stream, as it is made up of many different components and substances. WEEE that is not collected for recycling or reuse is likely to end up in residual waste streams such as landfill and incineration. Hazardous component materials can contaminate soil and leach into groundwater, while landfill and incineration generates greenhouse gases.¹³¹⁴ Waste disposal can also have social costs for nearby households, such as noise, dust, odours and visual intrusion.¹⁵ Traffic to and from landfill and incineration sites can generate noise, traffic congestion, and localised air pollution.¹⁶ Taken together, these effects can undermine public enjoyment of an area, generate adverse health impacts for humans and animals, and reduce the value of the surrounding area.
- 7. WEEE is also commonly found in fly-tipping, which has both social and environmental costs. Local Authorities in England reported 1.1 million incidents of fly-tipping in 2020/21¹⁷, with 75,000 incidents involving white goods (refrigerators, freezers, washing machines), and other electrical items showing a 19% increase from 2019/20 (c.62,900)¹⁸. Work is currently underway to improve the data on fly-tipping incidents in Scotland¹⁹. A recent study

⁸EU, 2008. Directive of the European Parliament and of the Council on waste electrical and electronic equipment (WEEE)

^{9&}lt;u>Cruz-Sotelo et al., 2017. E-waste supply chain in Mexico: Challenges and opportunities for sustainable management</u>

^{10 &}lt;u>Perez-Belis, V., Bovea, M.D., Fores-Ibanzes, V., 2014. An in-depth literature review of the waste</u> electrical and electronic equipment context: Trends and evolution

^{11 &}lt;u>Cruz-Sotelo et al., 2017. E-waste supply chain in Mexico: Challenges and opportunities for sustainable management</u>

^{12 &}lt;u>Boubellouta, B., Kusch-Brandt, S., 2021. Cross-country evidence on Environmental Kuznets Curve in</u> waste electrical and electronic equipment for 174 countries.

^{13 &}lt;u>Leaching characteristics of heavy metals and brominated flame retardants from waste printed circuit</u> <u>boards - ScienceDirect</u>

¹⁴<u>A review of the environmental fate and effects of hazardous substances released from electrical and electronic equipment during recycling: Examples from China and India - ScienceDirect</u>

^{15 &}lt;u>Valuation of externalities of selected waste management alternatives: A comparative review and analysis - ScienceDirect</u>

¹⁶ Ibid.

¹⁷ DEFRA (2021) Fly-tipping statistics for England, 2020 to 2021 (December 2021). Available at:

https://www.gov.uk/government/statistics/fly-tipping-in-england/fly-tipping-statistics-for-england-2020-to-2021 ¹⁸ DEFRA (2021) Fly-tipping statistics for England, 2020 to 2021 (December 2021). Available at:

https://www.gov.uk/government/statistics/fly-tipping-in-england/fly-tipping-statistics-for-england-2020-to-2021 ¹⁹https://www.gov.scot/publications/national-litter-flytipping-strategy/

commissioned by the Scottish Government estimates that there were 66,159 number of fly-tipping incidents in Scotland in 2019/20, an increase of 8.0% relative to the figure of 61,277 in 2011. The tonnage of all fly-tipping incidents in this period is estimated to be 26,739 tonnes. The most commonly fly-tipped items in Scotland are bulky household waste, electrical items and C&D (construction and demolition) waste.²⁰ Fly-tipping is a source of negative externalities and creates disamenity for those who live locally, or travel by it. It is also damaging to the local environment.

- 8. EEE products contain a variety of critical raw materials which are lost if WEEE is not recycled or reused. Critical materials such as lithium, magnesium, copper and rare earth elements are highly valuable to the economy and essential to the production of EEE, as well as electric vehicles and renewable energy systems²¹ There are also environmental impacts associated with raw material extraction, EEE production and manufacturing.
- 9. The risks associated with WEEE are amplified if poorly managed or faced with sub-standard recycling/recovery operations. However, the proper management of WEEE can significantly reduce environmental and human health risk²², and ensure valuable materials are kept in use.

Purpose and Intended Effect

- The policy objective is to reduce the amount of WEEE ending up in landfill, EfW and fly-tipping, increase the current recycling and reuse rates of 57% of WEEE across the UK²³.
- 11. This would be achieved by reforming the current producer responsibility system by introducing a UK-wide household collection system for WEEE, moving the point of producer responsibility to the household²⁴, and extending the role of retailers and internet sellers in fulfilling their take back obligations.
- 12. A consumer would have greatly increased access to recycling for WEEE, alongside a better understanding of how to responsibly dispose of WEEE items, with convenient collection routes and removal of the financial barriers associated with some existing options.
- 13. Proposed reforms will address two significant issues with the current system: the inaccessibility of WEEE recycling for householders, and the lack of

²⁰ Scottish Government - Scale and Cost of Litter and Flytipping

²¹ World Energy Outlook, International Energy Agency, 13 October 2021; The Role of Critical Minerals in Clean Energy Transitions, International Energy Agency, 5 May 2021.

²² EU, 2008. Directive of the European Parliament and of the Council on waste electrical and electronic equipment (WEEE)

^{23 &}lt;u>Wrap - Quantifying the composition of municipal waste</u>

 $^{^{24}.}$ Ie, producers are responsible for collecting WEEE from the household, rather than collection points such as HWRCs

awareness of where and how to recycle WEEE. These issues have been identified by a Post Implementation Review²⁵ of the current WEEE regulations, and in further research²⁶.

- The proposed reforms also intend to (1) address the imbalance in obligations 14. and enforcement between online sellers and traditional sellers, (2) ensure that vape producers are financing the full cost of recycling vapes, (3) incentivise increased eco-design of products, for example through 'eco-modulation', and (4) drive up treatment standards and incentivise the recovery of critical raw materials.
- 15. By increasing the quantity of WEEE that is recycled and reused, the proposed reforms would improve resource efficiency, increase natural capital benefits via a reduction in WEEE sent to landfill and energy from waste, reduce carbon emissions via reduced extraction, processing, and manufacturing, reduce flytipping, and increase revenue for material reprocessors.

