

Don't Bin IT

A guide to IT recycling and re-use - getting the UK ready for the WEEE Directive.



www.dontbinit.org.uk

IT Strategy

Compliance

Procurement

Re-use & Disposal

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of the company, that requires maintenance and upgrading and has a residual value and use at the point of disposal.

An ideal outcome would be if companies use the Guide to promote their businesses as socially responsible, by setting out a clear IT strategy, highlighting the sustainable business case for purchasing computers with the prior knowledge that at some point they will be upgraded and at the time of disposal they would be donated for a social purpose.

This Guide is the result of UK wide consultation and analysis of a computer recycling survey conducted with companies in Edinburgh and surrounding areas by McSence and Pioneer-Links. It is underpinned by research carried out by SISTech (Best Practice in Computer Equipment Recycling and the WEEE Directive May 2003, see website accompanying this Guide: www.dontbinit.org.uk).

A number of general conclusions can be drawn:

1. There is a need for organisations to incorporate computer acquisition and disposal as part of their overall IT strategy.
2. The need for organisations to have policies that take into account all aspects of re-use and disposal procedures e.g. decision making, implementation, post disposal auditing, the environment etc.
3. The need for organisations to communicate effectively its policies and procedures relating to computer recycling and to promote environmentally friendly practices.
4. The need to improve awareness of legal implications and responsibilities in particular in view of the forthcoming implementation of the WEEE Directive as well as the general liabilities and insurance needs relating to donation/selling of used computers.

The four pillars on which this Good Practice Guide is based are:

1. A clear strategy for dealing with IT that includes the whole lifecycle of the equipment
2. Compliance with legal responsibilities placed on companies
3. A procurement framework based on a sustainable business case
4. A socially responsible approach to re-use and disposal

IT Strategy

The need for an IT strategy that accounts for the whole lifecycle of computer equipment is an essential starting point for any company that will end up with redundant IT equipment. Companies that take a long term view and are able to incorporate the business case and social responsibilities agenda into their strategy may well benefit from the changes in European legislation. This will also demonstrate that they are aligning to a culture of

environmental sustainability that is being promoted by government at all levels.

Other issues to consider are how the strategy is communicated throughout the organisation and educating employees to understand why IT cannot be viewed as an easily disposable consumable. These are important issues, both in terms of people complying with the strategy but also raising awareness of the wider issues of environmental sustainability.

Compliance with Legal Responsibilities

Legislation imposes a range of responsibilities on companies with regards to computer usage and its subsequent disposal. Companies are generally aware that whilst using computers they must comply with licensing, Data Protection and Intellectual Property Right laws. They are less likely to be aware of legislation governing IT re-use and disposal.

This Guide will focus on the legal implications associated with donating or selling used computers. Research indicates that many companies are involved in an element of donation and selling of computers after the company has come to the end of its usage. It is clear however that companies are often unaware of their duty of care and the potential associated liabilities that they may be open to.

Residual Liability - There are a number of issues that need to be considered with regards to residual liability. Some of these have been outlined below however for a clear position on your specific circumstances we recommend that you obtain proper legal advice, in particular if you are making large donations or sales directly rather than using a third party agency such as a refurbisher.



Selling Second Hand Computers

The seller must ensure that the product sold is fit for the purpose whether that product is new or second hand. The buyer has statutory rights and may have a valid claim against a seller should the product sold be defective or unfit for the purpose. Further the Electrical Equipment (Safety Regulations) 1994 provides that all persons who supply electrical equipment in the course of business, including auctions must ensure that the equipment is safe. The degree to which a seller is liable however is dependant on a number of factors including the nature of the sale (trade/private), the intention to create legal relations, the condition at the time of sale, warranties given and the exchange for money or monies worth.

Computer Donations

Where an organisation is donating computers, the donor may still be liable for consequences of donating defective products. For example the computer donated has electrical faults that pose a health and safety risk to the donee. The donor may be liable for not having taken reasonable care in ensuring that the product was safe. Where companies are donating computers directly they may therefore be advised to ensure that health and safety checks are carried out prior to donation and documented accordingly and that the donee is made aware that the risk passes to the donee with no intention to create legal relations.

Insurance

In all cases the seller and/or donor is advised to liaise with their business insurer to ensure that they have the necessary insurance cover to protect against any potential residual liabilities arising out of computer sales and/or donation.

Sending to Refurbisher/Recycler

The organisation may send their computers to a company specialising in computer refurbishing, upgrading and recycling to handle the sale/donation of computers on their behalf. Whilst there is no mandatory requirement for refurbisher or second hand equipment to undergo any safety testing, suppliers will want to ensure that the equipment is safe so as to avoid an offence under the Safety Regulations. Refurbishers should therefore have all the necessary health and safety procedures in place e.g. PAT testing, insurances, reporting procedures and be fully aware of their legal responsibilities. It is still advisable however that the organisation checks the procedures and practices of companies before making their selection.

The organisation may also be able to negotiate with the refurbisher that a fee is returned to it should the company be successful in selling the computers. If computers are subsequently donated by the refurbisher, the company should be able to provide a report with details of the final recipient.

Data Security - Most organisations participating in the research indicated that data was erased prior to selling/donating/disposing their computers. However the degree to which the data that has been wiped is

protected from access is unclear as simply deleting files does not erase information from the computer hard drive and memory and may be accessible by third parties. This method clearly carries the risk that sensitive information may be compromised as well as Data Protection implications.

Companies should ensure that the data has been erased properly. Depending on the level of sensitivity a range of software is available that permanently removes data from the hard drive and memory which the company should consider acquiring. Alternatively the company may instruct a specialist company to handle the removal of data for a fee.

