

# **R2:2013 Program Quality Plan**

**May 14, 2014**

## **R2 Solutions**

### **BACKGROUND**

Over the last several months, R2 Solutions has reached out to numerous stakeholders to inquire what more we should be doing to assure the quality of certified recyclers' and auditors' performance.

### **PURPOSE**

The purpose of this plan is to:

- a) Improve the value of the R2 standard to recyclers worldwide through the development of educational resources
- b) Help recyclers and auditors better understand the R2 requirements and expectations
- c) Raise the integrity of the Standard through monitoring processes
- d) Identify and remove any bad performers from the R2 program

The plan has been divided into three main sections, each focusing on a specific stakeholder group: certified facilities, certification bodies and the auditors. A fourth section applies to general action items to be undertaken by R2 Solutions, which will impact all stakeholders.

### **WHO WAS CONSULTED IN THE DEVELOPMENT OF THE PLAN?**

Electronics recyclers and refurbishers, OEMs (Original Equipment Manufacturers), Certification Body (CB) representatives, auditors, consultants to the industry, USEPA (Environmental Protection Agency) and US State environmental agencies.

## SECTION 1: FOR R2 CERTIFIED RECYCLERS

Action Item	Target Date
<p><b>1) Developing an Implementation Guide</b> which will include worksheets, flow charts, case studies, checklists etc. to help recyclers manage their conformity to the Standard. Recorded webinars will be used to explain sections of the implementation guide. Some of the key components of the Implementation Guide will include the following:</p> <ul style="list-style-type: none"> <li>• Provision of templates facilities can use to develop portions of their management systems</li> <li>• Guidance on avoiding/correcting common nonconformances</li> <li>• Guidance on how R2-certified recyclers can identify acceptable downstream vendors</li> <li>• Guidance on proper management of Focus Materials (FMs)</li> <li>• Flow charts or mass balance worksheets to help track FM products/materials that come into and leave their facilities.</li> </ul>	October, 2014
<p><b>2) Developing Additional Resources for Recyclers</b></p> <ul style="list-style-type: none"> <li>• <b>Periodic recycler conference calls</b> to highlight and discuss pressing industry issues</li> <li>• <b>Developing an online library</b>/list of educational documents for recyclers <b>specific to e-scrap regulations</b>. Links to State, Federal and International websites that highlight the regulations pertaining to the electronics reuse and recycling industries; e.g. storm-water and CRT (Cathode Ray Tube) rules in the US, the Basel Convention, import and export requirements of specific countries etc.</li> <li>• <b>Instituting a list-serve</b> for R2-certified facilities to raise questions and get answers on meeting R2 requirements. Frequently Asked Questions (FAQs) will be addressed in R2 updates, and, as necessary, amendments to the standard and guidance</li> <li>• <b>Special Focus Webinars</b> highlighting the importance of current issues such as CRT Glass.</li> </ul>	<p>Every other month</p> <p>September, 2014 with updates made quarterly thereafter</p> <p>June, 2014</p> <p>July, 2014 on as issues arise</p>
<p><b>3) Consider the feasibility and pros and cons of launching an R2 Hotline</b> open to R2 facilities for sharing tips on problem actors, including downstream vendors.</p>	July, 2014

<p><b>4) Initiate “Intermediate Check-In” Audits of Certified Recyclers by R2:</b></p> <p>Most stakeholders that have been consulted favor adding some kind of random “intermediate check-ins” by R2 Solutions on certified recyclers between regularly scheduled audits. These could be focused on key risk areas identified by R2 Solutions (e.g., CRT tracking and disposition, downstream due diligence of vendors for FMs, data security, etc.). A pilot program is being planned to determine how best to conduct this “spot” audit approach. R2 Solutions may discuss the focus of concern for an upcoming quarter (not the exclusive content to be spot reviewed, but the main focus) with R2 recyclers, either in the R2 Updates or in conference calls. For example, in Q2 2014 announce the focus of Q3 spot audits to be definition of legal requirements and evaluation of compliance. The pilot plan will include minimum qualifications of the auditor performing evaluation of conformance and suggested recordkeeping formats (as well as data to include). Importantly, communication and coordination with the CBs as to follow-up will need to occur in advance.</p>	September, 2014
<p><b>5) Clarify Some of the Provisions Relating to R2 Certified recycler in the R2 Code of Practices</b></p> <p>The R2 Code or Practices language relating to suspensions, and other matters relating to facilities, will be evaluated and potentially updated.</p>	June, 2014
<p><b>6) Amending the Licensing Agreement with R2 Certified Recyclers</b></p> <p>The current Licensing agreement will be updated to provide for implementation of the activities set forth in this Quality Plan.</p>	June, 2014

