

THE GUIDE TO ENVIRONMENTAL COMPLIANCE IN IT ASSET DISPOSITION

Do you know where your IT assets are going?

In 2012, two California state inspectors on a routine site visit to check some paperwork at an electronics recycling company discovered a warehouse “the size of a football field” filled to the brim with thousands upon thousands of computer monitors and old CRT televisions. As recently reported on the front page of the New York Times¹, “The layer of broken glass on the floor and the lead-laden dust in the air was so thick that the inspectors soon left over safety concerns.” The owner of that company has yet to be located, the Times reports, leaving the state and the warehouse owner to foot the bill for the massive toxic cleanup.

What if that was your company’s equipment sitting in that Fresno warehouse, leaking toxic substances—heavy metals like mercury, lead, and cadmium—into the surrounding environment, endangering those who live and work nearby? How would it affect your company’s image if word got out? How would it affect your personal and professional image if you were the one who chose that electronics recycling provider?



TABLE OF CONTENTS

- 01 Why electronics recycling matters to your company**
- 02 Don’t get greenwashed: How to ensure compliant, safe, and responsible electronics recycling**
- 03 Environmental compliance as part of an ITAD program**
- 04 LifeSpan takes the enterprise approach**

<http://www.nytimes.com/2013/03/19/us/disposal-of-older-monitors-leaves-a-hazardous-trail.html>

WHY ELECTRONICS RECYCLING MATTERS TO YOUR COMPANY

Unfortunately, the California case reported in the New York Times is not unique. Reports of irresponsible and unsafe practices by the electronics recycling industry are still commonplace as the amount of e-waste generated by American companies and consumers continues to skyrocket. According to the Electronics TakeBack Coalition, a consortium of environmental groups that advocates for green design and responsible electronics recycling practices, one study in 2009 estimated that, of the 3.2 million tons of e-waste generated in the U.S., only about 18 percent was collected for recycling. The rest went to landfills and incinerators, despite the toxic chemicals they contained. And, of the small percentage of e-waste sent to be recycled, 50 to 80 percent is shipped overseas to be dismantled under “horrific conditions” in Asia and Africa, says the Electronics TakeBack Coalition.

Clearly, no company or organization wants to be associated with irresponsible, unsafe, and hazardous recycling practices like these. Most companies have some sort of environmental policy or green initiative that sets standards for recycling and conservation throughout the enterprise—but it doesn’t always take into account the recycling of retired IT assets. On top of that, federal and state environmental regulations do not absolve a company of liability for non-compliant recycling practices simply because it has turned its IT equipment over to a vendor that claimed compliance. If that equipment can be tracked back to the original owner, that company will be held accountable.

There are a number of risks involved with IT asset disposition. (We discussed these risks in our white paper, “[Guide to Minimizing the Risk of IT Asset Disposition](#).”) What are the risks of poor environmental practices?

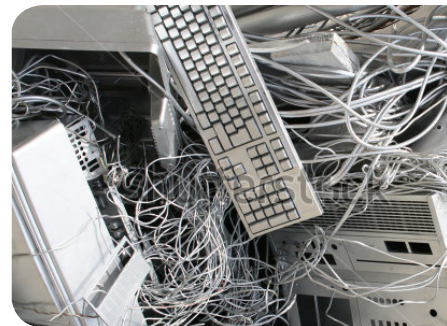
- The risk of paying fines and legal fees when your company is found to be non-compliant.
- The risk of diverting company resources to avoidable remediation efforts.
- The risk of bad publicity.



² <http://www.electronicstakeback.com/resources/problem-overview/>

If your company partners with an electronics recycler to dispose of your retired IT equipment, it's what you don't know that can hurt you. It's likely the companies and consumers that turned their equipment over to the company that illegally stockpiled monitors in the California warehouse were told—and believed—it would be handled properly. Environmental advocates use the term “greenwashing” to refer to practices that exploit a buyer’s environmental awareness for profit. When an IT recycling vendor offers a “certificate of recycling,” it should trigger your greenwash alert. Anyone can print out a certificate. It says nothing about what a vendor does with your IT assets and how compliant it is with environmental regulations.

The same goes for any vendor that handles your retired IT assets—IT recyclers as well as remarketers or data-destruction providers. You should have complete assurance that any vendor disposes of waste and non-resalable material in a compliant and safe manner.



