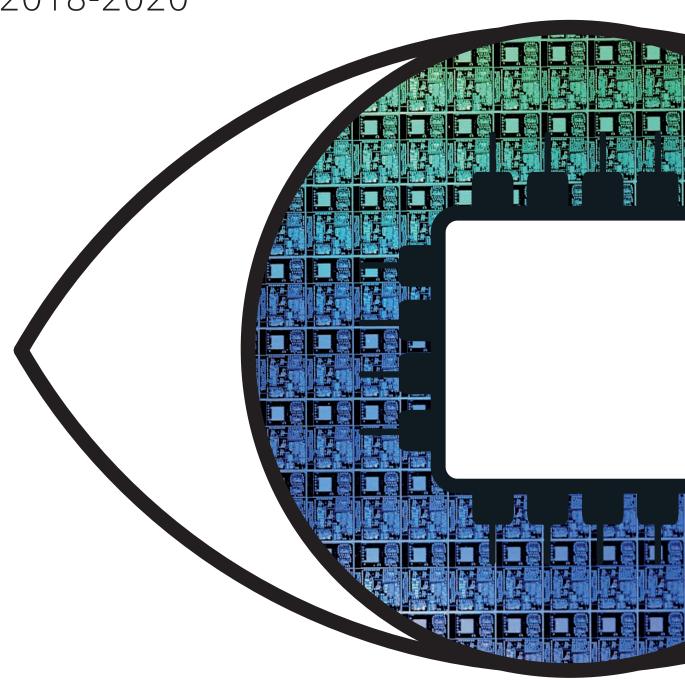
# Strategic Plan: 2018-2020



## **Acknowledgements**

Electronics Watch is grateful to the more than 50 advisors--including public buyers, human rights experts, and labour rights monitoring partners--who contributed their time and insight to this strategic plan. We hope it does justice to their collective knowledge and wisdom.

Electronics Watch extends a special note of appreciation to Jim Cranshaw, who coordinated the strategic planning process, conducted the interviews, surveys, and focus groups with advisors, and organised their input into strategic guidance.



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#### **Electronics Watch Strategic Plan 2018-2020**

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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, to protect the rights of workers in their electronics supply chains.

### Dear reader,

> Electronics Watch presents to you a threeyear strategic plan which we believe best harnesses and expands the unique capacities of the organisation to achieve our mission:

To help public sector organisations work together, and collaborate with civil society monitors, to protect the rights of workers in their electronics supply chains.

The strategic plan is based on our analysis of pervasive and systemic labour rights and health and safety breaches in the electronics industry from mining through manufacturing. It is enriched by the strategic insights and wisdom 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.

Electronics Watch began with a simple idea: that public procurement—a large market in the global economy accountable to the public—could and should be a force for workers' rights and safety in factories that make the goods public institutions buy. Public institutions are large consumers of information and communications technology (ICT) products. Guided by the values of transparency and social responsibility, they are in a position to make a positive difference for workers.

Public procurement could and should be a force for workers' rights and safety in factories that make the goods public institutions buy.

In 2015 Electronics Watch was formally launched as an independent monitoring organisation, led by a Board of Trustees of public sector buyers, civil society organisations in electronics production regions, and experts in human rights and global supply chains. Now, two years after the start of monitoring activities in 2016, the Electronics Watch model for change is bearing fruit.

Using worker-driven monitoring, guided by workers' needs and priorities, Electronics Watch detects problems in factories that workers experience, but of which companies and social auditors are often unaware. Such problems have included the confiscation of migrant workers' identity documents in Thailand, the deterioration of the eyesight of workers who view screens under bright lights in a factory in China, and the lack of proper and complete payslip information to indirect workers in Central Europe. The combined market pressure of Electronics Watch affiliates has helped to end forced labour by students and migrants, contributed to reinstatement of workers illegally fired for union organising, and guaranteed pay for temporary agency workers.

Electronics Watch has expanded capacity to monitor working conditions to eight countries. Public sector affiliates span seven countries and include more than 200 organisations that together influence a market of nearly €1 billion through direct purchasing and framework agreements. The recently launched three-year EU funded Make ICT Fair Project, a collaboration of 11 civil society and academic organisations, will help Electronics Watch affiliates address concerns about responsible mining practices, including community and environmental impact, in the procurement process.

