

THE OEM COMPLIANCE NEWS

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Sims Recycling Solutions' Web Returns Service Rapidly Expands

Since its launch in April 2011, Sims Recycling Solutions' Web Returns service has expanded from a product mail back recycling program servicing one state and receiving fewer than 200 shipments per year to a nationwide service receiving more than 3,400 shipments in 2013. Under New York's Electronic Equipment Recycling and Reuse Act, which went into effect in April 2011, original equipment manufacturers (OEMs) of certain types of equipment are required to meet annual quantitative weight obligations. These obligations require OEMs to offer at least one reasonably convenient method of collection to New York consumers in each county and municipality with a population of 10,000 or greater. With 63 counties and more than 230 municipalities exceeding the 10,000 person threshold, many OEMs reached out to Sims Recycling Solutions to develop cost-effective mechanisms to meet this collection challenge.

In response to the service demand, Sims Recycling Solutions developed their [Web Returns service](#) to help OEMs provide consumers with a convenient online mail-back recycling option. The way the program works is consumers can go online, choose the type of product(s) they wish to send for recycling and enter their contact and shipping information so they can receive a printable prepaid shipping label to deliver their product(s) to be responsibly recycled. This process is fully automated and set up to be quick, easy, and comparable to an online consumer shopping experience.

While consumers are responsible for packaging the equipment to be sent for recycling, Sims makes it easy by providing safe-packaging instructions along with drop off locations prior to receipt of the printable prepaid shipping label. Each shipping label is bar coded and contains multiple tracking numbers generated by Sims' internal inventory system so upon arrival at a Sims facility, a quick scan of the shipping label barcode provides detail on what state the material came from, which OEM web returns program generated the label, and how the material should be processed.

The types of products accepted are determined by what is required under a state take back law or an OEM customer's preference. The service can accept items or packages weighing up to 70 pounds and consumers can ship up to 10 items per day. There is no geographic limitation for service in the United States.

With the success of the U.S. Web Returns service over the past three years, Sims recently created a similar program with Canada Post to provide countrywide OEM-sponsored Web Returns services in Canada. To learn more about our Web Returns service contact us at srs.oem.compliance@simsmm.com.

Sims Participates in Basel Convention Technical Experts Meeting



Renee St. Denis, vice president of Sims Recycling Solutions, and Patricia Whiting, senior international policy analyst for Sims Recycling Solutions' original equipment manufacturer (OEM) compliance team, participated in the first meeting of the Basel Convention's Expert Working Group on Environmentally Sound Management (ESM) in Buenos Aires, Argentina from December 10-12, 2013. This working group is a product of the Basel Convention's Country-Led Initiative (CLI), which determined that despite a significant body of historical work by Parties of the Convention to prevent adverse impacts to human health and the environment through ESM of hazardous waste, instances of mismanagement of hazardous waste continue to occur.

Co-chaired by Dr. Andreas Jaron of the German Ministry of Environment (MOE) and Mr. Alberto Santos Capra of the Argentinian MOE, the CLI ESM Working Group is tasked with developing multidisciplinary mechanisms to promote the ESM of hazardous and other wastes pursuant to the Basel Convention. The CLI ESM Working Group took a view toward practically defining and outlining what needs to be in place to ensure that developing countries have the information and tools necessary to ensure that the trans-boundary movement of hazardous waste will result in ESM. This group is developing concise practical manuals addressing issues and mechanisms to foster ESM implementation and examining additional work that might be undertaken on priority waste streams. Additional work may include pilot projects, public awareness-raising activities, and incentives to promote ESM practices within the private sector. The outcomes of this work will impact, among other things, the management of e-waste.

What Happened in Argentina?

In addition to drafting a work plan, the participants of the meeting split into a number of small working groups to address relevant work areas: pilot projects; practical manuals; priority waste streams; awareness-raising activities; and private sector incentives.

