ROHS

Background

In 1998, the European Union discovered that alarmingly large amounts of hazardous waste were being dumped into landfill sites. Trends also indicated that the volumes were likely to grow 3-5 times faster than average municipal waste. This highlighted a massive, and growing, source of environmental contamination.

In order to address the issues this information raised, the member states of the EU decided to create the Waste Electrical and Electronics Equipment (WEEE) directive, whose purpose was to:

- i. Improve manufacturers' designs, to reduce the creation of waste
- ii. Make manufacturers responsible for certain phases of waste management
- iii. Separate collections of electronic waste (from other types of waste)
- iv. Create systems to improve treatment, refuse, and recycling of WEEE

The WEEE directive provided the origins of the current forthcoming legislation. However, since 1998, a draft proposal called EEE (Environment of Electrical & Electronics Equipment) was also introduced along the same lines. Now, as the implementation of this policy becomes imminent, this policy is generally referred to as the ROHS Directive.

What is it ROHS?

The ROHS directive is often referred to as "Lead-Free" legislation. This is not a very accurate nickname, because it extends to other pollutants as well. The proper name for ROHS is:

Directive 2002/95/EC

"The restriction of the use of certain hazardous substances in electrical and electronic equipment" and it applies to the following substances:

- · Lead
- Mercury
- · Cadmium
- · Hexavalent Chromium
- · PBB
- · PDBE

In order to comply with the EU ROHS legislation, all of these substances must either be removed, or must be reduced to within maximum permitted concentrations, in any products containing electrical or electronic components that will be sold within the European Union.

Who does this affect, and how?

1) European (EU) Manufacturers

The source of the problem regarding the dumping of hazardous substances found in electrical and electronics components is, ultimately, the manufacturers'. They decide which materials are used in the final products, and therefore they will be the most affected by ROHS.

It is likely that Military and Aerospace sectors will be granted a large degree of exemption from ROHS, but it will certainly apply to all other companies involved in the manufacture of electrical and electronic goods.

All manufacturers of electrical and electronic products in the EU will have to comply with the ROHS Directive as and when required.

Current EU Member States

Austria, Belgium, Denmark, UK, Finland, Greece, Ireland, Italy, Luxembourg, The Netherlands,

Portugal, Spain, Sweden.

Joined in May 2004

Cyprus, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Slovak Republic, Slovenia.

Hope to join in 2007

Bulgaria, Romania.

2) European (EU) Dealers and Distributors

Dealers and distributors only supply the components for electrical and electronic products. They are not directly responsible for putting those products onto the market and, as such, are not responsible for meeting the ROHS directive.

However, there are serious implications...

Most European dealers and distributors will be heavily involved with customers who make products for the European Market. These customers will soon start accepting only ROHS-compliant components, in order to meet the requirements that will soon be imposed upon them.

Consequently, the dealers and distributors that supply EU-based manufacturers will have to start stocking ROHS-compliant components, or risk losing some or all of their business. It would therefore pay for suppliers to be "ahead-of-the-game" with regards to the ROHS issue.

3) Non-European (EU) Manufacturers, Dealers and Distributors

Most of the Electrical and Electronic product industry lies outside the existing European Union, the USA and the Far East being the key regions for such activity.

ROHS is a European Union directive. Manufacturers in the USA and the Far East will be unaffected by it, with regards to the products that they sell outside the EU.

However, it's not that simple for non-EU manufacturers...

Many companies who both operate and manufacture outside Europe, will still eventually sell their goods inside the EU. Many EU-member states (e.g. the UK) are massive export markets for both Asian and American companies. As such, these companies have to make all the products that they export to the EU compliant with the EU ROHS Directive.

What about non-EU Dealers & Distributors?

A non-EU dealer or distributor is perfectly within their rights to supply an EU company with a non-compliant product, unless they have stated that it is compliant when in fact it is not (which raises separate trade description issues).

So who must ensure compliance when importing/exporting to the EU?

Anybody producing products that are not compliant with ROHS, and who then attempts to sell them on the EU market after the compliance deadline, will be in breach of the EU ROHS Directive.

Furthermore, it is ultimately the responsibility of the agent who introduces the goods into the EU, to meet all of the necessary requirements. Therefore even if you are selling non-compliant products under a different brand name, it will still be your responsibility to ensure compliance if you wish to sell them in EU countries.

Summary of Main Points

- The manufacturer, or the importing reseller, will always be liable for breaches of ROHS directive, provided they have not been sold non-compliant products by a distributor who claimed that they were compliant. In this case the distributor is guilty of trade description breaches. If the manufacturer failed to check whether components were compliant or not, then they are responsible for any subsequent issues.
- Couriers and freight carriers are excluded from liability. It is the company that is breaching the regulations to profit from the sale of non-compliant goods that will be targeted for indictment, because it is their responsibility.

FAQ

1. What is RoHS?

The European Union (EU) Directive on the **R**estriction **o**f certain **H**azardous **S**ubstances. This bans the use of certain substances in electrical and electronic equipment products placed on the European market after July 2006.

2. What are the substances referred to in the RoHS directive? Cadmium (Cd), mercury (Hg), hexavalent chromium (Cr (VI)), polybrominated biphenyls (PBBs) and polybrominated diphenyl ethers (PBDEs) and lead (Pb).

3. Where are banned materials used?

Mercury: Thermostats, sensors, relays in switches and discharge lamps. **Lead**: Soldering of printed circuit boards, glass for cathode ray tubes and light bulbs. **Cadmium**: Switches, springs, connectors, housings and printed circuit boards. **Hexavalent Chromium**: Metal coatings for corrosion protection and wear resistance. **Polybrominated biphenyls and diphenyl ethers**: Flame retardants in printed circuit boards, connectors and plastic covers.

4. What are the benefits of the RoHS Directive?

The extraction of these raw materials and their eventual disposal, can cause damage to both the environment in terms of pollution, as well as to human health from occupational exposure and exposure following disposal. The removal of these materials from production will reduce the health risks of exposure, particularly for children, the elderly and pregnant women.

5. Who is affected by these directories?

Anyone that:

Manufactures and sells electrical and electronic equipment within the specified categories under his own brand.

Sells equipment produced by other suppliers under their own brand.

Imports (or exports) affected equipment into European Union (EU) member states. will be affected by both directives.

It is expected that from August 2005, such producers will be responsible for financing the collection of waste electrical and electronic equipment from central points, specialist treatment, and meeting targets for re-use, recycling and recovery.

6. How will compliancy with RoHS directive of products will be identified? Our target is to clearly identify Lastar/CablesToGo materials that are in compliance with the RoHS directive. This will be done by a label on the individual packaging of the product stating "Compliant to EU directive 2002/95/EC RoHS".

7. <u>Is your product RoHS Compliant?</u>

Yes, Lastar/CablesToGo is demonstrating compliancy with RoHS. Evidence of compliance will only be required if an enforcement authority asks for it, but they will expect to see evidence that the producer has taken what will be regarded as "reasonable steps" to comply with legislation. If the "producer" imports electrical and electronic equipment into the European Union then, in theory, he would ask his supplier for a declaration that that equipment complies. If the producer assembles equipment within the EU, then he should obtain a declaration for all the parts, components and materials he uses and this information would be stored in a technical file. One certificate or declaration is enough for each class or type of component. For example all chip resistors of one type irrespective of size or value could be covered by one declaration as long as they have similar composition and all are RoHS compliant.

Note: All RoHS-compliant products on our website will have this label:

