

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

**Island Communities Impact Screening
Assessment**

Purpose and context

This section provides a summary of the aims and expected outcome of the proposed policy changes.

The Scottish Government, together with the UK and Welsh Governments and the Department of Agriculture, Environment and Rural Affairs in Northern Ireland (DAERA), intend to reform the current producer responsibility (PR) system for waste electrical and electronic equipment (WEEE).

The Waste Electrical and Electronic Regulations 2013 (the WEEE Regulations)¹ provide a degree of producer responsibility for electrical products placed on the market. They have supported an increase in the recycling rate of WEEE; ensured WEEE that is correctly disposed of is managed correctly; and reduced environmental impacts from poorly managed WEEE. The proposals included in the consultation will ensure that an improved and full extended producer responsibility (EPR) scheme for WEEE is introduced across the UK.

The proposals laid out in the accompanying consultation aim to encourage greater reuse and recycling by making it more convenient for the public to deal with their WEEE responsibly. The consultation also proposes to expand producer responsibilities to online marketplaces and distributors; and finally to ensure that producers of vapes properly finance recycling costs when they become waste.

Items currently collected via the existing WEEE Producer Responsibility (PR) scheme via local authority Household Waste and Recycling Centres (HWRCs) and directly from retailers are correctly managed. However, it is believed a significant volume of WEEE is lost due to incorrect disposal by households. UK-wide research from Material Focus indicates that there is still only a 57% recycling rate, with around 450,000t of WEEE disposed of across the UK through residual streams.² Of this, 155,000t is estimated to arise in household residual waste.

The current system for collection and proper treatment of WEEE is based on 'collective producer responsibility'. Producers contribute based on their market share in specified equipment categories, but do not have to reprocess their own equipment. Regulations have led to separate collections of household WEEE, primarily via HWRC's and retailers. Industry have funded the cost of collection and proper treatment since 2007³.

The current WEEE PR system does not fully meet the requirement that producers bear fiscal responsibility for all impacts of the products they place on the market. As such, they are not incentivised to reduce these impacts, to advance circular outcomes from their products and are not responsible for all of the environmental impacts created by their products at end of life.

Extended Producer Responsibility (EPR) is a well-established principle around the world and places the costs of managing products at end-of-life on producers in line with the 'polluter pays' principle. EPR will replace the existing WEEE Producer Responsibility

¹ [The Waste Electrical and Electronic Equipment Regulations 2013](#)

² [Mapping waste electrical flows in the UK](#)

³ [The Waste Electrical and Electronic Equipment Regulations 2006](#)

scheme⁴ and will apply to the whole of the UK, including island communities.

Provisions within the review of UK producer responsibility systems for waste electrical and electronic equipment (WEEE)

Our policy proposals for WEEE EPR are set out in two documents: a consultation on firm policy proposals, accompanied by a suite impact assessments; and a Call for Evidence on policy proposals options which we intend to develop further.

The key policy proposals set out in the consultation document are:

- To require producers to fund a kerbside collection for WEEE for households.
- To require online sellers and marketplaces to provide takeback options of WEEE for consumers, and for physical retailers to offer increased in-store take back options.
- To require online sellers and marketplaces to contribute to financial obligations placed on EEE producers.
- To create a new WEEE category for vapes/e-cigarettes.
- Creation of a WEEE Scheme Administrator and governance requirements including performance indicators

The proposals that we are seeking to gather more evidence on, set out in the accompanying Call for Evidence are:

- To require producers to cover the full net costs for managing their products when they become waste (in addition to kerbside collections for small and large WEEE as per the consultation proposals above).
- That the current methodology for how costs are allocated for the collection and treatment of household WEEE should be reviewed.
- That methodologies for encouraging the prevention, and increasing reuse of, unwanted electrical equipment through producer fees is considered/investigated.
- That eco-modulation approaches are considered to support a move towards a circular economy through improved product design and business models.
- To consider approaches to increase collections of business WEEE.
- To consider options to help support improvements of treatment standards.

