

Minutes EVAP Subgroup Targets Third meeting – 5 February 2021

From Member States: Bram Soenen (Belgium), Milena Presutto (Italy), Hans-Paul Siderius (Netherlands), Paulo Zoio (Portugal), Paula Gomes (Portugal)

From Remans: Gerwald van der Gijp (Armor), Frans Hondmann (Armor), Mark Perry (Clover), Jürgen Conrad (Clover), Jan-Michael Sieg (KMP), Alfred Wirch (Peach)

From OEMs: Robert Squires (Brother), Phil Mack (Brother), Wamda Saeid-Elsirogi (Canon), Boris Manev (Epson), Sara Rodriguez Martinez (HP), Daniel Chappell (HP), Nuno Santos (HP), Maxime Furkel (Lexmark)

From EVAP Secretariat: Feriel Saouli, Laura Carre-Diaz

Observer: Ernestas Oldyrevas (ECOS)

Excused: Paulo Da Silva Lemos (DG ENV), Elisa Anderson Vazquez (DG ENER)

1. Welcome and introductions

- Sara Rodriguez-Martinez (HP, EVAP President) welcomed participants and thanked Bram Soenen (BE) for his feedback on the slide-deck (which was used during the meeting) and additional documents on setting targets shared with participants today.

2. Target objectives (updated)

- Milena Presutto (IT) and Mr. Soenen (BE) said it would be difficult to avoid unwanted side effects such as inflation in the cost of empties driven by the targets, and that this was common to any type of policy (not just VAs).
- Remans said the increase in reman costs was a challenge to industry that needed to be recognised, as it would open the door to Chinese Reman companies and nobody would take action/impose requirements on those companies and their products.
- OEMs pointed out that if Reman cartridges become less competitive, this could result in less remanufacturing (price-sensitive market).
- Ms. Presutto (IT) replied that if price becomes a barrier to any type of remanufacturing, then the Commission and Member State co-legislators may take it into consideration to set mandatory requirements.
- Hans-Paul Siderius (NL) said that with Ecodesign regulations, all products on the market must meet certain requirements, but he recognised there are always some cases of companies trying to evade requirements. This is an unknown with the VA, so the situation could be monitored to see what happens.

3. Choice points (updated)

Daniel Chappell (HP, EVAP) presented a summary of the OEM-Reman alignment on the Choice Points:

a) Choice Point 0 – Reuse or entire CE perspective

- Mr. Soenen (BE) agreed with focusing on reuse but suggested targets should be reviewed and refined at the earliest after 2 years of data gathering. He added that data to enable the wider CE perspective to be presented would be nice but not essential.

b) Choice Point 1 – Types of cartridges

- Mr. Soenen (BE) agreed with covering cartridges and containers under the overall ink and toner targets. He said it would be good to have specific data on each ink/toner cartridge and container, with a long-term goal of taking everything up to the higher reuse rate for toner.

- OEMs pointed to the wider environmental CE aspects and that there could be cases where containers are not really viable for reuse (it would not be the best environmental outcome).
- Ms. Presutto (IT) asked why Remans had difficulty in producing separate data for cartridges and containers (i.e. a cartridge is a cartridge and container is a container). She remarked that the VA targets discussions are about reuse, so it would be up to co-legislators to evaluate if reuse is not the best environmental outcome for a specific product.
- Mr. Siderius (NL) agreed with Ms. Presutto about focusing targets on reuse, in order to be able to present a proposal to the Commission in April.
- On NBCs and Reman cartridges, Mr. Soenen (BE) and Mr. Siderius (NL) agreed that if Remans also place new cartridges on the market, they should also be included in the target. Participants need to discuss further how to account for that when setting the target and metric.
- Remans said that all products they put on the market are Reman products, but there can of course be a mix of NBCs and Reman products on the distributors side of the industry. Remans want to make sure NBC producers have the same targets as OEMs. With regard to Ms. Presutto's comment, there is no universal definition of cartridges and containers (i.e. both types can have different ink levels or even include/not include chips). The Remans recommendation is to put cartridges and containers in the same category at this stage, and to split ink and toner.

c) Choice Point 2 – Target for reman placed on the market/Number of reuses

- Mr. Soenen (BE) agreed with OEMs-Remans proposal to have targets for reuse of OEM and NBC cartridges. He also agreed that all remanufacturing cycles count towards the target.

