

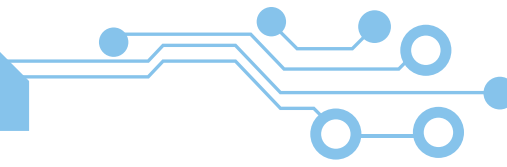
electronics watch

Responsible public procurement
Rights of electronics workers.

Annual Report: 2019



CONTENTS



- ▶ MESSAGE FROM THE PRESIDENT AND DIRECTOR
- ▶ MONITORING
- ▶ TOOLS & RESOURCES FOR AFFILIATES
- ▶ IMPACT
- ▶ PROJECTS
- ▶ ONLINE COMMUNITY
- ▶ ORGANISATIONAL AND FINANCIAL DEVELOPMENT

Electronics Watch

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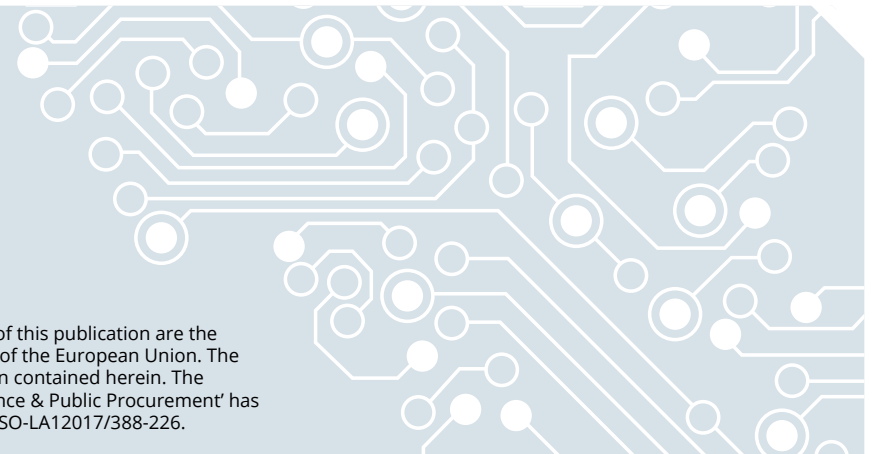
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www.electronicswatch.org

No. 62721445 in the Dutch Chamber of Commerce Trade Register



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Dear reader,

Our world is facing a searing triple crisis of health, climate, and social inequities. Poor people globally have become more vulnerable to health and environmental hazards, while global supply routes have been disrupted and social orders upended.

How we act now will shape lives and environments for years and generations to come. The crises open possibilities for accelerating our movement to a future where sustainability, not growth, is our guiding light, and resilient global supply chains rest on a firm foundation of worker rights and environmental protections.

Electronics Watch is committed to do our part to realise this future. We work towards a world where public procurement drives better conditions for workers in global supply chains, and workers themselves engage in meaningful dialogue with employers and buyers to create work with dignity.

