
CSR case studies

The Medical Fair & Ethical Trade Group

Winner of British Medical Journal CSR awards 2009

● The organisation

In 2007 the British Medical Association (BMA) passed a resolution at their annual meeting calling on the NHS to create a fair and ethical purchasing policy for medical supplies. As a result, the Medical Fair & Ethical Trade Group (MFETG) was created by the BMA to investigate, promote and facilitate fair and ethical trade in the production and supply of commodities to the healthcare industry.

The MFETG works in policy analysis, advocacy, EU networking and promotes the development of ethically-manufactured medical goods and services. Since 2007, support for fair and ethical procurement has been increasing amongst NHS clinicians and managers and even at the highest levels in the NHS – “the NHS Purchasing and Supply Agency (NHS PASA) have recently produced guidance for all NHS Trusts with respect to ethical procurement”.

The group has a dynamic membership which includes representatives from NHS PASA, NHS Supply Chain, the Department of Health, the Association of British Healthcare Industries, the Ethical Trading Initiative and the Fairtrade Foundation, amongst others. They look to promote policy and guidance for the £20 billion the NHS spends on procurement every year, and to provide practical support to

suppliers trying to develop ethical business models in this area.

● The drivers

The group was co-founded by Dr Mahmood Bhutta (an NHS surgeon), who was travelling in Pakistan through a town where the locals produce approximately a quarter of the world's supply of surgical instruments. “What I saw was horrible”. Ten percent of the labour was children not paid enough, working with chemicals/metals.

The appalling conditions spurred Mahmood to report in the British Medical Journal the need for a group to undertake research and document, network and publicise, support and advocate innovation for a more ethical supply chain for all medical commodities, including but not limited to surgical instruments.

According to the group, the key issues for surgical instrument manufacture lie in three matters:

1. Child labour: Although some reports suggest levels are declining, causes such as poverty, the desire for perceived vocational learning rather than education for a child and lack of alternative employment is still driving children into industry in these areas.

2. Health and Safety: Surgical instrument manufacture is not classified by international regulations as hazardous but exposure to machinery, poor wiring, metal dust, noise, physical strain injuries and chemical exposure are all present and there is no state official to take care of this side of matters.

3. Workers rights: Labourers work as contractors and therefore while they are not permanent employees they endure long hours with bad conditions, job insecurity and no rights or voice.

● Taking action

These inter-connected issues in the surgical instrument manufacturing sector are complex, deep-rooted and need to be addressed with long term solutions. MFETG provides an arena for such issues to be discussed and innovative solutions put forward, as well as lobbying for change.

Developed country business practices habitually give weight to price, delivery times and quality; to make ethical considerations part of awarding a contract is essential to ensure efficiency and competitiveness in the UK healthcare industry.

In March 2008, representatives of the MFETG visited the Surgical Instrument Manufacturing Zone in Sialkot, Pakistan to establish the viability of good practice in surgical instrument manufacture, increase local knowledge on the issues of fair and ethical trade in the healthcare manufacturing industry and identify potential partners for developing this work.¹

¹ "Ethical trade in surgical instruments: bringing change to the supply chain", BMA, 2008.

Support is also being given to other ethical products for healthcare, such as fair trade rubber for surgical gloves and fair trade cotton for bandages or hospital uniforms.

The NHS is beginning to exert its influence on the supply chain by calling for improved standards such as fair pay and safe working conditions as well as social and economic welfare measures such as education, healthcare and housing.

● Why is it CSR?

As part of a wider UK Government Global Health Strategy, the Department of Health is working to ensure national contracts for the purchasing and supply of healthcare commodities promote international labour standards.

NHS Supply Chain is working closely with NHS PASA and with suppliers to adopt a consistent approach and developing guidance tools, example approaches and training resources for ethical procurement in the healthcare sector.

They are also committed to investigate in greater depth where products are sourced and under what conditions.

● What next?

Implementing policies to improve conditions, wages, education and welfare to a global industry worth hundreds of millions of pounds is an immense challenge and requires detailed and sustained effort from a number of actors. MFETG leads the progress in the UK working with NHS PASA, developing its guidance document "Ethical Procurement for Health". Parallel developments are occurring in Sweden and there are plans for MFETG,

working in partnership with Sweden, to take this to the wider European Union later this year.

All this progress in the last two years is a positive step but ultimately it is for each NHS organisation to adopt their own code of conduct, policies and approaches.

As Bhutta wrote, *“If the health-care community cares about global health, it must be vociferous in its support of fair and ethical trade, and the first step along this path is to get its own house in order”*.

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