



CSR BULLETIN FOR THE ICT SECTOR

The ASK-Verité ICT Newsletter is a periodic platform created for discussion and sharing of world-wide initiatives, happenings, and viewpoints on the sector's social responsibilities. This issue provides information about corporate initiatives taking place in the ICT sector in India, and highlights global ICT initiatives.

PROGRESS REPORT FROM INDIA: NEWS SUMMARY

This section of the bulletin provides a summary of developments taking place in the Information & Communications Technology (ICT) sector in India and also offers insights into events that are shaping the direction of this sector.

...ON ITES

The Business Processing Outsourcing (BPO) sector continues to be under scrutiny for its odd working hours and night shifts. High attrition rates and increased stress levels among the employees are prominent features of the sector. Within BPOs, the distinction between domestic and global operations creates tensions among employees.

GLOBAL, LOCAL BPO BIZ NOT THE BEST MIX

<http://economictimes.indiatimes.com/articleshow/1858919.cms>

Companies running global and domestic BPO businesses are realizing that these businesses are notably different. Companies are permitted to run both domestic and international call centers with the same infrastructure; however these companies are running into serious difficulties. For example, domestic BPO workers receive 50-60 percent of the wages of their counterparts working in global BPOs, which is demoralizing for the domestic BPO workers. Additionally, in terms of billing rates, international BPOs pay 75 percent more per seat than domestic BPOs. Companies also run into difficulties when trying to schedule domestic and international calling hours; international hours receive priority as they generate more revenue for the company. As such, domestic BPOs encounter complications when trying to run 8am to 8pm domestic call center hours. ■

BPO'S NO MORE A NIGHTMARE

<http://economictimes.indiatimes.com/articleshow/1842321.cms>

Although night shifts were once the bane of BPO workers and the reason 10-20 percent of BPO workers resigned, they are no longer. BPO workers' feelings about night work is starting to shift. Some workers indicate that they enjoy the night shifts because they have more time during the day to pursue high education. Some married BPO workers stated that they enjoy the night shift, as they are able to spend more daytime with their spouses. Workers further indicate that their lives are more organized and structured. BPO executives stipulate that part of the reason in this shifting attitude, even among women, is that workers are now accustomed to a nontraditional work schedule; they further indicate that workers' parents were among the strongest opponents to night shifts. Workers at one BPO reportedly request to work night shifts, and do not switch to the day shift when offered. ■

TABLE OF CONTENTS

Progress Report From India: News Summary
 ... On ITES1
 ... On IT Hardware.....2
 ... On IT Software3

Global Bytes3

Viewpoints:4

CHALLENGES IN THE SME SECTOR

Corporate Insight:5

Events:6

Glossary7

About ASK-Verité

Founded in 1992, the **Association for Stimulating Know-How (ASK)** is one of the few non-profit organizations in India working extensively in the field of corporate social responsibility. ASK functions as the South Asia Regional Program Office for Verité, undertaking social audits and research on CSR issues and facilitating factory-level remediation and trainings. ASK also supports programs as diverse as finding alternatives for child laborers in the brass industry in India, and working with indigenous communities in rural South Asia.

www.askindia.org
 V - 30 / 3 DLF Phase III Gurgaon
 Haryana – 122002 India
 (t) 0091-124-4060353
ask@askindia.org

Verité is an independent, non-profit social auditing, research, and training organization based in Amherst, Massachusetts, USA. Founded in 1995, the organization helps to improve the lives of workers and assists the corporations that employ these workers to better balance profitability with social responsibility. Verité provides social audits, factory remediation, corporate training, labor research, and worker education in over 60 countries worldwide. Verité is a winner of the 2007 Skoll Award for Social Entrepreneurship.

www.verite.org
 44 Belchertown Road
 Amherst, MA USA 01002
 (t) 001-413-253-9227
verite@verite.org

The **ASK-Verité** partnership undertakes research and capacity building programs focused on India to improve working conditions. We also collaborate to build capacity among corporations globally to assess and remediate factory-level labor problems.

