



The e-waste story in Hungary

01 October, 2017

CECED Hungary – the Hungarian association of electric appliance manufacturers

BSH Kft.	Hungaro Flotta Kft.
Candy Hoover Hungary Kft.	Indesit Company Magyarország Kft.
Dometic Zrt.	LG Electronics Magyar Kft.
Electrolux Lehel Kft.	Miele Kft.
Gorenje Magyarország Kft.	Panasonic Marketing Europe GmbH South-East Europe Fióktelep
Groupe SEB Central-Europe Kft.	Philips Magyarország Kft.
Hauser Magyarország Kft.	Samsung Electronics Magyar Zrt.
Hausmeister Elektronikai Kft.	Whirlpool Magyarország Kft.

CECED Hungary – the Hungarian association of electric appliance manufacturers

SAMSUNG

Whirlpool
SENSING THE DIFFERENCE

Electrolux

KRUPS

PHILIPS

Panasonic

BOSCH
Életre tervezve

SIEMENS

LG
Life's Good

Hausmeister

beko

Moulinex



gorenje

HAUSER

DOMETIC
Mobile living made easy.

Hotpoint

INDESIT

VESTEL

ZANUSSI

Miele

Tefal

CANDY

Rowenta



CECED – European Association of Household Appliance Manufacturers



17 Direct Members

(Arcelik, Ariston Thermo Group, BSH Hausgerate GmbH, Candy Hoover Group Srl, Daikin Europe N.V., De'Longhi SpA, Dyson Ltd., AB Electrolux, Gorenje d.d., Groupe Atlantic, Groupe SEB, LG Electronics Europe, Liebherr Hausgerate, Miele & Cie. KG, Panasonic Europe Ltd., Philips Consumer Lifestyle B.V., Samsung Electronics, Vestel, Vorwerk Elektrowerke GmbH & Co. KG, and Whirlpool EMEA.)



27 National Associations

(in 24 countries)



ELECTRO-COORD Hungary

- ▶ Compliance scheme established in accordance with the EU and national WEEE legislation as producers' scheme in 2004, by
 - ▶ the CECED Hungary members
 - ▶ and lightning companies

Foundation of CECED Hungary and ELECTRO-COORD

21 September 2004



If we get to the electronic appliances...

Hungary was

- ▶ **the 4th country** in Europe transposing the WEEE directive in 2004
- ▶ **the first country** in the Eastern-Central European region establishing the producers' take back system
- ▶ **the only country** in the Eastern-Central European region reaching the 4kg/inhabitant collection target in 2008

120,000 tonnes of e-waste arising a year



The history of e-waste regulation in Hungary

2004 - 2017



Waste regulation in Hungary: duplication in legislation

Duplication means: besides the transposed EU laws an additional local law also applies to producers and e-waste activity

EU laws

- ▶ WEEE 1.
- ▶ WEEE 2.
- ▶ Waste framework directive (WFD)

Local legislation

- ▶ Environmental product fee legislation



The implementation of EU laws

- ▶ **WEEE 1.** (2002/96/EC directive; deadline for transposition: 13 August, 2005)
 - ▶ Government Decree Nr. 264/2004 (23 September, 2004; effective from 08 October, 2004 and 13 August, 2005) – „**GD 264**”
 - ▶ Government Decree Nr. 443/2012 (29 December, 2011; effective from 01 January, 2012) – „**GD 443**”
- ▶ **WEEE 2.** (2012/19/EU directive; deadline for transposition: 14 February, 2014)
 - ▶ Government Decree Nr. 197/2014 (01 August, 2014; effective from 08 August, 2014) – „**GD 197**”
- ▶ **WFD** (2008/98/EC directive; deadline for transposition: 12 December, 2010)
 - ▶ Act CLXXXV of 2012 on waste (effective from 01 January, 2013, replacing Act XLIII of 2000 on Waste management) – „**Waste Act**”, replacing „**Waste Management Act**”



The implementation of EU laws

- WEEE 1.
 - GD 264, GD 443
- WEEE 2.
 - GD 197
- WFD
 - Waste Act (replacing Waste Management Act)




The environmental product fee legislation

The scope of the legislation covers:

- ▶ Packaging materials
- ▶ **Electric and electronic equipment (except for lightning equipment)**
- ▶ Batteries
- ▶ Rubber tires
- ▶ Petroleum products
- ▶ Paper based advertising materials

Act LVI of 1995 (effective from 01 January, 1996), replaced by Act LXXXV of 2011 (effective from 01 January, 2012) - „**Product Fee Act 1/2**”



