

Proposed addendum to the CBM Compendium

The additional text proposed for inclusion in the updated version of the CBM Compendium is shown in blue font below.

6.9.5. Risk management as part of coordinated border management of waste trade

The principles of risk management and risk-based selectivity apply to all relevant agencies, including Customs. Risk management can be deployed as part of waste management by other competent authorities as well, aside from in relation to imports and exports. However, Customs and CBRAs do not always share the same understanding of risk, and achieving greater understanding on the part of both Customs and CBRAs in the application of risk management is therefore necessary before closer cooperation or integrated risk management can be implemented.

If Customs operate in a Single Window environment, the information required by all participating agencies for the regulatory clearance of goods is submitted via a single entry point. The data can then be used to process the release and clearance of the goods, as well as for risk analysis purposes. This arrangement offers an opportunity for all agencies to coordinate action in terms of inspection and controls based on risk.

Risk management can be used both for facilitating legal trade and for detecting illegal trade. In order for Customs to conduct a proper risk assessment, they would need to consider using various sources of information available from other agencies, for example concerning registered or licensed importers or exporters, clarity on banned or authorized waste streams, quality standards and volumes, and up-to-date information concerning legislation.

The following critical success factors need to be considered to enable an effective and efficient control of the transboundary movement of waste under the Basel Convention:

- Raise awareness and visibility of hazardous and non-hazardous waste on the national, regional and global levels;
- Establish strategic and multi-stakeholder partnerships;
- Foster viable and sustainable capacity building;
- Support risk-sharing mechanisms.

Generic risks, causes and consequences associated with non-compliance with the Basel Convention for the Transboundary Movement of Hazardous waste and their Disposal

| RISK DESCRIPTION | CAUSE OF THE RISK | CONSEQUENCE |
|--|--|---|
| Illegal export of BC wastes subject to the PIC procedure | Failure to identify legal obligations for particular waste streams, for example: failure to detect and identify hazardous waste or wastes mis-declared as new or second-hand goods | Liability and compensation for damages resulting from the illegal transboundary movement and disposal of hazardous wastes and other wastes to other countries. Failure to meet obligations under the BC Environmental pollution resulting from improper disposal of wastes. |
| Improper packaging and labelling of hazardous wastes | Failure to detect and identify hazardous waste | Exposure of people involved in the handling of the consignments of chemical hazards |
| Improper disposal of hazardous wastes | Lack of properly engineered hazardous waste disposal facilities | Environmental pollution |

Critical risk areas under the Basel Convention (BC) for the East African Community (EAC) and Southern Africa Development Community (SADC)

- E-waste declared as new or second-hand goods;
- Mixed household residues declared as paper or plastic waste;
- PCB-containing transformers classified as metal scrap;
- Cathode-ray tubes classified as metal scrap;
- Expired chemicals and pigments declared as products;
- Waste and obsolete goods received as donations;
- Inadequate understanding of the environment regulations by the enforcing agencies, leading to ineffective enforcement;
- 'Waste in transit' to other countries;
- Lack of hazardous waste disposal facilities;
- False labelling of controlled goods;
- Use of informal entry points.

6.9.8 Coordinated border management and interconnectivity in the context of e-waste: highlights from the Sida Project

Background information

To strengthen the capacity of Customs administrations to mitigate and respond appropriately to environmental threats in sub-Saharan Africa the "Trade Facilitation and Customs Modernization

Programme for Sustainable Development in Sub-Saharan Africa” 2020-2024, also referred to as the “Sida-WCO TFCM Programme,” has supported the Customs administrations of selected WCO Member countries in the East African Community (EAC) to foster Customs systems interconnectivity, piloting business process mapping of waste imports, enabling the simplification and harmonization of border procedures related to the transboundary movement of e-waste, and strengthening the capacity of Customs administrations to implement the Basel Convention.

Following initial scoping missions, the Programme identified the need to raise awareness among Customs and relevant stakeholders, as a critical element, so as to address the challenges presented by the Basel Convention and promote collaboration with national agencies and cross-border cooperation, leveraging on the international CBM component.

The project has affirmed the crucial significance of collaboration between Customs and CBRAs in addressing the issue of illegal transboundary movement of waste and implementing digitized processes and interoperable platforms that facilitate information exchange among the relevant agencies, therefore facilitating legal trade in electronic waste (e-waste) under the Basel Convention.

