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**Sustainable Solutions for Metals Supply? An Analysis
of MakeITfair's Principles on the Mining Phase of the
Electronic Companies' Supply Chain**

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Abstract

The incorporation of Corporate Social Responsibility (CSR) in supply chain management, as CSR itself, is increasingly reaching the mainstream across sectors and in multiple countries. This has been apparent in the proliferation of codes of conducts, reporting, certification schemes, supplier questionnaires, social labels, etc. With the exception of chain-of-custody certifications, such tools are typically applied to first or second tier suppliers. Recent initiatives, however, are seeking to extend companies' responsibilities to more distant tiers. A recent notable example is the MakeITfair (www.makeITfair.org) campaign, which aims to hold global consumer electronic companies accountable for social and environmental problems at the source of their materials supply. In April 2008, the campaign proposed six principles to be applied by electronic companies to the management of extractive activities of their suppliers. The present paper examines whether conformance to these principles by electronics companies could positively influence the social and environmental conditions at the mining level. A literature review was undertaken to understand how metals are mined, recycled and used in the electronics sector, as well how the social and environmental problems associated with the extraction of these metals were being addressed. MakeITfair's principles were found appropriate and constructive insofar as they draw the attention of electronic companies to their shared responsibility for the problems of distant-tier suppliers. Some principles, however, while pushing for accountability, transparency and ethical supply, may lead to biased prioritization of mining companies or regions, to the adoption of contentious "standards", or to conflicts concerning the sovereign rights of nations over their natural resources. Overall, the principles stress traceability mechanisms as means of influencing the mining phase of supply chains without considering the

costs and benefits of overcoming the complexities involved in metal trade. In light of the diversity of metals used by electronic companies, traceability barriers, and pre-existing CSR efforts in the mining sector, it is important to consider other means (not only those that are upstream-driven) of influencing the extraction phase of value chains. MakeITfair's unique approach to improve mining conditions by using the brand power of electronic companies is, nonetheless, helping to make evident the need to better understand the potential and limits of current sustainable supply chain management. The paper concludes by pointing out specific issues that need attention for the purpose of advancing such understanding.

Key words: Corporate Responsibility, Ethical Supply, Supply Chain, Metals, Mining, NGO