



## MAKEITFAIR'S LIST OF PRINCIPLES ON THE EXTRACTIVE PHASE OF THE ELECTRONICS SUPPLY CHAIN

**Who:** The makeITfair campaign is a research and campaigning project conducted by a coalition of European and Southern NGOs, that focuses on the consumer electronics sector. Within the initial three-year project, attention is given to the extractives, production, retail and e-waste phase of the supply chain. makeITfair works together with a larger group of NGOs and Trade Unions, to make sure that issues in the extractives, production, retail and e-waste phase of the supply chain are incorporated in wider campaign and lobby efforts. The makeITfair campaign has requested input from various NGOs and campaigns in the drafting of this list of principles on the extractives phase.

**What:** This list of principles is the culmination of the first year of research, meetings and dialogues regarding the extractives phase of the supply chain of consumer electronics. The principles relate exclusively on this phase, and should be regarded as an addition to the GoodElectronics list of Common Demands, which apply throughout the entire supply chain and is included in the annex to this document. The makeITfair list of principles identifies a number of social, environmental and labour issues that require immediate attention, offers a number of sustainable solutions, and suggests a number of practical actions that can be taken by electronics companies. The principles aim to make use of the synergies of existing initiatives and principles, such as the Good Electronics network, the No Dirty Gold Campaign, the Extractives Industry Transparency Initiative, Publish What You Pay and the Computer Take Back Campaign.

**When:** This list of principles is developed after the roundtable organised by makeITfair in Brussels in January 2008. Here, companies, NGOs and trade unions discussed the problems in the extractives sector and showed willingness to further engage with each other to address these issues. The list also comes at a time where the Electronics Industry Code of Conduct and the Global e-Sustainability Initiative are finalizing their own research into the sourcing of metals used in consumer electronics. makeITfair is offering its own expertise and information, and requests that an exchange of results takes place.

**Why:** The three reports by makeITfair dealing with platinum, cobalt and tin, published in November 2007, described a number of case studies where the problems with mining of metals were highlighted, and where a number of direct links to consumer electronics were identified. makeITfair believes that the electronics industry bears a shared responsibility for the mining of the metals they use, that this responsibility should be reflected in their codes of conduct and that their code of conducts should be implemented throughout the entire supply chain. Merely applying such codes of conduct at the first or second tier suppliers does not do justice to this responsibility and does not address some of the most stressing problems in the supply chain.

**How:** makeITfair proposes a number of practical contributions that the electronics industry can make towards more sustainability in their supply chain, and is willing to engage in constructive dialogue regarding these activities. One example that should be highlighted is the call for a public statement of concern. makeITfair believes that electronics companies could have a significant impact by publicly speaking out against some of the injustices occurring at the extractive phase.

## ELECTRONICS COMPANIES SHOULD:

1. Recognize their responsibility to extend their supply chain management to include sourcing and mining of metals, as the industry as a whole consumes significant quantities of various metals. Implementation of internationally accepted environmental, social and labour standards for achieving best practice in CSR throughout the supply chain is key.
2. Make efforts to increase the traceability of their metals. To do so, companies should map their supply chain down to the extractives phase.
3. Give priority to source metals from mining companies that adhere to the principles of multi-stakeholder initiatives, such as the Extractives Industry Transparency Initiative, the Initiative for Responsible Mining Assurance, the No Dirty Gold Campaign, the International Council on Mining & Metals, and the Framework for Responsible Mining, and demand that mining companies from whom they already source, join such initiatives. Attention should be given the following basic standards that are relevant in the extractives industry<sup>1</sup>;
  - Obtain free, prior and informed consent of affected communities.
  - Ensure that projects do not force communities off their lands.
  - Refrain from dumping mine wastes into the ocean, rivers, lakes or streams.
  - Ensure that projects do not contaminate water, soil, or air with toxic chemicals.
  - Cover all costs of closing down and cleaning up mine sites.
  - Fully disclose information about social and environmental effect of projects.
  - Fully disclose all money flows to governments.
  - Adhere to all relevant international labour standards.
4. In accordance with Global Witness recommendations, extend due diligence work to conflict areas where metals are sourced. Companies should adhere to relevant guidelines. In extreme situations, they should also consider a ban on sourcing from conflict areas where there is a likelihood of money or services directly or indirectly supporting rebel groups or state actors committing war crimes and other serious human rights abuses.
5. Reduce their consumption of metals sourced from indigenous lands where mining lack community consent and reduce consumption from environmentally sensitive areas.
6. Develop action plans to tackle the issues in the extractives phase of their supply chains. Such plans could include;
  - An identification of social, environmental and labour issues and risk assessments.
  - A strategy to use their position and their purchasing power within the supply chain to engage companies with more direct ties to mining companies to adhere to the principles and standards referred to above.
  - A strategy to join forces with other players in the electronics sector and other end-user sectors to promote widespread adherence to best practice and the principles referred to above.

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<sup>1</sup> These standards are partially based on the principles of other campaigns, such as the No Dirty Gold Campaign and the GoodElectronics network.

- The inclusion of activities in mining areas within the company's broader CSR policies, such as capacity building programs for local community groups or civil society organisations.
- The issuing of a public statement of concern regarding both general mining issues and specific cases.
- A strategy to optimize the use of sustainable recycled materials as a substitution for wasteful production.
- Measures to ensure that artisanal small scale miners are not disenfranchised or excluded from sourcing.

## ANNEX 1: GOODELECTRONICS COMMON DEMANDS

- Implementation of the Core Labour Standards of ILO (International Labour Organization)
  - No forced labour
  - No discrimination
  - No child labour
  - Freedom of association and collective bargaining
- Implementation of the additional ILO standards that fall under the responsibility of corporations
  - The right to a living wage
  - The right to safe and sound working conditions
  - Compliance with the maximum number of working hours (48+12)
  - Healthy and safe working conditions
  - The right to security of employment
- The right to education and qualification, education on labour law and human rights for workers
- Right to know for workers, communities and consumers
- Fight gender exploitation and support gender equality
- Enforcement of regulations on labour rights/ human rights
- Elimination of precarious employment
- Full compliance of Basel Convention and Ban
- Company transparency, including transparency on the supply chain
- Responsible recycling
- Extended producer responsibility
- No incineration of e-waste
- Elimination of toxic material in products and production chain
- Extended product life
- Right for communities and workers to engage
- Right to professional health care, medical treatment and compensation
- Brand responsibility for supply chain violations

*These demands refer to the overall production cycle of electronic equipment, from extractives to production to e-waste and recycling.*