



An EU funded project

# Sources and levels of funding for the implementation

**2<sup>nd</sup> Workshop**  
**Waste Management Plan on end-of-life vehicles**  
**02<sup>nd</sup> December 2016**

# Overview

**I. Funding of ELV management in Europe**

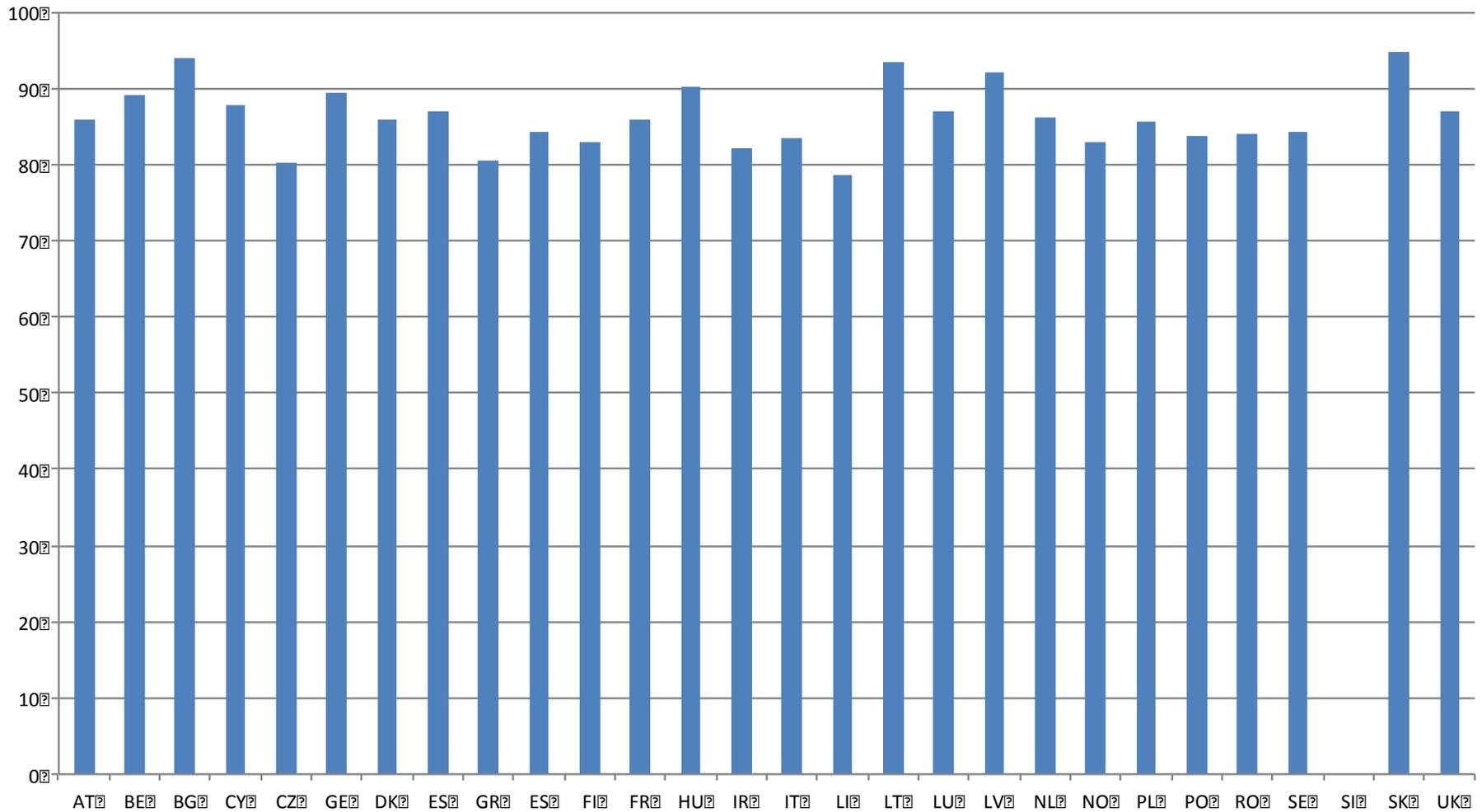
**II. The Circular Economy Package**

**III. Recommendations for Serbia**

# I Funding of ELV management in Europe

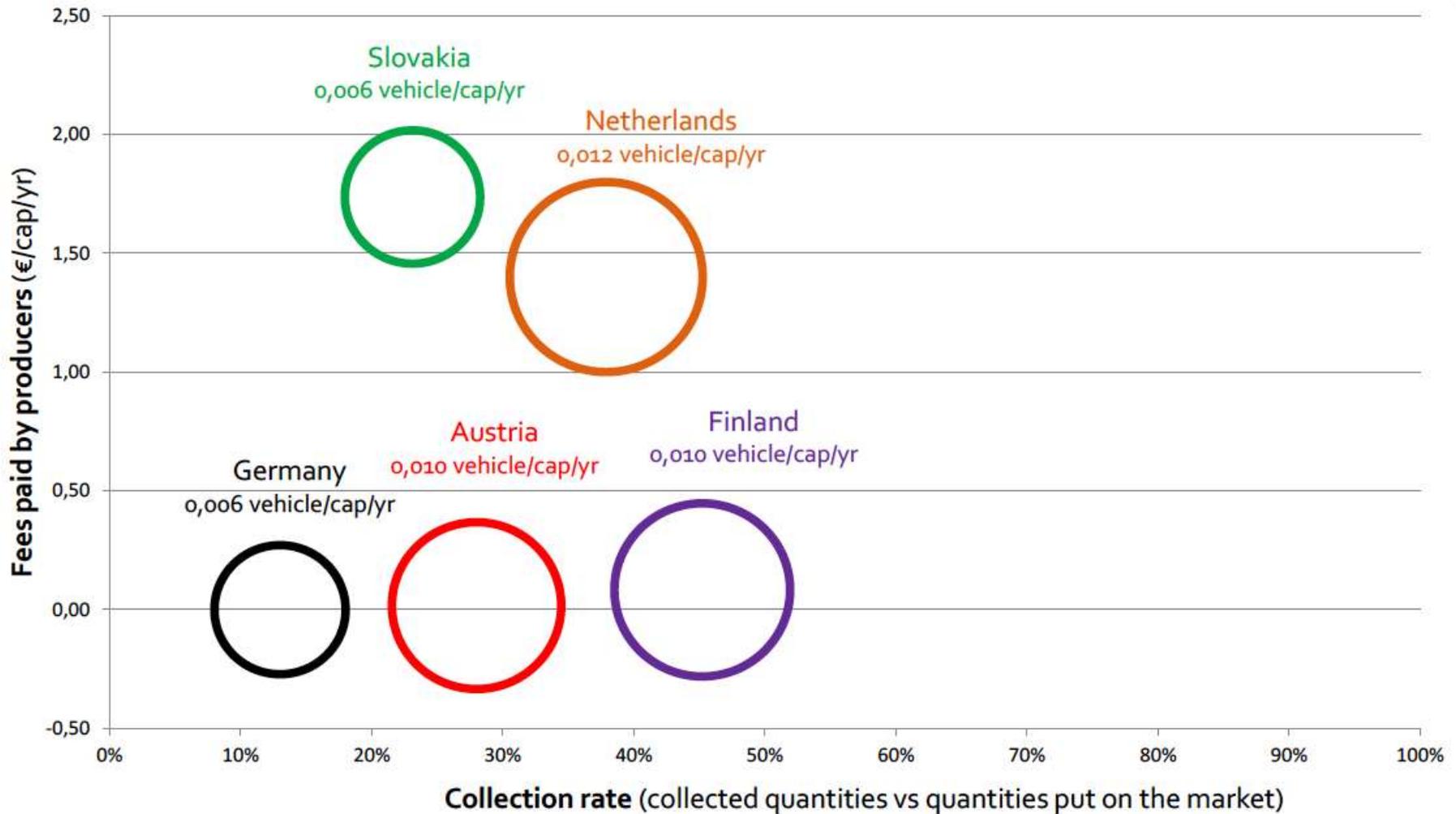
- Study for DG Environment from 2014: “Development of Guidance on Extended Producer Responsibility”
- In the majority of EU Member States for ELV management exist EPR schemes either with individual or with collective responsibility
- No recommendation for a specific EPR scheme for ELV: each system has to meet the specific requirements in the respective state
- Germany: no EPR scheme for ELV

## Recycling and reuse in Europe (%)



(Source: Study for DG Environment from 2014: "Development of Guidance on Extended Producer Responsibility")

# Cost effectiveness of EPR schemes for ELVs in 2011



(Source: Study for DG Environment from 2014: "Development of Guidance on Extended Producer Responsibility")

# I Funding of ELV management in Europe

- Operation of ELV management systems are mainly self-financed because of revenues from sale of recycled material and of spare parts.
- Producers' fees (if any) are mainly used to fund data management, auditing activities, communication efforts and administrative costs.
- A severe problem of ELV dismantling facilities are the illegally acting facilities. They create a market distortion to the expense of the legally acting facilities.

# II The Circular Economy Package

## Article 8a Waste Framework Directive (1)

### Art. 8 a General requirements for extended producer responsibility schemes

Member States shall take the necessary measures to ensure that the **financial contributions paid by the producer** to comply with its extended producer responsibility obligations:

(a) **cover the entire cost of waste management** for the products it puts on the Union market, including all the following:

- costs of separate collection, sorting and treatment operations required to meet the waste management targets, taking into account the revenues from re-use or sales of secondary raw material from their products;

## II The Circular Economy Package

### Article 8a Waste Framework Directive (2)

- costs of providing adequate information to waste holders;
