

R2:2013 Common Issues



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REGISTRARS, INC.

R2:2013 COMMON ISSUES

In this webinar we will be detailing the most commonly encountered R2:2013 related issues. We will be delving deep into the standard and clarifying the most pressing R2 concerns from the view point of the auditors and R2 certified organizations.

PERRY JOHNSON REGISTRARS

- Welcome From PJR Headquarters:
PJR
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Email: PJR@PJR.com
- Today's Session (1 Hour)
 - R2 Introduction
 - SERI R2 Logo changes/updates
 - R2:5 FM/DSV DD
 - R2:6 Reusable Equipment and Components
 - Speculative Accumulations and CRT Regulations
 - Basics of getting R2 Certified Today!
 - Questions



Tony Kropinski

EHS Specialist

Executive Committee Member

LA: 9001, 14001, 18001, R2, RIOS, BA9000, 13485

ABOUT PJR

PJR is accredited to grant certification for:

- ISO 9001
- ISO 14001
- AS 9100, 9110 & 9120
- ISO/TS 16949
- **Responsible Recycling-R2**
- e-Stewards
- RIOS
- ISO 13485
- SQF
- BRC
- TL 9000
- OHSAS 18001
- ISO 27001
- RCMS® AND RC14001
- ISO 22000
- BS 25999
- BA 9000
- HAACP Compliance
- FSSC 22000

ABOUT PJR

PJR RANKS AS THE #1 REGISTRAR!

(according to www.iaar.org) Industry Association of Accredited Registrars

To view the listing go to www.iaar.org



 Certified Companies To Find Companies Registered to ISO 9001, ISO 14001 and Other Management Systems Click Here	 Certification Benefits To See Why our Customers Value Management System Certification Click Here	 Accredited Systems CBe/Registrars To Access the IAAR Membership Directory Click Here	 Industry Solutions To Learn about Promoting Certification in your Industry Click Here	 Industry News To Learn About Trends and Information that Impact Management System Certification Click Here
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First click on: Certified Companies

The Independent Association of Accredited Registrars

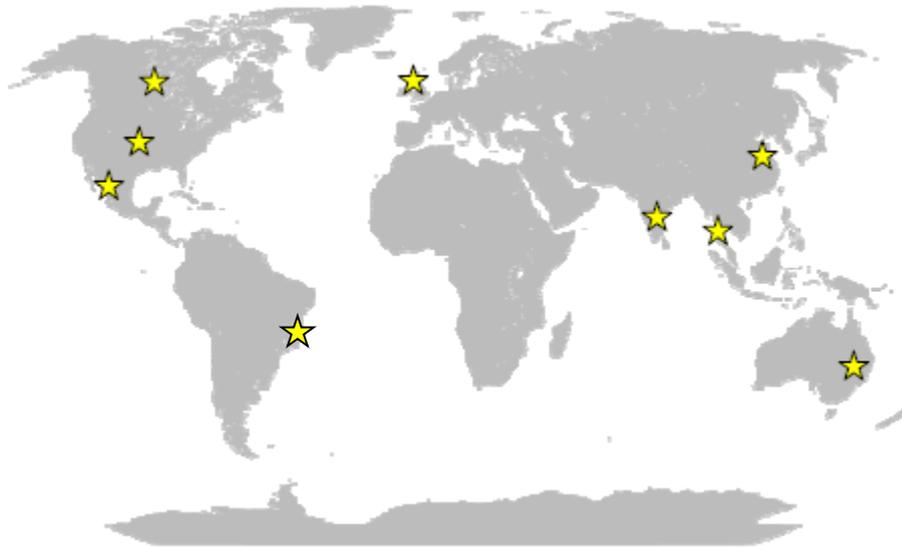
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ABOUT PJR

➤ Countries where PJR has certified companies to R2:

- – Australia
- – Canada
- – China
- – India
- – Malaysia
- – Mexico
- – Singapore
- – United Kingdom
- – United States



INTRODUCTION

R2:2013

SERI — Sustainable Electronics Recycling International

SERI's mission: promoting safe and sustainable electronics reuse and recycling worldwide.

SERI's core focus is administering and continually improving the R2 Standard, the premier global environmental, worker health and safety standard for the electronics refurbishing and recycling industry. Over 500 facilities currently are R2 certified in 17 countries.

