

electronics  watch

Annual Report: 2018





electronics  watch

Independent monitoring for public procurement

Electronics Watch envisions a world in which the rights of all workers in the electronics supply chain are respected, workers' voices are heard, and working conditions are safe and decent.

The mission of Electronics Watch is to help public sector organisations work together, and collaborate with civil society monitors in production regions, to protect the rights of workers in their electronics supply chains.

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Electronics Watch

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Dear reader,

Electronics Watch affiliations jumped from 85 to 305 in 2018. New affiliates include leading public sector organisations such as the Greater London Authority, the Swedish County Councils, Partenariat des Achats Informatiques Romand (PAIR), Switzerland, and the Association of Catalan Municipalities who have come together to demand transparent supply chains, remediation of labour rights violations and improved working conditions in factories that make the electronics products they buy.

Electronics Watch expressed this public buyer demand in updated and legally compliant contract conditions that affiliates can insert into their electronics contracts to ensure a unified message to industry. As you will see in this report, organised public buyer demand in combination with worker-driven monitoring to verify compliance is bearing fruit. In Thailand, workers who were in debt bondage reduced their debt burden, and their identity documents were returned to them. In China, interns in a factory, previously forced to work in order to gain their diplomas, can now choose whether or not to work there. In Indonesia, workers who fainted and got sick from a toxic chemical are now working in a safer environment.

We also saw movement on industry-wide issues in response to major Electronics Watch investigations on debt bondage related to migrant worker recruitment and the link between employment conditions and the risk of worker suicide in the electronics industry in China. In the former case, Electronics Watch spurred an improvement in industry auditing methodology and in the latter, a collaboration with the Economic Rights Institute, a visibly bigger investment in the area of worker wellness.

However, we also learned about formidable challenges linked to workers' lack of a meaningful voice in the workplace, whether in the form of worker-management dialogue, negotiation or collective bargaining through independent trade unions or other forms of workers' self-organisation.

In one case we met workers who had struggled for years with illnesses and poor health because they were working without adequate protection against a highly toxic solvent. For more than half a year they told us not to report to buyers because they feared losing their jobs if management found out they had complained. In several cases we found migrant workers in situations of forced labour. They had incurred debts at high interest to pay recruiters, were unable to leave the

job because they had to pay off debts, the employer held their passport, and the law did not allow them to change employer. Fear of losing their jobs and being deported and blacklisted effectively kept them silent. We also learned about workers' psychological trauma in the industry through the research on worker suicides. Our study noted the importance of empowering workers to collectively influence key decisions to mitigate the risk of suicide.

Electronics Watch affiliates and monitoring partners understand the power of the public procurement market to drive social responsibility and sustainability, the potency of networks that connect public buyers with workers and their organisations, and the promise of engaging industry to improve policy and practice through these networks. We therefore adopted a three-year strategic plan that calls for tackling

systemic issues, including forced labour, precarious employment, and unsafe workplaces by:


- Strengthening the commitment of existing affiliates and attracting new affiliates;
- Strengthening the worker-driven monitoring methodology and workers' collective voices and influence in their workplaces; and,
- Building platforms of collaboration with affiliates, monitoring partners, unions and industry.

We hope you will find inspiration in the pages that follow and be motivated to promote the rights of electronics workers through responsible public procurement.

Onwards!



Sheung So, President, Board of Trustees




Björn Skorpen Claeson, Director

Photograph: Jonas Grätzer




IMPACT

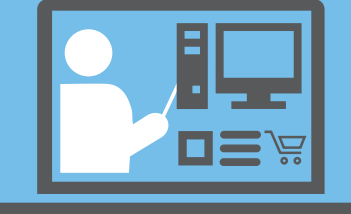
Informing public buyers



6 Compliance Reports on factories that make goods affiliates buy



271 Affiliate representatives receive monitoring reports and updates




228 Participants in our webinars on Socially Responsible Public Procurement


Increasing transparency

The Supply Chain Database contained:


1,168 Procurements from




40 affiliates




115 Factories and suppliers disclosed to affiliates




9 Product types



5 Companies disclosed factories and linked them to affiliates' subject matter of contract




5 Companies reported audit findings and linked them to affiliates' subject matter of contract




Driving systemic improvements

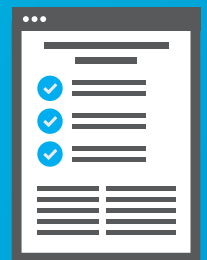
2 Reports on systemic issues (the link between employment conditions and suicide, and the risk of debt bondage and forced labour in migrant worker recruitment)



Dialogue with more than 20 companies



Companies develop programmes on worker wellbeing and improve forced labour auditing





IMPACT

Increasing public buyer demand for decent working conditions



4 major consortia joined:
the Association of Catalonian Municipalities, Partenariat des Achats Informatiques Romand (PAIR), Switzerland, the County Councils of Sweden, and the Greater London Authority.



12 billion
amount of spend of Crown Commercial Service, our new partner to detect and address modern slavery in public procurement supply chains

Improving working conditions



6 factories
improved conditions, verified by Electronics Watch



Companies

12 Companies
engaged to improve conditions

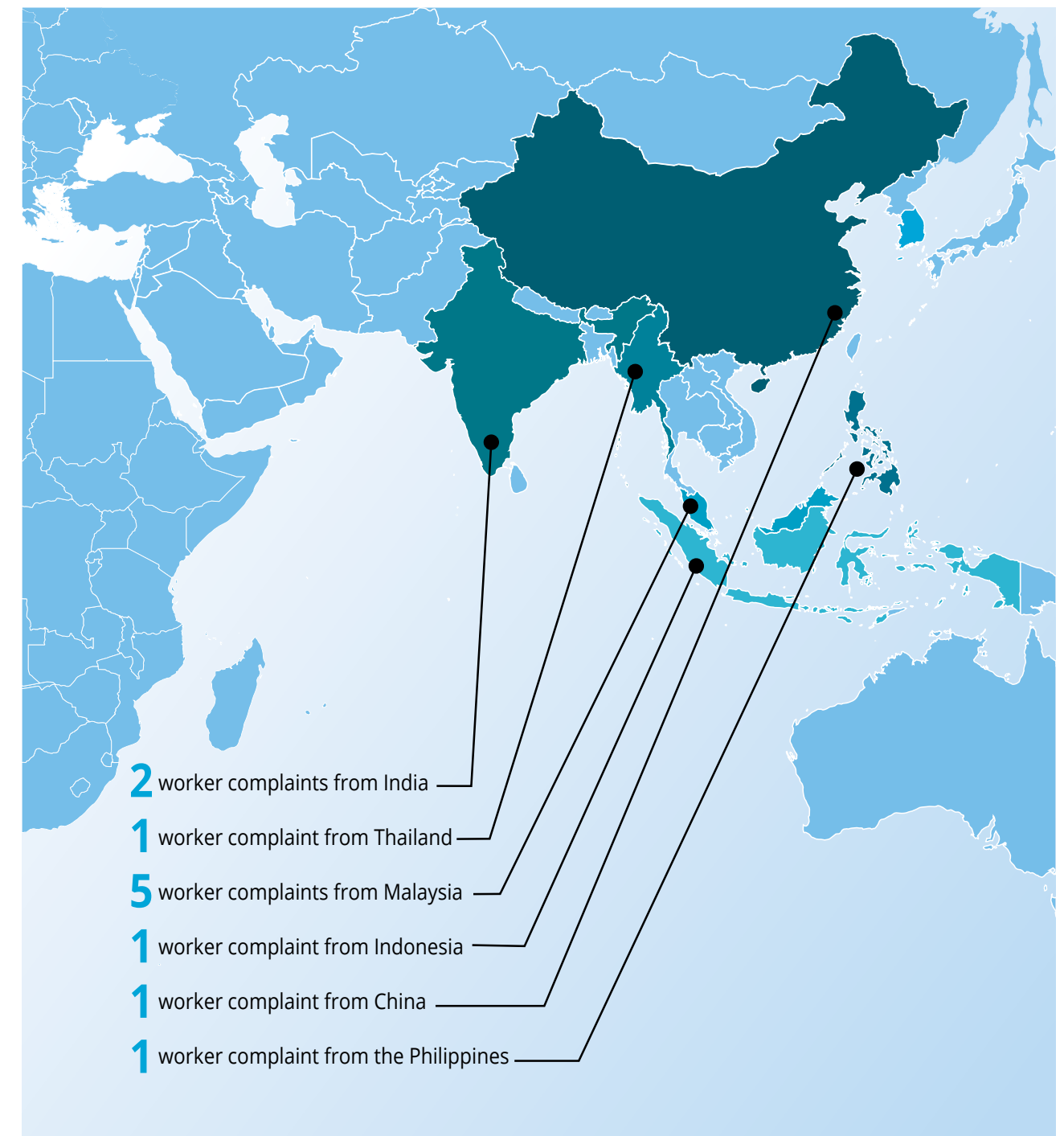


[Electronics Watch] will support us in meeting the ethical sourcing commitments within the Mayor's Responsible Procurement Policy and gives us capacity to verify that suppliers meet the labour rights standards in our contracts, or to proactively work with them to improve working conditions where further development is needed.

Tim Rudin, Head of Responsible Procurement, Greater London Authority

Strengthening worker voices

Electronics Watch documented, reported, and took action on:



Public Procurement and Human Rights: The Big Picture

Public procurement is a force in the global economy, accounting for an estimated €2 trillion in contracts¹ and an average of 20% of the gross domestic product (GDP) globally.² Human rights abuses in public procurement supply chains are by now widely documented,³ and the obligation for states to use public procurement as a driver for human rights is becoming clear. The United Nations Guiding Principles on Business and Human Rights specifically address procurement activities, and recommends that “States should promote respect for human rights by business enterprises with which they conduct commercial transactions” (UNGP No. 6). Several National Action Plans on Business and Human Rights address the role of public procurement (e.g., Germany, Italy, Switzerland, the United Kingdom, and the United States). Sustainable Development Goal 12.7 calls for sustainable public procurement. Directive 2014/24/EU on public procurement places social and environmental criteria on equal footing with transparency, equal treatment and non-discrimination for the first time, and European Commission procurement policy now recommends greater use of innovative, green and social criteria.⁴ The OECD recommends linking public procurement to responsible business conduct.⁵

The transformative potential of public procurement to protect human rights and accelerate sustainable development will only increase.



