



OUTCOMES REPORT EPEAT VERIFICATION ROUND PC-2013-02

1. Overview of Verification Round

This report provides the detailed results of EPEAT Verification Round PC-2013-02. This Round focused on IEEE 1680.1-2009™ criterion 4.6.1.2 Optional – Auditing of recycling vendors, and consisted of a total of 37 investigations (all Level 1).

In the past, there have been questions from stakeholders and Subscribers on this criterion. This led to a series of Interpretations (#1-11) and Clarifications (#1-6 and #19) issued by the IEEE Interpretations Group¹ and Product Verification Committee, respectively. These guidance documents were carefully considered in this Round.

Prior to the beginning of the Round, EPEAT staff examined the number of Subscribers that declared this criterion, the number of countries for which each Subscriber declared the criterion, and the number of 2012 Verification Round investigations and recent desk reviews examining the criterion.

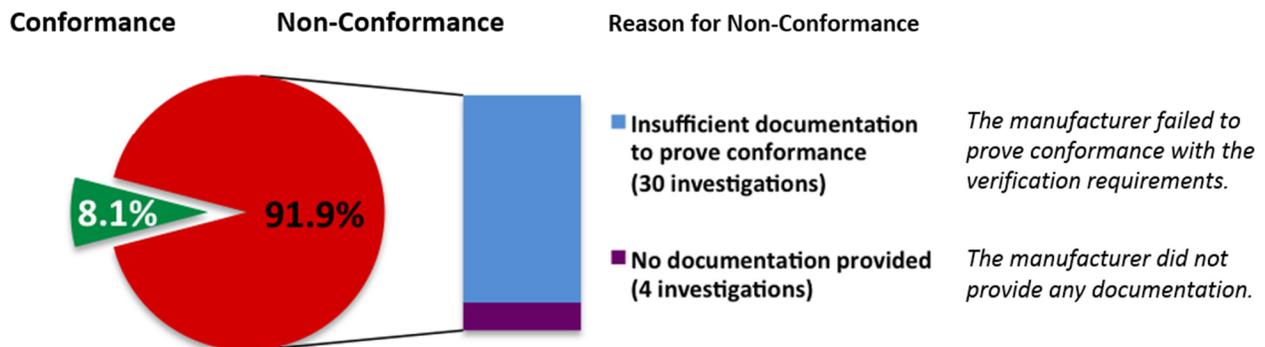
All Subscribers declaring criterion 4.6.1.2 were initially considered for inclusion in this Round. If a Subscriber had a country-specific declaration to 4.6.1.2 that had undergone a successful desk review within three months prior to launch of the Round, that specific declaration was excluded from selection. No more than two investigations were performed for each Subscriber (i.e., no more than two countries were chosen for each Subscriber).

2. Summary of Outcomes

Highlights from this Verification Round are:

- **38** Investigations initiated
- **37** Investigations completed
- **3** Decisions of Conformance
- **34** Decisions of Non-Conformance
(reasons identified in Figure 1 below)

FIGURE 1: Overall Conformance Status for PC-2013-02
(as percentages of total investigations completed)



¹ The Institute for Electrical and Electronic Engineers (IEEE) discontinued the practice of interpreting its standards.

Thirty-eight investigations were initiated after the product selection process, of which 37 were completed. One investigation was not completed due to an inaccuracy in the Registry “snapshot” taken just prior to launch of the Round. The Subscriber had not claimed criterion 4.6.1.2 for the selected product and country; therefore, the investigation was not started.

Criterion 4.6.1.2 of 1680.1 is a challenging and complex criterion, and there was an unusually high rate of non-conformance found in this Verification Round. The majority of Non-Conformances resulted from an inability to provide the required documents within the required timeframe, potentially resulting from an incomplete understanding of how conformance can be demonstrated. With this in mind, the Corrective Action Phase was extended from 14 days to 28 days to provide Subscribers with additional time to restore the accuracy of the non-conformant declarations.

During the Corrective Action Phase, the majority of Subscribers worked diligently to provide additional evidence that would support conformance with the criterion. Six Subscribers were able to provide this evidence within the allotted time frame, and many of the remaining Subscribers continue to work with their first tier recyclers on this issue. The corrective actions taken to resolve all 34 identified Non-Conformances were:

- **6 products** Additional evidence was provided by Subscribers, bringing the products into conformance with the criterion as originally declared.
- **16 products** Non-conformant criterion undeclared by Subscribers.
- **12 products** Non-conformant criterion undeclared by EPEAT.

In addition, a number of Subscribers undeclared this criterion in countries that were not investigated. These results suggest there is potential for Subscribers to accurately declare criterion 4.6.1.2 in more countries, when they are prepared to demonstrate conformance when needed. To facilitate this, a training module on the criterion will be available on the EPEAT website in early 2014. EPEAT will also conduct several “live” training sessions using this module, and staff will be available for one-on-one sessions, if requested.

Due to the continued need for clarification on this criterion (including what records must be readily available to demonstrate conformance), the non-conformant products and Subscribers are not identified in this Outcomes Report. Table 1 presents an overview of the number of investigations and Non-Conformances.

TABLE 1: Summary of Non-Conformance Findings					
Criterion	Required or Optional	Description	Initiated Investigations	Completed Investigations	Non-Conformances
4.6.1.2	Optional	Auditing of recycling vendors	38	37	34

3. Key Lessons

Availability of records needed to demonstrate conformance:

Demonstrating conformance to this criterion in each country in which it is claimed requires that the Subscriber have ready access to records of recycler auditing. These may be difficult to come by within the required 30 days unless prior arrangements have been made.

Flow of materials in the recycling stream:

In order to determine conformity, the Qualified Verifier must understand the flow of materials through the recycling chain from first through third tiers of recyclers, and must be able to identify the recyclers used at each of the tiers. Subscribers must be prepared to provide information to enable this.

