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6

31 **1. Introduction**

32 Waste from Electric and Electronic Equipment (WEEE) is one of the most critical waste flows
33 worldwide. On one side, it is one of the fastest growing flows, since the volume of WEEE
34 generated increases by a rate of 3-5% per year (Cucchiella et al., 2015). On the other side, products
35 in the end-of-life stage contain precious materials that could be recovered, as well as hazardous
36 substances that need to be treated and disposed properly (Mihai and Gnoni, 2016; Oliveira et al.,
37 2012; Ongondo et al., 2011). Despite the Basel Convention treaty, the US and many European
38 countries are exporting part of their WEEE to developing countries (mainly in Southeastern Asia
39 and Africa), contributing to resource depletion and material loss for the exporter countries, while
40 causing uncontrolled pollution and health issues related to a lack of waste valorization (Ongondo
41 et al., 2011; Tansel, 2017). Recently, the European Union established new collection targets for
42 the member States, passing from a fixed target (i.e. 4kg per inhabitant) (Directive 2002/96/EC) to
43 a floating one proportional to the average quantity of EEE sold in the (three) previous years
44 (Directive 2012/19/EU). This legislative change is forcing a strong increase in WEEE collection
45 rate, which mainly depends on service efficiency. The adoption of new logistics models is essential
46 to overcome some of the main criticalities related to WEEE collection. One recent solution, studied
47 in some prototypal cases, is to transform the traditional (static) service approach into a Product-
48 Service-System (PSS), where the service component (waste collection) is improved by a product
49 component, i.e. technological solutions for waste monitoring and data transmission. This new
50 approach could enable more dynamic collection schemes, in order to face the emerging complexity
51 related to the management of highly variable waste flows. Specifically, a dynamic scheduling of
52 the service, based on the actual level of waste produced monitored through sensors collecting real-
53 time data, could be a valid alternative to the currently adopted fixed scheduling schemes, where
54 the service is planned based on average demand forecast (Johansson, 2006).

55 This work analyzes the implementation of dynamic collection schemes for WEEE, comparing
56 them with traditional fixed ones through simulation modelling. A dynamic collection scheme
57 organizes collection frequency based on the actual level of bins; on the contrary, current collection
58 services are often based on a fixed collection frequency set by an a priori service plan. The aim is
59 to evaluate the technical efficiency of these new logistic models in collecting waste compared to
60 traditional ones. A hybrid simulation model has been developed with this purpose.

61 The paper is structured as follows: a theoretical background is presented in Section 2. Section 3
62 describes the peculiarities of WEEE collection, with particular focus in the Italian system.
63 Materials and methods are presented in Section 4, while results are discussed in Section 5. Section
64 6 summarizes the conclusions.

65 **2. Theoretical background**

66 *2.1 Towards dynamic scheduling for waste collection*

67 Collection and transportation are critical steps in a solid waste management system, both from an
68 economic and environmental perspective, as they account for a consistent part of the total
69 management costs and imply an intensive use of vehicles (Boskovic et al., 2016; Król et al., 2016;
70 Zsigraiova et al., 2013). Therefore, new solutions that aim at increasing the efficiency and the
71 environmental performance of the collection process, like PSS, could affect positively the overall
72 sustainability of the waste management system. PSS has been defined as “a system of products,
73 services, supporting networks and infrastructure that is designed to be competitive, satisfy
74 customer needs and have a lower environmental impact than traditional business models”. The
75 adoption of PSS models in the public services sector is quite a recent approach: several benefits
76 could be outlined starting from an increase in service efficiency to economic savings (Mont, 2002).
77 Waste management represents an interesting public service where the adoption of PSS could make
78 a relevant contribution, in particular in the collection phase. The implementation of PSS models

79 in waste collection is mainly based on the diffusion of Internet of Things (IoT) in this sector. One
80 example is the possibility provided by IoT devices to track the waste bin level, but also to identify
81 the users of the waste collection service (Elia et al., 2015; Hannan et al., 2015). According to the
82 type of waste flow and to local constraints and conditions, different technological solutions can be
83 chosen: several prototypes for measuring the filling level of a bin and transmitting data to the
84 service provider have been presented in literature, along with different solutions for the user
85 identification (Anagnostopoulos et al., 2017). The massive diffusion of IoT technologies in the
86 waste collection process will support more effective and efficient economic models, like the *Pay-*
87 *As-You-Throw (PAYT) approach*, as well as innovative logistics models, like *dynamic scheduling*,
88 which are implicitly connected. The basic idea derives from the PSS paradigm: the process has to
89 be designed based on the actual demand of the user. Therefore, PAYT aims at charging the user
90 proportionally to the service received, depending on the type and the quantity of the waste provided
91 to the waste service (Bilitewski, 2008). According to scientific literature, this approach results in
92 several advantages for the user, the service provider and the society. On one side, it would improve
93 the equity of the system, since the user would pay a fee proportional to the effective use of the
94 service. This could also promote virtuous behavior, with environmental and economic benefits
95 related to the increase of recycling rate; however, this outcome can change from case to case, since
96 it is strictly dependent on the public perception of the PAYT system implemented (Dahlén and
97 Lagerkvist, 2010). Dunne et al. (2008) analyze this issue and suggest some guidelines to improve
98 acceptability. On the other side, an effective design of the system would allow the service provider
99 to benefit from the economic advantages related (Reichenbach, 2008).