BPOs RAISE ALARM AFTER NOIDA SHOOTOUT<http://economictimes.indiatimes.com/articleshow/2075269.cms>

In May 2007, a shootout occurred at Noida-based HCL, when one customer care representative fired at another, which has spurred another round of concerns relating to BPO work environments and safety. Individual BPOs have responded to this incident by increasing security measures, such as installing additional security cameras, tightening security check points, and frisking workers and guests as they enter the building. Some BPO executives believe that the instability of the BPO sector has to do with the nontraditional working hours, as well as young people living away from home in large cities. However, others believe that these problems are related more to the "level of violence and intolerance in the society," especially with regards to the ease with which one can acquire a gun. Regardless of the cause, all agree that measures must be taken to ensure responsible and safe growth of the BPO sector. ■

WIPRO'S BPO UNIT SEES 73% ATTRITION RATE<http://economictimes.indiatimes.com/articleshow/1928978.cms>

According to a top company executive, Wipro's annualized attrition rate was 73 percent for 2006-2007. Reasons for this high attrition rate include: workers receiving offers from competitors, workers deciding to pursue higher education, and workers leaving the BPO industry. Late night shifts are also a deterrent indicates Wipro's Chief Executive T.K. Kurien, as women comprise a large part of this industry. Kurien indicated that Wipro is taking measures to reduce the attrition rate, including one-on-one meetings with workers. ■

...ON IT SOFTWARE

The software sector is awakening to the needs of its employees as well as to social responsibility by adopting a comprehensive approach towards motivating and retaining workers. In this section, the HR initiatives undertaken and a recent TCS-CII study are examined.

IDENTIFYING AND REWARDING TALENT<http://economictimes.indiatimes.com/articleshow/1913063.cms>

Executives from four India companies, Scope Intl., Wipro, Johnson & Johnson Medical India, and Ajooba International, along with the Commercial Bank of Ceylon, joined together to determine what makes a high-performance workforce. All five agreed that identification of workers in the top 20-25 percent of skill level, a flexible policy rewarding talent, and strong brand recognition. All employers agreed that today's workers prefer targets and goals over company style. Companies realize that identification of top employees also leads to identification of bottom employees, and that the bottom 20 percent is always a stumbling block for companies. ■

NOW, EMPLOYEE IS CENTER OF ACTION<http://economictimes.indiatimes.com/articleshow/1913043.cms>

Being the "employer of choice" is no longer enough, notes top executives from employers included in the "Best Employers Survey." The focus of employment has shifted from the employer to the employee. With recent high growth and ever-growing attrition rates, employers are taking efforts to make employees feel that they are an important part of the company, as well as ensuring that the progress of the company affects more than top management. Young people entering the workforce are looking for a challenge, and are willing to take risks. This is a marked difference from workers a decade ago. ■

EMPLOYMENT OF DISABLED IN COS DISMAL: TCS-CII STUDY<http://economictimes.indiatimes.com/articleshow/2060423.cms>

According to a recent survey conducted by Tata Consultancy Services-Confederation of Indian Industry (TCS-CII), 36 percent of IT and ITeS companies surveyed have recruited employees who are physically challenged. Approximately 73 percent of companies included in the survey do not include specifications for physically challenged workers in their CSR policy. The study went on to indicate that an estimated six percent of the population is considered to be disabled; while only one percent of disabled persons judged capable to work are employed. ■

IT HIRING VISUALLY CHALLENGED<http://economictimes.indiatimes.com/articleshow/2116836.cms>

Leading IT companies in India, including IBM, Mphasis, Infosys-BPO, SAP India, and Adithi Technologies, have started taking appropriate measures to hire the visually challenged, including special trainings and infrastructure changes. Although this 'start' is considered by some to be both late in coming and very slow once begun, others applaud the efforts of these companies to begin employing differently-abled workers. ■

...ON IT HARDWARE

This section includes statistics from the third quarter of the 2006-2007 fiscal year, as well as providing recent news from the EICC, and some 'green' projects.

