

# ANNUAL REPORT 2020



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**Authors:** ELVES, 2021

### Acronyms and abbreviations:

AER	Annual Environmental Return
ASR	Auto Shredder Residue
ATF	Authorised Treatment Facility
CoD	Certificate of Destruction
DECC	Department of Environment, Climate, and Communications
DoT	Department of Transport
EC	European Commission
ELV	End-of-Life Vehicle
ELVES	ELV Environmental Services CLG
EPA	Environmental Protection Agency
EPR	Extended Producer Responsibility
EV	Electric Vehicle
NTFSO	National Trans Frontier Shipment Office
PRI	Producer Responsibility Initiative
PST	Post Shredder Technology
VM	Vehicle Manufacturer
WERLA	Waste Enforcement Regional Lead Authority

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## Table of contents

1	Parking the Bus	1
2	About Us	2
	• Funding	5
3	A Statistical Overview	6
	• Supply	6
	• ATF Network	7
	• CoD Issuance	8
	• Targets	9
	• Scrap Prices	10
4	Education & Awareness	13
	• Motor Tax Renewal Reminders	14
	• Impact	15
5	Electric ELVES	18
6	Regulator & Local Authority Engagement	21
	• Destocking & Abandoned Vehicles	21
	• Enforcement Portal	22
	• Enforcement	23
7	Outlook for 2021	24



# 1. Parking the Bus

**Welcome to ELVES' Annual Report reflecting our activities and achievements last year.**

In 2020, ELVES concentrated on the core mission of achieving targets in a world where everything had either come to a halt or where all operations suddenly switched to defensive mode.

However, the waste industry is considered an essential service. The ATFs remained open for ELV acceptance and collection, and also parts supply by appointment, while the metal reproprocessors continued to operate in so far as their logistics allowed.

This is also an industry which does not fit neatly into a 12-month business cycle and the occurrence of a pandemic presented a business opportunity for the waste sector. ATFs and reproprocessors will hold onto material for longer and play the markets. Indeed, metal prices rose rapidly in the second half of 2020 leading to an element of de-stocking of non-calendar year ELVs (pre-2020) and processed shredder fractions. Our initial indications show that this exceeded the actual number of the ELVs being scrapped in 2020, but we will not know the details until 12 months hence.

Why is this important? It shows the potential for a circular economy at its most fundamental. After an enforced closure, as soon as the vehicle manufacturing resumed from May-June 2020 onwards, there was a demand for materials, namely recycled metals, and in particular *steel* and *aluminium*. This is not the only reason for high prices for scrap, acknowledging the fact that raw materials were limited in supply, but it is an important factor in prices and circularity.

For 2021, the outlook is exciting and busy. At the end of 2020, the draft Batteries Regulation was published. This is an ambitious piece of legislation within the context of European sustainability and the circular economy and defines an 'electric vehicle battery' for the first time. Soon to follow will be a re-draft of the ELV Directive which may well reshape the operation of ELVES.

And as if it could not get any busier, ELVES will be applying to the Minister and his Department for re-approval to operate as the compliance scheme for the motor sector until the end of 2026.

**The team at ELVES.**

## 2. About Us

ELVES is a private not-for-profit company and operates as a collective compliance scheme for the motor industry. ELVES' operations are approved by the Minister for the Environment, Climate, and Communications. ELVES ensures that our national collection system, the ATF Network, will achieve minimum targets of 85% reuse and recycling and 95% overall when other recovery is included. Our members are professional importers of both new and used vehicles, which are:

- **Domestic or passenger cars/ vans (no more than 9 seats) – M1.**
- **Vans and light goods vehicles (under 3,500kg in weight) – N1.**

The full list of members can be found on our website. These undertakings fund our activities, which are:

- **Providing information to the public about why, how, and where to scrap a car.**
- **Supporting our ATF Network (reuse and recycling).**
- **Supporting our reprocessors (recycling and recovery).**

ELVES is led and controlled by a Board of executive and non-executive directors, consisting of representatives from the vehicle manufacturing/ importing sector and independents. At each AGM one third of the Directors who have been longest in office since their last election retire. The Chair is a rotating role and the last meeting in 2020 was chaired by Fiacra Quinn. Our Board collectively ensure delivery of the objectives, set strategic direction, and uphold best corporate governance.

Board Sept 2020	Affiliation	Meeting Attendance*
Alan Nolan (R)	Independent	3/3
Anja Köckritz (R)	ASIA-Consult, Independent	3/3
Brian Cooke (A,N)	SIMI	2/3
Ciaran Kinahan (N)	MDL	3/3
Clodagh Walsh	Volvo	2/3
Colin Griffin (A)	Stellantis	3/3
Fiacra Quinn	ELVES, CEO	3/3
Ken Ward	Nissan	3/3
Irene Collins (A)	EIQA, Independent	3/3
Karen Mahon	OCAE, Independent	3/3
Noel Hughes (N)	Subaru	3/3
Paul Murray (R)	Toyota	3/3
Robert Guy	VW Group Ireland	3/3

\* Includes remotely and by proxy. Non-attendance was mainly due to remote connection issues.

Committees: Audit (A), Nomination (N), Remuneration (R)

The Board is open, responsive, and accountable to its users, beneficiaries, members, and others with an interest in its work. There are internal committees on nomination, remuneration, and auditing, not only to safeguard ELVES' activities and reputation, but also to recognise achievements. The company secretary is Maples Secretaries Ltd, the auditors are Clinton Higgins Ltd, and the solicitors are LK Shields Solicitors.

The AGM was held in September with the Subscribing Members in attendance. In normal years, ELVES would hold a stakeholder meeting alongside the AGM, where representatives of vehicle manufacturers from across Europe are invited to attend. In 2020, this had to be cancelled due to the technology challenges of bringing together a wide range of stakeholders from different countries. Regular communications about the work programme and key developments continued with this group by email, particularly in relation to the Electric ELVES programme, F-gases, and requests for consultation and feedback on European and national developments. Additionally, ELVES would have exhibited at publicly facing motoring events where many of the VMs and dealerships also exhibit or attend. However, these events were cancelled in 2020.

Communicating with associated members who are importing used vehicle requires a more direct approach. As a first step, these *producers* must self-declare that they are *professional importers*, as defined in the ELV Regulations. From that point onwards there is monthly communication with each producer until they are compliant. In 2020, ELVES carried out 55 site visits on a twice weekly basis to both self-declared and compliant *producers*. These visits are important to not only to impart information concerning the Regulations, but also gauge the level of satisfaction with the scheme and any interaction they have had with ELVES, other schemes, and the relevant authorities. Additionally, there were more than 240 phone contacts made and received between ELVES and its associated members throughout the year.

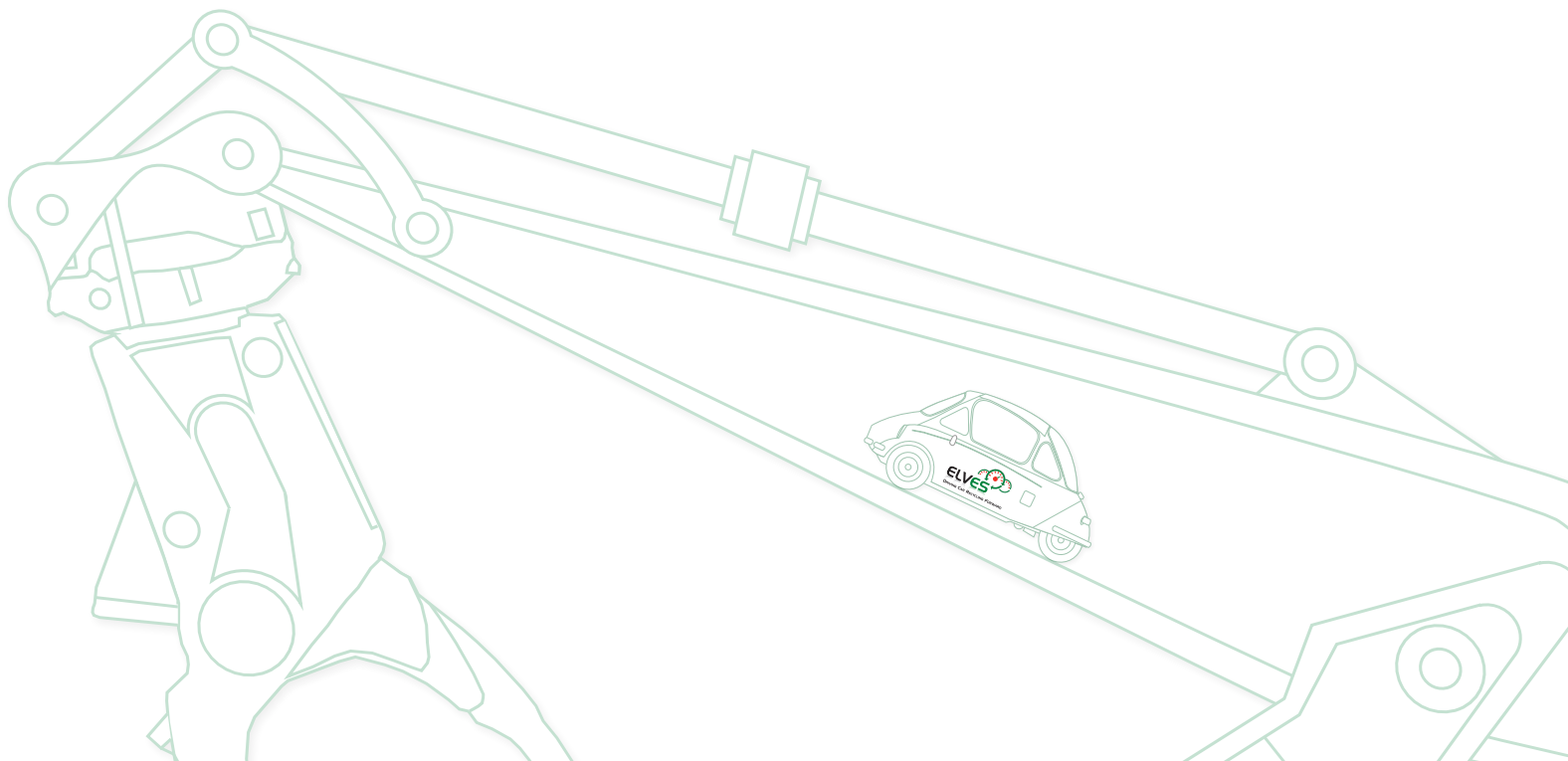
As a prime example of bridging the link between manufacturing and waste processing, the Electric ELVES programme requires regular and effective communications with both the VM members and ATFs. For ATFs, ELVES contacted all ATFs in Ireland to ensure they are aware of the programme and the support it can provide. In 2020, this consisted of two postal mailouts to 230 ATFs, in addition to day-to-day communications about the programme to our Network and with other ATFs requesting individual support. ELVES also regularly communicates with the VM members about the programme, both to provide information and to ensure ELVES has the latest process information for the vehicles they supply.

