2013 WEEE REGULATIONS –COLLECTION TARGETS FOR 2017

The 2013 Waste Electrical and Electronic Equipment Regulations require the Secretary of State to set the amount of household WEEE collections falling within each category of Electrical and Electronic Equipment (EEE) that is to be financed by producers via their membership of a Producer Compliance Scheme (PCS).

The overall UK WEEE collection target for 2017 is 622,033 tonnes. This is 40,617 tonnes higher than the total amount of household WEEE collected and reported by PCSs to the environment agencies in 2016. Table 1 shows how this overall target has been allocated across the 14 categories of EEE.

The overall target is below the collection levels necessary to achieve the UK Member State target of 775,862[1] tonnes for 2017. The difference between the Member State target and collection data submitted under the WEEE Regulations will come from "substantiated estimates"[2] of WEEE arising and treated from other sources, notably LDA that appears in the light iron waste stream.

Table 1: 2017 WEEE Collection Targets

Category of Waste	Business to consumer waste collected (tonnes)					Targets (tonnes)		% change in 2017 target	
	2012	2013	2014	2015	2016	2016	2017	against 2016 target	against 2016 waste collected
1 - Large Household Appliances	143,765	153,474	168,137	178,687	216,532	189,322	232,811	23%	8%
2 - Small Household Appliances	32,342	33,347	33,011	35,738	38,013	36,981	39,580	7%	4%
3 - IT and Telecoms Equipment	33,904	32,769	35,988	47,268	52,008	56,762	57,879	2%	11%
4 - Consumer Equipment	32,149	33,184	35,119	37,974	40,657	39,429	43,115	9%	6%
5 - Lighting Equipment	0	6	3	1	5	0	0	-	-
6 - Electrical and Electronic Tools	15,893	16,457	17,475	18,469	19,290	19,108	20,247	6%	5%
7 - Toys, Leisure and Sports	2,231	2,142	2,149	2,418	2,548	2,289	2,634	15%	3%
8 - Medical Devices	8	11	9	34	31	70	43	-38%	42%
9 - Monitoring and Control Instruments	40	48	65	92	170	107	243	128%	43%
10 - Automatic Dispensers	0	1	8	5	9	18	22	21%	133%
2-10 Small Mixed WEEE (sub total)	***116,568***	***117,965***	***123,826***	***142,000***	***152,731***	***154,763***	***163,763***	***6%***	***7%***
Display Equipment	135,503	99,832	83,739	74,326	71,267	68,708	71,267	4%	0%
Cooling Appliances Containing Refrigerants	92,235	100,765	114,095	121,650	134,657	124,576	148,017	19%	10%
Lamps	867	843	2,083	5,645	6,132	6,882	6,132	-11%	0%
Photovoltaic Panels			0	95	96	90	43	-53%	-56%
Totals	**488,938**	**472,880**	**491,880**	**522,402**	**581,415**	**544,341**	**622,033**	**14.3%**	**7.0%**

Methodology

The methodology for calculating the targets is based on the average annual growth in tonnes of WEEE collected for each category since 2012. Using this trend data mitigates the effect of outliers in the data, with the subsequent figure reflective of the general trend in collection volumes over the last five years. WEEE collected by schemes and reported to the environment agencies is used as the source data.

In some cases, manual adjustments have been made where the previous growth trend is not judged to be reflective of current market dynamics.

[1] EU directive states that from 2016 the target that applies to each Member State will be 45% of the weight of equipment put on the market taken as an average over the previous 3 years.
[2] The methodology for calculating substantiated estimates can be found here: www.wrap.org

An additional factor we must also consider is the impact of a change of definition of household WEEE since 2014. This enables collections of business WEEE to count towards targets if items (notably ICT equipment, TVs and lamps) are similar to that which is sold to householders – so called “dual use” equipment.

