

THE DISTRIBUTOR TAKE BACK SCHEME PHASE 2 - FACT SHEET

Distributors that are new to the sale of EEE joining the DTS in phase 2

WEEE Regulations

The Waste Electrical and Electronic Equipment (WEEE) Regulations came into force on the 2nd January 2007; the Regulations are aimed at increasing collection and recycling rates of WEEE. From the 1st July 2007 any distributor supplying Electrical and Electronic Equipment (EEE) is required to play an active role in meeting the aims of the WEEE Regulations, by providing collection mechanisms for the public to return household WEEE for recycling and advertising these facilities to customers.

WEEE and the Distributor Take Back Scheme (DTS)

On 6th November 2009, the Department for Business, Innovation and Skills (BIS), which is responsible for implementation of the Directive in the UK, published updated regulations designed to improve the effectiveness of the UK's system for collection and treatment of WEEE. They are effective from 1 January 2010. As a part of this update, BIS announced the re-appointment of leading Producer Responsibility Scheme, Valpak, as operator of the DTS for a further three compliance periods (to be known as 'phase 2' of the DTS) until December 2012. The DTS will meet the obligation to contribute toward the collection of WEEE from households in the UK for all of its members.

In many cases, the DTS will provide a cost effective hassle free solution for Distributors to discharge their obligations under the WEEE regulations.

Options available to distributors:

Distributors have two options to comply with the WEEE regulations;

If distributors DO decide to join the DTS

- Instead of offering free in store take back to customers, distributors will make a financial contribution to the DTS which will be used to assist in the development of WEEE collection facilities throughout the UK.
- Financial contributions will be passed to Local Authority and Council collection site operators to develop their WEEE collection infrastructure.
- By making this contribution, distributors will NOT be required to offer in store take back until at least 2013.

In addition, any large equipment that distributors may wish to collect as a customer service, for example on delivery of a new product, can still be fed into the WEEE system and will be recycled at the cost of producer schemes.

If distributors decide to NOT join the DTS

- The enforcement agency, the VCA (www.vca.gov.uk), will assume that distributors are offering free in store take back of household WEEE from their customers when purchasing like for like products.
- Free in store take back will have to be available for all types of EEE that is sold; not just large or white goods, therefore requiring the provision of floor space for storage.
- WEEE will need to be stored and transported to an appropriate treatment facility at the cost of the distributor, which may require comprehensive waste licensing with no guarantees regarding future cost or licensing requirements.
- Distributors will be subject to enforcement agency monitoring to ensure the take back requirements of the WEEE regulations are met.
- The introduction of a Government sponsored WEEE awareness scheme it is likely that any demand for in store take back is likely to increase significantly in the future.
- Material will have to be passed to producer schemes, who will be responsible for onward treatment and recycling of collected equipment, under WEEE regulation 32.
 - No distributor, DTS member or otherwise, is allowed to deposit collected WEEE at the local council operated waste collection site.

BIS advise that any distributor without sound commercial reasons for offering in store take back should seriously consider joining the DTS.

Joining and retention fees

Any distributor that is joining the DTS for the first time is required to pay a joining fee. Any distributor that is rejoining the DTS for a second phase is required to pay a significantly lower retention and operating fee. This fee structure takes into account the higher fees paid by members of the DTS in phase 1 (2007-2009), that were required in order to achieve the objective of assisting in the establishment of the UK's WEEE collection network. It would be unfair on existing DTS members for new applicants to gain low cost access to the scheme on the back of the investment made in establishing the collection network.

All fees paid into the scheme (with the exception of Valpak operating fees or a proportion of joining fees to offset operational costs as agreed with BIS and the British Retail Consortium) will be passed to Local Authorities for either the registration of new DCFs, maintenance of existing sites or special projects agreed by BIS to specifically increase the collection rate of WEEE in the UK.

Costs for distributors that are new to market

As a distributor, you will be categorised as being new to market if you started selling EEE in the three month period immediately prior to registration with the scheme. This may be because you are an entirely new distributor or have added your first EEE line. If you are deemed to fall in this category, you will be attributed band B new to market status if you have either more than one sales outlet or you consider yourself to an electrical specialist. Likewise, you will be afforded band C new to market status if you have one sales outlet only and you don't consider yourself to an electrical specialist. You should consider yourself to be an electrical specialist where any of the following apply:

- Your customers consider you to be an expert in the type of EEE that they are selling
- You primarily sell EEE products throughout their sales range
- You specifically devote an area of you sales outlet (be it a store, website, catalogue or other area) to the sale of EEE

Distributor type (DTS classification)	Value of EEE sold during data collection period	Cost of joining the DTS (Joining fee)
band B: New to market – 'large / specialist EEE'	More than one sales outlet and described as 'electrical specialist'	£750
band C: New to market – 'small / non-specialist EEE'	One sales outlet and not described as 'electrical specialist'	£200

If you are a distributor that meets the criteria for being 'new to market', but you have a turnover greater than £20,000,000 and more than 10 sales outlets, then Valpak are required by the terms of our appointment to discuss your application with you and BIS. BIS then have the discretion to increase these costs in the event that they would be deemed to be unfair on existing members. An example where this may be the case is if a large overseas retailer takes over an existing UK based retailer (that is not a DTS member) specifically for the sales of EEE, and therefore has an immediate and retail large presence from their introduction to the UK.

The Benefits of joining the DTS

The benefits of joining the DTS include:

- Full exemption from offering in store take back and prosecution until 31 December 2012.
- Assistance in meeting obligations to provide information regarding the WEEE regulations to consumers through Valpak's existing recycling brand, recycle-more.co.uk.
 - Valpak will produce a range of virtual marketing material and factsheets. This will include certification, web based information and other materials such as window stickers and posters.
- Scheme members will have access to email and internet help and guidance.

How to register

To register as a member of the DTS please go to www.valpak.co.uk/dts.