ELVES is in daily contact with the ATF Network on a range of issues, both individually and with Network updates. These updates cover a range of useful communications including reporting information and reminders, information on Electric ELVES, and feedback requests. At least 12 of these group update communications were sent in 2020.

In 2020, ELVES was due to attend and present at the International Automobile Recycling Congress, a good opportunity to communicate about ELVES and to meet with representatives of VM members from across the continent, other compliance schemes, and representatives from the EC. However, this event was cancelled and ELVES participation postponed until 2021. ELVES was able to present on the Electric ELVES programme at the Electric Vehicle Summit in October of 2020. In 2020 ELVES also joined the Batteries European Partnership.

### Funding

Upon approval of ELVES in 2016, the agreed level of funding was set as not less than €1.7M per annum, to be paid by the VM members. Additionally, ELVES built up a contingency reserve fund of the same amount. Although waste management costs have increased yearly since then, not least because of Brexit, ELVES has managed to maintain this level of fees. Other *professional importers* contribute an additional 10% to this income. The administrative charge for compliant *producers* is kept very low as the current reporting requirement is once per annum.





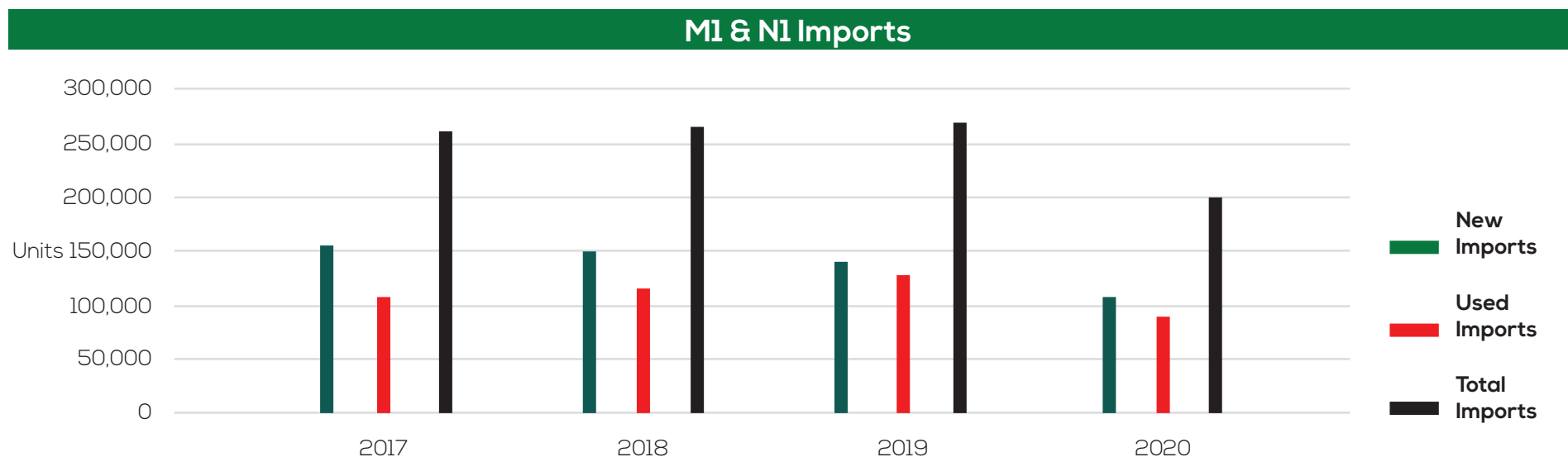
### 3. A Statistical Overview

#### Supply

In 2020, the trend in the importation of M1 and N1 vehicles was of course down. Of note is that used imports continued to match new on a close to 1:1 ratio.

Supply of total vehicles, 2020	M1 (car)	N1 (van)	Total
New Imports	88,324	21,732	110,056
Used Imports	79,969	10,083	90,052

Since 2017, the trend in the supply of new cars is decreasing, while the trend in used imports is upwards. This means that from 2017 to 2019 used imports replaced the decline in new.



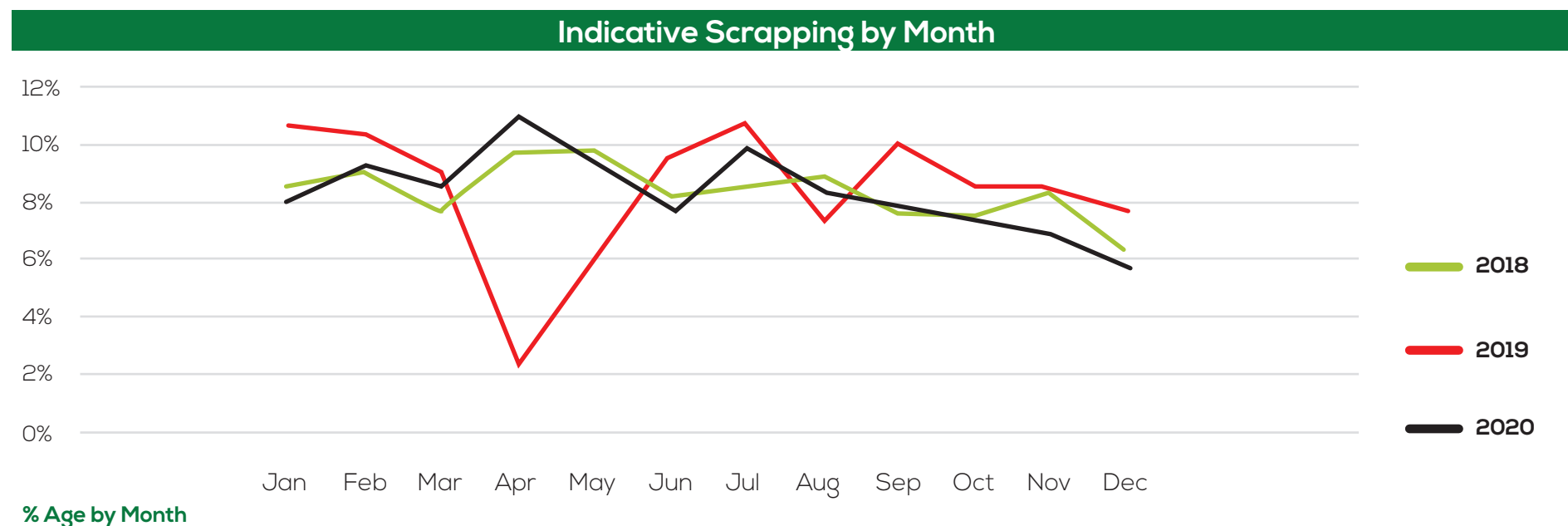
## ATF Network

The estimated total number of operating ATFs in Ireland is 174. The ELVES Network comprised 64 ATFs at the end of the year.

The ATFs are responsible for reporting data in the first half of 2021 concerning the dismantling and recycling activities undertaken in 2020. This process is ongoing as this report was being authored.