DON'T GET GREENWASHED: HOW TO ENSURE COMPLIANT, SAFE, AND RESPONSIBLE ELECTRONICS RECYCLING

It's no longer acceptable to lose track of your retired IT assets after they are picked up by your IT asset disposition vendor. Even if your vendor plans to remarket the equipment, do you know what it does with the items it can't sell? If those items end up in a landfill, your company could be held liable. If your vendor evades answering either of these two questions, it should be a warning sign its recycling and disposal practices are not environmentally compliant:

1. Can you take a tour of the vendor's facility?

One simple request can give you a wealth of insight into your electronics recycling vendor's practices. Ask to take a tour of its facilities. If the vendor refuses, it might indicate it has something to hide. It could be it doesn't have much in the way of domestic facilities and exports equipment to foreign countries where environmental controls are less strict, or outsources recycling to prison-based programs. If the vendor assents to a tour, that tells you it not only has U.S.-based facilities, but that it stands behind its standards and operations.

2. Can the vendor tell you which companies process the material downstream?

Often, the ITAD vendor is only the first step in the disposition process. From there it will send the material to its own partners to be recycled, remarketed, or otherwise processed. If your ITAD provider can't or won't tell you where it sends material downstream, you should be concerned. It could mean its partners do not follow compliant recycling practices, or your vendor doesn't know if they do. Either way, even though the material is two or more steps removed from your company, your company still shoulders the burden of liability.

'Free' may not be so free

Another red flag for enterprises is when a vendor offers to take care of the recycling process for free. Although it is true that once broken down, much of the material in electronics waste has value as scrap, not all of it does. And to transport and process the material in a safe and legal manner will have a cost. Maintaining a compliant operation is more costly than an illegal and unsafe one.

If a vendor offers you totally free services, be sure you know how it makes money—ask those questions about where and how it processes the material and where it goes. Illegal exporting and resale of electronic waste pays more than legal processing—until the vendor gets caught. Be sure you know if “free” is legal and compliant.



Why choose a certified vendor

Finding a vendor that is open about its practices is a step in the right direction, but given the risks associated with environmental non-compliance, how can you be absolutely sure your vendor is handling your company's retired IT equipment properly? Choose an IT asset disposition provider that has been certified for safe and compliant electronics recycling by a leading third-party organization. There are two: e-Stewards and R2/RIOS.

The benefits of working with an e-Stewards and/or R2/RIOS certified ITAD vendor

Finding a recycling, remarketing, or data destruction vendor that has been certified by e-Stewards or R2/RIOS is the most reliable way of ensuring your partner is committed to doing the right thing for the environment and worker health and safety. These two certifications are not easy to earn. When a vendor holds either, it tells you the vendor has invested significant money and time to ensure the standards are being met on an ongoing basis.

One of the key features of both these certifications is that the vendor who holds them must audit its downstream partners and provide documented proof that all the material is being processed in compliance with all laws and standards. This is significant because it puts weight behind the certificate of recycling. A certificate is just a piece of paper unless it's backed by a certification.

Here, we take a closer look at these two leading certifications:

e-Stewards

The e-Stewards Standard for Responsible Recycling and Reuse of Electronic Equipment was developed by the successful activist organization the Basel Action Network with input from the recycling and asset recovery industries, environmental experts, and occupational health and safety advocates. It is the newer of the two standards for electronics recycling, but it is quickly becoming the most sought-after worldwide. Companies certified by e-Stewards must follow strict rules that prevent illegal export or landfilling of electronic waste. Building on the framework of ISO 14001, the global standard for environmental management, e-Stewards adds requirements specific to electronics recycling. Among them³:

- A prohibition on the export of hazardous e-waste from developed to developing countries.
- Safe practices for on-site handling of hazardous e-waste (such as no shredding of mercury).
- Full accountability for the downstream recycling chain to final disposition.



³ <http://e-stewards.org/certification-overview/program-details/>

- Where applicable, compliance with the NIST 800-88 standard for data sanitization.
- Standards for refurbishing and remarketing equipment to ensure they're functional and whole.
- Insurance requirements.
- Requirements for collecting and documenting data, including transparency of the entire chain of custody for toxic materials to any customer who requests it.