Public sector affiliates span seven countries and include more than 200 public organisations that together influence a market of nearly €1 billion through direct purchasing and framework agreements.



Electronics Watch is committed to grow further in order to increase social responsibility in supply chains of affiliated public sector organisations and help improve conditions for workers from the mines to the assembly factories who make the goods they buy.

The key question for this strategic planning process was, thus, what is the best strategy for growth that delivers value for affiliates, responds to workers' rights and priorities, and harnesses the unique capacities of this organisation to influence the market through the combined leverage and contractual demands of public buyers, large and small, in many different countries?

What is the best strategy for growth that delivers value for affiliates, responds to workers' rights and priorities, and harnesses the unique capacities of this organisation?



The answers are in the form of 6 thematic objectives and four organisational objectives that together will guide our work during the coming three years: the focus of monitoring, the services for affiliates, engagement with industry, relations with the wider organisational ecology, and measures we take to strengthen core organisational functions.

We have also sketched a range of specific activities and outputs we believe will help us achieve each objective, though of course activities we could not foresee today may be apparent in a year or two. We offer this underlayer of the strategic plan to the general reader as a prism to help understand the larger objectives.

We are grateful to all who have contributed their time, insights, and wisdom to help craft this plan. We believe it is both exciting and realistic and look forward to informing you of the progress through annual reports.

Together, for responsible public procurement and the rights of electronics workers.

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The Board of Trustees and staff of Electronics Watch

#### The Context

Forced labour. Child labour. Toxic chemicals. Fired for joining a union. Exploitation of student interns and migrant workers. No living wage. Excessive recruitment fees and debt bondage.

These are risks that workers face in many regions worldwide in the electronics supply chain from mining to manufacturing.

Since the 1980's, brands have outsourced production to contract manufacturers that have located factories in low wage locations across the globe, including Southeast Asia, China, India, Central and Eastern Europe, and Mexico.

Frequent new product developments, short product life cycles, market uncertainty, lack of production forecasting, and minimal brand inventory result in production peaks and troughs, late orders, and changes to orders midstream. Factories must produce increasingly complex products with expectations of shorter time-to-market, often with thin profit margins. Delays anywhere in the supply chain are costly and downward price pressure further reduces margins for error.

The business model generates large profits for leading electronics brands and is expected to propel the industry at an annual growth rate of 15% to nearly US\$ 3 trillion in revenues by 2020.

But workers often have to absorb production stresses. Factories may demand excessive overtime hours to complete orders on time, and use temporary or contract workers—often migrants or students—to deal with flexible production demands. Fast and low cost production often cause friction with workers' fundamental labour rights: the freedoms from forced labour and child labour, non-discrimination, the

freedom of association, and the right to collective bargaining. Democratic and independent unions struggle to organise the rapidly increasing numbers of temporary and contract workers; most workers have little chance to bargain collectively on their conditions of employment and no access to effective grievance mechanisms. With no access to remedy, workers are vulnerable to other abuses, including serious health and safety hazards, such as prolonged exposure to toxic chemicals.

Electronic devices contain minerals, such as lithium, gold, tungsten and cobalt, mined in conditions that may violate workers' fundamental labour rights and human rights, destroy ecosystems, and undermine the livelihood of surrounding communities. Unfortunately, supply chain transparency from the end product to the mines is sorely lacking, obscuring corporate responsibility for the impacts of mining on workers, communities and ecosystems.

This, then, is the worker rights context that informs this strategic plan:

- A business model based on harmful purchasing practices and lack of transparency.
- Precarious employment, such as subcontracting, temporary agency work, or student interning, which aggravate risks of debt bondage, forced labour, income insecurity, and health and safety hazards.
- Lack of respect for workers' fundamental rights, including the right to join or form independent unions, which means most workers have no effective voice and no access to remedy.

At the same time, our vision for a world in which the rights of all workers in the electronics supply chain are respected is nourished by:

- Workers who stand up for their rights and make their voices heard;
- Public buyers who demand change;
- Companies that respond transparently and constructively.

This, too, is the context of our work.

