

Electronics Recycling Policy White Paper

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Our Vision: A free market based recycling infrastructure which makes electronics recycling as simple and effective as junk automobile recycling, white goods recycling, lead acid battery recycling, without the heavy hand of government “command and control” infrastructure, but with regulatory controls which raise the bar on recycling practices.

Problem: Obsolete TVs, computers, VCRs, etc. are the fastest-growing component of the waste stream. However, they are currently more expensive to recycle than to throw away.

Barriers: Non-ferrous metals recycling (compared to non-ferrous mining and smelting) faces several disadvantages, which cumulatively make electronics recycling more expensive than disposal. Repair and Reuse of secondary equipment (compared to original manufacturing and assembly) faces several disadvantages, which cumulatively make electronics recovery even more expensive than disposal.

Solutions: There are six ways to address these problems, and one way to make the situation even worse.

Superfund Reauthorization: 14/15 of the largest superfund sites in America are hard-rock metal mines. When Superfund is reauthorized, mining should pay its fair share, which will cause the free market to make recycling more attractive.

FCC Telecommunications Act: 1996 law gave TV broadcasters free rights to both Analog and Digital spectra for 10 years. At the end of this period, analog bandwidth will be auctioned and millions of TVs will be obsolete. A portion of the auction proceeds should support recycling of the TVs which will now be “obsolete” without a converter box (costing as much as a small TV).

Software: Old computers become obsolete because of software changes, not because the hardware is inferior. The software companies exacerbate the lost resale potential further by charging consumers TEN TIMES the price to reinstall software as it costs OEMs to put it on in the first place. The software companies could pay a portion of these windfall profits to support electronics recycling. Government purchases of PCs should also require a “spare tire” license on every machine so they can be donated or reused after an upgrade.

General Mining Act of 1872: Unchanged since the Apache Indian Wars, when the US legislature wanted to spur free market development in the west. Federal lands are leased to mining companies for \$5 per acre. Federal government receives NO ROYALTIES on metals extracted. Federal Government (Superfund) pays to clean up the sites when the mining companies leave. 45% of all toxics released by all USA industry. Reform this law and we can recycle all electronics for free based on non-ferrous scrap value.

Waste Bans: If a supply is created, free market recycling companies will respond to it. Massachusetts created a volume-based infrastructure with its April 2000 waste ban. Vermont traded off this recycling capacity, and Massachusetts and Vermont now have the highest per capita electronics recycling rates in the country, at the lowest prices. The Massachusetts statewide contract upholds recycling standards and export standards. California is moving to a similar system, but has established an Advanced Disposal Fee to fund the contract.

Takeback Laws: The “Maine” model proposed by SVTC, CTBC. We oppose these. But they are popular among people who believe that OEMs should manage their own waste product. These laws are popular with new companies that don’t have a lot of “legacy” equipment, but very unpopular with older companies (like IBM and Apple). We believe the “manufacturer dealing with their own waste” reasoning is a ruse – the work will be contracted out to the same companies as do waste ban material, but with another layer of bureaucracy. Worse, OEMs will seek to influence the secondary market (not “Planned Obsolescence”, but “Opportunistic Obsolescence”). See Japan.

Leadfree Manufacturing: European and Japanese restrictions on use of lead and mercury in manufacturing. Lead-free gasoline was the best environmental law ever passed – BUT leadfree electronics is probably the worst environmental idea ever considered. *It is simply awful.* To take out the mercury and lead, OEMs are turning to gold, silver, and tin... which are non-toxic, BUT the mining of these metals releases more lead and more mercury into the environment than is used in the original electronic equipment. Gold mining releases more mercury than mercury mining! Net result – higher cost to the consumer, shorter product life, more poison, and the poison is NOT taken to a regulated landfill, but is dumped in nature.