100 *Dynamic scheduling* aims at organizing the collection frequency based on the actual filling level
101 of the waste bin rather than on fixed dates, and it has recently become a topic of increasing interest
102 for researchers and practitioners (Elia et al., 2015). Dynamic scheduling can extend the “Pay-As-
103 You-Throw” logic to a “Pay-As-You-Use” one by performing the collection only when required
104 (Elia et al., 2016). Waste measurement in the different collection points, required in a PAYT

105 system, can be combined with real time data collection and update, allowing the service provider
106 to know the actual state of the system, including data about which collection point is getting full
107 and needs to be served first. This could heavily improve the overall collection efficiency, since the
108 service adapts to the current demand, as opposed to traditional schemes with fixed scheduling
109 based on forecasts usually estimated on average generation rates (Fig.1).

110 The focus of this study is to evaluate the technical convenience of adopting dynamic scheduling
111 in waste collection from a logistics point of view.

112

113 [Insert Figure 1]

114 Figure 1: Transition from a fixed to a dynamic waste collection service.

115 ***2.2 Dynamic waste collection: a literature analysis***

116 A literature analysis was performed to outline the state of the art about dynamic collection services
117 in waste management. Recent studies deal with the *technological and organizational perspectives*,
118 analyzing design issues or describing case studies. Thürer et al. (2016) analyzed the adoption of
119 an IoT system for waste collection as a Kanban-based system, thus based on actual demand (the
120 so called pull system) rather than on forecasts (as in traditional push systems). The Kanban method
121 is a card-based inventory-control system usually applied in just-in-time manufacturing to manage
122 pull production (Sugimori et al., 1977). The authors describe analogies and differences between
123 Kanban for manufacturing processes and for reverse logistics, with a focus on the waste services.
124 Anagnostopoulos et al. (2017) proposed a taxonomy for classifying intelligent waste management
125 systems and their components, and used it to perform a literature analysis on IoT-based
126 applications for waste management. Hannan et al. (2011) proposed a system based on different
127 IoT technologies (RFID, GPS, GPRS and GIS) that helps monitoring the status of each bin,
128 allowing to collect updated historical data for optimizing collection services. Similarly, Sharmin

129 and Al-Amin (2016) described a cloud-based system for waste collection able to gather data about
130 the bin weight and optimize the routing based on actual filling level; no comparisons with other
131 approaches was proposed. Finally, Lindström et al. (2017) analyzed a collection model based on
132 IoT technologies for dynamic scheduling, focusing on the description of the main organizational
133 impacts for the provider, as well as advantages for the customers.

134 Other studies in the literature analyzed the implementation of dynamic scheduling focusing on the
135 economic advantages and efficiency of these models, often compared to fixed ones. Johansson
136 (2006) used analytical modeling and discrete events simulation (DES) to compare different
137 scheduling and routing policies, based on real data from a Swedish solid waste management
138 system with smart containers. Results showed the positive impact of adopting dynamic scheduling
139 and routing for reducing operational cost in waste collection services in large areas; the benefit
140 decreased for smaller contexts. Faccio et al. (2011) proposed an effective multi objective model
141 integrated with traceability data, tested on an Italian municipality. Their analysis also included
142 investment costs, demonstrating the economic feasibility of the system. Similarly, Anghinolfi et
143 al. (2013) proposed a decision model for the dynamic optimization of materials collection in a
144 waste management system, integrated with a GIS-based decision support tool; the model allowed
145 an economic comparison between the fixed and dynamic services. Asimakopoulos et al. (2016)
146 proposed a dynamic routing waste collection model, based on an IoT system that provides
147 information about the fill level of the bins, showing through simulation how their solution
148 outperforms the traditional fixed routing system. A similar system is presented by Borozdukhin et
149 al. (2016), whose model also added data about traffic congestion to include time objectives in the
150 routing problem. Another example of dynamic routing based on waste level monitoring is
151 described by Mes et al. (2014): the authors discussed a case study in the Netherlands based on the
152 adoption of a heuristic approach for the daily collection service planning, which was tested through
153 a simulation model. Similarly, Gutierrez et al. (2015) discussed an IoT-based system allowing the
154 waste collection firm to gather filling level data from the bins and to elaborate daily the most