# The Power and Responsibility of Public Procurement

Electronics Watch represents one piece—a vital one we believe—of a larger strategy to improve conditions for workers in the electronics industry and to increase sustainability.

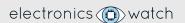
Public institutions—governments, local authorities and public services—are some of the world's largest and most influential consumers. Public procurement generates more than €2 trillion of public contracts annually and drives 13% of GDP in the EU and 20% of GDP globally. Directive 2014/24/EU on public procurement places social and environmental criteria on equal footing with transparency, equal treatment and non-discrimination for the first time. Thus, EU public procurement is now a market with both the size and rules to make a difference for workers. The idea that public institutions have an obligation to protect workers' rights and safety in their global supply chains is gaining traction in civil society and among public buyers committed to socially responsible public procurement.

In their role as purchasers, public institutions are uniquely positioned to protect workers' rights in global supply chains. Unlike individual consumers, they buy large volumes and maintain multi-year contracts affording them potential leverage to address human rights concerns by virtue of their long-term and high value relation with suppliers. While individual consumers are hard pressed to know anything about the origins of the products they buy, public institutions can create access to such information. They can receive and act on complaints. They have investigatory capacity. They can also impose sanctions on suppliers that violate standards or provide false information.

The role of Electronics Watch is to expand, inform, and coordinate public buyer demand for respect for labour rights and safety standards in Information and Communication Technology (ICT) hardware supply chains from mining to manufacturing.

The role of Electronics Watch is to expand, inform, and coordinate public buyer demand for respect for labour rights and safety standards in Information and Communication Technology (ICT) hardware supply chains from mining to manufacturing.

Electronics Watch uses worker-driven monitoring to detect and address breaches of labour rights and safety standards in the assembly and manufacturing of these products. Monitoring partners strive to give workers a platform to call attention to problems in their workplace and initiate investigations. Detecting the problems is only the first step. Finding ways to strengthen workers' collective voices to redress and prevent further violations is an indispensable part of the monitoring process. Engaging employers and brands while guaranteeing the centrality of workers' voices is also an integral part of the work.



# Meeting the Universal Call to Action to End Poverty and Protect the Planet

On 25 September 2015 the United Nations General Assembly issued a call to action to end poverty and heal and secure our planet. The UN envisages a world "free of poverty, hunger, disease and want, where all life can thrive" and resolved "between now and 2030, to end poverty and hunger everywhere." Electronics Watch is resolved to help meet this call to action by advancing several of the Sustainable Development Goals necessary to realise the vision.

# Helping affiliates meet states' obligations to:

#### Achieve the Sustainable Development Goals

- Goal 5 on gender equality
  - target 5.1. to end all forms of discrimination against all women and girls everywhere
- Goal 6 on safe water availability
  - target 6.3 to reduce pollution, eliminate dumping and minimize release of hazardous chemicals and materials, halving the proportion of untreated wastewater and substantially increasing recycling and safe reuse
- Goal 8 on decent work
  - target 8.5 to achieve decent work and equal pay for all women and men
  - target 8.7 to end forced labour, modern slavery, human trafficking, and child labour
  - target 8.8 to protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment
- Goal 12 on responsible production and consumption
  - target 12.4 to achieve environmentally sound management of chemicals throughout their life cycle and reduce their release
  - target 12.7 to promote sustainable public procurement practices
- Goal 16 on promoting peaceful and inclusive societies for sustainable development
  - target 16.2 to end abuse and exploitation of children

# Implement the UN Guiding Principles on Business and Human Rights

- UNGP 5: "States should exercise adequate oversight in order to meet their international human rights obligations when they contract with ... business enterprises to provide services that may impact upon the enjoyment of human rights"
- UNGP 6: "States should promote respect for human rights by business enterprises with which they conduct commercial transactions," including through their procurement activities.

