

## ••• Update on Electronics Management Programs •••

### Provided as a service to Partners of the Federal Electronics Challenge

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*The following program updates are intended to provide background and update information about on-going electronics management programs of interest to Partners of the Federal Electronics Challenge. Some of this material has been extracted from program websites. URL's have been provided when possible, though not all will remain current indefinitely. For past updates, please visit the FEC website at <http://www.federalelectronicschallenge.net>.*

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#### **Federal Electronics Challenge (FEC)**

What's new with the FEC: The Pilot Phase of the FEC has come to a close, with participation from GSA, NASA, EPA, DOD, DOI and DOE facilities. The national launch of the Federal Electronics Challenge was announced at the White House Federal

Electronics Stewardship Summit in late October. Coming up in mid-November the FEC will hold the Federal Electronics Challenge Partner Awards and New Partner Signing Ceremony. **Federal Facilities that sign up prior to November 12th can be recognized as a new partner during this signing ceremony.** The ceremony will recognize the hard work of Challenge Pilot Partners and will formally engage new Partners in the program.

There will be a conference for federal facilities describing the Challenge on November 4th, and on the 18th there will be a Welcoming New Partners call. For more information, email [info@federaelectronicschallenge.net](mailto:info@federaelectronicschallenge.net).

You may also be interested in new presentations available on the website, including one on Eco-Labels. You can access all presentations at:  
<http://www.federaelectronicschallenge.net/presenta.htm>

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If you represent a federal facility and would like more information on becoming an FEC federal facility partner, signing the pledge, upcoming FEC conference calls, and other activities, please visit the website at  
<http://www.federaelectronicschallenge.net>

or contact Vicky Salazar at [vicky.salazar@epamail.epa.gov](mailto:vicky.salazar@epamail.epa.gov).

### **HP Sets Goal to Recycle 1 Billion Pounds of Electronic Waste by 2007**

The company is accelerating its product recycling program by setting a goal to recycle 1 billion pounds of electronic products and printing supplies globally by 2007.

See: [http://www.greenbiz.com/news/news\\_third.cfm?NewsID=26941](http://www.greenbiz.com/news/news_third.cfm?NewsID=26941)

### **GAO urges securities commission to stiffen green disclosure rules**

<?xml:namespace prefix = st1 ns = "urn:schemas-microsoft-com:office:smarttags" />WASHINGTON (July 16) -- Congressional investigators are recommending that federal regulators require publicly traded companies to better disclose environmental issues facing the companies.

Congress' General Accounting Office also is recommending that the Securities and Exchange Commission increase oversight and enforcement of environmental disclosure requirements.

Little is known about the extent to which companies are disclosing environmental information, according to the report. Companies have leeway in determining whether an environmental issue is material and therefore requires disclosure in SEC reports.

The SEC, in a statement submitted to the GAO, agreed with the report's findings. The SEC said it is taking several steps, including creating a searchable electronic database of information, placing SEC comment letters to companies and their responses on the SEC Web site, and working with the Environmental Protection Agency to take better advantage of their information.

## **California program to kick off in January**

This article taken from Resource Recycling's E-Scrap News electronic newsletter. Visit <http://www.resource-recycling.com/> to subscribe.

California Governor Schwarzenegger has Senate Bill 50 on his desk. The measure makes procedural changes to the advanced-recycling-fee electronics recycling program approved by the previous Legislature. The principal change is that the fee on sales will now start January 1, 2005, as will the payment to processors for e-scrap collected in the state. The original law had set July 1, 2004 as the start-up date.

As a result on the new law, the state waste management board will need to borrow money until fee income catches up with recycling payments. Senate Bill 50 allows loans of up to \$30 million. In addition, the new law requires the State Board of Equalization to collect the fees and repeals a similar authorization given to the waste management body.

## **Commerce Department schedules roundtable**

This article taken from Resource Recycling's E-Scrap News electronic newsletter. Visit [www.resource-recycling.com](http://www.resource-recycling.com) to subscribe.

A three-hour roundtable on electronics recycling, sponsored by the U.S. Department of Commerce, was held September 21, 2004. The session focused on market issues affecting electronics recycling. Topics of discussion included collection, funding mechanisms, current recovery activities and market development. For details, write to [technologyrecycling@doc.gov](mailto:technologyrecycling@doc.gov).

## **Commerce Department Officials Will Submit 'Road Map' to Congress on Electronic Waste**

Daily Environment Report

No. 183

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Recycling

The Commerce Department's Technology Administration will submit a report to Congress in January 2005 intended to create a "road map" on promoting electronics recycling nationwide, agency officials said Sept. 21.

"There is growing concern that if every state between California and Maine begins to enact disparate legislation affecting e-waste, our technology manufacturers could be forced to comply with as many as 50 different environmental requirements that could dramatically affect the manufacturing, marketing, and business modeling of its

products," said Phil Bond, the Commerce Department's undersecretary for technology.

