



Producer Compliance Scheme (The Essential Guide to Producer Compliance)



A Greener Future

Northern Compliance Limited (A not for profit Company Limited by Guarantee)

www.northerncompliance.org



NORTHERN COMPLIANCE
A greener solution

Contents

Part 1 Introduction

1. Introducing Northern Compliance Ltd
2. Corporate Responsibility
3. The Solution
4. Northern Compliance Limited's Input
5. The Outcome

Part 2 Membership Service

6. Producer Registration Charges
7. Options for Compliance
8. Service Delivery Charter

Part 3 Administration

9. Mandatory Information Required by Environment Agency
10. General Terms & Conditions

Part One

1. Introducing Northern Compliance Ltd

Northern Compliance Ltd was formed on 25th October 2006 as a Limited Company by Guarantee. Its primary function is to operate as a Not for Profit organisation providing environmentally sustainable, socially responsible and cost effective WEEE Care & Compliance solutions for its B2B members.

2. Corporate Social Responsibility

It is estimated that the UK economy will have to pay up to £455 million per annum to comply with the WEEE Directive following its introduction as UK Law on 2nd January 2007. Most leading companies have well established Environmental and Corporate Social Responsibility policies in place. They have already assessed their positions and are implementing the relevant changes to ensure their WEEE policy follows suit

Producer Compliance Schemes need to ensure that they provide members with a service that matches their other environmental policies; Northern Compliance Ltd will bring added value through environmentally sustainable, socially responsible and cost effective WEEE Care & Compliance solutions for B2B producers via its WEEE Membership Services. As well as benefiting from a cost effective service, its members will reap marketing benefits and supply chain improvements.

The key issue is still one of corporate social responsibility, an issue organisations cannot afford to ignore. Northern Compliance Limited's WEEE disposal contractor's innovative service is recognised as the default answer for WEEE recycling. It has already established 3rd Party DCF's at some 200 blue chip companies, including the Wilton Centre on Teesside (one of the largest Research and Development sites in Europe). For the Wilton Centre, they have designed and implemented a purpose built WEEE collection facility, which provides the centre's many blue chip members with the opportunity to comply with responsible WEEE disposal. The service has already been nominated for a prestigious environmental award in 2007.

3. The Solution

Northern Compliance Ltd is an innovative organisation that was founded to enable businesses to fulfil their B2B WEEE producer and end user responsibility for the long term. They undertake the administrative and legislative responsibilities on behalf of their members. Northern Compliance Ltd has a partnership agreement with a B2C Compliance Scheme that ensures companies are not disadvantaged when they are required to join both a B2B and B2C Compliance Schemes.

Northern Compliance Limited's recovery and recycling process is unique as all WEEE is pre-selected into different waste streams in accordance with Article 5 (4) and Article 6 (3) of the European WEEE Directive (2002), meaning every single item is either reused, recovered or recycled in the correct manner. This is supported by an Electronic Recycling Management System (ERMS). "The innovative ERMS toolkit takes companies through a step by step process. The process and its administration is so simple that it provides ISO 9001 and 14001 companies a WEEE Care and Compliance scheme that gives value added to their SHE policy ". Quote, Barry Groves OBE, Chief Executive of Northern Compliance Ltd.

4. Northern Compliance Limited Input

When a Company commits to WEEE Membership Services with Northern Compliance Ltd they receive a Care and Compliance service, which includes free consultancy advice on all aspects of the WEEE directive and the potential impact on their business. Northern Compliance Ltd has devised a unique 'WEEE Audit Calculator' that quickly calculates the WEEE liability of any organisation. Northern Compliance Ltd collects and arranges processing of B2B WEEE and supplies Northern Compliance Ltd certification via its ERMS web service, to demonstrate that full compliance has been met.

Northern Compliance Ltd is committed to using the most effective recycling plants available, whether they are in UK or the rest of Europe. Northern Compliance Ltd's research with our members has identified that full data destruction is a key component of any service and Northern Compliance Ltd therefore provides this as default standard. Northern Compliance Ltd has a charity and community reuse model that will be introduced for our members to enable the reuse of equipment by selected charities and organisations, but it will ensure that the end of life recycling method does not become the responsibility of the end user.