d) Choice Point 3– Metric

- Ms. Presutto (IT) agreed to keep metric simple but asked how to count a cartridge that has been remanufactured and placed back on the market. Would a new reman cartridge count in the number of new cartridges placed on the market in a certain year or would it count as reuse for an original cartridge placed on the market maybe 2 years before?
- OEMs replied the targets would work on yearly data. Remans can report on what they are selling.
- Remans agreed the target is proposed against OEM cartridges placed on the market, so if a cartridge is remanufactured twice, it counts as reuse.
- Mr. Siderius (NL) agreed with the OEM and Remans comments. He suggested tracking by weight of what is placed on the market (reuse + new = total). The metric of reuse/new is prone to variations, whereas reuse/total is more stable.
- Mr. Soenen (BE) and Mr. Siderius (NL) agreed it would be good to gather wider data to understand collection challenges, export and unaccounted, but several of these challenges are things to work on in the long-term. However, if data shows there are barriers in other legislation (i.e. WEEE, etc.) this should be flagged to the Commission.
- OEMs replied they were planning to collect that data anyway (as proposed in Annex J of the VA), as this could have an impact into what realistic targets would be, especially if moving to set binding targets.
- Mr. Soenen (BE) agreed with Mr. Siderius' metric formula and suggested all participants look at the document on setting targets that he shared prior to the call, as it contains interesting formulas/calculations. He suggested just counting the cartridges, not the reuse cycles. Only need to know if a cartridge is remanufactured and its weight.

e) Choice Point 4 – Tracking by weight or units

- Mr. Soenen (BE) suggested tracking by the weight of the cartridge model and not an average weight for a certain type of cartridges. He said it would be good to include component reuse if the calculation was done in a right way.
- Ms. Presutto (IT) agreed with counting the reuse of components, but cautioned against potentially creating a loophole (i.e. you can reuse 300 chips that equal the weight of 1 cartridge, and you count 1 cartridge when in reality you have 300 components).

- OEMs replied the tracking could use the weight of the material placed on the market, with a target on the % of reused material/% new material. However, more thought is needed on this as other issues come up, such as how to define a Reman cartridge.
- Mr. Siderius (NL) said the focus is on the reuse of the cartridge or the container. If counting cartridges, there must be a definition of when a cartridge is remanufactured or not. He encouraged participants to think more about this from the point of counting and simplicity.

f) Choice Points 5 – Yearly goals or long-term goal and 6 – Indicative or binding targets

- Mr. Soenen (BE) suggests an asymptomatic approach, tweaking some input values to come to new targets makes it dynamic and adaptable. Although his preference is for binding targets, he understands the proposal to for indicative targets (with some reflection and input data behind them) in order to have some flexibility and see how things play out due to limited availability of data/information on the market.
- OEMs pointed out to the risk of companies getting kicked-out of the VA if we start with binding targets, as there is not enough data available.
- Mr. Siderius (NL) said to keep in mind the duration of this version of the VA (max. 4 years) when setting targets. He favours indicative targets at the start, with a view that in the next 3-4 years there would be a move towards mandatory targets. He suggested having public reporting of the different companies while the targets are indicative.
- Mr. Soenen (BE) agreed with the suggestion of public reporting and asked OEMs-Remans to think ahead of the next meeting if this would be an issue. He would support indicative targets alongside public reporting.

g) Choice Point 7 – Individual or collective targets

- Not covered for lack of time. Agreement to extend duration of next Subgroup meeting from 3:00-4:30pm CET.

Next calls:

- 12 February, 2:00-3:00pm CET, weekly OEM-Remans call.
- 17 February, 5:00-6:00pm CET, weekly OEM-Remans call.
- **19 February, 3:00-4:30pm CET, 4th call Subgroup Targets (NEW TIME)**

ACTIONS

- **Subgroup participants to go over documents on setting targets (shared by Bram on 5 February).**
- **OEMs-Remans to discuss Subgroup feedback ahead of 4th meeting on 19 February.**
- **EVAP Secretariat to share minutes of the meeting.**
- **EVAP Secretariat to update 19 February meeting request. *DONE***