Bond and other department officials met with several industry representatives and a representative from the Environmental Protection Agency at a roundtable on market issues affecting electronics recycling. Two state laws, enacted in Maine and California, have different approaches to solving the problem, Bond said. The Maine law enacted in April calls on manufacturers to reimburse consolidators for collection and recycling costs or to take electronics back directly. The California law calls on companies to phase out use of heavy metals and sets a fee to be collected by the seller or retailer, Bond said.

#### Areas of Consensus

The intention of the Commerce Department report is not necessarily to make recommendations but rather to outline areas of consensus, Benjamin H. Wu told BNA. Wu, who is the department deputy undersecretary for technology, has been nominated by President Bush to be the agency's assistant secretary for technology policy.

"All of the stakeholders are crying out for a solution," Wu said.

Industry officials agreed the technology industry should take the lead in developing a national electronics recycling approach, rather than follow a government-led mandate.

Dave McCurdy, president of the Electronics Industry Association, said because electronics industry officials fear having to abide by "a patchwork of state regulations," they are focusing their efforts on creating a national system that will increase recycling while not impeding interstate commerce.

But how to achieve this goal remains unresolved. A coalition of 10 manufacturers is endorsing a comprehensive financing system for the management of end-of-life electronics that would use an advanced recycling fee, that is, a fee charged at the point of sale. The coalition model is based on the national model developed by the National Electronic Product Stewardship Initiative.

According to David Thompson, director of corporate environmental affairs for Panasonic, the coalition supports a fee on direct sales, and the development of design standards and environmental procurement criteria. Electronics manufacturers can manage the fees and collect the funds under the coalition's approach. Other coalition members include Sharp Electronics, Sony Electronics, JVS America, and IBM Corp.

David Isaacs, director of government relations for Hewlett Packard, said his company opposes a mandated fee. "Our preference is for Hewlett Packard to have the flexibility to implement our own system.

"We don't want to be compelled to join a third party program. We want the opportunity to compete," Isaacs said.

The problem with a government-mandated fee is that funds earmarked for electronics recycling could wind up being "raided" for other government programs, industry officials agreed.

Kate Krebs, executive director of the National Recycling Coalition, said the coalition supported a shared responsibility for "e-scrap," and that "doing this on a national level makes more sense."

U.S. electronics industries have been participating voluntarily in dialogues through the National Electronics Product Stewardship Initiative since 2001. Bond said the three-hour roundtable was intended to build upon, and support, the consensus process begun by NEPSI and EPA.

NEPSI is a group of electronics manufacturers and state and local officials. EPA was initially involved. When NEPSI members last met in February in Portland, Ore., they acknowledged their responsibility in helping solve the problem of electronic waste, but they failed to agree on a financing.

By Linda Roeder

### **IERI sponsoring three short courses**

This article taken from Resource Recycling's E-Scrap News electronic newsletter. Visit [www.resource-recycling.com](http://www.resource-recycling.com) to subscribe.

The International Electronics Recyclers Institute is sponsoring three short courses on Monday, October 18th in Minneapolis. IERI is an educational affiliate organization of the International Association of Electronics Recyclers (Albany, New York).

The courses focused on the best management practices for electronics collection programs, ways to manage the security requirements and challenges in electronics recycling, and methods to improve the efficiency of electronics recycling operations.

The short courses were held at the Minneapolis Hilton the day before the opening of E-Scrap 2004, the North American Electronics Recycling Conference.

For additional details regarding the IERI short courses, go to [www.iaer.org/communications/institute2.htm](http://www.iaer.org/communications/institute2.htm).

### **Dell gives grants to 20 more communities**

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For the second time this year, Dell (Round Rock, Texas) has awarded \$10,000 grants to communities throughout the U.S. for electronics recycling collection projects.

The computer giant earlier provided financial awards to a dozen state and local governments, non-profit organizations and universities. An additional 20 programs received awards in the second round of funding. These winners were selected from a

pool of 175 applicants. Each awardee will sponsor a computer recycling collection effort, providing service for free to local consumers.

The company says it plans to make similar grants later this year to several Canadian programs.

### **eBay launches new e-scrap program**

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eBay (San Jose, California), the giant online auction house, is expanding its used electronics resale efforts.

The wildly successful firm plans to provide new recycling services to solution providers. These companies, also known as VARs (value-added resellers), provide IT services to clients. As a result, they often either end up with a client's obsolete equipment or see a need to provide recycling service on behalf of clients.

eBay has launched a new IT Asset Recovery Center site where VARs can list available gear. The program includes toll-free technical assistance to VARs in getting started selling on eBay.

In addition, the new eBay center (<http://www.ebay.com/assetrecovery>) will include profiles of asset recovery firms in the form of a directory. eBay plans to assist VARs in establishing e-commerce connections.