Practical Manuals

The practical manuals will address terminology (ensuring that all stakeholders are on the same page with regard to technical terms applicable to ESM); principles, general rules and model legislation; terminology; licensing and permits (including emissions standards, financing, planning, and collection); safety, insurance, and liability;

certification schemes; and prevention. The chairs of each sub-work group tasked with developing a specific manual are listed below:

- Principles, General Rules and Model Legislation: Whiting and Dr. Leila Devia of the Argentinian Ministry of Environment and Director of the Basel Regional Center for South America
- Terminology: Joost Meijer of the Chilean Ministry of Environment and Ross Bartley of the Bureau of International Recycling
- Licensing and Permits: Jaron and Viktoriya Simeonova-Belokonska of the Bulgarian MOE
- Safety, Insurance and Liability: Capra and Professor Samwel Manyele of the Tanzanian Ministry of Health and Social Welfare
- Certification Schemes: Peter Wessman of the European Commission and Eric Harris of the Institute of Scrap Recycling Industries
- Prevention: Jim Puckett of the Basel Action Network and Yorg Aerts of the Belgian MOE.

Sims Recycling Solutions is participating in both the Terminology, and Licensing and Permits working groups.

Priority Waste Streams

The ESM Expert Group is taking inventory of work that has already been undertaken and potential further work that might be necessary to promote ESM of a number of priority waste streams including: e-waste; used lead acid batteries; wastes containing or contaminated with mercury; medical wastes; wastes collected from households; used oils; used tires; and end-of-life vehicles.

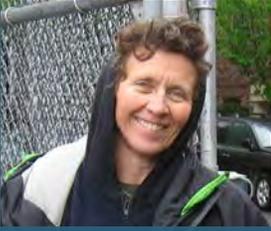
Financial Incentives

The ESM Expert group is examining financial incentives for the private sector (co-chaired by Mr. Bartley and Dr. Devia). These participants co-chair similar work being undertaken by the Basel Partnership for Computing Equipment (PACE).

On a Personal Note

Sims Recycling Solutions' involvement in the first meeting of the Basel Convention's Expert Working Group on ESM has been a positive one for many reasons. One reason being the opportunity we are afforded to interface with global experts from all paradigms - governments, international organizations, academia, NGOs, and the private sector - representing a range of disciplines (environmental, social, and technical). These exchanges enhance our knowledge not only of the issues surrounding the ESM of used and end-of-life electronics, but also of the people and cultures where we do business. We wish to acknowledge Dr. Devia, Mr. Capra, and their staff members for organizing the meeting and sharing the great culture and food of the Argentinian people with us. We also wish to thank the Secretariat of the Basel Convention for their tireless support of these meetings.

Community Spotlight



In each newsletter, Sims provides a featured interview of a customer, partner, or colleague within the field of recycling. These interviews can provide an opportunity to learn about the different aspects of recycling, whether from an economic, environmental, or social perspective. This issue's profile features Christine Datz-Romero, director of the

Lower East Side Ecology Center in New York City.

What is the Lower East Side Ecology Center?

The Lower East Side Ecology Center is a community based non-profit organization offering recycling (composting and e-waste), environmental education, and stewardship programs. The organization started in 1987, focusing its work on the Lower East Side of Manhattan, but in 2003 expanded its reach and scope through our electronics waste recycling program which provides citywide collection events and a permanent drop off location in the Gowanus section of Brooklyn.

What are the primary areas of focus or activities the Center undertakes?

The Center has 11 full-time employees. The primary focus of the organization is to offer programs to make NYC more sustainable. When the organization was founded the primary focus was recycling. It has since expanded to include environmental education programming with a focus on the urban water-cycle. We also began a stewardship program in 1990 when the Center received a lease for a vacant city-owned property in Lower Manhattan which we turned into a community garden. In 1997 when we moved our office to the Fire Boat House in East River Park we expanded the stewardship program to include the 59-acre waterfront park. In 2012 we installed a green roof on the Fire Boat House and are currently raising funds to install an artificial wetland in East River Park to treat wastewater generated through our composting process and raise awareness within our community about the benefits of green infrastructure.

Where is the Center's service area?

That depends on the program area. For electronic waste we offer citywide services, but the stewardship and environmental education programs are primarily targeting the Lower East Side of Manhattan. We also are part of the New York Compost Project, a citywide outreach and technical assistance program funded by the New York City Department of Sanitation (DSNY). We run the program in Manhattan and botanical gardens run the program in the outer boroughs.

