



# Individual Producer Responsibility from a Business Perspective

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# The Electrolux Group

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- **Sales 11 billion €**
- **Sales in more than 150 countries**
- **40 million products/year**
- **Products in over 400 million homes**
- **59.500 team members in 60 countries**

*(for details see [www.electrolux.com](http://www.electrolux.com))*



# Individual Producer Responsibility needs to be a tool part of Extended Producer Responsibility

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**EPR**

**IPR**

# Objectives of Producer Responsibility Legislation

- Reduce environmental impact of waste
- Improve use of resources
- Shift financing from society to producers
- Improve product design for easier recycling
  - by establishing an incentive for producers



## Some design properties are difficult or impossible to address directly by law

- Hazardous Substances can be phased out by law,..
- ..but this is difficult/impossible to address by law:
  - Use of recycled material or components
  - Choice of materials (not being hazardous)
  - Reduce number of materials
  - Avoid mix of materials
  - Balance between materials, e.g. plastic-steel
  - Simplicity to recycle
  - etc

# Recycling needs to become part of Company Business Considerations



## Current situation:

- Some producers consider, to some extent, recycling at the design of products
- In general there is no business rational today

## Target:

- All producers compete to develop products that are easier to recycle
- Recycling and design of products to be managed as any other competitive issue, e.g. transport, manufacturing, etc.
- Need to establish incentive

# Shifting Cost and Obligations to Producers collectively is not creating an Incentive

- Producers are not a homogeneous group that act jointly towards an optimal overall solution
- Producers being jointly responsible for the recycling of all products provides no incentive at all
  - Risk to be a disincentive

# How to Establish Incentive ?

- A producer will always optimise his own business situation
- Each producer needs to be legally responsible for the recycling of the products it produces
- “Individual Producer Responsibility”, IPR

# Individual Producer Responsibility in Legal Text

- ~~“Producers shall finance and arrange recycling of waste products”~~
- EU WEEE Directive:  
*“each producer shall be responsible for financing ....  
relating to the waste from his own products.”*

# Why Companies Support IPR



- Product design for recycling becomes a business aspect
- Efforts already made can start to give result
- Drives competition
  - improves efficiency, to the benefit of companies and their customers
- Recycling systems handling waste products will evolve towards practical solutions for IPR

- IPR is as legal formulation
- IPR does not require producers to set up own recycling systems to handle waste
- Producers should be able to set up joint recycling systems
- IPR should only apply to products sold after legislation is introduced



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