The history of e-waste legislation

- Before WEEE
 - until 08 October, 2004 (/13 August, 2005)
- After WEEE
 - WEEE 1 time
 - GD 264: 08 October, 2004 – 31 December, 2011
 - GD 264: 01 January, 2012 - 31 December, 2012
 - GD 443: 01 January, 2013 – 07 August, 2014
 - WEEE 2 time
 - GD 197: from 08 August, 2014

The history of e-waste legislation

E-waste era	EU laws	National WEEE decree	Timeline	Product Fee Act
Before WEEE			Until 08/10/04	Product Fee Act 1
After WEEE	WEEE 1 time	GD 264 „chapter 1”	08/10/04 – 31/12/11	
		GD 264 „chapter 2”	2012	Product Fee Act 2
		GD 443	01/01/13 – 07/08/14	
	WEEE 2 time	GD 197	From 08/08/14	

The main e-waste eras in Hungary

Before WEEE
(until 2004)

**WEEE 1 and
Product Fee Act 1**
(2004 – 2011)
GD 264

**WEEE 1 and
Product Fee Act 2**
(2012 – 2014)
GD 443

**WEEE 2 and
Product Fee Act 2**
(from 2014)
GD 197

ERA 1.: Before WEEE (1996 – 2004)

Applicable law

- ▶ Product Fee Act 1

Main features

- ▶ Only fridges are in the scope (not all EEE)
- ▶ Collection and treatment on individual basis (in Hungary Electrolux had own facilities)
- ▶ Product fee is a kind of tax

ERA 2.: GD 264 (2005 – 2011)

Applicable laws

- WEEE 1
- GD 264
- Product Fee Act 1

Main features

- Producers' schemes' system
- ELECTRO-COORD has 75% market share, but there are 4 other schemes on the market
- Producers may perform waste management obligations (= take back, collection, recycling and safe disposal)
 - Individually
 - Collectively (producers' scheme)
- Product fee is payable by producers that do not fulfill the waste management obligations in accordance with GD 264
- Product fee is a sanction/fine payable by free riders
- Producers finance the real costs of waste management by paying waste management fee to ELECTRO-COORD

4 kg /inhabitant in 2008!

ERA 3.: GD 443 (2012 – 2014)

Applicable laws

- ▶ WEEE 1
- ▶ GD 443 (in 2012 the amended GD 264)
- ▶ Product Fee Act 2

Main features

- ▶ In case of products subject to the Product Fee Act, producers' schemes are prohibited to operate by law
- ▶ Producers pay the product fee
- ▶ Product fee is a tax
- ▶ Producers may fulfill waste management obligations
 - ▶ Individually
 - ▶ Collectively through the National Waste Management Agency (NWMA)

Since 2012 producers' schemes for e-waste have been prohibited to operate by law. Producers have to pay the product fee, that is basically a tax!

Waste management fee / product fee

The waste management fee

- HUF 8,7 / kg for LHA and SHA
- HUF 27 / kg for fridges

In 2011

Payable to the producers' scheme

The product fee

- HUF 50 / kg for all LHA and SHA
2012 – 2014

- HUF 57 / kg for all LHA and SHA
From 2015

Payable to the state budget (as a tax)

The state budget 2016 – Act C of 2015

(http://net.jogtar.hu/jr/gen/hjegy_doc.cgi?docid=A1500100.TV)

Product fee income

- ▶ Chapter XLII. 4 2 2 product fee income: HUF 63,389,000,000

Cost of waste management

- ▶ Chapter XII. 20 2 11 Aid for waste management : HUF 12,750,000,000
- ▶ Chapter XII. 15 Cost of operation of National Inspectorate for Environment, Nature and Water: HUF 2,138,900,000

(a department of this inspectorate replaced the former NWMA)

Less than 20% of the total product fee is dedicated to waste management.