## SECTION 2: FOR THE AUDITORS

Action Item	Target Date
<p><b>1) Dissemination of information on International/domestic legal requirements through webinars</b> including links to websites but also perhaps conducting a semi-annual or yearly training on updates related to e-waste laws. This will also include a legal requirements screening tool (federal only).</p>	October, 2014
<p><b>2) Developing additional guidance for CBs/auditors</b> to help them determine consistently what constitutes a non-conformance and at what level (e.g., major or minor). This was cited as an</p>	July, 2014

area where auditors have too much discretion and as a result there are inconsistencies across auditors. This could be disseminated through webinars, and presentations of exercises/case studies on the website etc.	
<b>3) Work with CBs to figure out how to track auditor performance</b> to identify whether any are regularly underperforming. Work with the CBs to determine the appropriate course of action in such situations.	November, 2014

<b>SECTION 3: FOR THE CERTIFICATION BODIES</b>	
<b>Action Item</b>	<b>Target Date</b>
1) <b>Action Item: Implementing a licensing agreement</b> between R2 Solutions and each CB setting forth the terms and conditions that CBs must follow when implementing R2:2013 certification programs.	June, 2014
2) <b>Action Item: Explore steps to be taken if R2 finds that a CB is systematically failing to meet the terms and conditions of the licensing agreement or Code of Practices</b> with regard to hiring, training, conducting effective audits, etc.	August, 2014
3) <b>Moderating discussions with CBs/auditors to address common questions/problems</b> arising in audits and to learn what kinds of additional assistance R2 could provide CBs/auditors to better do their jobs. Ideas include developing uniform checklists or worksheets for auditing, providing regular updates on relevant export laws in key electronics markets, and instructing auditors on what to look for and any red flags that could indicate problems in downstream management of FM, selection of transportation vendors and implementation of required data security measures.	Monthly calls already implemented
4) <b>Initiate R2 Observer Audits:</b> R2 Solutions will commence conducting observer audits as allowed under the Code of Practices. This is an opportunity to identify errors/omissions by auditors as well as recyclers. It is also an opportunity to initiate corrective action with auditors and recyclers and improve the recycler/auditor education programs so that similar errors and omissions are reduced or avoided in the future.	July, 2014
5) <b>Initiate Sampling, Review and Trend Analysis of Audits:</b> R2 Solutions will begin reviewing summaries of audits to: <ul style="list-style-type: none"> <li>a. determine whether the CBs/auditors are conducting audits</li> </ul>	December, 2014

consistently (data will be collected from the CBs); and b. analyze trends in the performance of R2 recyclers. This information should be fed into a database that then can be used to help R2 Solutions establish goals/metrics against which to measure/demonstrate continuous improvement in the overall program (e.g., number of audits performed, number of non-conformances found, number of facilities suspended).	
6) <b>Developing a yearly “report card”</b> to show how CBs have performed over the year, based off number of certifications, suspensions, auditor performance issues etc. This will help CBs gauge where they stand in terms of performance.	December, 2014

### SECTION 3: GENERAL ACTION ITEMS

Action Item	Target Date
1) <b>Action Item: Amending the R2 Code of Practices</b> based on input from CBs, ANAB (ANSI-ASQ National Accreditation Board), recyclers etc. to ensure any areas of deficiency are corrected.	May, 2014
2) <b>Develop a Multi-Year Audit Strategy and Database to Identify and Address Poor Performers</b> - R2 Solutions will develop a credible and fair approach to identifying and removing bad actors – one that is capable of identifying recurring problems and gaps. This necessitates a multi-year audit protocol which tracks trends in the audit results of each R2 certified recycler over a multi-year period; e.g., are they improving (is corrective action working?), or are they continuing to have troubles at such a level that they are not really committed to “acceptable performance levels” and should be removed from the R2 program.	December, 2014
3) <b>Developing a Quality Management System for R2 Solutions and determining the feasibility for certifying it to ISO 9001</b> The Director of Quality will begin initially by putting together a quality management system for R2 Solutions which will include written procedures and policies that apply to R2 Solutions’ scope of activities and streamlining many of its operations. After some initial legwork is completed, she will work on determining its readiness to be audited by a 3 <sup>rd</sup> party certification body to ISO 9001.	December, 2014 for creation and implementation of procedures.