➤ <http://www.sustainableelectronics.org>

MAIN CONTENT

R2:5 FM/DSV DD

R2:6 Reusable Equipment and Components

Speculative Accumulations/CRT Regulations

- R2:11 Closure plan – facility abandonment sites
 - Requirements and guidance
 - Financial instruments to consider

SERI R2 Logo Change Updates

SERI Witness Program – Launches 1st Quarter

R2:6 REUSABLE EQUIPMENT AND COMPONENTS

- One of the major changes to R2:2013 introduced the new labeling requirement for reusable equipment.
- Provision 6 requires that all items for resale must clearly be labelled with one of three designations:
 1. Tested for Full Functions, R2/Ready for Reuse
 2. Tested for Key Functions, R2/Ready for Resale
 3. Evaluated and Non-Functioning, R2/Ready for Repair

R2:6 REUSABLE EQUIPMENT AND COMPONENTS...

- **All items, regardless of category for reuse must:**
 - be covered with a Quality Assurance Plan
 - ISO 9001 and/or RIOS Certification
 - and be Data Destruction – Wiped of all data
- **Each sale must be accompanied by at least one document that includes the appropriate labeling.**
 - **This means every shipment, not every item, destined for reuse, resale, or repair!**
 - **R2 Recyclers are not allowed to use a coding system or other system on shipments.**
 - **R2 specific language must be used!**

R2:6 REUSABLE EQUIPMENT AND COMPONENTS...

- **Tested for Full Functions, R2/Ready for Reuse:**
 - **Sold as equivalents to new products**
 - **Minimal setup (out of box ready)**
 - **All functionality has been tested**
 - **Cosmetic defects have been evaluated**
 - **Equipment is operating with legally licensed OS**
 - **Updated hardware drivers**

- **Note: Fully functional means all functions are working as if the unit had been shipped directly from the manufacturer.**

R2:6 REUSABLE EQUIPMENT AND COMPONENTS...

- **Tested for Key Functions, R2/Ready for Resale**
 - **Sold after passing hardware tests for key functions**
 - **Key function in place but missing components present**
 - **Repairable cosmetic defects**
 - **All defects disclosed clearly in writing to the purchaser**

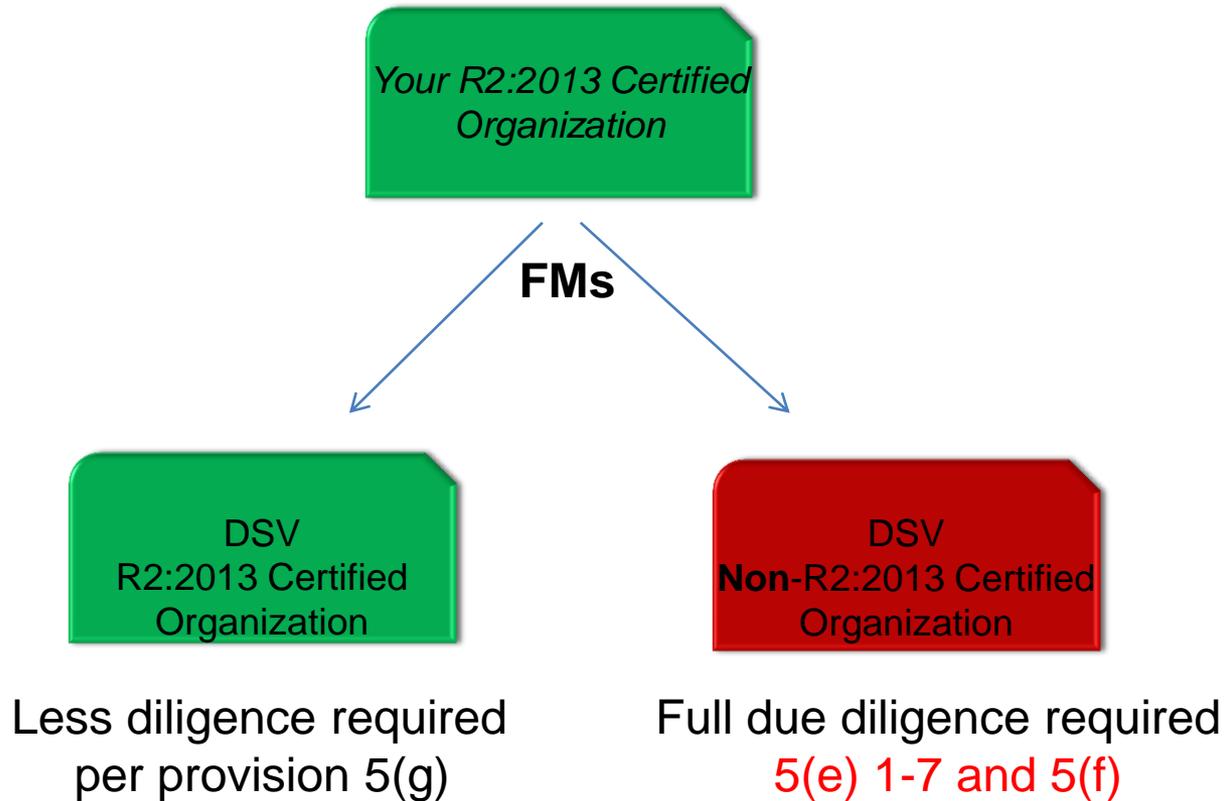
R2:6 REUSABLE EQUIPMENT AND COMPONENTS...