While the proposed policy proposals in both the consultation and the Call for Evidence are focused on producers rather than individuals, they have the potential to impact on individuals and households.

This reform of WEEE PR is considered a strategic decision, requiring the completion of a number of Impact Assessments including this Island Communities Impact Screening Assessment.

We have also produced a partial Business Regulatory Impact Assessment (BRIA), Fairer Scotland Duty Assessment (FSDA) and Equalities Impact Assessment (EQIA) which sit alongside the Consultation document and its more detailed proposals. At this stage, the Call for Evidence document asks for input and additional evidence to allow further development and refinement of the proposed policies ahead of a future consultation on formal UK-wide proposals which will include an updated BRIA and other impact assessments.

⁴ [The Waste Electrical and Electronic Equipment Regulations 2013](#)

The Islands (Scotland) Act 2018

The Islands (Scotland) Act 2018⁵ places a duty on the Scottish Ministers and other relevant public bodies to have regard to island communities in exercising their functions and in the development of legislation.

Section 13 of the 2018 Act obliges the Scottish Ministers to prepare an Island Communities Impact Assessment (ICIA) in relation to legislation which, in their opinion, is likely to have an effect on an island community that is significantly different from its effect on other communities (including other island communities) in Scotland.

Section 13 further states that an ICIA must:

- a. Describe the likely significant different effect of the legislation.
- b. Assess the extent to which the Scottish Ministers consider that the legislation can be developed in such a manner as to improve or mitigate, for island communities, the outcomes resulting from the legislation.
- c. Set out the financial implications of steps taken under this subsection to mitigate, for island communities, the outcomes resulting from the legislation.

The Scottish Government's ICIA guidance sets out four preliminary stages that must be undertaken prior to preparing an ICIA. These are:

- a. Developing a clear understanding of the objectives and intended outcomes of the policy, strategy or service including any island needs or impacts.
- b. Gathering data, identifying evidence gaps and identifying stakeholders.
- c. Consulting with appropriate stakeholders.
- d. Assessing whether there are any issues resulting from the proposed policy that are significantly different from those that would be experienced on the mainland, or on other islands.

If any significantly different impacts are identified, an ICIA is required.

⁵ [The National Islands Plan: Plana Nàiseanta nan Eilean \(www.gov.scot\)](http://www.gov.scot)

Framing

This initial screening assessment seeks to complete the first two preliminary stages of the ICIA process set out above. It seeks to identify whether there are any issues which merit further exploration through research and additional engagement with island representatives. If issues are identified, a full impact assessment will be carried out at the point at which any legislation is developed.

The possible impacts of the policy on island communities have been assessed based on the available evidence for these policies, which are still in development. As they are developed in more detail and impacts become clearer, further iterations of this impact assessment will be developed and published as required.

Gathering data, identifying evidence gaps and identifying stakeholders

Zero Waste Scotland and the Scottish Government held an initial scoping workshop to identify ways in which the impact of this policy could differ for island communities. It also looked to identify areas where it was felt island specific issues were less likely.

A longlist of potential issues was produced prior to the workshop:

- Impact on the price of goods which may rise as a result of increased producer costs.
- Impacts on island-based producers which may face higher manufacturing and production costs due to scheme requirements.
- Impacts on island retailers who will be required to operate a takeback facility and provide customer communications.
- Impacts on fly-tipping levels which would be expected to reduce following implementation of household collections, retail takeback and consumer communications.
- Changes to funding for household and household-like waste management and reuse of WEEE which would be funded by producers.
- Limited island storage for increased levels of WEEE from household collections, HWRC's and retail takeback.
- Transport costs of collecting and transporting collected goods for bulking and reprocessing.
- It was also noted that there may be a requirement to recognise the need for Gaelic communications materials. This will include any changes to retailer, producer and local authority service change information.

