

Brussels, 13 April 2015

Orgalime reaction to kick-off meeting of the Technical Working Group on "Best Environmental Management Practices in the Electrical and Electronic Equipment Manufacturing Sector"

Following the kick-off meeting on the Sectorial Reference Document (SRD) on Best Environmental Management Practices (BEMPs) for the Electrical and Electronic Equipment (EEE) Manufacturing sector of 23-24 February 2015, Orgalime would like to provide the following comments on the draft report tabled by the Commission's contractor, the Öko-Institut, at this occasion.

We appreciate the possibility to provide feedback on the draft report at this stage, while we would have considered a more thorough information exchange with the sector from the outset of the process beneficial for the consistency of its outcome and further acceptance within the sector.

Overall, the scope, focus and overall purpose of the draft report and proposed 21 BEMPs continue to create confusion in the EEE sector. In the absence of a clear methodology and questionable data, as well as unclear linkages to other relevant legislation applying to the sector, it remains unclear to us in how far the future BEMPs would fulfil their objective of helping organisations to better focus on the most important environmental aspects in the sector.

Indeed, the use of EMAS in the sector remains somewhat limited today due to its high level of bureaucracy and insufficient flexibility to follow technological developments in time.

We therefore consider the listed BEMPs as company specific examples rather than representative references or valid future standards for the entire EEE sector. Given this, we welcome and support the Commission's statement at the kick off meeting that the EMAS Regulation 1221/2009, and consequently its BEMPs, is a voluntary tool and should remain so.

We specify our main concerns related to the proposed BEMPs for the EEE manufacturing sector hereafter:

1. UNCLEAR AND QUESTIONABLE DATA AND METHODOLOGY

It seems that the data used to underpin the report was partially outdated, scientifically unproven and at times imprecise. This was especially true for BEMP 13 (elimination of BFR and PVC), where a distinction between rigid-PVC and soft PVC is missing. The connection between the prohibition of PVC and the elimination of the restricted additives (plasticisers) cannot be made without this distinction. Inaccuracies were also found in BEMPs 12 (elimination of certain phthalates) and 21 (plastics recycling) and 20 (non-destructive extraction of circuit boards).

Orgalime, the European Engineering Industries Association, speaks for 41 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs some 10 million people in the EU and in 2013 accounted for more than €1,700 billion of annual output. The industry accounts for over a quarter of manufacturing output and a third of the manufactured exports of the European Union.

Regarding the latter, it was not clear why non-destructive extraction was required for recycling. Furthermore, manual extraction of circuit boards is not economically feasible in Europe nor logical from a technological perspective, which is why we are puzzled to find this recommendation in the draft report. As a result, our members regret not having been consulted prior to the tabling of the draft report.

In addition, it was not evident to us which methodology was used to underpin the draft report. Unfortunately, it makes it difficult for industry to verify the usability of its conclusions on a broader scale. Therefore, best practice studies have value only when they are industry/company specific and follow a clear methodology, taking into account all relevant aspects.

2. EMAS EEE BEMPS SHOULD NOT BE DIRECTLY APPLICABLE TO THE PRODUCT

The above mentioned lack of a clear methodology, the high density of the regulatory environment in the EEE sector and its extreme diversity leads to our second point: no product design examples should be included under the EMAS BEMPs.

EMAS implementation comes into a highly regulated environment, including the Ecodesign, Energy Labelling, Eco-labelling, Chemicals or Waste Policy measures to name but a few. EMAS implementation needs to respect the existence of such other legislation and be consistent with it. We welcome and support the contractor's statement to stay out of areas that are addressed by such other legislation. At the same time, its findings and objectives need to be taken into account to strive for consistent and mutually reinforcing results.

This should be particularly taken into account for the Ecodesign Directive. This Directive defines product design rules and sets product-group specific requirements on a case-to-case basis following a structured and clearly defined process with rigorous criteria, preparatory study and impact assessment phases. Implementing measures usually include benchmarks to stimulate progress in the market.

Including product design related BEMPs in the draft Öko-Institut report or future EMAS sectoral reference document that are developed outside the Ecodesign Directive's criteria and process will risk leading to misleading results, undermining the ongoing implementation of implementation measures and shifting of burden from one life cycle stage to another.

