

# 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.*

### CHINESE FIRMS HAVE BIG PLANS IN INDIA

<http://www.rediff.com/money/2008/apr/09china.htm>

They might have made little headway in the market so far, but leading Chinese consumer electronics companies like TCL and Haier are busy drawing up big plans to expand their footprints in India. Both companies are planning the introduction of large manufacturing facilities there. For example, TCL's current portfolio includes the production of TVs, air conditioners, washing machines and DVD players but plans to expand into IT products and mobile phones in the near future. The company also plans to launch small appliances such as mixers, juicers, grinders and rice cookers this year. The big makeover will come once their own factories in India are up and running. Haier already has a Daewoo facility in Pune that makes refrigerators, color televisions and washing machines, and TCL is looking at a new unit in the New Okhla Industrial Development Area (Noida) by 2009-10 for their product expansion. Haier plans to make India a manufacturing and export hub in the future for East Europe, West Asia, Africa and Sri Lanka. ■

### US SLOWDOWN WILL IMPACT IT RESULTS IN Q4

<http://www.siliconindia.com/shownews/40140>

It seems that the fourth quarter result of IT firms may reflect the impact of US slowdown. Tata Consultancy Services has said that two of its top 10 clients have delayed some projects in February. Infosys, another major IT firm in India, agreed that a delay had marginal impact on its fourth quarter, which ended March 31, 2008. According to Global IT 2008 Market Outlook by Forrester, US recession will be the main cause of slower growth in 2008, pulling down IT purchases both in the US and with major trading partners in Europe and the Americas. ■

### CYBER SAFETY AWARENESS CAMPAIGN

<http://www.cybercellmumbai.com/events/cyber-safety-awareness-campaign>

In February and March 2008, Mumbai Police, in association with Google, organized a Cyber Crime Awareness Campaign. Their team visited various schools, including vernacular language schools, and met parents, teachers, and students. Teams delivered lecture presentations about Cyber Awareness which were followed by a Q&A session. ■

### TABLE OF CONTENTS

Progress Report From India: News Summary .....	1
Global Bytes .....	2
Studies and Reports .....	4
Glossary .....	8

### 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](http://www.askindia.org)  
V - 30 / 3 DLF Phase III Gurgaon  
Haryana – 122002 India  
(t) 0091-124-4060353

**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](http://www.verite.org)  
44 Belchertown Road  
Amherst, MA USA 01002  
(t) 001-413-253-9227

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.

[ask@askindia.org](mailto:ask@askindia.org)

[verite@verite.org](mailto:verite@verite.org)

### CITY TO GET CYBER CRIME POLICE STATION

<http://www.hindustantimes.com/storypage/storypage.aspx?id=4a0e1376-b826-439e-baac-a7cdf3efd3f3&&Headline=City+to+get+cyber+crime+police+station>

In an initiative to do away with increasing cyber crimes in India, a police station will be dedicated to investigating cyber crime. The team will investigate Mumbai-based server violations. Once the police station becomes functional, it will be merged with the Cyber Crime Cell, and most of the personnel will be given on-the-job training, though periodic training will be held by NASSCOM and other private bodies. ■

### TCS CUTS STAFF SALARIES IN TUNE WITH TOUGH TIMES

<http://economictimes.indiatimes.com/articleshow/2741768.cms>

Tata Consultancy Services (TCS), India's largest software exporter, has clipped a portion of the variable pay linked to its performance, said TCS Executive Director and Global Human Resources Director S. Padmanabhan. This cutback effectively reduced employees' salaries by about 1.5 percent for the January-March quarter. This is the first time in two years that the IT giant has reduced wages due to lower company performance. ■

### TCS JITTERS INDUSTRY – DALARY CUT MOVE. THIS IS CALLED RECESSION

<http://msjawahar.wordpress.com/2008/02/01/tcs-jitters-industry-salary-cut-move-this-is-called-recession/>

The TCS move to cut the salary of its employees after falling short of its quarterly projected revenues has taken the IT sector by surprise. Universal support is building among IT staff, as seen in the blogs that are forming a web campaign condemning the move. ■

