Dear Ibrahim Shafii,


Thank you for the opportunity to comment on the proposed guidance on transboundary movements of used equipment for repair and refurbishment put forward in the draft Technical Guidelines on Transboundary Movements of Used Electronic and Electrical Equipment and E-waste. Philips supports efforts aimed at assuring end-of-life electrical and electronic equipment (e-waste) are managed in an environmentally sound manner. However, we have serious concerns that this approach would impose new and unjustified barriers to legitimate international trade in used parts and equipment, resulting in higher customer expenses, devaluation of equipment, less affordable healthcare and a significant increase in the ecological footprint.

Philips is a global company, leading businesses with meaningful innovations, and improving people’s health and well-being. Philips is a technology leader in driving major advances with sales of € 25.4 billion in 2010. Philips has been a leader in healthcare for over 100 years and is one of the top-tier players in the healthcare technology market based on sales. It is our ambition to make healthcare more affordable, bring care to 500 million people by 2015, and double the amount of e-waste collected and recycled at the same time. However, the proposed guidelines will seriously threaten the movement of used medical devices destined for refurbishment and remanufacturing.

Used medical devices are refurbished using the highest possible international standards and sold under full warranty equal to new. Philips refurbishing program provides reliable and cost effective refurbished medical devices, allowing more patient access to up-to-date technology. This program relies on transboundary movement of used professional equipment to Philips’ refurbishing locations. Defining used professional electronic equipment destined for refurbishing or repairs as “e-waste” under the proposed guidance threatens to disrupt and may stop legitimate transboundary movement of this equipment, prematurely diverting valuable equipment to waste recycling channels. Medical device refurbishment and repair is an effective means of reducing e-waste while ensuring greater global access to medical device technology. If adopted, we believe this approach would impose new and unjustified barriers to legitimate international trade in used equipment without providing any significant benefit.

Medical devices can have a very long service life, to well in excess of ten years and therefore far exceeding the warranty period. Highly specialized or intricate repairs may require that the device be returned to the manufacturer or a regional authorized service center in another country. Also, it is critical to business to return systems to the manufacturer or authorized contractor for parts harvesting and repair, which are then used in service operations. The return of used parts for repair or reuse would be negatively affected by the proposed guidelines. To keep the service expenses for medical devices to affordable levels, the return of defective parts for repair is a necessity. The repair of service parts can only take place in central, specialized repair centers, requiring transboundary
movements. Additionally, we strive to reuse parts and components to implement our cradle-to-cradle ambitions, thereby increasing global collection of used parts and components and managing them at the highest residual value in centralized repair and remanufacturing centers. Return of used parts also significantly expands the lifetime of installed medical devices in addition to the asset value of the equipment.

Finally, return of used equipment to the manufacturer or to a test house would be necessary after an “adverse event” in which a patient or user was harmed to complete root cause analysis, meeting regulatory compliance or quality assurance monitoring of devices required by the EU Medical Device Directives.

Philips recommends inclusion of the following exceptions to the e-waste definition:

- Electrical and electronic equipment and parts returned to the original manufacturer or specialized refurbishment centers for refurbishment, remanufacturing, repair, or reprocessing of equipment, subsystems or parts provided the shipment is properly packed and accompanied by documentation;
- Equipment returned to the manufacturer or to a test house for root cause analysis and meeting regulatory compliance or quality assurance monitoring of devices; or
- Equipment returned as defective for repair under warranty with the intention of re-use.

Philips recognizes the need to control transboundary movement of e-waste without restricting legitimate movement of used professional equipment with the social and environmental benefits of reuse after system repair, remanufacturing, or refurbishment. We support the objectives of the Basel Convention and look forward to working with you to ensure that it continues to allow the legitimate trade in used equipment and parts.

For more information, please contact Wendy Phippen at Philips Healthcare, at e-mail address: wendy.phippen@philips.com.

Sincerely,

Wendy Phippen, CHMM
Sustainability Director, WEEE
Philips Healthcare
Tel +1 (425) 218 5869
Fax +1 (425) 745-9360