

Why adding ICT to the priorities for Ecodesign for Sustainable Products?

Mobile telecommunication operators are well-placed to know what the circular economy can bring to the ICT sector. Indeed, less than 40% of electronic waste is recycled in the EU¹, while 53.6 million metric tons of electronic waste were generated worldwide in 2019².

Therefore, we welcomed the EU Circular Economy Action Plan, which introduced a sustainable product policy framework in Europe and rightly identified 'electronics and ICT' as a critical product value chain.

While various initiatives have been taken in this field, it is fair to say that at least one crucial issue is still not addressed and deserves more scrutiny: **applying the circular economy principles to the ICT network equipment**. With a better ecodesign and increased reuse of products across the value chain via efficient refurbishing and resale, we can extend the life cycle of network equipment. If correctly addressed, this issue could constitute a step change for the EU and create an attractive precedent for the rest of the world. This model would let telecom operators reuse and transfer network equipment when appropriate, without hindering the modernization of networks. By doing this, the supply chain's GHG will decrease, electronic waste will diminish greatly, raw materials will be controlled better and employment opportunities will arise in the EU.

Operators' circular economy programme such as OSCAR³ (which resonates with Orange's ambition to address waste and commit from 2025 to ensuring that 100% of their branded products follow an eco-design approach⁴), and Telefónica's programme called MAIA⁵ (part of their Circular Economy Plan⁶ which aims to achieve Zero Waste by 2030 through eco-design, reuse and recycling of 100% of its network equipment by 2025), have already started incentivizing the industry and other telecommunication operators to apply circular economy principles.

¹ https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Waste_statistics_-_electrical_and_electronic_equipment#Electronic_equipment_.28EEE.29_put_on_the_market_and_WEEE_collected_by_country

² https://collections.unu.edu/eserv/UNU:7737/GEM_2020_def_july1.pdf

³ <https://hellofuture.orange.com/en/refurbishing-it-and-network-equipment-working-toward-a-circular-economy-with-oscar>

⁴ <https://www.orange.com/en/commitments/oranges-commitment/to-the-environment>

⁵ <https://www.telefonica.com/en/communication-room/telefonica-launches-maia-a-platform-to-promote-the-reuse-of-its-network-equipment/>

⁶ <https://www.telefonica.com/en/communication-room/telefonica-presents-its-circular-economy-plan-in-line-with-the-gsma-strategy/>

Overall, such reuse initiatives have led to:

- the setting up of internal marketplace enabling buyers and technicians from telecommunication sector and their subsidiaries to exchange and buy used equipment;
- substantial carbon emission saving: by reusing an existing product instead of manufacturing a new one;
- large financial savings: by using equipment from other subsidiaries that are still in good working conditions or that have been reconditioned, significant savings can be made compared to buying new equipment.

However, to achieve greater circularity, **a strategy and a change in thinking in the ICT network equipment value chain must be embraced by all stakeholders**. This is why the GSMA has published a ***Strategy Paper for Circular Economy: focusing on network equipment***⁷ in March 2022, creating public awareness on the benefits and challenges of using circular economy principles to extend the lifecycles of network equipment. The paper explores impacts and opportunities, showcases additional examples of successfully implemented projects that could be scaled up, and provides **nine recommendations** on how to move forward through engagement with mobile network operators, network equipment suppliers, industry organisations, policymakers, civil society organisations and other relevant stakeholders.

Recommendations

1. Keep current equipment in active use longer
2. Share network infrastructure
3. Develop awareness on circular economy across the industry
4. Give refurbished the same consideration as new in business proposals
5. Create common KPI metrics and guidelines
6. Rethink the business relationship to support reuse
7. Improve the regulatory ecosystem in favour of circular operations
8. Create and interconnect marketplaces
9. Ensure energy efficiency is a priority in network equipment

As mentioned in the recommendations, an essential step forward will be to align the different environmental metrics currently used by equipment manufacturers to enable fair benchmarking on global CO2 equivalent impacts, as well as the levels of repairability and e-waste. The work

⁷ www.gsma.com/betterfuture/resources/strategy-paper-for-circular-economy-network-equipment

of the International Telecom Union (ITU-T) and the wider use of existing standards could be a starting point. Given that most of the telecommunication operators' emissions come from scope 3, it is critical to have a shared understanding and strengthen our cooperation and commitment with all partners in the value chain.

For these reasons, the GSMA ask through this consultation that **ICT be a priority for the upcoming Ecodesign for Sustainable Products Regulation (ESPR)**. Indeed, **ICT network equipment still requires a framework, even though delegated acts⁸ already cover ICT mass devices.**

The future « digital product passport » and the horizontal durability measures proposed by the European Commission in the ESPR promise to fulfill this goal. Getting to this level playing field will save significant carbon emissions while still allowing mobile network operators to modernize their networks when necessary.

About the GSMA

The GSMA is a global organisation unifying the mobile ecosystem to discover, develop and deliver innovation foundational to positive business environments and societal change. Our vision is to unlock the full power of connectivity so that people, industry, and society thrive. Representing mobile operators and organisations across the mobile ecosystem and adjacent industries, the GSMA delivers for its members across three broad pillars: Connectivity for Good, Industry Services and Solutions, and Outreach. This activity includes advancing policy, tackling today's biggest societal challenges, underpinning the technology and interoperability that make mobile work, and providing the world's largest platform to convene the mobile ecosystem at the MWC and M360 series of events.

We invite you to find out more at gsma.com. Follow the GSMA on Twitter: [@GSMA](https://twitter.com/GSMA) and [@GSMAEurope](https://twitter.com/GSMAEurope)

⁸ https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12797-Designing-mobile-phones-and-tablets-to-be-sustainable-ecodesign_en