



**Subject:** Joint industry letter to the PMO regarding India's restrictions and effective ban on the import of used ICT devices under their policy on hazardous waste / e-waste (December 11 2015)

**Objective:** - Urgent Request for immediate intervention on challenges faced by IT industry in case of Import of refurbished spare parts, primarily for maintenance / warranty replacement purposes and of used specialized IT equipment for expanding testing/R&D capacity in the country.

Dear Sir,

The undersigned international trade and business associations, representing thousands of companies, request your help and intervention to resolve an urgent matter that will have a severe impact on the ability of our companies to service their Indian customers, including important government clients.

#### **Issues**

The issue emanates out of the Ministry of Environment, Forests and Climate Change (MOEFCC) and relates to the importation of spare and refurbished parts, components and whole equipment for Information and Communications Technology (ICT). While we support the objective of the Hazardous Waste Law to reduce e-waste in India, MOEFCC's subsequent policy decision undermines legitimate operational and maintenance activities of our member companies.

Our members have manufacturing units and R&D/Testing centres in the country employing significant number of IT professionals. The importation of these parts and equipment, which are used to service installed machines and equipment, is necessary to keep the systems of our Indian customers running and vital to the ability of our companies to meet warranty and maintenance obligations in India.

Warranties and annual maintenance contracts for high-end ICT servers, for example, often extend through the year 2025. Companies need to export non-functioning equipment or components, repair them abroad, and then re-import them to extend the servers' life spans for approximately 8-10 years. If we are unable to perform this routine maintenance, our clients will be forced to scrap these ICT hardware equipment. This not only will raise the overall ICT device procurement costs for companies and government ministries, but may also add to India's e-waste volume.

### **Background**

Since 2013, MOEFCC had been applying importation procedures for e-waste and hazardous waste to imports of used spare parts and whole equipment.

In July 2015 MOEFCC went further and issued a Ministerial Decision, rejecting a significant number of used equipment and parts shipments. This decision is attached to this letter for your reference.

On July 16, 2015, the MOEFCC published an Official Memorandum regarding imports under the India Hazardous Waste (Management, Handling and Transboundary Movement) Law 2008, which effectively banned importation of used, secondhand and refurbished computer parts and components. Subsequently, MOEFCC rescinded this Official Memorandum in August. Despite the withdrawal of this Memorandum, ITI member companies' used equipment shipments are not approved for importation by the Government of India.

### **Impact on this issue on Industry**

The impact of this policy decision on Indian companies and government entities will be severe. Our Associations have surveyed our member companies, which report tens of thousands of warranty and service agreements at risk for Indian customers in key sectors such as banking & financial services, telecommunications, healthcare, and military and government ministries, and public sector undertakings.

### **Suggestions**

Today, the ICT industry in India is facing severe consumer warranty issues as companies are not able to import refurbished certified spare parts. Some member companies are consolidating their testing/ R&D centers across the globe and moving them to India, which naturally results in the creation of a significant number of jobs and supports the ambitious **"Make in India"** initiative. Working on these R&D projects will enhance the skill of the employees as well as generate jobs. The reversal and uncertainty in MoEF policies is detrimental to national interest and is creating large difficulties towards attaining **ease-of-business**, which is a stated Government objective.

Our member companies are committed to investing in India and supporting the Prime Minister's ambitious economic and development goals, including the goals of Digital India and **Make in India** initiatives. However, the MOEFCC policy decision and DeitY's delay in approvals, if left unresolved, will have enormous consequences on our companies' operations and will serve as a deterrent for many of these future investments. Many of our multinational ICT member companies find this arbitrary restriction to be a major hurdle to the **ease of doing business** in India.

We seek your urgent intervention to issue necessary policy guidance by the MOEFCC for import of such spare parts and used capital goods.

We are therefore seeking your help in securing a written reinterpretation of MOEFCC's July policy that will allow our member companies to resume our legitimate and beneficial activities with Indian customers.

We look forward to your kind confirmation.



Rick Goss  
Senior Vice President, Environment & Sustainability  
Information Technology Industry Council (ITI)



Anwar Shirpurwala  
Executive Director, Manufacturers' Association for Information Technology



Basel Task Force Leader  
Four Electrical and Electronic Industry Associations in Japan  
(JEMA, JEITA, CIAJ, JBMIA)