Category 1: Large Household Appliances

Collections in 2016 were 21% higher than in 2015. This is significantly higher than in the preceding years, and is likely to have been caused by the collapse in scrap metal prices. Lower scrap prices reduce revenues and hence incentives for collectors to deal with appliances outside the official system. Scrap prices have since recovered and metal prices (to which scrap prices are closely related) are forecast to continue their recovery through 2017[3,4]. For this reason the average annual growth rate between 2012 and 2015 is seen as a more reliable guide to the growth in collections between 2016 and 2017. Applying this growth rate to the level of collections in 2016 gives a target of 232,811. The high level of collections in 2016 ensures that this is still a stretching target.

Category 3: IT and Telecoms Equipment

Collections in 2015 were 31% higher than in 2014 as a result of the introduction of the “dual use” classification. The average annual growth rate of collections between 2012 and 2016 is 11%, slightly higher than the 10% growth of collections last year. Applying this to the level of collections in 2016 gives a target of 57,879.

The target takes account of consultation responses which call for some degree of stretch in the target to take account of the 30,694 tonnes of WEEE collected outside arrangements with PCSs. It also acknowledges that the market for non-obligated WEEE in this stream is fragmented, so creating a challenging environment for PCSs to capture these flows in their arrangements over the short-term.

Category 5: Lighting

This category saw tonnage appear for the first time in 2013 as a consequence of LED lamp sources appearing as waste. LED lamps now fall into category 13. As a result the lighting target is set at zero, which follows the precedent set from 2014-16.

Category 11: Display

The weight of displays has been in decline over recent years as a result of a move towards lighter flat-screen products. The rate of the decline has been slowing, and appears to have bottomed-out. This trend invalidates the use of a five-year average, which would suggest a 15% decline in collections in 2017 compared to 2016. The target has hence been set at the level of collections seen in 2016.

Consultation responses acknowledged the difficulty of forecasting flows in this stream and broadly supported the suggested approach, or were unable to provide clear evidence to support an alternative approach.

Category 12: Cooling Appliances Containing Refrigerants

[3] World Bank Markets Outlook, January 2017, p.32, http://pubdocs.worldbank.org/en/820161485188875433/CMO-January-2017-Full-Report.pdf
[4] https://gensteel.com/steel-building-prices/forecast

The average annual growth rate in collections between 2012 and 2016 has been applied to the 2016 level of collections to arrive at the target of 148,017. Trend growth in this category has been fairly consistent across the period from 2012-2016. This suggests that the market is resilient to macroeconomic conditions. It is less appropriate to consider the non-obligated data for this stream because it is likely to include industrial equipment and there was no evidence of movement into PCS funded flows over the last two years.

Consultation responses for this category were varied. It has been noted that last year's target, which was only 3% higher than the previous year's level of collections, caused a reduction in demand for fridge collections. This is likely to have caused greater use of the producer balancing system. It is hoped that the 10% increase in target this year will reset demand for fridge collections.

Category 13: Gas Discharge Lamps and LED Light Sources

Household lamp waste tonnages rose over the last year, reflecting the replacement of the first wave of energy-saving lamps installed around a decade ago. By contrast business tonnages have been falling as a result of a shift to longer-lasting LED lamps, growth in the installation of integrated LED luminaries, and product light-weighting. The interplay of these factors means it is difficult to reliably forecast collections in the near future. In line with the approach taken for the display category, the target has been set at the level of collections in 2016.

The revision to the target takes account of consultation responses that suggested that the original proposal may have been too low. This might have risked reduced demand for waste lamps arising at household waste recycling centres.

Category 14: PV panels

It is estimated that 1,008,740 tonnes of photovoltaic panels had been installed until the end of 2016. Of this, it is estimated that 0.0026% (25.72 tonnes) will be returned as WEEE. It is estimated that 34,000 tonnes of PV panels will be put on the market in 2017. This is a reduction compared to the 49,000 tonnes placed on the market in 2016. A reduction is expected because of the final closure of the renewables obligation to sites larger than 5MW in March 2016. The final closure of the renewables obligation to sites smaller than 5MW will occur in March 2017. It is estimated that 0.05% (17.00 tonnes) of the installations in 2017 will be returned as WEEE. This gives a total target of 42.72 tonnes.