5. The Outcome

The WEEE Legislation alongside the HWR and RoHS are instruments in tackling key environmental issues such as landfill, air and water pollution. Northern Compliance Ltd members will not only take satisfaction from the fact that they are participating in achieving the desired outcomes of the Legislation, but will also have the peace of mind that the regulative responsibilities are all being taken care of by an organisation committed to environmental sustainability, corporate social responsibility and cost effectiveness.

Barry Groves OBE
Chief Executive

Part Two

6. Producer Registration Charges

The unique and innovative producer membership scheme we have designed for our members brings a WEEE Care & Compliance Service that adheres to:

- Environmental Sustainability
- Corporate Social Responsibility
- Cost Effectiveness

The pricing policy is sustainable and wholly transparent

Table 1. B2B EEE Producer Registration Costs

Band	Turnover in £s	Annual Producer Compliance Scheme Registration Fee*	Environmental Agency Fee**	Total Fixed Charges***
One	Below VAT	£150.00	£30.00	£180.00
Two	Up to 250K	£275.00	£220.00	£495.00
Three	Up to 500K	£550.00	£220.00	£770.00
Four	Up to 1m	£775.00	£220.00	£995.00
Five	Up to 10m		£445.00	****
Six	Over 10m		£445.00	****

* **Fee for Northern Compliance Scheme Registration is based on the turnover value of The Company B2B EEE placed on the UK market Jan1 - 31 Dec the previous year.**

** **Fee for Environment Agency is based on the businesses turnover as a whole**

*** **Total to pay on registration (EA + Membership Fee)**

**** **Dependent on option chosen for compliance**

The membership fees include:

- Free implementation set up meeting for those in Band 2 and above
- Compliant registration with the Environment Agency as a Producer of EEE
- Compliant collection and recovery of WEEE
- Free advice line on WEEE Legislation issues
- Collection from your clients premises (subject to compliance method)
- Collection from your premises (subject to compliance method)
- Discounted consultancy on WEEE legislation
- Discounted fees for training courses
- Free Data Destruction and Certification
- WEEE disposal service options

7. Options for Compliance

Under the UK WEEE legislations there are a series of options a B2B Producer can adopt in dealing with their obligations under Regulation 9. **The option that best suits your business will be dependent on the dynamics of your product, its route to market, product longevity, B2B End User profile(s) and industry sector norms.**

UK WEEE Regulation 9.2 provides the opportunity for a producer to make alternative arrangements to finance the cost of the collection, treatment, recovery and environmentally sound disposal of EEE when it becomes WEEE from users other than private households:

Extract from Regulations:

Regulation 9 - Financing: WEEE from users other than private households

(9.1) Each producer shall finance the costs of the collection, treatment, recovery and environmentally sound disposal of:

- (a) WEEE from users other than private households arising during a compliance period from EEE put on the market in the United Kingdom on or after 13th August 2005 by that producer; and
- (b) WEEE from users other than private households arising during a compliance period from EEE put on the market in the United Kingdom before 13th August 2005 ("the relevant WEEE") where that producer is supplying new EEE that
 - (i) is intended to replace the relevant WEEE, and
 - (ii) is of an equivalent type or is fulfilling the same function as that of the relevant WEEE.

(9.2) Nothing in paragraph (1) shall prevent a producer from concluding an agreement whereby the parties to the agreement make alternative arrangements between themselves to finance the costs of the collection, treatment, recovery and environmentally sound disposal of WEEE.

The argument for incepting a Policy under Regulation 9.2 over 9.1 are:

- 9.1 Keeping full responsibility for items sold to B2B users could mean you are collecting an item in Scotland one day and another in Southampton the following day. The impact of this compliance method is not only costly but logistically and environmentally unsound.
- 9.2 Allows the producer to be in control of the financial implications on their organisation; in that the producer decides where the obligation for WEEE disposal under Regulation 9 lies. It is Northern Compliance's view that this option allows cost effectiveness coupled with environmentally sound solutions to be implemented.