Auditing of ATFs usually occurred in person and on-site. This changed to remote and desk-based audits in 2020, with the anticipated restrictions in the quality and scope of audit that could be performed.

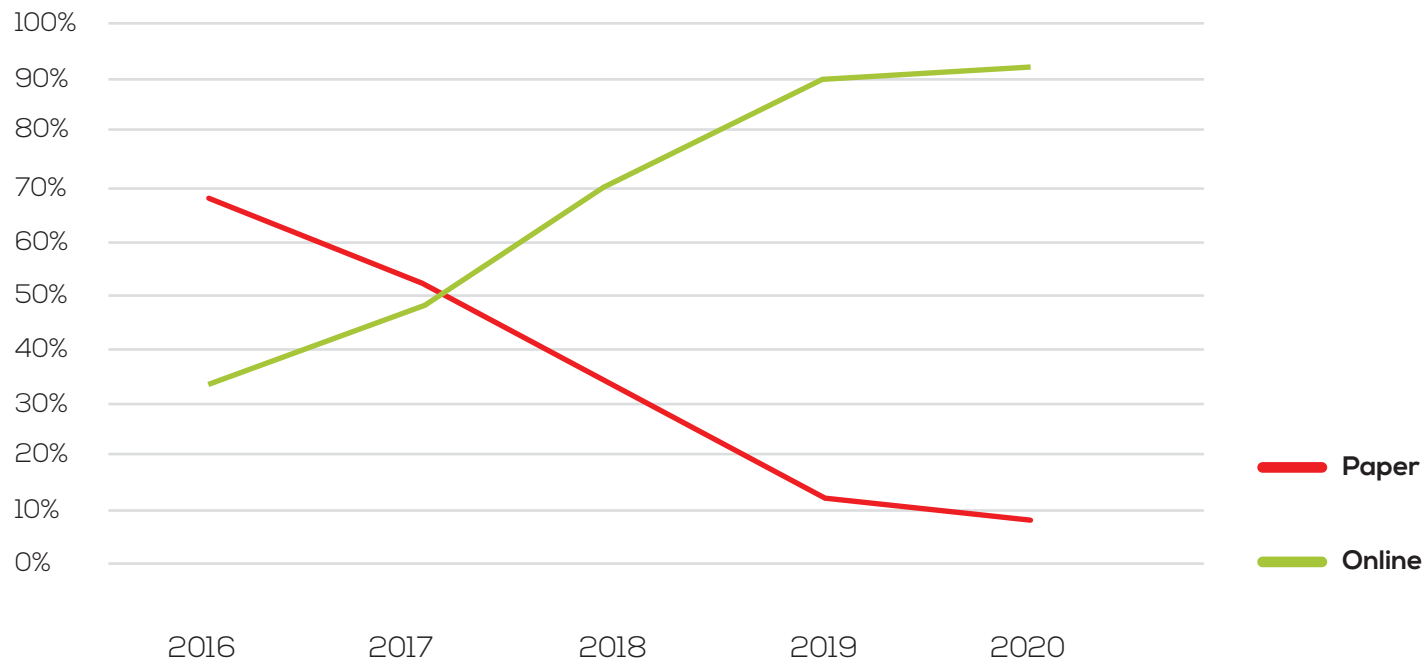
As an essential service in the waste management industry, the Network remained open for acceptance and collection of ELVs throughout the year. This is shown in the indicative rate of scrapping by month compared to other years, with the dip in April 2020 due to the lockdown. It is important to note this represents a rate of scrapping and not the volume, which was down in 2020 compared to previous years.



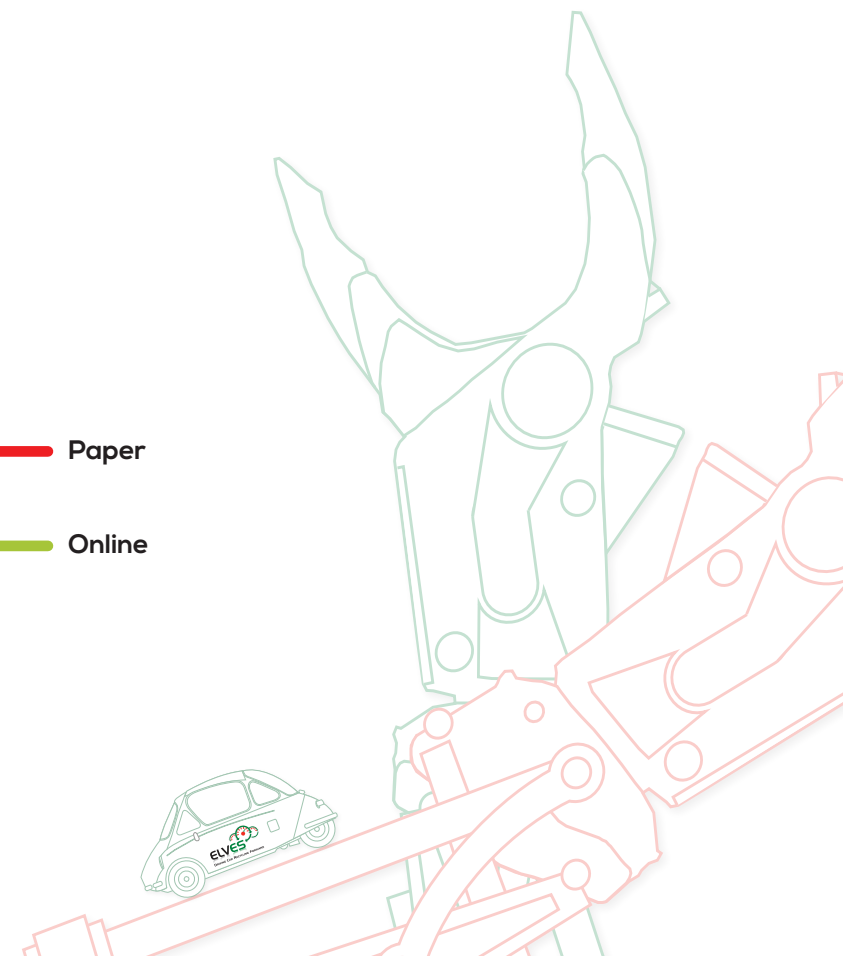
## CoD Issuance

ELVES commenced operations in 2016 and established a Network of ATFs. As part of this process, ELVES promoted the use of [www.motorelv.ie](http://www.motorelv.ie), the Department of Transport's online system for issuing electronic CoDs. The results were immediate and can be seen here. Now an ATF can issue the registered owner with a print of an electronic CoD should they request it, while the Driver Services Division will post out a copy within a week. The system can also be used with identification where the logbook is either lost or stolen.

### CoD Issuance by Method



% Age by Month



The ELVES Network has increasingly accepted more ELVs than all other independent ATFs put together. Additionally, the ELVES Network now issue the bulk of the CoDs for the country.

Year	ELVs through Network (%age nationally)	CoDs through Network (%age nationally)
2017	40%	62%
2018	53%	73%
2019	67%	80%
2020*	59%	79%

\* Reasonable determination at time of authoring and likely to change. Based on an adjusted CoD figure measured against an accurately estimated national ELV figure, the final numbers dependent on the EPA's determinations.

### Targets

ELVES has met the national targets 85/95% reuse, recycling, and other recovery in 2019. The ELVES Network has met and exceeded the targets in 2020, and expect that this, like in previous years, will have a strong influence on national target achievement in 2020.

As before, ELVES measured target against the estimated total ELVs arising. Therefore, the benchmark for target achievement by ELVES is guided firstly by the total number of ELV arising at the metal reprocessing operations, followed by crosschecks at ATFs.

%age nationally	2017	2018	2019	2020*
Reuse & Recycling	85.9	86.2	87.7	85
Recovery & Reuse	94.6	95.2	95.2	95

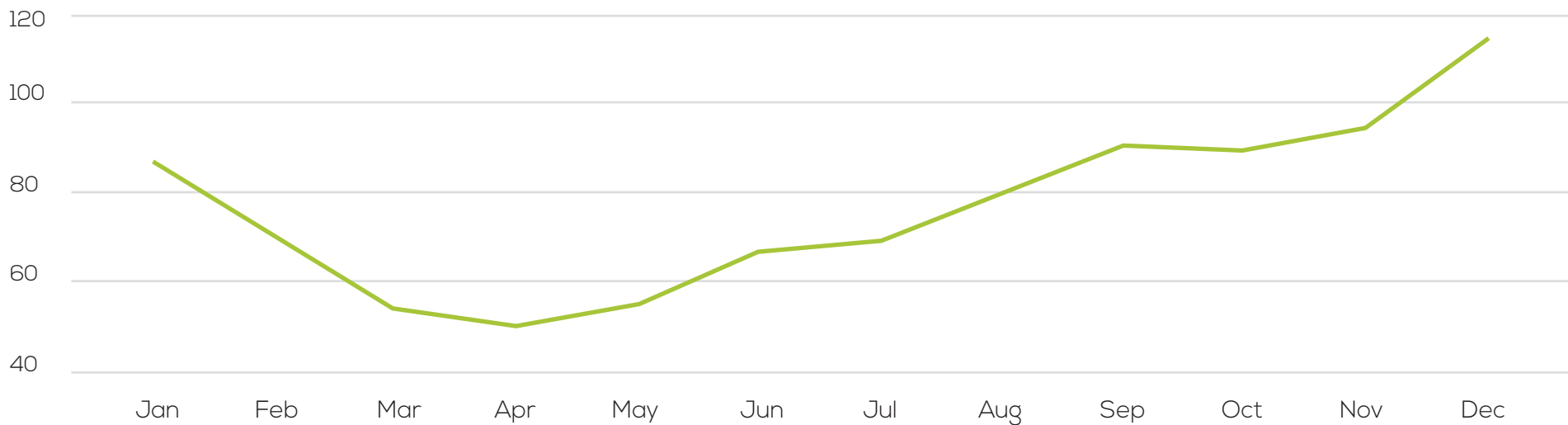
\* The data is subject to further analyses and validation by the EPA, but ELVES is confident it will meet national targets.

