

Editor's Note

Environmental Groups Oppose Pollution Spreading through Apple's Supply Chain

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Recently five Chinese environmental groups, including Friends of Nature, the Institute of Public & Environmental Affairs (IPE), Green Beagle, Environmental Friends and Nanjing Green Stone, issued a report. The report, "The Other Side of Apple II: Pollution Spreads Through Apple's Supply Chain," includes findings from ten on-site investigations of suppliers, suspected suppliers and other links in the supply chain. These include: Meiko Electronics of Guangzhou, Meiko Electronics of Wuhan, Kaedar Electronics and Unimicron, Foxconn of Taiyuan, Ibiden Electronics of Beijing and Shenzhen Municipal Hazardous Waste Treatment Station. Chinese green NGOs claim that the consumer electronics giant has not addressed problems in its supply chain and has ignored its expanding environmental footprint in China.

The report stresses that multinational companies in China should take more environmental responsibility. In fact, Apple's management and division of labor help them avoid this responsibility. In Apple's industrial chain, China is just a manufacturing base rather than a source of independent innovation. This arrangement not only helps multinational corporations transfer environmental pollution but also reduces their two burdens—salary and taxation. The former is the source of workers' living support and the latter is the source of social governance. Clearly the primary motive of corporations—earning profit—is having a negative impact on the environment, workers and developing countries.

Some economists believe that innovation will not rebuild America's economic strength. It is well known that the majority of manufacturing takes place in third world industrialized countries, especially China. Thus under economic globalization America can't gain a dominant position although it boasts advanced technology. Due to a lack of independent innovation, China is also prevented from dominating the global economy. In the globalized production process it is Apple that gains the biggest profit, and it must shoulder the responsibility for environmental pollution as a leader of the industrial chain.

Although enterprises can offer to take responsibility, some prefer to make up for environmental damage after they gain first place in capitalism's economic competition. For example, John D. Rockefeller, Dale Carnegie and Bill Gates began to take up charity work after they had earned huge

profits. Others are reluctant to take responsibility for the social ills they have caused. I'm sorry to report that Apple numbers on this list.

In the past few years, Apple has not made large-scale donations although it is the most profitable company in the world. In fact, the report mentioned above claims that Apple's pollution is spreading as its supply chain expands, presenting a grave threat to the environment, public health and workers' rights. However, Apple has denied this claim and has made no progress at all in the past seven months. It's impossible to believe that Apple was unaware of these pollution and human rights issues. Although it has now acknowledged problems in its supply chain, the company hasn't made any changes. What's worse, Apple has insisted on earning profit in China at any cost. In the report, Zhu Guifen (who had a gastric operation to treat cancer) and several other residents show evidence of pollution and beg the investigators: "Help us, please!"

In a capitalist economic system, externalities of production must be reined in by external restrictions. External restrictions include public opinion, NGOs, independent news media, and the state's laws and policies. As mentioned, multinational corporations have many opportunities to evade such restrictions. At the same time, the problems facing China's industry are related to our country's international position. What's more, Chinese private enterprises lack financial support and innovative capacities. Many are still at a low level in the supply chain and only do simple processing. The way they earn money under the pressure of competition is to ignore workers' rights and environmental pollution. And local governments won't enforce regulations that jeapordize local economic growth. All of these factors give rise to enterprises' lack of responsibility.

With the lack of laws and enforcement, citizens have to protect their own environmental rights. In other words, as traditional organizations like enterprises and government are incapable of solving these problems, people have no alternative but to depend on themselves. Through collective self-organization, they discover problems, exert pressure, protect civil rights, and solve environmental problems. It is the complexity of China's social problems that has led to the rapid development of China's NGOs. What deserves to be mentioned is that China's environmental NGOs are speaking out louder than ever before on China's environmental issues, and are entering the phase of solving mass social problems. As an example, an investigative report recently published by the China-Euro Environmental Forum included NGOs both at home and abroad, and the report was thus supported by other organizations.

Compared with top-down reform, bottom-up mobilization can have a great influence on social organization. But there are many issues we must deal with, such as how to raise people's environmental awareness and how to balance social responsibility and economic growth. The environmental movements in Western countries have shown that education is a subtle way to influence the values of people and companies. NGOs can work to change the values dictated by the market (such as earning profits at any cost). The report endeavors to publicize values that will raise companies' sense of responsibility. In the long history of Western capitalism, many economic leaders turned to charity after they won the game of competition. Looking at the increasingly envirnomental situation we face today, enterprises must take more responsibility from the outset. NGOs and civil society are trying to shape this new ethic.