# Helping affiliates meet states' obligations to create a market for and monitor implementation of due diligence responsibilities of companies

- UN Guiding Principle on Business and Human Rights (2011), adopted unanimously by the UN Human Rights Council to implement the United Nations "Protect, Respect and Remedy" Framework.
- OECD Guidelines for Multinational Enterprises
   (2011) and the OECD Due Diligence Guidelines for
   Responsible Business Conduct (2018), intended
   to be used in all sectors of the economy and by
   all companies to implement their due diligence
   responsibilities. An accompanying European
   Council Recommendation commits member
   governments to promote, disseminate, support and
   monitor implementation of the Guidance.
- ILO, Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (2017), which establishes principles for states, companies and trade unions to maximize the positive contribution of multinational enterprises to economic and social progress and the realization of decent work for all; and to minimize and resolve the difficulties to which their various operations may give rise.
- Duty of Vigilance Law of France (2017), which establishes legally binding human rights due diligence, including a vigilance plan to identify risk and prevent violations of human rights and fundamental freedoms, health risks or environmental damage resulting directly or indirectly from the operations of companies, their subcontractors and suppliers.

# Helping affiliates comply with national legislation requiring transparency and due diligence in global supply chains of public procurement

- The UK Modern Slavery Act (2015), Transparency in Supply Chains Provision, which requires commercial entities with a total annual turnover of £36 million or more (including over one hundred Universities and Higher Education providers) to publish "Slavery and Human Trafficking Reports" about the steps they take to ensure that slavery and human trafficking are not taking place in any of its supply chains.
- The Dutch Public Procurement Act (2016), which requires national government contractors to conduct a supply chain risk assessment, and, if necessary, follow up with risk-mitigation, if the contract is greater than or equal to the European public procurement threshold.

## Strategic Plan: 2018-2020

#### **Vision**

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.

This requires that all electronics supply chains connected to public procurement, from mining to manufacturing, include:

- **Public buyers** exercising social responsibility and making a tangible, measurable positive impact for workers that make the goods they buy;
- **Civil society organisations and democratic trade unions in production regions** accessing industrial zones and workplaces to support workers in attaining their rights;
- **Employers** complying fully with all applicable domestic and international labour rights and safety standards; and
- **Brand companies and resellers** disclosing suppliers and compliance data to the fullest extent possible and taking effective action to remedy labour rights and safety breaches in their supply chains according to their capacity

#### **Mission**

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

#### **Levers for Change**

Electronics Watch connects public buyers to workers in their supply chains via the Electronics Watch monitoring partners and helps ensure that the following three types of public buyer demand—listed here in priority orderare informed by a thorough understanding of workers' rights and realities.

- Legally enforceable contractual demands focus on change in specific factories and production sites that are linked to the subject matter of the contract. Electronics Watch monitors factories in affiliates' supply chains and makes recommendations for improvements. As these factories are almost always shared by multiple affiliates those affiliates can combine their leverage and effectively push for remediation and improvements.
- Public buyer informal demands seek broader transformations of industry business practices that are
  necessary for sustainable improvements in specific factories linked to the goods that affiliates purchase.
  Electronics Watch focuses monitoring activities on those issues that can accelerate broader industry change
  and coordinates affiliates' engagement with the industry to press for industry-wide reforms. Those issues
  include modern slavery, employee suicide, and unsafe workplaces. Where possible Electronics Watch aligns
  work with other demand side actors, such as responsible investors.
- **Public policy demands** strengthen respect for labour rights and safety standards in global supply chains. Electronics Watch helps to inform affiliates about public policy debates and supports their coordinated engagement in those debates to achieve regulatory, legal, and policy change.

#### **Scope of Work**

Strategic Plan: 2018-2020

**Manufacturing of information and communications technology (ICT):** Electronics Watch currently focuses on monitoring electronics supply chains from component through the final assembly and manufacturing of finished ICT equipment including.

- · Desktop computers, portable computers, work stations, tablets, and thin clients
- Display screens and monitors
- Input peripherals, including mouse, keyboard, joystick, cables, and headsets
- Scanners, printers, fax machines, copiers, and combination units
- Enterprise ICT including switches, routers, high performance computing (HPC), servers and storage systems
- Smart phones and IP telephones

Electronics Watch conducts regional risk assessments and full compliance investigations to ensure compliance with the Electronics Watch Code of Labour Standards. Electronics Watch also investigates specific worker complaints in this sector.

#### **Expanding the scope**

During the three years of this strategic plan, Electronics Watch will gradually expand its monitoring scope.

