

REMARKS BY MARIANNE LAMONT HORINKO
ELECTRONICS INDUSTRIES COUNCIL
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§ Thanks for inviting me

B Great opportunity to get to know each other better, share ideas and points of view on electronics waste management

B Particularly important because many of our best options for managing old electronics involve close cooperation and partnership between EPA and the companies represented in this room today

B The electronics industry is facing a host of environmental issues, both international and domestic

B And one of the biggest issues is managing the river of electronic waste that threatens to engulf our attics and garages

B Today I'm going to give you a quick overview of EPA's position on several environmental issues important to your industry

B But I want to spend most of my time talking about electronics recycling, and why we **MUST** do more, and do it **QUICKLY**

§ First a quick look at international issues

B I know you're interested in EPA's position on ratification of the Basel Convention

B Last October, some members of your association, along with representatives from the scrap recycling industry, came to EPA to discuss how the Basel Convention might impact you

B At that time, we shared with you our interest in pursuing ratification

B As you know, we have attempted many times in the past to ratify the Basel Convention

B This time we're pleased to have the support of the Administration's Council on Environmental Quality and other federal agencies

B So I think there's more reason to be optimistic today than at any point over the past several years

§ Now on to the domestic front

§ As you know, EPA is involved in major efforts to stimulate the demand for environmentally preferable electronics

B We're teaming up with the Federal Environmental Executive and numerous federal agencies to launch the Federal Electronics Challenge, which in time will be issued to all federal facilities

B It's intended to improve environmental awareness in both purchasing and end-of-life management decisions

S The criteria being developed are based on international standards and best management practices for electronic assets

S We will launch this project as a pilot in the western and central parts of the country this summer

§ We also want to make sure that your industry continuously looks for ways to improve your products' environmental performance

B Improved performance has been the hallmark of the electronics industry for years

B Nobody does it better

- B Consumers routinely make fun of computers, cell phones, and video games that were cutting edge 10 years ago
- B There is NO reason why this industry can't improve environmental performance just as quickly, just as well
- B To support environmental improvements in your products, we're working with EPEAT, a multi-stakeholder effort to design a voluntary tool for evaluating the environmental attributes of electronic products
- S This tool is intended to:
 - B Promote continuous improvement in the environmental design of electronic products
 - B Inform purchasing decisions by consumers and institutions
 - B Provide market advantage for leaders in environmental design
- B A project development team will be assembled this summer that will include a range of interested stakeholders, including manufacturers
- \$ A commitment to continuous improvement will bring us to our long-term goal:
 - B Electronics with few if any hazardous components
 - B Electronics components that are designed to be easily reusable and recyclable
 - B But before we reach that goal, we have to solve a very big, short-term problem: managing today's electronic wastes, which contain many hazardous elements, and which are NOT designed with reuse or recycling in mind
- \$ We're beginning to get our arms around some parts of the electronics recycling problem

B For example, EPA has proposed a rule to increase incentives for recycling by conditionally exempting CRTs from hazardous waste rules if they're destined for recycling

B We've received numerous comments on this rule, most of which conveyed concerns about the export of old consumer electronics

B We're considering those comments now, and evaluating our regulatory options

B I expect a rule will be finalized by early next year

§ But in the big picture, this rule barely registers

B The electronics waste stream in this country is huge, and growing

B Families and local communities in particular are voicing concern and frustration over their limited options for getting rid of this stuff

B Pressure is steadily building for state laws to manage electronic waste

B I understand that more than 30 pieces of legislation concerning electronics have been introduced in state legislatures

B California may yet pass legislation on e-waste this year

B We all need to work together more productively to design a sensible electronic waste management system

§ But one of our most important efforts is flagging

B I'm told that NEPSI is struggling to come to agreement on a national funding mechanism for recovery of old electronics

B I had hoped that the parties would be closer to agreement by now, because so much has been accomplished to date, and so much remains to be done