- 1 The estimate of total general government expenditures on works, goods, and services, excluding utilities, was 2015.3 billion euros in 2015. “Public Procurement Indicators 2015,” DG GROW G4 - Innovative and e-Procurement, December 19, 2016.
- 2 World Bank Group, “Benchmarking Public Procurement 2016: Assessing Public Procurement Systems in 77 Economies,” Washington: 2016.
- 3 For example, Robert Stumberg et al., Turning A Blind Eye? Respecting Human Rights In Government Purchasing (2014), available at <http://icar.ngo/initiatives/procurement/>.
- 4 European Commission, “Public procurement strategy,” available at https://ec.europa.eu/growth/single-market/public-procurement/strategy_en.
- 5 OECD, “Responsible business conduct in public procurement,” June 2017, available at <https://mneguidelines.oecd.org/Responsible-business-conduct-in-government-procurement-practices.pdf>.

Public Buyer Demand for Better Working Conditions Works

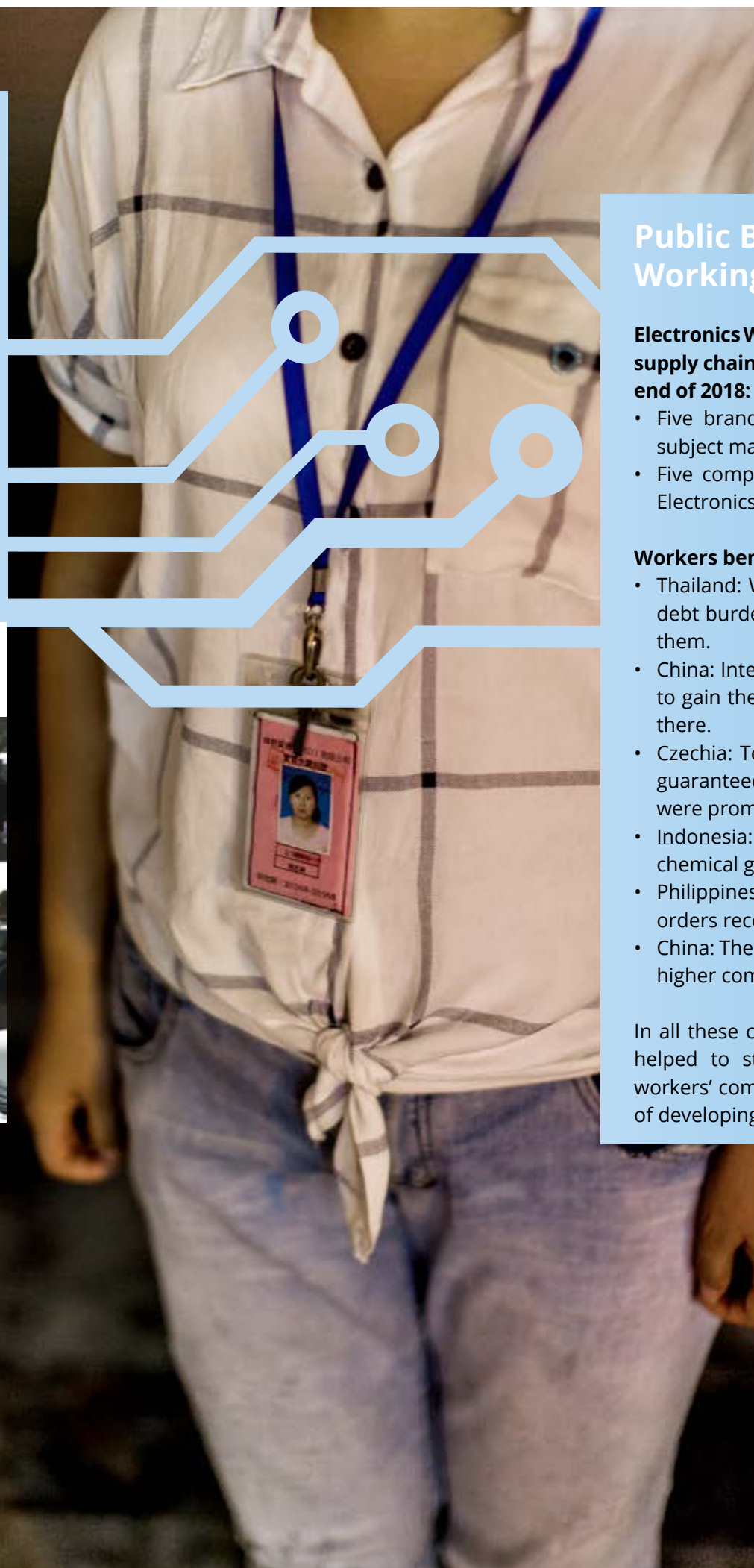
Electronics Watch affiliates’ demands have helped to increase supply chain transparency in the electronics industry. By the end of 2018:

- Five brands linked at least some of their factories to the subject matter of the contracts of public buyers.
- Five companies reported their own compliance findings to Electronics Watch in response to our reports.

Workers benefitted:

- Thailand: Workers who were in debt bondage reduced their debt burden, and their identity documents were returned to them.
- China: Interns in a factory, previously forced to work in order to gain their diplomas, could choose whether or not to work there.
- Czechia: Temporary workers with no job security received a guaranteed income even if they do not get the hours they were promised.
- Indonesia: Workers who fainted and got sick from a toxic chemical got a safer work environment.
- Philippines: Workers who were laid off because of loss of orders received a higher severance payment.
- China: The family of a worker who committed suicide received higher compensation.

In all these cases, Electronics Watch worker-driven monitoring helped to strengthen workers’ voices as we responded to workers’ complaints and sought to involve them in the process of developing remedies.




ACTIVITIES

Monitoring

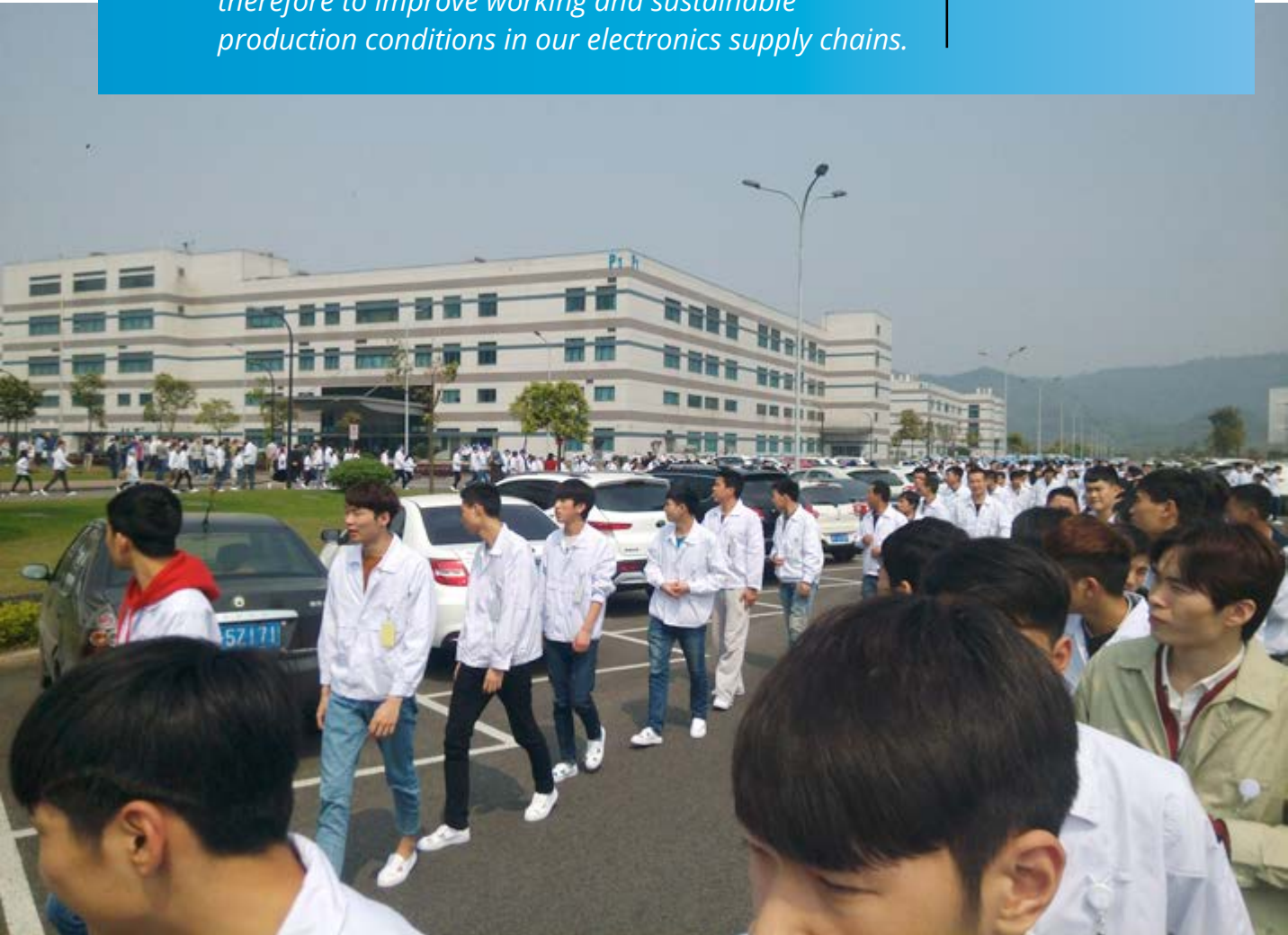
Electronics Watch screened risks in 68 factories, documented and responded to worker rights complaints in 11 factories, and conducted six full compliance investigations in 2018. We also conducted a major thematic study on the link between employment conditions and risk of employee suicide in the electronics industry in China together with the Economic Rights Institute.