Mining of minerals included in electronics devices: Thanks to the Make ICT Fair Project, Electronics Watch will develop capacity to address mining issues in electronics supply chains. Electronics Watch will focus on promoting transparency beyond the smelter level, develop tender tools to help affiliates promote responsible mining practices, and identify and train potential civil society monitoring partners located near communities of mining workers.

Electronics waste disposal: Electronics Watch monitoring partners in several locations already report concerns about environmental degradation linked to faulty disposals and treatment of e-waste, as well as faulty disposals of toxic pollutants and solid or liquid waste materials resulting from the production process. Electronics Watch will address these issues in regional risk assessments, support affiliates in understanding the associated issues and promoting responsible e-waste handling, and develop capacity to investigate worker complaints related to waste from production.

Manufacturing of electronics components used in other industries: Electronics Watch will evaluate the possibility of expanding the monitoring program from products listed above to electronics equipment and components used in other industries, such as the medical, utilities, and automobile industries, in order to support affiliates in addressing labour rights and safety issues in these sectors through public procurement tenders. Expansion will depend on the relevance of the sector to affiliates' supply chains and monitoring capacity in new areas.

#### **Thematic Objectives**

"We should have thematic monitoring issues to address with the industry. All of us are in contact with different brands and different IT associations. It would be good to have a common idea on what we want to push collectively." -Affiliate

"We want a platform to talk to brands about thematic issues." -Monitoring partner

The following thematic objectives address issues of vital importance for workers in the electronics supply chain and also reflect systemic industry problems. Thus, these objectives help Electronics Watch to focus resources to benefit workers, increase social responsibility in affiliates' supply chains, and accelerate broader industry change.

#### 1. Replace harmful and/or illegal precarious employment with secure jobs.

#### **Electronics Watch will:**

- 1.1. Focus in-depth compliance investigations and remediation activities on factories with high levels of precarious or flexible employment, in particular precarious employment of women workers, and seek reform of purchasing practices that contribute to this problem.
- 1.2. Educate public buyers about the harms of precarious employment based on monitoring findings, and about the connections between poor purchasing practices, flexible employment, and harmful working conditions.
- 1.3. Develop public procurement tools that help affiliates mitigate and prevent harmful and illegal precarious employment in their electronics supply chains.

#### 2. Make workplaces and environments safe for workers and community members.

#### **Electronics Watch will:**

- 2.1. Expand capacity to monitor and address health and safety risks to workers in the electronics supply chain, including particular risks to women workers, by developing resources for health and safety monitoring and intervention tools, and by collaborating with health and safety experts and trade unions.
- 2.2. Educate public buyers on health and safety risks to workers and community members in the electronics supply chain.
- 2.3. Develop public procurement tools that help affiliates promote transparency of chemical inventories, protection of workers, environmental safety, and reduction of harmful chemicals in their electronics supply chains.

#### 3. Promote voluntary employment without coercion.

#### **Electronics Watch will:**

- 3.1. Monitor and address areas and practices that present risk of forced labour and modern slavery, including recruitment of migrant workers and employment of students, young workers, and children.
- 3.2. Educate public buyers on the risk of forced labour and modern slavery in their electronics supply chains.
- 3.3. Develop public procurement tools that help affiliates detect and mitigate risk of forced labour and modern slavery in their electronics supply chains, and ensure remedy to victims in their supply chains.

#### 4. Strengthen the worker-driven monitoring methodology.

#### **Electronics Watch will:**

- 4.1. Conduct surveys and dialogue with monitoring partners and experts to develop the worker-driven monitoring methodology.
- 4.2. Publish Worker-Driven Monitoring Guidance, develop modular training resources for on-site workshops, and conduct on-site workshops and trainings on monitoring methodology.
- 4.3. Identify and train potential new monitoring partners in manufacturing and mining locations.
- 4.4. Increase capacity of local monitoring partners to monitor electronics workplaces linked to affiliates' supply chains using the worker-driven monitoring methodology.