155 convenient route for collection. They compared this system with a fixed routing based on cluster
156 zones and, unlike other studies, they reported that the higher collection efficiency obtained with
157 the IoT system corresponds to higher total costs. This is also due to the estimation of high
158 investment costs for the IoT infrastructure. Focusing on the technical performance, McLeod et al.
159 (2014) applied a dynamic policy for the collection of charity assets from donation banks and retail
160 shops, comparing its performance to the existing fixed scheduling scheme. The research showed
161 that a minimum fill level between 50% and 75% allows time and distance savings up to 30%.
162 Anagnostopoulos et al. (2015) discussed a dynamic waste collection model, which was applied
163 only for high priority areas. Among several KPIs identified, the authors outlined a higher
164 responsiveness of their solution (expressed as response time) compared to static models. Finally,
165 Lelah et al. (2011) analyzed the environmental dimension of the problem applying life cycle
166 assessment (LCA) to point out the main environmental impacts and benefits of dynamic
167 scheduling in the glass collection service. A summary of the literature reviewed is shown in Table
168 1.

169 Table 1: Literature analysis about IoT for dynamic waste collection

#	Focus	Adopted methodology	Compare static and dynamic scheduling
Anagnostopoulos et al., 2017	Technological	Literature review	No
Hannan et al., 2011	Technological	--	No
Lindström et al., 2017	Organizational	--	No
Sharmin and Al-Amin, 2016	Efficiency	--	No
Thürer et al., 2016	Model architecture	Conceptual study	No
Anagnostopoulos et al., 2015	Efficiency	Simulation	No
Anghinolfi et al., 2013	Economic	Dynamic modelling + GIS	Yes
Asimakopoulos et al., 2016	Economic	Simulation	Yes
Borozdukhin et al., 2016	Economic + Efficiency	Real case	Yes
Faccio et al., 2011	Efficiency	Multi objective model	Yes
Gutierrez et al., 2015	Economic + Efficiency	Simulation (GIS)	Yes
Johansson, 2006	Economic	Analytical model + simulation (DES)	Yes
Lelah et al., 2011	Environmental	LCA	No

McLeod et al., 2014	Economic + Efficiency	Analytical model	Yes
Mes et al., 2014	Economic	Simulation optimization (DES)	Yes

170

171 **2.3 Discussion and scope of the work**

172 Some considerations can be derived from the literature analysis previously discussed.

173 • The increasing diffusion of IoT technologies is a new issue in waste management: its main
 174 contribution could be to enable efficiently dynamic scheduling collection systems. Few recent
 175 studies have faced this topic, especially from a technological and organizational perspective; the
 176 evaluation of its feasibility from a logistics point of view compared to traditional models has not
 177 yet been fully analyzed. The focus of the works considered is often on the technological and
 178 organizational perspective; few papers analyze the economic performance and efficiency of the
 179 new logistics model, outlining potential benefits compared to traditional ones.

180 • Analyzing the methodologies adopted in these studies, either analytical or simulation
 181 models are used to evaluate system performance from different points of view. Most of the studies
 182 outlined some benefits in costs or efficiency of the dynamic collection scheme compared to the
 183 fixed one. Only two studies (Gutierrez et al., 2015; Johansson, 2006) highlighted some criticalities,
 184 i.e. a cost increase, also due to the initial investments, and the influence of the demand *variability*
 185 and the *size* of collection area on the system efficiency. This suggests that further investigation is
 186 needed.

187 • Most of the studies analyzed apply dynamic schemes to Municipal Solid Waste (MSW)
 188 collection. Only four papers considered more specific applications, like glass collection, high
 189 priority waste, charity assets and WEEE (Anagnostopoulos et al., 2015; Elia et al., 2016; McLeod
 190 et al., 2014; Lelah et al., 2011), despite the wide potential of waste collection “as-a-service” for
 191 commercial users (retailers, shops, etc.), not only for citizens. Evaluating the implementation of
 192 this model to other waste flows is still an unexplored issue.

193 This work contributes by exploring the impact of dynamic scheduling applied to waste collection
194 systems for commercial users in a MSW system, through simulation modelling, aligning with the
195 latest research on the topic. Particularly, the aim is to explore the application of this model to waste
196 flows different from MSW (i.e. collected from commercial users), and verify the efficiency and
197 economic implications related to the transition from a fixed service (based on a constant collection
198 frequency) to a dynamic one (based on a variable collection frequency). Specifically, the case of
199 WEEE collected by retailers in an Italian municipality has been studied: WEEE collection services
200 typically differ from other MSW collection services due to several issues, which are discussed in
201 the following section.