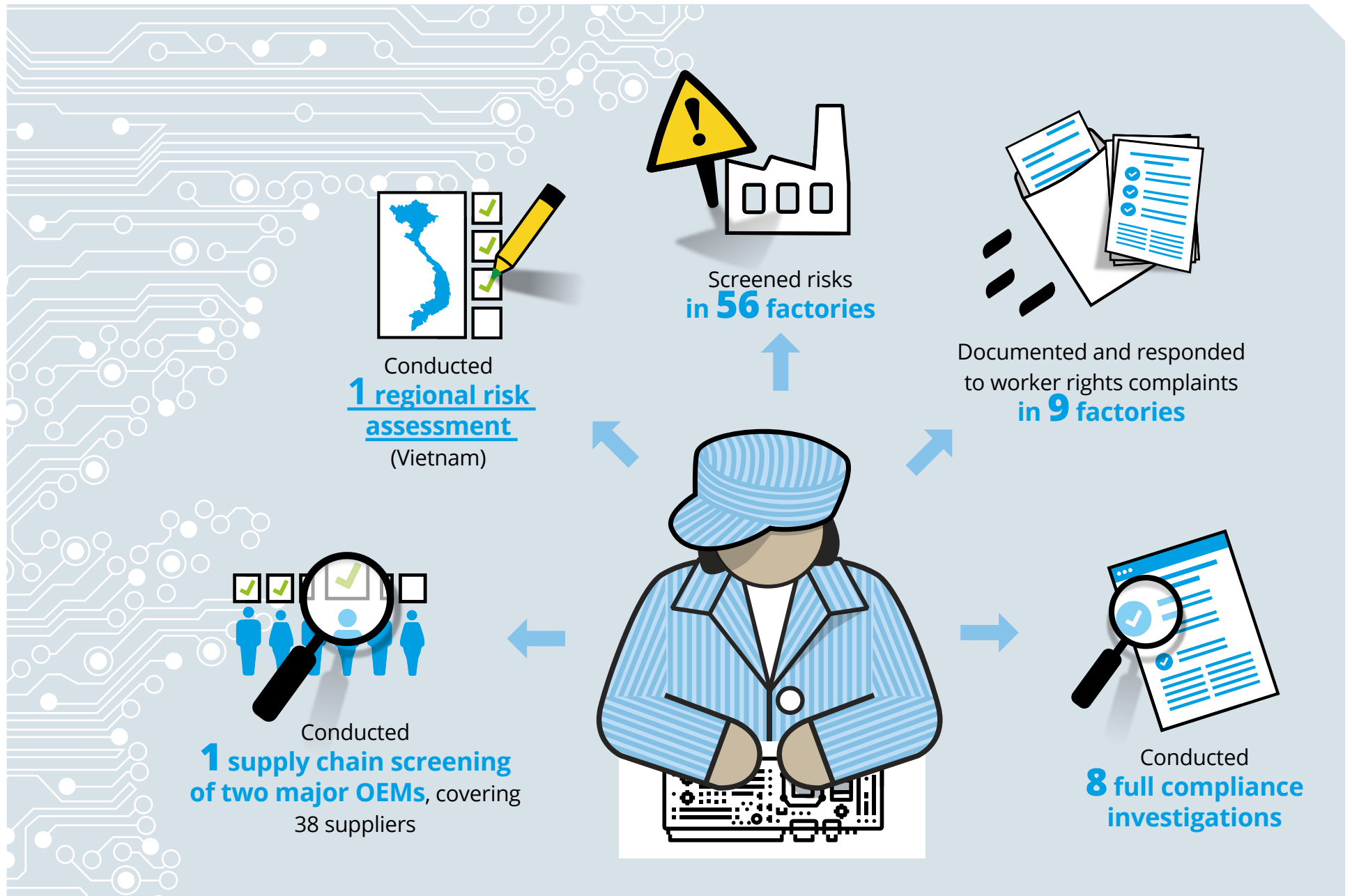
In 2019 Electronics Watch along with our affiliates (public buyers) and monitoring partners helped bring workers out of debt bondage and forced labour, created safer and healthier workplaces, and supported workers' legal right to permanent rather than precarious employment. Together, we helped to open up the electronics industry to independent inspections and improvements. We have continued to refine our model for change, where public procurement demand is informed by worker-driven monitoring and drives engagement with companies.

You can view our accomplishments last year in this more visual Annual Report. If you are new to Electronics Watch, we invite you to get in touch to learn more and to join us in our drive towards a sustainable future.

Sheung So, President, Board of Trustees

Björn Skorpen Claeson, Director

MONITORING



TOOLS & RESOURCES FOR AFFILIATES

Updated Electronics Watch Contract Conditions

Released version 2 of the Electronics Watch Contract Conditions for the [UK](#) legal framework and transposed the Contract Conditions to the national legal frameworks for [Spain](#), [Belgium](#) (in Dutch), and [Germany](#), and initiated transposition for Australia.



Affiliate Action Guide

The [Affiliate Action Guide](#) (affiliates only) summarised Electronics Watch compliance findings and recommended affiliate actions for 15 factory cases.

Electronics Watch engaged 11 brands on those cases.

Affiliate Action Guide

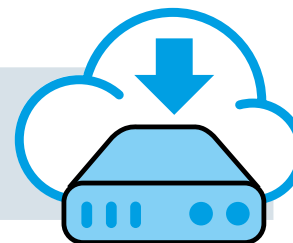
Introduction

This chart summarises current issues that Electronics Watch recommends affiliates address with their suppliers. The issues pertain to either supply chain transparency requirements in applicable contract clauses or to conditions in factories that make products affiliates buy. The source of information may be Electronics Watch or an affiliate. When additional information is available there is a link in the 'Issues' section to an Electronics Watch report. Those reports include the compliance findings in detail, and the full recommendations for corrective action for brands and employers. Affiliates who would like to submit updates to this chart should contact Electronics Watch at info@electronicswatch.org.

