**Objective of Project**

**General objective:**
To characterize and/or quantify the flow of used electronics equipment within North America and between North America and the rest of the world.

**Specific objectives:**
To develop a framework and a methodology to characterize and/or quantify used electronics product flows.

**Background**

**Project History and Foundation**
Used electronic components and products, as they become obsolete and are discarded, are a public issue and, in certain instances, an environmental concern. Multiple approaches are being developed to encourage sound end-of-life management at the subregional level where it does not exist. Challenges exist to ensure adequate management of the volume of consumer electronics being discarded each year. In view of this, the Parties have decided to focus the CEC work on used electronics in North America. This work is also supportive of the objectives stated in the 2007 NAFTA Free Trade Commission (FTC) meeting where trade ministers (or their equivalent) from the three countries agreed to “work with the CEC to explore ways to address the environmental impacts of the lifespan and disposal of consumer electronics.”

In December 2009, the CEC completed a feasibility study to evaluate different methodologies that could be used to characterize or quantify the flow of used electronics equipment in North America.

**Key Stakeholders, Resource Leveraging, Partnerships (to date)**
One of the main challenges in characterizing the flow of used electronics equipment is the sheer number of actors in the marketplace. Thus, the first activity proposed in this project will identify participants in used electronics trade flows. These include companies that collect used electronics, arrange auction batches of used electronics, transport and export used electronics, and broker used electronics at ports of exit and entry, as well as trade associations and government departments such as Customs staff at ports and in selected state/provincial governments. It is helpful to map the major flows of used electronics, including the participants more frequently involved in the material chain.

**Advisory Groups Related to This Project**
The governments have appointed a group of governmental experts on electronic waste who will review the outputs of this work. The CEC’s Trade and Environment Working Group (TEWG) will provide general oversight for this project.

**Rationale**
One of the challenges for the effective management of used electronics relates to the availability of information on trade flows; in particular,
concerns are rising about the transboundary movement of used electronics equipment, notably from developed to developing countries. However, there is very little data on the exports of used electronics equipment. This equipment includes diverse products that move through complex channels within, and outside, North America. Used electronics include products and components destined for recycling as well as electronic products for reuse or refurbishment. No organization has yet conducted systematic data on North American flows of used electronics. Thus, there is no sufficiently specific picture that might allow North American countries to distinguish whether used electronics are being exported for reuse, refurbishment, recycling or disposal, or in what quantity.

Better information on imports and exports of used electronics would inform policy development in the three countries and help identify the most important issues pertaining to the governance of this sector. For example, it would allow determination of whether a large percentage of North American used electronics are exported to countries with primitive recycling practices, which might necessitate consideration of further action. It could also contribute to an informed decision about the need and scope for additional CEC work in this area.

Recognizing that the complexity and the lack of information on this issue may limit the effective characterization and/or quantification of trade flows, this project follows a step-by-step approach. The first phase (2009) consisted of a feasibility study that assessed opportunities and challenges for an effective characterization of trade flows of North American used electronics.

On the basis of its findings, the experts group decided to continue with the development of a framework and methodology to characterize and/or quantify used electronics product flows and to validate the methodology. The work undertaken under this project does not anticipate consideration of the environmental hazards associated with used electronics or regulatory and compliance issues related to these materials, since these topics have been discussed in other fora or require expertise different from that needed to assess trade flows.

**Fulfillment of Strategic Objectives**

The CEC’s 2005–2010 Strategic Plan\(^1\) called for an increase in the capacity of the three countries to identify and address trade-related environmental concerns to achieve mutual benefits for trade and the environment, and improve collaboration among the three countries in these areas through generation of relevant information.

**Information for Decision-making**

This project will provide input for decision-makers on used electronics policy and will strengthen the capacity of North American policy makers to understand continental environmental issues of common concern.

**Trade and Environment**

The project will provide relevant information for policy makers in an area that has a clear trade dimension. The Free Trade Commission (FTC) has explicitly requested the CEC assist it in its work on electronics, and this project responds to NAAEC Article 10(6)e that requires the Council to assist the FTC in such environment-related matters.

**North American Scope of the Project and Its Relevance to the Three Parties**

The exports of used electronics from North America are particularly germane to the CEC because of the significant volume of used electronics generated in our continent and because of potential impacts of North American exports to other countries. Also, the need for collaboration in this area has been noted by NAFTA trade officials as indicated earlier.

**CEC Niche and Value Added**

The CEC’s history of working at the trilateral level and assisting the Parties to integrate comparable environmental information make it an appropriate agency to examine the challenges of looking at sound environmental management of used electronics.

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Linkages with Other CEC Projects
Trade and Enforcement Working group (including the Hazardous Waste Task Force) will be kept informed of ongoing activities.

Activities and Outputs

Key Activities
- Develop and validate a methodology and a framework to characterize and/or quantify used electronic product flows.

Anticipated Outcomes and Performance Indicators

Direct Outcomes
- A methodology and framework to analyze the flows of used electronics.

Performance Indicators
- Framework and methodology are developed.

Intermediate Outcomes
- The framework and methodology developed is reviewed by the Parties.

Performance Indicator
- The methodology is analyzed and discussed by the Parties.

Final Outcomes
- A validated framework and methodology to analyze flows of used electronics.

Performance Indicator
- Framework and methodology are developed, validated, finalized and approved by the Parties.

Timetable, Project Completion and Sustainability

Culminating Steps in Achievement of Program Objectives
The activity planned for 2010 will provide the Parties with a validated methodology to analyze trade flows of used electronics. The methodology will be available for dissemination, as appropriate.

Target End Date for CEC Involvement
This activity is intended for completion in 2010 and no further activities are planned beyond 2010.

Sustainability Beyond 2010
Project activity for 2010 will proceed as described herein. The methodology developed by this project could be used for implementation by agencies within any of the CEC’s partner countries, or in support of the work plans of the FTC. Future work in support or continuation of these activities will be considered in the development of the CEC’s 2010–2015 Strategic Plan and subsequent project-level descriptions.

Information Management
No databases will be developed as part of this activity.
## Implementation Plan

### PROJECT 5- Trade Flows of North American Used Electronics

**Objective** – To identify the possibilities of quantifying used electronics product flows.

<table>
<thead>
<tr>
<th>2010 Tasks</th>
<th>Key Outputs</th>
<th>Timing</th>
<th>Expected Outcomes</th>
<th>Beneficiaries (Reach)</th>
<th>Budget (C$)</th>
<th>Future Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Develop and validate a methodology and a framework to characterize and/or quantify used electronics product flows</td>
<td>A study developing and validating a methodology and a framework to characterize and/or quantify trade flows of used electronics product flows</td>
<td>Winter 2009–spring 2010</td>
<td>A validated methodology and a framework to characterize and/or quantify used product flows</td>
<td>Regulatory agencies dealing with electronic waste, at both federal and state levels, as they will be able to apply the methodology for their own assessments</td>
<td>100,000</td>
<td>Apply methodology developed in this project</td>
</tr>
</tbody>
</table>

**Quality Assurance Summary**
- **Background paper:** Methodology and a framework to characterize and/or quantify trade flows of used electronics product flows
- Secretariat review: July 2010
- Party review–Quality assurance: August 2010
- Publication: September 2010

**Total Cost:** $100,000

**Performance Measurement Indicators:**
- Framework and methodology are developed, validated, finalized and approved by the Parties

**Key Partners:**
- Appointed government experts on used electronics