Recommendations

National Guidelines for Economic, Social and Environmental Responsibilities 2018

Disclaimer

Purpose

These recommendations are a response to the call issued by Ministry of Corporate Affairs to review the National Voluntary Guidelines for Economic, Social and Environmental responsibilities. This document lays out the opinion of the Social Impact Working Group of the IET IoT Panel. Technology has a lasting impact on businesses, economy and society – specially the all-pervasive Internet of Things. 24% of the global 3.7 billion people connected people in India and The market potential of all things IoT in India - $9 billion by 2029 .Since the call is for updating the guidelines to account for the changes in the landscape of businesses and its impact on society and environment in the last few years, it is only befitting that the interdisciplinary, neutral panel that we lead on the Internet of Things, reviews it from all standpoints and presents a comprehensive feedback.

Background

Institution of Engineering and Technology (IET) is a 147 years old professional society for engineers headquartered in the UK. It started its operations in India in 2006 and has over 15,000 member engineers in India. Internet of Things is a focus sector for the IET in India and the IET IoT Panel is a think-tank of IoT professionals. The IET IoT Panel was constituted in 2015 and aims to be a neutral, credible force shaping the evolving movement of Internet of Things in India.

Framework

The rest of this document adopts an 'as is' and 'should be' framework. It first quotes verbatim from the Guidelines and then rephrases the areas where changes are suggested.

Principle 2 and Principle 9

*Businesses should provide goods and services in a manner that is safe and sustainable**

Businesses should provide stakeholders across the value chain* with information about environmental and social issues and impacts across product life cycle* from design to disposal. This may be done through appropriate and relevant tools such as certifications, labels, ratings and other communication and disclosure* platforms including reports, websites etc.*
Businesses should also educate their consumers on the safe and responsible usage and disposal of their products* including reuse and recycling*
Businesses should be informed by industry best practices for promoting reduction, reuse, recycling of resources and encourage and motivate its stakeholders to do the same.

The above guidelines talks about responsible design of products, responsible production and responsible consumption which is a great start. Reuse and recycle at inputs level is addressed but not at the product level. The guidelines, however should encourage businesses towards the disposal or reverse supply chain of its products. For eg. India generates close to 1 million tonnes of tyre waste (2016 – Rubber Asia) at end of lifecycle. Assuming tyres are responsibly designed, produced and consumed, but still there is a massive dump of used tyres that have outlived its lifecycle which is a very potent environmental hazard.
However, the responsibility of disposal has been currently been placed on the customer. The onus of the business is restricted to just informing the consumers of safe methods of disposal /reuses/recycle.
It would be desirable to rather get the industry body together to address the waste challenge sustainably, rather than hold the consumer accountable. Similar cases can be traced in solar equipment as well.

Recommendation 1

Businesses should also take reasonable efforts either individually or through trade associations to responsibly deal with reverse supply chain of their products that have outlived its lifecycle. Same should be added in the business reporting framework document.

Principle 3

Businesses should respect and promote the well-being of all employees, including those in the value chain*.*

Businesses should respect the right to freedom of association, participation of workers*, collective bargaining*, and provide access to appropriate grievance redressal mechanisms*.*

Majority of corporate organisations of today do not have employee associations.

In an earlier era employee associations were a key mechanism for employee welfare and arbitrage. While employee issues continue to exist, absence of a formal structure, like employee associations has rendered their views un-voiced / under-represented. "Respect the right to freedom of association" is in a way distancing the responsibility of businesses from actively engaging with employee associations. This attitude should change to "active promotion of employee associations".

Recommendation 2

Respect the right to freedom of association should be changed to "Businesses should actively promote development of employee associations". Businesses should be made accountable as well as encouraged to create and report employee associations within the company.

Principle 8

Businesses should promote inclusive growth and equitable development

Large corporations have very little policies /procedures in place to engage freelancers or micro enterprises to join their registered vendors list. Much of this is still skewed towards large sized providers. If a purchase department feels that the capabilities of vendors are similar to a large vendors, then, a fair chance must be provided to smaller players. While the Government has made a great step in this direction by mandating some purchase from MSMEs, there is scope for improvement. This whole area needs a fresh look, both from an incentivisation standpoint as well as from a regulatory standpoint.

Recommendation 3

If a purchase department feels that the capabilities of vendors are similar to a large vendors, then, a fair chance must be provided to smaller players to enable inclusive growth and equitable employment. This is included in the business reporting framework but not adequately or openly addressed in any of the principles

The Institution of Engineering and Technology - UK

The IET is one of the world's largest engineering institutions with over 168,000 members in 150 countries. It is also the most multidisciplinary – to reflect the increasingly diverse nature of engineering in the 21st century.
The IET is working to engineer a better world by inspiring, informing and influencing our members, engineers and technicians, and all those who are touched by, or touch, the work of engineers.

Institution of Engineering and Technology - India

The IET office started operations in India in 2006, in Bangalore. Today, we have over 13,000 members and have the largest membership base for the IET outside of the UK.

About IET IoT Panel

Leveraging its position as a multi-disciplinary organisation, IET India launched its IoT panel on February 20, 2015. The panel, being a first of its kind in India, focuses not only on technology but the application aspect of IoT in various segments.

The focus is to facilitate discussions that will help in making the inevitable connected world more efficient, smart, innovative and safe. The IET IoT Panel will provide a platform for stakeholders to participate in becoming an authoritative, but neutral voice for the evolving movement of IoT in India. It aims to enable all the IoT practitioners (including people from the hardware – devices, portables, sensors, software, business) and IoT enablers (including people from regulatory area, training area, investors in IoT, end users) to work together on relevant areas to make this industry efficient as well as robust. The panel envisions laying a solid foundation by supporting policy makers, industry in the next step of adoption of IoT

List of Contributors

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