ATFs cannot meet targets on their own and depend on downstream metal reprocessors to use PST on the ASR fraction to further separate material for recycling. ELVES financially support these PST operations and thereby ensure that all the ATFs in our Network meet their targets, as legally required. It is this support which contributes to the total recovery percentage that meet national targets.

### Scrap Prices

Scrap car and metal prices took an obvious dip in March and April, but as there was a shortage of virgin raw materials for the remainder of the year, scrap prices steadily increased.

#### Scrap Car Prices

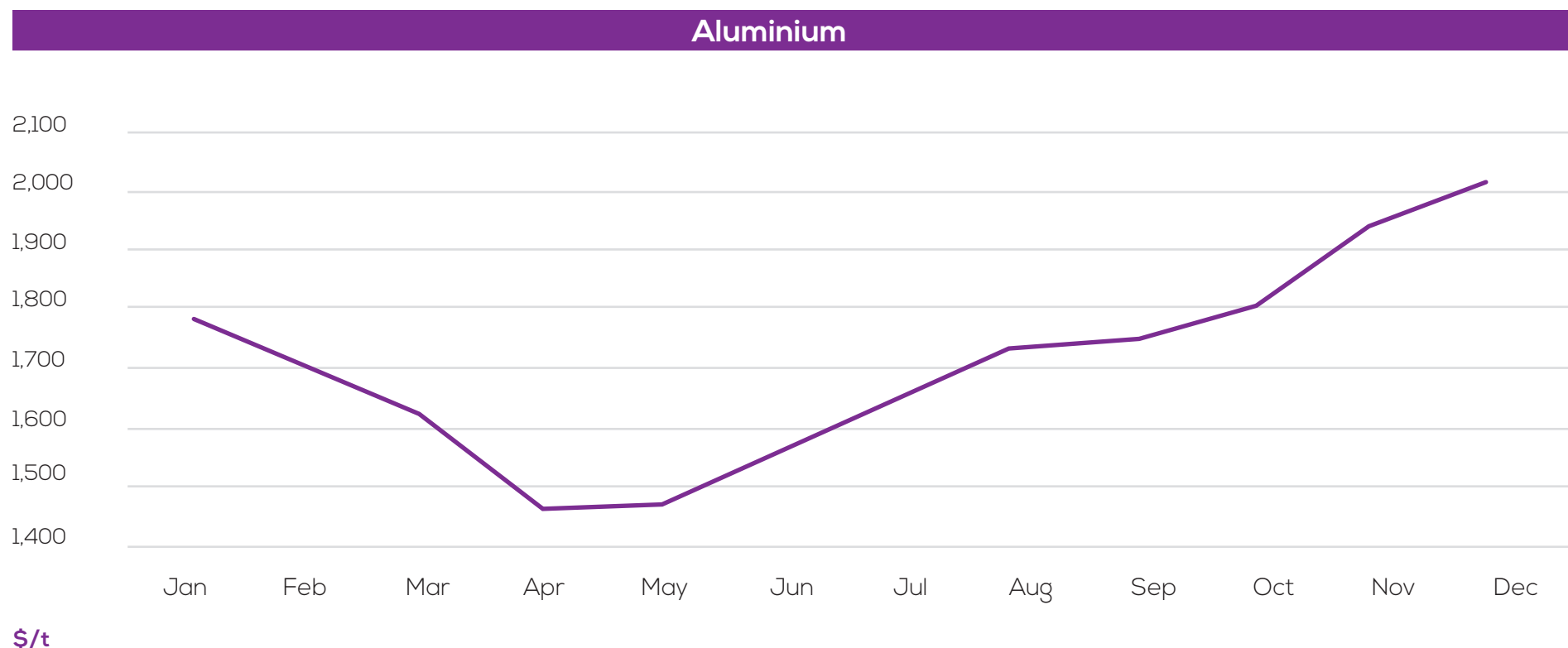


£/t

Source: With kind permission from Letsrecycle.com

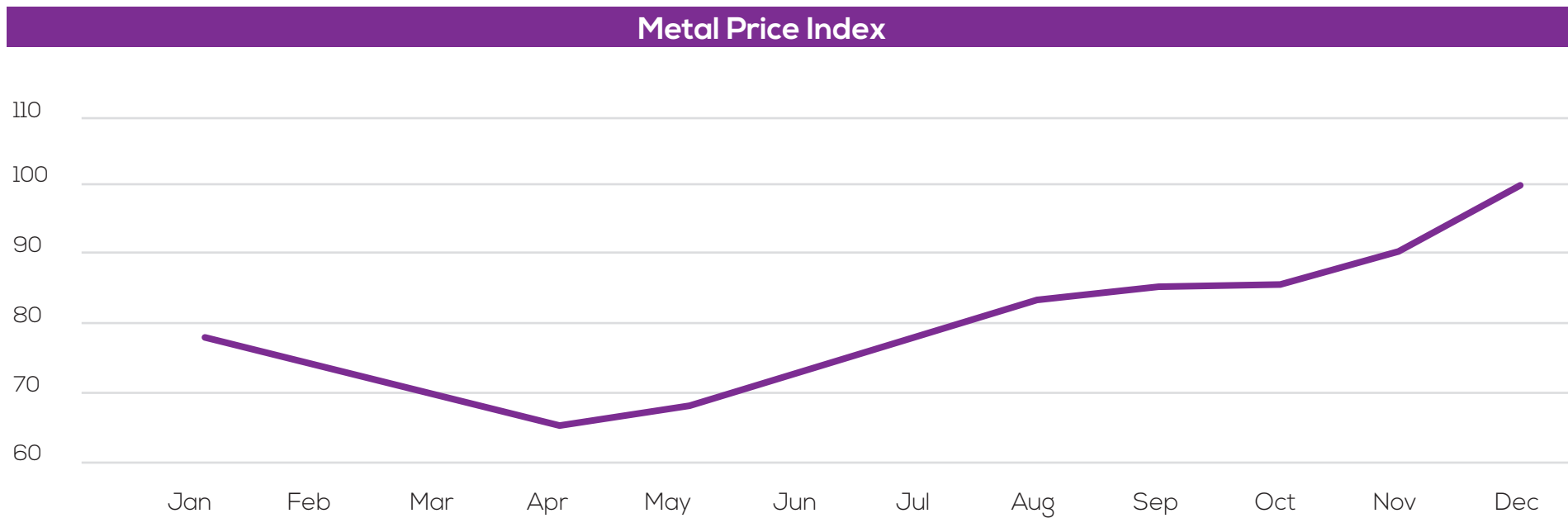
(<https://www.letsrecycle.com/prices/metals/ferrous-metal-prices/ferrous-scrap-metal-prices-2020/>). Prices are indicative.

While production of specific raw materials slowly restarted around the world, further impeded by the lack of logistics, ATFs and metal reprocessors saw the value of their recovered waste rise and indications are that they decided to de-stock their premises and realise the value of the material.



Source: With kind permission from IndexMundi.com

(<https://www.indexmundi.com/commodities/?commodity=aluminum&months=12>)



#### Price Index

**Source: With kind permission from IndexMundi.com**

(<https://www.indexmundi.com/commodities/?commodity=metals-price-index&months=12>)

This demonstrates not only circularity, but also that ATFs and metal reprocessors do not operate a calendar year business model. They tend to hold onto their material and wait to achieve a better price for it. As ELVES quantifies the number of ELVs recycled, and not stored on-site, it is likely the number of ELVs reprocessed in 2020 will be greater than expected.

## 4. Education & Awareness

ELVES made a few changes to the PR plan originally devised at the end of 2019. The main changes were the cancellation of all events, a reduction in print advertising, a concentration on local radio and digital media, and a reduction of the PR budget for Q4. The main digital advertising platforms used were Facebook, Google, and a mix of targeted website advertising. In 2020, ELVES added YouTube, Twitter, and Instagram to this line-up.

