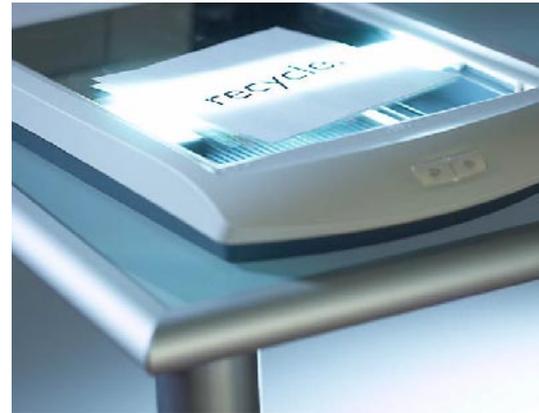# e-waste: a hidden cost

by Anne Phillips

Life-cycle costing can reveal the true cost when purchasing computers

IN OCTOBER 2005, *Summit* magazine sponsored a seminar at GTEC, a major tradeshow on information technology products and services, held annually in Ottawa, that includes a strong professional development forum geared for the public sector. At this forum, *Summit* brought together a panel of experts to share their views on e-waste, a subject long overdue for discussion, particularly as it relates to the public procurement community and ongoing efforts to 'green' procurement.

Greening procurement has been brought to the forefront yet again by the recently released (fall 2005) and somewhat damning report of the Commissioner of the Environment and Sustainable Develop-ment. While her report is aimed at the federal government, procurement profes-sionals everywhere in the public sector squirm a bit when they look closely at their own organization's efforts to green pro-curement. The report advocates life cycle planning and assessment as part of green-ing procurement. One of the areas that provides potential for improvement is the purchase, use and ultimate disposal of all those electronic items integral to the work processes of today.

It is commonly recognized that the size of the public sector spend on goods is suf-ficient to play an effective role in changing attitudes towards purchasing available green products, and to stimulating the dev-elopment of even more. According to Dave Betts, president of Electronic Products Stewardship Canada, the federal govern-ment alone spends $176 million on com-puters, all purchased from standing offers. That money may or may not include the cost of dealing with disposal, or e-waste. Add to that number, the millions spent by other levels of the public sector on comput-ers, and it appears obvious that what is done with redundant and out of date elec-tronic equipment is an issue that must be considered by all public purchasers.

Ralf Nielson, joined the panel from the federal government's new (as of April 2005) Office of Greening Government Operations. OGGO will assist procurement specialists throughout the federal government and support departmental sustainability plans, all of which have a procurement element. Nielson said the office is developing a 'green' policy for procurement that will promote life-cycle costing (initial purchase, mainte-nance and disposal costs) as the basis for comparing products, balancing spend and environmental perspectives, and support-ing the environmental industries. When it comes to the acquisition of IT products, they will consider technical specifications and certifications that consider things like paper use, toner, electricity usage, and dis-posal options. Hopefully the changes pro-posed will happen fairly quickly, but Niel-son counselled patience, saying greening procurement will evolve just as greening industries and products continue to evolve.

Currently the federal government do-nates its outdated computers to Computers for Schools, a laudable program that sees

that useable computers find a home in Canadian schools. While this extends the life of the computers and is a benefit to students and to hard-pressed school budgets, it also leaves the schools with the problem of disposing of the computers. To do so in an environmentally friendly manner – not in the municipal landfill – is an expensive proposition for which the schools are ill-equipped.

Computers (and other electronic items) contain metals (lead, cadmium and mercury) that are toxic to our environment. These, as well as just the sheer numbers of computers being disposed of, are a real problem for municipal landfills. Most of us have seen the pictures of huge piles of dumped computers in China with children smashing them apart to get at the valuable metals and parts inside, and all the while the toxic waste leaches into the local water system. No one wants to contribute further to that problem – not there, not here, not anywhere. Out of sight should not be out of mind and there are things purchasers can do to make a difference.

The first step is to consider the product's environmental characteristics and how it will be disposed of when making the purchase decision. Some companies have made strides in developing more environmentally-friendly products and have provided for proper disposal. In a statement made during Waste Reduction Week, Ralph McMillen, vice president, environmental programs, Hewlett Packard Canada (HP) said the company is "committed to reducing our own environmental impact, as well as that of our customers, partners and suppliers."

Frances Edmonds, from HP, was the third speaker at *Summit*'s panel on e-waste. Edmonds said she has long been frustrated that the link between the front-end purchase cost and back-end disposal cost has been ignored, saying it has been a hidden and unaccounted cost for too long. She says, "End of life is a natural part of a product cycle."

Edmonds offered some practical advice to public sector buyers, suggesting that suppliers be required to demonstrate their commitment to producing environmentally friendly products, including the manufacturing stage. Product design is crucial she said. There are already accepted standards such as EcoLogo and Energy Star, and purchasers could set their own. She recommended measuring a wide range of items in a consistent manner. When a company says it recycles, ask how and where.

And Edmonds suggested asking manufacturers to bear the cost of the end-of-life issues. Hewlett-Packard, an original member of EPSC, has won the award for corporate social responsibility for the greenness of its computer "end of life" process for two years. The company is a world leader in responsible e-waste disposal with the second largest non-military supply chain in the world.

She says HP tries to make return and recycle convenient for its customers. It takes plastic from toner cartridges and reuses it in a scanner product. The company has a banned list of chemicals for their products and the company's suppliers must adhere to a code of conduct. She says, for HP, being environmentally friendly is a cost of doing business.

Perhaps it should be for the public sector, too. ᴡᴡ

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