IBM ANNOUNCES 'PROJECT GREEN' IN INDIA<http://economictimes.indiatimes.com/articleshow/2109258.cms>

IBM has announced that the inception of 'Project Green' in India, in which companies will reduce their energy consumption by up to 50 percent. IBM plans to invest one billion dollars into this project globally; it is unknown how much of the one billion will be ear-marked for Indian companies. According to IBM Vice President of Site and Facilities Services, "By using technologies internally, IBM expects to double the computing capacity of its data centers within the next three years without increasing power consumption." ■

WIPRO GOES "GREEN"

<http://economictimes.indiatimes.com/articleshow/2125103.cms>

Wipro has introduced a line of eco-friendly desktops and laptops, aptly named 'Wipro GreenWare.' The GreenWare are RoHS compliant, and will substantially reduce e-waste. Wipro has also set up an e-waste management process called 'Wipro Green Computing' which spans the product's lifecycle from design to disposal. ■

THIRD QUARTER PC SALES CROSS 1.39 MILLION UNITS

<http://www.mait.com/pressupdate16.jsp?cboid=67>

MAIT, the Manufacturers Association for Information Technology in India, announced total PC sales from October-December 2006 to be 1.39 million units, an increase of 28 percent from that quarter in 2005. Representatives indicate that notebook sales increased 56 percent, and desktop sales increased 24 percent, from that quarter in 2005. However, desktop sales decreased 20 percent from the second quarter (July, August, September) of the 2006-2007 fiscal year. According to MAIT Executive Director, Mr. Vinnie Mehta, "The growth of the IT consumption in the country is making India an attractive destination for manufacturing investments. We welcome the slew of encouraging policy measures announced by the Government to promote hardware/electronics manufacturing. The new Fab Policy is all set to redefine the face of IT manufacturing in the country especially in boosting high capital-intensive activities like the manufacture of semiconductors, LCDs, storage devices and so on. Further, the recently announced 'Hi tech products exports promotion scheme' in the Annual supplement to the Foreign Trade Policy will help boost hardware exports from India." ■

EICC – UPDATE

www.eicc.info; www.eicc.info/EICC_CROSSINDUSTRY.html

By April 2007, three new companies have indicated their commitment to improving working conditions and take responsibility for environmental stewardship throughout the electronics supply chain by joining the EICC: Adobe, Best Buy, and Sun Microsystems.

The EICC IG (Implementation Group) and GeSI (Global e-Sustainability Initiative) have agreed to partner in order to develop and deploy a consistent set of tools and processes to measure and monitor Supply Chain CSR performance throughout the ICT sector. Some goals include: safer working environments in which workers are treated respectfully; reduced redundancy with increased efficiency; improved understanding of industry-wide best practice standards; and greater involvement of key stakeholders.

The EICC IG and GeSI plan to utilize the following 'deliverables': risk assessment tools and supplier self assessment questionnaires (in English, Spanish, and Chinese); standardized methodology, auditing, and reporting; web based tools; and sharing of documents, planning, and events. ■

GLOBAL BYTES

This section contains news and views from around the world in order to see the emerging trends, and enhance the global perspectives regarding ICT.

UN OUTLINES GLOBAL E-WASTE GOALS

<http://news.bbc.co.uk/go/pr/fr/-/2/hi/science/nature/6420397.stm>

The UN has launched a global initiative to tackle the growing mountain of electrical and electronic waste. The private-public partnership hopes to create a global recycling standard, extend the life of products, and improve the market for second-hand goods. The world's annual volume of "e-waste" is expected to exceed 40 million tons in the near future, the UN estimates. Companies that have signed up to participate include Microsoft, Ericsson, Hewlett-Packard (HP) and Dell. The decreasing cost of replacing computers, mobile phones and other gadgets, and the speed with which technology goes out date, has resulted in more and more devices ending up on the scrap-heap. A team of Swiss researchers, part of the Solving the E-waste Problem (StEP) partnership, provided training for the recyclers. Taskforces will help shape government policies and look at concerns surrounding products' design, life expectancy, and recyclability. This UN initiative will build on the framework set up under the EU's Waste Electrical and Electronic Equipment (WEEE) Directive. The directive requires producers to bear the cost of the collection, recovery and disposal of devices no longer wanted by consumers. The long-term goal of the initiative is to develop a global standard for recycling, and improve the collection and recycling of e-waste. ■