Brand	Category	Factory	Products
APPLE	Factory improvement	Foxlink, Dongguan, China	Connectors for electronic devices
APPLE	Factory improvement	Quanta, Shanghai	Laptops, servers
DELL	Factory improvement	Quanta, Shanghai	Display/ICD

“Electronics Link” Supply Chain Database

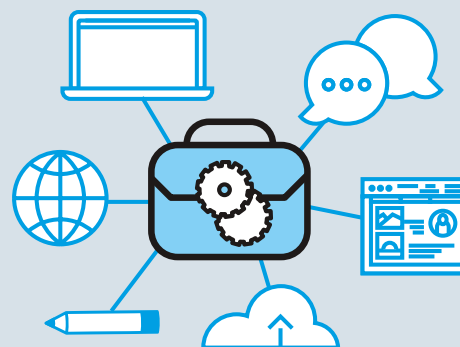
contained **1248 procurements from 36 affiliates, linked to 155 factories** (currently for staff use only).



TOOLS & RESOURCES FOR AFFILIATES

Additions to Public Buyer Toolkit

- [Instructional video](#) (affiliates only)
- [Guidance for Remediation and Prevention of Migrant Worker Recruitment Fees and Related Costs in Public Procurement](#)
- [Transparency and Data Use Guidance](#) (affiliates only)
- Compliance Process description



Company Performance Tracker

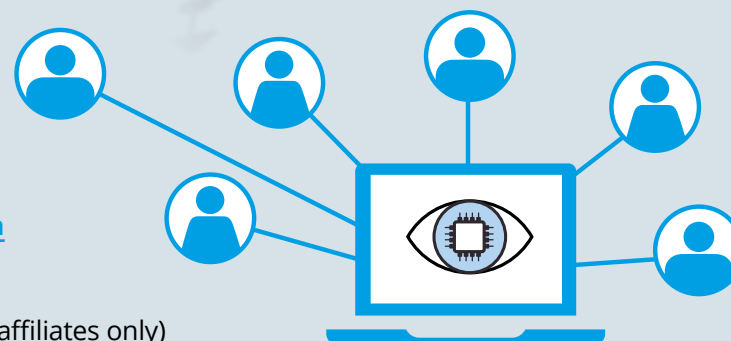
The Company Performance Tracker evaluates, scores and tracks companies' performance of their contractual obligations to protect the rights of workers in electronics supply chains. Electronics Watch received valued input from a range of stakeholders, including public buyers and companies.



Webinars

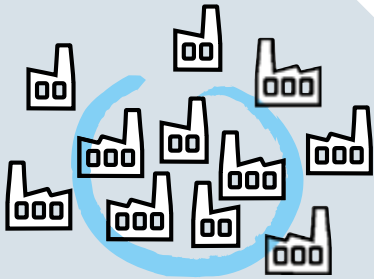
Electronics Watch organised 5 webinars:

- [Migrant Worker Recruitment in Malaysia](#)
- [Worker Voices in Public Procurement](#)
- [Regional Risk Assessment of the Electronics Industry in Vietnam](#)
- Public Buyer Toolkit
- [Documenting Grievances through Workers' Social Media Posts](#) (affiliates only)

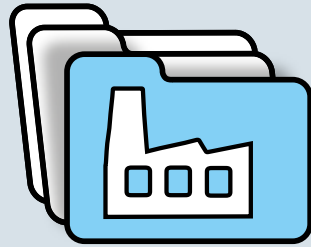


IMPACT

Public Buyer Demand



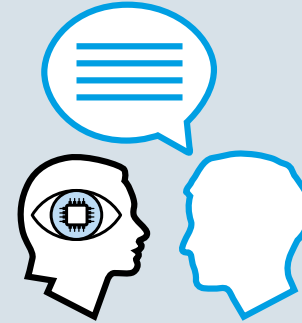
14 brands identified at least some factories that make the products affiliates buy.



155 factories are part of our supply chain database, Electronics Link, because they make products affiliates buy.



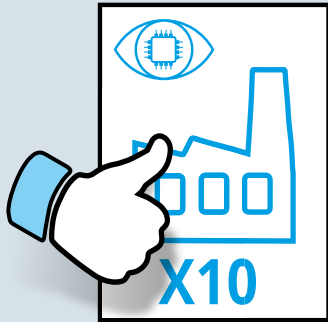
42 factories were disclosed as production locations for 60 specific product models. Out of these factories 10 were disclosed as component suppliers for specific product models.