- **Evaluated and Non-Functioning, R2/Ready for Repair**
 - **Economically feasible to repair (resale value exceeding the cost of repair)**
 - **Can be repaired by those with appropriate tools and qualification to fix it. (Refurbishers)**
 - **Note: R2/Ready for Repair equipment may only be sold to refurbishers or resellers qualified to test the equipment and recycle the FM according to provision 6(c)(3)(B) – if these two requirements are not met the equipment must be recycled.**

R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE

- **Focus Materials (FMs)**
 - **General Principle – An R2:2013 electronics recycler shall manage – both on-site and in the selection of downstream vendors (DSV) – the Focus Materials that pass through its facility of control in a manner protective of worker health and safety, public health, and the environment. An R2 electronics recycler also shall perform due diligence on downstream vendors to which it ships these materials.**

R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE



R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE

Your R2:2013 Certified
Organization

FMs

DSV
R2:2013 Certified
Organization

Less diligence required
per provision 5(g)

**5(g) – Verification to conformance to
5(e)(1) and 5(e)(6)**

- 5(e)(1) - Conform to the R2:2013 electronics recycler's FM Management Plan
- 5(e)(6) - Provision 7 (Tracking Throughput), documenting the flow of all FMs down the Recycling Chain

Auditors will be looking for throughput and R2 certs for the DSV R2 vendors.