NB!!!

It is important that produces wishing to incept Regulation 9.2 understand the importance of ensuring the alternative arrangements are legally binding through appropriate contract and product documentation. Where the producer is unable to show legally binding alternative arrangements Regulation 9.1 will be assumed and the producer will be responsible for meeting all associated costs.

Northern Compliance bring peace of mind by guiding the producer through the process of implementing the producers chosen option under Regulation 9.2 as a default when the producer is contracting with a B2B end user.

Option 1 - B2B End User Obligation

The member opts for the Producer Obligation to be passed to the B2B End User under Regulation 9.2 and no further charges will be levied for recovery of WEEE to you.

In this option the producer passes obligation to the B2B End User by incepting Regulation 9.2 underpinned with legally binding and appropriate contract documentation at point of sale.

Option 1 Implementation Action Plan

Producer Action Phase One

- Agreed Contract with Officer of the company's signature (part one)
- Provide Mandatory Information and Product ID Mark to Northern Compliance (part two)

Northern Compliance Action Phase Two

- Register producer and where appropriate issue Producer ID Number
- Set up implementation meeting to issue EEE Toolkit & WEEE Toolkit (Band 2 and above)
 - Guide Producer and ensure EEE is being placed with appropriate marking
 - Guide Producer in implementing legally binding documentation to allow the producer to pass the obligation to the end user

Producer Action Phase Three

- Implement legally binding documentation, examples provided in the EEE toolkit, and provide evidence to Northern Compliance this has been incepted
- Provide a quarterly return to Northern Compliance of EEE placed on the market in the previous quarter by WEEE Categories

Northern Compliance Phase Four

- Submit quarterly returns in accordance with the UK WEEE Regulations

Producer Action Phase Five

- Inform Northern Compliance within 15 days of any changes to the Compliance Method of the Producer

Pros

- Environmentally Sustainable
- Most Cost Effective Method
- 9.2 Implemented with legally binding contract and processes

Cons

- The potential for not meeting PQQ and Tender criteria
- The lack of ability to deal with own B2B end user WEEE
- Distributors may require take-back or underwritten option
- B2B End Users may require take-back or underwritten option

Option 2 - B2B End User Obligation with Member Take-back Scheme

The member opts for the Producer Obligation to be passed to the B2B End User and no further charges will be levied for recovery of WEEE to the producer. Alternatively, the B2B End User arranges the return of the WEEE to the producer subject to accepting cost of transport to the Producer's designated return point(s).

In this option the producer passes obligation to the B2B End User by incepting Regulation 9.2 underpinned with legally binding and appropriate contract documentation at point of sale. However, it does leave an option for the item to be returned to the Producer if the B2B end user is willing to pay for its carriage. Northern Compliance provides a call off contract via Weeeco for the recovery of any WEEE arising under the take-back option.

Implementation Action Plan

Producer Action Phase One

- Sign Contract (issued as part one)
- Provide Mandatory Information and Product ID Mark to Northern Compliance (issued as part two)

Northern Compliance Action Phase Two

- Register producer and where appropriate issue Producer ID Number
- Set up implementation meeting to issue EEE Toolkit & WEEE Toolkit
 - Guide Producer and ensure EEE is being placed with appropriate marking
 - Guide Producer in implementing legally binding documentation to allow the producer to pass the obligation to the end user

Producer Action Phase Three

- Implement legally binding documentation, examples provided in the EEE toolkit, and provide evidence to Northern Compliance this has been incepted
- Provide a quarterly return to Northern Compliance of EEE placed on the market in the previous quarter by WEEE Categories

Northern Compliance Phase Four

- Submit quarterly returns in accordance with the UK WEEE Regulations

Producer Action Phase Five

- Inform Northern Compliance within 15 days of any changes to the Compliance Method of the Producer