Existing regulatory landscape

- WEEE is regulated under UK legislation by the Waste Electrical and 16. Electronic Equipment (WEEE) Regulations 2013.²⁷ These Regulations came into force in the UK on 1 January 2014, implementing Directive 2012/19/EU on WEEE,²⁸ and provide for a wider range of products to be covered by the Directive with effect from 1st January 2019.
- 17. There are fourteen broad categories of WEEE currently outlined within the Regulations:²⁹

	Category of EEE			
Bulky WEEE 1 - Large Household Appliances (LHA) (E.g., washing machines, dishwashers, cookers)				
	2 - Small Household Appliances			
Small Mixed	3 - IT and Telecoms Equipment			
WEEE (SMW)	4 - Consumer Equipment			
	5 - Lighting Equipment			

²⁵ The Waste Electrical and Electronic Equipment Regulations 2013

²⁶ Material Focus Report, Electrical Waste - Challenges and Opportunities: An independent study on WEEE flows in the UK

The Waste Electrical and Electronic Equipment Regulations 2013 27

 ^{28 &}lt;u>Directive 2012/19/EU of the European Parliament and of the Council of 4 July 2012 on waste</u> <u>electrical and electronic equipment (WEEE)</u>
29 <u>Health and Safety Executive (HSE)</u>: Waste Electrical and Electronic Equipment recycling (WEEE)

	6 - Electrical and Electronic Tools				
	7 - Toys, Leisure, and Sports equipment				
	8 - Medical Devices				
	9 - Monitoring and Control Instruments				
	10 - Automatic Dispensers				
	11 - Display Equipment (E.g., TVs, Monitors)				
	12 - Cooling Appliances Containing Refrigerants (E.g., Fridges, Freezers)				
NI/A 30	13 - Gas Discharge Lamps and LED light sources				
IN/A	14 - Photovoltaic Panels				

- 18. A key principle in managing WEEE is the "polluter pays" principle, which underpins many environmental measures. EPR, which seeks to ensure that producers of waste are made financially responsible for managing the products they place on the market when they become waste, is an application of the polluter pays principle. For the purpose of this impact assessment we will refer to the current system as producer responsibility (PR), and the new proposed system as extended producer responsibility (EPR). WEEE EPR would include the costs of collection, transport, treatment, and disposal of WEEE.
- 19. The principle of EPR is well established in waste management and the circular economy. EPR has historically focussed on producer-funded, end-of-life waste management systems, though there is increasing focus on the use of modulated fees (eco-modulation) to incentivise better product design. There are already four existing schemes in operation in the UK that deliver a varying degree of producer responsibility, covering packaging waste, end of life vehicles (ELV), batteries and accumulators, and WEEE.
- 20. The current producer responsibility system for managing WEEE is UKwide. Scottish Environment Protection Agency (SEPA) is the statutory environmental regulator in Scotland. The UK Environment Agency collates and hosts a shared system through which all regulators publish data and public registers for WEEE PR. This system aims to reduce the amount of WEEE going to landfill by encouraging separate collection and subsequent treatment, re-use, recovery, and environmentally sound disposal.

 $_{\rm 30}$ We did not use these categories in our analysis due to the low tonnages collected, so they are not included in SMW/ bulky WEEE categorisation.

Producers

21. Any actor who places EEE on the UK market must register as a producer/distributor. Under the 2013 regulations, obligation can come through:

For producers:

- UK-based manufacture under their own brand.
- Buy EEE and then make changes to rebrand the product and resell to the UK market.
- Importing EEE into the UK.
- Selling equipment on behalf of a manufacturer and sold under an organisation's own brand.

For distributors:

- Those who make EEE available on the UK market, including by distance selling.
- 22. Producers may also be distributors and can often be the same business. Private individuals importing products, however, are not liable to comply with the regulations. Unlike other PR schemes, there is no threshold for registration under WEEE regulations. So regardless of company turnover or amount of EEE placed on the UK market, if a business performs one of the two main activities on the obligated EEE (producer/distributor), then that business is obligated under the regulations.
- 23. Regulations make a distinction between WEEE collected from households (Business to consumer/B2C) and WEEE collected from users other than households (Business to business/B2B). In determining which, the main points to consider are the EEE product's design specification and function. If useable by both households and non-households, any EEE would be B2C. If used for just non-households, then B2B classification would be most suitable. A product's normal intended use is also a consideration. For example, if a household purchases a product intended for industrial use, then the product would still classify as B2B.
- 24. The current system of WEEE PR is based on 'collective producer responsibility'. Unlike in an individual producer responsibility scheme, producers do not have to individually finance the collection and reprocessing of exclusively their own equipment. Rather, the entire market's WEEE is collected, reprocessed and collectively paid for based on the fraction of each producer's market share, by weight, of each category of WEEE.
- 25. Producer Compliance Schemes (PCSs) discharge these obligations on members' behalf. Some PCSs are for-profit whereas others are not-for-profit.

Producers have an obligation to report to their chosen PCS the amount of EEE they placed on the market. For producers of household EEE (B2C), the PCS must submit quarterly data confirming the amount of EEE placed on the UK market in the preceding quarter across the 14 WEEE categories. For non-household producers (B2B), the submission must be made annually.

- 26. There is a specific de minimis threshold for producers who place less than 5 tonnes of EEE on the UK market in a compliance year, who will be considered a 'small producer', and will be given the opportunity of direct registration with the relevant agency or registration via a PCS. If at any point the 5-tonne threshold is exceeded the producer must register with a PCS.
- 27. Annually, the UK Government Department for Environment, Food, and Rural Affairs (Defra) determines the amount of WEEE which needs to be recovered, and this amount is allocated out to the registered PCSs. The PCSs then arrange for the management and collection of enough WEEE from Household Waste and Recycling Centres (HWRCs) to meet their obligations, at no cost to the local authority.³¹
- 28. Each local authority in the UK has the option to sign up with a PCS which then provides a service to them, collecting WEEE from HWRCs. Households can return WEEE to HWRCs free of charge, with EEE producers then paying the cost of recycling or reusing the WEEE. Unlike other waste streams, the cost of treatment of fly-tipped household WEEE that is cleared by local authorities and taken to a local "designated collection facility" under the WEEE Regulations (e.g., a Household Waste Recycling Centre) is also financed by producers.
- 29. If a PCS fails to meet its obligated tonnages, it can buy certificates which cover tonnages from other schemes. If this does not then cover the obligated tonnages, the PCS must notify the WEEE Compliance Fee mechanism and pay a fee equivalent to the missed tonnage obligation; plus an extra fee which acts as a disincentive for inaction.
- 30. Non-compliance fees are held by the independent industry-led body Material Focus, which are then used to the benefit of the system as a whole, such as through grant funding schemes for HWRC improvements and research.

