

## IMPACT OF ELECTRONIC RECYCLING ON RETAILERS

### ➤ **The Problem of Electronic Waste**

The current infrastructure in the United States for collecting, reusing, and/or recycling consumer electronic devices at their end-of-life has not kept pace with growing waste flows.

- Experts estimate that a mere 10% of all electronic devices are presently being recycled – and this figure does not even include “historic” devices no longer in use stored away in basements, attics, and garages.
- An estimated 250 million computers will become obsolete in the next 5 years.
- Mobile phones will be discarded at a rate of 130 million per year by 2005 – resulting in 65,000 tons of e-waste.
- Overall, the amount of consumer electronic products entering the waste stream will increase dramatically unless reuse and recycling efforts and options expand.

### ➤ **The Public and Private Sector Response to the Issue of Electronic Recycling**

Coordinated government, private sector and/or citizen recycling programs have been limited and sporadic. Federal, state, and municipal governments have done little to handle the collection of unwanted electronic products.

- In some localities and among some manufacturers and retailers, unwanted used devices are collected for recycling during voluntary collection days or as part of in-store take-back or mail-back programs, but there but a few frequent or comprehensive recycling opportunities for electronic waste.
- With respect to the public sector, the notable exceptions are in California and Massachusetts, where disposal of cathode ray tubes (i.e., television sets and computer monitors) has been banned – requiring a separate collection for recycling.

Although there is little current regulation governing disposal of electronic waste, a growing movement and some vigorous discussions focusing on recycling/disposal initiatives are going on among environmental groups, by regulatory officials, manufacturers, retailers, and recyclers, and in a number of state legislatures. This issue is not only centered in the United States, but throughout the globe.

### ➤ **Can a National Recycling and Disposal Plan be Implemented?**

Over the past three years a number of the stakeholders involved in the manufacture and distribution of electronic products have been meeting to develop ways to finance the collection and disposal of electronic waste. Though consensus has yet to be reached, two proposals are currently being discussed –

- 1) **Advanced Recovery Fee (ARF).** The collection of a predetermined fee at the point-of-sale to support a national collection and recycling plan.
- 2) **Partial Cost Internalization (PCI)** – works in coordination with an ARF. This hybrid approach would allow manufacturers to choose to internalize the costs to make products more environmentally friendly and permit them to build recycling costs into their products. Other manufacturers could choose to have an ARF at the point-of-sale to establish a national recycling and disposal system.

The ultimate goal is to develop a viable financing mechanism, to maximize the collection, reuse, and recycling of used electronics, while considering appropriate incentives to design products that facilitate source reduction, reuse and recycling; reduce toxicity; and increase recycled content.