

Case studies: Sustainable solutions for transforming the smartphones and ICT sector



Electronics Watch: opening doors for bottom-up monitoring of factories

The electronics industry is notorious for widespread poor working conditions, despite some exceptions. The supply chain is complex and fast-changing, due to constant innovation, just-in-time supplies and downward price pressure. To remain profitable in this market environment, the industry uses a high ratio of temporary, migrant or otherwise precarious workers. The workforce faces safety risks, such as exposure to hazardous chemicals, or extreme overtime to earn a living wage. Meanwhile, precarious workers generally do not have scope to self-organise and challenge this.

It is also difficult for external observers to be sure of real-time conditions, and to track change. Existing 'sustainability certification' systems (e.g. eco-labels) are not always suitable to detect labour abuse. This is because they rely on either self-reporting – which is biased – or external audits, which can only take a time-bound snapshot of conditions. Such audits cannot pick up ongoing dynamics, and a precarious workforce is often afraid to speak to an auditor. Also, audits are not always conducted by organisations independent from both the industry and the certifier.

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As the purchasers are the source of downward price pressure and demand for cutting edge devices, they are also key to drive the industry to perform better on social and environmental issues. Public bodies form a major proportion of global ICT purchasing, and want to address such issues in their supply chains for various reasons: Firstly, their electorate increasingly expects tax-funded bodies not to exacerbate global injustices. Also, international obligations may push them to make changes – such as the UN Guiding Principles on Business and Human Rights, or the EU Procurement Directive.¹

Solution

Electronics Watch is an independent monitoring organisation that helps public procurers to address the rights and safety of workers in their electronics supply chain. By bringing together many public buyers as "affiliates", it allows them to achieve this more effectively than they could on their own. It does this by offering tools and guidance to buyers and suppliers, and by directly monitoring

factories. This [multi-pronged approach](#) was developed via an EU-funded

¹ Article 18(2) of the EU Procurement Directive now allows for social criteria in public procurement. bit.ly/2RGaNmz

Electronic Watch's mission

To help public sector organisations work together and collaborate with local monitoring partners to protect the labour rights and safety of workers in their electronics supply chains.

project in 2013-2015, which also recruited the first affiliates. In 2015, Electronics Watch became an independent, non-profit NGO.

Affiliates get access to a toolkit which includes risk mapping in their supply chains, reports about on-the-ground compliance investigation and remediation, and clauses to be inserted into procurement contracts. These contract mechanisms are a means for a buyer to follow-up on contractual obligations (relating to social and working conditions) that they have agreed with the supplier. They form the basis for the compliance process for supply chain transparency as well as remediation of problems – for example, committing suppliers to co-operate with monitoring and transparency. Engaging directly with the industry provides a means to guide suppliers step-by-step towards compliance with the Electronics Watch Code of Labour Standards. This code adopts criteria from relevant international, domestic and industry-specific laws and labour standards.

Electronics Watch handles the majority of the engagement with the industry and the suppliers, on behalf of the affiliates. This allows it to support its affiliates in a number of ways including pre-tender market engagement, suggesting questions to be asked during the tender, contract compliance

monitoring, regular dialogue with suppliers, and engagement with the [Responsible Business Alliance](#) at the wider industry level.

Why it works: eyes on the ground

As well as providing tools for buyers, Electronics Watch has set up the networks to implement monitoring, and remediation on the ground. Instead of third-party auditors, its model uses ‘worker-driven monitoring’. This is crucial because the workers are always present. They can detect harms that might

go unnoticed by drop-in auditors, can report on previous abuses that might affect dynamics today, and know whether corrective actions are properly implemented in the long term.