Distributors

- 31. Under the regulations distributors can include:
 - Retailers
 - Wholesalers

³¹ WEEE: apply for approval as a producer compliance scheme

- Mail order
- Internet sellers
- TV shopping channels
- Other distance selling methods
- Sellers or retailers of WEEE who sell directly to households
- 32. Distributors must offer a free take back of WEEE by accepting it either in store for free from customers with like-for-like products or setting up an alternative take back service, regardless of context; retain a record of all WEEE taken back for at least four years; and provide customers access to written information on the service provided and what they should do with their WEEE.
- 33. When WEEE is collected, it can either be given to Approved Treatment Facilities (ATFs) or Approved Authorised Treatment Facilities (AATFs), which are sites permitted to carry out treatment on WEEE which can include depollution, disassembly, shredding, recovery, or preparation for disposal. Any operator of an appropriately permitted site or sites receiving WEEE direct from designated collection facilities (DCFs), distributors, or end users can apply to become an ATF/AATF. It is only AATFs which can issue evidence notes for the treatment, recovery, or recycling of WEEE that takes place in the UK. These evidence notes will be required by PCSs operating on behalf of producers who will need to prove that a certain amount of WEEE has been treated, recovered, and recycled³². Because only AATFs can issue evidence, most WEEE ends up in these facilities rather than ATFs.
- 34. The export of WEEE should only happen if the exporter can demonstrate it will be recovered/recycled safely in the recipient country without endangering human health or harming the environment. Exporters can issue evidence notes on the whole appliance for reuse overseas received from or on behalf of a PCS. They can also export materials extracted from WEEE for treatment, recovery, or recycling outside the UK received from an AATF. If the overseas treatment or recovery site receiving exported WEEE is located outside of the European Economic Area (EAA) it must operate to the equivalent standard³³ of an AATF in the UK.
- 35. An exporter must apply to SEPA in Scotland to become an approved exporter to issue evidence of the export of WEEE for reuse to a PCS. Exporters must keep records and quarterly reports must be submitted to SEPA and must include the amount of WEEE exported for recovery, recycling, and reuse as whole appliances, as well as the detail of evidence issued to each compliance scheme.

^{32 &}lt;u>CIWM - Approved Authorised Treatment Facility</u> 33<u>Guidance - Broadly equivalent standards for packaging and equivalent standards for WEEE and batteries</u>

Rationale for intervention

- 36. The existing regulatory system of producer responsibility for WEEE has been in place since 2006 and is well understood by the sector. The proposed policy options would represent an extension of the existing system rather than developing a new regulatory system from scratch.
- 37. Despite some improvements in the recycling rates of WEEE items, the recycling rate for WEEE is currently 57%, with around 450kt of WEEE disposed of through residual waste streams.³⁴ The amount of electricals identified at fly-tipping sites has also increased³⁵. The relatively low recycling rate is likely due to the lack of accessibility for householders to recycle WEEE under the existing PR scheme.
- 38. WEEE producers have consistently missed collection targets in recent years. Since 2017, producers have only met SMW, and several bulky WEEE (cooling and LHA) targets on one occasion. The average proportion of target tonnage collected over this period was 87% for SMW and 93% for bulky WEEE categories combined (1,11-12). The tonnage of SMW and bulky WEEE collected has also consistently fallen over the last 6 years. The tonnage of SMW collected in 2022 was 15% lower than 2017. Bulky WEEE collected was 9% lower in 2022 than 2017³⁶.
- 39. A post implementation review (PIR) of the 2013 WEEE Regulations was conducted in 2020³⁷. The PIR found that the existing regulations had been effective in ensuring that producers finance the cost of collection and proper treatment of household WEEE currently separately collected. The market-based system, in which Producer Compliance Schemes are placed in "the chain of custody of the waste", established under the existing regulations, has ensured that compliance costs are largely reflective of the costs incurred in transport and subsequent proper treatment of WEEE that enters the system established under the regulations.
- 40. However, there were some areas which the PIR recommended should be addressed through a further regulatory reform. These included:
 - Making it easier for consumers to responsibly discard of unwanted WEEE to drive up existing levels of separately collected WEEE for reuse and recycling.
 - Reviewing the role of different actors across the supply chain of EEE to bring investment in an expanded collections infrastructure for household WEEE.
 - Addressing high levels of non-compliance with producer obligations by online sellers.

³⁴ WRAP - Quantifying the composition of municipal waste

³⁵ Fly tipping statistics for England 2020 to 2021

³⁶ Statistical data set - Waste electrical and electronic equipment (WEEE) in the UK

^{37&}lt;u>The Waste Electrical and Electronic Equipment Regulations 2013</u>

- Reviewing the scope of distributor WEEE take-back obligations, to ensure parity of obligation between online sellers and retailers.
- Reviewing the role of the "distributor take-back scheme" whose membership provides an alternative to distributors taking back WEEE from customers and instead provides funds to support local authority WEEE collections for reuse and recycling.
- Reviewing the business-to-business (B2B) system so that it is easier to access for business end users of equipment to return WEEE to producers, leading to higher levels of collections of B2B WEEE.

