

info@electronicswatch.org

Affiliating to Electronics Watch

A wave of suicides in factories making electronics for major brands drew the world's attention to working conditions in the industry. Electronics workers face discrimination in recruitment, abuse of short-term contracting, dangerous working conditions, excessive overtime and wages well below the legal minimum.

In 2007, the last year with figures, EC public buyers spent an estimated €94 billion on ICT. Public bodies currently struggle to monitor compliance with their sustainable or socially responsible procurement policies as it is too expensive and challenging to monitor factories in complex supply chains in other parts of the world.

Electronics Watch will provide the **missing link** in public sector policy on socially responsible procurement by being the '**eyes and ears**' of public sector organisations on the ground in the regions that their ICT products are made.

Electronics Watch enables public buyers to monitor compliance with policy and commission interventions where required without having to go to the enormous expense of doing this in house.

Affiliation

Electronics Watch operates on an affiliation basis, rather than a fee for service. An affiliation relationship is more sustainable, and implies an organisational commitment to socially responsible procurement.

Obligations and benefits of affiliation

Benefits of affiliation

Affiliate members gain:

Monitoring

Electronics Watch will monitor the factories that make goods for its affiliate members. From 2015 Electronics Watch will undertake continuous research and intelligence gathering on labour rights issues at production facilities.

The Electronics Watch model differs from traditional social auditing, in that it will not to superficial one-time spot checks. Instead Electronics Watch through its close partnership with organisations based in the countries will do long-term monitoring and improvement of affiliate factories, with an extra focus on factories, areas and themes that need the most work.

Our Monitoring programme investigations will

- Include initial surveys of key factories decided on a number of criteria including the severity of the labour issues brought up by our monitoring network, the likelihood of serious improvement and whether the factory is shared across public sector members.
- Respond to worker complaints, will be specific to the concern brought up by workers, they will take place in secrecy, away from the factory grounds.

The labour rights organisations American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), Clean Clothes Campaign (CCC) and others have exposed the serial flaws in usual social auditing interviewing. Far too often, social auditors routinely interview pre-coached workers, in front of management (in a climate of fear and allowing for reprisals), according to a standardised check list over one day or two. Reports are proprietary to the companies and companies are not bound to remedy violations that they discover.

The Electronics Watch approach avoids these pitfalls Secondly, as part of the Electronics Watch programme, public bodies will adopt the Electronics Watch Code of Labour Standards, and therefore can control the standards setting process.

Intelligence

Highly trained Electronics Watch field staff based in key electronics producing regions will coordinate surveys, monitoring, investigations and improvements in factories producing goods for public sector affiliates.

Access to intelligence from Electronics Watch partnerships with monitoring organisations. These are CSOs who are based in the regions of electronics production used by the public sector, and have the best, locally based and responsive knowledge of working conditions.

A broader approach

Electronics Watch will enable public sector organisations to become informed and effective in meeting their own policy goals of socially responsible procurement of ICT, by delivering different services, including country profiles, thematic research, accounts of factory surveys, and investigative reports – which will be made available to affiliated public buyers.

Collaboration

Information and intelligence

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Electronics Watch will offer a Europe-wide database, collating information on distributors, brands, and factories. It will do this in strict compliance with commercial confidentiality laws. This is one of the tools Electronics Watch is developing to enable public sector members to use their combined leverage to insist on improvements to labour standards.

More Leverage

By adopting the same or equivalent to the Electronics Watch Code of Labour Standards, and adopting the same or equivalent tender wordings and contract performance clauses, and through pooling information on shared suppliers and factories, the European public sector will be able to combine its leverage over suppliers to incentivise much greater knowledge and improvement of their ICT supply chains. Electronics Watch provisions will be tested to ensure that they are fully compliant with EC procurement and competition legislation.

When investigations and surveys of factories show that reforms are required, suppliers of the public sector will receive many simultaneous requests for reform from Electronics Watch affiliates. This means that public sector organisations have far more leverage to negotiate improvements than they would have alone.