ITUC DENOUNCES CADMIUM POISONING IN CHINESE BATTERY PLANTS

<http://www.ituc-csi.org>

The International Trade Union Confederation (ITUC) has called for renewed pressure on the Gold Peak Batteries International Ltd. regarding the poisoning of workers with cadmium. The ITUC's world campaign, being waged in conjunction with its Hong Kong affiliate, the HKTUC, and the NGO "Globalization Monitor," is targeted at the operations of three Chinese subsidiaries of Gold Peak, which produce and sell batteries, electronic components and related goods. Its customers include well-known names such as Canon, Casio, Fuji, JVC, Kodak, Konica, Minolta, Nikon, Olympus, Panasonic, Pentax, Ricoh, Sony, and Toshiba. The lungs, liver, and bones are particularly prone to the dangers of long-term exposure to cadmium, which has long been known to be a carcinogenic substance. When Gold Peak opened its factories in Huizhou in 1994, it did not provide workers with adequate information concerning these fatal risks, and initially refused to provide them with protective masks. As a result, cadmium-induced problems in these factories have already caused at least 16 confirmed cases of poisoning and over 400 other cases of excessive exposure to the substance. The ITUC is calling for global action to be taken by trade unions, civil society, governments, and intergovernmental organizations in order to press Gold Peak to face up to its corporate social responsibilities, and to attack the international threat of cadmium. ■

CHINESE COMPANY LENOVO LEAPS TO TOP IN GREENPEACE RANKING OF ELECTRONICS FIRMS; POSITIVE STEPS ALSO BY DELL, SONY ERICSSON

<http://www.greenpeace.org/raw/content/international/press/reports/guide-to-greener-electronics.pdf>

The latest Greenpeace ranking of electronic manufacturers' recycling and toxic content policies has a couple of surprises: a previously low ranked Chinese company has leapt to the number one spot. In one of the best outcomes of the quarterly "Green Ranking," Michael Dell challenged the entire industry to adopt a worldwide take-back policy. Sony-Ericsson not only took up the demand to eliminate brominated fire retardants and polyvinyl chloride – additionally they are eliminating beryllium and phthalates. ■

CUTTING EDGE CONTAMINATION: A STUDY OF ENVIRONMENTAL POLLUTION DURING THE MANUFACTURE OF ELECTRONIC PRODUCTS<http://www.eldis.org/cf/rdr/rdr.cfm?doc=DOC23835>

The study highlights the environmental contamination resulting from the manufacture of electronic equipment such as computers and documents how the computer manufacturing industry is contributing to environmental degradation, particularly water contamination. The study provides a 'snapshot' into environmental contamination from the use of hazardous chemicals in three major sectors of this industry: printed wiring board (PWB) manufacture, semiconductor chip manufacture and component assembly. It finds that some hazardous chemicals are persistent and result in bioaccumulation. Commonly used wastewater treatment processes are unable to deal with many of the chemicals used, including certain brominated flame-retardants and heavy metals. The study concludes that there is an urgent need to substitute hazardous chemicals either by direct replacement with non-hazardous alternatives or through altering the processes to eliminate the need for such chemicals. ■

STEVE JOBS ADDRESSES APPLE'S ENVIRO-CRITICSwww.greenercomputing.com

Apple chairman Steve Jobs has posted an open letter to the public about his company's commitment to the environment. Apple has come under heavy fire in recent months from environmental groups Greenpeace and the Computer Take Back Campaign for its perceived lack of dedication to reducing e-waste, its use of toxic chemicals in manufacturing products, and the restrictions it places on recycling and taking back computers, iPods, and other products. In his letter, Jobs noted that Apple's manufacturing processes are already compliant with Europe's new Restriction on Hazardous Substances (RoHS) laws as they pertain to cadmium, hexavalent chromium, and decabromodiphenyl ether. By the end of 2008, Apple will no longer use arsenic, PVC, or brominated flame retardants in its products.