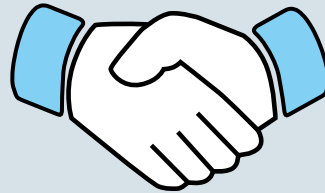
6 brands reported their own compliance findings to Electronics Watch in response to our reports.

IMPACT

Improving working conditions



10 factories
improved
conditions, verified
by Electronics Watch



8 brands engaged
to improve
conditions



12,000+
migrant workers
were fully compensated for
excessive recruitment fees

Addressing systemic industry issues

based on analysis of workers'
priorities in China from over a
million social media posts.



1 Report on systemic issues
(affiliates only)

Improving Working Conditions

Cal-Comp Thailand

Largest Settlement of Migrant Worker Recruitment Fees

Having discovered excessive recruitment fees and debt bondage amongst migrant workers at Cal-Comp Thailand (supplier of printers, external hard disk drives and other computer peripherals), Electronics Watch and monitoring partner Migrant Worker Rights Network (MWRN) engaged buyers and the Responsible Business Alliance (RBA) and proposed a [remedy](#) for Cal-Comp workers. This case and others like it also helped inform our [Guidance for Remediation and Prevention of Migrant Worker Recruitment Fees and Related Costs in Public Procurement](#).

Improvements following the [Electronics Watch and MWRN investigation](#) and company engagement include:

- **Migrant workers employed by Cal-Comp hold their own passports and work permits.**
- **Cal-Comp fully reimbursed 10,570 workers in the largest single company settlement of migrant worker recruitment fees ever.**
- **Cal-Comp stopped hiring migrant workers until they have developed an ethical recruitment policy to ensure no worker pays for their job at the factory.**

This case shows how the Electronics Watch model of [worker-driven monitoring](#) and ongoing industry engagement, supported by affiliates' communication with their suppliers, is central to detecting and remediating violations.

Improving Working Conditions

Possehl Electronics First Compensation, then Full Remedy?

Electronics Watch found 30 migrant workers in forced labour at Possehl Electronics, a semiconductor supplier in Malaysia, hired through an outsourcing agent. They had suffered delayed wage payments, illegal wage deductions and excessive overtime and faced violent threats from the outsourcing agent when they asked for their wages. Despite risking reprisal from both the agent and state authorities, the workers organized and collected the data to be able to demand remediation.

Improvements [following the Electronics Watch investigation](#) and company engagement include:

- **Workers received reimbursements for illegal wage deductions.**
- **Workers received back-wages.**
- **The outsourcing agent no longer supplies workers to Possehl.**

However, there is still a long way to go for these workers and for hundreds of thousands of migrant workers in Malaysia at risk of [forced labour](#). Most importantly, workers themselves should have a seat at the table to define remediation in forced labour cases, including the amounts of monetary compensation and non-financial remedies. This would be an important step to ensuring they are neither marginalized nor forced labour.



Improving Working Conditions

Workers No Longer Have to Tolerate Toluene

After workers at an electronics subcontractor in Indonesia reported to Electronics Watch monitoring partner, Sedane Labour Resource Centre (LIPS), that they suffered respiratory illnesses and often fainted because of exposure to the toxic cleaning solvent, toluene, Electronics Watch brought a complaint to the main buyer. The buyer reacted quickly to improve the health and safety conditions and conducted follow-up air quality measurements which it shared with Electronics Watch.

Improvements following the Electronics Watch investigation and company engagement include:

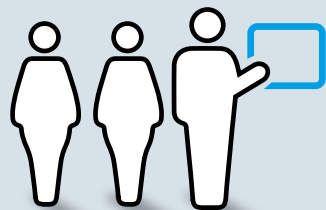
- **Toluene was replaced with ethyl acetate, a less toxic alternative.**
- **The ventilation system was repaired.**
- **Workers received more effective protective equipment.**

While workers' physical environment is now [healthier and safer](#), they are not as safe as they should be until they can report problems directly to management without fear of reprisals and help to develop solutions. Unfortunately, this is not yet the case. Workers are concerned about other toxic chemicals in the factory, and LIPS and Electronics Watch are continuing monitoring.



