

At ETCH Sourcing, we're creating connections between sourcing and an open-sourced toolbox full of sustainable procurement (SP) opportunities that can guide supply chain and sustainability professionals through each step of the procurement process, with a respective UN Sustainable Development Goal in mind.

Organized by spend category and in line with the UN Standard Products and Services Code, our SPARK Series highlights some of the most innovative opportunities in Supply Chain.



Category Focus: Electronic Waste


Cell Phones – Electronics – Hardware – Computers – Laptops

Industry Quick Facts – click on each icon to navigate to the relevant industry source

Only **12.5%** of e-waste is currently recycled



We generate around **40 million tons** of electronic waste every year, worldwide.

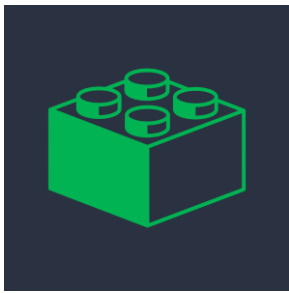


85% of our E-Waste are sent to landfills and incinerators are mostly burned



Quick Win SP Opportunities

Actionable Opportunity	Tangible Benefits	Measure Success
<p>1 Require proof of RoHS (Restriction of Hazardous Substances) compliance from suppliers.</p>	<ul style="list-style-type: none"> ↓ amount of halogen, lead, and silicon from procured electronics. Proactively reduce toxic waste in environment. 	<ul style="list-style-type: none"> Regular conflict mineral reporting to improve risk management Improved hazardous waste material ratios
<p>2 Train suppliers on resources that could help identify alternatives to PVC (Polyvinyl Chloride) or other substances</p>	<ul style="list-style-type: none"> Environmentally preferred components used during assembly Increased transparency of manufacturing process 	<ul style="list-style-type: none"> Trackable carbon reduction per units of electronics based on material used Product quality maintained during lifetime use
<p>3 Assess the viability of a takeback or exchange program with suppliers.</p>	<ul style="list-style-type: none"> Cost savings on waste management practices. Reduce hazardous waste entering the landfills. 	<ul style="list-style-type: none"> Takeback program profit and loss reporting. Evaluate commercial impact of the program.



Procurement Disruption in Action: Electronic Waste



Electronic waste can be salvaged through the implementation of a take back program to create a plastic & electronic parts closed loop system.

SP Process Guide

Category Management

Assessment

1. Conduct life cycle analysis on product components
2. Engage suppliers to assess the viability of a takeback/exchange program and potential value creation for both parties
3. Evaluate the potential commercial benefits associated with recycling the end-product.
4. Collaborate with IT stakeholders to get a comprehensive understanding of your equipment. Decide on which products are fit for a reuse or refurbishment.

Opportunity Identification

Commercial Value – Reduced overhead & raw materials purchase, increased customer loyalty & sales generation

Sustainability Value - Reduced plastic material waste, carbon footprint, & conflict mineral use

Strategic Sourcing

Strategy Build & Execution

1. Align with suppliers to generate implementation strategy for product takeback/exchange program.
2. Revise company policy to include proper recycling procedures for electronics.
3. Implement training program to educate employees on revisions to company policy

Supplier Negotiation & Contract

Work with existing suppliers to offset volume of raw material purchase. Contract terms can be modified into an exchange program if the suppliers need more incentive to do a takeback program (offset costs in exchange for credit.)

Sustainment

Supplier Performance & Relationship Management:

1. Encourage your suppliers to become a member of the International Electronics Manufacturing Initiative.
2. Perform an internal review after the program has been implemented to evaluate the commercial impact of large-scale computer refurbishment and environmental impact; compare to historical data.

In Practice: Change in Action

Dell implemented a closed loop recycled plastic supply chain program. **This translated into 1 million USD in savings, while reducing their circular plastic carbon footprint by 11%.** The recovered plastics have been used to create nearly 5,000 tons of new parts for more than 90 products across millions of units.

click icon for source