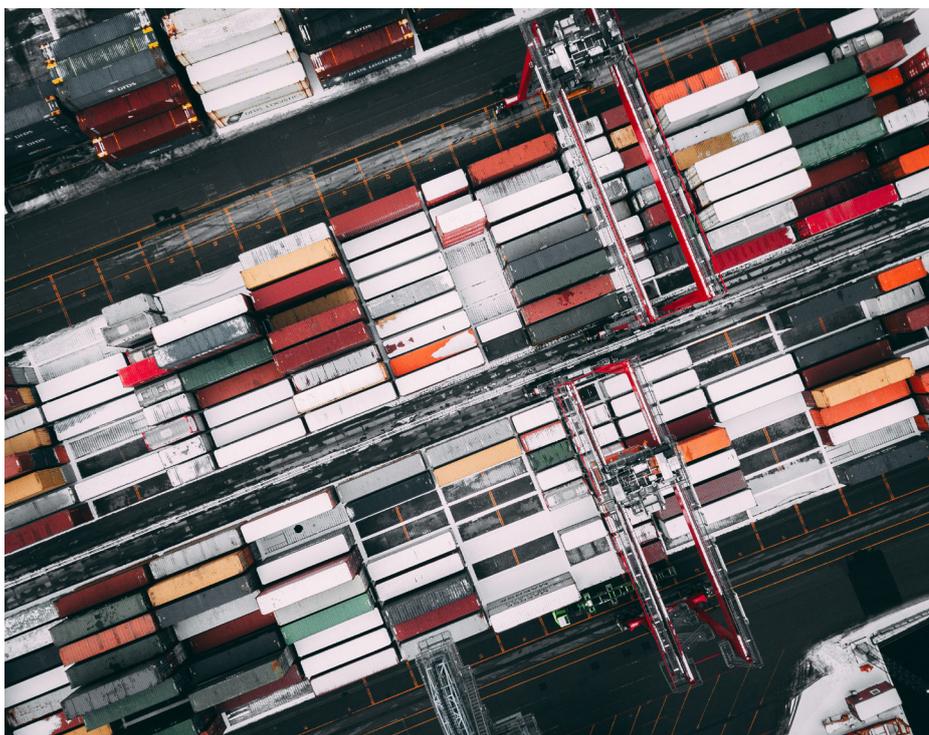
Worker-driven monitoring is run via existing civil

society organisations (CSOs) that are present in the production regions, and have no ties to any company being monitored by Electronics Watch. These ‘monitoring partners’ are familiar with relevant labour issues in the electronics industry, and are trusted by the workforce. Their main instrument is off-site interviews where workers find a safe space to report on issues in their workplace. They also use a wider range of typical social audit techniques. As well as involving the workers in monitoring and remediation, the CSOs also help workers understand

their rights and risks to their safety, and the industry conditions which may cause their employers to breach those rights and safety risks. This means that the industry becomes more transparent for the workers, as well as for the buyers.

This worker-driven approach allows deep, constant monitoring rather than the superficial snapshot that an external auditor would collect. It also strengthens and amplifies the democratic voice of the workers, who become active stakeholders in the whole process.

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Impact, and potential for scale-up or replication

Founded only in 2015, Electronics Watch already [monitors and addresses working conditions in 11 countries](#). Its affiliates (procurement members) now include more than 300 organisations in seven countries whose combined influence represents about €1 billion of the electronics market. This model – direct engagement via workers and buyers – is starting to drive concrete changes. This has directly “contributed to reinstatement of workers illegally fired for union organising, guaranteed pay for temporary agency workers, and ended forced labour by students and migrants” [according to the 2016-17 report](#).

Until recently, Electronics Watch has focussed on the wellbeing of workers in electronics manufacturing. However, under the new [Make ICT Fair project](#), Electronics Watch is now working with ten partners to mobilise European ICT buyers to reform the wider minerals supply chain. This may allow Electronics Watch to expand its reach as far as the mining industry.

Other collective procurement initiatives could replicate this model – contractual mechanisms along with worker-driven monitoring – to address other sustainability factors in electronics. Even for issues that do not directly harm the workforce, the method could be used to include the bottom-up perspective and understand long-term change. The ‘Make ICT Fair’ project may lead to collaboration with other industries that use the same raw materials, scaling up the leverage for change.

Find out more:

www.electronicswatch.org

Keys to success

- For social and human rights issues, worker-driven monitoring is far more effective than third-party auditing
- Contractual mechanisms in procurement can influence ICT producers to engage with initiatives to improve workers’ wellbeing
- ICT producers also need guidance to meet the demand for improved working conditions.

Next steps

- Attracting even more public procurers to become ‘affiliates’ to scale-up demand for change
- Reaching beyond manufacturing to include more parts of the supply chain via the ‘Make ICT Fair’ project (2017-2020)
- Exploring how worker-driven or community-driven monitoring could offer a way to monitor local environmental impacts, as well as social and human rights issues.

About Transform Together

[Transform Together](#) works with civil society, governments and businesses to advance sustainable consumption and production in high and middle income countries. Bioregional is the convenor and secretariat of the partnership.

About Bioregional

[Bioregional](#) works with partners to create better, more sustainable places for people to live, work and do business. We call this One Planet Living®.