- B Up to now, NEPSI has done a great deal to establish and deepen relationships that are essential to a recycling system based on shared responsibility
- B Because of NEPSI, we now have a good handle on the range of potential national options for reusing and recycling old consumer electronics
- B I want to acknowledge the time and energy that many of you have contributed to this effort, and to separate but related efforts
- B And those efforts have paid off
 - B In the past year we've seen an increase in the kinds and number of recycling opportunities available to consumers
 - B This is laudable progress, especially considering the budget limits facing many local governments who are pushing for better electronics recycling efforts
 - B In particular, some manufacturers are coming out with terrific new efforts to increase the recycling of their products
 - B IBM was among the first to offer its customers a way to return used computers for recycling at a fee
 - B Sony, Panasonic, Sharp, and JVC have been leaders in working with local governments to recycle their products as part of local collection events
 - B HP and Dell are inviting consumers to send back old systems
 - B And they are encouraging participation by offering rebates on new purchases to offset shipping fees

B Obviously, the competition is heating up to see what kinds of incentives will entice consumers to recycle their electronics

§ But all of this falls far short of what is needed

B A lot of people in Washington and around the country are clamoring for a system to collect and recycle used electronics

B The question you face today is very simple: does the electronics industry want to have a voice in designing that system?

B Or will you have to accept a system that is imposed on you by the states, one by one, or by the U.S. Congress through federal legislation?

§ EPA has supported NEPSI so that all stakeholders, including industry, could design a national electronics recycling system that meets their needs

B That process is now at a turning point

B It must rally around one or two workable options soon, or it should close up shop

B EPA cannot afford to fund this process much longer without substantial forward progress

B In fact, if NEPSI can't reach some kind of result, it **SHOULDN'T** continue

B I urge you to help this process along by agreeing on one or two financing options that you can live with

B That will show that we are all serious about recycling electronics in an environmentally sustainable way

§ There will be a major meeting of the NEPSI stakeholders in June

B I look forward to hearing the results of that meeting

- B If significant progress toward a final agreement is not made, I will reevaluate EPA=s continued involvement in this project
- B Even if good progress has been made, I think that NEPSI should conclude its efforts by no later than year=s end
 - B We simply cannot afford to prolong or support this effort indefinitely, especially if we want to get moving on some good interim solutions

§ As to interim solutions, I have high hopes that EPA=s Plug-In To eCycling program can make a big contribution here

- B We envision an expanded Plug-In program that will test a more robust, and voluntary, shared financial responsibility model involving manufacturers, retailers, government, and consumers
 - B We=re going to test this expanded program in EPA Region 3, the mid-Atlantic states
 - B The Region 3 collection pilot has been operating for a couple of years now, and it has build a good, solid team and a track record of accomplishment
 - B But it really needs a lot more manufacturer and retailer involvement to help it succeed
 - B If it does succeed, it will give state and local governments models for what options work best under what circumstances
- B Indeed, Plug-In To eCycling could be the foundation upon which a national program for shared-responsibility waste management is built
 - B In fact, the Plug-In program tracks very closely to one of the models being studied by NEPSI

S I will be hosting a series of meetings in June with manufacturers, retailers, recyclers, NGOS, and government agencies to discuss different ways for testing these ideas

S I will be looking for manufacturers, retailers, and others to sign commitments to participate in this pilot over the summer, and by no later than early September

S The Plug-In pilot in Region 3 has to hit the ground running so we can see if it could be expanded to other parts of the country

§ But let's be clear: EPA's Plug-In program can only be an interim mechanism

B If successful, it could expanded and modified

B But in the longer run, we will undoubtedly need a more comprehensive solution that engages the entire country

B And that's what NEPSI is about

B Both these initiatives need to succeed

B And both of them need your help and commitment

§ I want to leave you today with a very simple message

B All of us have to work harder, push harder, to design and test a workable, effective system for recycling electronics

B And we have to show real progress soon

B By bringing NEPSI to a successful conclusion and showing what a nationally legislated recycling program could look like

B By working together to make EPA's Plug-In To eCycling pilot a success and showing how voluntary programs can work effectively

- B I would like to see your industry show leadership in both areas,
because both have the potential to contribute good, workable ideas to
any future national electronics recycling program
- B Most important, these ideas would come from YOU
- B No one knows better than you the technical difficulties,
expense, and management problems associated with collecting,
transporting, and recycling electronic components
- B I believe your voice must be heard
- B And the best options for that today are NEPSI and Plug-In To
eCycling
- § Today the solution to the problem of recycling electronics is in your hands
- B Tomorrow it might not be
- B You need to act now
- § Thank you very much
- B Any questions?