Recognizing that worker safety and health is a major consideration for organizations seeking to ensure compliance and responsible practices, e-Stewards certification also puts into place strict standards for the workplace environment.

R2/RIOS

R2/RIOS is a somewhat older standard for environmentally-sound electronics recycling. As its name suggests, it is a dual standard, combining the Recycling Industry Operating Standard (RIOS) with the electronics recycling industry-specific Responsible Recycling (R2) practices. Developed by the Institute of Scrap Recycling Industries (ISRI), RIOS is an ANSI (American National Standards Institute) accredited standard that includes all of the attributes and processes from ISO 9001 (Quality), ISO 14001 (Environmental), and OHSAS:1800 (Safety).

On top of that base is the R2 standard: best practices specifically for the electronics industry and electronics waste. When a vendor holds the combined R2/RIOS standard, it says the vendor meets very high standards for proper recycling practices, as well as workplace safety and health, data security, and facility security. R2/RIOS certified companies have a documented process and the documentation includes their downstream vendors.

The combined strength of both certifications

While there is much overlap between the e-Stewards and R2/RIOS certification there are some differences. Thus, some organizations require both to ensure they are meeting the highest standards in every regard. Just a few electronics recyclers in the United States have made the investment to become certified for both standards.

If your company chooses to partner with a vendor certified by both e-Stewards and R2/RIOS you can be sure it will handle and dispose of your equipment in a safe and compliant manner and protect your company from the cost and embarrassment of poor environmental practices.



ENVIRONMENTAL COMPLIANCE AS PART OF AN ITAD PROGRAM

Done right—that is, done in a way that reduces risk, cost, and business interruption—IT asset disposition is a complex undertaking that requires the participation of a diverse group of stakeholders within an enterprise. This is one of the reasons the environmental issues associated with ITAD are often overlooked. An enterprise may have a “green team” and an environmental policy, but if those people and that policy are not consulted, their concerns will not be integrated into the enterprise’s ITAD process.

A “holistic” approach to IT asset disposition addresses challenges like these by implementing a systematic plan that takes into account the needs of every stakeholder in an organization and defines specific roles and procedures for every link in the chain, tailoring the process to fit their needs and capabilities. This approach makes it as easy as possible for team members to do ITAD right, every time, for every location, with the documentation to back it up.

The first step toward implementing a holistic ITAD program is to identify stakeholders and their needs. LifeSpan’s guide, “How to Perform an IT Asset Disposition Plan Self-Assessment,” can help you identify the goals, concerns, and priorities of your organization’s stakeholders and provides a roadmap for starting the process of aligning their objectives into a comprehensive ITAD program. Download the guide by clicking on the image below.



LifeSpan's FREE Self-Assessment

Identify gaps in financial return, data security, environmental compliance and program efficiency with our FREE self-assessment guide.

Click to download LifeSpan's Free Self-Assessment

LIFESPAN TAKES THE ENTERPRISE APPROACH

LifeSpan believes that a holistic approach is the most effective strategy for IT asset disposition. LifeSpan specializes in creating goal-focused IT asset management and disposition programs that minimize risk and maximize ROI.

The Next Gen ITAD Program is an opportunity for you to team up with a LifeSpan ITAD expert and create a disposition plan that accomplishes your organization's goals. LifeSpan will work with you as your partner, from assessment to implementation and measurement.

The program includes:

- A dedicated ITAD professional. With years of experience in disposition process development and implementation, your ITAD professional will help you complete an assessment of your current ITAD process. They can also provide information on industry best practices, regulations and the options available to your company.
- A 360 Degree Disposition Process Assessment. The first step towards a next generation ITAD plan is a deep dive into your current process.
- A GAP analysis. If your current process is not meeting your goals, your ITAD professional will help identify gaps in data security, financial impact, process efficiency, and environmental compliance.
- A Next Generation ITAD Plan. Your ITAD professional will arm you with everything you need to launch your new disposition process successfully, including an implementation plan and a method for measuring results.

The NextGen ITAD Program

Our focus is on your success and satisfaction. With our NextGen ITAD Program, we help you build a program that is tailored to your organization. To learn more about LifeSpan's NextGen ITAD Program, visit: <http://info.lifespantechnology.com/next-gen-itad-program>



To speak with one of LifeSpan's disposition professionals call 888-720-0900.