



About this sheet

SOMO is an independent, non-profit research and network organisation that works on social, ecological and economic issues related to sustainable development. SOMO coordinates makeITfair – a public awareness campaign run by a coalition of European and Southern NGOs, with the goal of enhancing sustainability throughout the electronics supply chain. Through an extensive international network of NGOs, SOMO is in a good position to highlight the problems and issues in different industrial sectors, as well as coordinating the expectations and demands that NGOs have of companies to address these problems.

In this information sheet for responsible investors, we will outline NGO's priorities related to three high-risk phases in the electronics supply chain: metal mining, production in low wage countries and the disposal of electronics products. Responsible investors can use this information when leveraging their investment power to influence the behaviour of electronics companies.

This sheet is based on the priorities as published by the makeITfair campaign, and the demands and input of members of the worldwide GoodElectronics Network.

NGO priorities:

- ❑ metal mining
- ❑ production in low wage countries
- ❑ disposal of electronics products

NGO priorities related to mining

The current priorities of NGO's and communities in mining areas are the following:

- ❑ Since the electronics industry as a whole consumes significant quantities of metals, the industry should recognise that responsibility for their supply chain extends to the sourcing and mining of metals and primary metal processing.
- ❑ Electronics companies should map their supply chain down to the extractives phase. They should set up a system to update the supply chain periodically for each of the metals used.
- ❑ Electronics companies should apply due diligence when sourcing minerals from conflict areas, and they should adhere to relevant guidelines. A due diligence process for conflict areas should include tracing of minerals down to the mine level and setting up systems to detect whether any purchasing takes place from mines controlled by armed groups (including being taxed by armed groups along the trading routes). Ultimately, involvement of either rebel groups or state army actors in the mining industry is not acceptable.

Responsible company behaviour in this respect involves adopting and implementing makeITfair's 'List of principles on the extractives phase of the electronics supply chain'. All actions taken should include engaging proactively with local actors and striving for continuous improvements, rather than applying boycotts and black lists as a first step.

NGO priorities related to production

The current priorities of NGOs and trade unions worldwide relate to decent working conditions in the manufacturing of consumer electronics:

- Freedom of association and the right to collective bargaining should be respected, as the most important tools towards fostering decent working conditions.
- Contract labour and other short-term labour arrangements, including migrant workers, should never be used to undermine workers' rights and working conditions. Contract and/or short-term workers should have the same working conditions, rights and benefits as permanent workers and the right to a permanent employment contract after a certain time period.
- Workers should be able to earn a living wage for their family within normal working hours (no more than 48 hours per week).

Responsible company behaviour in this respect involves adopting and implementing the core labour standards of the International Labour Organization (ILO), child labour, forced labour, discrimination, and freedom of association, as well as other generally accepted labour standards in their supply chain. This includes: health and safety measures; a maximum working week of 48 hours, and voluntary overtime of 12 hours maximum; a right to a living wage; and the establishment of an employment relationship.

Concrete activities to undertake include capacity building through the following measures: training of workers, staff and management on workers' rights and responsibilities and the benefits of genuine workers' representation.

The management of factories should strive to create a safe environment in which workers are not afraid of punishment for organising to defend their rights in countries where promoting workers' rights is risky.

NGO priorities related to e-waste

Electronics companies should take the following responsibilities to reduce the negative impact of their electronics products at their end-of-life stage:

- Develop electronics that are more ecologically and socially sustainable by proactively phasing out hazardous substances, maximising the use of recycled materials, minimising the use of scarce materials in electronics, designing products for a longer life span, and increasing the recyclability of their products.
- Take responsibility for the collection and recycling of the waste created by their products, both in regulated and unregulated areas.

Responsible company behaviour in this respect means that electronics companies assess the ecological and social sustainability of their product portfolio and set ambitious targets for continuously improving sustainability. In doing so, they should collaborate with actors along the electronics supply chain, from mining companies to recyclers.

Furthermore, it means that they take action to increase the recycling rate of e-waste by:

- Setting targets for e-waste collection.
- Providing incentives for end users to hand in their old electronics items.
- Paying for the collection and recycling of their products, also in unregulated areas.
- Last but not least, taking action to contribute to solving the e-waste problem in developing countries by refraining from exporting e-waste outside countries from the Organisation for Economic Cooperation and Development (OECD) and by investing in recycling capacity in the developing countries where they operate.



Publications

- Unheard voices, makeITfair, December 2011
- Out of focus, makeITfair, November 2011
- What a waste, makeITfair, November 2011

Links

- www.somo.nl
- www.makeITfair.org
- www.goodelectronics.org



Centre for Research on Multinational Corporations

Sarphatistraat 30, 1018 GL Amsterdam, The Netherlands

T: +31 (0)20 639 12 91

For questions: Irene Schipper, I.schipper@somo.nl