Jobs said the company will expand its iPod take-back and recycling programs—currently available only to iPods brought to Apple Stores in the U.S.—to all Apple stores worldwide, and will introduce mail-in recycling of iPods to U.S. customers as well. Although there is no current standard to measure how effective a company's e-waste recycling programs are, Jobs used Dell's benchmark of comparing recycling to the total sales. Assuming a seven-year lifespan for most electronic products, Jobs said Apple recycled 9.5 percent of its e-waste last year, and that he expects the company to steadily increase the amount of recycling it undertakes each year.

The groups said they still had concerns about Apple's policy on shipping e-waste to the developing world, where lax regulations and even more lax enforcement have resulted in enormous mountains of toxic e-waste that cause severe health and environmental problems. ■

VIEWPOINTS... CHALLENGES IN THE SME SECTOR

ASK-Verité began its intervention in the Indian ICT sector in 2003; we have come a long way since then and so has the sector. Over the years, the Indian electronics manufacturing sector, in particular the IT electronics sector, has generated some of the highest revenues the country has seen. The rate at which the sector is growing is impressive, but also raises alarm towards the capacity of manufacturers and their supply chains to appropriately adhere to international standards of compliance. In response to this emerging need, ASK-Verité has initiated an intervention in the IT electronics sector with the aim of building sustainable social compliance institutions within this sector involving multiple stakeholders. While interacting with various stakeholders, the small and medium enterprises (SME) sector has been identified as a potential, yet vulnerable, sub-sector.

IT ELECTRONICS MANUFACTURERS: CHALLENGES IN THE SME SECTORBy Vidhi Aggarwal
ASK

Meeting the various manufacturers of IT electronics in the cities of Delhi and Bangalore only reaffirmed the complexity of the supply chain in the IT electronics manufacturing industry. Small and medium enterprises (SME) comprising of a workforce of approximately 45-300 workers form the third and fourth tier of the supply chain for manufacturers such as Flextronics, HP, Samsung, and Sony, among others. Interactions with owners brought forth the challenges they face with the recent budget, government policies, and trade regulations. Interestingly, what tops this list is the competition from manufacturing giant China. Mr. Agarwal, owner of Digital Circuits in Bangalore, said that the "competitive prices that China can offer due to their low costs of labour and large quantities is something we can't do. That is the biggest reason why they are monopolizing the market." The competitive prices at which China

IN CONVERSATION WITH MR. VINOD SHARMA, MANAGING DIRECTOR, DEKI ELECTRONICS

ELCINA (Electronic Industries Association of India, Formerly Electronic Component Industries Association) was established in 1967 when India's Electronic industry was still in its infancy. Since then, ELCINA has become well known as an interactive forum for electronics and IT manufacturers. In an interview with ASK, Mr. Vinod Sharma, Managing Director of Deki Electronics and the president of ELCINA, shares his thoughts about the EICC and its relevance to the Indian manufacturing industry.

1. *What do you think is the present status and understanding of compliance amongst the manufacturing industry?*

The IT electronics industry has been working with international brands. These brands have always been particular about compliance-related issues. On the whole, CSR is well understood but largely in terms of external charity. The industry is aware of the broad framework of CSR standards owing to the fact that most members belong to the supply chain of at least one major brand. However, the EICC as one standard is relatively unknown. The EICC is a new code for the industry; however we will have to pay attention to it in the future if we want to be competitive.