By leveraging business process mapping and re-engineering, Customs administrations can foster interconnectivity, streamline processes, and facilitate legal trade in e-waste under the Basel Convention. These approaches promote efficiency, transparency, and compliance while enabling effective cooperation between Customs agencies and other stakeholders involved in e-waste management, through the following channels:

- **Information Exchange:** Customs administrations in different countries need to exchange relevant information regarding e-waste shipments to ensure compliance with the Basel Convention. Interconnectivity allows Customs agencies to share data, such as import/export permits, waste classifications, and tracking information. This exchange of information enhances transparency and helps Customs officials identify and prevent illegal or improper shipments.
- **Risk Assessment and Targeting:** Customs administrations can use interconnected systems and streamlined processes to conduct risk assessments and target high-risk consignments. They can identify suspicious or potentially illegal e-waste shipments based on predetermined criteria, such as the country of origin, destination, or nature of the waste. This proactive approach helps prevent the illegal trade of hazardous e-waste and ensures that only legally compliant shipments proceed.
- **Collaboration and Cooperation:** Interconnectivity enables Customs administrations to collaborate and cooperate more effectively in enforcing the Basel Convention. By sharing best practices, intelligence, and enforcement experiences, countries can enhance their capabilities to detect, intercept and take appropriate action against illegal e-waste shipments. Such collaboration also strengthens regional and international cooperation to combat the global challenge of e-waste management.
- **Monitoring and Compliance:** Customs administrations play a vital role in monitoring and ensuring compliance with the Basel Convention. Interconnected systems allow real-time monitoring of e-waste shipments, enabling Customs officials to track and verify the movement of waste materials. This monitoring helps prevent diversion or illegal dumping of e-waste, ensuring that it is managed in an environmentally sound manner.

- **Harmonization of Procedures:** Process streamlining involves harmonizing Customs procedures and documentation requirements across countries. By establishing consistent standards and practices, it becomes easier for traders to navigate the regulatory landscape. Standardized documentation, such as the use of electronic manifests or declarations, simplifies the Customs clearance process for legitimate e-waste shipments.

Business process mapping and re-engineering play a vital role in enabling process streamlining and fostering Customs administration interconnectivity. These approaches help streamline and optimize Customs processes, leading to improved efficiency, transparency, and compliance. They contribute to the facilitation of legal trade in e-waste by contributing to:

- **Understanding Current Processes:** Business process mapping involves visually representing the current Customs processes involved in e-waste trade. This step helps identify inefficiencies, bottlenecks, and areas where interconnectivity gaps may exist. By mapping out the existing processes, Customs administrations gain a comprehensive understanding of the end-to-end flow of e-waste shipments and the associated regulatory requirements;
- **Identifying Improvement Opportunities:** Once the current processes have been mapped, business process re-engineering focuses on identifying opportunities for improvement. It involves critically evaluating existing practices, regulations, and technology systems to identify areas where streamlining and optimization can occur. This evaluation helps identify redundancies, unnecessary steps and manual interventions that can be eliminated or automated to enhance efficiency;
- **Standardizing Procedures:** Business process re-engineering aims to standardize Customs procedures across countries participating in the legal trade of e-waste. By streamlining and aligning processes, Customs administrations can create a common set of rules, documentation requirements, and data formats. Standardization facilitates interconnectivity as it enables seamless information exchange and data sharing among Customs agencies;
- **Automation and Digitization:** Business process re-engineering often involves the introduction of automation and digitization solutions to streamline Customs processes. This includes implementing electronic systems for document submission, processing, and communication. Automation reduces manual interventions, minimizes errors, and expedites clearance procedures. Digitization enables efficient data exchange, facilitating interconnectivity between Customs administrations and promoting real-time information sharing;
- **Enhancing Data Integration:** Effective interconnectivity relies on the seamless integration of data systems between Customs administrations. Business process re-engineering aims to establish interoperability between different Customs information systems. It involves developing standardized data formats, data exchange protocols, and interfaces that enable smooth data transmission and synchronization. Enhanced data integration enables real-time tracking of e-waste shipments, improves risk assessment capabilities, and supports collaborative enforcement efforts;
- **Capacity Building:** Business process re-engineering initiatives also involve capacity building efforts to ensure Customs officials have the necessary skills and knowledge to implement and leverage interconnected systems. Training programmes and workshops help Customs personnel understand the revised processes, new technologies, and compliance

requirements associated with legal e-waste trade. Capacity building enhances the effectiveness of Customs administrations in managing e-waste shipments and strengthens their ability to facilitate legal trade.

