

GLOBAL EXPERIENCE IN UTILIZATION FEE COLLECTION

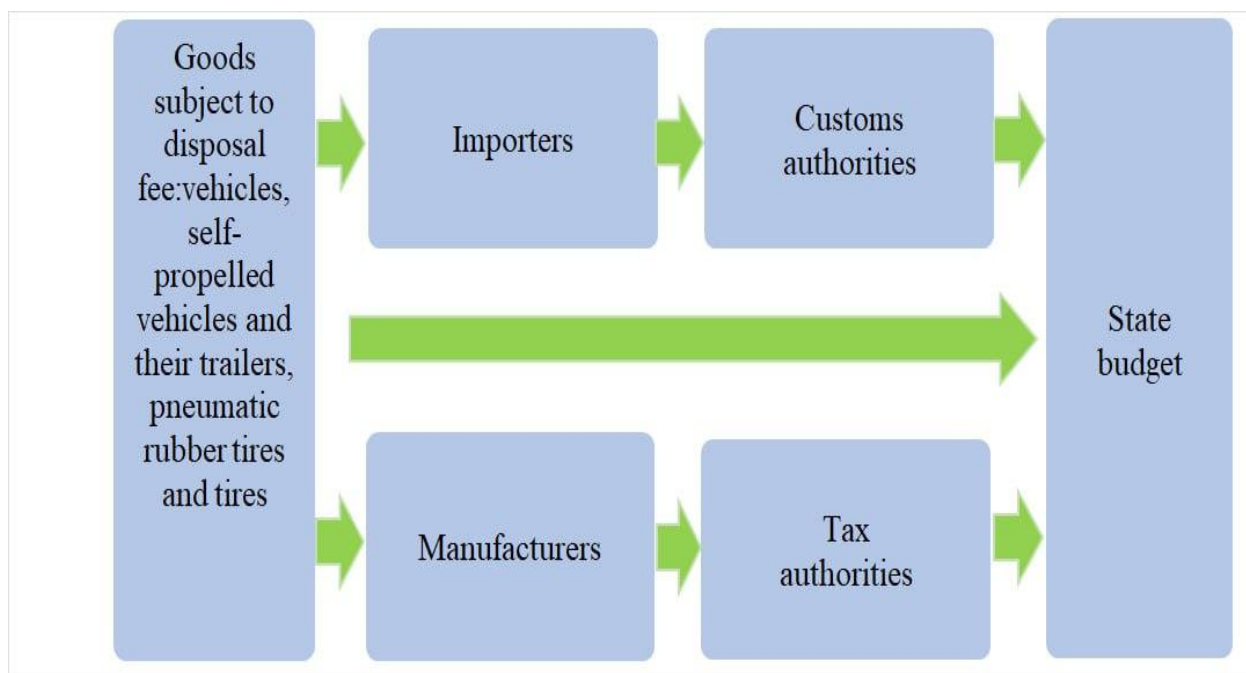
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ABSTRACT	KEYWORDS
This article studies the purpose of the utilization fee collection system, its various applications, and how it differs from similar mechanisms. It provides a comparative analysis of international and domestic experiences in its implementation. The article also examines practical challenges in the field and offers realistic suggestions for resolving them. In addition, it touches upon the impact of utilization fees on the global economy and the types of products for which the fees are levied. The current conditions are detailed, and the article presents topic-based scientific proposals and practical recommendations.	Utilization fee collection system, ELV (End-of-Life Vehicle) system, Extended Producer Responsibility (EPR) system, import, manufacturers.

Introduction

With the expansion of industrial production, waste generation is also growing. This raises environmental concerns and necessitates new economic and legal mechanisms for waste management. One such mechanism is the **utilization fee**, which ensures proper disposal and recycling of end-of-life products, especially vehicles. The purpose of introducing this fee is to establish a circular economy and reduce the harmful effects of waste on the environment.

Developed countries introduced utilization fees years ago and have seen improvements in waste management, especially for vehicles. These systems often function under the **Extended Producer Responsibility (EPR)** principle, where manufacturers/importers are held accountable for the full lifecycle of their products.