202 **3. The test case: WEEE collection**

203 In this section, the main issues regarding WEEE flows and current organization of collection
204 services are analyzed. The WEEE is one of the fastest growing flows worldwide. The estimated
205 world production of WEEE in 2014 was of about 41.8 Mt, of which about 6.5 Mt collected and
206 treated by formal national take-back systems, while the forecasted growth rate is of 4-5% per year
207 until 2018 (Baldé, 2015), which is about three times the growth of MSW flows (Duygan and
208 Meylan, 2015). The importance of this waste flow is also related to the composition of end-of-life
209 products, which contain high value materials, as well as hazardous substances (Elia and Gnoni,
210 2015; Mihai and Gnoni, 2016). The collection service represents the first critical process to design
211 in order to prevent environmental damages caused by an incorrect management of WEEE.
212 Therefore, most legislations and guidelines about WEEE management focus on collection targets;
213 some of them are being updated worldwide, aiming at facilitating material recovery and diversion
214 from landfills and illegal export to developing countries. The EU issued a new directive (Directive
215 2012/19/EU) aiming to align the European WEEE collection service to current market dynamics
216 (De Felice et al., 2014). An important innovation affects the collection target: it has been modified
217 from a previous fixed amount (4 kg per inhabitant per year) for all EU countries to a “floating”

218 target estimated based on a percentage (45% in 2016, 65% by 2019) of the EEE sold in the three
219 previous years in each EU country. Another innovation regards the collection methods available
220 for waste collection users: the previous well-known “one-to-one” service (allowing customers to
221 give back to the retailer an old EEE when buying a new one) has been integrated with the so called
222 “one-to-zero” model. This one forces retailers to provide also the collection of small WEEE for
223 users, even when they do not buy a new product. Both these innovations aim at increasing the
224 quantities of WEEE collected through reverse logistics systems, which need to be more responsive
225 and efficient in satisfying the demand. Moreover, the variability of the quantities to be collected
226 at the retailer’s facilities will most likely increase: the introduction of the “one-to-zero” solution
227 adds a further source of uncertainty to the waste generation rate, highly influenced by an
228 unpredictable customers’ behavior.

229 All these factors require new reverse logistics models, which have to be flexible and effective to
230 satisfy the demand, but also responsive to face all the increased uncertainties (Mihai and Gnoni,
231 2016). As mentioned in Section 2, fixed schedules are planned considering the forecasted demand
232 based on average historical data (Fig. 1). Uncertainties due to the introduction of the new “one-to-
233 zero” collection service can sensitively decrease the effectiveness of such forecasts, adding
234 variability to the already hardly predictable WEEE flow. A dynamic collection scheme based on
235 waste monitoring and enabled through a PSS solution could allow a higher responsiveness of the
236 system while increasing the logistic efficiency, and needs to be further explored.

237 ***3.1 The WEEE collection system in Italy***

238 Like in most European countries, there is a dual channel for WEEE collection services in Italy.
239 One is carried out by the local MSW collection service provider, which usually includes fixed
240 collection points where the user can bring WEEE (Favot et al., 2016). The other one is carried out
241 directly by EEE retailers, which have to collect waste from customers when requested, through the
242 “one-to-one” and the “one-to-zero” modes, as regulated by the European directive (Fig. 2). Five

243 groups of WEEE are defined by the Italian legislation, which includes bulky wastes (i.e. from
244 white and brown goods) as well as small items, like PCs or mobile phones. Each retailer can collect
245 all these categories or only a part, according to the size of its retail area. Retailers could preliminary
246 stock the WEEE collected, although the quantity stored cannot exceed the weight of 3.5 tons. Thus,
247 they have to organize the collection service with a certified transport service provider company
248 that moves their WEEE to recycling facilities. Planning this service is not a simple issue, as on
249 one side it has to guarantee the strict respect of the maximum stocking quantity defined by law; on
250 the other side, aiming to respect this limit, retailers have a tendency to plan a high collection
251 frequency for facing uncertainties, thus determining higher service costs. The low predictability
252 of customers' behavior increases the uncertainty of return flows, resulting in a high variability of
253 the demand for the collection service (Elia and Gnoni, 2015) as depicted in Figure 2.

254 [Insert Figure 2]

255 Figure 2: Actors and flows of WEEE collection systems in Italy

256 Therefore, there is need for effective collection models that can provide service continuity while
257 ensuring economic sustainability for the retailers. In the following sections, different collection
258 service alternatives (based on a fixed and a dynamic frequency) are described for WEEE collection
259 in a Southern Italy municipality; a simulation based tool has been developed to assess their
260 technical performance aiming to support an effective design of the WEEE collection service.