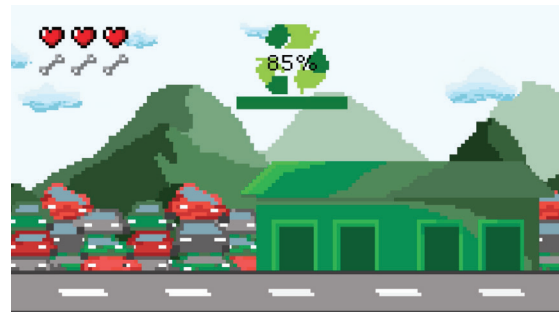


At the start of the year, the winning entry of our animation competition in collaboration with Limerick School of Art and Design (LSAD) was announced. The three 3rd year students of the Animation & Motion Design Course at LSAD cleverly used a retro computer-game style to illustrate the journey of an ELV. The result clearly shows the steps involved in scrapping a vehicle. The standard of the entries was so high that each of the videos deserves a viewing.

They can be seen on the ELVES YouTube channel

(<https://www.youtube.com/channel/UCIY2TRZu7ByPjaOUJSI64Fg>).

Other competitions included guessing the time Hughie the Heinkel went around Mondello racetrack and a colouring competition for younger folk.

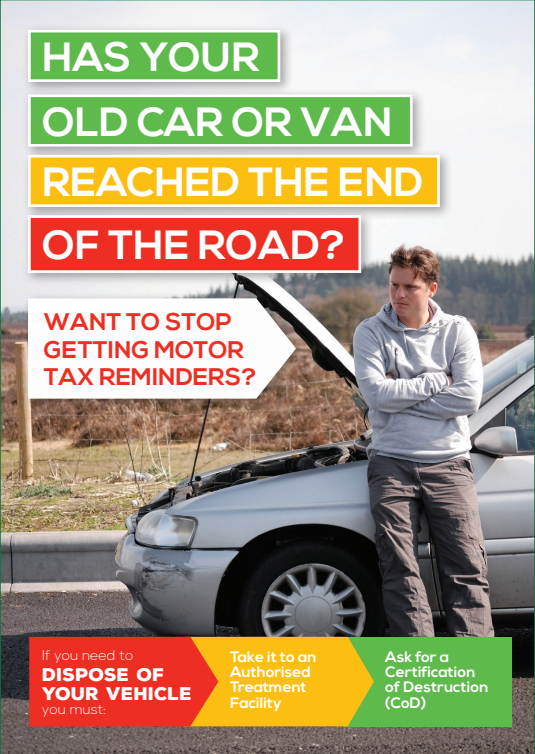




Additionally, as lockdown restricted the movements of people and businesses, Bomedica ([www.bomedica.tv](http://www.bomedica.tv)) created a video for ELVES showing how to scrap a car whilst minimising contact. It is important to note that ATFs in the ELVES Network offered a home collection service and were able to remain open as an essential service.

### Motor Tax Renewal Reminders

With the support of the Department of Transport, ELVES continued to supply the leaflets for inclusion in every motor tax reminder sent by post to vehicle owners in Ireland.



**HAS YOUR  
OLD CAR OR VAN  
REACHED THE END  
OF THE ROAD?**

**WANT TO STOP  
GETTING MOTOR  
TAX REMINDERS?**

If you need to  
**DISPOSE OF  
YOUR VEHICLE**  
you must:

Take it to an  
Authorised  
Treatment  
Facility

Ask for a  
Certification  
of Destruction  
(CoD)

**Scrapping a Car or Light Commercial Vehicle:  
What you need to know**

This information applies to:

- Domestic or passenger cars/SUVs/vans (no more than 9 seats).
- Commercial vans/ light goods vehicles (under 3,500kg in weight).

An Authorised Treatment Facility (ATF) is a permitted scrapyard that will accept your vehicle free of charge (if it is complete and free of rubbish).


You can find an ATF near you by checking your local authority website. If you are scrapping your vehicle, you should always use an ATF. If you do not, you could be liable for a €100 fine.

Only ATFs can issue you with a Certificate of Destruction (CoD).


A CoD marks your vehicle as scrapped on the Department of Transport's central database.

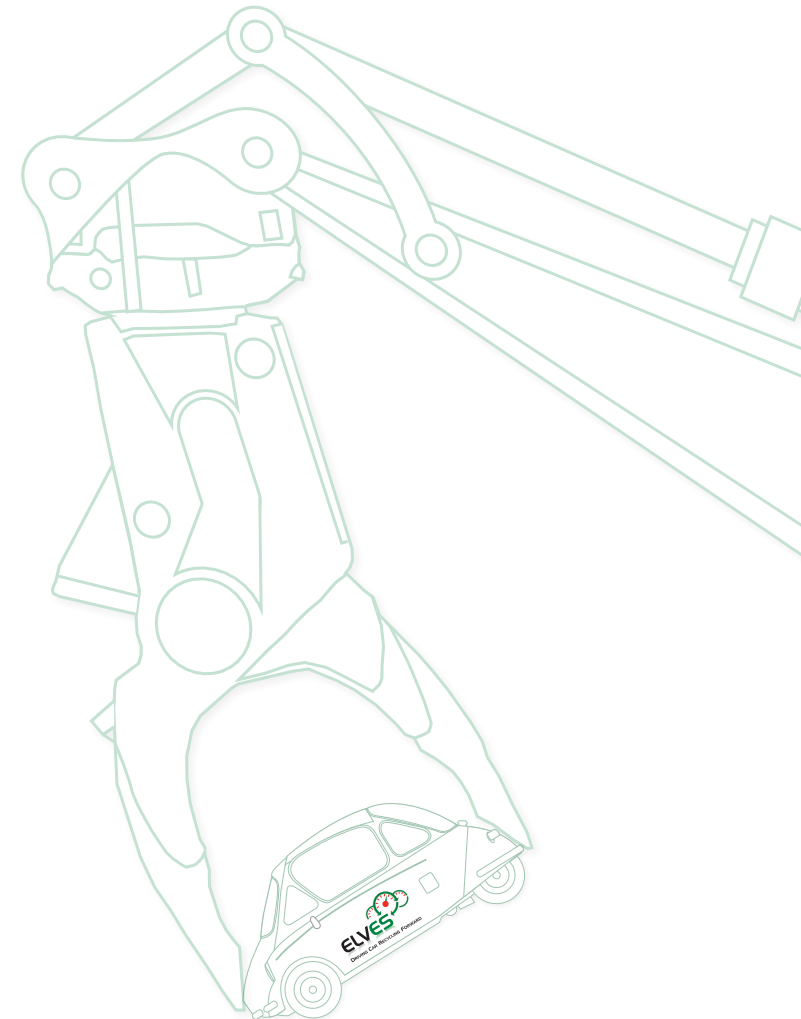
Once a CoD has been issued, you will no longer receive motor tax reminders.

**This information is brought to you by**



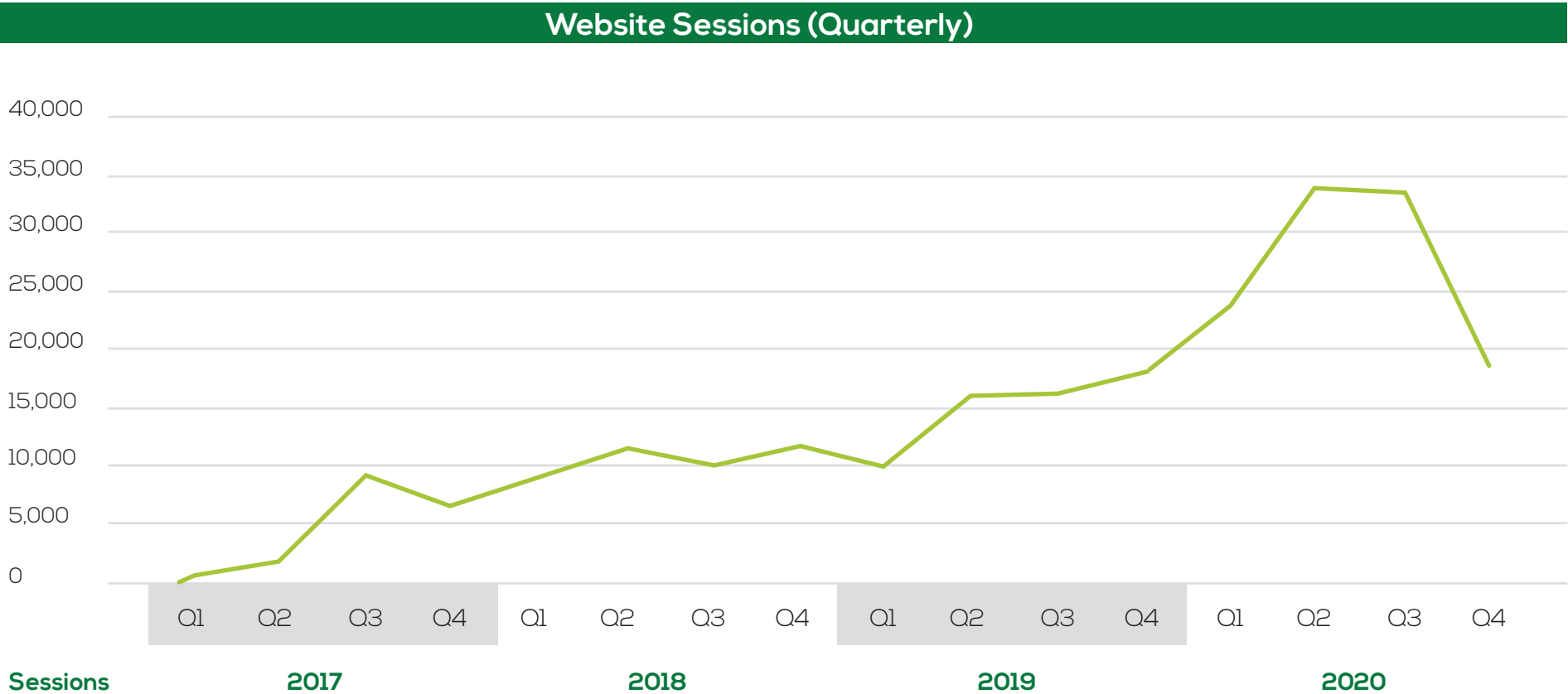
Riailtas na hÉireann  
Government of Ireland