Inconvenience and lack of knowledge of current collection systems

- 41. Annually, an estimated 155kt of WEEE is disposed of in household residual waste collections in the UK³⁸, which is then sent to landfill and energy from waste (EfW). This is equivalent to 5.3kg per household per year.³⁹
- 42. Research on public behaviour and attitudes has highlighted the greater effort required to recycle WEEE compared to disposal in residual waste. Most householders must go to a household waste recycling centre or a dedicated distributor takeback facility to dispose of WEEE. This poses a barrier to recycling and may not be possible for some groups. There are limited kerbside collections for WEEE.
- 43. Research also highlighted a lack of awareness and understanding of how and where to recycle WEEE. Public attitudes behavioural research by Material Focus found that 43% of respondents had put WEEE in residual waste in the past 12 months. ⁴⁰ Of those respondents who had disposed of WEEE in residual waste in the past year, 48% stated they were not aware that it could be recycled, 45% did not know how and where to recycle it, and the majority of other respondents referenced the lack of ease and/or effort required to recycle WEEE.⁴¹
- 44. Since the introduction of the current regulations there has been some improvement in accessibility for consumers to dispose of their small mixed WEEE (SMW) responsibly, which has resulted in increased collection levels. For example, retailers with a physical store and selling £100k or more of EEE annually must provide in-store takeback facilities for their customers⁴². Smaller

³⁸ Material Focus Report, Electrical Waste - Challenges and Opportunities: An independent study on WEEE flows in the UK, page 8 & 9, <u>https://www.materialfocus.org.uk/report-and-research/electrical-waste-challenges-opportunities-2/</u>

³⁹ Page 76, <u>Material Focus - Update to A Review (Economic and Environmental) of Kerbside</u> <u>Collections for Waste Electricals</u>

⁴⁰ WEEE-public-attitudes-and-behaviours-original.pdf

⁴¹ Among those who have put any WEEE items in the general rubbish in the last 12 months some of the further reasons given were: don't have easy access to a tip or HWRC (12%), didn't have time to take it to a top/HWRC/Recycling bank (12%), not worth the effort to recycle it (11%) and I couldn't be bothered (10%).

⁴² Department for Business Innovation & Skills - WEEE Regulations 2013 - Government Guidance Notes

and non-physical retailers may instead join the Distributor Take-back Scheme.⁴³

- 45. Three Scottish Local Authorities (LAs) offer household kerbside SMW collections, but this only covers a minority of households. A SMW UK kerbside collection service is not a requirement of LAs under the current regulatory scheme, and so the services which exist cover just 22% of UK households⁴⁴. The mean weight of SMW presented by UK households with access to kerbside collection services is 0.7kg per household per year⁴⁵, just 13% of what is assumed to be going into the average household residual bin.
- 46. Providing households with accessible and convenient routes to responsibly dispose of SMW, whilst supplying households with more information on how to recycle their WEEE, would likely improve recycling rates and reduce the amount of WEEE entering residual waste flows. Both aims are likely to be difficult for producers to achieve without government intervention. It would be inefficient and expensive for individual producer compliance schemes to establish individual collection systems, while the cost and complexity of the system is likely to be a barrier to a voluntary coordinated approach.

Costs to households

- 47. Current WEEE regulations place some collection and management costs on producers. However, consumers are still required to take on some costs. Most LAs currently charge households for bulky WEEE collections, with the amount being charged varying across local authorities. Retailers/distributors also generally charge a fee for collecting bulky WEEE upon delivery of a new item of EEE. Alternatively, households can dispose of their WEEE at HWRCs and in-store with obligated retailers (those with a £100k turnover from EEE annually), but this incurs travel and time costs for households.
- 48. These costs disincentivise household use of available services, and increase use of alternative routes of disposal, most likely through residual waste, but also via fly-tipping or the informal scrap sector. Minimising or removing the cost to households of recycling WEEE is therefore likely to improve WEEE recycling rates.

Online Marketplaces (OMP)

49. Online sales of WEEE have rapidly increased in recent years, allowing consumers to buy products from sellers in other countries more easily⁴⁶. This

^{43 &}lt;u>Electrical waste: retailer and distributor responsibilities</u>

⁴⁴ Page 7, <u>Material Focus - Update to A Review (Economic and Environmental) of Kerbside</u> <u>Collections for Waste Electricals</u>

⁴⁵ Page 11, <u>Material Focus - Update to A Review (Economic and Environmental) of Kerbside</u> <u>Collections for Waste Electricals</u>

^{46&}lt;u>The Waste Electrical and Electronic Equipment Regulations 2013</u>

has resulted in new opportunities for "free riding" by companies defined as producers and distributors under the current regulations. Producers who are not registered with a Producer Compliance Scheme in the UK but are placing large volumes of EEE on to the UK market, are not meeting their regulatory obligations to finance the collection and treatment of that EEE when it becomes waste.

- 50. Instead, the cost of collection and treatment of these products when they become WEEE falls on obligated producers complying with the regulations by registering with the regulators. Non-compliant producers will often sell direct to UK customers online, in many instances via online marketplaces, creating a challenging environment for effective enforcement, particularly in the case of overseas sellers.
- 51. An estimated 33% of EEE being placed on market is being sold by OMPs (520kt of EEE)⁴⁷. A further 125-220kt of unreported EEE could be being sold by OMPs⁴⁸. This dynamic creates an unlevel playing field between registered and unregistered producers of EEE, and there have been strong representations from industry to address this issue.
- 52. The key challenge is the ability of regulators to take meaningful action against non-compliant internet sellers that operate from overseas territories that fall outside of the jurisdiction of UK-based regulators. Although online marketplaces (OMPs) are frequently used by overseas sellers to facilitate sales in the UK, they do not have any obligations under the current regulations in respect of the sellers that use their platforms.
- 53. This is not an issue specific to an extended producer responsibility (EPR) system for electricals. For example, the reform of regulations that place obligations on producers of packaging⁴⁹, identified the same issue of overseas packaging producers free riding through OMPs, and the UK Government has set out its plans on how it will be addressed. This underlines the need for free riding to be addressed in the EEE market.

Vapes (e-cigarettes)

54. As noted above, EEE products are grouped into 14 categories. Producers of products in a particular category are obligated to finance the cost of collection, treatment, recovery, and recycling, of all products from that category when they become waste, based on their market share, expressed in tonnes, of products placed on the market in that category.

