Subject: Joint Letter on Proposed Unitary Own Resource on Non-Collected E-Waste

To: Piotr Serafin, Commissioner for Budget, Ambassador Søren Jacobsen

Cc Jessika Roswall, Commissioner for the Environment

Dear Commissioner Serafin, Dear Ambassador Søren Jacobsen

The Electrical and Electronic Equipment (EEE) producer industry stands firmly alongside the EU in working to achieve ambitious climate and environmental protection goals, significantly contributing to saving energy, resources and greenhouse gas emissions. While we support the EU's efforts to establish a suitable legislative framework for environmental and climate protection, we are writing to you today to express our profound concern regarding the proposed unitary own resource of €2/kg on non-collected e-waste within the Multiannual Financial Framework (MFF), the EU's long-term budget. This planned initiative is an inadequate answer to the e-waste collection objectives of the EU and requires urgent correction to effectively promote environmental protection.

We believe this measure is ill-conceived and risks creating significant market fragmentation, excessive financial and administrative burden, while unsupported by robust, harmonised data. Solid indisputable data is a basic legal requirement for any financial levy. Taken together, these shortcomings **risk significantly weakening the sector's competitiveness**, a critical element for a thriving European circular economy. We urge policymakers to reconsider this approach and suggest that a more constructive and effective path lies in adapting the existing regulatory framework.

The current rules governing e-waste in the EU are set out in the Waste of Electrical and Electronic Equipment (WEEE) Directive. This legislation places responsibility on producers to finance the collection, treatment and environmentally sound disposal of e-waste. It also sets national collection targets and recycling/recovery requirements across Member States.

While the Directive created a solid foundation, it has clear limitations: collection targets are not being met, enforcement is uneven, and many actors involved in e-waste handling are not properly regulated or held accountable. The European Commission plans to **revise the WEEE Directive as part of the Circular Economy Act**, expected in late 2026. This is a real opportunity to strengthen the system and boost both collection volumes and recycling quality.

We recommend that EU policymakers:

- Properly **enforce** existing legislation and involve all actors across the value chain.
- Prioritise nurturing a **framework that fosters investments** in recycling infrastructure and technologies.

- Prioritise data standardisation across Member States and reform the Eurostat statistics collection system.
- Calculate the collection rate on a reliable basis that takes into account different periods of
 use or waste available for collection. Work towards making the amount of generated WEEE
 known.
- Focus on the upcoming revision of WEEE legislation within the framework of the Circular Economy Act, as it offers a genuine opportunity to rethink the Extended Producer Responsibility principle based on the 'all actors' principle. In this context, the producers and manufacturers industry has outlined a set of key challenges along with proposed solutions¹, which should serve as a foundation for shaping a stronger and more viable EU circular economy.
- Ensure any proposal for financial instruments must be preceded by a comprehensive **impact** assessment that must, at a minimum, clearly demonstrate:
 - The effectiveness in improving the sector's circularity and WEEE collection.
 - The meaningfulness of the level of the financial levy.
 - The need for a novel approach and an EPR financing model involving all actors.
 - The requirement to hypothecate funds from any proposed own resource for reinvestment into the existing WEEE system.
 - The impact on the European economy, consumers, and companies.

Our concerns are **thoroughly detailed in the annex below**, highlighting the significant negative implications for consumers, producers, the e-waste management ecosystem, and overall European competitiveness.

We firmly believe that the proposed own resource would be ineffective, run counter to ongoing critical EU legislative initiatives, and may lead to higher consumer costs and unjust measures instead of improving WEEE collection. Therefore, we urge the European Commission to withdraw this proposal.

We stand ready to collaborate with policymakers and interested stakeholders to find genuine solutions that will lead to a more circular economy without penalising producers and undermining Europe's industrial base.

Yours sincerely,

APPLIA, DIGITALEUROPE, EHI, EPTA, ERP, EucoLight, ITI, LightingEurope, Orgalim, WEEE Forum

¹ <u>Joint priorities for the Circular Economy Act</u>





















Annex

Unreliable and Inconsistent Data Preclude Fair Implementation

We consider this proposed own resource levy to be **based on very weak data point available** and therefore it is based on significantly weak legal grounds and could be legally challenged in course.

Any new financial measure must be built on robust, consistent, and verifiable data. Unfortunately, statistical data, such as Eurostat's current data on e-waste recycling and collection rates are far from reliable, as acknowledged by the EU itself² and pointed out by various stakeholders, including the WEEE Forum³. For example, figures for some Member States are not audited and are simply estimates, lacking a consistent methodology. This disparity makes it impossible to implement the own resource fairly, risking punishment for countries or producers based on flawed or incomparable metrics. The figures presented by Eurostat therefore lack a consistent methodology. As a result, **Eurostat's figures do not offer a sufficiently robust basis for such a tax.**

We can draw a parallel with the €0.80 per kilogram levy on non-recycled plastic packaging waste introduced across the EU in 2021. In that case, the European Court of Auditors noted that the data reported by Member States was often inconsistent and unreliable, raising concerns about fair implementation and compliance.