### BPO MURDER CASE: NASSCOM CHIEF MITTAL TO BE PROSECUTED

<http://www.sinlung.com/?p=392>

The Supreme Court finally gave its nod to prosecute Nasscom President Som Mittal for his careless attitude toward security for the female employees working night shifts. He also disregarded the Karnataka government's law prohibiting employment of women at odd hours. This verdict comes after the 2005 rape and murder of a Hewlett-Packard BPO employee by the company cab driver. ■

### CENTRE CLEARS \$7 BILLION INVESTMENT IN FAB CITY

[http://www.business-standard.com/common/news\\_article.php?tab=arch&autono=314263&subLeft=3&leftnm=8](http://www.business-standard.com/common/news_article.php?tab=arch&autono=314263&subLeft=3&leftnm=8)

The Union government has approved seven projects –an investment of about \$7 billion –for stimulating the economy in Hyderabad. A bulk of the investment has turned toward sustainable energy production through solar-photovoltaic module manufacturing plants. The seven companies whose applications have been cleared are:

- Sem India to invest \$3-billion (100 acres)
- Solar Semiconductor plans to invest \$1 billion (50 acres)
- Titan Energy Systems \$750 million (50 acres)
- Nano Tech Solutions India \$2 billion (50 acres)
- XL Telecommunications and Energy \$75 million (50 acres)
- KSK Energy Ventures \$70 million (50 acres)
- Embedded IT Solutions \$5 million (10 acres) ■

### RECENT TECH JOB CUTS

<http://www.livemint.com/2008/02/21002808/Recent-tech-job-cuts-not-relat.html>

Several reports in India's business press in the last few weeks have stated that companies such as Tata Consultancy Services Ltd. (TCS), IBM's India unit, Yahoo India, and Mphasis Ltd. have fired between 40 and 500 workers each due to anticipated slowdown in the US, which remains the biggest market for India tech and back office vendors. Infosys alone has asked 2,500 employees to leave the company in the last three years. But HR professionals contradict job cut worries. According to T.V. Mohandas Pai, head of Human Resources and a board member at Infosys Technologies, in the fiscal year 2008, the Indian software and back-office services industry is hiring 430,000 workers, and by March, the industry is expected to employ some two million people – the second largest pool of tech workers in the world. According to Mr. Mohandas, lay-offs are not high compared to the number of people employed. He stated that Infosys terminates 1.2 percent of its workforce for company performance reasons annually. ■

### SPECIAL PACKAGE FOR IT, BPO INDUSTRY IN THE BUDGET

<http://economictimes.indiatimes.com/article/show/2780907.cms>

Union communications and IT minister A. Raja reported that his ministry is asking for a dedicated incentive package for the Indian IT and BPO industry in the forthcoming budget, and for the continuation of tax holiday benefits under the software technology parks scheme. Mr. Raja is concerned that smaller to middle sized enterprises do not receive the same tax benefits as large companies in special economic zones. Mr. Raja also cited cyber security as another area where the industry must look to consolidate its position. Another incentive for the IT and BPO industry, according to Mr. Raja, would involve providing cheaper bandwidth to broadband operators for the purpose of better enabling connectivity in rural India. ■

## GLOBAL BYTES

### INTERNET FOR REMOTE PLACES: NO LITERACY REQUIRED

<http://www.boingboing.net/2008/03/04/question-box-the-int.html>

The Question Box is a project that started at UC Berkeley to bring equal access to information on the Internet in rural and poor areas that cannot yet sustain a live link to the World Wide Web. It works by installing a single-button intercom in the village that is linked to a nearby town where there is a computer with a trained, live operator. Questioners press the intercom, ask a question, and a trained researcher provides an answer. Check out the project page. ■