R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE

Full due diligence required: **5(e) 1-7 and 5(f)**

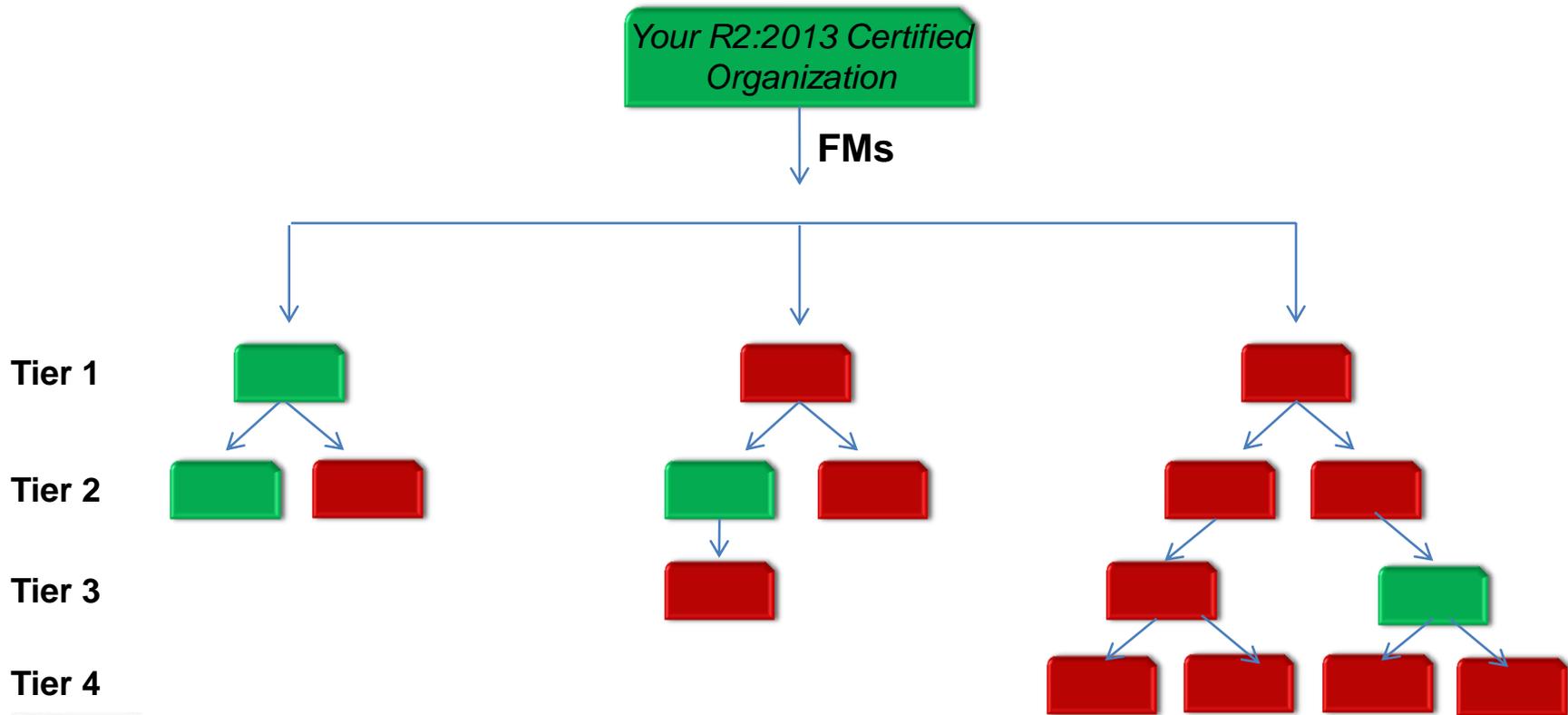
Your R2:2013 Certified
Organization

FMs

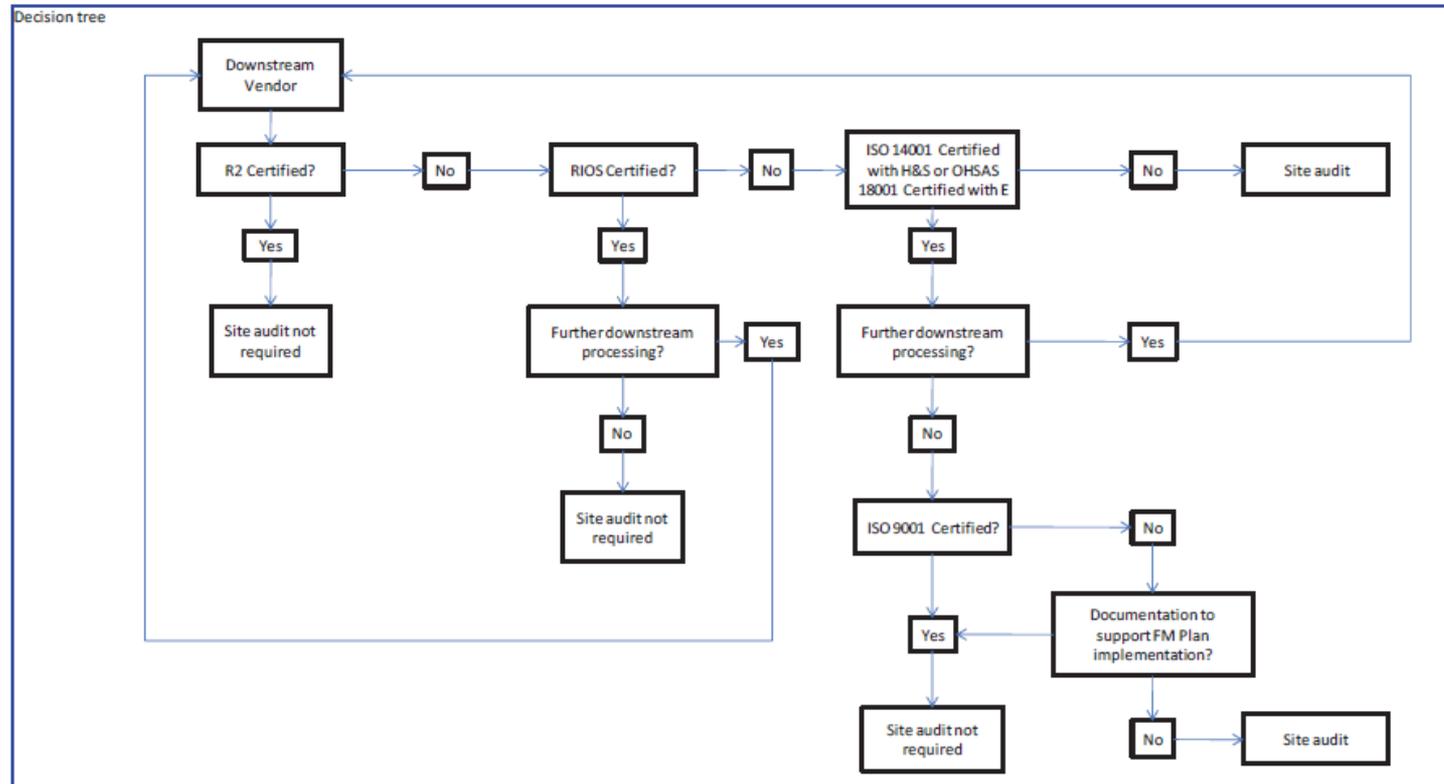
DSV
Non-R2:2013 Certified
Organization

- **5(e)(1)** - Conform to the R2:2013 electronics recycler's FM Management Plan
- **5(e)(2)** – Adhere to a documented system to manage environmental, health, and safety risks and legal requirements.
- **5(e)(3)** – Comply with all applicable environmental and health and safety legal requirements and maintain a current list of its environmental permits and copies of each
- **5(e)(4)** – Conform to this Section (e) and Section (f) below, or allow the R2:2013 electronics recycler to confirm this information with each of its relevant downstream vendors
- **5(e)(5)** – Conform to provision 6 (Reuse)
- **5(e)(6)** - Conform to provision 7 (Throughput)
- **5(e)(7)** - Conform to provision 10 (Physical Security), ensuring security of the equipment down the recycling chain.

R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE



R2:5 FOCUS MATERIAL AND DOWNSTREAM VENDOR DUE DILIGENCE



R2:11 CLOSURE PLAN

Insurance, Closure Plan, and Financial Responsibility

General Principle – An R2:2013 electronics recycler shall possess insurance that is adequate to cover the potential risks and *liabilities associated with the nature and size of the facility's operations, and shall have adequate legal and financial assurances in place for the proper closure of its facility.*

- Speculative Accumulations/CRT Regulations
 - R2:11 Closure plan – facility abandonment sites
 - Requirements and guidance
