

Enabling the Circular Economy: Ensuring a free flow for products for repair, remanufacturing and refurbishment

Joint position paper by AEL, AmCham EU, APRA, DIGITALEUROPE and SEMI

Brussels, 27 September 2016

The associations supporting this position paper represent industries with strong business models in the circular economy: repair, remanufacturing and refurbishment. The medical devices refurbishment business alone is worth nearly €500 million p.a.¹, the IT-Remanufacturing market in the EU generated revenues of about 6.9 billion \$ in 2012².

Importantly, the repair, remanufacturing and refurbishment business is implemented by various industrial sectors and contributes significantly to the circular economy: the lifetime of products is prolonged, the environmental impacts of virgin production are displaced, resource efficiency is increased and reuse is facilitated. Waste is avoided, natural resources are saved and energy use is reduced.

In order to provide cost efficient repair, remanufacturing and refurbishment services, companies in the different sectors have established networks of service points and implemented a variety of collection strategies. This infrastructure is the backbone of the circular economy, giving products a new life.

Repair, remanufacturing and refurbishment operations are oftentimes centralized within or outside the EU to benefit from economies of scale and access to qualified technicians and high-tech equipment. Both centralized and de-centralized service models depend on the shipment of products and spare parts for repair, remanufacturing and used equipment. Millions of products are shipped every year for failure analysis, in-warranty and out-of-warranty repairs, for remanufacturing or refurbishing.

The associations supporting this position paper call upon the European institutions to facilitate the flows of the innermost loops of the circular economy. To this end, the undersigned associations recommend to:

- Conceptualize the circular economy as a global flow of goods rather than as a European, closed economy. The circular remanufacturing economy is global and based on regionally clustered repair/remanufacturing facilities mirroring the global production chain.

¹ http://globalditta.org/wp-content/uploads/2015/08/14021.DIT_.Refurbishment-brochure-EN-24-08-15.pdf

² 'Make New Again', p. 102

- Reduce administrative burden for shipments of products destined for failure analysis, repair, remanufacturing and refurbishment rather than increasing red tape.
- Recognize legitimate business models by mirroring the Basel and WEEE 2 approaches³ in the Draft Correspondents' Guidelines on the Waste Shipment Regulation currently under preparation.
- Consult with stakeholders in defining key terms such as 'warranty', 'professional use' or signed declarations of functionality so that all products shipped for repair, refurbishment and remanufacturing are considered as 'non-waste' in alignment with WEEE and the Basel Convention Technical Guidelines.
- Safeguard the existing exemptions for medical devices refurbishment.

Following our recommendations would ensure that the costs to repair, remanufacturing and refurbishment would be reduced. Shipment processes would be sped up. Ensuring the shipment of used EEE and spare parts will increase the live span of the related product thus contributing to the overarching objective of the circular economy.

³ "Technical guidelines on trans-boundary movements of electrical and electronic waste and used electrical and electronic equipment, in particular regarding the distinction between waste and non-waste under the Basel Convention" agreed at COP12.



ABOUT AEL The Alliance for European Logistics (AEL) is an industry coalition representing the entire supply chain from manufacturers to retailers by bringing together companies that both provide and organize their own logistics services in Europe. Launched in 2008, AEL builds on a shared commitment by its members to raise the profile and understanding of the logistics industry amongst European policymakers.

ABOUT AMCHAM EU AmCham EU speaks for American companies committed to Europe on trade, investment and competitiveness issues. It aims to ensure a growth-orientated business and investment climate in Europe. AmCham EU facilitates the resolution of transatlantic issues that impact business and plays a role in creating better understanding of EU and US positions on business matters. Aggregate US investment in Europe totalled more than €2 trillion in 2015, directly supports more than 4.3 million jobs in Europe, and generates billions of euros annually in income, trade and research and development.

ABOUT APRA The automotive parts remanufacturers association [APRA] is representing the worldwide automotive parts remanufacturing industry. This includes the entire business, small medium and large enterprises out of the sectors industrial remanufacturing and suppliers of parts, services for this industry. APRA's mission is to address the needs of the automotive and truck parts remanufacturing industry and to serve our members in four primary ways:

- By providing a wide range of quality products, services, workshops and educational information (including APRA's Global Connection and e-Connection.)

- Through legislative, legal and advocacy at various levels of government.

- By offering technical services, online catalogues, service bulletin access, a parts finder service and wiring diagrams.

- As well as arranging many networking opportunities for members of the remanufacturing community.

APRA operates with a dedicated team in America, Europe and Asia.

ABOUT DIGITALEUROPE DIGITALEUROPE represents the digital technology industry in Europe. Our members include some of the world's largest IT, telecoms and consumer electronics companies and national associations from every part of Europe. DIGITALEUROPE wants European businesses and citizens to benefit fully from digital technologies and for Europe to grow, attract and sustain the world's best digital technology companies. DIGITALEUROPE ensures industry participation in the development and implementation of EU policies. DIGITALEUROPE's members include 58 corporate members and 37 national trade associations from across Europe. Our website provides further information on our recent news and activities: <http://www.digitaleurope.org>

ABOUT SEMI SEMI is the global industry association serving the micro- and nano-electronics manufacturing supply chain. SEMI connects more than 2,000 member companies, 290 of which are headquartered in Europe, and more than a quarter-million professionals worldwide to advance the science and business of electronics manufacturing. SEMI members are responsible for the innovations in materials, design, equipment, software, and services that enable smarter, faster, more powerful, and more affordable electronic products. Since 1970, SEMI has built connections that have helped its members grow, create new markets, and address common industry challenges together: trade shows, conferences, industry standards, industry research and statistics and advocacy. www.semi.org