## GREENTECH BUSINESS COMPETITION IN INDIA SPARKS VC INTEREST

<http://www.csrwire.com/News/10796.html>

San Francisco-based Foundation for a Sustainable Future (FSF) and Indian Institute for Foreign Trade (IIFT) in New Delhi sponsored the first AI Gore Sustainable Technology Venture Competition in February 2008. Green technology has become one of the fastest growing sectors in attracting venture capital worldwide, and this event was no exception. According to CSRWire, just last year, North American greentech companies attracted nearly 4 billion in venture capital in 2007; European investments tripled from 2005 to 2006; and in that same time China's cleantech investments have increased by 147 percent. We can expect to see more of these events around the globe because as one greentech enthusiast and Indian political strategist said, "I recognized that in one stroke, it would be possible to make an entire generation of bright Indian students aware of the indispensable need to think 'sustainability', and to have it firmly embedded in the consciousness of our students and future generations, for the sheer survival of the planet." ■

## H.P. CASE TO GO FORWARD IN INDIA

<http://www.nytimes.com/2008/01/31/business/worldbusiness/31cnd-rupee.html>

An Indian Supreme Court ruling may enforce the provision of stricter worker safety standards by international companies who outsource business to the country. The Court recently ruled that the former Chief Executive of Hewlett-Packard GlobalSoft, should face prosecution because of insufficient security for women workers. In 2005, an employee was raped and killed by a driver the company employed. Foreign companies, either directly or through a third party, employ hundreds of thousands of people in India as customer service developers and researchers. Nearly half of these employees are women, and many work overnight shifts due to time zone differences with foreign clients. Several cases of murder, rape, or harassment of these workers have attracted national attention and prompted calls for more vigilance and responsibility by international employers. Outsourcing companies often provide transportation to and from employees' homes because of their unusual work hours, but the number of qualified and certified drivers has not kept pace with the number of new outsourcing employees. ■

## BIG NAMES HELP YOUNGSTERS PRESS RIGHT BUTTONS

[http://www.ft.com/cms/s/0/bd03d972-c946-11dc-9807-000077b07658,dwp\\_uuid=c2046542-be90-11dc-8c61-0000779fd2ac.html?nclck\\_check=1](http://www.ft.com/cms/s/0/bd03d972-c946-11dc-9807-000077b07658,dwp_uuid=c2046542-be90-11dc-8c61-0000779fd2ac.html?nclck_check=1)

IT companies have been helping and supporting young people in gaining access to information, technology, and IT skills for a significant time. In the past, support was mostly related to donating computer hardware, but today the emphasis is on providing young people with a whole range of skills covering IT, life skills, entrepreneurship, and employability. Microsoft's Unlimited Potential (UP) Community Technology Skills program supports a global network of more than 37,000 community technology centers in 102 countries through a system of cash grants and software, totaling \$252 million to date. The project supports a program in the Bronx, New York, where young men recently released from prison can go back to the classroom to learn IT and employment skills. Microsoft, Alcatel-Lucent, and Merrill Lynch are some of the private sector partners in another project: Entra 21. This is an alliance launched by the US Agency for International Development (USAid) and the International Youth Foundation. Entra 21 aims to improve the employability prospects of young people aged 16-29 in Latin America and the Caribbean by helping them gain IT skills and jobs. ■

## SAMSUNG, TOSHIBA TAKE TOP SPOT IN GREENPEACE SURVEY; NINTENDO LAGS BEHIND

[http://www.greenercomputing.com/news\\_third.cfm?NewsID=55783](http://www.greenercomputing.com/news_third.cfm?NewsID=55783)

Greenpeace generated its seventh report, "Guide to Greener Electronics." The report ranks companies based on use of toxic chemicals and e-waste take-back programs. This year's report finds Samsung, Toshiba, and Nokia holding the top three spots; Microsoft, Philips, and Nintendo fill out the bottom of the list with the lowest scores. The leaders were lauded for beefing up take-back programs and committing to reduce or eliminate the use of polyvinyl chloride (PVC) and brominated flame retardants (BFR) in the manufacturing process. Greenpeace said that future assessments would be stricter in measuring for chemicals and e-waste categories and will, for the first time, score companies based on the energy efficiency of these products. ■