2. *What are the specific aspects of government policy which do not readily promote the EICC?*

The infrastructure in most industrial areas is inadequate: for example, drains overflowing into factories in Noida; the use of DG sets by all industries as a source of back-up power; lack of availability of appropriate recyclers/ recycling; inadequate action by pollution control agencies; and corruption at local levels. All of this leads to a mind set that prefers to "go with the flow" rather than work towards a sustainable environment. Corruption and inefficiency within the infrastructure creates notable difficulties in obtaining permits. In such circumstances, the manufacturers are forced to run their business without these statutory requirements. To follow any code the basic facilities have to be present. How do we take care of health and safety or environment aspects when we don't have the facility and systems to cope with the

produces the same components poses a major challenge for Indian manufacturers. Although owners of SME acknowledge that the projections of demand are high and there will be business for all in the coming years, the reduction in profit margins to compete with the Chinese market is a major area of concern. While concentrating on reducing margins and taking measures to increase their competitiveness, manufacturers have given little attention to investing in improving their compliance systems. Manufacturers are of the view that social compliance is still looked at as a pre-requisite for gaining acceptance from the leaders in the global market and seldom as a self-initiated effort to improve workplace conditions, conditions of the labor, and the larger society. The SME's are largely preoccupied in increasing business, although efforts are being made to make sustainable changes to improve workplace conditions. ■

requirements?

3. *Can you comment on the code itself and aspects you feel are not relevant to your context?*

One feature that may be a thorny issue is the right to freedom of association and collective bargaining. In the past, trade unions were viewed by management as negative and connoting anti-productivity. Most companies are concerned about this. Also, most companies believe that competition does not allow them to pay fair wages. In cases where customers/buyers take a uniformly strong view on the application of this code, I think it'll be a firm step towards ensuring compliance by the whole cluster. To be a player in the global market, India can use compliance and good workplace conditions as a trump card, just like China is using cheap prices as theirs. Compliance has become increasingly important for the industry and its better that we take up these issues voluntarily rather than being required to enforce these regulations.

4. *Are there any best practices which you have seen in specific facilities with respect to internal CSR?*

This is an area where India is struggling. There are a handful of companies that try to treat employees as one team/ family. A culture of sharing does exist in a few cases. I do not know of any specific formal best practices.

5. *What kind of a future do you see for the EICC and how important will it become for manufacturers in the next few years?*

I see this as a growing area. Anything new takes a little time to catch on. So we will definitely see this as an area of importance for the industry in the very near future. If companies are provided incentives for complying with the EICC they will definitely be encouraged to do so. This will also help accelerate the process. ■

CORPORATE INSIGHT

This section features a proactive and progressive SME sector company and highlights their CSR policy and practices.

DEKI ELECTRONICS

By Vinod Sharma
Managing Director, Deki Electronics Ltd.

Deki Electronics Ltd. is committed to the manufacture of reliable and internationally competitive plastic film capacitors. The company was established in 1984 in technical collaboration with Okaya Electric Industries Company Ltd. of Japan. Deki has since been producing high quality plain polyester film capacitors, plain polypropylene film capacitors and metallized polyester film capacitors at its modern, automatic plant imported from Japan, Korea, and Italy. The company employs approximately 350 workers. The company has established production agreements with leading manufacturers of consumer electronics, telephone sets, office automation products, medical electronic equipment, instrumentation equipment, industrial electronics, computer monitors, fluorescent ballasts and compact fluorescent lamps, automobile electronics, fan regulators, and energy meters.

Along with its commitment to manufacturing premium quality products, Deki Electronics is committed to establishing a positive workplace through increased worker participation in decision-making processes and complete transparency in the processes. Procedures for internal management and participation of the team have helped to establish system for which the company is receiving increased recognition among their competitors, as well as name brands.

The management team of Deki Electronics is committed to provide a stimulating, learning-oriented, transparent, and professional environment wherein total involvement of each and every member is encouraged. The work culture is oriented towards arriving at decisions by consensus. A prayer and work out session is held every morning. One of the members is then given an opportunity to share a thought of common interest with the team. The housekeeping policy at the plant is based on the '5S' concept. The central theme in all such efforts is employee ownership. The facility is divided into fifty-eight areas, with identified 'owners,' to ensure that a clean, safe and comfortable working environment is made available. Each member (worker) cleans his own workplace and only when necessary, invites help from the housekeeping team.