What made you decide to pursue environmental advocacy and education work?

I grew up in Germany and was absolutely overwhelmed by the amount of garbage that is generated in NYC when I moved here in the 1980's. There was no curbside-collection program for residents to recycle their newspaper, metal, glass or plastic. Composting was also not on the radar for most residents. We saw a need to educate our community and New Yorkers about how wasteful this city is so my husband and I co-founded the Center in 1987. Since I am a "doer" by nature, I thought providing people with an opportunity to recycle some of their waste was a great start to change the status quo.

Does the Center have a role in assisting the City of New York in meeting its long-term sustainability and recycling goals?

The Center has been a pioneer in bringing recycling programs to NYC. We started composting in 1990 when most people would give you a blank stare if you asked them about composting. This of course has changed, and the Center has contributed to raising awareness about composting and inspiring other groups to sprout up in different communities to offer such programs. I think sometimes it takes one person or group to lead by example and inspire others to get involved. It only took a quarter century, but "composting" is now a commonly used household word in NYC!

Our electronic waste recycling program is a similar case and point, when we offered our first collection event in 2003 in Union Square; we collected devices from approximately 20 households. However the more we learned about the toxicity contributed to our waste stream from discarded electronics, the clearer it was that we needed to continue growing this program. To this end we partnered with DSNY from 2004-2008, assisting in offering city-wide collection events. We have collected roughly 4.5 million pounds or 2,250 tons of electronic waste since 2003. Our goal for 2014 is to add 450 tons to that total.

We also worked with the National Resource Defense Council and other not-for-profits to educate our elected officials about the importance of responsible electronic waste recycling, which resulted in the creation of producer responsibility e-waste legislation specific to NYC being passed. The legislation was ultimately not implemented, but in 2010 New York State passed the Electronic Equipment Recycling and Reuse Act and we were delighted to finally have an electronic waste recycling mandate in New York. With that said, I think the act could have a lot more impact here in the City if it contained stronger mandates to educate the public. Right now a lot of NYC residents still do not understand that it will be illegal to put their unwanted electronics curbside starting January 1, 2015.

How has the Center's electronics recycling program evolved and what's planned for 2014?

The program has grown tremendously in the last 10 years. We started by offering events just in Manhattan, then to all five boroughs and in 2012 we opened a warehouse in Brooklyn. The warehouse allows us to offer a permanent drop off location year round and also functions as a consolidation point for all collected materials from events. It has also allowed us to start a reuse program where we test certain equipment collected at events for functionality and then offer them for sale at the warehouse. We believe that the refurbishment and reuse of functioning electronic items can provide job training opportunities and also help bridge the digital divide by making technology available to people on a tight budget. In 2014 we would like to begin offering a job training program at the warehouse.

When did you first start working with Sims Recycling Solutions and why?

We started working with Sims Recycling Solutions in 2008. It is important to us to work with recyclers that are responsible and not illegally exporting or dumping electronic waste to developing countries. Sims Recycling Solutions has both the R2 and e-Stewards certifications to ensure responsible recycling.

When you are not trying to make New York City a better place, what do you like to do?

I am happiest when I can spend time outside. I love to bike, I regularly use a bike here in the City for transportation and recreation – I once bicycled from New York City to the Smokey Mountains in North Carolina. I enjoy gardening, rowing and turning into a serious beach bum when the opportunity arises.



Electronics Take Back Laws Experience Growing Pains

New Jersey, New York and Pennsylvania implemented electronics take back laws in January 2011, April 2011, and January 2012 respectively. Each law requires original equipment manufacturers (OEMs) who sell specific electronic devices in that state to establish a convenient collection and recycling program for consumers. While these states have created related programs, that is where the similarities of the laws end. As the definition of “convenient” and “consumer” vary in each state, as do the types of devices covered, relevant landfill restrictions, and registration and reporting requirements for stakeholders involved in law implementation. Within the first three months of 2014 all three states hosted meetings with stakeholders to discuss some isolated as well as wide spread challenges different stakeholders were facing with law implementation. Sims Recycling Solutions attended each meeting and a synopsis of issues and possible next steps are detailed below.