## POLYSILICON DANGERS

<http://tbli.org/blog/?p=83>

Solar panels are in high demand as a good source for renewable energy around the world. Manufacturing polysilicon, an essential component of solar panels, creates waste. As Corpwatch and the Washington Post recently pointed out, many manufacturers dump the waste instead of recycling it because the latter is costly. As the demand for solar panels skyrockets, the polysilicon business has been booming. Yet, land where polysilicon waste is dumped or buried becomes contaminated; the waste kills plant life and makes for unhealthy residence. Many say harnessing solar energy must proceed in ways that do not destroy the earth and countless lives. ■

## TIME FOR TECHNOLOGY TO MEET ITS MAKER

<http://search.ft.com/ftArticle?queryText=Time+for+Technology+to+Meet+its+Maker&y=13&aje=true&x=13&id=080121000120&ct=0>

Technology, once seen as the answer to many problems, is now creating some of its own. The associated economic and environmental costs are growing rapidly. Hardware production is facing increased scrutiny for materials, production processes, and manufacturing standards. One of the key issues is energy consumption. According to the US Environmental Protection Agency, in 2006, the electricity used by servers and data centers accounted for 1.5 percent of total US electricity consumption. In the US, efforts to decrease these costs are being made through the Energy Independence and Security Act and the Renewable Energy and Energy Conservation Tax Act. It is a recent global trend for countries to call for tighter technological standards for decreasing their carbon footprint. Technology continues to innovate, which can be lucrative, but can also lead to hazards. ■

## BEST PRACTICES CAN HELP IT MANUFACTURERS DESIGN GREEN

[http://www.greenercomputing.com/news\\_third.cfm?NewsID=36588](http://www.greenercomputing.com/news_third.cfm?NewsID=36588)

Incorporating environmental stewardship into IT product development presents tremendous opportunity for manufacturers, according to industry expert, Thomas Maurer. Maurer, a Senior Director of Industry Marketing at Siemens PLM Software, provided [www.greenercomputing.com](http://www.greenercomputing.com) with some suggestions for best practices. He suggested that companies might look beyond simple compliance and instead explore how greener practices might help to create a company's edge on the market. He pointed out that many successful organizations are providing examples of how environmental stewardship can be part of compliance and regulatory efforts, as well as their mission. He also suggested adopting "life cycle thinking" into business practices to encourage compliance and more accountability throughout the entirety of a product's life cycle from production to retirement. ■

## THE AFTERLIFE OF CELL PHONES

<http://www.nytimes.com/2008/01/13/magazine/13Cellphone-t.html>

The US alone produced almost three million tons of waste in household electronics in 2006. This so-called e-waste is a fast-growing and enormous problem. Some companies, however, are developing their business models around e-waste. Some companies, for example, are extracting precious and semiprecious metals from our small appliances. Cell phones are the most valuable form of e-waste for two reasons: Each one contains about a dollar's worth of precious metal and they are increasingly seen as a disposable commodity. In addition to smelting phones for metal, many companies have take-back programs and are resold in places like Africa where the cell phone market is growing rapidly but phones can be too expensive to buy new. Counteracting the secondhand cell phone market are new no-frills phones, specifically for consumers in the developing world. However, reusing phones conserves resources, which reduces the environmental damage that comes with smelting them for metals. That damage isn't necessarily obvious. As with most environmental issues, no option for getting rid of a phone is free of trade-offs. ■

## CALL CENTRE STRESS TEST

<http://www.fsunion.org.au/News-Views/Surveys/Call-Centre-Stress-Test.aspx>

The financial Sector Union in Australia provides a quiz for call center workers to determine levels and causes of stress on the job. Some of the biggest stress factors at call centers include overwork, bullying, low job control and satisfaction, unrealistic targets, poor work organization, and pace of work. Workplaces with high stress may suffer from high absenteeism, carelessness, low morale, and high turnover. This quiz can be used by call centers to check work environment for stress levels.