  - costs of data gathering and reporting.
- (b) are modulated on the basis of the real end-of-life cost of individual products or groups of similar products, notably by taking into account their re-usability and recyclability;
- (c) are based on the optimised cost of the services provided in cases where public waste management operators are responsible for implementing operational tasks on behalf of the extended producer responsibility scheme.

## III Recommendation for Serbia

- In general a funding of an ELV management system is not necessary
- It would be useful to establish financial incentives to direct the ELVs to the legally acting collection and dismantling facilities

- Proposal:

In case the ELV is submitted to an authorized collection or dismantling facility the last owner receives a significant amount of money (e.g. 100€/ 12,000 RSD)

- The implementation of this measure has to be carried out very carefully in order to minimize fraud

## III Recommendation for Serbia

- Based on an estimated yearly ELV number of 40,000 this would mean 4 million € / 500 million RSD per year. It could be financed e.g. by the Environmental Fund, which receives for each car put the first time on the Serbian market 12,000 RSD.
- This financial incentive may be temporarily limited (e.g. 3 – 5 years). After this period the number of illegally acting collection and dismantling facilities is supposed to be much lower than today.
- If the financial incentive works correctly the number of collection and dismantling facilities with appropriate permits should increase.

## III Recommendation for Serbia

- The financial incentive should minimize as well the problem of illegal disposal of ELVs (abandoned vehicles) in public places.
  - During this transition period the competent authorities for the permits should be ready to carry out the permitting procedure with a high priority. The scope should be to increase the number of authorized facilities within a short period.
  - But also the competent authorities for the supervision of the facilities should intensify their activities. The scope should be that the legal requirements for storage and dismantling of ELVs are respected by all facilities.
- ➔ Level playing field for all economic operators!

# Thank you very much!



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