At the same time we have strengthened our worker-driven monitoring methodology. As part of the Make ICT Fair project, and in collaboration with the Centre for Research on Multinational Corporations (SOMO), we developed resources for monitoring partners for methodology trainings and guidance to be provided on site in 2019.



We have chosen to use Electronics Watch worker-driven monitoring to follow up on contractual requirements and verify compliance with labour standards, and therefore to improve working and sustainable production conditions in our electronics supply chains.

J. Le Roux, Amsterdam City Council, The Netherlands



Supporting Affiliates

We supported affiliates in their daily work through direct consultations and by connecting them to specialists from various fields. A key question for many affiliates is how to integrate the Electronics Watch Contract Conditions into upcoming tenders. Customized approaches are often necessary to align with organisational processes. This direct exchange with our affiliates provides Electronics Watch with great learning opportunities and strengthens our understanding of the individual needs of our affiliates.



PAIR looks forward to joining Electronics Watch because affiliation makes our commitment to socially responsible purchasing concrete and operational. It allows us to verify that the criteria of our tender calls, aimed at preventing and reducing the risk of human rights violations in our IT purchases, are actually controlled in practice

Jean-Pierre Gilliéron, President, Partenariat des Achats Informatiques Romand (PAIR), Switzerland



Updated Electronics Watch Contract Conditions

Electronics Watch released version 2 of the Contract Conditions. Developed in collaboration with the law firm, Clyde & Co., and grounded in part in the academic work of Professor Olga Martin-Ortega, the new Contract Conditions build on the experiences of affiliates and their suppliers. They are consistent with the principles of English contract law. In 2019 Electronics Watch will transpose the Contract Conditions to other national legal frameworks.

Mining Issues in Public Procurement

Electronics Watch explored legal options for addressing mining issues in public tenders in collaboration with the German research organisation, World Economy, Ecology and Development (WEED). Working with ICLEI – Local Governments for Sustainability and in cooperation with Advanced Procurement for Universities and Colleges (APUC), Barcelona City Council, Greater London Authority, Haarlem City Council and Stockholm County Council we have also set up a pilot programme to develop hands on experience on mining issues in public tenders.

Strengthening Capacity for Industry Engagement

New tools provide affiliates insights into their electronics supply chains and capacity to follow-up on the contractual obligations of their suppliers:

Public Buyer Toolkit

The Public Buyer Toolkit supports communication and promotes contract performance compliance within affiliates' supply chains. It contains standardized and easy-to-use tools like the Letter to Suppliers, Factory Disclosure Form, Guidelines for Disclosure of Factories, and the Electronics Watch Contract Conditions. Affiliates can download the entire Toolkit from the affiliates' intranet on our website.

Affiliate Action Guide

The Affiliate Action Guide provides a quick overview of current issues that Electronics Watch recommends affiliates address with their suppliers. The issues relate to supply chain transparency requirements in contract clauses or to labour rights and safety conditions in factories that make products affiliates buy. Affiliates can find the Guide on the affiliates' intranet on our website.

Company Performance Tracker

The Company Performance Tracker (CPT) is the newest Electronics Watch tool that allows affiliates to see how well brands and manufacturers have complied with their contractual obligations. Developed in 2018 to be launched in 2019, the CPT scores contractors' and brands' supply chain transparency and efforts to remediate labour rights violations in specific factories based on their interaction with affiliates and Electronics Watch. While the methodology will be publicly available and regularly reviewed and updated, the CPT scores will only be available to affiliates.

Supply Chain Database

Developed in 2018 to be launched in 2019, the Supply Chain Database integrates procurement data from affiliates, factory disclosures from suppliers and brands, and results from monitoring investigations. The database helps affiliates explore the depth and breadth of their supply chains and understand the risks that make their engagement with industry especially important.

The Electronics Website and Affiliates' Intranet

Electronics Watch conducted a communications audit to improve our website. Visitors can now explore several new sections tailored for the core Electronics Watch stakeholders. "For Public Buyers" is a one-stop-shop for everything public buyers need to know about the Electronics Watch model of "contracting for change". "Workers' Issues" consists of workers' stories that highlight the larger themes and challenges that form the core of the Electronics Watch Strategic Plan 2018-2020. We also launched the website in French, reflecting our outreach work in French-speaking countries. The site attracted 12,000 users in 2018.

Social Media

Word got out via our social media platforms, with our twitter followers growing from 1,000 to 1,600 in 2018. Electronics Watch also established a presence on LinkedIn – follow us!



Publications



1



2



3



4

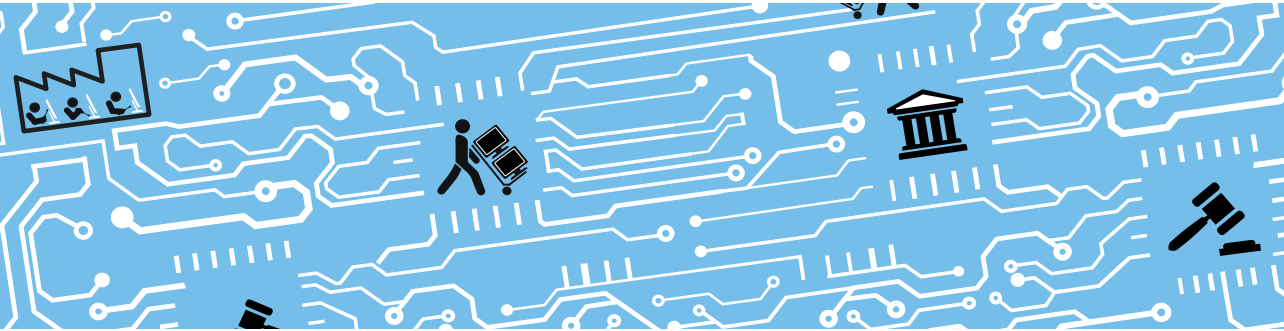


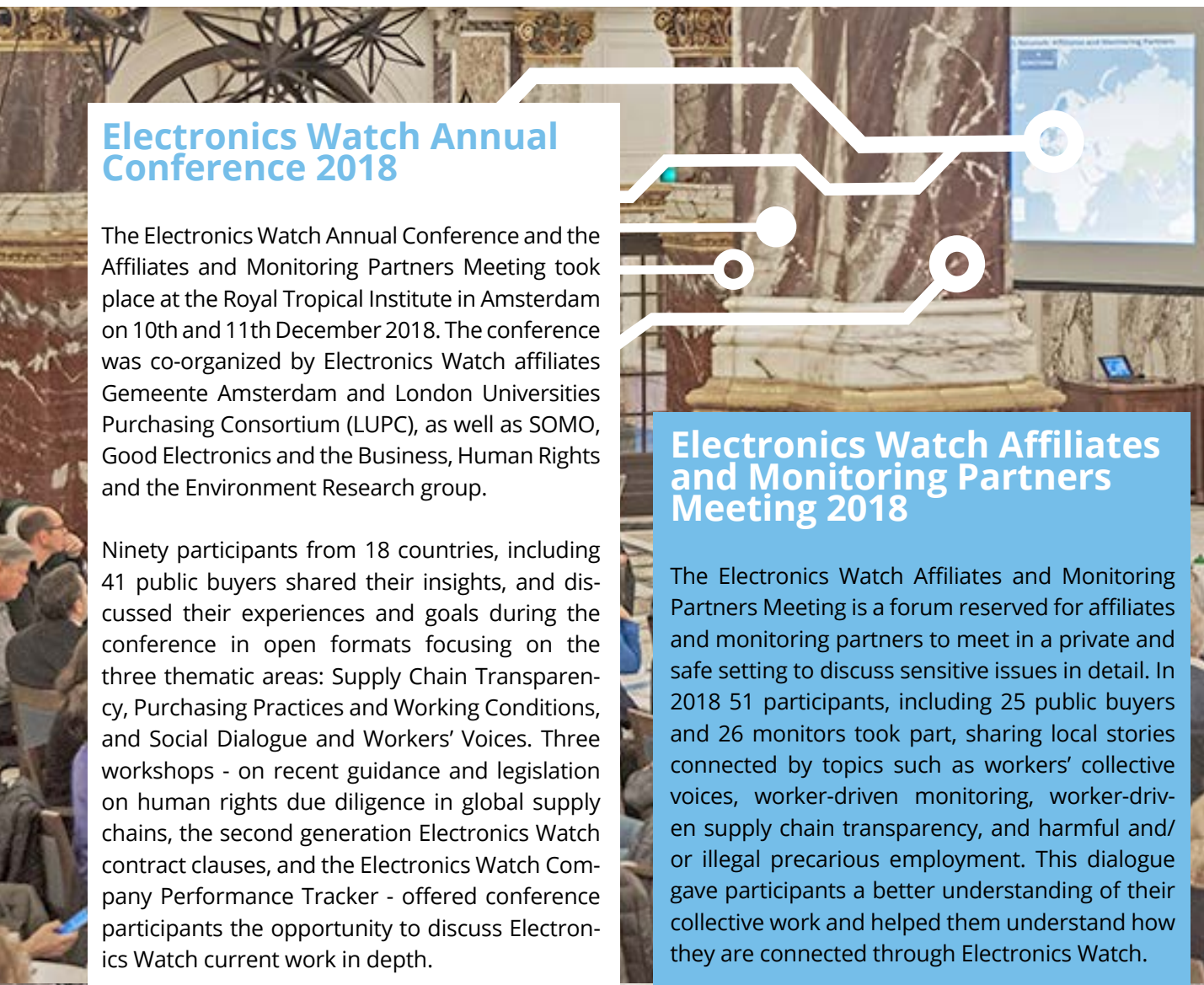
5



6

- Publications for affiliates included several additional compliance reports and worker rights complaints not yet released to the public.
- 1 Electronics Watch Policy Brief #1: Worker-Driven Transparency
 - 2 Compliance Reports: Foxconn in Pardubice, Czech Republic, June 2018
 - 3 Compliance Report Update: Cal-Comp, Samut Sakorn and Petchaburi, Thailand, October 2018
 - 4 Guidelines on Best Practices Preventing Eye Strain in the Examination of Screens, October 2018
 - 5 The Link Between Employment Conditions and Suicide: A Study of the Electronics Sector in China, November 2018
 - 6 Regional Risk Assessment: Electronics Industry, Indonesia, December 2018





Electronics Watch Annual Conference 2018

The Electronics Watch Annual Conference and the Affiliates and Monitoring Partners Meeting took place at the Royal Tropical Institute in Amsterdam on 10th and 11th December 2018. The conference was co-organized by Electronics Watch affiliates Gemeente Amsterdam and London Universities Purchasing Consortium (LUPC), as well as SOMO, Good Electronics and the Business, Human Rights and the Environment Research group.