IMPACT

Strengthening worker voices



3 trainings on worker-driven monitoring: in Indonesia, Vietnam, and the Czech Republic

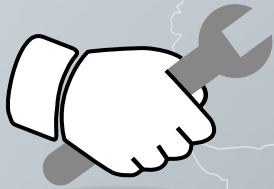


Worker Voices Policy Brief



IMPACT

Strengthening worker voices



Electronics Watch documented, reported, and took action on Worker Complaints:

(affiliates only)

- 5 from Malaysia
- 2 from India
- 1 from Indonesia
- 1 from Thailand

India

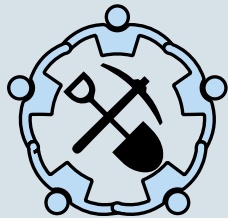
Thailand

Malaysia

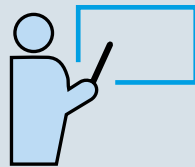
Indonesia

PROJECTS

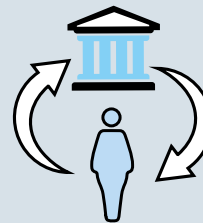
Make ICT Fair: 2017-2020, funded by European Union's EuropeAid programme



- Build up of expertise and partner network on human rights issues in the mining sector



- Development of training resources on the monitoring methodology (with SOMO) and regional trainings for monitoring partners



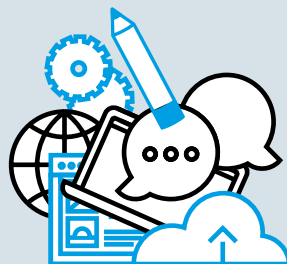
- Cooperation with ICLEI on Procura+ Interest Group for public buyers



- Update and transpositions of Contract Conditions



- Participation of 15 civil society organisations representing or advocating for workers from the regions of electronics production in the Annual Conference and Affiliates' and Monitoring Partners' Meeting 2019.



- Development of affiliate tools including Public Buyer Toolkit and Supply Chain Database



- Legal research (with WEED) on mining issues in public sector supply chains of ICT equipment. Recommendations for appropriate and effective tender tools.

make
ICT
fair



PROJECTS

Monitoring of Mining Operations in the Philippines - A Pilot, Funded by Bread for All

Monitoring of two nickel mining and refinery operations.

Monitoring Partner: Pacific Asia Resource Center (PARC)

Monitoring in Surigao Norte and Palawan, Philippines

Issues found:

- Labour: not enough personal protective equipment, straining shift work, extreme overtime, agency work and precarious employment
- Environment: Loss of surface vegetation and topsoil in vast areas, cancer-causing hexavalent chromium found in local water streams

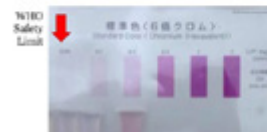
Evidence obtained by monitoring work

- 58 hours of overtime in two weeks
- well above the "Karo-shi Line" (Death by Overwork Standard)

Item	Unit	Amount	Rate	Total
Basic Salary	Monthly	10,000	10,000	10,000
Basic Allowance	Monthly	5,000	5,000	5,000
Shift Allowance	Monthly	3,000	3,000	3,000
Transportation Allowance	Monthly	2,000	2,000	2,000
Food Allowance	Monthly	1,000	1,000	1,000
Medical Allowance	Monthly	1,000	1,000	1,000
Insurance Allowance	Monthly	1,000	1,000	1,000
Other Allowance	Monthly	1,000	1,000	1,000
Total Allowance	Monthly	20,000	20,000	20,000
Basic Salary	Monthly	10,000	10,000	10,000
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Shift Allowance	Monthly	3,000	3,000	3,000
Transportation Allowance	Monthly	2,000	2,000	2,000
Food Allowance	Monthly	1,000	1,000	1,000
Medical Allowance	Monthly	1,000	1,000	1,000
Insurance Allowance	Monthly	1,000	1,000	1,000
Other Allowance	Monthly	1,000	1,000	1,000
Total Allowance	Monthly	20,000	20,000	20,000

Open pit mining exposes toxic minerals

- Due to the topsoil and vegetation being removed, toxic minerals flow out when it rains
- "Cr(VI) (hexavalent chromium) is known to cause cancer. In addition, it targets the respiratory system, kidneys, liver, skin and eyes." US Department of Labor OSHA



Palawan

Surigao Norte

EVENTS

Electronics Watch Annual Conference and Affiliates and Monitoring Partners Meeting 2019

- Theme: The Climate and Human Rights Emergency: A Challenge for Public Procurement.
- **100 participants** from **22 countries**, including **51 public buyers** joined the fourth Electronics Watch Annual Conference in Barcelona.
- **15 plenary presentations across 5 panels, and 3 technical workshops.**
- Topics of presentations included manufacturing and mining, climate and human rights emergency, remediation of modern slavery, health and safety in the electronics industry, supply chain transparency, public procurement and responsible business conduct.
- For the first time there was language interpretation, and streaming for people who chose not to travel.