The Sida-WCO TFCM Programme in collaboration with the EAC Secretariat, has supported the activities required to pilot the business process mapping of waste imports with volunteer Members to harmonize the most relevant processes in the context of Coordinated Border Management (CBM) and the Single Window, and to develop specific GNC Utility Blocks related to the waste trade. A **Sub-Regional Workshop on Customs Interconnectivity and Process Harmonization for Transboundary Movement of E-Waste** was held on **17-21 July 2023**, in Kenya.

More details about the CBM approach in the context of plastic waste, as well as the sharing of best practices, can be found in **Annex IV** on “Coordinated border management in the context of e-waste: experiences of the Sida-WCO TFCM Programme”.

Annex IV on “Coordinated border management and interconnectivity in the context of e-waste: experiences from the Sida Project”

The WCO and Sweden, through the Swedish International Development Cooperation Agency (Sida), have been working in partnership since 2008 to enhance the capacity of Customs administrations in Sub-Saharan Africa to meet several development goals. The “Trade Facilitation and Customs Modernization Programme for Sustainable Development in Sub-Saharan Africa” 2020-2024, also referred to as the “Sida-WCO TFCM Programme” is supporting the Customs administrations of selected WCO Member countries in the East African Community (EAC) and Southern African Development Community (SADC) with implementing the World Trade Organization (WTO) Trade Facilitation Agreement (TFA) Articles, with the overall objective of contributing to economic growth and poverty reduction efforts in the beneficiary countries and regions, through improved business environment for cross-border trade.

One of the key components of the Programme is to support Customs systems interconnectivity in the EAC region to enhance cooperation on automated data exchange between EAC member countries, enabling the simplification and harmonization of border procedures. Another key component is the capacity of Customs administrations to implement Multilateral Environmental Agreements (MEAs), namely the Montreal Protocol and Basel Convention.

To strengthen the capacity of Customs administrations to mitigate and respond appropriately to environmental threats in Sub-Saharan Africa the Programme has supported the Customs administrations of beneficiary WCO Member countries in the East African Community (EAC) to foster Customs systems interconnectivity, enabling the simplification and harmonization of border procedures related to the transboundary movement of e-waste and strengthening the capacity of Customs administrations to implement the Basel Convention.

Following initial scoping missions, the Sida-WCO TFCM Programme identified the need to raise awareness among Customs and relevant stakeholders, as a critical element to address the challenges presented by the Basel Convention and promote collaboration with national agencies and cross-border cooperation, leveraging on the international CBM component.

To address this issue, a Sub-Regional Workshop on Customs Interconnectivity and Process Harmonization for Transboundary Movement of E-Waste was held on 17-21 July 2023 at the Regional Training Centre, Kenya.

The workshop brought together around 28 officials from the Revenue Administrations and National Environmental Authorities of Burundi, Kenya, Rwanda, Tanzania and Uganda, and their counterparts from Pakistan and Malaysia as well as, representation from the EAC Secretariat. These held joint discussions to pilot process harmonization for the import of e-waste in the context of Coordinated Border Management and the Single Window, and develop specific Globally Networked Customs (GNC) Utility Blocks (UB) for Customs-to-Customs data exchange between importing and exporting countries on e-waste trade.

E-waste amendments

Waste Electrical and Electronic Equipment (WEEE) is defined under the Basel Convention as electrical or electronic equipment that is waste, including all components, sub-assemblies and consumables that are part of the equipment at the time the equipment becomes waste. E-waste is one of the fastest growing waste streams in the world.

E-waste can be categorized as hazardous waste, waste requiring special consideration, or non-hazardous waste under the Basel Convention. When toxic materials such as mercury, lead or brominated flame retardants are present in e-waste, it is classified as hazardous waste according to the Basel Convention. E-waste may also contain precious metals such as gold, copper and nickel, and rare materials of strategic value such as indium and palladium. These precious and heavy metals could be recovered, recycled and used as a valuable source of secondary raw materials.¹

The Basel Convention started to address e-waste issues in 2002, when The Mobile Phone Partnership Initiative (MPPI) was adopted by the sixth meeting of the Conference of the Parties to the Basel Convention.