Ninety participants from 18 countries, including 41 public buyers shared their insights, and discussed their experiences and goals during the conference in open formats focusing on the three thematic areas: Supply Chain Transparency, Purchasing Practices and Working Conditions, and Social Dialogue and Workers' Voices. Three workshops - on recent guidance and legislation on human rights due diligence in global supply chains, the second generation Electronics Watch contract clauses, and the Electronics Watch Company Performance Tracker - offered conference participants the opportunity to discuss Electronics Watch current work in depth.

Electronics Watch Affiliates and Monitoring Partners Meeting 2018

The Electronics Watch Affiliates and Monitoring Partners Meeting is a forum reserved for affiliates and monitoring partners to meet in a private and safe setting to discuss sensitive issues in detail. In 2018 51 participants, including 25 public buyers and 26 monitors took part, sharing local stories connected by topics such as workers' collective voices, worker-driven monitoring, worker-driven supply chain transparency, and harmful and/or illegal precarious employment. This dialogue gave participants a better understanding of their collective work and helped them understand how they are connected through Electronics Watch.

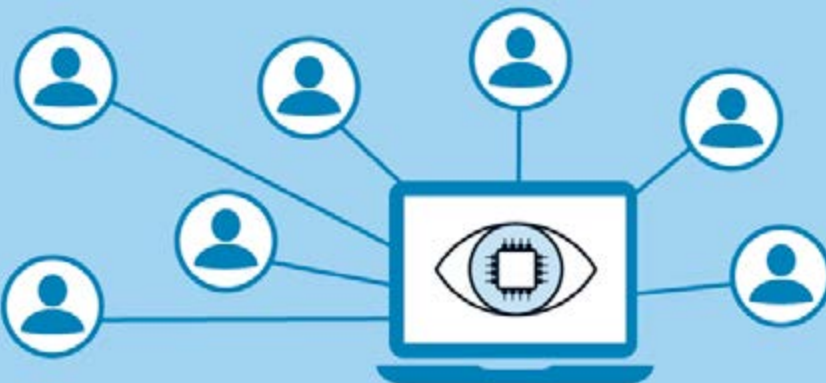


An ideal opportunity for stakeholders to get closer and understand more of others' perspectives. I really liked the way of organizing the conference: promoting communications among participants, not just focusing on presentations of speakers.

Conference participant, 2018

The client asks workers to start working on an order— this can be within 24 hours. Whatever the client asks for, the managers will carry out. I have tried to explain to managers that if they had a restaurant, they wouldn't let customers enter the kitchen but here they do.

Electronics worker, Czechia



Webinar Series

Electronics Watch offered a series of free, open webinars on socially responsible public procurement, intended primarily for public sector buyers, with expert guest speakers from around the world. A total of 228 people attended the webinars, and 132 people viewed the online recordings. Electronics Watch also initiated webinars in German.

- 1. *Knowing & Showing Your Supply Chain*, February 2018, with Robert Stumberg, Professor of law at Georgetown University Law Center.
- 2. *SRPP – Extending to Extractives in the Electronics Industry*, April 2018, with Irene Schipper, Centre for Research on Multinational Corporations (SOMO), Netherlands and Liz Cooper, Department for Social Responsibility and Sustainability, The University of Edinburgh.
- 3. *The Link Between Employment Conditions and Suicide*, June 2018, with Dimitri Kessler, The Economic Rights Institute, China.

- 4. *Sozial verantwortliche IT-Beschaffung in der Praxis – Erfahrungen und Unterstützungsangebote*, August 2018, with Dr. Lars Kühnel, Deputy General Manager of the Data Center of the University of Kiel, and Andreas Thamm, Head of the Procurement Department at the Christian-Albrechts-University Kiel.
- 5. *What public procurers can do to protect the health and safety of workers in their electronics supply chains*, September 2018, with Sanjiv Pandita, Asian Network for the Rights of Occupational and Environmental Victims (ANROEV), Hong Kong and Dr. Pauline Göthberg, Stockholm County Council, Sweden.
- 6. *Issues in Central and Eastern Europe*, September 2018, with Dr. Rutvica Andrijasevic, University of Bristol, and Marek Čaněk, MKC Praha, for members of the Responsible Business Alliance.

Many workers suffer from respiratory illnesses and allergies. They have lung diseases and difficulty breathing. This is caused by the fumes of the toluene.

Electronics worker, Indonesia

2018

A YEAR IN EVENTS

Electronics Watch presented at these events:

February

- III Mobile Social Congress: “For a Fair Electronic Model”, organised by SETEM Catalunya, Barcelona, Spain.

March

- “Challenging the sustainability of the global ICT supply chain: from mining to procurement”, organised by KU Leuven and CATAPA, Brussels, Belgium.
- National Round-Table on Working Conditions and Social Dialogue in the Indian Electronics Industry, organised by Cividep, Good Electronics and Electronics Watch, Chennai, India.
- The 15th Procura+ Seminar, organised by The City of Oslo and ICLEI, Oslo.

May

- APUC Procurement Network Conference, organised by APUC, Stirling, Scotland.

June

- 2018 Local Government Conference, organised by UNISON. Launch of the guide “Responsible buying in public services” (UNISON), Brighton, England.
- Workshop: Sustainable smartphones - finding a collaborative way forward, organised by Transform Together and BioRegional, Brussels, Belgium.
- Symposium for socially responsible Procurement of IT-Hardware, organised by Dachverband Entwicklungspolitik Baden-Württemberg (DEAB), WEED – World Economy, Ecology & Development and Werkstatt Ökonomie, Stuttgart, Germany.
- Supply chain transparency panel at OECD Global Forum on Responsible Business Conduct, organised by OECD, the International Corporate Accountability Roundtable (ICAR) and the Trade Union Advisory Committee (TUAC), Paris, France.

July

- ASF Forum with a focus on transparency, Almedalsveckan, Gotland, Sweden.
- United Nations High Level Political Forum Side Event: “Scaling solutions for Goal 12 for smartphones and ICT”, New York, US.



September

- ZKI Conference 2018, organised by ZKI, the German association of Higher Education IT centers and public funded research organisations, Kiel, Germany.
- “Mehr als nur ein fairer Preis” (*More than just a fair price*), Panel on Fair Public Procurement, organised by Global South Studies Centre, University of Cologne, Cologne, Germany.
- “The Missing Link: Suicide and Employment Conditions in the Chinese Electronics Sector”, September 2018, Part of Sustainable Purchasing Leadership Council’s (SPLC) autumn webinar series, with Dimitri Kessler, Economic Rights Institute.

October

- Live market engagement: Sustainable procurement of ICT, organised by Electronics Watch, ICLEI & Procura+, Nijmegen, The Netherlands.
- Responsible Business Alliance Annual Conference, Session: “RBA’s Response to Public Procurement Practices”, organised by RBA, Santa Clara, California, US.

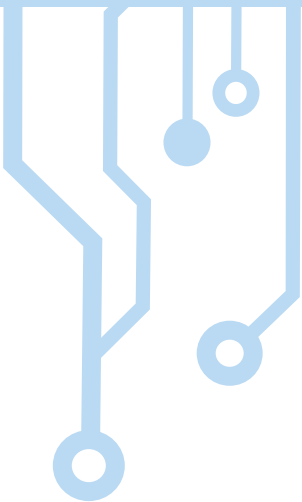


November

- Opportunities and Challenges in Socially Responsible Public Procurement: A roundtable discussion with public buyers, nongovernmental organisations, and academics, organised by Queen Mary University of London, London, England.
- The Conference for Digitalization & Sustainability, organised by Bits & Bäume, Berlin, Germany.
- Public Procurement Fair of the City of Barcelona, Barcelona, Spain.
- Driving Sustainability in European Public Procurement, organised by Forum Europe, Brussels, Belgium.

December

- Electronics Watch Affiliates’ & Monitoring Partners’ Meeting 2018, Amsterdam, The Netherlands.
- Electronics Watch Annual Conference 2018, Amsterdam, The Netherlands.



PROJECTS

Make ICT Fair: 2017-2020 – Developing expertise on mining issues in the electronics supply chain

Electronics Watch is part of the EU-funded Make ICT Fair project with 10 other European organisations to improve the lives of workers and those impacted along the ICT supply chain. The project focuses on mining issues and is the first project to bring together civil society organisations from the areas of mining, manufacturing, and public procurement. Electronics Watch focuses on supporting public authorities in procuring ICT hardware responsibly. Since the project started in late 2017 it has helped us broaden our offering to affiliates and strengthen activities in major work areas, including legal research on the integration of mining issues into public tenders, updating of the Electronics Watch Contract Conditions, trainings for monitoring partners, the development of monitoring guidance and a Supply Chain Database.

Collaboration with Crown Commercial Service

Electronics Watch and Crown Commercial Service (CCS) announced a partnership to detect and address modern slavery in supply chains of public sector customers seeking assured technology hardware purchasing options.

CCS is the largest public sector procurement organisation in the UK, helping organisations across the whole of the UK public sector find the right commercial solutions for around £12 billion of spend each year. The partnership between CCS and Electronics Watch should assist both parties to improve conditions for workers at risk of modern slavery.

Bread for All

Electronics Watch and Bread for All, Switzerland, worked together with The Economic Rights Institute on the report titled: *The Link Between Employment Conditions and Suicide: A Study of the Electronics Sector in China* (see over).