Pros

- Environmentally Sustainable
- Cost Effective with managed take-back
- 9.2 Implemented with legally binding contract and processes
- Market Intelligence
- Reuse Sale Potential
- Spare Parts
- PQQ & Tender Flexibility
- Deals with own B2B end user WEEE

Cons

- Distributors may require underwritten option
- B2B End Users may require underwritten option
- Potential for increased cost via WEEE arising from the take-back scheme

Option 3 - Underwritten

The member opts for Producer Obligation to be retained and agrees to pay a fixed annual fee (See table below) to Northern Compliance based upon the weight of the EEE placed on the Market in the previous year.

In this option the producer retains obligation with terms and conditions for collection incepting Regulation 9.2 underpinned with legally binding and appropriate contract documentation at point of sale. Northern Compliance provides a call off contract via Weeeco for the recovery of any non obligated WEEE arising at your premises or your clients.

Band	WEEE Categories 3,6 and 9	WEEE Categories 1,2,4,5,7,8 and 10	WEEE Containing CRT's	WEEE Gas Discharge Lamps	WEEE Containing CFC's
One	£10.00	£13.75	£43.75	£187.50	£100.00
Two	£9.60	£13.20	£42.00	£180.00	£96.00
Three	£9.20	£12.65	£40.25	£172.50	£92.00
Four	£8.80	£12.10	£38.50	£165.00	£88.00
Five	£8.40	£11.55	£36.75	£157.50	£84.00
Six	£8.00	£11.00	£35.00	£150.00	£80.00

Implementation Action Plan

Producer Action Phase One

- Sign Contract (issued as part one)
- Provide Mandatory Information and Product ID Mark to Northern Compliance (issued as part two)

Northern Compliance Action Phase Two

- Register producer and where appropriate issue Producer ID Number
- Set up implementation meeting to issue EEE Toolkit & WEEE Toolkit
 - Guide Producer and ensure EEE is being placed with appropriate marking
 - Guide Producer in implementing legally binding documentation to allow the producer to pass the obligation to the end user

Producer Action Phase Three

- Implement legally binding documentation, examples provided in the EEE toolkit, and provide evidence to Northern Compliance this has been incepted
- Provide a quarterly return to Northern Compliance of EEE placed on the market in the previous quarter by WEEE Categories

Northern Compliance Phase Four

- Submit quarterly returns in accordance with the UK WEEE Regulations

Producer Action Phase Five

- Inform Northern Compliance within 15 days of any changes to the Compliance Method of the Producer

Pros

- As Opt 2
- Fixed Cost for all Obligated WEEE Collections

Con's

- More costly than Opts 1 & 2
- The product, longevity or industry sector does not warrant its need

8. Service Delivery Customer Charter

Northern Compliance have appointed Weeeco to collect its Obligated B2B WEEE and it is the obligated WEEE collected from the member, distributor and/or B2B end user that will be used to produce evidence required for your compliance in the appropriate period.

The flexibility of the service, which does not contract exclusively with any ATF or AATF, ensures the best price balanced against the need for environmental sustainability and corporate responsibility can be sought by the officers on behalf of its members.

Northern Compliance Ltd is obligated by the Environment Agency to provide mandatory information upon registration of members. The information that is set out in Part Two must be supplied to Northern Compliance Ltd within 15 days of contract signature, along with the Environment Agency and Membership fee. On completion of this process Northern Compliance Ltd will register you as a full member of the Scheme.



The common earthworm doesn't eat electrical equipment. Surprised?