#### 5. Strengthen workers' collective voices and influence in their workplaces.

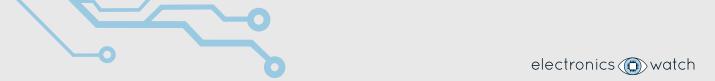
#### **Electronics Watch will:**

- 5.1. Increase capacity of local monitoring partners and collaborate with international trade unions to strengthen workers' collective voices, including developing effective grievance mechanisms, protecting whistle blowers, and addressing violations of freedom of association.
- 5.2. Support civil society monitoring partners in fostering social dialogue between workers and employers.
- 5.3. Educate public buyers on the importance of workers' voices for sustainable improvements in workplaces.

#### 6. Increase worker-driven supply chain transparency.

#### **Electronics Watch will:**

- 6.1. Educate public buyers about supply chain transparency from workers' perspectives: the information and resources they need to ensure their safety and protect their rights.
- 6.2. Provide guidance to public buyers on the legal constraints on supply chain transparency, as well as tools and technical assistance in implementing and enforcing related contractual requirements.
- 6.3. Create web-based public supply chain transparency that includes production locations, working conditions, and remedial actions.
- 6.4. Support monitoring partners in researching supply chains connected to affiliates' procurements.



#### **Organisational Objectives**

Achieving the following organisational objectives will create the foundation for achieving the thematic objectives.

#### 7. Strengthen the commitment of existing affiliates and attract new affiliates.

#### **Electronics Watch will:**

#### **Enhance services for affiliates**

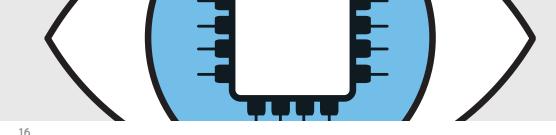
- 7.1. Provide the public buyer toolkit: a complete tender model with up-to-date model contract conditions and award criteria compliant with the EU public procurement directive and national legislation; the Electronics Watch Contractor Guidance; supply chain transparency templates and tools; and "domino" tools for resellers to support effective supply chain due diligence.
- 7.2. Develop user-friendly monitoring data linked directly to affiliates' supply chains: an individualised dashboard of supplier information, an online factory database, and a Corporate Performance Tracker.
- 7.3. Work with local organisations and country representatives to offer in-person services to affiliates in their local languages.

#### Provide tools and opportunities for effective outreach and promotion

- 7.4. Develop a set of "Ambassador" outreach and promotion tools, including impact statements, that affiliates and others can use to recruit other affiliates.
- 7.5. Organise and participate in events that help to expand awareness of Electronics Watch, including the Electronics Watch Annual Conference and public webinars on socially responsible public procurement. Present at a wide range of conferences and collaborate with public procurement related networks.
- 7.6. Publish high quality monitoring reports, and use both traditional media and social media to increase visibility of affiliate actions and build brand recognition.
- 7.7. Work with civil society organisations in different countries to conduct outreach and education with public buyers and expand the affiliate base.

#### **Enhance communication flow**

7.8. Enhance information and communication about Electronics Watch, especially with regards to its mission, reach and impact, via its website and affiliates' intranet, newsletters, social media and annual report, and increase opportunities for affiliates and potential affiliates to exchange knowledge and experience and network with each other via webinars and meetings.



8. Build platforms of collaboration with affiliates, monitoring partners, unions and industry

#### **Electronics Watch will:**

- 8.1. Connect affiliates to one another to exchange knowledge and experience in areas of common interest.
- 8.2. Connect affiliates to monitoring partners as appropriate to facilitate knowledge exchange and collaboration to improve conditions in affiliates' electronics supply chains.
- 8.3. Connect monitoring partners in different countries to one another to address common challenges.
- 8.4. Create or participate in platforms for affiliates, monitoring partners, unions and industry to address core thematic issues, including precarious employment, health and safety risks, risks of forced labour and modern slavery, freedom of association and workers' voices, supply chain transparency, and purchasing practices.
- 9. Strengthen relations to the wider organisational ecosystem in the sustainable development and circular economy fields to promote awareness of labour rights issues.

#### **Electronics Watch will:**

- 9.1. Collaborate with researchers in academia, think tanks, and NGOs to understand how labour rights and a circular economy can be jointly strengthened and advanced through public procurement.
- 9.2. Collaborate with trade unions internationally to research connections between labour rights, a circular economy and digitalization to advance a Just Transition through public procurement.
- 9.3. Join or collaborate with strategically important networks and for sustainable development and circular public procurement.
- 10. Ensure Electronics Watch accountability to stakeholders and maintain robust organisational functions.