⁴⁷ Anthesis, Evidence Gaps, 2022, page 95 - 96

⁴⁸ Anthesis, Evidence Gaps, 2022, page 96

^{49 &}lt;u>UK Government - Consultation Outcome - Packaging and packaging waste: introducing Extended</u> <u>Producer Responsibility</u>

- 55. Vapes (also known as e-cigarettes) fall within category 7, which covers toys, leisure, and sports equipment. This creates a high probability that all producers of category 7 products (whether vapes or otherwise) share in the cost of recycling vapes. However, the costs of recycling vapes are significantly higher than other category 7 products. For example, research commissioned by Zero Waste Scotland⁵⁰ found that WEEE recycling organisations were facing costs of recycling single-use vapes in the order of 50p per item (some organisations have been quoted £1 per item). Empty single-use vapes weigh of the order 30g, so that a cost of the order 50p per item equates to over £15,000 per tonne.
- 56. Where vapes are collected for recycling by producer compliance schemes (for example where households return vapes to their local HWRC), there is significant risk that the other category 7 producers will share the significantly higher cost of treating these vapes. This unfairly increases the compliance costs to these producers. The challenge for producer compliance schemes to fairly apportion costs of collection and treatment of vapes acts as a disincentive for them to sign up vape producers.
- 57. The current inclusion of vapes within category 7 means that producer compliance schemes and producers also do not currently need to ensure that vapes are collected to meet their recycling targets, as targets can be met through financing the collection of other category 7 items.
- 58. The current categorisation therefore means that it is unlikely that vapes producers are covering the full cost of vapes collected for recycling, which reduces the incentive for them to ensure that their products are easily recyclable.
- 59. At the point that the WEEE regulations were implemented, vape usage was low, and these products only made up a small proportion of category 7. However, there has been as significant increase in the use of vapes in the UK, with research suggesting that the number of vape users has increased by 400% in the last 10 years⁵¹. Recent estimates suggest that around 0.5 billion vapes are now placed on the market each year, of which one third are disposable. Approximately 50% of disposable vapes are thrown away, equating to 67 million disposable vapes annually⁵².
- 60. Vapes contain plastic, lithium-ion batteries, and may contain other hazardous or harmful substances such as heavy metals, lead, mercury, and nicotine, which can contaminate the natural environment if not properly treated at end

⁵⁰ Zero Waste Scotland - Environmental impact of single-use e-cigarettes

⁵¹ From 0.7m in 2012 to 3.6m in 2021: https://ash.org.uk/uploads/Use-of-e-cigarettes-vapes-among-adults-in-Great-Britain-2021.pdf

⁵² Material Focus - Vapes Briefing - working document

of life. Vape batteries can also pose a fire risk, for example at material processing facilities, if incorrectly managed or disposed of via residual waste. The critical, finite raw material components of vapes are also vital for the economy and are lost if vapes are not recycled. For example, an estimated 10 tonnes of lithium is lost from discarded disposable vapes per year, equivalent

to the batteries inside 1,200 electric vehicles 53 .

In its 2023 Programme for Government titled 'Equality, Opportunity, Community', the⁵⁴ Scottish Government states that it will "take action to reduce vaping among nonsmokers and young people and to tackle the environmental impact of single-use vapes, including consulting on a proposal to ban their sale and other appropriate measures".

53 Zero Waste Scotland - One million single use vapes thrown away every week contributing to the growing e-waste challenge in the UK

⁵⁴ Scottish Government - Equality, Opportunity, Community - Our Programme for Government 2023

3.0 Summary of policy options considered

- 61. The policy options considered in this analysis have been designed in line with the policy objectives set out above: to aid the convenience, understanding and ability to collect, reuse and recycle WEEE. Each option is compared against a common baseline which is the business-as-usual case. Full details of the costs and benefits for each policy option can be found in the impact assessment published by the UK Government, the results of which are summarised below. Net present value for each option is set out in Table 2.
- 62. Non-regulatory options have been disregarded. The key objective of the proposed policy is that businesses that distribute and place EEE on the market take on their share of responsibilities for that equipment when it becomes waste, whilst barriers to increasing the recycling of WEEE are removed. It is considered that a voluntary approach would not ensure that this is achieved because of the likely levels of free-riding if the system was not enforced. This is evidenced by the high levels of non-compliance amongst internet sellers that are based overseas. This is a market failure, and it can only be corrected through a regulatory approach. This policy requires that producers operate on a level playing field, therefore regulations are required to ensure that all obligated producers comply.
- 63. **Option 1** Business-as-usual or do-nothing option. This would maintain the current system, whereby the point of producer responsibility remains at the household waste and recycling centre, and to provide a system of return for WEEE collected by distributors.
- 64. **Option 2**. To introduce a UK-wide household collection system for small mixed WEEE (SMW), to be financed by producers and free to households. This option specifically aims to address the problem of inconvenience and cost to households of disposing of SMW, by ensuring that producers are responsible for collecting SMW directly from households free of charge. This should eliminate the lack of incentive to recycle SMW and reduce the amount that is disposed of in residual waste (and littering in the case of vapes)⁵⁵. It is proposed that this would also include a coordinated consumer communications campaign to address the problem of the lack of knowledge around recycling of WEEE.
- 65. This option would move the point of producer responsibility from a local authority waste site to each respective household. We envisage that such an obligation is likely to be most effectively discharged on behalf of producers by an industry-led, not for profit, central body. Such a UK-wide body would require UK government approval, which would be assessed against a set of criteria that are specified in legislation. The body would be responsible for establishing

⁵⁵ SMW is assumed more likely to be disposed of through residual than through other means such as fly tipping due to the ease of this disposal route

the system, contracting as necessary with organisations to undertake WEEE collections, and ensuring that these items are sent for proper treatment, reuse, and recycling. It would be required to propose a methodology for fairly charging the costs incurred in treatment, reuse, and recycling of WEEE to producers and/or producer compliance schemes⁵⁶. These costs would also cover household-related communications, which the central body would be responsible for delivering on behalf of producers.