Every six months, external and internal customer satisfaction surveys and employee satisfaction surveys are carried out. Inputs from these surveys are used to make improvement plans which are shared with both customers and employees. Training needs are identified during regular interactions and especially during performance appraisals, road map reviews, and shop floor meetings. Accordingly, training schedules are drawn-up and followed-up through coordination to ensure that the identified needs are effectively addressed. Shop floor personnel are engaged in problem solving and improvement teams. These small group activities have helped in the personal development of individuals as they are now equipped with problem solving techniques

The factory utilizes a moving suggestion box. All suggestions are collected during the week and presented in the morning assembly on Saturdays. All suggestions found viable are implemented as top priority action and awarded suitably. The importance of environment conservation is stressed, for which Deki Electronics follows a strictly implemented environment policy in their manufacturing unit at Noida. ■

EVENTS

During this quarter (April-June), three significant events took place: one was the ILO's tripartite meeting on the production of electronics components for the IT Industries, Changing Labor Force Requirements in a Global Economy; the second was a seminar organized by ASK-Verité along with ELCINA aimed at creating awareness about implementing CSR interventions with focus on EICC in the IT electronics sector; the third was Toxic Link's workshop on managing e-waste.

INTERNATIONAL LABOR ORGANIZATION'S TRIPARTITE MEETING ON THE PRODUCTION OF ELECTRONIC COMPONENTS FOR THE IT INDUSTRIES CHANGING LABOR FORCE REQUIREMENTS IN A GLOBAL ECONOMY

Background- A tripartite meeting on the production of electronic components for the IT industries, *Changing Labor Force Requirements in a Global Economy* was held in Geneva April 16-18, 2007. The ILO has never before tackled the IT industry, but the industry's size, including the spectacular growth and investment in the electronic components industry, has generated millions of jobs and spawned million's of dollars in investment; the relocation of it's manufacturing base to Asia; and emerging stories of worker exploitation has caught the ILO's attention

Purpose- The broad purpose of the meeting was to bring together representatives of manufacturing, labor, and government, as well as industry bodies to arrive at a compromise between corporate need and human dignity. According to Ms. Bonnie Nixon, of Hewlett Packard Company, "Employers wanted to improve labor standards and make sure they were adopted throughout their supply chain, but employees had to or need to understand that labor standards have to be visible in the context of a firm's long-term competitiveness."

Participants- More than 70 senior representatives of labor, employer's organizations, industry bodies, and government participated in the meeting. There were representatives from Apple, Cisco, Dell, Foxconn, Hewlett Packard, IMF, Intel, and Microsoft.

Major Conclusions- The major conclusions are as follows:

- There is a need to focus on the involvement of the workers in the decision making processes on change, content, and implementation of voluntary employer initiatives on industrial sustainability, codes of conduct, and corporate social responsibility.
- Social dialogue between workers and employers is to be initiated, especially on the terms and conditions of employment. Best practices and lessons learned are to be shared to strengthen social dialogue, and capacity has to be built of everybody to be able to participate in a meaningful social dialogue.
- Due to the global nature of the industry, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, and the ILO Declaration on Fundamental Principles and Rights at Work must be respected, as this will help companies get expert advice on the realization of international standards.
- Governments, employers, and workers must renew their commitment to lifelong learning and undertake trainings for long term competencies in the face of a rapidly changing industry.
- The importance of occupational safety and health standards and the need for them to be implemented to mitigate risks and create safe workplaces were also discussed. ■

ELECTRONIC INDUSTRY CODE OF CONDUCT— CHALLENGES FACED AND INITIATIVES REQUIRED FOR COMPETITIVENESS

ELCINA, with ASK, organized a seminar on *Electronic Industry Code of Conduct (EICC) – Challenges Faced and Initiatives Required for Competitiveness* on June 12, 2007 at Cambay Spa & Resort, Sector-25, Gandhinagar, Gujarat. The event sought participation from Tier 2 and 3 manufacturers in the electronics industry. Forty-five manufacturers of both large enterprise and SME owners participated. There was also participation from the Gujarat Electronics Industry Association (GEZIA).