You get income from Supplier H by giving your life. If you don't think your body is strong enough it is best you do not come here.

Electronics worker, China, discussing suicides at the factory, linking them to the high pressure environment

REPORTS FROM THE FIELD HOW AFFILIATES ARE MAKING A DIFFERENCE

Shedding New Light on the Link Between Employment Conditions and Suicide

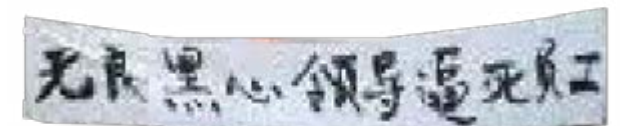
The Economic Rights Institute (ERI) and Electronics Watch released *The Link Between Employment Conditions and Suicide: A Study of the Electronics Sector in China*. The report shows how the employment conditions of some electronics firms in China heighten innovative research approach the risk of employee suicide. It uses an innovative approach based on original quantitative and qualitative data, including public reports of suicide, on-site surveys, and off-site worker interviews.

The report calls attention to the industry-wide improvements urgently needed to prevent needless loss of life and improve conditions for all workers. ERI and Electronics Watch called for a multi-stakeholder taskforce to develop, implement, and monitor an action plan to:

- **End “soft” forms of forced labour**, including forced overtime and restrictions of workers’ right to resign from their jobs without forfeiting their wages.
- **Abolish punitive forms of discipline** and intervene effectively to prevent hostility and violence in the workplace.

- **Empower workers** to collectively influence key enterprise decisions connected to conditions that heighten risk of employee suicide, including productivity norms, overtime and the structure of incentives.
- **Address excessive use of flexible employment schemes** and other employment arrangements linked to risk of employee suicide.
- **Review and revise purchasing practices** that contribute to employment conditions linked to employee suicide.
- **Hold firms accountable** when their violations of workers’ rights contribute to employee suicide.

The report garnered support from leading academic experts and led to in-depth dialogue with the electronics industry on steps to mitigate risk of employee suicide and improve worker well-being.



Protest sign used by suicide survivors:
“Management without conscience push employees till they die”.

This report is a thorough, meticulous and detailed study that makes an important contribution to academic study, but is also an urgent rallying call for policy makers and businesses to intervene in order to improve working conditions and take responsibility for the mental health of employees.

Sarah Waters, School of Languages, Cultures and Societies, University of Leeds; author of *Suicide Voices. Testimonies of Trauma in the French Workplace*, Liverpool University Press, forthcoming 2020

Promoting Ethical Migrant Worker Recruitment in the Electronics Industry

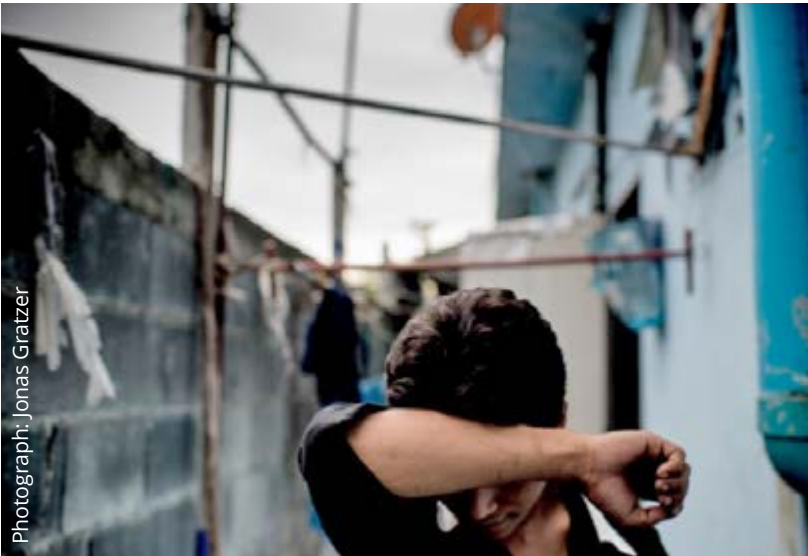
Electronics Watch and our monitoring partner, the Migrant Worker Rights Network (MWRN), continued to document excessive recruitment-related fees and expenses that migrant workers from Myanmar pay to get a job at two sites of Cal-Comp Electronics in Thailand.

After Electronics Watch and MWRN began engaging Cal-Comp buyers, working conditions improved in some respects for migrant workers. They now hold their own passports and work permits. They are directly employed by Cal-Comp rather than by an agency and have contracts of employment in their native languages. In addition, by the end of 2018 Cal-Comp's workers had received partial (though insufficient) reimbursement for recruitment-related fees and costs.

HP reported additional improvements, including migrant rights trainings and modification of recruitment agent contracts to comply with HP policies, as well as additional worker communication and training on pay-slip content, voluntary overtime and process chemicals.

However, Electronics Watch and MWRN remained concerned about continuing excessive recruitment-related fees and costs paid by migrant workers at Cal-Comp which violate Myanmar legal standards and industry codes of conduct. In order to pay these recruitment related costs in Myanmar, workers must often borrow money, sometimes from informal money lenders and at high interest. As a result, risk of debt bondage and forced labour increases for these workers.

In late 2018, Electronics Watch commenced extensive research on migrant worker conditions in the electronics supply chain in Malaysia. Electronics Watch will continue to document these conditions and seek to engage with electronics companies concerning widespread forced labour risks.



Photograph: Jonas Gratzner



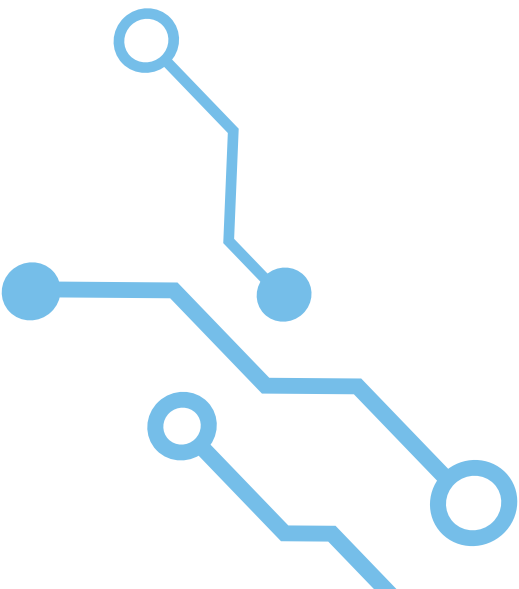
I paid 10,000 ringgit (€2,000) for my passport, work permit, and to be cleared off the blacklist. I also had to sign a consent form for my employer to keep my passport. If I want it I have to deposit 2,000 ringgit.

Electronics worker, Malaysia, who migrated from Indonesia and risked the blacklist and imprisonment when she fled from her previous employer because of abusive conditions

A New Field: Analysing Workers' Grievances Posted On Line

Electronics Watch teamed up with Globalworks Lund AB to expand the scope of risk assessments by collecting and analysing grievances that workers in China post online. Developed by Globalworks, the social@risk™ tool searches worker grievances on social media and stores all information in a secure database. It combines machine learning algorithms with expert validation to structure and analyse the data.

In our pilot project we conducted qualitative content analysis and quantitative trend analysis on a total sample size of more than 1.3 million posts by electronics workers in China, focusing on two major OEM companies. The analysis indicates specific areas of risk that should be priorities for these companies. Four affiliates of Electronics Watch co-funded this project: the Stockholm County Council, London Universities Purchasing Consortium, Advanced Procurement for Universities & Colleges, and Hanzhohogeschool Groningen. Globalworks co-funded this project with a grant from the European Union under the Horizon 2020 framework, SME instruments, New Business Models for Inclusive, Innovative and Reflective Societies.



ORGANISATIONAL AND FINANCIAL DEVELOPMENT

The Electronics Watch Strategic Plan 2018-2020

In 2018 Electronics Watch published its first three-year strategic plan (available for download on our website), based on our analysis of pervasive and systemic labour rights and health and safety breaches in the electronics industry from mining to manufacturing. It is enriched by the strategic insights of more than 50 stakeholders who understand the industry from their perspectives as public sector buyers, monitoring partners to Electronics Watch, and other experts in human rights, global supply chains, and related fields. Ten strategic objectives will guide our work during the coming three years:

- 1. Replace harmful and/or illegal precarious employment with secure jobs.
- 2. Make workplaces and environments safe for workers and community members.
- 3. Promote voluntary employment without coercion.
- 4. Strengthen the worker-driven monitoring methodology.
- 5. Strengthen workers' collective voice and influence in their workplaces.
- 6. Increase worker-driven supply chain transparency.
- 7. Strengthen the commitment of existing affiliates and attract new affiliates.
- 8. Build platforms of collaboration with affiliates, monitoring partners, unions and industry.
- 9. Strengthen relations to the wider organisational ecosystem in the sustainable development and circular economy fields to promote awareness of labour rights issues.
- 10. Ensure Electronics Watch accountability to stakeholders and maintain robust organisational functions.

Financial Strategy and Business Planning

Electronics Watch offers public sector buyers who seek to strengthen social responsibility in electronics supply chains an indispensable service: eyes and ears on the ground in production regions through qualified monitoring partners. Public buyers gain access to this service by affiliating to Electronics Watch and paying an annual fee. Annual affiliation fees are the core of Electronics Watch financial sustainability. Because affiliates share the cost of monitoring the same suppliers, Electronics Watch is able to significantly reduce the cost to each individual affiliate. At the same time, our model of affiliate collaboration ensures real impact: better conditions for workers in their electronics supply chain. Greater impact at reduced cost for a large number of affiliated public sector buyers is our key to sustainability.



The Swedish Regions have affiliated to Electronics Watch as we, as public procurement agencies, see the many advantages. By doing joint monitoring with other public buyers we can share cost and increase our leverage. And the unique monitoring method that Electronics Watch has developed contributes to improved working conditions in the electronics industry.