The Nairobi Declaration on the Environmentally Sound Management (ESM) of Electrical and Electronic Waste was adopted at the eighth meeting of the Conference of the Parties, in 2006, whereby Parties to the Convention agreed to cooperate, among others, to develop policies and strategies, to enhance the environmentally sound collection, separation from household waste, repair, recycling and final disposal of e-waste and to prevent illegal traffic of e-waste.

Decision IX/6, adopted by the ninth meeting of the Conference of the Parties (COP9) gave a mandate to the Secretariat to implement a technical assistance work plan to enhance the environmentally sound management of e-waste in developing countries and countries with economies in transition. Since then, technical assistance to enhance the ESM of e-waste remains a priority area of technical cooperation among Parties to the Convention.

In addition, COP9 established a new partnership: the Partnership for Action on Computing Equipment (PACE), which was active until COP13, when PACE concluded its activities. A new partnership, the Follow up Partnership to PACE, was established at COP14, in 2019, with a mandate to continue awareness raising activities on e-waste and cooperation on ESM of mobile phones and computing equipment.

¹ <https://www.basel.int/Implementation/Ewaste/Overview/tabid/4063/Default.aspx>

At its fourteenth meeting, the Conference of the Parties to the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal adopted, on an interim basis, in decision BC-14/5, the **Technical guidelines on transboundary movements of electrical and electronic waste and used electrical and electronic equipment, in particular regarding the distinction between waste and non-waste under the Basel Convention (E-waste)²**, in particular regarding the distinction between waste and non-waste under the Basel Convention. The guidance is an important resource for parties seeking to manage in a sustainable way the ever-growing e-waste stream, which according to recent research constitutes almost 50 million tons per year.

In June 2022, the Basel Convention announced its decision to enforce the E-waste Amendments, which will legally bind the Convention's 190 Parties to minimize the generation of e-waste, strictly control its transboundary movement, and ensure its environmentally sound management.

At the fifteenth meeting of the Conference of the Parties to the Basel Convention (COP15), in 2022, the mandate of the Follow-up Partnership to PACE was extended to include, in addition to mobile phones and computing equipment, television screens, video and audio equipment, refrigerators, cooling and heating equipment. The partnership name was changed to reflect the enlarged scope and became "Partnership for Action on Challenges relating to E-waste", abbreviated as PACE II.

At the same meeting, in 2022, the Parties adopted amendments to Annexes II, VIII and IX to the Basel Convention to list both hazardous and non-hazardous e-waste in the Annexes of the Convention, with the objectives of widening controls on transboundary movements of e-waste and making all electronic and electrical waste subject to the prior informed consent (PIC) procedure. Annex VIII includes entries of hazardous wastes while Annex IX enlists non-hazardous wastes entries and Annex II covers "other wastes" or waste requiring special consideration. Non-hazardous e-wastes are listed under a new code in Annex II and hazardous e-wastes under a new code in Annex VIII. The following specific changes were made:

- Annex II (waste that requires special consideration: subject to the PIC procedure): addition of a new code Y49 covering all e-wastes, their components and wastes from the processing of e-waste (e. g. fractions from shredding), except for those e-wastes covered by entry A1181 (in Annex VIII);
- Annex VIII (waste presumed to be hazardous: subject to the PIC procedure): addition of a new entry A1181 covering hazardous e-wastes, its components and wastes from the processing of e-waste (e. g. fractions from shredding), and the deletion of the existing entry A1180;
- Annex IX (waste presumed not to be hazardous: not subject to the PIC procedure): deletion of the existing e-waste entries B1110 (e-wastes) and B4030 (single-use cameras).

² The guidelines are available here:

<https://www.basel.int/Implementation/TechnicalMatters/DevelopmentofTechnicalGuidelines/TechnicalGuidelines/tabid/8025/Default.aspx>

The new entries become effective as of 1 January 2025³. After this date, both hazardous and non-hazardous e-waste transboundary movements will be subject to the Prior Informed Consent Procedure (PIC) according to the Basel Convention.

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³ <https://www.basel.int/Implementation/Ewaste/EwasteAmendments/Overview/tabid/9266/Default.aspx>