The EICC is an initiative by the international electronics industry to ensure that, along with economic sustainability, companies also work towards maintaining work ethics and norms that ensure sustained economic growth that is socially responsible. The seminar was aimed at creating awareness among Indian counterparts on a number of issues related to compliance vis-à-vis the trends and requirements of the international community.

Proceedings

The following topics were addressed at the seminar:

- EICC: its components and the impact of violating the aspects of the code on the manufacturing facilities. The challenges being faced by the manufacturers presently, specifically in terms of meeting compliance standards.
- RoHS: its importance, and what Indian companies must know for compliance in the future.
- Dun and Bradman: membership, how companies are rated, and how this rating can help improve ones business.

Participants were of the opinion that components of the EICC are broad and there is room for self interpretation especially in the management systems and ethics sections.

The participants felt that the code should be implemented on a broader scale in order to enable sustainable improvements. ■

WORKSHOP ON E-WASTE MANAGEMENT

By Priti Mahesh
Senior Program Officer, Toxics Link

E-waste is emerging as a critical waste issue in India, with cities like Delhi, Mumbai, Chennai, and Bangalore contributing largely to the amount of waste and also bearing its adverse impact. Tamil Nadu, in particular has seen various initiatives by the State Government in the last few years for IT development. However, there has been little focus on the 'dark side' of this digital revolution. Rapid changes in technology, the high obsolescence rate in electronics, and the import of junk for sheer economic gains in port cities like Chennai are challenges that need to be addressed as a priority.



As a result of the need to facilitate discussions and information exchange on e-waste management, Toxics Link organized an awareness and knowledge-sharing workshop on "E-waste Management" on May 17, 2007 in Chennai. The workshop brought together various stakeholders, including the Tamil Nadu State Pollution Control Board, grassroots NGOs, IT industry players, recyclers, individuals, and students to a common platform to discuss these issues and develop a wider understanding of practices on e-waste management in the state.

The workshop focused on the electronics industry as the key player in the management of e-waste. The concept of Extended Producer Responsibility (EPR) (the responsibility of the producer to manage the electronic product through its life cycle, beyond its usable life) was explored and linked to a recycling model that involves the government and the electronics industry to manage e-waste in a safe manner.

Dr. T. Sekhar, Member Secretary, Tamil Nadu Pollution Control Board, who inaugurated the workshop, stressed the need for EPR and its relevance in the Indian context. Mr. Satish Sinha, Associate Director, Toxics Link, highlighted the possibility of converting the e-waste management challenge into an opportunity through enabling regulation and encouraging active industry participation. All speakers and participants stressed the importance of strong state-driven legislative intervention.

Moving the initiative forward from the workshop, Toxics Link, along with Mr. Atulya Misra, Member Secretary, Sports Development Authority of Tamil Nadu, is holding focus group meetings with various stakeholders. The objective of these meetings is to raise awareness on the issue of e-waste through various smaller focus groups and seek their input in finding solutions to this growing concern. This combined effort will help in formulating a comprehensive advocacy position that can be used to persuade the state to evolve a clear policy on e-waste and move towards sustainable solutions. ■

GLOSSARY

ASK – Association for Stimulating Know How
BPO – Business Processing Outsourcing
CII – Confederation of Indian Industry
EICC –Electronic Industry Code of Conduct
ELCINA - Electronic Industries Association of India
EU- European Union
GeSI- Global e-Sustainability Initiative
GEZIA-Gujarat Electronics Industry Association
ICT- Information Communication Technology
IG- Implementation Group
ILO- International Labour Organization

IMRB - Indian Market Research Bureau
ITES – IT Enabled Services
ITUC- International Trade Union Confederation
MAIT- Manufacturers Association for Information Technology
OEM – Original Equipment Manufacturer
RoHS – Restriction of Harmful Substances
SME- Small and Medium Enterprises
StEP – Solving the E- waste Problem
TCS- Tata Consultancy Services
UN- United Nations
WEEE- Waste Electrical and Electronic Equipment