- 66. There is no mandate for how this must be delivered. This impact assessment has therefore costed this option **on the assumption that the service will be delivered through local authorities and their service providers** as an add on to their existing waste collection services. However, in reality, producers may develop an alternative approach. It might also be the case that the model varies across different areas to reflect local demographics or that the industry adopts alternative methods to meet the obligations set out in regulation.
- 67. **Option 3.** To introduce a UK-wide household collection system for bulky WEEE, to be financed by producers, and free to households, in addition to the small mixed WEEE system. This is the same as Option 2, building upon it with the addition of a bulky WEEE collection from households. As with option 2, this aims to address the problems of cost and inconvenience to households of recycling WEEE by ensuring producers are responsible for collecting bulky WEEE directly from households free of charge.
- 68. As with Option 2, it is envisaged that this will be delivered on behalf of producers by a new industry-led, not for profit, central body, approved by UK government. Similarly, there will be no mandate on how this service must be delivered, however it is anticipated that this would be an "on demand" service, similar to the bulky waste collection services currently offered by some local authorities. Again, the most efficient delivery route may be through partnerships with local authorities, who on the whole, currently provide households with a bulky waste service for a fee but ensuring that it is offered free-of-charge to households. This impact assessment has therefore costed this option on the assumption that the service will be delivered through local authorities and their service providers.
- 69. **Option 4.** This option is the same as Option 3, but with additional aspects to strengthen distributor obligations to take back WEEE from their customers.
- 70. Seek to introduce a mandatory obligation on sellers to offer a free-of-charge collection of an old large domestic EEE appliance (i.e., bulky WEEE) upon delivery of a new replacement item⁵⁷. Many retailers offer this service on a paid

⁵⁶ It is anticipated that producers would be charged based on the costs of collecting SMW by the 14 category types in order to maximise the incentive for producers to consider recycling costs/recyclability in their product design. The exact mechanism will be determined by the Scheme Administrator once set up.

⁵⁷ Generally, there is a requirement for the consumer to at home to take delivery of the replacement item which makes collection of the old appliance easier. However, current LA bulky waste services often allow households

basis currently, but under the reform they would be required to offer this service for no additional charge. I.e., businesses would be mandated to provide this service, and the service should be free for charge to consumers.

- 71. Mandating distributors with an annual EEE turnover of over £100k to provide a "0:1 takeback service" for all categories of WEEE⁵⁸. Currently, the take-back obligation is on a 1:1, like for like basis for goods sold. Under this option, these distributors would be mandated to provide a free takeback service⁵⁹ for EEE that is the same type as has been sold in their stores or online, without the requirement to purchase a new item to access the service. Distributors below the £100k threshold would continue to provide a 1:1 takeback service. The consultation asks for views on whether alternative obligations should exist for solely online sellers, fulfilment houses or online marketplaces, who are likely to find these requirements challenging.
- 72. Mandating producer compliance schemes to bear the cost of transport of WEEE from the distributors' premises to an approved accredited treatment facility (AATF) for treatment. Currently producer compliance schemes must simply have systems in place to receive WEEE from distributors. This means that the distributor bears the cost of transport from their premises to a specific point (e.g., treatment facility) nominated by the producer compliance scheme. This cost can act as a disincentive for the distributor to maximise their take-back from consumers.
- 73. This option will result in additional tonnes of WEEE being reused and recycled. As each of the considered options are cumulative, this option provides the highest quantity of WEEE captured for reuse and recycling (as demonstrated in this impact assessment). It is more convenient, and efficient for a retailer to pick up bulky WEEE when delivering a new item than for LAs to make additional journeys to collect bulky WEEE. Implementing both LA collection and retailer collection offers a wider range of options to enable households to recycle their WEEE, which addresses the current underlying problems of inconvenience and financial costs of recycling WEEE.
- 74. **Option 5**. This option is the same as Option 4, but with the additional aspect of designated online market places (OMPs) as a new class of producers. The proposal is designed to address problems with the current regulation and ensure that OMPs contribute to the costs of collection, treatment, recovery and reuse or recycling of WEEE, that reflects the UK market share of their overseas online sellers. By designating them as a new class of producer, OMPs would stand in the shoes of the overseas sellers on their platform and be obligated to

to leave their bulky items outside their home (either from the night before, or morning of to minimise damage from weather) which removes the need to be in at the time of collection.

⁵⁸ Online only sellers would be required to provide a 1:1 takeback service, however the consultation acknowledges that a 0:1 take back service for online only sellers could be challenging and asks for views on whether an alternative option for meeting takeback obligations should be offered to these sellers

⁵⁹ Such as in store takeback

register with a Producer Compliance Scheme and submit the same data as other producers. This is consistent with UK government proposals to place obligations on online marketplaces as part of wider proposals to introduce extended producer responsibility for packaging⁶⁰.

75. The key impact of this option is to reduce the potential for certain businesses to free ride and ensure the EEE producers selling through online marketplaces are contributing towards compliance costs. As this is not expected to change the amount of WEEE being collected, rather the distribution of costs between producers, the main costs and benefits will be the same as option 4. Producers already complying with their regulatory obligations will see a reduction in costs compared to those in option 4 with these costs passed to newly obligated producers, such that the overall cost to business remains the same. Some additional transition and familiarisation costs are expected to occur for Online Market Places (OMPs) however these have not been quantified. These costs will be explored further through the consultation process.

Options	Costs (£m)	Benefits (£m)	Net Benefit (£m)			
1. No policy change.	0	0	0			
2. UK wide EPR for small WEEE.	312.7	286.7	-25.9			
3. UK wide EPR for bulky WEEE.	660.8	718.6	57.8			
4. Option 3 + strengthen distributor takeback obligations.	1452.3	2023.8	571.5			
5. Option 4 + designate OMP's as a new class of producer.	1452.3	2023.8	571.5			
6. Option 5 + create a new category for vapes.	1452.3	2023.8	571.5			
Note: Numbers may not sum exactly due to rounding. Options are cumulative, and all include the						

Table 2: Net Present Value Results for each Policy Option

Note: Numbers may not sum exactly due to rounding. Options are cumulative, and all include the provisions of previous options. Option 6 is the preferred option. 10 years in 2019 prices, 2020 present value.

76. **Option 6 is the preferred option.** Option 6 is the same as option 5, with the addition of the creation of a new category in the WEEE regulations for vapes.

^{60 &}lt;u>UK Government - Consultation Outcome - Packaging and packaging waste: introducing Extended</u> <u>Producer Responsibility</u>

As with option 5, this would address problems existing under the current regulation and enhance their effectiveness.