We are particularly opposed to including the suggested BEMPs targeted at end-of-life management. Additionally, we lack the international standards that are a prerequisite to implement and enforce end-of-life management requirements beyond the individual company level.

3. THE TECHNOLOGY NEUTRALITY PRINCIPLE SHOULD BE RESPECTED

We believe that the draft report does not sufficiently respect the technology neutrality principle. For example, the draft report promotes the substitution of certain technologies, such as compressed air. This technology is portrayed in a negative way, contrary to the other technologies and processes involved with the manufacture of EEE. In several places the draft report advises and concludes that substitution of compressed air tools is necessary and that such a technology should be replaced by electrically driven devices.

Europe must pursue a technology-neutral strategy where the market decides the most-cost effective technology needed to meet its environmental objectives. This for us is a basic criterion to underpin better regulation.

Therefore, in our view, the draft report should neither seek to impose, nor discriminate, nor favour the use of a particular type of technology to achieve the given objectives.

Instead, it should explore best practices, for example, for an efficient supply of compressed air, rather than substitution thereof.

4. NO “BEST ON THE MARKET” OR “STANDARD OF EXCELLENCE” APPROACH

We consider it inappropriate to automatically promote EMAS and the suggested 21 BEMPs as standards of excellence. Indeed, this would not be supported by the legal text of the EMAS Regulation itself, as article 46(c) of the EMAS Regulation states that one should include “...*benchmarks of excellence and rating systems identifying environmental performance levels*” only “*where appropriate*”.

The fact is that EMAS does not represent the best option for Orgalime industries, which act on global, fast evolving markets and in highly complex, global supply chains. Also, our industry considers EMAS too bureaucratic and unattractive because it is unable to keep up with the rapid pace of technology developments. Implementing a set of outdated and, possibly, irrelevant “quasi-standards” would diminish the future appeal of EMAS for our industries even further.

Instead, companies should be left the possibility to judge themselves which environmental management system is fit as their “standard of excellence”, according to their supply chain realities, specificities, market needs and resources.

Ranking EMAS as “best on the market” would moreover leave the impression that those companies, which have chosen a different environmental management system, have a lower performance from an environmental perspective than those which are EMAS registered. This is, however, a false assumption, since the choice of an environmental management system depends on many different criteria, environmental and other, such as for example market recognition or the flexibility offered.

Therefore, BEMPs for the EEE sector should identify all available alternatives, and highlight that the best solutions are industry/company specific.

As an alternative for BEMPs examples to improve processes and environmental results in the EEE manufacturing sector, we recommend to gather examples of how the use of ICT and big data has led to increased efficiencies in the sector.

There are also striking examples, such as the use of automation and control equipment in, for example, recycling processes to support environmental objectives, such as the automatic sorting and improvement of qualities of recycled plastics in this case.

5. CONCLUSIONS

We consider the listed BEMPs as company specific examples rather than representative references or valid future standards of excellence for the entire EEE sector for a number of reasons, including the following:

- The suggested 21 BEMPs are based on an unclear and questionable methodology.
- The draft report treads in the area of the Ecodesign Directive by suggesting BEMPs that are directly applicable to the product although EMAS is a process related regulation.
- The draft report is not technology neutral but favours certain technologies against others.
- The use of EMAS in the sector remains somewhat limited today due to its high level of bureaucracy and insufficient flexibility to follow technological developments in time.

We call for the further voluntary nature of the EMAS Regulation and its BEMPs and on maintaining company’s flexibility to choose the environment management system that best suits their individual needs and supply chain/market realities.

As an alternative for BEMPs examples, we recommend to gather examples of how the use of ICT and “big data” has led to increased efficiencies in the sector. We also refer to the example of the use of automation and control equipment in, for example, recycling processes to support environmental objectives, such as the automatic sorting and improvement of qualities of recycled plastics in this case.

In conclusion then, we believe that it is essential that the EMAS regulation should take into account the technological and economic realities of the world in which EEE manufacturers operate. Otherwise, rather than promoting an approach which will provide benefits in terms of growth and jobs, the risk is that EU manufacturers should be left to face measures which undermine their competitiveness while not leading to substantiated positive environmental impacts.

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