#### **Electronics Watch will:**

- 10.1. Maintain an active Informal Advisory Group with participants in Blocks 1, 2, and 3 who nominate and elect board members from their constituencies, participate in webinars, meetings, and conferences, and provide advice and guidance as needed.
- 10.2. Constitute a formal, elected Advisory Board with members from Blocks 1, 2, and 3 who advises the Board of Trustees and safeguards the original purpose of the foundation, promotes the interests of the stakeholders of Electronics Watch, evaluates the performance of the organisation and suggests improvements.
- 10.3. Maintain regular and accessible external communications, including an up-to-date website, newsletter and active social media.
- 10.4. Ensure organisational structure and functions in accordance with the Bylaws of Electronics Watch.

## Annex I: Strategic Planning Process

# In late 2017 Electronics Watch talked with more than 50 advisors through surveys, focus group discussions, and one-on-one interviews.

We asked for their insights and wisdom on issues such as strategic factory monitoring, providing value to affiliates, maintaining democratic accountability, and thinking beyond factory cases to larger industry reform.

These advisors represent the three "blocks" of the organisation:

- Block 1: public sector buyers
- Block 2: experts in human rights, labour rights, and global supply chains
- Block 3: representatives of civil society organisations from the regions of electronics production

Although Electronics Watch operates independently from industry we value the perspectives of electronics companies at different points in the supply chain. We invited the Responsible Business Alliance, brands and resellers to evaluate their engagement with Electronics Watch and to make suggestions for how Electronics Watch can best help improve conditions for workers in their supply chains.

Electronics Watch presented and discussed preliminary high level strategic goals to the meeting of affiliates and monitoring partners at the Electronics Watch Annual Conference in December 2017. Finally, we shared a near-final draft with all advisors in April 2018, incorporating their feedback into this official three-year strategic plan.

The following questions guided the strategic planning process with stakeholders:

### How does Electronics Watch best grow the number and influence of affiliates?

- How does Electronics Watch best provide and demonstrate value for affiliates?
- Should Electronics Watch expand its affiliate base beyond Europe?

### What is strategic factory monitoring for Electronics Watch?

- What are the right places, times and methods for maximum impact?
- What are the most important thematic foci (for example, health and safety, wages, freedom of association)?
- What are the best criteria for monitoring?
- Should Electronics Watch expand monitoring beyond traditional ICT hardware products?

#### How can Electronics Watch move beyond caseby-case monitoring and improvement towards industry reforms that improve conditions across supply chains?

- How can Electronics Watch investigations be used to drive change not just in specific factories but across the industry?
- How can affiliates engage to promote systemic change?

### How does Electronics Watch improve democratic accountability to our stakeholders?

- What are some concrete steps to improve internal and external communication?
- Which are the key types of organisations in a wider ecosystem and how should Electronics Watch engage with them?
- Should the current informal advisory groups be formalized?

Electronics Watch invited electronics companies to evaluate their engagement with Electronics Watch, and to make suggestions for how Electronics Watch can best help improve conditions for workers in their supply chains. We asked them to reply to the following questions:

# Did your engagement with Electronics Watch help improve conditions for workers or your supply chain management in your opinion?

Do you have suggestions for how Electronics
Watch can improve on any aspect of its work to
help improve conditions for workers in electronics
factories in your supply chain and beyond?

# What do you see as the main barriers and, conversely, the main enablers for your company to understanding the relationship between central business and buying practices and working conditions up the supply chain?

- What steps has your company taken or does your company plan to take to address working conditions by improving long-range production planning, sharing demand information with suppliers, ensuring product costing takes into account the full cost for supplies to comply with all labour law requirements, health and safety requirements, living wage payments, and similar business reforms?
- How can public buyers and their purchasing practices contribute to or hinder your ability to do this?

### Annex II: Participants' Comments

The following select comments by participants illustrate the rich dialogue during the strategic planning process. They offer insights into the thematic and organisational objectives and underscore the importance of the actions listed under each objective in the earlier sections.