Pauline Göthberg PhD, National Coordinator, National Secretariat, Sustainable Public Procurement, Sweden

Electronics Watch also seeks outside support, such as funds from the EU and private foundations, to expand work into new areas or to undertake time-limited projects. We do not accept financial support from the electronics industry, including, but not limited to, brand companies, resellers, and factories.

With a Strategic Plan now in place, Electronics Watch has been able to give form to the accompanying business plan. We have analysed how our costs and income streams have evolved since our launch in 2015 and projected what is likely to happen over the next three years. We predict ongoing growth year on year. Our business plan also outlines a stretch target for fundraising, a figure that would enable the expansion to new continents, new industries and new levels of impact. The business plan will be published in 2019.

The Group of Advisors

Advisors play a critical role in Electronics Watch. Informally, they enrich Electronic Watch's work with their particular expertise. Formally, they help elect the Board of Trustees as each advisory group block nominates and elects their representatives to the Board. This group has been large and diverse since the founding of the organisation, and evolved further to over 350 organisations and 15 individuals from 22 countries by the end of 2018.

Block 1. Public sector buyers

Advisory group members may include any representative of a public sector buyer that buys ICT hardware products. By the end of 2018 this group consisted of more than 300 organisations from seven countries.

Block 2. Experts in human rights, labour rights, and global supply chains

Advisory group members may serve with particular expertise in human rights, labour rights, and global supply chains in an individual capacity or as a representative of a trade union or NGO with particular expertise. In 2018 this group consisted of 19 organisations and 15 individual advisors from 13 countries.

Block 3. Representatives of civil society organisations from the regions of electronics production

Advisory group members may include any representative of a civil society organisation from a region of electronics production that advocates for or represents the interests of electronics workers. In 2018 this group consisted of 24 organisations from 13 countries.



The Board of Trustees

The Board of Trustees is responsible for fiduciary and programmatic guidance and oversight to ensure Electronics Watch achieves its mission and purpose and operates legally, ethically, and soundly. The Board approves the annual budget and seeks to ensure adequate finances to advance the Electronics Watch mission. It establishes broad organisational and financial policies and strategic goals and priorities.

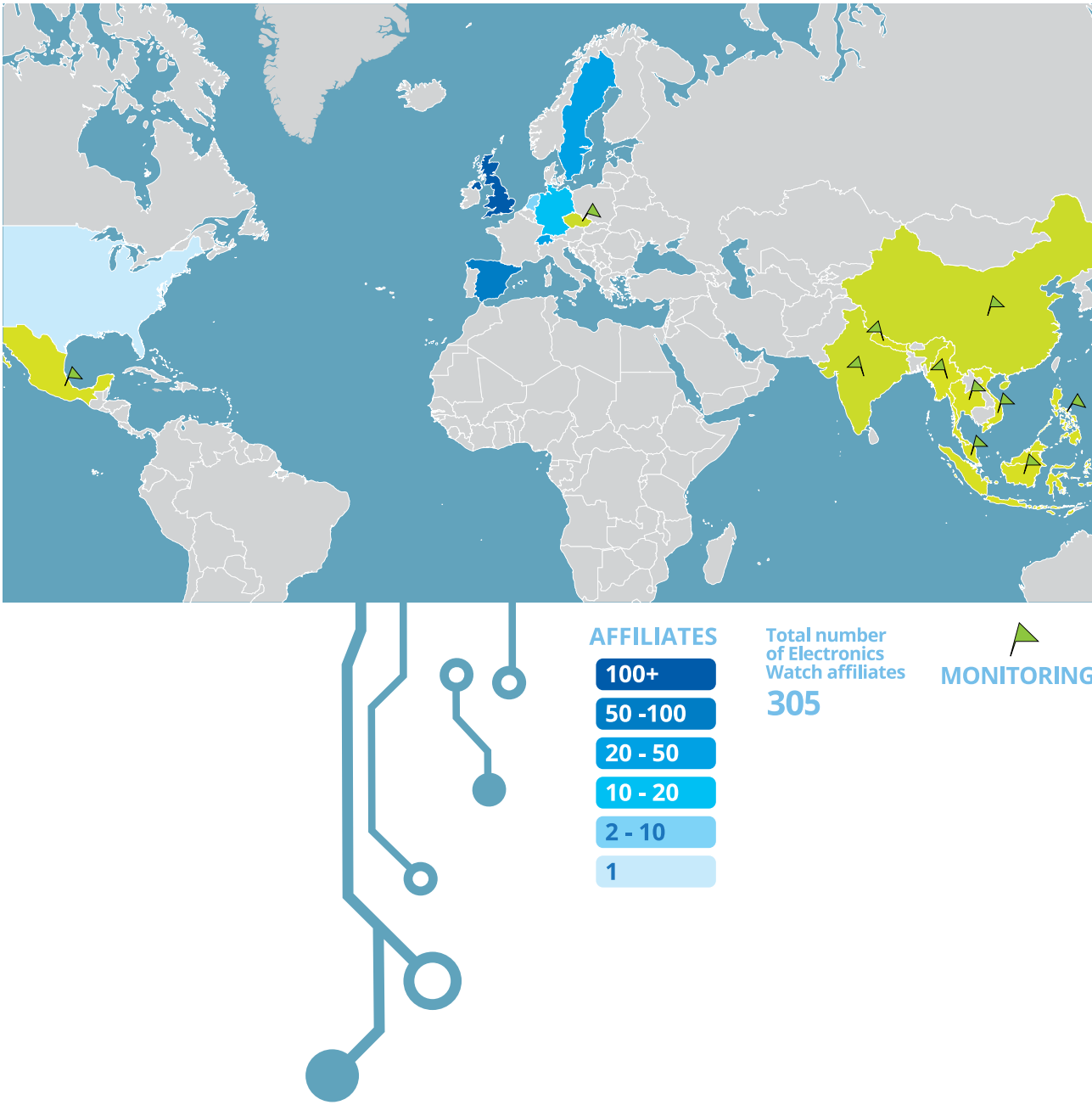


We welcomed four new members onto the Board of Trustees. Representing block 1: Pauline Göthberg of Sustainable Public Procurement (Sweden) and Huib de Langen of University of Groningen (Netherlands), leaders in the area of socially responsible public procurement. Representing block 3: Daisy Arago of the Center for Trade Union and Human Rights (CTUHR, Philippines) and Sanjiv Pandita of Asian Network for the Rights of Occupational and Environmental Victims (ANROEV), both well-known labour right defenders and experts in health and safety issues. The board now has equal representation from the three constituent blocks: public buyers, experts in human rights, labour rights, and global supply chains, and representatives of civil society organisations from the regions of electronics production.

Electronics Watch Staff, Country Representatives, and Specialist Consultants

Staff of Electronics Watch are responsible for implementing programs and reaching the strategic goals established by the Board. In 2018 staff members included a Director, a Director of Administration and Communication, and a Director of Outreach and Education. In addition, Electronics Watch worked with consultants who served as country representatives in the UK, the Netherlands, and Spain to support and recruit affiliates; and specialists in occupational health and safety, migrant worker rights, and financial administration.

The Electronics Watch Network



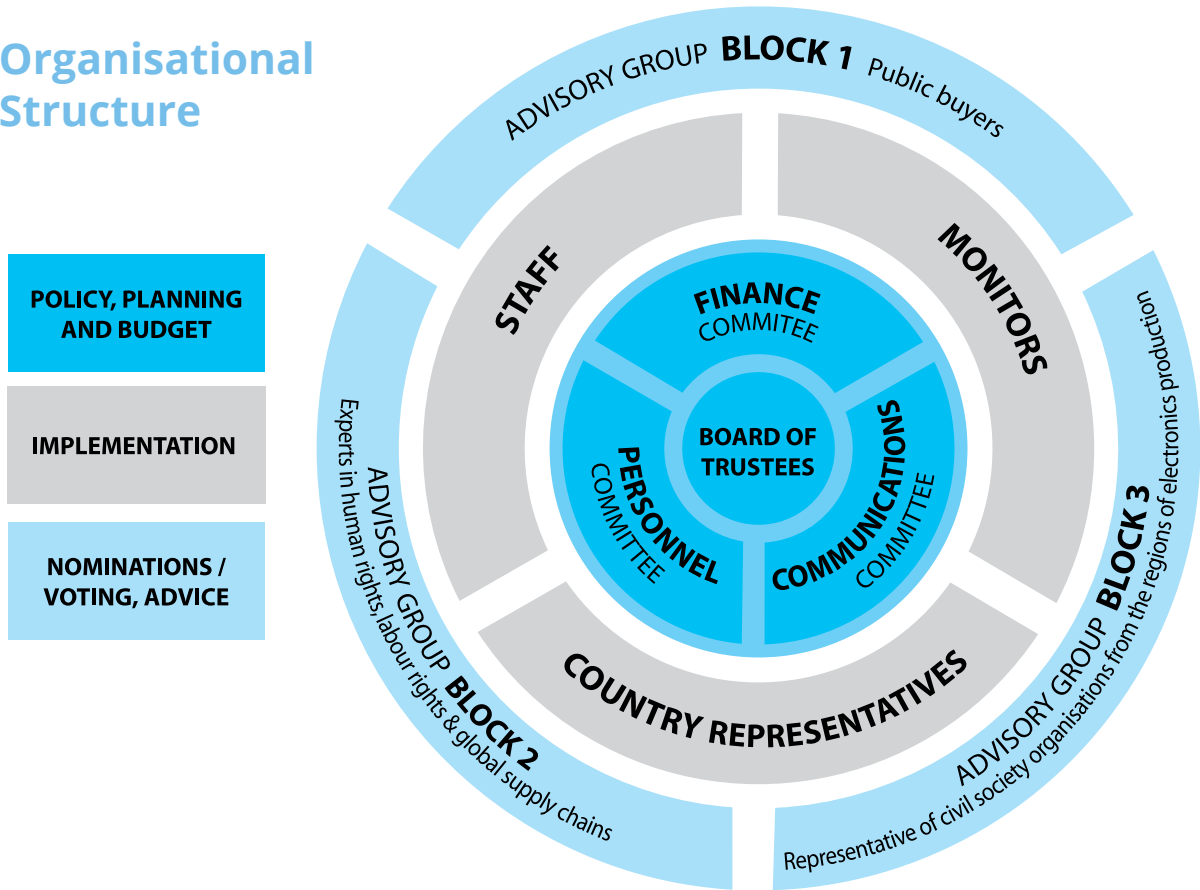
Monitoring Partners

Monitoring partners are civil society organisations in electronics production regions whose staff have expertise in labour rights, health and safety, and monitoring methodologies. Because they are located near workers' communities and have established relationships with workers through educational or other service programmes, they are able to meet with them in conditions that minimize fear of reprisals for reporting abuses.