The waste management obligations

Performed by producers' scheme

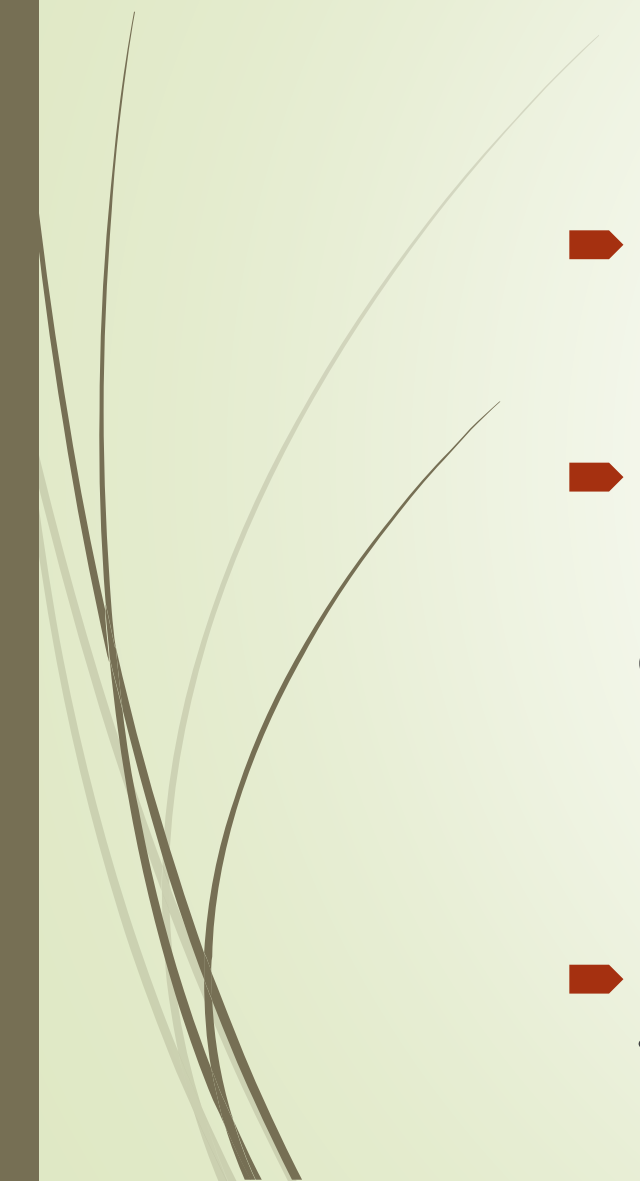
- ▶ Take back
- ▶ Collection
- ▶ Recycling
- ▶ Safe disposal

Performed by the NWMA

- ▶ According to the Product Fee Act: organisation of collection and recycling



The NWMA – a state organisation

- ▶ In operation: 2012 – 2014
 - ▶ From 2015: the tasks and obligations of the NWMA were delegated to a newly established department of the National Inspectorate for Environment, Nature and Water
 - ▶ From 2017: the National Inspectorate merged into the Ministry of Agriculture
- 

Waste management obligation

Individually

- ▶ Cost of waste management (take back, collection, recycling and safe disposal)
- ▶ Reduced product fee

Collectively through the NWMA

- ▶ Payment of the HUF 57 / kg product fee
- ▶ While legal obligation for take back and collection stay with producers?
- ▶ NWMA only contracts for recycling

Currently there is no electronic producer in Hungary that chooses individual fulfillment as it is simply too costly, considering that besides the real waste management costs product fee must also be paid.

Legal incoherency between GD 443 and Product Fee Act 2

- Different product scope
- Different definition of „producer”
- Different collection rate





ERA 4.: GD 197 (from 2014)

Applicable laws

- WEEE 2
- GD 197
- Product Fee Act 2

Main features

- WEEE 2 transposed, except for the producers' scheme as a choice
- NWMA was replaced by the department of the Inspectorate (and later by the Ministry of Agriculture)
- Mandatory voucher was introduced in order to enhance take back of old appliances
- Producers pay the product fee (tax)
- Collective fulfillment through the Inspectorate (from 2017, the Ministry of Agriculture)

The voucher

- Producer or retailer has to pay for the old appliances taken back by the consumer
- Payment can be in the form of a voucher or price reduction
- Only when a new product is purchased
- Relatively small fee of voucher (HUF 700 for a refrigerator etc.)





The presence of e-waste regulation and practice

2016 - 2017



ERA 4.b: from 2016

A new state organisation was established (as from 1 April, 2016):


**National Waste Management Coordination and
Property Management cPLC (NWCP)**

The collection and coordination of e-waste in Hungary in 2017



NWMA successor and NWCP

NWMA successor	NWCP
Governed by the Ministry of Agriculture (from 2017 it is the Ministry itself)	Governed by the Ministry for National Development
Coordinates the collection and recycling of e-waste under the scope of GD 197 and Product Fee Act 2 (in practice: mainly e-waste taken back by retailers)	Coordinates the collection and recycling of e-waste included in the waste collected by the public services companies under the waste management act (in practice: all e-waste collected by waste yards and on public waste collection days)
Not owner of waste	Owner of „useful” waste (that can be recycled)
Finances its activities from the environmental product fee payed by producers	Households pay waste fee for the services of public services companies to NWCP, and NWCP pays to public services companies



So how is the system working at the moment?

- Producers pay the product fee
- From the total product fee collected by the state only 16% is dedicated to waste management performed by the state
- The Ministry of Agriculture prepares the National Collection and Recycling Plan (<http://www.szelektivinfo.hu/en/>)
- Producers have no control over the waste management and no information about the life of the waste



The next challenge

➤ The circular economy...





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