

Manufacturer's obligations

In accordance with Act No. 542/2020 Coll., on End-of-Life Products, as amended (ELP), the manufacturer is obliged to ensure the take-back, processing, recovery and disposal of endof-life products, as well as to inform the end user about the take-back for products placed on the market, and to comply with other related obligations.

The manufacturer has two options as regards ensuring compliance with these obligations (Section 9 ELP):

- 1. in the individual system (Section 31 Section 33 ELP)
- 2. in the collective scheme by transferring certain obligations to the ASEKOL a.s. collective scheme

A list of manufacturers and importers of electrical equipment is available on the Ministry of the Environment website.

The manufacturer must always fulfil the following obligations separately:

Obligations ensured by the manufacturer/importer of electrical equipment:

1. Obligations during production (Sections 6 and 81 ELP)

Section 6 ELP

- (1) Whoever manufactures selected products is obliged to design and construct them so that
 - (a) they are easily dismantled,
 - (b) the hazardous substances contained therein do not leak into the environment,
 - (c) the hazardous substances may be removed from them; and
 - (d) their end-of-life use is facilitated.
- (2) Furthermore, whoever manufactures the selected product is obliged, taking into account its entire life cycle, to design and construct it so that
 - (a) as many as possible of the materials used to manufacture it are recyclable,
 - (b) the generation of waste, particularly hazardous waste, is minimised in its production and consumption,
 - (c) it may be repaired, overhauled or refurbished after use and re-used, where the nature of the product so permits; and
 - (d) at the end of its useful life, it may be recycled or otherwise recovered, including its components and recovered materials, in accordance with this Act, the Waste Act and other legislation on the protection of the environment and public health.

For battery and accumulator manufacturers, see Section 81 ELP. Reference to Section 81

2. Obligations when placing electrical equipment on the market (Section 7 ELP, Section 62 ELP, Section 73 ELP and Section 81 ELP)

- (1) Obligation to place on the market only products that meet the requirements (technical requirements for production, safety, ecodesign, consumption and environmental protection according to ELP) (Section 7 (1)
- (2) Mark electrical equipment with a symbol indicating the method used for take-back or collection, reuse, recovery or disposal of the end-of-life product (Section 7 (2) ELP)
 - note: the graphic marking of products and the method used to mark them are defined by a Ministry of Environment decree (Section 62 (3) ELP)
- For products incorporating batteries or accumulators, it is mandatory to include instructions on how the batteries can be safely removed by the end user or a qualified professional, including information on the type of batteries incorporated. The manufacturer, the distributor and the last seller are obliged to ensure that these instructions are provided with the product. (Section 81 (2) ELP)





(4) Separate and visible disclosure of the recycling contribution costs on the tax document.

This obligation applies to electrical equipment manufacturers as well as distributors and last sellers, who are obliged to always indicate, separately from the price of the electrical equipment, the costs of the takeback, processing, recovery and disposal of the waste electrical equipment per 1 piece or 1 kg of electrical equipment, in particular by means of a separate entry on the tax document in accordance with the Value Added Tax Act (Section 73 (1) ELP)

The separately stated costs may not exceed the costs known to the electrical equipment manufacturer at the time the new electrical equipment is placed on the market or a demonstrable estimate of the expected costs if the costs are not incurred by the electrical equipment manufacturer until after that time. Where an electrical equipment manufacturer fulfils the obligations laid down by the ELP in a collective scheme, the costs known to the electrical equipment manufacturer at the time the new electrical equipment is placed on the market shall be determined by the amount of the contribution paid to the collective scheme operator (Section 73(2) ELP)

Note From the above, the obligation to indicate the recycling contribution visibly and separately on tax documents applies to all entities throughout the entire time that the electrical equipment is in circulation on the Czech market.

3. Financing of costs with end-of-life products

The manufacturer is obliged to provide financing for the take-back, processing, recovery and disposal of end-oflife products. This obligation is fulfilled by the manufacturer that fulfils its obligations in the ASEKOL collective scheme by paying contributions to the collective scheme.