New York 2014 E-Waste Summit



Sims Recycling Solutions attended the New York E-Waste Summit hosted by the New York Product Stewardship Council in Albany on January 23 where both issues of concern and future performance of the state’s Electronic Equipment Recycling and Reuse Act were discussed by the more than 70 stakeholders present.

The meeting was facilitated by Scott Cassel of the Product Stewardship Institute with the end result being the formation of an E-Waste Committee to determine how the New York State Department of Environmental Conservation (NYSDEC) can better administer or monitor implementation of the state’s law. Please find the following summary of key issues and milestones brought up by each group of stakeholders (NYSDEC, collectors, recyclers, and OEMs) affected by the law.

NYSDEC Activities

The NYSDEC opened up the meeting with an overview of their activities, a summary of related performance goals and progress, and issues of concern. The NYSDEC is currently in the process of crafting a report on results of law implementation due to the governor in April 2014. In addition, they are in the midst of developing an electronic reporting system to enable better management and tracking of data collected from the 1,300+ sources (collectors, recyclers, consolidators, OEMs) currently required to report annually to the state. The NYSDEC is also in the process of planning workshops with stakeholders for this summer to aid in the development of formal law regulations.

Performance Goals and Progress:

Year	OEM Recycling Goals (lbs)	OEM Weight Reported (lbs)	Lbs per Capita
2011 (9 mos)	43,968,269	44,818,426	2.3
2012	77,860,788	77,492,596	4
2013	97,851,305	TBD	Target (5)
2014	70-90M	TBD	4-5

Performance in 2011-2012:

- 69 OEMs met recycling goal
- 11 OEMs received recycling surcharges for shortfalls
- \$786,530.30 were the total invoiced surcharges for the under-collection of 1,579,728 pounds
- 10 of 11 OEMs paid surcharges
- One OEM is in continued discussions with the NYSDEC
- Going forward, the NYSDEC anticipates increased compliance

Issues of Concern:

The NYSDEC had many observations and concerns about how the law is currently being implemented and hindrances they faced in administering the law. Top issues mentioned included the agency’s difficulty in verifying and managing data received by collectors, recyclers, consolidators, and OEMs. They are moving from a manual to an online data management system but information they receive from stakeholders through registration forms and annual reports is often conflicting and/or not submitted when required (if at all) causing the agency to regularly delay the annual announcement of OEM obligations. Compounding the data management issue was the agency’s lack of internal resources to adequately oversee administration of the program. Registration and shortfall fees collected by NYSDEC are not utilized for NYSDEC operations, but redirected to the state’s Environmental Protection Fund to support other state funded programs.

Other issues mentioned included OEMs either setting up mail-back programs to meet state mandated convenient collection requirements or buying collected weight from existing collection programs, versus setting up new collection sites or infrastructures across the state. Convenient collection standards require OEMs to have one collection option in any county or municipality with a population of 10,000 or more people.

See Growing Pains, page 5

Growing Pains, continued from page 4

Concern about the landfill ban going into effect in January 2015 and how it will impact different parts of the state was also brought up. The per capita collection rate for the majority of the state currently varies from 3-10 pounds, but New York City's rate is less than one pound per capita. New York City's population of 8.3 million makes up 40 percent of the state's population.

Collector Perspectives – Counties and Municipalities:

The New York Product Stewardship Council conducted an informal survey of 40 municipal or county run programs across the state. Most participants surveyed expressed similar thoughts involving the need for stability and development of a cost-neutral solution for collection points. The majority of participants: 1) felt the burden to make the law work was being placed on counties and municipalities versus OEMs; 2) did not want to or could not incur charges for acting as a collection point; and 3) thought the state's OEM obligation, numbers were too low as many were left collecting more material than recyclers or OEMs were willing to pay for in 2013. In 2013, competition in the recycling market caused some regional recyclers to either stop collecting or incur fees for CRT devices half way through the year. Some collection sites also received notice late in the year that their recycler could no longer offer their services because an affiliated OEM had met their obligation for the year.