DISCUSSIONS

Global Experience in Utilization Fee Collection

Countries around the world apply utilization fees in different ways, depending on their economic systems, legal frameworks, and environmental policies. Some prominent examples include:

European Union (EU):

The EU's **ELV Directive** (2000/53/EC) regulates end-of-life vehicle recycling. Member states require manufacturers to take back and recycle vehicles, with the utilization fee typically included in the cost of new cars.

Japan:

Japan introduced the **Automobile Recycling Law** in 2005. The utilization fee is collected when vehicles are sold or registered, and is used for dismantling, recycling airbags, and treating fluorocarbons.

South Korea:

The country has implemented the EPR system since 2003. Producers are obligated to collect and recycle waste generated by their products. Utilization fees vary based on product type and environmental impact.

Russia:

Since 2012, Russia has enforced a utilization fee on vehicles, both imported and locally produced. This fee aims to fund recycling systems and encourage domestic production.

Each of these systems has its own approach, but they share the goal of minimizing waste and ensuring responsible product lifecycle management.

The Purpose and Benefits of Utilization Fees

The primary goals of utilization fee collection include: Encouraging producers and importers to be environmentally responsible. Creating a fund for recycling and waste processing infrastructure. Reducing illegal dumping and informal waste processing.

Promoting recycling and reuse through incentives. Protecting public health and the environment. Such systems are especially vital for vehicle recycling due to the hazardous materials and large volumes involved.

The Importance of EPR (Extended Producer Responsibility)

EPR policies hold producers responsible for the disposal of their products. This promotes eco-design, reduces environmental impact, and incentivizes sustainable production. The EPR approach:

Transfers waste management costs from governments to producers. Promotes circular economy strategies. Helps create green jobs in recycling and waste management sectors. Examples of EPR-based systems include Germany's **Duales System**, France's **Eco-Emballages**, and Korea's **Producer Responsibility Recycling Program**.

Practice of Collecting Utilization Fees on Imports in Uzbekistan

Existing Legal Framework and Practice

The system for collecting utilization (recycling) fees in the Republic of Uzbekistan has been introduced in recent years, and its legal foundation is established through a number of regulatory and legal documents. These include the **Law of the Republic of Uzbekistan “On Waste”**, the **Law “On Environmental Protection”**, the **Resolution of the Cabinet of Ministers “On the Introduction of a Utilization Fee for Certain Types of Goods”**, the **Resolution “On Approval of the Regulation on the Procedure for Collecting, Refunding, and Using the Utilization Fee for Wheeled Vehicles, Self-propelled Machines, and Their Trailers”**, among others.

The primary goal of this system is to reduce waste, promote recycling, and protect the environment. The utilization fee serves as an economic measure to ensure environmental protection.

Existing System’s Shortcomings and Challenges

Although the utilization fee system has been introduced only recently in Uzbekistan, the following issues persist:

Limited scope of goods: Currently, the fee is applied only to motor vehicles, self-propelled machinery, and tires. It does not cover products such as motorcycles, scooters, quad bikes, electronics, batteries, or plastic packaging.

Weak oversight ensuring transparency of mechanisms: There is a lack of transparency in how collected funds are spent on recycling and waste management infrastructure. This infrastructure remains underdeveloped.

Lack of environmental responsibility throughout the product lifecycle: Manufacturers or importers are not formally held responsible for the environmental impact of products throughout their entire lifecycle.

Non-compliance with international standards: The system is not harmonized with international laws and norms such as ELV (End-of-Life Vehicles) and EPR (Extended Producer Responsibility).

Proposals for Improving the Utilization Fee Collection System in Uzbekistan

Introduce EPR and ELV systems adapted to the conditions of Uzbekistan; Expand mandatory utilization fees to include motorcycles, scooters, quad bikes, electronics, batteries, plastic packaging materials, accumulators, and oils; Assign financial responsibility to manufacturers and importers to ensure end-of-life recycling of their products; Optimize utilization fees for electric and hybrid vehicles; Introduce tax incentives to encourage private sector participation by establishing special recycling zones; Ensure transparency in the mechanisms for financing and using the collected utilization funds.