Procurement

Procuring IT equipment involves a number of considerations. For example, if a company identifies an operational function that requires additional hardware capacity the company should consider all options available to it such as whether it should purchase brand new or upgrade existing equipment.

In larger companies the IT is likely to be sourced through a procurement department. A sustainable business case should be made before new equipment is actually purchased. This business case should incorporate the financial as well as the social and environmental costs of procuring.

A well-informed decision should be based on a clear policy statement. To ensure cost effective and socially responsible IT procurement all companies should ask themselves a number of questions, examples of which can be found on the website.





Re-use and Disposal -

Environmental/Social Responsibility

The specific dangers of disposing of IT equipment are highlighted in the SISTech report. The main area of concern is that IT components are made from materials that may cause cancer and hormone disruption. Neurotoxins and other toxic material may have a harmful effect particularly on the environment and aquatic life. This has led to the introduction of the WEEE Directive and to suitable methods of re-use and disposal of IT equipment.

There are 2 main ways of re-using and disposing of IT equipment:

External Agencies

1. Pass them on to a waste management company to handle the disposal
2. Pass them on to an asset recovery company
3. Pass them onto a recycler for refurbishment or re-use
4. Participation in a manufacturer "take-back scheme"

Internally

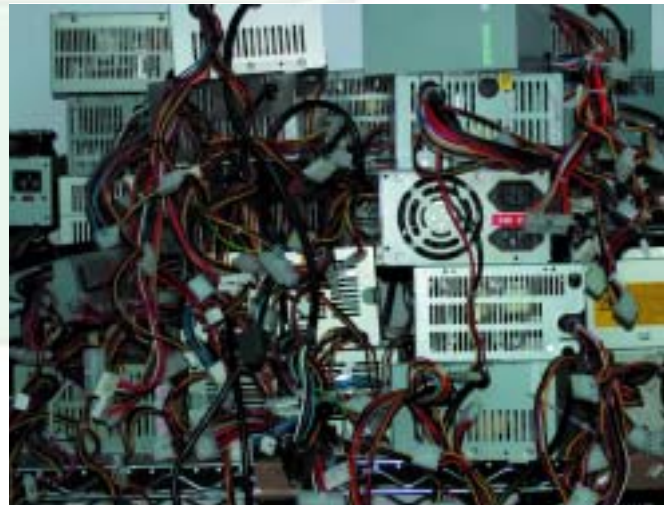
1. Donation/ low cost sales of the machines to internal staff
2. Donation to charities/voluntary sector - particularly smaller organisations requiring lower spec machines. The social benefits of re-use by the voluntary sector may include job creation, skills development, improved internal administration and IT social inclusion.

As none of the companies contacted in the research directly sent their computers to landfill sites the Guide focuses on companies using external agencies to manage the re-use and disposal of their equipment. When working with external agencies there is a need to ensure that the companies selected comply with appropriate regulations and maintain high standards. As a minimum the following issues should be clarified from the outset:

- Will the company removing the computers take all of the equipment?

- What payment conditions are involved either way?
- Will the agency provide a detailed report of what happens to the equipment and individual components if the machine is going to be dismantled?
- How is data wiped from the machines?
- Does the company adhere to any quality standards for dealing with waste?
- Has the company completed or is working towards completion of an approved accreditation scheme (e.g. ICER)?

When dealing internally with equipment i.e. donating or selling at low cost it is important that the safety of recipients and potential liabilities have been considered. As donating /selling may simply pass on the problem of disposal to the recipient, the company as a continuance of its social responsibility should inform recipients how the computer(s) could subsequently be re-used or disposed of in an environmentally friendly manner. Further where the recipient is seeking to replace older computers, the company may even link the donation/sale of computers to the proper re-use or disposal of the computers being replaced.



Recommendations

We recommend that contracting an external agency may be the most appropriate and safest way of dealing with redundant computers, particularly if organisations have a substantial turn around of IT equipment.

Where possible we recommend the refurbishment of computers. As part of their duty of care businesses should use **registered** carriers and **licensed** treatment facilities. These carriers should be aware of their legal responsibilities, adhere to best practice and be able to clearly demonstrate their procedures for dealing with the machines and any subsequent re-use or disposal.

Finally, deciding what to do with waste is not straightforward, as companies need to take into account the financial and legal implications as well as the social and environmental costs. To assist this process decisions should be made as part of a clear overall strategy, which incorporates the whole IT lifecycle.

For Further Information Contact:

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Fax: 0131 654 5718
<http://www.mcsence.co.uk>
e-mail: mail@mcsence.co.uk

Other Useful Contacts:

ICER (Industry Council for Electronic Equipment Recycling)

6 Bath Place
Rivington Street
London EC2A 3JE

Tel: 020 7729 4766
Fax: 020 7729 9121
<http://www.icer.org.uk>

DTI (Department of Trade & Industry)

Environment Directorate
151 Buckingham Palace Road
London SW1W 9SS

Tel: 020 7215 1036
Fax: 020 7215 5835
<http://www.dti.gov.uk/sustainability>

Data Protection

Information Commissioner
Wycliffe House
Water Lane
Wilmslow
Cheshire SK9 5AF

Tel: 01625 545 745
Fax: 01625 524 510
<http://www.dataprotection.gov.uk>

Refurbishers:

McSence CyberCycle

McSence Business Enterprise Park
Mayfield, Dalkeith
Midlothian
Scotland EH22 5TA

Tel: 0131 654 5707
Freephone: 0800 027 9031
Fax: 0131 654 5718
<http://www.mcsence.co.uk>
e-mail: mail@mcsence.co.uk

Also see ICER directory for individual refurbishers: <http://www.icer.org.uk/directory>

www.dontbinit.org.uk