261 **4. Materials and methods**

262 In this section, the methodology adopted for the analysis is presented.

263 Hybrid simulation modelling allows combining the main strengths and benefits of different
264 simulation modeling techniques (i.e. Discrete Event Simulation, System Dynamics, Agent Based
265 Modeling) (Lättilä et al., 2010). Recent research shows how this approach can be effective in the
266 design and management of PSS solutions (Rondini et al., 2017). Therefore, a hybrid simulation

267 model has been developed to compare different collection schemes in a test case applied in the
268 city of Lecce (Italy). Since the purpose of this work is to analyze the efficiency and effectiveness
269 of different approaches, a sample of EEE retailers present in the municipal area has been
270 considered (Fig. 3). The analysis involves two types of retailers: five *big* EEE stores, which have
271 to collect all WEEE categories from customers, and ten *small* retailers, who sell only one EEE
272 typology (i.e. lighting devices) and shall collect only this type of waste. For this last case, we have
273 assumed a maximum storage capacity of each small retailer (equal to 30 kg) based on current
274 experience deducted from the field. This limit is not established by the Italian law, but it represents
275 a reasonable amount of these items to collect even for small retailers.

276

277 [Insert Figure 3]

278 Figure 3: Location of the big (green) and small (orange) retailers in the area considered in
279 the GIS environment.

280 For each retailer, the process of WEEE generation has been simulated through *System Dynamics*
281 (SD) modeling technique (Forrester, 1961) based on stocks (levels) and flows (rates) logic. Each
282 WEEE deposit (see Fig. 4) is modelled by a stock, which is fed by a rate calculated as the sum of
283 the “one-to-zero” and the “one-to-one” components, both weighted by a zone coefficient. This
284 latter has been modeled through a Pert distribution, with different values for each retailer
285 depending on specific location factors (e.g. its position, its retail extension). The “one-to-one”
286 component has been considered as 45% of the EEE sales, assuming that the minimum target
287 established by law would be reached (see Equation 1). The stock is emptied every time a collection
288 activity occurs.

289

290
$$WEEEstock = ZC_{10} * oneToZero + 45\%(ZC_{11} * sales) \quad (1)$$

291

292

[Insert Figure 4]

293

Figure 4: WEEE estimation model logic developed with System Dynamics simulation.

294

Data about EEE sales, used in the System Dynamics model, have been derived from national

295

reports (CdC RAEE, 2016, 2015, 2014) based on average values of the last three years (2013-

296

2015), which are now available. Furthermore, sales for the city of Lecce have been estimated based

297

on its current population starting from national data. All sales intercepted by the analyzed retailers

298

represent 50% of the total sales in the municipality: this assumption is based on the extension of

299

their retail area. These data, together with the ones used for estimating the zone coefficients in

300

equation 1, are reported in the Appendix (Tables A.1, A.2, A.3 and A.4).

301

The routing process in the collection service has been simulated adopting *Agent Based Modeling*

302

(ABM) simulation technique, moving in a *Geographic Information System* (GIS) environment.

303

For *big* retailers, a dedicated truck is used for each customer, given the quantity of WEEE to collect

304

(about 3.5 tons per trip). For *small* retailers, a truck is used to serve different customers. Every

305

time a service order is generated, the truck starts its collection trip and serves the customers,

306

according to the collection scheme considered. Once the truck is at the customer's location, a

307

Discrete Events Simulation (DES) module simulates the collection process. After the service is

308

completed, the truck brings the e-waste collected to the treatment (recovery) plant. For both *big*

309

and *small* retailers, the critical levels are calculated considering a safety period before reaching the

310

maximum level, which is three days for the fixed schedule and one day for the dynamic schedule,

311

based on the average daily quantity of WEEE collected (45% of forecasted sales).

312

The simulation time has been set at six months. For each scenario, twenty replications per instance

313

were run, giving a confidence level of 95%.

314 Three design alternatives for WEEE collection have been considered: Alternative 1 (A1),
315 Alternative 2 (A2), Alternative 3 (A3). A1 consists of a collection service with *fixed schedule (i.e.*
316 *collection frequency)* both for big and small retailers; emergency extra calls (with increased costs)
317 could be required by the retailer when the level of WEEE reaches unexpectedly a critical threshold.
318 This first scheme is the one currently applied by retailers, thus representing the baseline for a
319 comparison with innovative approaches. A2 consists of a *dynamic schedule* based on variable
320 collection frequency: WEEE level is monitored in real time and the collection service is performed
321 when the bin level reaches a critical threshold limit. The service provider has defined a specific
322 rule for small retailers: when one user reaches the critical level, all other users are checked and the
323 collection service is performed only for those who exceed the minimum collection level of 70%.
324 This value has been set considering both field experience and data discussed by McLeod et al.
325 (2014), where the authors reported that the dynamic collection system reached the best
326 performance when the collection target was set between 50% and 75% of the maximum filling
327 level. A3 consists of a *mixed solution* considering a different rule for small retailers under a
328 dynamic collection service: every time one user activates the call, all customers are served
329 regardless of their filling level.