Recycler and Consolidator Perspectives:

Multiple New York based recyclers and a representative of the Institute of Scrap Recycling Industries (ISRI) spoke on behalf of recyclers and consolidators. As a group, they unanimously expressed that payment for CRT collection by OEMs was not commensurate with collection and transportation costs required on their behalf. Transparency on the part of the NYSDEC regarding OEM obligations, plans, and recyclers was also something desired by many. A request for the NYSDEC to announce annual OEM obligations earlier than April 1 (three months into the new program year) was another request as the delay makes it difficult for recyclers to plan for the year and enter into good faith agreements at the beginning of the program year. Since the law's inception, the NYSDEC has been a month or two late in announcing OEM obligations. In 2013, over-collection occurred with many recyclers and a request was made that NYSDEC look into utilizing OEM shortfall fees to help pay for processing of over-collected material.

OEM Perspectives:

The Consumer Electronics Association (CEA) largely spoke on behalf of OEMs affected by the state's law and they, like other stakeholders, had a host of issues with the law and its requirements. In general, the CEA stated that:

- Statutory prescriptives have been a part of why New York's law is one of the most expensive and difficult
- Reporting requirements need to be streamlined and expanded to include out-of-state recyclers
- Determination of annual OEM weight obligation assignments should offer more transparency
- Goals for OEMs are published well into the program year, making OEM budgetary and planning more difficult
- Convenient collection standards are onerous and could be met with one OEM program providing collection service to a jurisdiction versus all (except in densely populated areas)
- The management of compliance vendors has been difficult due to uncertainty and stress in the CRT markets

Next Steps

An E-Waste Committee was formed to determine how to address some of the concerns brought up at the January 23 meeting. The first discussion was held on February 12 and actionable items discussed included:

- **Manufacturer Initiatives** – The CEA offered to lead a working group to come up with an alternative to the current collection convenience requirements that would provide greater flexibility and year-long collection of all covered devices. Sims Recycling Solutions volunteered to be involved in the working group.
- **NYSDEC Regulatory Initiatives** – the NYSDEC discussed the establishment of a schedule for rule making and the formation of a working group to determine how to address reporting and timely establishment of performance goals.
- **Immediate CRT Challenges** – The NYSDEC said they would look into issues of over-collection or possible stockpiles of CRT-containing devices and determine if there were state funds that could be utilized to support the processing of such material from 2013. ISRI said they would assist the NYSDEC in working with local recyclers and collectors to determine:
 - 1) the estimated total quantity of "unpaid" 2013 CRT inventory and
 - 2) a methodology to estimate anticipated 2014 CRT quantities.

For presentations and/or more information about both meetings, visit the [New York Product Stewardship Council website](#).

Pennsylvania Covered Device Recycling Act Update Meeting



On February 19 the Pennsylvania Recycling Markets Center (RMC) hosted a meeting in Harrisburg for stakeholders affected by the Pennsylvania Covered Device Recycling Act (CDRA). This meeting was held to receive feedback on 2013 collection results, uncover issues encountered by local collectors in 2013, gather insight on the expected 2014 OEM obligation increases, and learn the expectations of the Pennsylvania Department of Environmental Protection (PADEP).

The CDRA requires OEMs selling computers, computer monitors, and televisions in Pennsylvania to provide free and convenient collection and recycling services for those devices and peripherals (covered devices or CDs) to in-state consumers (residents and small businesses).

The law went into effect in January 2012 and a landfill ban was enacted in January 2013. Halfway through 2013 many county and municipal collection sites collecting CDs – through recyclers working on behalf of OEMs – received notices from their recyclers stating they could no longer accept televisions or monitors at no cost because the OEM they were working with had met their annual collection requirements. Larry Holley of the PADEP, stated that of the 61 OEMs required to meet collection and recycling goals under the CDRA, 10 had not met their obligation and eight had not sent in an annual report for 2013 yet (due January 30).