Areas where issues have not been identified at present

Based on the initial scoping exercise, we do not believe that there is likely to be any significant disproportionate impact on island communities in terms of:

- Impact on the price of goods

At this stage, it is considered that any rise in the price of electrical and electronic goods is unlikely to be significantly different for island communities, though we do recognise that the cost of living is generally higher in island communities^{6,7}. Any increase in the cost of goods is likely to be driven by economic factors which would apply in the same way across the UK.

⁶ [A minimum income standard for remote and rural Scotland](#)

⁷ [Summary and key findings of 4](#)

The accompanying Fairer Scotland Assessment also considers this issue. At this time, direct attribution costs have not been finalised. However, cost modelling work undertaken by Defra suggests an estimated net cost across all UK households of £0.95/year should all proposals in the consultation be taken forwards.

- Impacts on island producers and retailers – fees and takeback

It is considered that impacts on producers and retailers would not be significantly different to those of mainland producers and retailers. All producers and retailers will be subject to the same changes and increases in producer responsibility fees regardless of where they are based.

Feedback gathered through engagement with island communities for Scotland's Deposit Return Scheme highlighted that there are fewer shops on islands compared to the mainland. As such it was noted due to the potential of fewer retailers selling EEE on islands, it is possible that island retailers may receive higher proportions of sold goods via retailer takeback schemes compared to mainland retailers. However, this potential is mitigated by the proposal for the introduction of kerbside collection of small WEEE, reducing the need for a consumer to use retailer takeback.

- Impacts on storage for retailers

The requirement for retailers of EEE to potentially store take-back items will be the case for all retailers and is therefore not expected to have a significantly different impact on island communities. We do recognise that in some cases there may be issues with storage space for smaller retailers as highlighted in the Deposit Return Scheme⁸ Island Communities assessment. This will be further considered through this consultation and engagement with island stakeholders

- Fly-tipping– anticipated impacts are a reduction in incidents rather than any disbenefit

It was determined that while the source of funding for cleansing services (e.g., fly-tipping clearance) may change, this will be the case for all local authorities. As such it is not expected to have a significantly different impact on island communities. Rather, it was noted that through improved collections for both small and large WEEE there was likely to be a positive impact from the proposed changes. This would be reflected through a reduction in fly-tipped WEEE as there would no longer be a cost to the consumer for WEEE to be collected at the kerbside.

As we continue to develop the policy and engage with island communities representatives, we will test with them our interim conclusion that these issues likely do not present a significant disproportionate impact on island communities. The outcome from these discussions will be included in an updated screening assessment to be published with our response to the consultation.

[Areas where potential issues have been identified](#)

The following issues were considered to have the potential to have different impacts for island communities:

- Changes to funding for household and household-like WEEE waste management for local authorities

⁸ [Deposit Return Scheme Island Communities Impact Assessment](#)

- Transport costs

These issues are explored in more detail below.

Changes to funding for household and household-like WEEE waste management

Local authorities are responsible for providing household waste collections and currently pay the net cost of providing this service. This is the cost of providing the service, minus the income received from the sale of materials and any income from charged-for services.

At this time, three Scottish local authorities provide a kerbside collection for small WEEE. The remaining 29 instead provide provision for small WEEE solely through their HWRC networks. All 32 local authorities provide provision for large WEEE at their HWRC networks. Under the WEEE EPR scheme, producers will be obligated to pay the full cost of dealing with the items that they place on the market. This will include funding to allow for the kerbside collection of small WEEE in a way which provides an efficient and effective service.

The funding mechanism for local authorities or, where relevant private waste management companies, is likely to be based on modelled efficient and effective service delivery in groups based on factors such as geography and population demographics.

These proposals laid out in the consultation document mean that producers will be responsible for paying the full net cost of managing their WEEE at the post-use stage including collection and treatment of WEEE from households. This will remove the cost to local authorities, rather they will receive payment from a future scheme administrator for any WEEE collection service the local authority provides. However, it will be essential as the scheme is further developed to take into account local circumstances to ensure producer fees are adequate to cover the full costs of efficient and effective collections.