Part Three

9. Mandatory Information Required

Company Details

Mandatory Information	
Company Name	
Company Registration Number	
Business Name	
Partnership Name	
Trading Name	
Standard Industry Classification (SIC)	
VAT Registration Number	
Annual Turnover	
Turnover Band	
Obligation Type	
Membership Number	WEEE/N(XXXX)C/PRO
Producer Identification Mark	

Company Contact Details

Mandatory Information	Registered Office: (Director)	Day to Day Correspondence:
Title		
Forename		
Surname		
Position		
Phone and Ex		
Mobile		
Fax		
E Mail		
Address One		
Address Two		
Town/City		
Post Code		
County		

Table 5. Company Billing Details

Mandatory Information	
Department Title	
Address One	
Address Two	
Town/City	
Post Code	
County	

GENERAL TERMS AND CONDITIONS OF WEEE MEMBERSHIP SERVICES

1. NORTHERN COMPLIANCE LIMITED

1.1. The following terms and conditions ("the Conditions") are the terms on which Northern Compliance Limited sells ("WEEE Membership Services") and supersedes all other terms and conditions relating to the subject matter of these Conditions.

2. PRICE AND PAYMENT

2.1. The price (exclusive of VAT) for the WEEE Services ("the Price") shall be the quoted price of the Seller and payment of the Price shall be made by the Buyer and shall be as set out in the Membership Service Level Agreement provided by the Seller to the Buyer ("Membership Contract")

2.2. If the Price is not paid by the due date interest shall accrue both before and after judgment on the unpaid portion of the Price at the rate of 2 per cent above the base rate from time to time of National Westminster Bank PLC.

2.3. We reserve the right to increase or decrease the variable rate to any reasonable amount required resulting in changes in current WEEE legislation by the EEC, UK Government and or the volatility of AATF returns and/or charges.

3. WEEE MEMBERSHIP SERVICES

3.1. The description of the service to be sold shall be as set out in the Membership Service Level Agreement provided by the Seller to the Buyer

3.2. The member will provide, in the timescales prescribed in the Membership Service Level Agreement, mandatory information required to be supplied to the Producer Compliance Scheme under UK law and to make formal declaration of its accuracy on submission.

4. ACCEPTANCE

4.1. The Buyer shall not be entitled to reject the WEEE Membership Services in whole or in part after the signing of this agreement for the compliance period. Notice for the buyer or seller to cancel this agreement will be in writing within two months of the start date of the next compliance period.

5. WASTE TRANSFER DECLARATIONS

5.1. Notwithstanding, Declaration documentation shall not pass to the Buyer until the Seller has received payment of all sums due to the Seller.

6. LIMITATION OF LIABILITY

6.1. Save in respect of personal injury or death due to the negligence of the Seller the Seller shall not be liable to the Buyer in respect of any loss suffered by the Buyer due to any defect in the WEEE Services.

6.2. Without prejudice to Condition 6.1 the Seller shall not be liable to the Buyer or any third party for any loss of profit, consequential or other economic loss suffered by the Buyer arising in any way from this Agreement.

6.3. Save in respect of personal injury or death due to the negligence of the Seller the liability of the Seller under these Conditions shall not exceed the Price.

7. FORCE MAJEURE

7.1. The Seller shall not be liable for any default due to any circumstance beyond the reasonable control of the Seller including, but not limited to, Acts of God, war, civil unrest, riot, strike, lock-out, acts of civil or military authorities, fire flood, earthquake.

8. GENERAL

8.1. If any term or provision of these Conditions is held invalid illegal or unenforceable for any reason by any Court of competent jurisdiction such provision shall be severed and the remainder of the provisions hereof shall continue in full force and effect as if these Conditions had been agreed with the invalid illegal or unenforceable provision eliminated.

8.2. The Seller may without the consent of the Buyer sub license its rights or obligations or any part of these Conditions.

8.3. The headings in these Conditions are for ease of reference only and shall not affect the interpretation of any of the Conditions.

9. ENTIRE AGREEMENT

9.1. Each of the parties agrees that save in respect of statements made fraudulently it shall have no remedy in respect of any untrue statement upon which it relied in entering this Agreement and that its only remedies shall be for breach of contract.

10. GOVERNING LAW AND JURISDICTION

10.1. This agreement shall be governed by the laws of England and Wales and the parties hereby submit to the non-exclusive jurisdiction of the Courts of England and Wales

11. RIGHTS OF CONSUMER

11.1. Nothing in these Conditions shall affect the statutory rights of a consumer.