Household electrical equipment (Section 70 ELP)

Electrical equipment placed on the market after 13 August 2005. The electrical equipment manufacturer is obliged to finance the take-back and subsequent processing, recovery and disposal of waste electrical equipment from households, if it is the manufacturer of that electrical equipment pursuant to ELP.

Electrical equipment placed on the market before 13 August 2005. Electrical equipment manufacturers are obliged to set up one or more collective schemes to which all electrical equipment manufacturers who are entrepreneurs at the time the relevant costs are incurred shall contribute in proportion to their market share in the relevant group of electrical equipment.

Non-household electrical equipment (Section 71)

Electrical equipment placed on the market after 13 August 2005. The electrical equipment manufacturer is obliged to finance the take-back and subsequent processing, recovery and disposal of non-household waste electrical equipment, if it is the manufacturer of that electrical equipment pursuant to ELP.

Electrical equipment placed on the market before 13 August 2005. The electrical equipment manufacturer is obliged to finance the take-back and subsequent processing, recovery and disposal of non-household waste electrical equipment when it is replaced by electrical equipment of the same type or electrical equipment that performs the same function when it is supplied, however, up to a maximum of 8 pieces of electrical equipment supplied (if that equipment is not replaced by electrical equipment of the same type or electrical equipment that performs the same function, the end user who is not a consumer shall fulfil the obligation). The manufacturer may (for electrical equipment placed on the market after 13 August 2005), at the latest when delivering new electrical equipment to the end user, conclude a written agreement on the provision of financing for the take-back, processing, recovery and disposal of non-household waste electrical equipment in derogation from the law. Information on the conclusion of this agreement and the basic agreed financing terms shall be sent by the electrical equipment manufacturer to the Ministry as part of the annual report for the calendar year in which the agreement was concluded.





4. Obligations of manufacturers in a collective compliance scheme (Section 45 ELP)

Conclusion of contract (Section 45 (2) ELP)

A manufacturer may only conclude a collective compliance contract with one collective scheme operator for the selected products it places on the market, in respect of

- a) electrical equipment pertaining to a single group according to Annex No. 1 to ELP (this does not apply in the case of solar panels)
- b) batteries or accumulators pertaining to a single group according to Section 76, or
- c) tyres.

Note: The placement of electrical equipment on the market and the fulfilment of the obligations of an electrical equipment manufacturer cannot be reported in one and the same group through multiple collective schemes.

Annual Report (Section 28 ELP)

The manufacturer is obliged to draw up an annual report on the performance of the obligations defined for the take-back, processing, recovery and disposal of end-of-life products for the previous calendar year, and shall then file that report with the Ministry by 31 March of the subsequent calendar year. It is not obliged to do so if it fulfils its obligations for all the selected products it places on the market in a collective scheme - in such a case the obligations are fulfilled by the collective scheme.

4. Reporting, record keeping and archiving (Sections 27-30 ELP, Section 45 ELP) - partly fulfilled by the manufacturer, partly by the collective scheme

Record-keeping (Section 27 ELP)

The manufacturer is obliged to keep records of the quantity of the selected products it has placed on the market in units of weight and pieces, even if it fulfils its obligations for all the selected products it places on the market in a collective scheme (Section 27 (1) and (2) ELP).

If the manufacturer does not fulfil its obligations for all selected products it places on the market in the collective scheme (i.e. fulfils them individually), it is obliged to keep records in their entirety according to Section 27 ELP, including the submission of an annual report to the Ministry of Environment.

Submission of Reports (Section 45(1)(a) ELP)

The manufacturer is obliged to report to the collective scheme operator true and complete data on the quantities of the selected products it has placed on the market, in units of weight and pieces.