See Growing Pains, page 6

Growing Pains, continued from page 5

In an effort to address some of the issues identified above, Holley made the following clarifications regarding the PADEP's expectations and interpretations regarding the law:

- 2014 OEM obligations will be for 100 percent of an OEMs market share in weight (raised from 50 percent in 2013)
- After feedback from the audience, Holley acknowledged that although new products being sold are weighing less and this goal might be difficult to attain over time, it was apparent that the goal had to be raised to cover the amount being collected in the state now
- Shortfall fees for OEMs who don't meet their obligations will be \$2 per pound until all backlogs of stored 2013 material are processed
- The deadline to submit 2014 OEM collection plans has been extended from January 30 to May 1
- OEMs must cover 100 percent of CDs collected at collection sites listed in in an OEM collection plan and changes to collection plans must be approved by the PADEP
- The law recognizes both broken and bare CRT (cathode ray tubes) as covered devices if generated by a Pennsylvania consumer
- Charging a county or municipal collection site for service is in essence the same as charging a consumer for collection as the cost will be passed onto the consumer via local taxes. The PADEP did not approve such charges

Representatives from local recycling companies and OEMs had an opportunity to make short presentations about their experience with the law over the past two years. The majority of regional recyclers claimed that OEMs, or their brokers, were not providing enough compensation to cover the local collection and/or recycling costs and explained that they were the backbone to making the local collection infrastructure work. A handful of OEMs talked about their local and national efforts to establish well running recycling programs. Walter Alcorn of the CEA, representing the OEM industry, agreed with some of Holley's comments and took exception to others, ie:

- The CEA agreed with the proposal for year-round collection for collection sites cited in OEM plans, but questioned whether OEMs should be responsible for collectors or recyclers collecting CDs without a connection to any OEM plan
- The CEA proposed that OEM obligations increase to 70 percent market share in 2014 and that it might be difficult for OEMs to collect 100 percent market share. The CEA will be looking to a more long-term legislative solution to address this issue
- The CEA questioned the backlog mentioned by the PADEP for 2013 and the validity of where it was generated including factors such as what it is, how it is being quantified and where it is from

New Jersey Stakeholder Meeting

On March 4 the Association of New Jersey Recyclers (ANJR) hosted a stakeholder meeting to discuss how some county and municipal electronics collection points have either had their service dropped or been asked to go from a cost-neutral scenario to being charged by recyclers working on behalf of OEMs affected by the state's Electronic Waste Management Act (EWMA). Representatives from several counties and municipalities from across the state, local and regional recyclers, and a handful of OEM representatives were at the meeting.

The EWMA requires that OEMs selling covered electronic devices (CEDs or computers, laptops, computer monitors, and televisions) in New Jersey provide a free and convenient recycling opportunity for consumers (state residents and small businesses). A large number of New Jersey's counties and municipalities were offering collection and recycling programs to residents prior to the law going into effect and chose to continue with their programs in 2011 as it was now a cost-neutral option. According to ANJR, these sites represent more than 50 percent of New Jersey's electronics collection infrastructure and many at the meeting expressed that the intent of the law was not to dismantle the state's collection infrastructure but to enhance it. Many stated that they did not budget for such expenses in the current fiscal year and could not incur costs moving forward or they would have to shut down their sites.

Wayne DeFeo, an environmental consultant and ANJR board member, moderated the meeting and detailed how changes in the recycling commodity markets and competition in the local recycling marketplace are contributing to the cost structure change collection points are now facing. Walter Alcorn from the CEA stated that OEMs wanted to see the law work, and work with ANJR to resolve some of the issues discussed. Alcorn made three statements addressing the issues:

- Recyclers ending service mid-year – The CEA felt that if a collection site is listed in an OEM annual collection plan submitted to the New Jersey Department of Environmental Protection (NJDEP) than an OEM should support that site year round
- Stockpiles – Alcorn suggested that ANJR determine and notify CEA if there are any stockpiles of CEDs generated by county or municipal collection sites waiting to be processed
- Charges to Local Government Entities – The CEA felt that government entities should be at zero external cost if acting as a collection point, and perhaps the CEA and OEMs could develop a system where OEMs interact directly with collection points to set up a relationship with a recycler chosen by the OEM

The meeting concluded with no immediate solutions, but it started a dialogue with ANJR, the CEA, and other stakeholders, and ANJR has created an e-waste task force and will be working to develop recommendations to keep the e-waste recycling programs viable.



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