

## ***Draft Charter of a PRO on Waste Electrical and Electronic Equipment***

### **GENERAL PROVISIONS**

#### **Intro (Preamble)**

Article 9 (3) of the Waste Management Code obliges producer of a product, who places those product on the market which after its use becomes specific waste, to ensure the separate collection, transport, recovery (including recycling) and environmentally sound disposal of waste generated by their products. This obligation also exists for producers of Electrical and Electronic Equipment (EEE). According to Article 9 (4) of the Waste Code, the obligation under paragraph 3 may be implemented collectively by an association of producers. Such association is called “Producer Responsibility Organisation” (PRO).

The present Charter regulates the status, governance and procedures for a [collective] PRO on Waste Electrical and Electronic Equipment (WEEE) in line with Georgian legislation.

**Mission statement** of the PRO is: “PRO is an association of companies that produce or import electric and electronic equipment in Georgia. It aims to manage waste electrical and electronic equipment in line with the waste management hierarchy in a way to extract the maximum benefits from products and generate the minimum amount of waste. It strives to integrate the concept of extended producer responsibility into that of the circular economy and shares the responsibility for environment”.

#### **Article 1 Purpose and objectives of the PRO**

- (1) The legal purpose of PRO is to fulfil the obligations of the legal requirements set by Article 9 (4) of the Waste Code and the Technical Regulation on Management of Waste Electrical and Electronic Equipment (WEEE) as approved through Resolution № 326 of 25 May 2020 (hereinafter: WEEE Regulation).
- (2) The objective of the PRO is to achieve a high level of WEEE collection and recovery in accordance with the requirements of the WEEE Regulation.
- (3) The bodies of the PRO shall ensure that the PRO is managed and operated in compliance with the requirements pursuant to Articles 8 - 10 of the WEEE Regulation.

#### **Article 2 Legal form, organs and authorisation**

- (1) The PRO shall be established as a membership based non-entrepreneurial, non-profit making legal person under Public Law.
- (2) The PRO will be governed by the following bodies:
  - (a) Board of Directors (hereinafter: BoD)
  - (b) General Assembly
  - (c) Technical Working Groups (hereinafter; WG)
  - (d) Chief Executive Officer (hereinafter: CEO)



member should not disclose confidential information about other members of the PRO.

## ***PRO Bodies***

### **Article 4 General Assembly**

- (1) The General Assembly represents the interest of all PRO members. Each PRO member shall be represented by one representative with one vote.
- (2) The General Assembly shall meet at least once per year. Members attending are not being paid for their attendance.
- (3) During its annual meeting the General Assembly shall discuss the scope of PRO activities and all related matters.
- (4) During its annual meeting the General Assembly shall, with simple majority,
  - (a) elect the members of the Board of Directors;
  - (b) decide on the termination of any membership;
  - (c) decide on the approval (consent) of the Annual PRO Report for the past financial year and the Annual PRO Plan for the next year obtained from the BoD, and in case of no objections, discharge the BoD for the past financial year;
  - (d) decide whether to establish a reserve fund and its appropriate amount in line with Article 6 of the WEEE Regulation.
- (5) The General Assembly may meet more frequent if this is requested by at least 20% of the PRO members or upon majority decision of the BoD.
- (6) The first meeting of the General Assembly shall be initiated by by one of the designated future members.

### **Article 5 Board of Directors (BoD)**

- (1) The BoD shall comprise of no less than five and no more than seven PRO members as elected by the General Assembly for one calendar year. Any member of the PRO can apply in writing to the General Assembly for a BoD membership position.
- (2) Members of the BoD may be re-elected up to three consecutive times.
- (3) The BoD shall elect a Chairperson of the Board from its members with simply majority for at least one year. The Chairperson is in charge of setting the agenda of BoD meetings. S/he shall chair all Board Meetings. The Chairperson may be re-elected for subsequent annual periods.
- (4) The BoD shall meet no less than once every three months. At request of its chairman or of a simply majority of its members, extraordinary meetings may be convened.
- (5) The BoD shall determine the overall strategy and targets of the PRO. It shall review the performance of the WG. It shall make the following decisions with simple majority:
  - (a) Recruiting, appointment and evaluation of the performance of the Chief Executive Officer (CEO);

- (b) Number of staff to be recruited at proposal of the CEO;
  - (c) Establishment, composition and changes thereof of Technical Working Groups (WG);
  - (d) Review and approval of the magnitude of the Advance Recycling Fee (ARF) per product / product category as proposed by the WG and in line with the requirements of Article 9 WEEE Regulation;
  - (e) Review the Annual PRO Report and the Annual PRO Plan for submission to the General Assembly for its consent.
- (6) The BoD may revoke the General Assembly's decision on termination of the membership of a PRO member pursuant to Article 3 (4c) of this Charter only unanimously.