The proposed e-waste levy suffers from the same fundamental flaw. It is based on a calculation of "missing" e-waste, the difference between estimated waste generated and the amount collected and treated. However, the actual amount of e-waste generated by consumers each year is an unknown variable, making any such calculation inherently uncertain and prone to error.

Missing collected WEEE conceptually is the following:

Missing collected WEEE $\Delta = A - B$

A: Amount of generated WEEE by consumers annually

B: Amount of WEEE that is being collected and treated in a Member State (as reported as required yearly recycling systems).

The solution to this equation is not possible because the value of A is an unknown factor. Consequently, the taxation stands on weak legal grounds and it is therefore unjustifiable and could be challenged in court.

The WEEE Directive's collection target established through the legislation is not a suitable

² See 'Circular Economy Act – three possible pillars', presented to the Expert Group on Circular Economy and Sustainable Production and Consumption on 23 January 2025.

³ Letter (DG 21-10) sent by electronic mail to Anton Steurer, Head of Unit, European Commission, ESTAT.E.2 of 2 September 2021.

parameter to use as it is calculated as a percentage of products placed on the market over the previous three years. It is not fit for purpose as it is an arbitrary legal construct that does not accurately reflect the amount of e-waste generated in a given year, nor does it adequately account for the broad variety of product categories or their expected lifetimes⁴. This has been acknowledged by the European Commission's DG Environment services. ⁵ This collection target is therefore not a suitable parameter for the calculation of the e-waste own resource measure.

The proposal's fundamental flaw is its assumption that uncollected e-waste is synonymous with improperly disposed of e-waste. This overlooks the significant portion of electronics that are exported before being waste or that remains in consumers' hands. Consumers often hoard these devices, holding onto them for sentimental reasons, data privacy concerns, or with the intention of future use or repair. **Until a consumer decides to discard a product, it isn't legally considered waste.**

Consumer behaviour, particularly the practice of keeping old electronics at home, plays a major role. To genuinely improve collection rates, efforts should focus on consumer-facing incentives that encourage individuals to discard their unused devices, as the ultimate decision to transform a product into WEEE rests with them.

Adverse Impact on European Industrial Competitiveness

The proposal to introduce the e-waste own resource will create a significant and detrimental increase in the tax burden on European companies. These measures risk **undermining the EU's industrial competitiveness**, particularly at a time when boosting Europe's industrial strength is a critical priority. Manufacturers are already financially responsible for the entire lifecycle of their products. Imposing an additional levy risks creating a fragmented landscape of national rules and tax rates. We have already seen similar issues with national plastic taxes, where the burden falls directly on companies.

In proposing this new own resource, the European Commission risks increasing fragmentation by granting greater discretion to Member States in how environmental and waste-related financial obligations are implemented. This risks to further deepening the "regulatory mille-feuilles" layers of overlapping and diverging national requirements, at the very time the Commission is aiming to streamline and harmonise reporting obligations through initiatives such as the **Omnibus on Environmental Reporting** (Q4 2025), the upcoming revision of the **New Legislation Framework** (Q2 2026) and of the **Circular Economy Act** (Q4 2026), all intended to also address this very issue. Introducing a new fiscal measure that fuels divergence and raises compliance costs runs counter to

⁴ See <u>Towards more meaningful and robust WEEE management targets</u>, WEEE Forum, 30 May 2025.

⁵ See 'Circular Economy Act – three possible pillars', presented to the Expert Group on Circular Economy and Sustainable Production and Consumption on 23 January 2025.

these efforts and ultimately undermines the EU's broader goals of boosting competitiveness and meeting climate objectives by leveraging existing instruments without imposing new burdens on companies or consumers.

The Proposed Own Resource Will Increase Consumer Costs and Create an Excessive Financial and Administrative Burden

Electronic waste management is a net cost-intensive system. Producers already finance⁶ these activities through Producer Responsibility Organisations (PROs), costs which are in turn reflected in product prices for consumers. Introducing an additional financial measure will effectively impose a consumption tax on essential electronic and electrical products, disproportionately penalising consumers with low purchasing power. The additional consumer burden would range from per capita €9.25 to €57.71 (as below).