## GOOGLE TO MAKE FIRST BIG JOB CUTS

<http://news.bbc.co.uk/1/hi/technology/7329573.stm>

Google announced a 25 percent cut of the newly acquired online advertising company, DoubleClick. When Google bought the company, it had a workforce 1,200-strong in the US. Worldwide, DoubleClick employed about 1,500 people. The acquisition of DoubleClick closed on March 11, 2008, and, as with many mergers, layoffs have ensued. There are also plans for Google to sell the search engine arm of DoubleClick. ■

## 1,000 YAHOO! JOB CUTS

<http://management.silicon.com/careers/0,39024671,39170021,00.htm>

Yahoo! has released more than 1,000 employees. The company now employs about 13,200 people. The reductions were made in an effort to remove areas in the company that do not contribute to critical growth. ■

## STUDIES AND REPORTS

*A majority of businesses in the IT electronics sector employ contract workers. This edition of the ICT newsletter focuses on creating awareness about the main provisions of the Contract Labour Act.*

### SALIENT FEATURES OF CONTRACT LABOR (REGULATION AND ABOLITION) ACT, 1970

by ASK team

**The Contract Labour Act of India establishes the following requirements.** The principal employer must register his establishment with a Registration Officer appointed by the Government and the principal employer must obtain a license to employ contract laborers from the Licensing Officer and comply with the terms and conditions of the license. Every contractor must provide workers with the amenities described below. If the contractor fails to do so, the following amenities shall be provided by the principal employer. Amenities include: canteen facilities; sanitary facilities drinking water; adequate, well-equipped, readily available first aid kits; cribs; the timely payment of wages; and the certification of wage payment.

There is no employment of female contract workers before 6 am and after 7 pm in the IT sector, except in baths, daycare centers, canteens, or as nurses and midwives. Every principal employer and every contractor must maintain copies of contracts establishing contract laborers' job descriptions and rates pay. The contractor must maintain the following records: a muster roll; a register of wages, deductions, overtime, fines, and advances; and pay slips. The principal employer or the contractor must prominently post notices showing the rates of pay, hours of work, wage periods, dates of payment of wages, and names and addresses of the inspectors in English, Hindi, and the local language.

The principal employer must send bi-annual reports to the Licensing Officer and annual reports to the Registration Officer. Every contractor must issue a Service Certificate when a contract worker is terminated for any reason.

Principal employers must also meet the following requirements: they must ensure that all the obligations on the part of the contractor are being fulfilled; they must ensure that contract workers get an appointment letter or contract from the contractor, and a copy must be kept with the principal employer; and they must maintain personal files for all contract laborers. Principle employers are also prohibited from impeding freedom of association. ■



**WORKER'S VIEWPOINT: EXPERIENCE WORKING IN "IT ELECTRONIC SECTOR"**

In January 2008, ASK interacted with small groups of approximately 20 workers who are currently working in the IT electronics sector in the New Okhla Industrial Development Authority (Noida). The purpose was to understand their viewpoints and what they see as strengths, weaknesses, and challenges in the sector. The major highlights include:

Strengths	Weaknesses	Challenges
<p>1. Wages in general are higher than the minimum wages and are paid to all the workers on a timely basis</p> <p>2. Permanent workers usually don't leave a company because it is difficult to attain this status.</p> <p>3. ESR, Health and safety precautions are taken in this sector because of its dangerous nature.</p>	<p>1. There is a discrepancy between the benefits received by permanent workers and contract worker, such as ESI and PF.</p> <p>2. Lack of trust in government action. Complaints are not properly addressed.</p> <p>3. Workers feel that the benefits and wages of all workers must be the same. (Present salary for the same job varies from Rs. 3500-6000)</p>	<p>1. Over time is supposed to be voluntary, but production quotas take precedence.</p> <p>2. Some workers who have also worked in the pharmaceutical and apparel industries felt they are more exposed to audits, and are careful about how they treat the labor.</p> <p>3. Workers don't like using PPE, as it obstructs the pace of production. Management tries to generate awareness, but production remains the priority.</p> <p>4. A project needs to start to educate contractors on giving benefits to workers.</p> <p>5. Rules for discipline and termination must be followed. Presently the turnover in the sector is high, and the employers hire and fire as they wish. ■</p>

**GUIDELINES ON E-WASTE**

by Central Pollution Control Board

Electronic waste (e-waste) is one of the fastest growing waste streams in the world. There are three major contributing factors to this problem: 1) Increasing market penetration in developing countries – electronics, such as cell phones, are becoming cheaper to make and to buy, which is opening the market to the entire world. 2) Electronics are advancing so rapidly that the last generation becomes obsolete faster than they can be recycled. The e-waste inventory based on the obsolescence rate in India for the year 2005 has been estimated to be 146,180 tons which is expected to exceed 800,000 tons by 2012. 3) The replacement market means that electronics have, in a sense, become disposable. Environmental issues and trade associated with e-waste at local, transboundary, and international level has driven many countries to introduce interventions.