- 77. Under the current regulations⁶¹, EEE products are grouped into 14 categories. Producers of products in a particular category are obligated to finance the cost of collection, treatment, recovery and recycling of products from that category when they become waste, based on their market share and expressed in tonnes. Vapes fall within category 7 which covers toys, leisure, and sports equipment, which means that producers of other category 7 products share the cost of recycling vapes collected for recycling. The key benefit is to ensure that vapes producers are paying the full cost of recycling vapes collected under the regulations. This ensures that other category 7 producers are not paying overinflated fees to remain compliant and incentivises vapes producers to ensure their products are recyclable.
- 78. As vapes are more expensive to recycle than other WEEE items, were government to set ambitious targets on vapes specifically, this would lead to higher costs to producers overall. However, as Government are not currently consulting on target rates post the reforms outlined here, analysis for option 6 does not account for any additional recycled tonnage (and therefore costs) on top of that in the previous options. As such, costs are assumed to be the same as under option 5.
- 79. No additional costs and benefits have been quantified for this option, on the basis that costs would largely remain the same as option 5. This is because the primary aim of this option is a redistribution of costs between producers. It is acknowledged that there may be transitional costs which have not been quantified.

4.0 Scottish Firms Impact Test

- 80. Stakeholders from all affected businesses will be consulted on the proposed changes. Up to 12 businesses of varying sizes and geographical locations will be consulted and the results published in the Final BRIA. This process will help to establish:
 - Any anticipated impact on the competitiveness of Scottish companies within the UK, or elsewhere in Europe or the rest of the world.
 - The number of businesses and the sectors likely to be impacted by the change to existing Regulations.
 - The likely cost or benefit to business.
- 81. The approach for engagement will consist of:
 - (1) Questionnaires for completion by key business stakeholders

^{61 &}lt;u>The Waste Electrical and Electronic Equipment Regulations 2013</u>

(2) Telephone interviews and email correspondence with selected representative organisations and associations.

5.0 Competition Assessment

- 82. This section assesses the potential impacts of the preferred option on competition among producers, wholesalers, retailers and importers in the Scottish market.
- 83. The assessment will follow the Competition and Market Authority guidelines⁶²⁶³ which outline how to determine any competition impact. These guidelines recommend considering four key questions in order to assess whether a proposed policy would have an impact on competition. These are set out below, with answers based on the best evidence available to us at this point. As the policies are developed in more detail the analysis will be updated.
- 84. The preferred option is not likely to impact on intra-UK trade as the measure is UK-wide.
- 85. The preferred option is not likely to impact on international trade and investment.
- 86. The preferred option is not likely to impact on the Scottish government's policy to maintain alignment, where possible, with the EU.

Will the measure directly or indirectly limit the number or range of

suppliers? No direct impact anticipated on the number and range of suppliers.

We will keep under consideration the potential for the increased obligations on producers and distributors to have an indirect impact on the number and range of suppliers. The costs posed by EPR are generally in proportion to the scale of the business and therefore should be appropriate to each supplier's ability to bear.

Will the measure limit the ability of suppliers to compete?

The policy will include incentives for designing products that have a longer life, are easier to repair and reuse, and contain more recycled material. This is especially the case if fee modulation is introduced. The potential to influence suppliers' decisions on how they compete in the market will be kept in mind, but this is considered an overall positive effect. Costs should, on the whole, be in proportion to the scale of the business and therefore their ability to absorb them.

An important aim of the policy is to reduce free-riding and create a more level playing field, especially between online-only businesses and physical retailers. This is expected to be beneficial from a competition perspective.

^{62 &}lt;u>https://www.gov.uk/topic/competition/markets</u>

⁶³ Specific guidance from Office of the Internal Market on undertaking impact assessments not yet available.

Will the measure limit suppliers' incentives to compete vigorously?

No.

Will the measure limit the choices and information available to consumers?

No. Part of the aim of the policy is to improve consumers' understanding about how to dispose of WEEE responsibly. This is considered a positive effect.

6.0 Consumer Assessment

- 87. The Scottish Government definition of a consumer is "anyone who buys goods or digital content or uses goods or services either in the private or public sector, now or in the future".
- 88. Scottish Government specifies the following questions when determining the impact of proposed legislation on consumers:

Does the policy affect the quality, availability or price of any goods or services in a market?

- 89. It is expected that WEEE EPR will have a positive effect on the quality of EEE products. As set out above, the policy should drive more-circular design of products, including design for long life, repairability, energy efficiency, and other desirable attributes.
- 90. The proposed measures of the new WEEE EPR Regulations will alter the prices of EEE products in the market. Additional financial obligations placed on producers such as full net cost recovery and the creation of a new producer category for online marketplaces may result in additional costs being passed down to the consumer.
- 91. EEE is not one homogenous category of products, and therefore an attempt has been made to determine whether cost pass through pressures differ across EEE categories. Due to limitations in currently available data, EEE has been disaggregated into two categories: small mixed WEEE (SMW) and bulky WEEE.
- 92. It has been estimated⁶⁴ that the average price elasticity of demand for a combination of electrical appliances (larger bulky electrical appliances and white goods, category 1,11,12) is low at -0.35. This relatively inelastic price elasticity of demand indicates that producers are able to pass through 65% of costs to consumers (in the form of price rises of new bulky electrical items), with producers bearing 35% of the costs associated with the collection and treatment of bulky WEEE.
- 93. There is no specific evidence on pass through rates for SMW and so a theory-based assessment has been made. The extent to which producers can pass on costs to consumers is likely to be related to the relative elasticity of

⁶⁴Dale, L. & Fujita, S. (2008), "An Analysis of the Price Elasticity of Demand for Household Appliances"; University of California Berkeley, (February 2008).

demand of products. There is insufficient research to determine the degree of price elasticity for SMW products. However, SMW comprises of 9 EEE categories, and within each of those categories exists significant homogeneity across products. This means that consumers can switch to a similar product in the same category if the cost of an individual item increases. Similarly, as some of these goods are not deemed necessities, consumers could choose not to buy the product at all. This may lead to individual producers having limited power to increase prices in the event of an increase in their costs.