### **ISIS warns that technology companies face many risks**

Financial Times. Jan 19th (but still current news)

ISIS warns that technology companies face many risks

\*BYLINE\* By ALISON MAITLAND

Technology companies could face lawsuits, pressure group attacks and other new costs unless they do more to manage risks in their supply and disposal chains, warns a report by ISIS Asset Management today.

The trend to outsource the production and disposal of computers, handsets and electronic components to lower-income countries has exposed companies to operational and reputational risks from poor labour standards and hazardous materials, it says.

The study of 11 of the biggest companies in the sector says Hewlett-Packard and Nokia are the best performers overall, although both are better at managing environmental challenges than labour standards. Siemens is in the poorest performing category on both counts.

On labour standards, the other weakest companies are Canon, IBM and Sharp, while Dell, Electrolux, Motorola, Philips and Sony sit in the middle.

"The management of labour practices falls far short of good practice standards in almost all cases," says ISIS, which has more than Pounds 60bn under management. Its policy is to "engage" with companies to bring about improvements.

"ISIS will also working be with our investee companies throughout the sector to reduce the risks associated with failing to manage environmental and social issues adequately," said Claudia Kruse, analyst for governance and \*socially responsible investment.\*

Elliot Schrage, a Columbia University Business School professor said: "Investors are well advised to figure out the difference between the leaders and laggards."

Despite its "clean" high-tech image, there is growing recognition that much of its manufacturing is labour-intensive and involves toxic chemicals, says the report. "Concern has also mounted about the accumulation of 'piles of electronic waste', exported to developing countries such as China."

### **What is a Power Supply?**

Power supplies are the devices that convert ac power from a wall outlet into dc power that can be used directly by electronic circuits. In addition to the external "ac adapters" commonly used by cordless tools and telephones, a wide variety of power supplies are found internally in computers, televisions, office equipment, and appliances. EPA estimates that there are more than 3 billion units in use in the US and about 10 billion in use globally.

These products are crucial to the operation of virtually all electrical devices, yet their energy efficiency can often be very low. In the US alone, it has been estimated that the total electricity flowing through power supplies is about 207 billion kWh/year, which is equal to about \$17 billion/year, accounting for 6% of the national electric bill. EPA's research has indicated that approximately one-third of the electricity that flows through power supplies is consumed in the power supply itself. On average, these power supplies are only about 50 to 70% efficient, wasting 30 to 50% of the electricity flowing through them. Overall, 2 to 3% of US electricity could be saved through the use of more efficient power supplies.

This Web site offers information on activities, announcements, and upcoming events to encourage the development of more efficient power supplies.

[http://www.energystar.gov/index.cfm?c=prod\\_development\\_power\\_supplies](http://www.energystar.gov/index.cfm?c=prod_development_power_supplies)

### **Computer reuse skyrockets in Japan**

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More than 900,000 used computers were resold in Japan last year, an increase of 11.1 percent over the 2002 total. Industry experts expect reuse sales to grow more than 10 percent this year.

Market players say the higher reuse levels are a result of rising purchase of new computers in Japan. Many buyers are recycling very modern and capable units. In addition, many consumers are now seeking a second computer and are attracted by the lower prices on the reuse market.

OEMs are involved in computer reuse in Japan, as they are responsible for handling business and consumer returns under the national electronics recycling law. For example, NEC Corp. (Tokyo) sells more than 10,000 refurbished computers from its processing center in Ota. According to Japan Today, company officials say that used computer sales do not erode new sales, as purchasers of used computers would not likely have bought a new unit.

### **Consumer Union promotes efforts to reduce, reuse, and recycle electronic waste**

Excerpted from an editorial in the November 2004 issue of Consumer Reports magazine:

Electronics waste contains a number of toxins, including lead, cadmium, and brominated flame retardant. A projected 315 million computers now headed for the trash heap will add up to more than a billion pounds of lead that could leach into groundwater from landfills or pollute the air if incinerated. The Silicon Valley Toxics Coalition, a nonprofit environmental group in San Jose, California, estimates that without legislation shifting the burden to manufacturers, it will cost governments and taxpayers some \$7.5 billion over the next decade or so to collect and process old TVs and computer equipment.

Consumers Union - the nonprofit organization that publishes Consumer Reports magazine - is planning two projects that will promote strategies to reduce electronics waste and improved options for recycling and reuse. This fall, with funding from the Ford Foundation, we are launching the HearUsNow.org website, an online resource center to promote changes in telecommunications services that, among other things, would help consumers keep their cell phones when they change service providers. For 2005, with funding from the Surdna Foundation, we are developing a new area on our ConsumerReports.org website that will feature advice to help consumers reduce the environmental effects of their purchasing decisions. Details on these projects will be described in future issues of Consumer Reports.

Consumers Union supports mandatory take-back programs that hold manufacturers physically and financially responsible for recycling their products. Until such a system is implemented nationally, consumers will have to sort through a patchwork of existing recycling options.