In accordance with the National Environmental Policy (NEP), and to address sustainable development concerns, organizations must make efforts to recover and reuse useful materials from the waste their processes generate, thereby reducing the amount of wastes destined for final disposal and ensuring more environmentally sound management of all materials. The NEP also encourages collection and recycling of various materials by giving legal recognition to the informal sector. E-waste is often highly recyclable and should be encouraged and even legally required.

The Central Pollution Control Board introduced a set of guidelines for dealing with e-waste on April 2, 2008. The guidelines provide references for identifying and handling various sources of e-waste for generators, collectors, transporters, dismantlers, recyclers, and any other handler or producer of e-waste. The State Department of Environment or State Pollution Control Board may prescribe more stringent norms as deemed necessary, but the minimum requirements for handlers and producers of e-waste through the Central Pollution Control Board guidelines are:

- Definition of hazardous wastes and an indicative list of disposal processes of hazardous e-waste
- List hazardous waste substances unless their concentration is less than the limit indicated in the Schedule
- List of electronic waste applicable for import and export
- Composition and classification of e-waste
- Possible hazardous substances present in e-waste
- Basis for defining e-waste and the proposed definition of e-waste
- Reduce the use of hazardous substances and implement the Extended Producer Responsibility (EPR) for environmental protection involving different levels of treatment, recycling, and disposal of hazardous wastes.

For detailed guidelines, please see: [http://www.cpcb.nic.in/Electronic%20Waste/default\\_Electronic\\_weste.html](http://www.cpcb.nic.in/Electronic%20Waste/default_Electronic_weste.html) ■

### SPECIAL DRIVE FOR CAPACITY BUILDING OF SMEs ENGAGED IN IT ELECTRONICS SECTOR

**ASK – Verité is implementing a project that aims at “Building Social Compliance Institutions” in the IT electronics sector. One of the key objectives is to improve labor and environmental compliance among selected manufacturers and factories.**

Due to present constraints and challenges faced by small and medium-sized enterprises (SME), we have launched a special drive to reach out to those companies that have been willing to partake in a pilot social compliance intervention. The purpose of this pilot program is to determine the key factors that influence enterprises to adopt effective social compliance structures. Follow up evaluations will include *cost-effectiveness of specific social compliance activities, role of workers in leading/supporting social compliance, and role of management systems.*

Individual programs will be determined in conjunction with participating factories, but all will likely include:

- Orientation on social and environmental compliances;
- Familiarization of the EICC;
- Assessment and development of management systems for social and environmental compliance;
- Facilitating mapping and documenting the supply chain;
- Training for workers on Environmental Health, and Safety (EHS)

Training programs are based on well-established curricula and delivery mechanisms, and will be delivered regularly to corporate, factory, and worker audiences by Verité-ASK.

We have worked with 50 managers and 300 workers for Deki Electronics under our IT Electronics Sector program. Deki electronics specializes in film capacitors solutions and is based in Noida, UP. Deki was established in 1984 and has a production capacity of 460 million manufactured capacitors per year. For more details, please visit [www.dekielectronics.com](http://www.dekielectronics.com) ■

### "A FIRST BUILDING BLOCK FOR INDIA'S E-WASTE MANAGEMENT POLICY": A PERSPECTIVE ON THE NEWLY RELEASED E-WASTE GUIDELINES BY CPCB

by David Rochat, Project Coordinator, Swiss Federal Institute for Materials Science and Technology (EMPA)

A positive step towards a better management of the e-waste problem has been taken in India with the release of "guidelines for environmentally sound management of e-waste recycling" by the CPCB in April 2008. The publishing of this document translates the first attempt of governmental agencies to define benchmarks and to regulate e-waste management in the country, and will now pose a whole set of questions concerning its application. In order to ask the right questions to move forward, one has to understand the necessary steps in regulating e - waste management issues.