330 To assess the efficiency of the collection service, the following Key Performance Indicators (KPIs)
331 have been adopted:

- 332 i. the number of collection services performed for small and big retailers;
- 333 ii. the number of emergency services performed (only for A1);
- 334 iii. the total distance in km covered by the collection trucks for small and big retailers;
- 335 iv. the average, maximum and minimum filling level of the truck for small retailers.

336 Moreover, the total amount of WEEE collected has been monitored.

337 A first experiment (experiment 1) compares the alternatives as previously described; then, a
338 sensitivity analysis considering different values for some design parameters under both
339 alternatives is performed.

340 **5. Results and discussion**

341 *5.1 Experiment 1*

342 The results of the simulation for experiment 1 are reported in Table 2, along with the variation of
343 KPIs given by alternatives A2 and A3 compared to the baseline (A1).

344 The first result to highlight is the drastic decrease in the number of collection services performed
345 in six months. For big retailers, the total number of services decreases of about 36% adopting A2
346 and A3 scenarios: this is mainly due to the elimination of extra calls, as all calls are performed “on
347 request”. It has to be noted that, even excluding the extra calls performed, more collection services
348 are still scheduled in the baseline (46 on average) than in both dynamic scenarios (33 on average).
349 Consequently, the estimated total distance decreases also by about 37%. A similar outcome can be
350 observed for small retailers, where A2 and A3 scenarios present a better performance. The number
351 of collection services decreases by more than half in A2 (from about 56 of A1 to 25), with
352 corresponding distance savings of almost 54% compared to the baseline. A higher efficiency can
353 be observed with A3, where the estimated number of services decreases heavily as the average
354 value is equal to 10 (80% lower than the baseline). In this case, the average distance decreases by
355 almost five times, reaching the absolute minimum value of about 580 km. Therefore, based on
356 estimated results and under these assumptions, the mixed solution seems to be the most efficient
357 collection service scenario in terms of technical efficiency. This is confirmed considering the
358 utilization of the truck: while there is a range of about 150 kg of difference between the maximum
359 and minimum filling levels observed for both the fixed (A1) and the dynamic schedule (A2), the

360 mixed solution (A3) allows a more homogeneous use of the resource, with a range of only 35 kg
 361 and an average of 218 kg, which is about five times higher than the average in alternative A1.
 362 A1 is the worst scenario for both big and small retailers, mainly due to the high number of extra
 363 services required. This is related to the uncertainty (in terms of both quantity and time) introduced
 364 by the simultaneous presence of “one-to-one” and “one-to-zero” collection components.

365 Table 2: Simulation results of experiment 1 and % variation of KPIs (alternatives A2 and A3
 366 compared to A1).

		A1 - Fixed schedule		A2 - Dynamic schedule			A3 – Mixed solution		
		Mean	St.dev.	Mean	St.dev.	$\Delta\%$ compared to A1	Mean	St.dev.	$\Delta\%$ compared to A1
Big retailers	WEEE quantity [kg]	110,628.90	713.99	112,384.03	3348.18	+1.6%	112,727.99	2313.83	+1.9%
	N° collections	52.35	2.21	33.45	1.00	-36.1%	33.50	0.69	-36.0%
	N° extra calls	6.35	2.21	--	--	-100.0%	--	--	-100.0%
	Tot distance travelled [km]	2,585.82	110.51	1,629.17	48.80	-37.0%	1,634.50	33.61	-36.8%
Small retailers	WEEE quantity [kg]	2,191.20	18.53	2,075.20	31.37	-5.3%	2,129.59	70.09	-2.8%
	N° collections	55.90	2.13	24.65	1.79	-55.9%	9.75	0.44	-82.6%
	N° extra calls	48.90	2.13	--	--	-100.0%	--	--	-100.0%
	Tot distance travelled [km]	2896.75	107.87	1342.09	90.53	-53.7%	582.61	26.55	-79.9%
	Average truck filling [kg]	39.25	1.32	84.77	6.27	+116.0%	218.58	4.87	+456.9%
	Max truck filling [kg]	171.29	10.25	163.32	27.29	-4.7%	234.90	5.80	+37.1%
	Min truck filling [kg]	27.05	0.01	29.22	6.68	+8.0%	200.31	8.15	+640.5%

367

368 **5.2 Sensitivity analysis: Experiment 2**

369 To explore the potentialities of the simulation tool in the design of a collection system, a sensitivity
 370 analysis has been performed in experiment 2. Different design parameters have been set for
 371 alternatives A1 and A2 in order to evaluate their new performance compared to the best outcome
 372 of experiment 1 (i.e. A3). The purpose is to outline the potentialities of the developed simulation
 373 model.