Enabling Verification (Section 45 (1) (b) ELP)

The manufacturer is obliged to enable the collective scheme operator to verify the recorded data pursuant to Section 53(2)(a), in particular by providing the necessary cooperation for this purpose (Section 45(1)(b) ELP).

Provision of Co-operation (Section 45 (1) (c) ELP)

The Manufacturer is obliged to cooperate with the collective scheme operator in connection with the fulfilment of the collective scheme operator's obligations in the field of eco-modulation.

Archiving and control of data (Section 29 ELP)

The manufacturer is obliged to

- a) archive data from records and annual reports on end-of-life products for 7 years (Section 29 (a) ELP)
- b) submit documents proving the authenticity and completeness of the data in the records and in the annual report on end-of-life products at the request of the inspectorate. (Section 29 (b) ELP)

5. Fulfillment through an authorised representative (Section 11 ELP)

If the manufacturer is not established in the Czech Republic, it is entitled to appoint an authorised representative for the purpose of fulfilling the obligations set out in the ELP on the basis of a written contract (Section 11 (1) ELP). The authorised representative shall then fulfil all the obligations of the manufacturer as laid down in the ELP.







The collective scheme operator cannot be designated as the authorised representative. This does not affect the fulfilment of the obligations of the manufacturer by the authorised representative in the collective scheme (Section 11 (3) ELP).

An entrepreneur (electrical equipment manufacturer) who places electrical equipment on the market by delivering it directly via means of distance communication to end users in the Czech Republic from another state in which it is established is obliged to appoint an authorised representative for the purpose of fulfilling the obligations set out in this Act (Section 61 (1) ELP).

A manufacturer participating in the ASEKOL collective scheme through the collective scheme shall fulfil the following obligations:

The manufacturer's obligations related to the take-back, processing, recovery or disposal of end-of-life products shall be ensured by the ASEKOL collective scheme within the framework of the collective compliance scheme for manufacturers who are clients of the ASEKOL collective scheme.

Specimen of ASEKOL a.s. contractual documentation and tariff of recycling contributions Specimen information letter for customers from 1 January 2022 Information on the take-back of electrical and electronic equipment for consumers

Obligations fulfilled by the collective scheme:

1. Submission of an Application for Entry in the List of Electrical Equipment Manufacturers maintained by the Ministry of the Environment.

Registration is conditional on a Czech ID number; if the manufacturer does not have a Czech ID number, it is entitled to appoint an authorised representative to fulfil its obligations on the basis of a written contract (Section 11 ELP).

2. Preparation of the annual report

The annual report on the performance of the obligations defined for the take-back, processing, recovery and disposal of end-of-life products for the previous calendar year must be filed with the Ministry by 30 June of the subsequent calendar year (Section 51 (1 ELP).

3. Reporting changes in data to the Ministry of the Environment and updating of data in the Register of Take-back Points in the List of Manufacturers (Sections 19-24 ELP)

The manufacturer is obliged to enter the data required by the ELP into the Register by remote access and to update these data in the same way, no later than within 30 days from the moment when the fact giving rise to the change of the data occurred (Section 19 (4) ELP). The manufacturer is obliged to change the data entered in the List of Manufacturers or notify the Ministry within 30 days of the date of the fact justifying the change (Section 23 (3) ELP).

For manufacturers who are clients of the ASEKOL collective scheme, these obligations are fulfilled by the ASEKOL collective scheme under the collective compliance scheme.

4. Ensuring and financing the take-back, processing, recovery and disposal of end-of-life electrical equipment (Section 12 ELP, Section 65 ELP, Section 67 and Section 68 ELP)

The ASEKOL collective scheme ensures the following for manufacturers:

- a) the take-back of electronic waste through a network of take-back points throughout the Czech Republic,
- b) the transport of electronic waste from take-back points to the processing point,
- c) the processing of electronic waste by a person authorised to do so by ELP and by the Waste Act, using the best available techniques,