1) **Policy:** the policy is defined at a national level and results from multi stakeholder discussions. Defining the policy is the first step where strategic decisions are taken. For instance, what is the objective of such a regulation? Is it to relieve municipalities from complex wastes like e-waste? Is it to divert e-waste flows from the informal sector? Is it to recover strategic materials for the local hardware industry? Is it to avoid diluting heavy metals in the municipal waste stream? Etc...

Also, general policy lines, such as allocating responsibilities, defining modes of financing and controlling the system, making the choice of collective vs. individual systems or both, need to be decided at this stage. In India, the relevant platform for establishing such a policy exists, under the name "National WEEE Strategy Group" and is headed by MoEF.

2) **Legal framework:** the legal framework enforces the policy, and results from constructive discussions involving all stakeholders, translating decisions taken within the National WEEE Strategy Group into a law. Sometimes, existing environmental legislations suffice to regulate e-waste management, but most often, specific legislation is needed to make the link with other legal texts and apply them to the specific e-waste problem. The legal framework defines duties and responsibilities for every stakeholder, refers to existing laws that are applicable, fixes objectives, a scope, etc. This process results from a systematic approach, usually guided by checklists established by experts, which allows for the addressing of all questions raised during the policy making. Such a checklist is available online at:

[http://india.ewasteguide.info/policy\\_and\\_legislation](http://india.ewasteguide.info/policy_and_legislation).

3) **Technical guidelines:** the technical guidelines define the way the legal framework is implemented in order to meet the objectives defined in it. They are produced by an expert group made of legislators, academics, recyclers, and generally any relevant technical expert. Technical guidelines are usually not binding and rather define the state-of-the-art technology as a reference. The technical guidelines are periodically reviewed by the expert group. An example is provided by the Swiss "guidelines for the ordinance on the return, the taking back and the disposal of electrical and electronic appliances", available on <http://ewasteguide.info/downloads>.

In this context, it is difficult to understand whether the present guidelines released by CPCB "leap-frog" to step 3, or if they intend to include step 2. Concerning the definition of a policy for e-waste management in India (step 1), discussions and consultancies are constantly being organized, involving various parties such as government bodies, NGOs, or the private sector, but a consensus has not been met for the moment. Some crucial aspects which could be defined in steps 1 and 2 are not mentioned in the proposed guidelines, which leave several questions open, mainly when it comes to defining the responsibilities of stakeholders, assuring the financial sustainability of e-waste management, and ensuring the control of the system. Though the release of the draft guidelines may translate a lack of coordination at national level regarding the e-waste problem, and show how much the consultation of all relevant stakeholders is important and necessary, India now has a starting point to reorganize its e-waste recycling sector. The positive momentum created by the release of this document must be maintained and followed-up, as it is the first step toward improving an existing system, which feeds thousands of Indians and endangers the entire population. ■

**SOCIAL RESPONSIBILITY PRACTICES AMONGST SMALL AND MEDIUM-SIZED ENTERPRISES (SME) IN IT ELECTRONICS SECTOR**

by ASK team

During the first quarter of 2008, ASK conducted a study in the National Capital Region (NCR) to understand Enterprise Social Responsibility (ESR) practices. ESR involves guidelines for environmental and social issues, including health and safety in the workplace and in the community. The primary sources for the study were SMEs working in the IT Electronics Sector. Interviews were held with a sample of these enterprises, including an industry association called “ELCINA,” NGO and trade union representatives, external resource agencies, and a cross section of workers from this sector.