Workers report their concerns to Electronics Watch monitoring partners. Electronics Watch may then work with monitoring partners and/or independent researchers to investigate complaints and develop solutions. In 2018 Electronics Watch worked with monitoring partners in 11 countries.



Organisational Structure



Financial Report

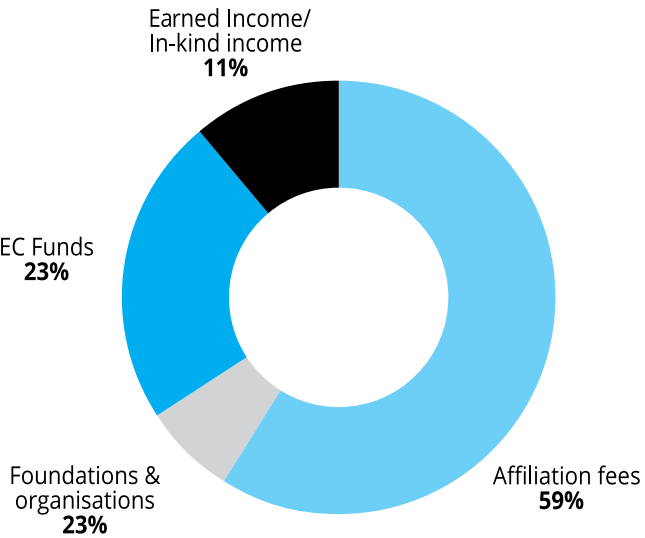
Electronics Watch is audited annually by the IPA-ACON Group in the Netherlands, which focuses on SMEs, government and non-profit organisations.

The net-income of 2018 was € -7,839.

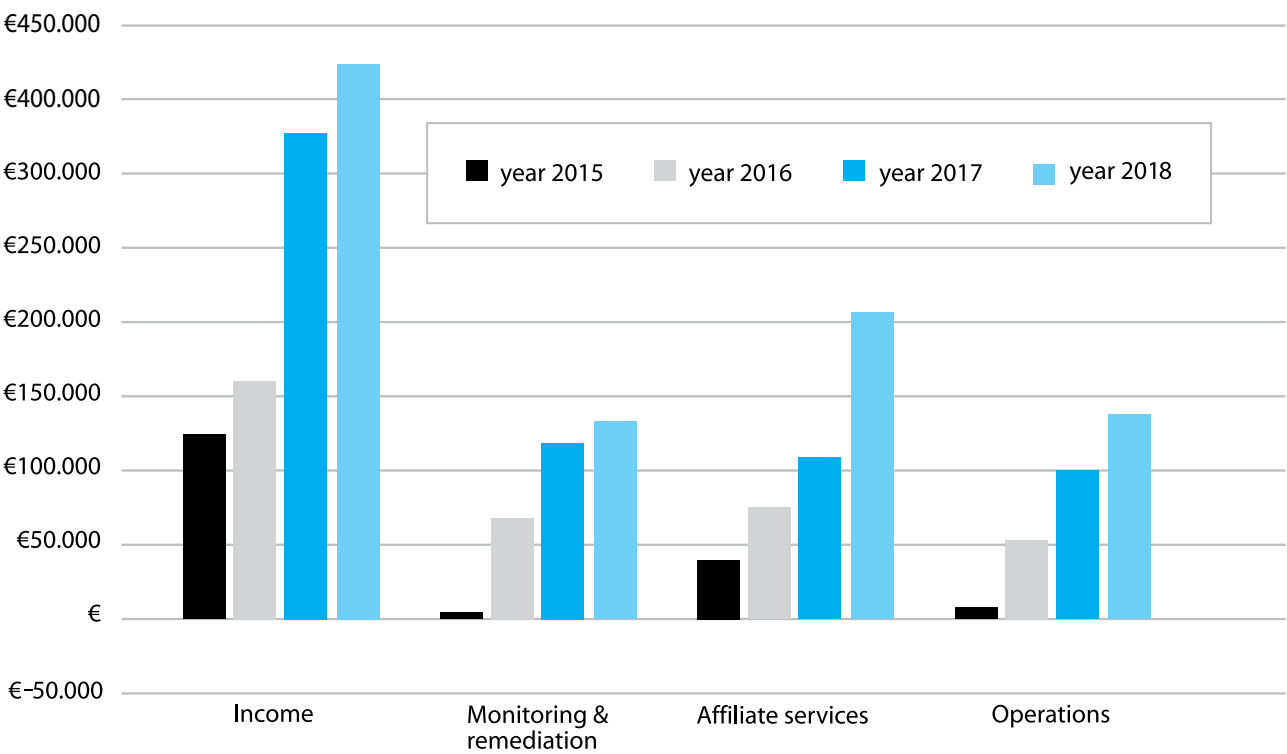
A copy of the audit report is available on request.

The following charts show the distribution of income and expenses in 2018. The expenses are divided into monitoring and remediation, affiliate services and operations.

Income 2018



Income and Expenses Evolution



Affiliates

Affiliates use the monitoring services of Electronics Watch to achieve increasing compliance with labour rights and safety standards in the supply chains of the ICT hardware goods they purchase. In 2018 the total number of Electronics Watch affiliates grew from 85 to 305, including the members of affiliated consortia.



Individual Affiliates

- Amsterdam City Council, Netherlands
- Barcelona City Council, Spain
- DUO, Netherlands
- Durham University, United Kingdom
- Ethical Culture Fieldston School, United States of America
- Haarlem City Council, Netherlands
- Hanze University of Applied Sciences, Netherlands
- Loughborough University, United Kingdom
- Manchester Metropolitan University, United Kingdom
- Nottingham Trent University, United Kingdom
- Sant Boi City Council, Spain
- Southern Universities Purchasing Consortium, United Kingdom
- Sveriges Kommuner och Landsting, Sweden
- Swansea University, United Kingdom
- The University of Sheffield, United Kingdom
- Tower Hamlets London Borough Council, United Kingdom
- Unison, United Kingdom
- University of Leeds, United Kingdom
- University of Leicester, United Kingdom
- University Medical Centre Utrecht (UMC-Utrecht), Netherlands
- University of Groningen, Netherlands
- University of Winchester, United Kingdom
- Utrecht City Council, Netherlands

Thanks

Electronics Watch gratefully acknowledges financial support from:

All affiliates, for general monitoring activities.
Bread for All, for specific monitoring projects.
Stockholm County Council, London Universities Purchasing Consortium, Advanced Procurement for Universities & Colleges, and Hanzehogeschool Groningen for the social@risk™ pilot project.

The Business, Human Rights and the Environment Research Group at the University of Greenwich, Gemeente Amsterdam, Good Electronics, Hanze University of Applied Sciences, London Universities Purchasing Consortium, SOMO, The University of Edinburgh, UNISON and University of Groningen, for conferences and events.

The European Commission, for the project, Make ICT Fair, 2017-2020.

Consortium Affiliates

Advanced Procurement for Universities & Colleges (APUC), United Kingdom

- Abertay University
- Ayrshire College
- Borders College
- City of Glasgow College
- Dumfries and Galloway College
- Dundee and Angus College
- Edinburgh College
- Edinburgh Napier University
- Fife College
- Forth Valley College
- Glasgow Caledonian University
- Glasgow Clyde College
- Glasgow Kelvin College
- Glasgow School of Art
- Heriot-Watt University
- Inverness College
- Lews Castle College
- Moray College
- New College Lanarkshire
- Newbattle Abbey College
- North East Scotland College
- North Highland College
- Orkney College
- Perth College
- Queen Margaret University
- Robert Gordon University
- Royal Conservatoire of Scotland
- Sabhal Mor Ostaig
- Scottish Association for Marine Science (SAMS)
- Shetland College
- South Lanarkshire College
- SRUC
- University of Aberdeen
- University of Dundee
- University of Edinburgh (Edinburgh College of Art)
- University of Glasgow
- University of St Andrews
- University of Stirling
- University of Strathclyde
- University of the Highlands and Islands
- University of the West of Scotland
- West College Scotland
- West Highland College
- West Lothian College