- d) the use or disposal of taken-back electronic waste no later than the end of the calendar year following the year in which it was taken,
- e) the use of taken-back electronic waste at least to the extent specified in Annex No. 3 to ELP,
- f) the recovery of fluorinated greenhouse gases and their recycling, reclamation or disposal under the conditions laid down in the directly applicable European Union regulation on fluorinated greenhouse gases, if these substances are contained in electrical equipment,

The basic obligation of every manufacturer is to ensure, at its own expense, the take-back of the end-of-life products that it places on the market and their subsequent processing and recovery or disposal, including free of charge in cases required by law. The manufacturer must not make the take-back of an end-of-life product conditional upon the purchase of a new product.

Take-back The electrical equipment manufacturer is specifically obliged to

- a) ensure the take-back of waste electrical equipment from households without any obligation to purchase new products and without claiming a fee,
- b) ensure the take-back of waste electrical equipment other than waste electrical equipment from households
- c) achieve a minimum waste electrical equipment take-back level in each calendar year within the scope set out in Annex 2 of ELP (this obligation does not apply to electrical equipment manufacturers who fulfil the obligations under ELP exclusively for solar panels).

In order to comply with the obligations under (a) and (c) above, the manufacturer of electrical equipment intended for household use is obliged to set up at least one public take-back point at its own expense (Section 65 ELP):

- a) in each municipality, municipal district or city district with more than 2000 inhabitants, for each group of electrical equipment according to Annex 1 to the ELP in which it places electrical equipment on the market,
- b) in each municipality interested in setting up a public take-back point, under conditions similar to those for other municipalities, and 4
- c) at or in the immediate vicinity of each of the last seller's points of sale where electrical equipment intended for household use placed on the market by the manufacturer is sold, if the last seller expresses an interest in setting up a public take-back point, under conditions similar to those of other last sellers.

<u>Reuse.</u> The electrical equipment manufacturer is obliged to allow the separate collection of the recovered waste electrical equipment for the purpose of preparing it for re-use at its designated take-back point (Section 67 (1) ELP).

The manufacturer shall give priority to the re-use of electrical equipment as a whole if the conditions set out in ELP are met and if this is appropriate in the light of the principles set out in the Waste Act for the application of the waste management hierarchy (Section 67(4) ELP).

If the waste electrical equipment has not been handed over for re-use within 1 year after it has been prepared for re-use, the manufacturer is obliged to ensure its other recovery or disposal in accordance with ELP. In doing so, it shall prioritise the preparation for re-use of components, structural or consumable parts of waste electrical equipment where appropriate in terms of the principles set out in the Waste Act for the application of the waste management hierarchy (Section 67(6) ELP).

<u>Processing.</u> The electrical equipment manufacturer is obliged to ensure the following within its scheme (Section 68 (1) ELP):

- a) processing the waste electrical equipment it has taken back, using the best available techniques,
- b) the use or disposal of taken-back electronic waste no later than the end of the calendar year following the year in which it was taken,
- c) the use of taken-back electronic waste at least to the extent specified in Annex No. 3 to ELP.







d) the recovery of fluorinated greenhouse gases and their recycling, reclamation or disposal under the conditions laid down in the directly applicable European Union regulation on fluorinated greenhouse gases, if such substances are contained in the electrical equipment,

The Ministry shall issue a decree determining the method used to calculate the level of recovery of waste electrical equipment for the purpose of fulfilling the obligation set out under point (c) (68(3) ELP).

For manufacturers who have a collective compliance agreement with ASEKOL, these obligations are fulfilled by the ASEKOL collective scheme.