374 An improved scheduling policy has been tested for A1 (A1.1), increasing the collection frequency
 375 by considering the average demand plus a safety level (equal to 10%) for both big and small
 376 retailers, aiming to respond to the fluctuations given by the “one-to-zero” component of the
 377 demand.

378 For A2, a change in the threshold critical value has been introduced: the control level has been
 379 decreased from 70% to 50% (A2.1) in order to point out the impact of this variation. Results of
 380 experiment 2 are reported in Table 3.

381 Results show that A1.1 performs globally better than A1 as the estimated number of emergency
 382 services requested for big retailers is zero, and it also slightly decreases for small retailers.
 383 However, this improvement is not sufficient to reach the performance of A3 scenario: as reported
 384 in Table 3, A1.1 still presents a higher number of performed services, both for big retailers
 385 (+52.2%) and small ones (+421.5%), resulting in a longer distance covered by the operating trucks
 386 (about +54% and +352% for big and small retailers respectively). Although the quantitative results
 387 obtained in our test case cannot be extended to other cases, an interesting point has to be noted:
 388 even when forecast values about waste generation flows in fixed schedule policy are improved
 389 considering the “one-to-zero” component of the demand, its overall technical performance does
 390 not reach the efficiency of a dynamic solution. This is also confirmed by the resource utilization
 391 value of small trucks, which presents a range of 140 kg in A1.1, compared to 35 kg in A3, thus
 392 confirming the results of experiment 1.

393

394 Table 3: Simulation results of experiment 2 and % variation of KPIs (alternatives A1.1 and A2.1
 395 compared to A3).

		A1.1 - Fixed schedule NEW			A2.1 - Dynamic schedule NEW		
		Mean	St.dev.	$\Delta\%$ compared to A3	Mean	St.dev.	$\Delta\%$ compared to A3
Big retailers	WEEE quantity [kg]	111,398.02	849.28	-1.2%	112,720.42	2,526.53	No variation
	N° collections	51.00	0.00	+52.2%	33.50	0.76	No variation

	N° extra calls	0.00	0.00	--	--	--	--
	Tot distance travelled [km]	2,520.94	0.00	+54.2%	1,633.38	36.87	-0.1%
	WEEE quantity [kg]	2,012.48	32.77	-5.5%	2,093.22	55.80	-1.7%
	N° collections	50.85	2.36	+421.5%	13.25	2.61	+35.9%
	N° extra calls	43.85	2.36	--	--	--	--
	Tot distance travelled [km]	2,632.67	121.31	+351.9%	766.10	137.30	+31.5%
Small retailers	Average truck filling [kg]	39.74	1.74	-81.8%	164.17	33.56	-24.9%
	Max truck filling [kg]	167.87	4.41	-28.5%	224.06	15.69	-4.6%
	Min truck filling [kg]	27.05	0.01	-86.5%	88.89	62.41	-55.6%

396
397 Similar considerations can be derived for A2.1. This solution performs better than A2 for small
398 retailers, decreasing the number of services (-46%) and the distance covered (-43%). On the other
399 side, A2.1 presents an increase of about +36% for the number of collection services and +31.5%
400 for the distance travelled compared to A3, which is still the best solution. Moreover, the range of
401 the filling level for the truck is still 135 kg, indicating a resource use not as efficient as in A3.

402 **5.3 Discussion**

403 While literature suggests that dynamic scheduling could be a successful strategy to improve the
404 efficiency of waste collection systems, the experiments run show that pure dynamic models may
405 not always be the best solution. In the case considered, the mixed model has the best performance,
406 exploiting the advantages of the two pure alternatives. On one side, the real time data collected
407 through IoT technologies allow the service provider to collect waste when at least one customer
408 actually needs to be served, answering to the necessity of the demand, which is highly
409 unpredictable for WEEE. On the other side, the increased sharing of the resource (truck), similar
410 to the fixed schedule solution, allows a higher utilization rate, decreasing transportation costs and
411 pollutant emissions, which are related to the distance covered (Zsigraiova et al., 2013). Moreover,
412 results demonstrate the efficacy of the proposed hybrid simulation model to evaluate quantitatively
413 different design alternatives and assess the efficiency of dynamic solutions compared to traditional
414 ones. The adopted KPIs are related to the technical performance of the analysed alternatives; they