Resources available to affiliates

- Contract performance clauses for the various provisions of the Monitoring programme.
- The language to use in tender documents, award points stage, technical specifications and market engagement.
- The Electronics Watch Code of Labour Standards.
- A disclosure form to use with suppliers.
- A detailed suppliers questionnaire and compliance declaration.
- A monitoring database of suppliers and investigations to date.

Staff support

Electronics Watch staff will be able to support your organisation in adopting a socially responsible procurement policy, integrating legally compliant contract conditions into your contracts, and putting in place the right procedures in your organisation to enable you to respond to non-compliances.

The right to help govern the organisation

Affiliates gain the right to help shape Electronics Watch policies and practices as the organisation develops. All Electronics Watch affiliates will become members of our Public Sector Advisory Group, and each member will have the right to nominate themselves or others for the Formal Advisory Board or the Board of Trustees, and to vote at periodic elections. If organisations do not wish to take part in these processes it is not a requirement. It is a right not an obligation.

Obligations of affiliation

Affiliate members must:

- Adopt the Electronics Watch Code of Labour Standards or equivalent Codes they already have, and contract provisions. Work toward the incorporation of the Code and provisions into applicable contracts with companies supplying their ICT. *Electronics Watch will assist with this process.*
- Work with Electronics Watch and their suppliers so suppliers can disclose their factory locations on the basis of a model/template provided by Electronics Watch for the purpose of EW's monitoring activities. *Electronics Watch will assist with this process.*
- Pay annual affiliation fees. *These are explained in detail below.*

If investigations uncover serious breaking of the Code of Labour Standards in an affiliate member's supply chain, initially Electronics Watch field staff and then head quarters staff will try and resolve it by engaging with the factory owner and brand involved to remediate the issue. If the issue is not remediated within a set time frame affiliates will be asked to engage with their supplier drawing their attention to their contractual obligations.

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Affiliation costs

Electronics Watch's programmes charge one annual fee for affiliation, based on size of average annual procurement of ICT, which contributes to a global infrastructure of collaboration on monitoring and improvement.

Band A €0-€4,999,999 average annual ICT spend the affiliation fee is 1% of ICT procurement spend, or €5000, whichever is lower.

So for an organisation that only spends an average of €300,000 affiliation would be €3000.

Bands B-D for higher spends are determined dependent on three criteria: annual expenditure on ICT, size of organisation and the nature of the membership of an organisation. In the case of a consortia for example a reduced cost per member would reflect economies of scale.

More information on the higher band fee structure will be published here shortly.

This affiliation pricing structure is a way of pooling a small amount of one's resources with other public sector bodies in return for something it would be impossible to create alone. The ability to monitor compliance of your suppliers around the world in a serious and genuine way will never be cost-free, but the Electronics Watch pricing is extremely low for each individual contributor and for the results it can achieve for affiliates.

Electronics Watch Founding Members scheme

Electronics Watch is looking for 25 public sector organisations that support the aims of Electronics Watch to affiliate in 2014 as Founding Members.

These organisations will gain:

- * Free support and guidance in setting up policies and procedures to enable your organisation to start monitoring its supply chains effectively.
- * The chance to help shape the organisation before its monitoring starts.
- * Permanent recognition on the Electronics Watch website as a pioneering organisation in the field of socially responsible public procurement and one of the 25 Founding Members.

Competition for Founding Members places is likely to be high, so if you are interested contact us at [HYPERLINK "mailto:info@electronicswatch.org" info@electronicswatch.org](mailto:info@electronicswatch.org).

How to affiliate to Electronics Watch

If you represent a public sector organisation and you want to affiliate to Electronics Watch you should send a letter on headed paper signed by an appropriately responsible person to [HYPERLINK "mailto:info@electronicswatch.org" info@electronicswatch.org](mailto:info@electronicswatch.org).

Electronics Watch starts monitoring operations in 2015 so you will be billed for your affiliation fee shortly before the end of 2014.

Electronics Watch will then contact you and support you in affiliating.

Note:

The Electronics Watch model has been in intensive development over the last year, and builds on learning gained over the last ten years. This development is still ongoing until mid 2014 so certain details may still be changed. A legal note by procurement specialist lawyers will be produced by Electronics Watch by Aug 2014 in order to give public buyers the assurance they need to use this model.