6. Information obligations of the manufacturer (Section 13 ELP) - fulfilled by the collective scheme in cooperation with the manufacturer; the collective scheme cannot guarantee the fulfilment of these obligations without the cooperation of the manufacturer

The ASEKOL collective scheme undertakes to provide the manufacturer with free expert advice on all matters related to the environmentally sound management of waste electrical equipment (legislative changes, labelling of electrical equipment, etc.), consumer information, awareness-raising activities and assistance in informing distributors and final sellers (Section 13 ELP)

Specimen information letter for customers from 1 January 2022

7. Keeping records of the flow of end-of-life products taken back from the take-back point to their final use, including preparation for re-use or disposal (Section 27(1)(c) ELP)

The ASEKOL collective scheme ensures the following for manufacturers:

- a) The keeping of accurate records of the flow of taken-back electronic waste,
- b) the issue of a certificate concerning its participation in the collective scheme.

Specimen of ASEKOL a.s. contractual documentation and tariff of recycling contributions

All legislative documents can be found in the Legislation section.

If you have any questions or uncertainties, please do not hesitate to contact our client department.

E-mail: klienti@asekol.cz







Penalties for violation of the manufacturer's obligations (Sections 122 and 125 ELP)

The manufacturer may be fined up to CZK 500,000 if it:

- a) fails to ensure that the end user can return the end-of-life product,
- b) fails to enter or update the required data in the Register of Take-Back Points,
- c) fails to submit an application for entry in the List of Manufacturers or provides false information in the application,
- d) fails to make or notify the Ministry of a change to the data entered in the List of Manufacturers or fails to notify the Ministry that the reasons for its inclusion in the List of Manufacturers have ceased to apply,
- fails to separately disclose the costs of take-back when selling new electrical equipment, or discloses them separately but in contravention of the ELP requirements (see Section 125(2)(i) ELP).

The manufacturer may be fined up to CZK 1,000,000 if it:

- fails to comply with any of its obligations in the manufacture of the selected products or its obligations when the placing selected products on the market,
- fails to provide the municipality in whose territory it has set up a take-back point with information on the quantity of the end-of-life products taken back.
- c) fails to prepare or send to the Ministry, within a specified period, an annual report on end-of-life products containing all the components required by this Act,
- d) fails to keep data and the annual report on end-of-life products for a specified period of time,
- fails to provide the inspection body with documents proving their authenticity and completeness,
- fails to provide a sufficient bond to show that funding is secured for the disposal of end-of-life products,
- fails to submit to the Ministry a collective compliance agreement concluded with the operator of the collective scheme,
- fails to fulfil any of the manufacturer's obligations relating to collective compliance, h)
- fails to comply with any of the labelling obligations when placing selected products on the market, i)
- fails to provide the collective scheme operator with the necessary cooperation in verifying the accuracy and i) completeness of data on the quantity of end-of-life products,
- fails to comply with any of the obligations to ensure the easy and safe removal of batteries or accumulators from electrical equipment or other product in which they are incorporated.

The manufacturer may be fined up to CZK 5,000,000 if it:

- fails to ensure, at its own expense, the take-back of end-of-life products and their subsequent processing and recovery or disposal under the conditions laid down in this Act,
- fails to inform end-users in the manner specified by ELP or fails to carry out awareness-raising activities that meet the minimum requirements,
- fails to keep records in the prescribed manner and to the prescribed extent,
- d) fails to comply with any of the obligations to re-use recovered waste electrical equipment,
- e) fails to provide the information necessary for the processing of waste electrical equipment, including its
- fails to provide financing to cover the costs of the disposal of electrical equipment.
- q) fails to appoint an authorised representative or appoints an authorised representative in contravention of the ELP requirements,
- breaches any of the obligations laid down for or connected with the processing of end-of-life products,
- fails to meet any of the obligations for cross-border transport.

The above list is merely demonstrative; for a complete list of manufacturer offences and penalties, see Section 122 and Section 125 of the ELP.

Note

This material merely draws attention to the obligations of manufacturers fulfilling their obligations under the collective scheme in relation to electrical equipment. It does not apply to other end-of-life products (e.g. batteries and accumulators).

It also does not apply to the obligations of manufacturers of end-of-life products under the individual scheme.

Note: Manufacturers must comply with the rights and obligations under the ELP from 1 January 2021



