Economic Feasibility of e-Waste Treatment in Tanzania

Blaser, F. & Schluep, M. 2012

A review by ***Tomás Connolly***

Introduction

UNIDO aims to examine the possibility of developing a manual e-waste facility in Tanzania. Through a feasibility study they seek to establish a business plan for a treatment facility. The business plan splits the e-waste treatment into two operations; Refurbishment and Recycling. UNIDO examines if this facility can be financially sustainable according to baseline scenarios (current trends).

What are the three most important findings you can take from this paper?

- Waste materials are purchased in bulk volumes and consist of obsolete materials, scrap material and devices apt for refurbishment. These are purchased at a high price with no guarantees of substantial amounts of material for refurbishing, which is vital for revenue.
- Even if the bulk material possesses sufficient amounts of materials to refurbish, there are still possibilities of price decreases due to competitive market prices. New products like Netbooks can have a major effect on the likes of the Laptop industry and thus put pressure on sales prices of refurbished products aimed at this industry
- It is profitable to treat IT equipment, however CRT monitors tend to lower the financial performance of the business. Printed Wiring Boards (PWBs) area major revenue drivers. These are sold to international end processors. However these are scattered throughout the area making it hard to sell individually. If these are not sold it affects cash-flow substantially. A regional hub would ensure critical volumes can be gathered to sell more profitably.

What role does cross border trade play in the feasibility of e-waste treatment centres?

The regional cross-national cooperation's model allows e-waste treatment centres to be financially sustainable. These facilities allow for the large gathering of e-waste fractions like PWBs, which would otherwise be unfeasible. This large collection of recycled material attracts international manufacturers, which allows recyclers to participate in the global market. This ensures locals receive a maximum return value for the secondary raw materials produced.

There is a huge requirement for government bodies to guarantee compliance and acceptance for handling export licences and administrative procedures to facilitate the export of e-waste fractions.

Fabian Blaser & Mathias Schluep (2012). *Economic Feasibility of e-Waste Treatment in Tanzania.* Final Report, St. Gallen, Switzerland, United Nations Industrial Development Organisation (UNIDO), available online: http://lcemodule.files.wordpress.com/2014/02/11-tanzania-recycling-feasability-study.pdf [accessed 04 Mar 2014].