- 94. However, it could be argued that regulatory reforms are more in line with an industry wide shock than a shock to individual businesses. The Office of Fair Trading (OFT) suggests that when there are industry wide shocks there is usually some form of cost pass through in the form of price rises that can very between 100% to 50%. The EEE industry is likely to be neither a monopoly or pure competition and the true pass through is therefore likely to be somewhere between these two extremes.
- 95. Defra's UK-wide modelling⁶⁵ is based on a Central Scenario where 65% of costs are passed through resulting in higher consumer prices for EEE. It assumes that a proportion of households (Group 1) will make direct savings as they will no longer pay for collections (bulky WEEE uplifts and 1:1 retailer collections) and that a proportion of households (Group 2) did not use either of these routes before the reforms e.g. buying a new electrical item without disposing of an old one, consumers returning an item to a store or to HWRC or fly-tipping.
- 96. Aggregating the costs and benefits across these two consumer groups the analysis found there to be a net annual cost to all households of £27 million or £0.95 per household per year. This figure does not include savings to the taxpayer, increased convenience (and lower transport costs) to households or wider gains to society through reduced environmental disbenefits and fly-tipping disamenity.
- 97. Defra has noted that it is not aware of any specific differences in the profile of consumers in group 1 and 2 and that further work will be conducted for the final impact assessment on whether this causes any adverse distributional impacts.

Does the policy affect the essential services market, such as energy or water?

98. Yes. WEEE EPR will have a positive effect on waste-collection services by creating a new source of funding for local authorities to collect WEEE from households, avoiding the environmental harm and disamenity associated with WEEE being flytipped or going to landfill or Energy from Waste.

Does the policy involve storage or increased use of consumer data?

99. No.

⁶⁵ Taking into account factors relevant to Scotland such as higher collection costs in remote rural areas.

Does the policy increase opportunities for unscrupulous suppliers to target consumers?

100. No. Effective enforcement by the regulators should minimise the opportunities for businesses to avoid compliance, but noncompliance would not directly affect consumers in any case.

Does the policy impact the information available to consumers on either goods or services, or their rights in relation to these?

101. Yes, positively. As discussed above, part of the intention of the policy is for consumers to have more accessible, free of charge routes for responsible disposal of WEEE, and better awareness of these.

Does the policy affect routes for consumers to seek advice or raise complaints on consumer issues?

102. No.

7.0 Test Run of Business Forms

103. It is not envisaged that the introduction of these regulations will result in the creation of new forms for businesses or result in amendments of existing forms. Producers already have reporting obligations under the existing WEEE regulations and these may evolve (e.g. to include more detailed data) with the consultation proposals. This will be kept under review with any further detail included in the final BRIA.

8.0 Digital Impact Test

5.0 Changes to policy, regulation or legislation can often have unintended consequences, should government fail to consider advances in technology and the impact this may have on future delivery. This digital impact test is a consideration of whether the changes being made can still be applied effectively should business/government processes change – such as services moving online. The below details the evaluation of the proposed market restrictions on current and future digital developments. Overall, it is viewed that the proposed legislation will not have an adverse impact on digital technology developments.

Table 4. Digital Impact Test Questionnaire

Question 1. Does the measure take account of changing digital technologies and markets?

105. Potential changes in digital technologies and markets are being accounted for during the development of this legislation.

Question 2. Will the measure be applicable in a digital/online context?

106. Any potential impacts would apply equally to both online and offline retailers, as they apply to all affected products placed on the Scottish market which become WEEE. Creating a level playing field for physical and online retailers is one of the policy drivers of this change.

Question 3. Is there a possibility the measures could be circumvented by digital/online transactions?

107. If correctly enforced, any free-riding by online businesses will be minimised. Ensuring online businesses have the same obligations as physical retailers is one of the objectives of this policy.

Question 4. Alternatively, will the measure only be applicable in a digital context and therefore may have an adverse impact on traditional or offline businesses?

108. No, for the reasons already given.

Question 5. If the measure can be applied in an offline and online environment will this in itself have any adverse impact on incumbent operators?

No.

9.0 Legal Aid Impact Test

109. The Access to Justice Team at Scottish Government will be consulted but no impact on Legal Aid is expected.

10.0 Enforcement, Sanctions and Monitoring

110. An enforcement framework is already in place under the WEEE regulations, with the Scottish Environment Protection Agency and the Office for Producer Standards and Safety both playing a regulatory role. Criminal penalties are provided for by the WEEE regulations and civil sanctions can be imposed by SEPA for these offences under the Environmental Regulation (Enforcement Measures) (Scotland) Order 2015 to ensure a flexible suite of enforcement measures.

111. Changes to the regulatory landscape required by WEEE EPR will be kept under review and any further details will be provided in more detail in the final BRIA.

11.0 Implementation and Delivery Plan

- 112. It is envisaged that reforms will be phased starting potentially as early as next year with measures on online marketplaces, free collection of large domestic appliances by retailers on delivery of a new item and the introduction of a new EEE category for vapes, which are discussed in the consultation document. The start of the rollout of the household collection system is anticipated from 2026, along with the other measures sets out in the consultation document. It is anticipated that policy proposals arising from the Call for Evidence will be phased in over a longer timeframe.
- 113. The Scottish Government will further set out a confirmed timetable for implementation and will work closely with key stakeholders to ensure that the strategic objectives are met.

12.0 Declaration and Publication

114. I have read the Business and Regulatory Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of

the likely costs, benefits and impact of the leading options. I am satisfied that business impact has been assessed with the support of businesses in Scotland.

Signed:

Long Hater

Date: 30 November 2023

Lorna Slater

Minister For Green Skills, Circular Economy and Biodiversity

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This publication is available at www.gov.scot

Any enquiries regarding this publication should be sent to us at

The Scottish Government St Andrew's House Edinburgh EH1 3DG

ISBN: 978-1-83521-776-4 (web only)

Published by The Scottish Government, December 2023

Produced for The Scottish Government by APS Group Scotland, 21 Tennant Street, Edinburgh EH6 5NA PPDAS1396234 (12/23)

www.gov.scot