Source: EUROSTAT								
Estimated value, missing in EUROST	AT							
GEO (Labels)								
Belgium	341.015	334.789	331.069	335.624	164.637	170.987	341.974.667	29,44
Bulgaria	89.130	87.184	109.781	95.365	101.054	5.689	- 1	
Czechia	236.297	263.202	301.537	267.012	152.073	114.939	229.878.000	21,86
Denmark	207.043	228.890	250.861	228.931	70.712	158.219	316.438.667	53,88
Germany	2.590.244	2.847.926	3.096.159	2.844.776	901.058	1.943.718	3.887.436.667	46,70
Estonia	22.854	31.264	30.346	28.155	10.241	17.914	35.827.333	26,90
Ireland	112.042	124.354	150.803	129.066	66.018	63.048	126.096.667	24,46
Greece	166.618	171.792	219.800	186.070	69.915	116.155	232.310.000	22,21
Spain	868.909	1.004.711	1.033.192	968.937	416.162	552.775	1.105.550.667	23,28
France	2.094.364	2.179.743	2.473.422	2.249.176	959.675	1.289.501	2.579.002.667	37,88
Croatia	61.592	66.506	74.149	67.416	31.395	36.021	72.041.333	18,65
Italy	1.422.251	1.560.600	1.779.707	1.587.519	534.394	1.053.125	2.106.250.667	35,68
Cyprus	12.277	13.819	15.805	13.967	4.088	9.879	19.758.000	21,25
Latvia	27.591	28.293	29.939	28.608	19.932	8.676	17.351.333	9,25
Lithuania	39.484	42.006	50.824	44.105	21.618	22.487	44.973.333	16,03
Luxembourg	12.767	12.956	12.887	12.870	5.804	7.066	14.132.000	21,90
Hungary	238.893	242.838	259.136	246.956	94.140	152.816	305.631.333	31,80
Malta	11.666	10.852	11.004	11.174	3.010	8.164	16.328.000	31,39
Netherlands	629.363	735.844	755.950	707.052	199.470	507.582	1.015.164.667	57,71
Austria	237.652	270.725	311.535	273.304	136.852	136.452	272.904.000	30,39
Poland	791.807	1.034.450	1.202.660	1.009.639	539.252	470.387	940.774.000	25,50
Portugal	203.921	212.310	230.432	215.554	56.090	159.464	318.928.667	30,60
Romania	289.735	309.047	365.050	321.277	160.011	161.266	322.532.667	16,94
Slovenia	41.919	44.298	54.438	46.885	15.462	31.423	62.846.000	29,82
Slovakia	80.965	85.476	90.270	85.570	56.482	29.088	58.176.667	10,70
Finland	126.577	159.204	157.679	147.820	77.483	70.337	140.674.000	25,35
Sweden	257.026	299.493	338.075	298.198	150.806	147.392	294.784.000	28,20

The proposed own resource measure represents an additional financial burden on producers who already fulfil their obligations for the entire lifecycle of their products under Directive 2012/19/EU on Waste of Electrical and Electronic Equipment (WEEE). Framing this new measure as a financial disincentive on Member States, which would likely be passed on to economic operators, may deter crucial investment in waste management infrastructure rather than incentivising

⁶ The Study supporting the evaluation of Directive 2012/19/EU on WEEE, dated May 2024, describes the challenge in interpreting the EPR fees (see pages 178-183). In 2020 4.7 Mt was separately collected. The Study finds that the average EPR fees ranges from €100 to €250/t (2013-2016), based on stats of Austria, Belgium, France, Greece, Ireland, Netherlands, Poland and Portugal (page 181). The maximum total estimate of EPR fees therefore amounts to €1.175bn (minimum €470,000,000).

improved collection or circular economy measures. 789.

An own resource based on non-collected e-waste is fundamentally misaligned with circular economy objectives, as it fails to incentivise waste prevention. Circular thinking encourages people to use, repair, or refurbish their products for a longer period, rather than disposing of them. This own resource proposal does not align with such an approach.

This measure will also introduce a **significant new layer of administrative complexity**. Both Member States and industry will face a substantial reporting burden in calculating and tracking quantities of non-collected e-waste. The Commission has provided no evidence, such as an impact assessment, to justify the administrative costs of this new scheme. Diverting precious resources to this bureaucratic process will detract from the genuine work of improving collection and recycling.

Significant Risk of Financial Diversion Away from Circularity Initiatives

The proposed own resource measure risks that the **generated revenues will not be reinvested** into collection, reporting or recycling systems or circular activities themselves, but instead diverted to general EU budgetary needs. Such cross-financing profoundly undermines the credibility of sector-specific environmental taxes and could jeopardise the long-term viability of e-waste management and progress toward circular economy goals. The clear focus of this proposal appears to be revenue generation for the general EU budget, rather than on substantive environmental policy.

This approach could **create problematic incentives**. If funds from e-waste management are funnelled into unrelated sectors, the policy loses its environmental legitimacy and becomes a financial burden with no clear ecological benefit.

Although framed as a levy on Member States, these **costs will likely be passed down to economic operators**. This risks diverting resources away from much-needed investments in waste management infrastructure, collection systems, and circular economy initiatives, the very areas this policy is meant to improve.

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⁷ In the case of the plastics tax, some Member States have decided not to transfer the tax to producers.

⁸ A one-size-fits-all tax of €2/kg levied on each Member State is unequitable for low-income countries. See Annex.

⁹ Anyone who collects one piece of WEEE will know he can sell it to producers or their PROs for €1.99/kg in the understanding that producers would otherwise have to pay a €2/kg fine. In Italy, for example, this will increase WEEE management costs tenfold, at the expense of consumers.



