 - Financial instruments to consider
- CRT Regulations
 - CRTS and CRT glass are not considered solid or hazardous waste when reused or recycled if certain conditions are met (40 CFR, Subpart E, 261.39)

R2:11 CLOSURE PLAN

Requirements:

- (a) The R2:2013 electronics recycler shall be able to demonstrate that it has **evaluated the risks** arising from its certification activities and that it has adequate insurance or reserves to cover liabilities, including environmental pollution and worker health and safety, arising from its operations in each of its fields of activities and the geographic areas in which it operates.

R2:11 CLOSURE PLAN

(b) An R2:2013 electronics recycler shall develop and maintain a current, **written plan and a sufficient financial instrument** that assures proper closure of the facility and assures against **abandonment** of any electronic equipment, and components and materials from such equipment.

- (1) Financial instruments must be **assigned to an independent party** or corporate parent with responsibility for closure, and the assignment must be consistent with applicable law, and
- (2) Financial instruments shall **consider the risks identified** in Section (a) and applicable law, including reasonably foreseeable costs of processing remaining inventory, sampling for environmental contamination, and site remediation to restore premise to sellable condition, and
- (3) Closure plans shall consider the risks identified in Section (a) including details **assigning responsibility for closure**, funding information, and plans for inventory processing, environmental sampling, and site remediation as needed.