### **Article 6 Working Groups**

- (1) The BoD shall establish Technical Working Groups (WG). WG shall advise the BoD on key technical issues concerning all relevant EEE product categories / products and in particular all matters related to the
  - (a) determination of the proposed magnitude of the ARF for specific products / product categories in accordance with the requirements set in Article 9 and 11 WEEE Regulation;
  - (b) development of guidelines for the collection and treatment of WEEE;
  - (c) collaboration with municipalities, waste collectors and recyclers and exporters;
  - (d) any other matters that help achieving the objectives of the PRO;
- (2) The number of WG to be established is at discretion of the BoD.
- (3) Only members of the PRO can become WG members. In order to become a member of a WG, a simple application to the BoD is necessary, stating the reasons for application. A PRO member may become member of more than one WG, if so approved by the BoD.
- (4) The members of a WG shall meet on a regular basis, preferably no less than bi-monthly. They shall elect a chairperson per WG with simple majority. The chairperson shall invite for WG meetings and prepare the agenda for WG meetings.
- (5) Members of WG shall operate on a pro-bono basis and convene on a regular basis. Financial support for logistical costs, such as travel, accommodation, field trips, consultancies, may be provided, if the reimbursement of such costs has been approved by decision of the General Assembly.

### **Article 7 Chief Executive Officer (CEO)**

- (1) The Chief Executive Officer (CEO) shall be the executive decision maker of the PRO during all daily operations and decisions of the PRO. He/she has the right to sign official PRO documents and represent the PRO towards its members and to any other entity / person.
- (2) The CEO shall be appointed by the BoD for a period of no less than 3 years.
- (3) The CEO shall develop function and job description for PRO staff and recruit and, after

approval of the BoD pursuant to Article 5 (5 b) appoint staff in a transparent and non-discriminative manner.

- (4) The CEO shall in particular be in charge of PRO accounting and controlling, invoicing, managing customer relations, tendering WEEE collection and treatment activities in coordination with municipalities and other economic operators.
- (5) The CEO shall prepare the Annual PRO Report (Report) and the Annual PRO Action Plan (Plan) for the next year for submission to the BoD. Once consented by BoD and the General Assembly s/he shall submit the Report, the Plan and the Auditing Report also to the MEPA for approval according to Article 10 (5 and 6) of the WEEE Regulation.
- (6) The CEO shall prepare and chair meetings of the General Assembly.
- (7) The remuneration of the CEO shall be determined by the BoD.

### **Article 8 PRO departments and staff**

- (1) The PRO shall have no less than three units which are dealing with “operations”, “communication” and “finances”. Each unit shall have an appropriate number of staff in order to manage the assigned tasks.
- (2) The “operations unit” shall in particular
  - (a) manage all PRO members, including new membership requests and contract terminations;
  - (b) coordinate WEEE collection and treatments activities with local authorities;
  - (c) prepare and conduct tendering procedures, contract negotiations and agreements with WEEE operators (collectors, WEEE collection points and centres, recyclers, exporters);
  - (d) Managing data entry to the EPR registry, and
  - (e) manage and monitor logistics related to (b) and (c).
- (3) The “communication unit” shall in particular
  - (a) develop and coordinate the implementation of awareness raising campaigns for the separate collection on WEEE;
  - (b) establish and maintain a PRO website and liaise with social media on the benefits and achievements of the PRO; and
  - (c) prepare the parts of the Annual PRO Report and Annual PRO Plan which are related to non-financial aspects.
- (4) The “finances unit” shall in particular
  - (a) fulfil daily PRO accounting and controlling tasks;
  - (b) deal with all financial and invoicing matters of its members;
  - (c) supervise and manage the collection of the ARF;
  - (d) prepare the financial parts of the Annual PRO Report and Annual PRO Plan; and
  - (e) request the preparation of an independent Auditing Report.



- (5) The remuneration of staff personnel shall be determined by the BoD.

### ***Final provisions***

#### **Article 9 Termination**

- (1) The PRO may terminate its activities
  - (a) If it no longer holds the authorization of the MEPA pursuant to Article 10 (7) of the WEEE Regulation; or
  - (b) under a decision of the General Assembly to liquidate the PRO.
- (2) The property remaining after termination of the PRO shall be transferred to any other PRO or distributed among its members as decided by 2/3 majority of its members.

#### **Article 10 Transitional Provisions**

- (1) In order to make the PRO functional, for an initial starting phase prior to the first General Assembly the provisions of this Charter are not applicable.
- (2) The PRO shall be initiated through memorandi of understanding between EEE producers expressing their intention to join the PRO.
- (3) If the number of EEE producers reaches a total of at least 10% market share of all EEE produced / imported for the Georgian market an initial General Assembly shall be called in by one of the designated future members.
- (4) The provisions of Article 4 (1), (3) and (4a) of this Charter apply for the first meeting of the General Assembly.
- (5) The BoD chairman shall file the initial application for PRO approval to MEPA in accordance with Article 10 of the WEEE Regulation no later than three months after the first meeting of the General Assembly. S/He shall register the PRO in accordance with Article 8 (6) WEEE Regulation.