Throughout the year Electronics Watch also participated in 23 events organised by other organisations around the world, including the UN Forum on Business and Human Rights in Geneva, the Launch Event for the Human Rights Defenders Network in the Philippines, the Ethical Public Procurement Conference in London and the IT Beschaffungskonferenz 2019 in Bern.

ONLINE COMMUNITY



The Electronics Watch Website

16,000 visitors

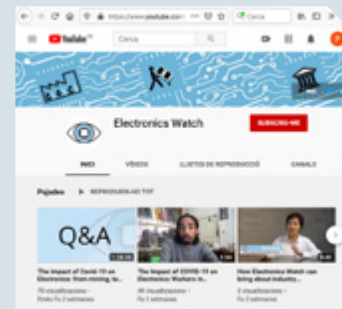
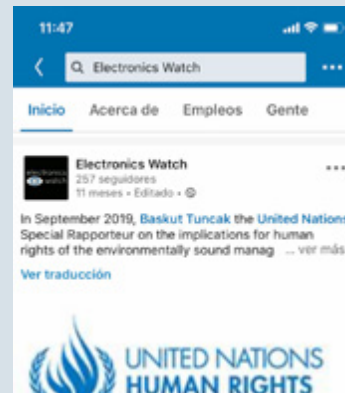


Affiliates' Intranet (affiliates only)

410 users **8** affiliate updates sent

Social Media

2588
visits to the
Electronics
Watch twitter
profile



Work began collating videos from monitoring partners and other stakeholders, to launch the **Electronics Watch Youtube channel** in early 2020.

ORGANISATIONAL AND FINANCIAL DEVELOPMENT

329
Total number
of Electronics
Watch affiliates

Affiliates

100+
50 - 100
20 - 50
10 - 20
2 - 10
1

Monitoring



ORGANISATIONAL AND FINANCIAL DEVELOPMENT

Affiliates

AFFILIATES (as at 31 December, 2019)

Amsterdam City Council, Netherlands
Barcelona City Council*, Spain
Dutch Ministry of Education, Culture and Science*, Netherlands
Durham University*, United Kingdom
Ethical Culture Fieldston School*, United States of America
Haarlem City Council, Netherlands
Hanze University of Applied Sciences*, Netherlands
Kingston University*, United Kingdom
Lewisham Council, United Kingdom
London South Bank University*, United Kingdom
Loughborough University, United Kingdom
Manchester Metropolitan University, United Kingdom
Metropolitan Transport for Barcelona, Spain
Nottingham Trent University, United Kingdom
Sant Boi City Council*, Spain
Southern Universities Purchasing Consortium, United Kingdom
State of Vaud*, Switzerland
Stockholm County Council*, Sweden
SKL Kommentus, Sweden
Swansea University*, United Kingdom
The University of Edinburgh*, United Kingdom
The University of Sheffield, United Kingdom
Tower Hamlets London Borough Council*,

United Kingdom
Transport for London*, United Kingdom
UNISON, United Kingdom
University of Aberdeen*, United Kingdom
University of Groningen, Netherlands
University of Leeds*, United Kingdom
University of Leicester*, United Kingdom
University Medical Centre Utrecht (UMC-Utrecht)*, Netherlands
University of Reading, United Kingdom
University of Sussex, United Kingdom
University of Westminster*, United Kingdom
University of Winchester, United Kingdom
Utrecht City Council*, Netherlands
Zurich University of the Arts, Switzerland

CONSORTIUM AFFILIATES

(click on links to see members)

[Advanced Procurement for Universities & Colleges*](#), United Kingdom
[Catalan Association of Municipalities](#), Spain
[Catalan Government](#), Spain
[Greater London Authority](#), United Kingdom
[ITSH-edu*](#), Germany
[London Universities Purchasing Consortium*](#), United Kingdom
[North Western Universities Purchasing Consortium \(NWUPC\)](#), United Kingdom
[Swedish Regions](#), Sweden
[Romandy Computer Purchasing Partnership](#), Switzerland

Monitoring Partners

Center for Development and Integration (CDI), Vietnam

Center for Trade Union and Human Rights (CTUHR), Philippines

Centre for Social Issues (SPOT), Czechia

Centro de Reflexión y Acción Laboral (CEREAL), Mexico

Civil Initiatives for Development and Peace (CIVIDEP), India

Coalicion de Extrapajadoras y trabajadoras de la industria Electronica Nacional (CETIEN), Mexico