R2:11 CLOSURE PLAN

General Guidance

- A appropriate risk assessment should be conducted by a qualified individual
 - This evaluation should be documented
- Closure Plan should contain:
 - Established timeline
 - Task assignment with responsible parties
 - Preparation for facility closure and abandonment
- Pollution liability insurance is not always necessary
 - Determined by a adequately conducted risk assessment
 - Minimum adequate level of Commercial Liability Insurance is 1,000,000 in the US.
- Sufficient Financial Instrument
 - Assurance against abandonment (recent CRT accumulations at abandoned sites)
 - Ensure there is adequate funds to cover the cost of processing remaining inventory
 - Cost of clean up – returning facility/site to a leasable/saleable condition
 - Financial Instrument Considerations
 - Letter of Credit
 - Surety Bond
 - Restricted Fund
 - Access to financial instrument – must be accessible by someone other than the facility owners/operators – verification is needed of acceptance by the responsible party.

SERI R2 LOGO CHANGE UPDATES

- The leaf logo that was used in the past is no longer applicable since it applied to the R2:2008 standard.

- The new logo that will be used is the following:



- May 31st, 2015 is the deadline for organizations using printed marketing material and/or business cards still displaying the leaf logo. Websites must be updated immediately with the new logo if R2:2013 Certified.

- Check the SERI website for more information:

<http://www.sustainableelectronics.org>

SERI R2 WITNESS PROGRAM UPDATES

- **The SERI Witness Program – Launches**
 - goal of the audits is to ensure consistency and accuracy among the CB's auditors
 - identify areas where more training or guidance is needed for auditors and/or recyclers.
 - Witness audits will occur during regularly scheduled R2 audits.
 - Witness audits will be conducted on randomly selected R2 recyclers and auditors representing a cross section of facilities, auditors and CBs.

- **Check the SERI website for more information:**
<http://www.sustainableelectronics.org>

GETTING R2 CERTIFIED

Key benefits of R2 certification and implementation:

- Promotes safe and effective recovery and reuse of electronic equipment
- Guards downstream control of the recycling chain
- Minimizes environmental and public health risks
- Demonstrates compliance with domestic and international laws
- Minimizes liability and encourages reduced insurance costs for recyclers
- Assists original equipment manufacturers (OEM's) with due diligence for their end-of-life electronics
- Instills public confidence through certified third party review

CERTIFICATION PROCESS

Certification Steps:

- Training to Standard requirements
 - Staff
 - Internal Audits
- Create integrated with existing systems (e.g. ISO 9001, 14001, R2 or OSHAS 18001)
- Implement requirements
 - Conduct internal audits of system
 - Conduct compliance evaluation
 - Conduct review of system based on input from internal audit
- Contract with a certification body
- Complete S1 and S2 audits
 - Address any nonconformities → 😊 Certification!



CERTIFICATION PROCESS

The initial audit consists of two stages:

- Stage 1:
 - On-site document review of your QEH&S
 - Evaluates the readiness of your organization to move to stage 2.
- Stage 2:
 - Scheduled 30 to 75 days after the stage 1 audit.
 - On-site audit of your entire QEH&S.
 - Nonconformities will need to be resolved prior to issuing of the certificate.



CERTIFICATION PROCESS

Surveillance audits

- Scheduled at either six or twelve month intervals depending on the contract.
- Partial system audit.

Re-certification audit

- On-site audit conducted prior to the third anniversary of the initial certification
- Surveillance visits will then continue, as before, on a 3-year cycle.



R2 AND RIOS LEAD AUDITOR CLASS

Available Now on <http://www.pjr.com/training>

An Accredited Online R2 Lead Auditor Course and R2:2013 Lead Auditor Transition Course

- ❖ Accredited by SERI
- ❖ ~ 8 hr. online Work at your own pace
- ❖ Certificate of completion provided to those who pass the exam
- ❖ \$295 LA Course and \$195 LA Transition Course

An Accredited Online RIOS Lead Auditor Course

- ❖ Accredited by ISRI
- ❖ ~8 hr. online course (Work at your own pace)
- ❖ Certificate of completion provided to those who pass the exam
- ❖ Fee: \$ 295

Register Now

QUESTIONS



CONTACT INFORMATION

For questions or comments, please contact Tony Kropinski.

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