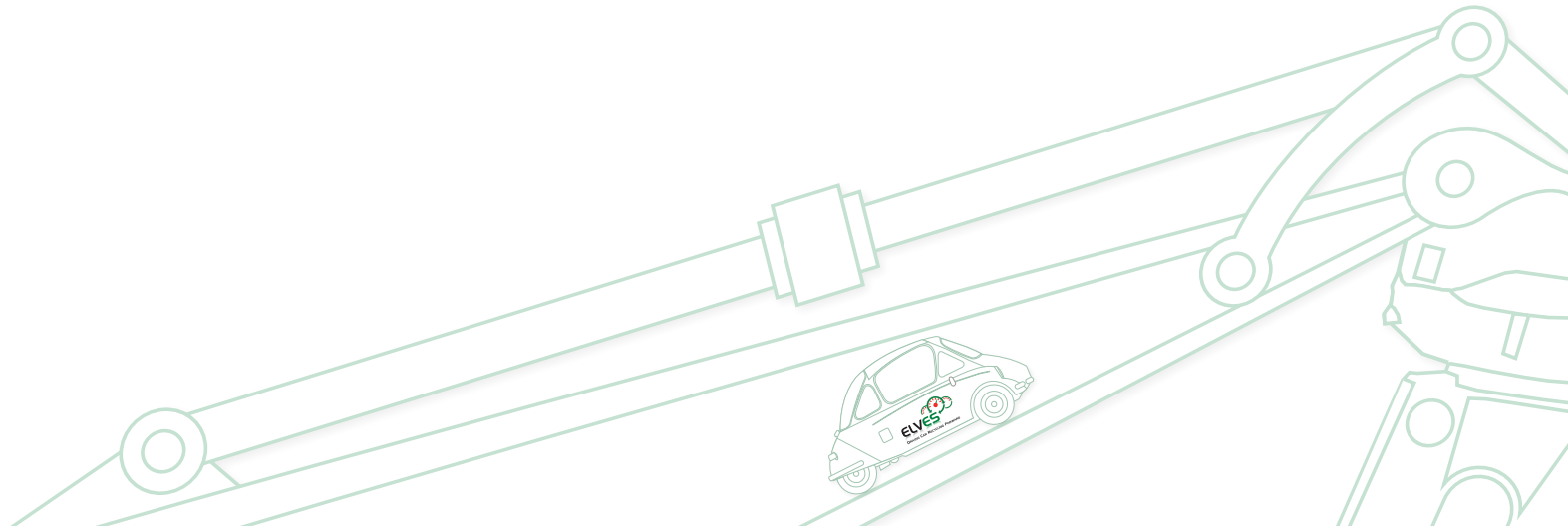


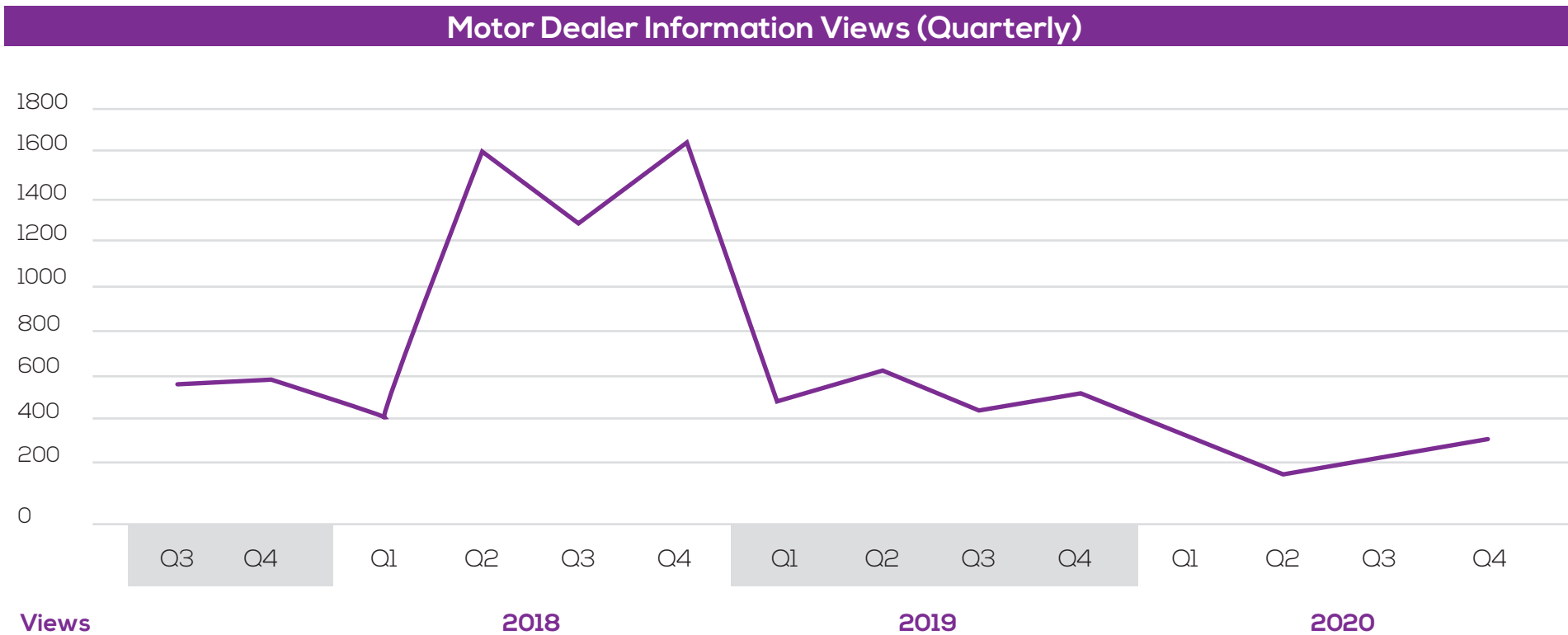
Impact

Given the restrictions, our education and awareness activities in 2020 showed an increase in the volume of traffic to our website, searches for ATFs undertaken, followers of our Facebook page, and vehicle importers seeking further information on joining ELVES via our website.



### ATF Searches (Quarterly)





At the end of Q3, ELVES revised its advertising and PR plan, namely reducing its budget. The effects of this are shown in the graphs. On a positive note, it does show that the online activity and PR are having the desired result.

## 5. Electric ELVES

Electric ELVES is the programme for industrial batteries (soon to be defined as an EV battery) from hybrid and electric vehicles in Ireland. It has been set up by ELVES and information on its operation has been sent to ATFs, OEMs, Distributors, and dealerships. The Electric ELVES programme provides support to these undertakings should they receive an EV battery that needs collection. The programme is available to all ATFs, not just those in the ELVES Network. It also covers those EV batteries arising in the aftersales sectors. With the support of the IMVRA, the programme provides a variety of supports to ATFs in the handling of these vehicles including:

- **Hybrid and electric vehicle awareness training,**
- **Information on safe battery removal via the International Dismantling Information System (IDIS),**
- **Additional manufacturer support in the event of a damaged EV battery, and**
- **Free collection and recycling of EV batteries if required.**

The awareness training that originally commenced in September 2019 continued in January 2020 in Dublin, Cork, and Galway. All ATFs were encouraged to sign-up.