Associació Catalana de Municipis (ACM)*, Spain

- Alcarràs, Segrià
- Alcoletge, Segrià
- Alt Urgell, Alt Urgell
- Anglès, Selva
- Arbúcies, Selva
- Arenys de Munt, Maresme
- Argentona, Maresme
- Artés, Bages
- Badia del Vallès, Vallès Occidental
- Bages, Bages
- Balsareny, Bages
- Bellvei, Baix Penedès
- Breda, Selva
- Camarasa, Noguera
- Camarles, Baix Ebre
- Campllong, Gironès
- Cardedeu, Vallès Oriental
- Castellans, Garrigues
- Castelldefels, Baix Llobregat
- Castelló d'Empúries, Alt Empordà
- Castellterçol, Moianès
- Celrà, Gironès
- Corbera de Llobregat, Baix Llobregat
- Dosrius, Maresme
- El Perelló, Baix Ebre
- Esponellà, Pla de l'Estany
- Foment de Ciutat Vella, S.A., Barcelonès
- Fonollosa, Bages
- Garrotxa, Garrotxa
- Girona, Gironès
- Gironès, Gironès
- La Celler de Ter, Selva
- La Llagosta, Vallès Oriental
- La Pobla de Montornès, Tarragonès
- L'Ampolla, Baix Ebre
- Les Borges Blanques, Garrigues
- L'Escala, Alt Empordà
- Matadepera, Vallès Occidental
- Mieres, Garrotxa
- Moià, Moianès
- Montblanc, Conca de Barberà
- Montornès del Vallès, Vallès Oriental
- Mont-ral, Alt Camp
- Navàs, Bages
- Noguera, Noguera
- Oliana, Alt Urgell
- Perafort, Tarragonès
- Picamoixons, Alt Camp
- Pla de l'Estany, Pla de l'Estany
- Polinyà, Vallès Occidental
- Pontós, Alt Empordà
- Rialp, Pallars Sobirà
- Riells i Viabrea, Selva
- Riudellots de la Selva, Selva
- Salou, Tarragonès
- Salt, Gironès
- Sant Celoni, Vallès Oriental
- Sant Fost de Campsentelles, Vallès Oriental
- Sant Hilari Sacalm, Selva
- Sant Jaume de Frontanyà, Berguedà
- Sant Joan de Vilatorrada, Bages
- Sant Llorenç Savall, Vallès Occidental
- Sant Quirze del Vallès, Vallès Occidental
- Sant Vicenç de Montalt, Maresme
- Santa Margarida i els Monjos, Alt Penedès
- Seva, Osona
- Sils, Selva
- Sitges, Garraf
- Solsonès, Solsonès
- Talamanca, Bages
- Tremp, Pallars Jussà
- Vilalba Sasserra, Vallès Oriental
- Escola de Música del Gironès (OAE MG), Gironès
- Fundació Pública Municipal de Música Robert Gerhard, Alt Camp
- Patronat d'Escoles Bressol de Vilassar de Mar, Maresme
- Consorci Centre Cultura Contemporànea Barcelona, Barcelonès
- Consorci d'Acció Social de la Garrotxa, Garrotxa
- Consorci de Benestar Social Gironès-Salt, Gironès
- Consorci d'Osona de Serveis Socials, Osona
- Consorci Servei de Recaptació Cerdanya-Ripoll, Ripollès
- MC Intermunicipal de la Vall del Tenes, Vallès Oriental
- Aran Salut, Servicis Assistencials Integrats, SL, Aran
- EMFO, SL, Vallès Oriental
- MERCADOS DE ABASTECIMIENTOS DE BARCELONA, S.A. MERCABARNA, Barcelonès
- SEMESA (Selectives Metropolitanas, S.A.), Baix Llobregat

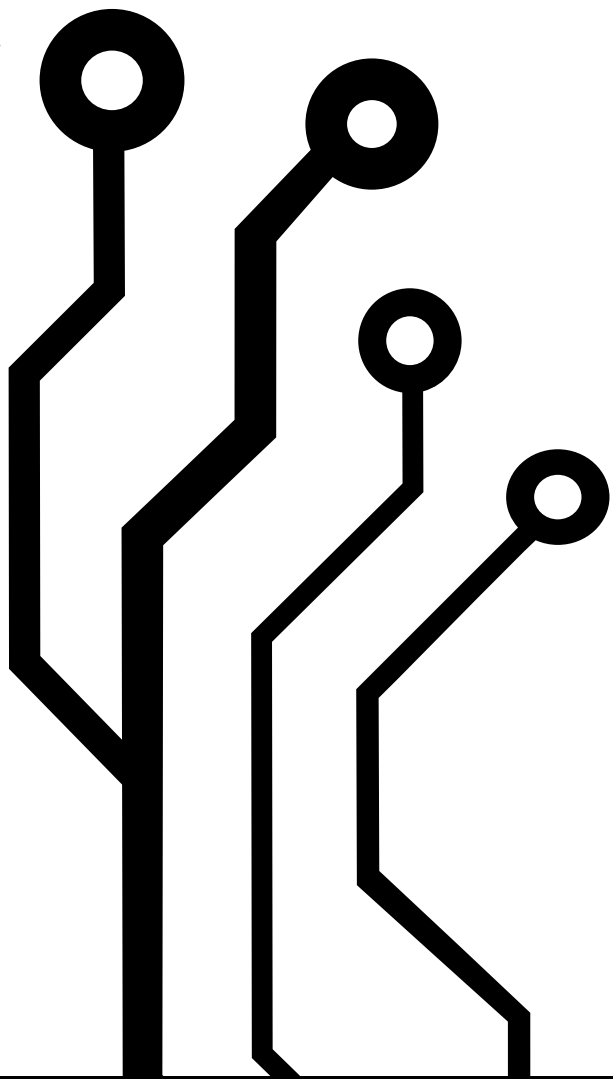
* Users of the framework agreement for the supply of printing and multifunction equipment

Consortium Affiliates

London Universities Purchasing Consortium (LUPC), United Kingdom			Partenariat des Achats Informatiques Romand (PAIR), Switzerland	Sustainable Public Procurement, Sweden
<ul style="list-style-type: none">Serveis Municipals de Sant Esteve Sesrovires, SL, Baix LlobregatSUMAR Empresa d'Acció Social, S.L., GironèsTERSA (Tractament i Selecció de Residus, S.A.), BarcelonèsTortosa Salut, SL, Baix EbreVapor Llonch. Promoció Econòmica Sabadell, S.L., Vallès Occidental	<ul style="list-style-type: none">Alexandra Palace and Park Charitable TrustBritish Film InstituteBritish LibraryBritish MuseumBritish CouncilBirkbeckCity of London SchoolCITB - ConstructionSkillsCity of London School for GirlsCity of London Freeman's SchoolCourtauld Institute of ArtDefence, Science and Technology Laboratory (DSTL) - part of MODDiamond Light SourceGuildhall School of Music and Drama (incl City of London Independent Schools)Goldsmiths, University of LondonHeythrop CollegeHorniman Museum and GardensHistoric Royal PalacesHarris FederationImperial War MuseumInstitute of Cancer ResearchInternational Students HouseJiscKingston UniversityLondon Metropolitan UniversityLondon School of Economics & Political ScienceLondon Ambulance Service NHS TrustLondon School of Hygiene & Tropical Medicine (LSHTM)London Business SchoolLondon South Bank UniversityLondon Academy of Music and Dramatic Art (CDD)Museum of LondonNational TheatreNatural History MuseumNational Nuclear LaboratoryNational Portrait GalleryNational Physical LaboratoryNational GalleryNational ArchivesNBI PartnershipNational Institute Biological Standards & Control (NIBSC), incl CPRD & MHRA	<ul style="list-style-type: none">NHS Blood & Transplant (NHSBT)Public Health England (incl Health Protection Agency)Queen Mary, University of LondonRoyal Academy of MusicRichmond UniversityRegent's University LondonRavensbourneRoyal Botanic Gardens, KewRoyal College of AnaesthetistsRoyal College of Surgeons of EnglandRoyal Holloway, University of LondonRoyal College of MusicRoyal College of General PractitionersRoyal College of ArtRoyal Central School of Speech & DramaRoyal Veterinary CollegeSouth West London & St Georges Mental Health NHS TrustSotheby's Institute of ArtSchool of Oriental & African StudiesSt George's, University of LondonScience Museum Group, Science Museum London (SMG)Tate incl Modern, Britain, Liverpool and St IvesThe Institute of Ismaili StudiesTrinity Laban Conservatoire of Music & DanceTeachFirstTrinity College, LondonThe Francis Crick InstituteUniversity of LondonUniversity of the Arts London (UAL)University of GreenwichUniversities UKUK Shared Business Services Ltd (UK SBS)University of East LondonUniversity of WestminsterVictoria & Albert MuseumWellcome TrustZoological Society of London (incorp Institute of Zoology)	<ul style="list-style-type: none">Etat de FribourgHES-SO FribourgRZGDTPFEtat de GenèveUniversité de GenèveVille de GenèveHUG - Hôpitaux universitaires de GenèveSIG - Services industriels de GenèveTPG - Transports publics genevoisAssociation des communes genevoisesIMADHospice généralIFAGE - Institut de formation des adultes GenèveRentes GenevoisesFondation Officielle de la JeunesseASFIP - Autorité cantonale de surveillance des fondations et institutions de prévoyanceCPEG - Caisse de prévoyance de l'Etat de GenèveThe Graduate InstituteHES-SO GenèveAéroport International de GenèveRépublique et Canton du JuraHES-SORépublique et canton de NeuchâtelEtat du ValaisFédération des communes valaisannes (FCV-VWG)Réseau Santé ValaisEtat de VaudCHUVAVASAD - Association vaudoise d'aide et de soins à domicileCIAD - Centre Informatique AVOP-DSAS & DFJFHVI - Fédération des Hôpitaux VaudoisPolice - Sécurité dans l'Ouest lausannoisTL - Transports publics de la région lausannoiseVille de LausanneVille de MontreuxVille de MorgesVille de NyonVille de PrillyVille de PullyVille de VeveyVille d'Yverdon-les-Bains	<ul style="list-style-type: none">StockholmUppsalaSörmlandÖstergötlandJönköpingKronobergKalmarBlekingeSkåneHallandVästra GötalandVärmlandÖrebroVästmanlandDalarnaGävleborgVästernorrlandJämtlandVästerbottenNorrbottnGotland
Greater London Authority (GLA), United Kingdom				
<ul style="list-style-type: none">Transport for LondonLondon Fire CommissionerMayor's Office for Policing and Crime and the Metropolitan Police ServiceLondon Legacy Development CorporationOld Oak and Park Royal Development Corporation				
ITSH-edu, Germany				
<ul style="list-style-type: none">Christian-Albrechts-Universität zu KielEuropa-Universität FlensburgFachhochschule KielFachhochschule LübeckFachhochschule WestküsteGEOMAR Helmholtz-Zentrum für Ozeanforschung KielHochschule FlensburgInstitut für WeltwirtschaftIPN Leibniz-Institut für die Pädagogik der Naturwissenschaften und MathematikMusikhochschule LübeckMuthesius KunsthochschuleStudentenwerk SHUniversität zu LübeckZBW Leibniz-Informationszentrum Wirtschaft				



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electronics watch

Responsible public procurement.
Rights of electronics workers.