

# 206 mn obsolete devices lying with households

## Disposal, recycling of e-waste continue to be a major challenge

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As many as 206 million devices — smart phones and laptops — are lying idle with consumer households, according to a report and survey by the Indian Cellular and Electronic Association (ICEA) along with Accenture.

Based on estimates available till FY21, the staggering numbers show that there are serious challenges in the effective disposal of electronic waste or waste from electrical and electronic equipment in the country, even as this has become a key focus area of the government in order to improve the environment and ensure sustainable production.

According to the report, called

“Pathways to a Circular Economy in the Indian Electronics Sector”, 40 per cent of the respondents agreed that they were hoarding as many as four or more devices, such as mobiles and laptops, which have remained unused for years. The circular economy is an alternative to the “take, make, and dispose” linear model, replacing it with the concept of end-of-life with restoration and regeneration, as well as business models for waste elimination and maintaining maximum value through reuse and repair, among other things.

There are three underlying reasons for this consumer behaviour: One, the lack of good economic incentivisation; two, high personal attachment to devices as consumers are loath to part

with them because of the amount of personal data that they hold; and three, the lack of awareness. The survey indicated that two of five consumers did not give their devices for recycling as they were not even aware of the need for it.

In FY21, the study points out, the total number of devices in use (mobile and laptops with a ratio of 15:1) was 515 million, but about 75 million were added as idle inventory, pushing the overall number to 206 million. Experts say the number would have only gone up in the following years.

Recycling of electronic devices takes place mainly through two channels — informal scrap dealers who collect them from end consumers, and through

### IDLE INVENTORY

- ▶ A growing number of mobiles and laptops well over their life cycle lying with households
- ▶ Nearly 40% of respondents say they have at least four or more devices which remain unused
- ▶ 90% of the collection of end-of-cycle phones and 70% of the recycling still done by the informal sector
- ▶ Large business potential in circular electronics

formal bulk operators working in tandem with device brands as part of the latter’s extended producer responsibility.

As much as 90 per cent of the phones



are collected by the informal sector from households, and the rest is taken care of by organised companies. When it comes to actual recycling, 70 per cent is undertaken by the informal sector, and

22 per cent by formal recyclers.

Also, 2 per cent of the devices are used for spare parts harvesting, but this could be a more extensive practice. The rest is put in landfills where it runs the risk of leaking out hazardous e-waste.

The report also says roughly 60 per cent of devices that need to be repaired are serviced by the cost-effective informal sector, especially in the case of out-of-warranty phones. Consumers looking for service quality chose the formal sector, which accounts for 18 per cent of this market. The rest of those who need to repair their device continue to use the phone as it is.

The business potential of circular electronics is large. ICEA-Accenture says circular electronics will have a market size of \$13 billion by 2035 even if it is business as usual, and \$20 billion as if it meets its total economic potential.