Change is coming to the EV battery supply chain, and these changes will affect how they are managed at end of life. The EU have stated:

*'Batteries development and production is a strategic imperative for Europe in the context of the clean energy transition and is a key component of the competitiveness of its automotive sector'.*

Accordingly, a number of significant initiatives have been put in place to support the development of the European supply chain including the European Battery Alliance (EBA). Its strategic objectives are to:

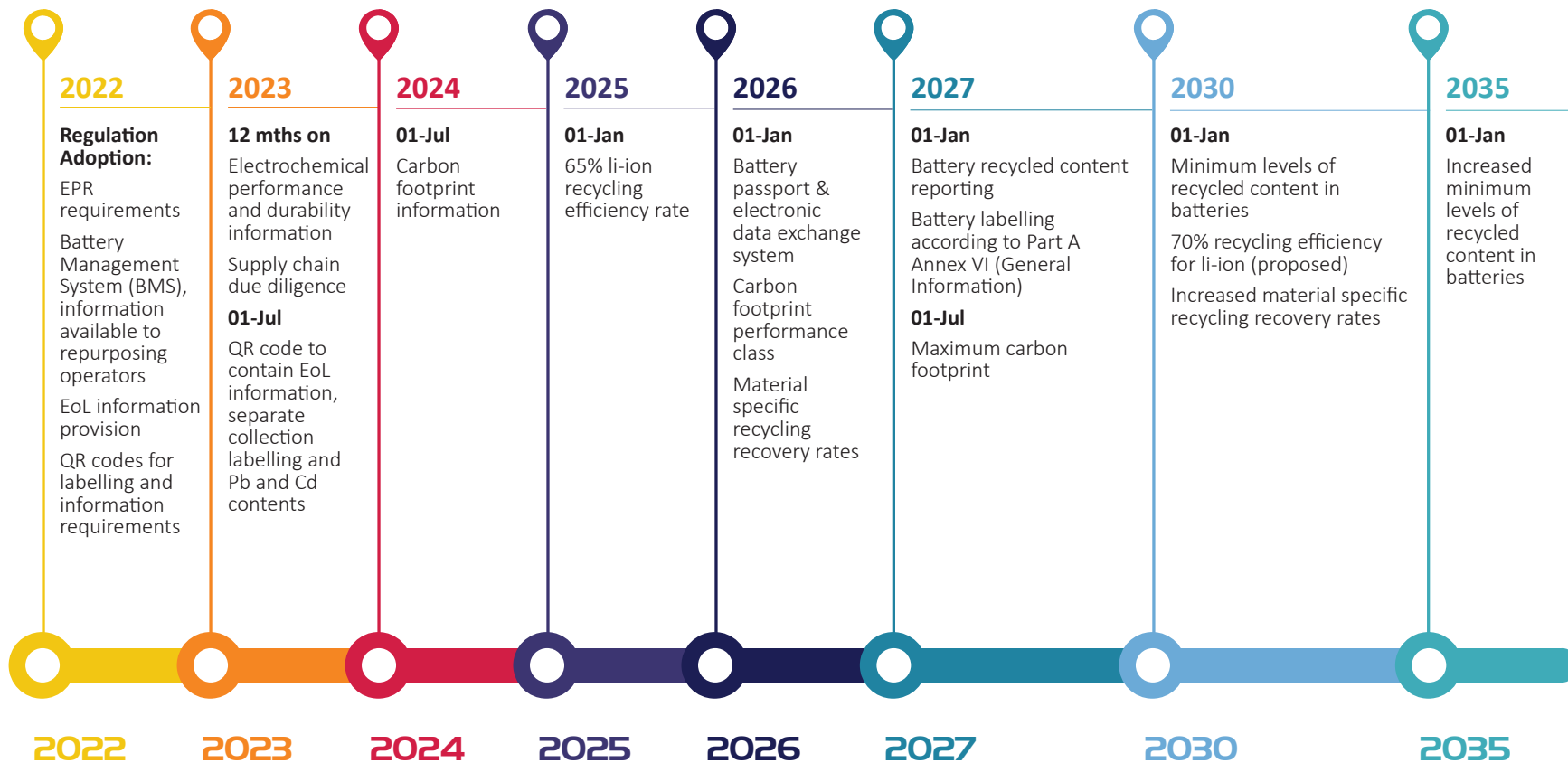
- **Secure access to raw materials,**
- **Support European battery cells manufacturing at scale and a full competitive value chain in Europe,**
- **Strengthen industrial leadership through stepped-up EU research and innovation,**
- **Develop and strengthen a highly skilled workforce in all parts of the battery value chain,**
- **Support the sustainability of EU battery cell manufacturing industry with the lowest environmental footprint possible, and**
- **Ensure consistency with the broader enabling and regulatory framework.**

In December 2020, the European Commission published a draft Batteries Regulation to ensure a safe, circular, and sustainable battery value chain for all batteries, including to supply the growing market of electric vehicles. It marks a significant departure from the current Directive. The Regulation includes measures to improve raw material sourcing, recycling, reuse/ repurposing, and the establishment of an EPR scheme for EV batteries. Recycling is a key aspect to:

- **Secure materials supply,**
- **Make batteries more sustainable, and**
- **Reduce reliance on mined raw materials from outside Europe.**

EV batteries and their reuse have now been newly defined and are seen as most important for security and sustainability, with their future management being mapped out until 2035.

## THE NEW BATTERIES REGULATION REQUIREMENTS FOR ELECTRIC VEHICLE BATTERIES OVER 2KWH



## 6. Regulator & Local Authority Engagement

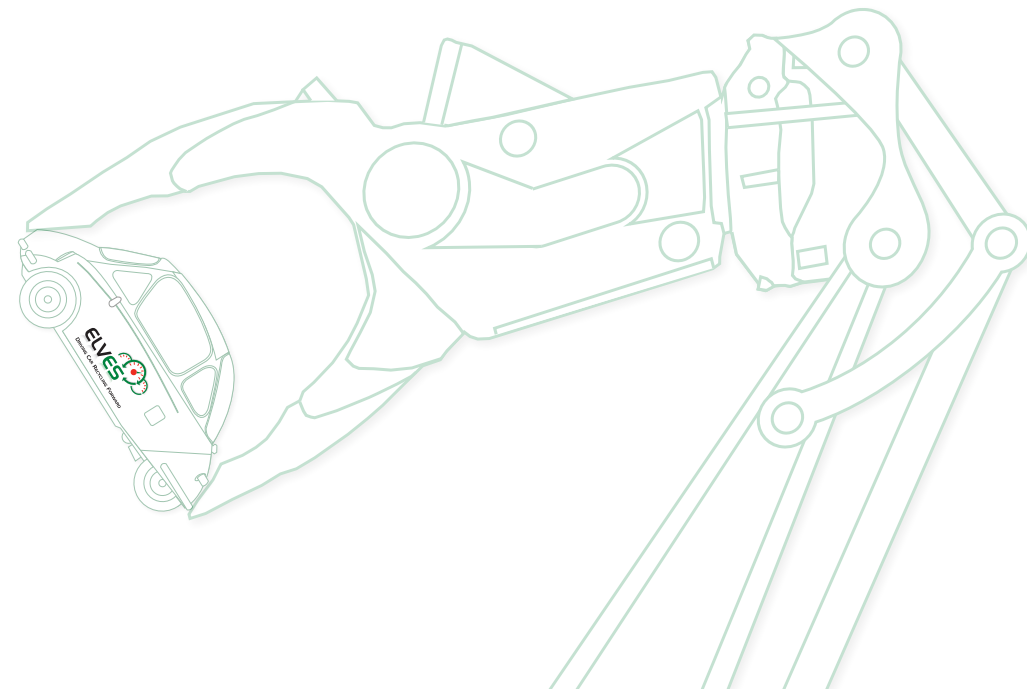
A strong, effective enforcement regime is essential to ensure high levels of compliance and target achievement. While ELVES is responsible for the target achievement of its Network, it does not have direct responsibility for enforcement of the ELV Regulations. The Waste Enforcement Regional Lead Authorities (WERLAs) are responsible for coordinating waste enforcement actions within regions, setting priorities and common objectives for waste enforcement, ensuring consistent enforcement of waste legislation across the three existing waste management planning regions.

Despite restrictions, ELVES engaged with the DECC, DoT, the EPA, and some local authorities. Additionally, ELVES attended the Waste Advisory Group meetings and the Industry Contact Group to the National Waste Enforcement Steering Committee. Since operations began, ELVES has contributed to and expended income on the following areas.

### Destocking & Abandoned Vehicles

ELVES has established a fund to assist local authorities with the following:


- **Abandoned vehicles that local authorities had to pay to be removed,**
- **Left on sites that had gone out of business (ATFs, garages, DIY-ers), and**
- **ELVs on private land (e.g. farms).**






## Enforcement Portal

ELVES continues to work with the WERLAs on the development of a portal so that individual LAs may access it to assist their enforcement activities.