Economic Rights Institute (ERI), Hong Kong

Globalworks, Sweden

Labour Education and Service Network (LESN), Hong Kong

Migrant Worker Rights Network (MWRN), Thailand

Pacific Asia Resource Centre (PARC), Japan

Polish Institute for Human Rights and Business (PIHRB), Poland

Sedane Labour Resource Center (LIPS), Indonesia

Tenaganita, Malaysia

Worker Empowerment (WE), China

Workers Assistance Center (WAC), Philippines



* Founding members

ORGANISATIONAL AND FINANCIAL DEVELOPMENT

Board of Trustees

Sheung So, Labour Education and Service Network (LESN), China (Hong Kong) – Chair,

Michael Gibson Kilner, London Universities Purchasing Consortium (LUPC), UK – Treasurer

Pauline Overeem, SOMO, Netherlands - Secretary

Daisy Arago, Center for Trade Union & Human Rights (CTUHR), Philippines

Jim Cranshaw, Strategic consultant, UK

Emma Fletcher, Advanced Purchasing for Universities and Colleges, UK

David Foust, Labour rights expert, Mexico

Pauline Göthberg, Region Stockholm, Sweden (replaced by Kathleen McCaughey in November)

Huib de Langen, University of Groningen, Netherlands

Olga Martin-Ortega, University of Greenwich, UK

Sanjiv Pandita, Asian Network for the Rights of Occupational and Environmental Victims (ANROEV), Hong Kong

Gopinathan Parakuni, Civil Initiatives for Development and Peace (CIVIDEP), India -



Electronics Watch board of trustees, staff and country representatives at the 2019 conference in Barcelona.

ORGANISATIONAL AND FINANCIAL DEVELOPMENT

Staff

Welcome Omana!

Omana George joined the Electronics Watch staff at the end of 2019 as our new Monitoring Coordinator. Omana has been an organizer and promoter of occupational health and safety in Asia with 17 years of regional experience in the area of labour rights. She worked with the Asia Monitor Resource Centre (AMRC) based in Hong Kong, and has played an essential role in building and supporting the Asian Network for the Rights of Occupational and Environmental Victims (ANROEV), a network of grassroots organizations in more than 20 countries and territories in Asia. She has carried out trainings and other OSH initiatives in Indonesia, Malaysia, Vietnam, Philippines, India, Mexico and Nepal with trade unions and worker organizations in the electronics industry and in other sectors like garments and construction. Omana was recently awarded the Rachel Lee Jung-Lim Award in memory of the life of this campaigner for a global asbestos ban. She holds a Master's degree from the University of Madras.



Omana George
Monitoring Coordinator



Björn Claesson
Director



Martina Hooper
Director of Administration
and Communication



Nuala Keyser
Finance Manager



Peter Pawlicki
Director of Outreach
and Education

Electronics Watch Country Representatives

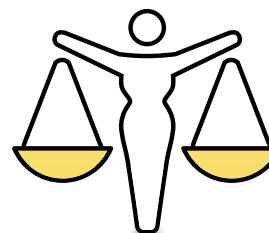
France - Brigitte Demeure; **Spain** - Laia Fargas; **Netherlands** - Eelco Fortuijn; **UK** - Harpreet Paul; **Australia** - Julie Petticrew

Advisory Group

Block 1 – **Public Sector Buyers**
(329 organisations)



Block 2 – **Experts in human rights, labour rights, occupational health & safety and global supply chains**
(19 organisations, 15 individuals)