August 23-25, 2011: "Industrial Pollution & Environmental Health" EU-China Society Dialogue



An Industrial Pollution and Environmental Health workshop was held by The Institute for Civil Society at Sun Yat-sen University (ICS) and The German Asia Foundation (GAF). The workshop was attended by representatives of civic organizations, government officials, and experts from China and Europe. On the first day workshop participants discussed policy challenges and civic actions related to the environment and health in China and Europe, and decided on an overall framework. The second day, through case analysis and interactive communication, workshop participants discussed specific methods, strategies and best practices for solving the problem of food safety, especially how to let the media play an important role in environmental protection. On the third day the round table forum "Government, NGOs and Civil Roles and Functions" opened, and the director of the Institute of Public Environment Affairs (IPE), Ma Jun, proposed the Green Choice Alliance. This project is based on dynamically updating the IPE database, developing systematic solutions, enabling enterprises and citizens to identify illegal suppliers more effectively, and auditing companies through transparent, participatory methods, prompting quick solutions to pollution problems. Currently, the Green Choice Alliance is focusing its efforts on supply chain pollution and the problems of Apple in China, aiming to track their footprint of serious environmental harm in China.

The three-day workshop concluded with "Industrial Pollution and Food Safety" as the theme. Both sides shared successful cases and research results related to environmental protection in China and

Europe, and discussed the roles of government, enterprises, media, and social organizations in solving environmental issues. At the same time, through cross-cultural communication, the workshop strengthened mutual understanding between Chinese and European participants, allowing them to jointly confront environmental and health problems in the future.



An overview of environmental health, policies and challenges in China May Tan-Mullins, Lecturer, Division of International Studies, UNNC

In China people devote great attention to environmental protection, and the Chinese government has implemented a number of environmental policies. For example, in the future five-year-plan the government will change its focus from simply developing the economy to developing society and the environment. At the same time, the government is also promoting the Recycling Economy to use less resource. By 2015 the government aims to reduce carbon emissions by 17% and obtain 11.4% of energy from non-fossil fuel sources.

The discrepancy between the state's regulations and implementation on the one hand, and the lack of information on the other, are two big challenges for Chinese environmental protection. We need to realize that there are many things that state agencies and private enterprises cannot do on their own. Some things have to be done by civil society organizations (CSOs), who act as the assistants of the state by providing extra sets of eyes for the government and reporting on environmental issues. Besides, implementation is not just the government's job: everyone should be involved, including the news media. The most important thing is that academia, enterprises and social organizations create a stage for open dialogue to understand different groups' opinions, and to reach a consensus. They must know what to do first and where to start, and must link up with international NGOs to exchange knowledge and know-how.

Civil society approaches to environment and health in Europe Charlie Clutterbuck, Doctor, Institute of Health Sciences

The relationship between civil society, state and market regarding pollution control is complex and continually evolving. Labor unions, companies, NGOs and national governments are different aspects of the system and they should support each other and work together to solve environmental issues. The state's role is mainly to stop the most serious polluters and prevent worst-case scenarios; however, there are many bad situations in local people's daily lives that are not resolved directly by the central government, so we must find an effective way to regulate environmental misconduct in our daily lives. It's important to know how to generate more funds to support CSOs and make CSOs more powerful.

Civil society consists not only of NGOs. It also includes many other organizations, such as community groups, women's organizations, faith-based organizations, and market voluntary organizations.

Market voluntary organizations can have good interactions with the government while voluntary methods can encourage good practice. An example of a market voluntary standard would be the Environmental Management Standard ISO 14000, increasingly a model for dealing with environmental matters. We can set up projects according to laws and regulations in order to build a relationship between these standards and existing rules. NGOs can promote this idea and advocate its purpose. For example, people didn't understand the toxicity of PVC in the past, but after NGO advocacy, most now recognize the relationship between this dangerous chemical and health. In addition, academia can provide professional advice for NGO advocacy, market voluntary organizations standard setting, and the government's policies. In a word, government and civil society, including market voluntary groups, NGOs, and academia, must find a way to communicate more and work on environmental issues together.

The age of we-media: opportunities and challenges of food safety Wang Lin, Adjunct Professor of Law School of Hainan University

We-media is a new kind of dissemination medium for the public to share information in the age of the global knowledge system. We-media has four characteristics: focusing on ordinary people; disseminating by the social community; respecting individuation; and having no limitation on time, space or format. In this age, everyone can be a journalist, everyone has news resources, everyone has a microphone and they can disseminate information to whoever they like. It presents very low barriers for those who can surf the Internet in China to voice their opinions, which weakens the government's control of the disclosure system.

We-media provides new opportunities to identify and solve food safety and environmental pollution problems. We generally pay a great deal of attention to the central government and ignore the local situation, and now we suddenly find that there is no small place on the Internet. If a local food safety or pollution crisis raises concern, it can become the focus for the whole nation.

The dissemination of information through the Internet information can be self regulating, but this requires the participation of many different groups. NGOs must strengthen their professionalism and authority, and devote time to the regulation of Internet information. The government should respect and cooperate with the functioning of Net society. When dealing with open information, interacting with local people, enforcing the law, and managing crisis, government agencies should follow the rules strictly and require every department to do their duty. Otherwise, environmental regulation will have to rely on the power of the people.