 (ELVES) is logged in. [Logout](#) | [Change my Password](#)


### Welcome to the ELVES Enforcement Portal

[Applications in Process](#)
[Applications Revoked](#)
[Current Members](#)
[Lapsed Members](#)

#### ELVES Applications in Process

Applications in All Local Authorities

The following Motor Dealers have made applications to ELVES for membership:

 41 Applications found

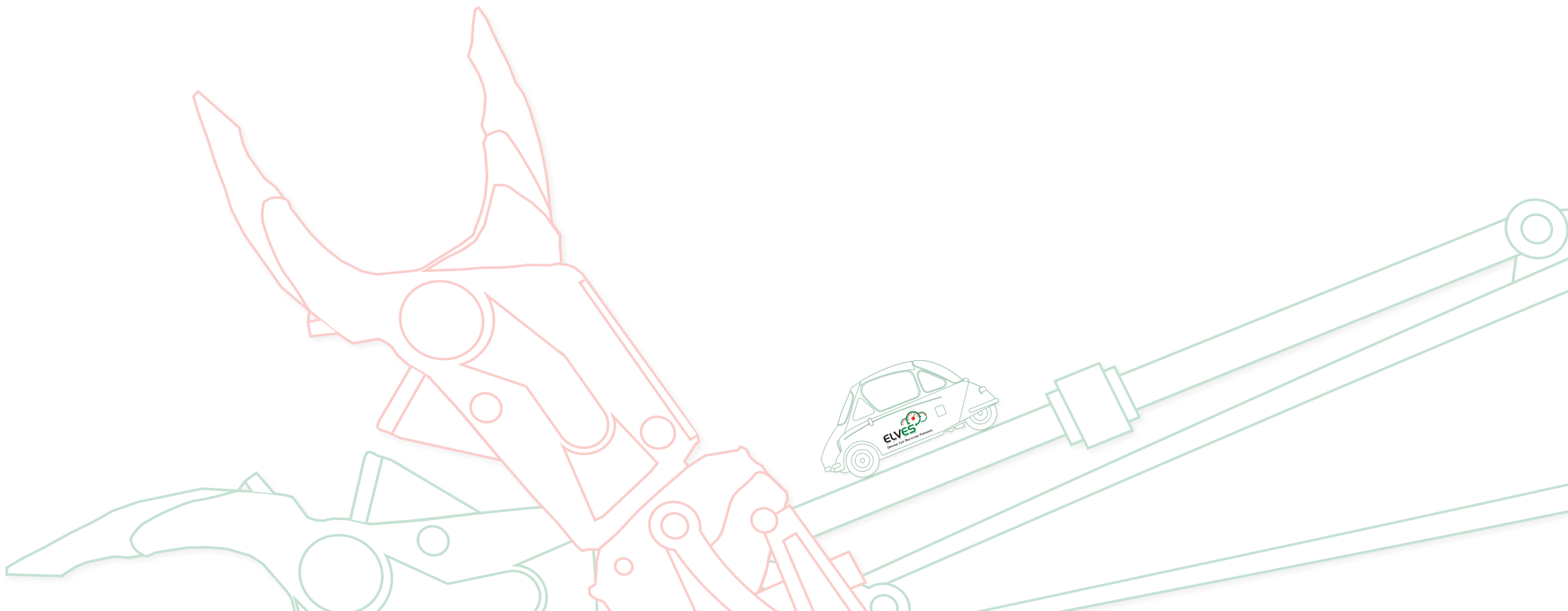
Applicant Name	Site Address	Local Authority Area	Date Application Received	Application Status	Date Invoice Issued
Car Dealer Inc	Motoring Drive, Naas, Co. Kildare	Kildare County Council	09 May, 2019	Invoice Sent	09 May, 2019
Imports PLC	New Car Lane, Mallow, Co.	Cork County Council	15 April, 2019	Invoice Sent	15 April, 2019

## Enforcement

ELVES continues to provide industry expertise and knowledge to the relevant authorities and their agents, as requested. ELVES has also made financial provisions in its Strategic Plan and annual budgets to support enforcement, particularly concerning *professional importers*. To-date there have been no convictions of a *professional importer*.

A targeted inspection programme of authorised ELV sites and ELV operators and coordinated actions against unauthorised ELV sites and ELV operators was planned as part of the national waste enforcement priorities for 2020.

As part of a compliance assistance approach, ELVES continues to work with local authorities encouraging obligated *producers* to become compliant.



## 7. Outlook for 2021

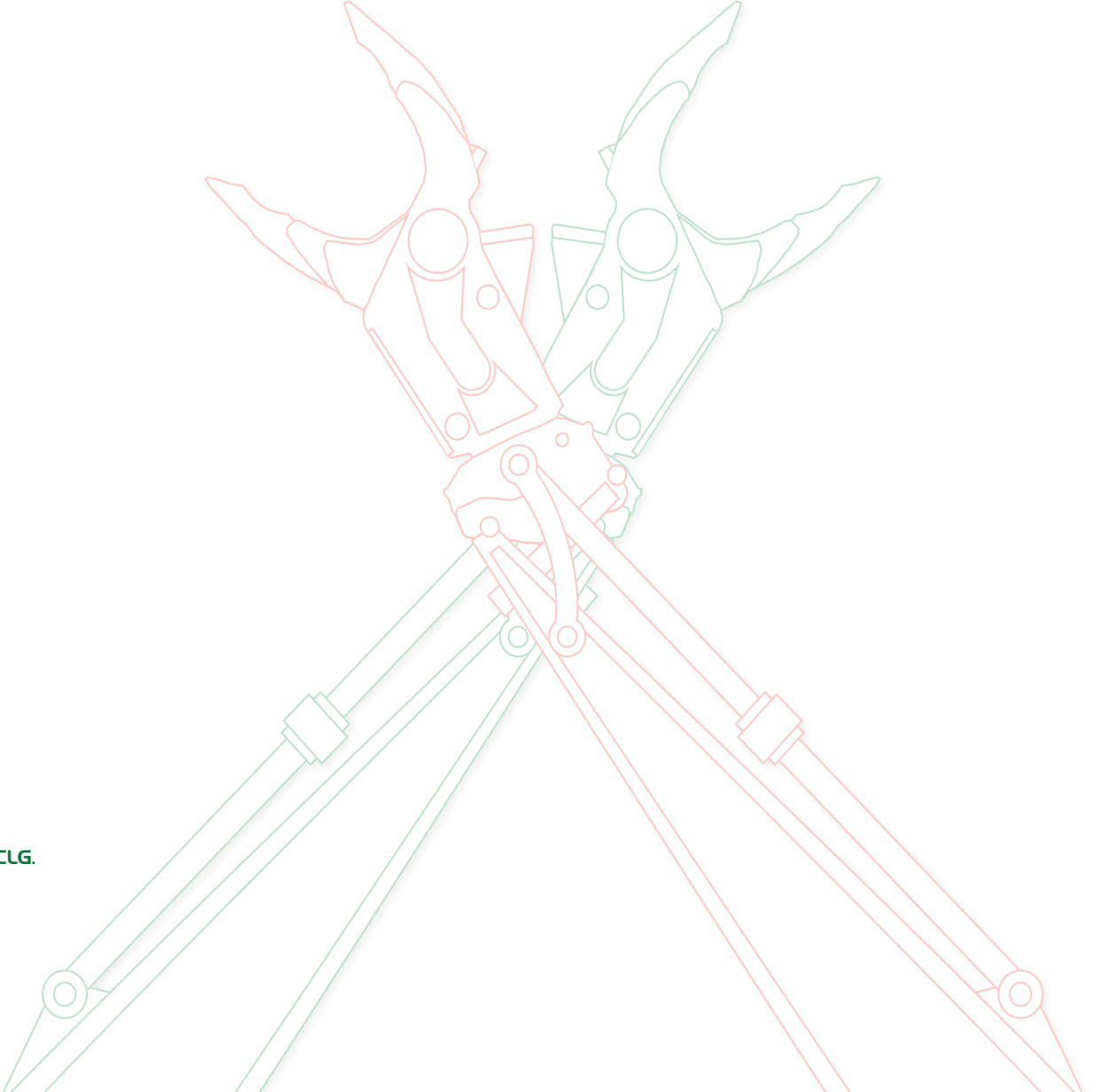
The objectives for 2021 are to:

- **Meet targets and continue data reporting improvements,**
- **Identify training needs of the waste management sector,**
- **Continue advancements in the Electric ELVES programme,**
- **Adopt imminent changes in EU and national legislation, and**
- **Apply for re-approval.**

There have been many changes over the past few years with respect to the way data is reported and analysed. The ATFs in the ELVES Network are constantly improving their data reporting procedures and are now familiar with the revised AERs. ELVES will continue to assist the Network with their reporting.

Our Electric ELVES training will go online and will be further supplemented with F-gas training, a qualification required for the handling of mobile air-conditioning gases in vehicles. Hopefully, some of this training will be in person towards the end of 2021.

As indicated, the draft Batteries Regulation has been published. Now that there is a specific definition of an EV battery, and reuse and repurposing, the motor sector will be preparing for its compliance obligations in this area. As always, ELVES will be there to assist them in this new and exciting future.



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