415 could also be adopted as an indirect measure to estimate economic and environmental outcomes.
416 However, some criticalities and limitations have to be underlined. As specified in section 4, this
417 test case is based on a sample of retailers in the municipal area. No data about the collected WEEE
418 per retailer are still available to validate quantitatively the results obtained. Moreover, no historical
419 data are yet available about the incidence of the “one-to-zero” component on the WEEE flow,
420 which is unpredictable for its nature and strongly dependent on the behaviour of citizens. Under
421 these conditions, the simulation model has provided quantitative results with considerations that
422 could be used in the preliminary design of new collection services for WEEE. Results from
423 experiment 2 show that improving the forecasts of WEEE flows can allow a better planning of the
424 fixed schedule. However, without consolidated knowledge about the “one-to-zero” flows, reaching
425 a high reliability of predictions represents a very difficult task even for retailers, which should be
426 considered when designing a collection service. Thus, despite the lack of accurate data for a
427 complete simulation validation, we can outline that the potential benefits provided by dynamic
428 scenarios (pure dynamic or mixed one) can be higher than traditional fixed schedule schemes as
429 they can adapt better to demand fluctuations.

430 From a theoretical perspective, the application of PSS models in waste collection and management
431 has to be deeper analysed. Literature about PSS mostly focuses on the transition from product to
432 PSS through the servitization process, while the advantages related to the adoption of PSS in
433 service sectors is still largely unexplored. Therefore, further research could aim at understanding
434 the challenges and opportunities related to these innovative business models in the waste sector.

435 **6. Conclusions**

436 Recent European directive sets new collection targets and rules for WEEE. The “floating” target
437 proportional to EEE put on market and the introduction of the “one-to-zero” component increase
438 the variability of the flow over time while decreasing the effectiveness of forecast methods to
439 assess the demand of collection service from users.

440 This work is an attempt to explore new approaches to the design of WEEE collection schemes.
441 Two innovative alternatives based on PSS solutions that enable dynamic scheduling are described
442 and compared to the traditional fixed schedule scheme, widely adopted by service providers
443 especially for commercial users (e.g. retailers) in a MSW system. The collection service
444 alternatives have been compared through a hybrid simulation model (based on GIS, DES, SD and
445 ABM modules) that allows estimating selected KPIs. Results of the test case show that dynamic
446 collection services perform better than traditional fixed ones, allowing essentially a higher
447 flexibility of the service, which could fit better the fluctuations of customers' demand. This is a
448 critical point: after the adoption of the new EU directive, further research is needed on the
449 collection and analysis of data about WEEE generation and collection, especially related to the
450 "one-to-zero" component. Moreover, an increased resource utilization can generate savings to
451 customers also from an economic and environmental point of view. Further developments could
452 be oriented to introduce also the impact due to high investment costs connected to the adoption of
453 a dynamic collection service compared to traditional schemes, in order to assess the overall
454 economic feasibility and sustainability of these models. Finally, research could focus on defining
455 a general framework for the adoption of PSS in the waste management sector, studying the benefits
456 and barriers related.

457

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586

587 **Appendix**

588 Table A.1. Data about EEE sold in Italy and Lecce per year (2013-2015)

Year	EEE sold in Italy (tons)	EEE sold in Lecce (estimated tons)
2013	736625.5	1142.8

2014	804452.9	1248.0
2015	794897.0	1233.2
<i>Average</i>	<i>778658.5</i>	<i>1208.0</i>

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590

Table A.2. Distributions adopted to model waste flows.

Flow	Distribution adopted in S1 [kg/h]	Distribution adopted in S2 [kg/h]
Sales for big retailers	Uniform(10, 18)	Pert(8, 22, 14)
1to0 for big retailers	Uniform (0.1, 0.5)	Pert(0.1, 2, 0.3)
Sales for small retailers	Uniform(0, 0.2)	Pert(0, 0.3, 0.1)
1to0 for small retailers	Uniform (0, 0.04)	Pert(0, 0.04, 0.02)

591

592

Table A.3. Mode of the zone coefficients used for big retailers (Ret).

	Ret 1	Ret 2	Ret 3	Ret 4	Ret 5
Mode of zone coefficient (1to0)	1	0,9	0,7	0,6	0,6
Mode of zone coefficient (1to1)	1	0,8	0,7	0,6	1

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594

Table A.4. Mode of the zone coefficients used for small retailers (Sr).

	Sr 1	Sr 2	Sr 3	Sr 4	Sr 5	Sr 6	Sr 7	Sr 8	Sr 9	Sr 10
Mode of zone coefficient (1to0)	1	0,4	0,4	0,8	0,5	0,9	0,7	1	0,6	0,4
Mode of zone coefficient (1to1)	1	0,9	1	0,8	0,6	0,7	0,9	0,8	0,8	0,5

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