The accompanying Call for Evidence also asks for respondent views on including the collection and disposal costs of WEEE in the household residual stream but is not a firm proposal at present. It also asks for views on whether the costs for collecting and managing WEEE present in litter and fly-tipping should be included in producer fees.

The new proposals being consulted upon aim to create more convenient routes for households to recycle their WEEE and ensure that producers pay towards campaigns to raise awareness of these routes, addressing the twin problems of the current inconvenience and lack of awareness, of routes for households to recycle their WEEE.

Similarly, the proposal that retailers, on delivery of new large EEE, offer free takeback of old/unwanted appliance/s on a like-for-like basis, will require consideration by the Scheme Administrator to ensure those costs are accounted for within producer fees.

The legislation that underpins the scheme will have to carefully prescribe that all relevant costs are taken into account. This will include noting that for island local authorities, these may be significantly higher due to a range of factors.

Work undertaken for previous screening assessments under the Islands (Scotland) Act⁹ has identified that island authorities face higher costs per capita in collecting, transporting and disposing of waste, as the rural nature of collection routes means they are less

⁹ Zero Waste Scotland, desk-based research

efficient. The 8-fold Scottish Government Urban Rural Classification highlights the majority of the island authorities have high proportions of their populations in very remote small towns and rural areas.¹⁰

Kerbside recycling services are not universal in island communities due to their remoteness, which may make it more challenging to achieve high recycling rates in a cost-effective manner. The majority of island authorities have recycling rates that are below the Scottish average, in some cases by a substantial margin.¹¹

It is our intention to engage with island authorities and any private providers during the consultation period. This will help to ensure that any additional island-specific challenges posed by running household WEEE collections are identified and can be highlighted to a future Scheme Administrator.

The findings of this engagement, along with future research Zero Waste Scotland may conduct on local authority costs, will be fed into future updates to this assessment.

Transport costs

The transport of waste was also identified as a potential issue. The ICIA undertaken for the introduction of a deposit return scheme highlighted that ferry capacity was restricted on a small number of routes.¹² If service improvements towards a more efficient and effective service resulted from the changes to WEEE EPR, this could increase space required on ferry services.

Service improvements would be a result of future decisions by local authorities, in conjunction with a Scheme Administrator, and will not be directly mandated by this policy. It is therefore not anticipated that this policy will directly exacerbate the transport issues faced by island communities. Local authorities and other waste providers would need to ensure that consideration is given to transport issues if they choose to propose service changes.

However, a future Scheme Administrator should be mindful of transport capacity, to ensure that there are not unintended consequences for island authorities e.g ferries.

The public consultation will provide opportunities for island communities to comment on these issues.

Recommendations and conclusions

At this stage, we do not anticipate that this policy will have a significantly different impact for island communities relative to other communities. However it is noted that the distinct geographies of the islands must be taken into account through the funding model and service standards adopted.

This initial iteration of the ICIA screening assessment has however identified two potential areas in which island communities may be impacted differently to other parts of Scotland.

¹⁰ [Scottish Government urban rural classification 2016](#)

¹¹ [SEPA household waste: summary data 2019](#)

¹² [Deposit return scheme for Scotland: islands communities impact assessment](#)

The two potential issues identified are:

- Changes to funding for household and household-like WEEE waste management for local authorities which fail to take island geography and demographics into account
- Transport costs being higher than equivalent mainland distances

We recognise that engagement with island representatives is essential to fully understand the island context. As such, we intend to engage with the island local authorities and community groups during the consultation period.

This engagement will allow us to develop a better understanding of the areas discussed in this partial screening document, as well as providing an opportunity to identify any additional issues.

Following on from this engagement and responses to the Consultation and Call for Evidence, an updated screening assessment will be produced and used to determine whether a full ICIA is required.

Sign off

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