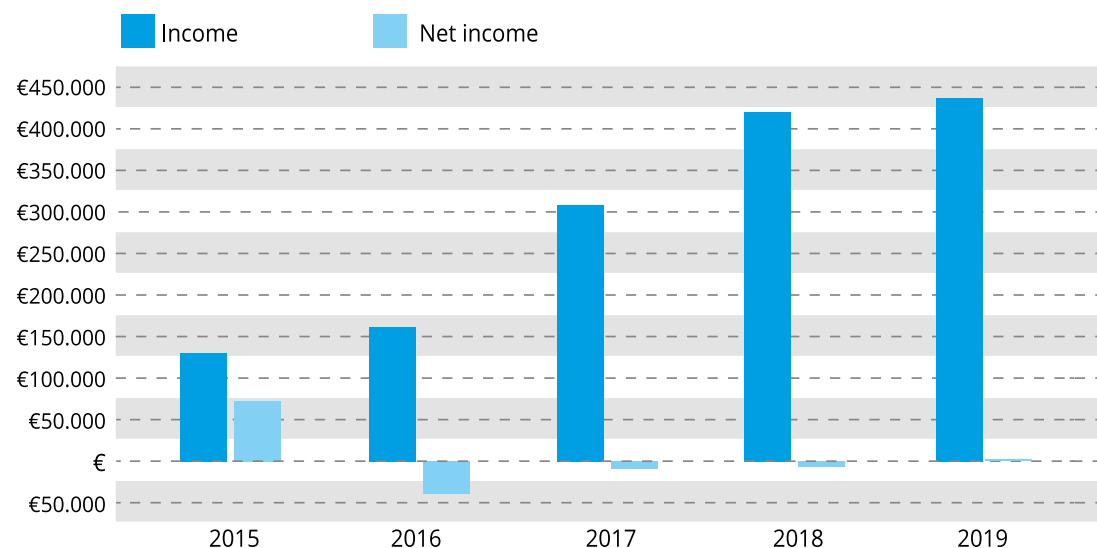
Block 3 – **Civil society organisations from the regions of electronics production representing or advocating for workers**
(26 organisations)



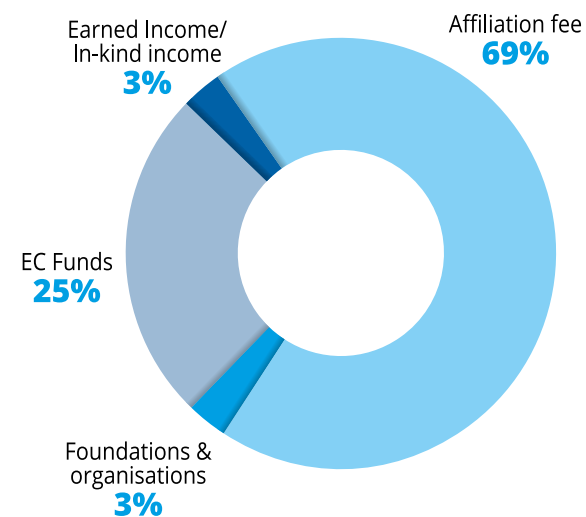
ORGANISATIONAL AND FINANCIAL DEVELOPMENT

Total Income

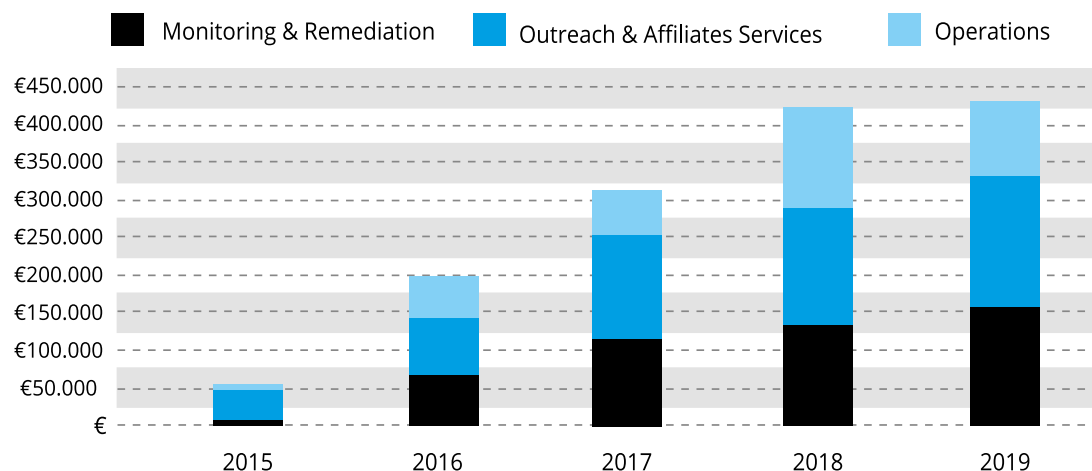
The net income for 2019 was **€ 1,187**



Sources of Income 2019



Distribution of Expenditure



Monitoring & Remediation - Monitoring partners, staff, training events, and travel

Outreach & Affiliate Services - Country representatives, staff, annual conference and events, materials design, legal consultations, development of supply chain database and procurement tools

Operations - Administration, accountancy, audit, insurance, rent, communication and other infrastructure