

# Risk Profiling and Illegal Shipment Takeback Cases in the United States



Robert Heiss, U.S. Environmental Protection Agency

Siem Reap, Cambodia

November 30, 2010

# Presentation Outline

- Overview of risk profiling by the USEPA
- Introduction to intelligence-led enforcement
- Examples of risk profiling
- Takeback of illegal shipments
- Lessons learned

# Risk Profiling in the U.S.

- Methodology to identify high risk or suspicious shipments in order to successfully target inspections, based on collection and analysis of information from number of sources
- Means of maximizing potential enforcement return from expenditure of limited available resources for inspections and criminal investigations

# Risk Profiling and Intelligence-Led Enforcement

- Risk profiling provides valuable inputs for intelligence-led enforcement (ILE), and ILE in turn enhances quality of risk profiling.
- ILE is proven decision-making process that achieves:
  - Vastly expanded visualization of enforcement landscape
  - Better decision-making
  - Broader disruption and dismantling of illegal activity



# Example: MV Vera D Incident

- In August 2010 EPA received intelligence that containers of CRTs were leaving Port of Savannah, Georgia for Lagos, Nigeria.
- No prior notice and consent occurred for shipment.
- Efforts were made to stop shipment prior to leaving U.S.
- Unfortunately, ship with containers left US port for Nigeria.



# Example: MV Vera D Incident

- Relationships developed through INTERPOL's Environmental Crime Programme allowed EPA to transmit information through INTERPOL's secure network and conduct conference calls with Nigerian authorities (NESREA).
- Nigeria mobilized its customs, police and environmental agencies.
- Authorities met, inspected ship at port, confirmed contents were waste CRTs.

# Example: MV Vera D Incident

## Identification, Inspection of Suspect Containers





# Example: MV Vera D Incident

12

NEWS

LEADERSHIP<sup>®</sup> THURSDAY, OCTOBER 7, 2010

## Ship Containing Toxic Waste Detained At Tin-Can Port

A ship, MV Vera D, alleged to be carrying three containers laden with toxic waste, has been detained at the Tin-Can Island Port.

Reports from officials of the National Environmental Standard and Regulations

Enforcement Agency (NASREA) indicate that the ship arrived on Tuesday morning from the United States of America.

It was learnt that the containers had toxic black and white television sets. The containers were brought in by a Lagos shipping

agency.

Meanwhile, all security agencies, including the Nigeria Customs Service, Immigration Service and the Nigerian Ports Authority held a meeting yesterday to decide on the ship.

The meeting was also to ascertain the extent of the

toxicity of the items.

It would be recalled that this is the third time an incident like this would occur at the Tin-Can Island Port.

On two occasions, the ships were sent to their ports of origins after the contents were confirmed as e-waste. (NAN)■

# INECE Port Inspection Month (June-mid July 2010): US Efforts

- Secured closer cooperation between EPA and Customs
- Implemented intelligence-led approach to identify suspected illegal CRT exports
- Utilizing combination of investigative, regulatory, and enforcement information, shared intelligence with Customs concerning export of CRT waste.



# INECE Port Inspection Month

- Identified multiple recyclers, brokers, freight forwarders, consignees involved in apparent illegal movement of waste CRTs to Hong Kong, China, and Vietnam
- Identified recycler and broker found to be associated with current U.S. criminal investigation
- Developed better overall understanding of illegal e-waste trade based on information gained
- Can now implement methods to dismantle and disrupt illegal flow of used electronic products

# Case Study: E-waste Recycler

## Case Introduction

- Based in USA
- Suspected of exporting more than 300 shipments over three years
  - over 11,000 tons of waste
  - estimated value of \$1.6 million

# Case Study: E-waste Recycler-

Ongoing coordination with agencies, NGOs



# Case Study: E-waste Recycler- Coordinated Enforcement Action at Inspection of Facility



# Case Study: E-waste Recycler- Collaboration with Environment Canada



- Shared intelligence regarding e-waste exporters operating in Canada with ties to US e-waste recyclers.
- Identified one Canadian e-waste purchaser buying from this recycler on regular basis
- Successfully targeted commercial container exports from Canada to identify e-waste shipments

# Takebacks: US Authority Lacking in Law

- U.S. signed but has not ratified Basel Convention
  - Would provide takeback as well as import control authorities
  - Would establish controls over broader universe of imported and exported wastes than current U.S. hazardous waste law (RCRA)
- Pyramid Chemical case illustrated disadvantages of no takeback remedy—although takeback was not physically practicable, criminal prosecution was needed to establish liability for disposal of shipment.



# Returns of Illegal Imports

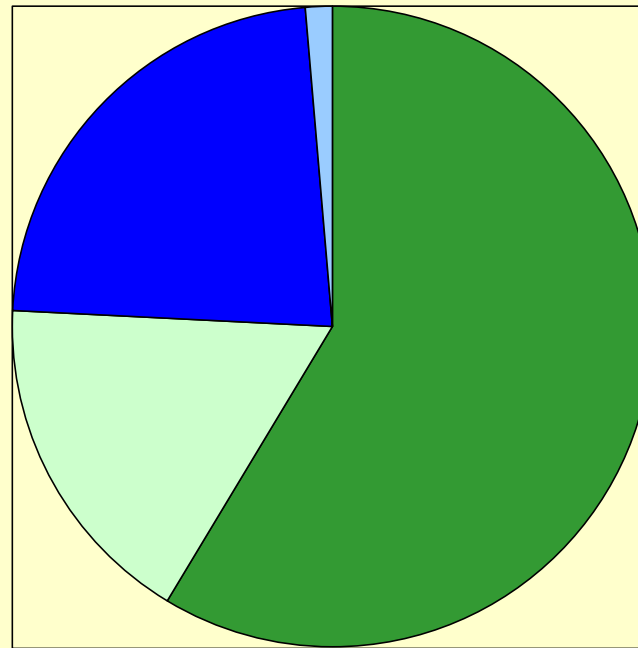
- Since 2007, Hong Kong has rejected more than 80 containers from U.S.
- Rejected material consists of:
  - waste CRT monitors
  - CRT glass waste
  - waste batteries
- Most shipments mislabeled as:
  - Scrap metal
  - Waste or scrap plastic



# Originating Ports of Rejected Shipments:

More returns on US-Asia shipping routes as result of coordination with Hong Kong environmental ministry

*Geographical distribution of returns in US:*



■ California ■ NW coast ■ NY/NJ ■ Other

# Difficulties with Disposition of Rejected Shipments

- Drain on resources to inspect all items
- Storage space/costs at port during inspection
- Proper disposal of hazardous waste
- Determining whether authority exists to order return of waste to originator



# US Lessons Learned: Risk Profiling

- Risk profiling greatly improves return on investment in environmental enforcement activities.
- Effective risk profiling depends on good relationships with enforcement partners, both domestic and international, and participation in networks (INTERPOL, INECE, regional enforcement networks).
- Integrating risk profiling into intelligence-led (“spider web of information”) enforcement system yields enhanced results.

# US Lessons Learned: Takebacks

- Lack of takeback authority leaves enforcement program with serious gap.
  - Increases government expense for prosecutions
  - Creates risk of unreimbursed repatriation, storage expense
- Even without takeback authority, cooperation and close communication with receiving country that rejects illegal shipments can produce returns, and opportunities to bring violators to justice.



Thank You!  
[heiss.robert@epa.gov](mailto:heiss.robert@epa.gov)