Equivalence to EPA's Plug-in to eCycling Guidelines:

Information must indicate that the audits are being conducted to EPA's Plug-in to eCycling Guidelines or to a "standard" that is functionally equivalent. If using a system that is functionally equivalent, Subscribers must be prepared to provide evidence of the equivalence, such as providing proof that a standard or system listed on the EPEAT website is being used (see <http://www.epeat.net/2664/recycling-equivalent-systems/>), side-by-side comparison of the system to the Guidelines, etc.

Inclusion of all first through third tier recyclers:

The Product Verification Committee determined (see Clarifications #19 and #25 at <http://www.epeat.net/verification-clarifications/>) that information must indicate all first through third tier recyclers are being audited, as stated in the criterion, including smelters when these operations fall within the first through third tiers of recyclers. Subscribers must be prepared to provide information indicating inclusion of all first through third tier recyclers.

Annual frequency of audits, and audit results:

Documentation of actual audits must clearly indicate that audits are occurring annually and that at least some on-site audits have been performed (as per Interpretation #1-11 at <http://www.epeat.net/ieee-standard-interpretations/>). The audit results should indicate compliance in full to EPA's Plug-in to eCycling Guidelines and all applicable regulations and laws. If the audit reports are confidential, portions may be redacted in order to preserve this confidentiality. Subscribers must be prepared to provide information from actual audits indicating an annual frequency and at least some on-site occurrences.

Recycler certification schemes:

Subscribers should be aware that criterion 4.6.1.2 requires an annual audit frequency that may not align with recycler participation in certification systems and/or government schemes. Participation in such schemes may indicate functional equivalence with the EPA's Plug-in to eCycling Guidelines, but does not necessarily support 4.6.1.2's annual audit frequency requirement.

Independence of audits:

Information must indicate that the audits were performed by an organization that is independent of the recycler, as per Clarification #19 at <http://www.epeat.net/verification-clarifications/> (e.g., not a questionnaire or document completed by the recycler itself). Subscribers must be prepared to provide information indicating independence of the organization performing the audits.

4. General Message to Subscribers

Provision of information for Verification Rounds:

The IEEE 1680 standard and the EPEAT subscriber agreements require that Subscribers provide the information identified in Verification Requirements to prove the accuracy of their declarations within 30 days of EPEAT's request. Failure to provide that information is inconsistent with the agreement and may result in termination of the Subscriber from EPEAT.

Initial response to Qualified Verifiers:

When contacted regarding participation in a Verification Round, EPEAT staff continue to request that Subscribers respond to the Qualified Verifier as soon as possible to let them know they are communicating with the correct person or to inform them of the correct contact. This also helps the Qualified Verifier know that s/he has a valid email address.

5. Looking Forward

Subscribers will be "on Desk Review" for this Criterion:

Subscribers who received Non-Conformances in certain countries in this Round will be placed "on Desk Review" for this criterion in those countries – in order to claim this criterion in one of those countries, they must demonstrate conformance. This will improve understanding of the requirements for demonstrating conformity, and provide higher confidence in the accuracy of future declarations to this criterion.

Plans for future verification activities:

Because of the high rate of non-conformance in this Round, criterion 4.6.1.2 is likely to be selected for verification again after completion of the training described below.

Conformity Assessment Protocols:

This and all future Verification Rounds have and will be conducted according to the guidance provided in the Conformity Assessment Protocols posted on www.epeat.net.

Training Module on 1680.1 Criterion 4.6.1.2:

Because of the complexity of conforming with criterion 4.6.1.2, a training module will be available on the EPEAT website in early 2014 to ensure Subscribers have further clarity on the verification requirements. Additionally, EPEAT will conduct several "live" training sessions using this module, and staff will be available for one-on-one sessions, if requested. EPEAT will notify all Subscribers through e-mail when the model has been uploaded and the training sessions scheduled. All Subscribers are encouraged to either access the training module or participate in the "live" sessions.

6. Background

To assure the credibility of the EPEAT Registry, verification of the claims by participating manufacturers (called "Subscribers") are rigorous, independent and transparent. Verification is conducted according to policies and procedures described in documents provided on www.epeat.net. Subscribers are given no forewarning that their products will be verified and verification is performed based on the declarations as they are in the database at the time the

round begins.

In Level 1 verification investigations, Subscribers are required to provide detailed and accurate information to demonstrate their conformance to each criterion of the standard in a timely manner that demonstrates conformance, such as supply chain management records. In Levels 2 and 3 investigations, EPEAT buys or borrows products without the Subscriber's knowledge, disassembles them, and conducts detailed analytical testing if needed.

Investigations are performed by expert technical contractors called "Qualified Verifiers" working for an EPEAT approved Product Verification Entity (PRE). Qualified Verifiers are free of conflicts of interest, and their recommended decisions are reviewed and finalized by a five-person panel of independent technical experts (called the Product Verification Committee) who are also contractors free of conflicts of interest. Decisions of conformity by the Product Verification Committee are made blind to the identity of the products and companies they are judging, based only on evidence collected and analyzed by Qualified Verifiers. A serious consequence of receiving a Non-Conformance is that it is published publicly in an Outcomes Report, for purchasers, competitors, and others to see.

Subscribers must correct Non-Conformances, either by bringing the product into conformance, by un-declaring the criterion until conformance is achieved, or by removing the product from the Registry. EPEAT also requires that Subscribers examine other products to determine if these declarations should be corrected as well. If a Subscriber corrects the Non-Conformance by un-declaring the criterion and the criterion is an optional criterion, they lose that point, and possibly the product drops a tier. If it is a required criterion, they must archive the product. If it is a required corporate criterion, they must archive all of their registered products.