Existing Legal Framework and Practice

In the Republic of Uzbekistan, the system for collecting utilization fees has been introduced in recent years, with its legal basis established through a number of normative legal documents. These include the Laws of the Republic of Uzbekistan “On Waste” and “On Environmental Protection,” as well as Resolutions of the Cabinet of Ministers such as “On the Introduction of Utilization Fees for Certain Types of Goods” and “On Approval of the Procedure for Collecting, Refunding, and Using Utilization Fees for Wheeled Vehicles, Self-Propelled Machines, and Their Trailers,” among other regulatory documents. The main objective of this system is to reduce waste, encourage recycling, and protect the environment. The utilization fee serves as an economic measure to ensure environmental protection.

Mechanism	Main aspects	Peculiarities
Utilization fee collection system	- Imported cars are subject to Utilization fees, which are spent on recycling.	This system is mainly aimed at raising funds for the recycling of waste produced after cars.
	Responsibilities are imposed on importers and producers.	The Utilization fee may be different for each vehicle.
	This system collects funds for returns and processing.	Fees paid are directed to enterprises responsible for recycling.
ELV (End-of-Life Vehicle) system	A system focused on the recycling of end-of-life vehicles.	After the end of life of cars, they are handed over to recycling centers.
	Metal, plastic and other parts of cars are processed.	High environmental standards are followed in the processing of cars.
	Regulated by the ELV directive and laws (in the European Union, Japan, the USA, etc.).	Fees or measures are established to ensure recycling in accordance with standards.
Extended Producer Responsibility (EPR)	Requires manufacturers to be responsible for the Utilization and recycling of their products.	Manufacturers and importers are responsible for reducing the environmental impact of products.
	Every manufacturer or importer pays a fee for the recycling of their products after they are used up.	Additional funds are paid for recycling or protecting products from environmental hazards after their end of life.
	Updated EPR systems often provide a balance between the producer and payer in different countries, particularly in the European Union and the United States.	This system is aimed at improving environmental efficiency and recycling resources.

Shortcomings and Challenges of the Existing System

Although the system for collecting utilization fees has been recently implemented in Uzbekistan, the following issues exist:

Limited Range of Goods: The fee currently applies only to motor vehicles, self-propelled machinery, and tires. It does not cover motorcycles, scooters, ATVs, electronics, batteries, plastic packaging, and similar products.

Weak Oversight Ensuring Transparency of Mechanisms: There is a lack of transparency regarding how the collected funds are spent on recycling and disposal infrastructure. Additionally, the recycling and disposal infrastructure is underdeveloped.

Lack of Environmental Responsibility Throughout the Product Life Cycle: Producers and importers are not formally held responsible for the environmental impact of their products throughout their life cycle.

Non-Compliance with International Standards: The system is not aligned with international regulations and standards such as ELV (End-of-Life Vehicles) and EPR (Extended Producer Responsibility).

Recommendations for Improving the Utilization Fee Collection System in Uzbekistan

Introduce EPR and ELV systems adapted to the conditions of Uzbekistan; Implement mandatory utilization fees for motorcycles, scooters, ATVs, electronics, batteries, plastic packaging materials, accumulators, and lubricants; Impose financial responsibility on manufacturers and importers to ensure disposal at the end of the product's life cycle; Optimize utilization fees for electric and hybrid vehicles; Establish special disposal zones and introduce tax incentives to encourage private sector participation; Ensure transparency in the funding and utilization of collected fees.

CONCLUSION

The system for collecting utilization fees plays an important role not only in protecting the environment but also in enhancing economic stability and social responsibility. Global experience shows that, when effectively managed, utilization fees significantly contribute to the development of the recycling industry, creation of new jobs, and conservation of resources. For Uzbekistan, it is crucial to study international practices and develop an effective, locally adapted system. The utilization fee collection mechanism is considered an important step globally toward environmental protection and efficient use of resources. Countries such as the European Union, Japan, Russia, and China have successfully implemented this system, achieving both environmental and economic benefits. Differences in utilization fee collection mechanisms between countries reflect their specific environmental needs and national strategies. These systems are expected to be further enhanced in the future with the introduction of new technologies and innovative solutions.

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