The limitations of the media and information management Isabel Hilton, Editor, China EU Dialogue

When you want to use the media, especially in a long-term, changing environment, the power of the media is very limited. The first limitation lies in time pressure. When a public environmental crisis happens, the media must participate in the event immediately in order to find out the causes of the problem. Therefore, the media establish and maintain their own right of speech. We know that

environmental problems are caused by many different factors, but the media's working hours are limited so it's difficult to uncover all of these reasons in a short time. Secondly, there is tension between the media and the scientific community. Science is in fact a culture of doubt. Scientists will not say anything is 100% certain and this can lead to some mistakes, putting a lot of pressure on the media. Furthermore, most journalists lack scientific backgrounds or just know little about science, which puts huge limitations on news reports. Thirdly, local conditions can limit the functioning of the media. For example, in most poor districts in China the government needs to attract more business and money to develop the local economy and increase employment. If the local people are being managed by the government or the companies, the media can hardly intervene this situation. Finally, the media must deal with culture clashes. Some Chinese journalists will take a participatory approach to reporting, but this doesn't work in Europe because people want reporters to be objective and downplay their own opinions as much as possible.

In brief, NGOs should maintain good relations with the media and also understand the limitations of the media. The media should have basic knowledge of science and they must understand the differences between certainty, possibility and probability. In other words, journalists must be able to judge what scientists say, otherwise they will provide unreliable environmental information.

Environmental issues can be solved through open information and the wide participation of various social groups

Ma Jun, Director, Institute of Public Environment Studies

In the past 30 years the Chinese economy has developed rapidly, but this economic miracle has put a huge pressure on the biological environment Environmental pollution influences the stability of the society, resulting in many mass incidents. From what is occurring, we can see that environmental pollution is not only a problem of technology or capital. Currently, the most critical obstacle to solving environmental problems is a lack of motivation. There is a consensus that the wide participation of various social groups can provide new motivation.

If we want the pubic to participate in this issue effectively, we must have open information about environmental issues. Open information about the environment is one of the most important ways to manage the environment. The Chinese government has set up a series of regulations and policies for public participation and open information. For instance, the Environmental Protection Bureau in Shanghai has begun to regularly publish a list of polluting enterprises. The city of Wuhan puts monitoring statistics on the Internet, so that the public can check whether the discharges of enterprises reach the standard or not. The Fuzhou government also puts public complaints and information on the Internet. Based on these different sources, we can form a record of enterprise activity and environmental supervision.

We need to develop a process relating to the supervision of enterprises. The first step is to focus on single enterprises, pushing them to solve their environmental problems, but the efficiency of this solution is very low. The second step is to work on supply chains, since we can influence thousands of suppliers through a supply chain. The third step is to cooperate with many environmental protection

organizations and drive the whole market to make voluntary changes. To realize these goals, the Institute of Public Environment Studies and twenty environmental organizations are putting forward the Green Choice proposal asking consumers to use green consumption to promote green production. Meanwhile, the groups is advising major industries to make their supply chains more clean and green in order to provide real green products to customers. Overall, the challenges of the Chinese environmental crisis are real and severe. At the same time, the progress of Chinese society, the accomplishments of the Chinese government, and the positive efforts of Chinese NGOs create an opportunity to promote public participation more effectively, and help the public and every social group make green choices.



Ma Jun



Ma Jun, a leader in the field of environmental protection, has long devoted himself to the practice and research of environmental protection in China. During his work with the overseas media he conducted a study on the situation of China's environment and resources. He then focused on the water resources problems of the seven biggest rivers in China. He has worked as a consultant for overseas companies providing information about China's environmental laws and health and safety policies. He is dedicated to developing standards for corporate social responsibility and an evaluation system for suppliers of multinationals in China dealing based on

environment, health safety and labor rights criteria.

In 2006, Ma was appointed as the director of Institute of Public Environment Studies (IPE), compiling the first water pollution public database in China- the China National Water Pollution Map- and developing the China Air Pollution Map database in order to promote awareness about the relation between development and the environment, and to improve environmental governance mechanisms. In 2008, IPE set up the Green Choice Alliance to put environmental information openness and public participation into the current supply chain management system, and to improve China's manufacturing performance through energy saving and emissions reduction. In entering the new era of global production, the Green Choice Alliance has tried to promote extensive cooperation between different parties, and has established a new model of global supply chain environmental management.

Ma has opened up a new way of thinking about government information dissemination and public participation in environmental protection. The broad intent behind the new thinking is to establish equal, peaceful dialogue between government, enterprises, and citizens, and to jointly solve China's environmental problems.



The Other Side of Apple II: Pollution Spreads Through Apple's Supply Chain [PDF] Report

Link: <u>http://www.ipe.org.cn/Upload/Report-IT-V-Apple-II.pdf</u>

On 31 August 2011 five of China's environmental protection groups, including Friends of the Nature, the Institute of Public & Environmental Affairs, Green Beagle, EnviroFriends, and the Green Stone Environmental Action Network, jointly issued a report titled "The Other Side of Apple II : Pollution Spreads Through Apple's Supply Chain." The survey in the report indicates that pollution from some Apple suppliers has caused serious damage to the environment, and local communities have complaints about several suspected Apple suppliers. A group of Apple's suppliers have produced particularly large amounts of hazardous waste, and some of them have not properly disposed of the dangerous waste.