All the stakeholders agreed that a company’s “individual will” is the main driver when it comes to social responsibility. SME industry associations and external resource organizations also consider “buyer pressure” to be a driver. All stakeholders shared that pressure from local government authorities has failed to enforce socially responsible business practices in the IT and electronics manufacturing industry. According to the study, IT electronics businesses partake in the following measures for socially responsible business practices:

1. Work, safety and quality-related training
2. Meeting statutory requirements
3. Improving working conditions
4. Awareness of health care
5. Provision of health care insurance

The following describes some of the findings on the implementation of labor laws:

- Implementation of labor laws in this sector is very weak
- Noida has registered 162 complaints for the violation of worker rights in the last year
- The most common violations pertain to contract labor and include violations related to:
  - Payment of minimum wages
  - Provision of ESI and PF benefits and taking leave
  - Excessive overtime work
  - Signatures of blank papers which can be used for a variety of illegal purposes
  - Illegal and unfair termination processes
  - Denial of gratuity and maternity benefits

The following describes some of the findings on environmental health and safety (EHS):

- All stakeholders mentioned poor status of health and safety in the manufacturing units
- According to Noida, there were 132 accidents at the workplace in 2006, and 125 in 2007, including 14 fatal accidents.
- Awareness regarding use of personal protective equipment (PPE) is low
- Overcrowding of the workplace is a safety risk
- Government authorities acknowledged that the sector is largely unorganized, especially in e-waste recycling, which holds no legal requirements

Perspective regarding possible future interventions:

Top priorities	Stakeholders Responsible
<ul style="list-style-type: none"> <li>• Improving the basic working conditions of workers with focus on EHS</li> <li>• Improving monitoring mechanisms of the factories (by Government authorities)</li> <li>• Sensitization of management to enforce labor laws (wages and benefits)</li> <li>• Sensitization of contractors for the implementation of laws</li> <li>• Increasing worker awareness about their rights</li> </ul>	<ul style="list-style-type: none"> <li>• All stakeholders except industry associations</li> <li>• Workers, NGOs, trade unions, government</li> <li>• Government, workers, and trade unions</li> <li>• Worker, government, NGOs</li> <li>• Government and external resource agencies</li> </ul>

Proposed areas for intervention:

- Vocational training of workers
- Improving communication with and motivation of workers
- CSR strategy for business
- Consumer awareness in the sector which will act as a pressure group
- Increasing awareness of the industry as a whole on the Electronic Industry Code of Conduct (EICC) and international standards
- Capacity building of stakeholders to institutionalize international standards in their facilities
- Sharing of best practices in the industry through development of a business case
- Setting up of recycling centers to address IT and electronics manufacturing sector needs
- Multi-stakeholder forums for interaction between various stakeholders
- Supply chain mapping of enterprises
- Formulating a common Code of Conduct for manufacturers
- Need to re-examine government trade policies
- Monitoring systems for health and nutrition of workers

## GLOSSARY

<b>AMD</b> - Advanced Micro Devices	<b>MoEF</b> - Ministry of Environment and Forests
<b>ASK</b> - Association for Stimulating Know How	<b>NASSCOM</b> - National Association of Software and Service Companies
<b>BPO</b> - Business Processing Outsourcing	<b>NCR</b> - National Capital Region
<b>CPCB</b> - Central Pollution Control Board	<b>NGO</b> - Non Government organization
<b>CSR</b> - Corporate Social Responsibility	<b>Noida</b> - New Okhla Industrial Development Authority
<b>EICC</b> - Electronic Industry Code of Conduct	<b>OT</b> - Overtime
<b>ELCINA</b> - Electronic Industries Association of India	<b>PF</b> - Provident Fund
<b>ESI</b> - Employees' State Insurance	<b>PLM</b> - Product Life Management
<b>ESR</b> - Enterprise social Responsibility	<b>PPE</b> - Personal Protective Equipment
<b>ET</b> - Economic Times	<b>SME</b> - Small and Medium-sized Enterprises
<b>HP</b> - Hewlett-Packard	<b>TCS</b> - Tata Consultancy Services
<b>HR</b> - Human Resource	<b>TU</b> - Trade Union
<b>ICT</b> - Information and Communications Technology	<b>UP</b> - Uttar Pradesh
<b>IT</b> - Information Technology	<b>VC</b> - Vice Chancellor
<b>MAIT</b> - Manufacturers' Association for Information Technology	<b>WEEE</b> - Waste Electrical and Electronic Equipment
<b>MD</b> - Managing Director	