## Objective 1: Improve social responsibility in affiliates' electronics supply chains.

"What we'd like help with is how can we measure the progress in the factories and in the supply chain at large. Because we're working with retailers, and they have brands under them, and the brands have suppliers. The brands say they are advancing and saying they are putting more resources into these issues, but it is very hard to measure that objectively." --Affiliate

"We need regular personalised dashboard reports—suppliers, factories, factories' status, other buying organisations using the suppliers/factories." -- Affiliate

"Produce a database showing members' suppliers and factories ultimately used, alongside status reports for each factory and the other buying organisations using the suppliers/factories."

--Affiliate

"Whenever Electronics Watch can provide validated industry performance benchmarks on key aspects, this context can be valuable in helping to verify and prioritize systemic issues based on prevalence or level of risk and may accelerate cross-industry collaboration."

--Brand company

"Researching and developing ways to use award criteria would be helpful, as leverage is reduced when only using post award contract clauses."
--Affiliate

"One group of stakeholders is the resellers, not the brands. They have been asking a lot of questions: how they should manage these requirements? It's easier to talk to the brands in one sense because the things are in their control. But the resellers don't have the resources and they haven't seen their role as being in control of the supply chain at all. This issue should also be addressed by Electronics Watch."

# Objective 2: Replace harmful and/or illegal precarious employment with permanent, secure jobs.

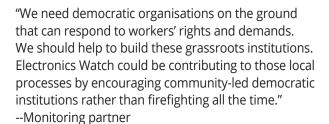
"Precarious contracts: this is a big problem. The government wants to end the abuse of short term contracts. But the companies are continuing this practice, including big companies, 3,000 to 4,000 workers. This might be a good focus for a monitoring, and it requires more investigation to see if it's happening in other countries."

--Monitoring partner

# Objective 3: Strengthen workers' collective voice and influence in their workplaces.

"The key point is how do we empower or increase the power of workers in the negotiations. Electronics Watch can supply information to workers when they are engaging in negotiations with contract manufacturers or brands. Electronics Watch can have an added value there by supplying some high-quality information about the industry and about supply chains."

--Monitoring partner



## Objective 4: Make workplaces safe for workers.

"Chemicals and the impacts of the chemicals. Electronics Watch should prioritise this and highlight this issue, which is killing and injuring so many workers. We need someone who can help to analyse x y or z is an occupational disease. We need scientific and medical proof that this is due to chemicals. Could Electronics Watch develop some internal capacity?" --Monitoring partner

You should focus on safety issues around chemicals—workers don't always even know that is happening. Tackle these issues and get qualified professional OHS specialists into these factories and then force this issue. Try and set up functional OHS committees. --Expert advisor

# Objective 5: Increase worker-driven supply chain transparency

"Sharing information between affiliates and working together to get disclosure are very important. HP and Dell disclosures came through a variety of affiliates asking at the same time, including through the larger ones pushing open the door."

--Affiliate

"Step up Electronics Watch's guidance on transparency just a bit. Electronics Watch can provide a more specific roadmap for exactly how governments can require transparency of supply chains and how that will reinforce both accountability for compliance and local development in source countries."

--Expert advisor

# Objective 6: End harmful purchasing practices

"Think about the issue of flexible labour. You cannot solve that by factory monitoring. We need a platform to talk about these industry issues. Not just with RBA but with brands directly. We should be trying to build a space whereby brands should be reporting to us what they are doing on flexible labour, rather than us having to do factory by factory. So we should be developing ways of monitoring spikes in production and short lead times and low cost points."

--Monitoring partner

"Contract manufacturers are growing in power relative to the brands. They are operating rather like a block and pressuring the brands for more money with which to address the labour rights issues brands are asking them to. We should consider how we can strengthen their side of that argument, showing that labour rights adherence requires brands to adequately fund it and that brands continuing to make impossible requirements of contract manufacturers without adequate funding is unacceptable."

--Expert advisor

"Forecasting budget and demands of our public sector customers is incredibly difficult and often frustrating. While potential can sometimes be estimated, there is very little long-term commitment and fierce competition between framework suppliers when opportunities arise. Product pricing still remains the key consideration and short lead times are contractually required."

--Reseller company

"Some public procurements require items to be provided "just in time"—it's within their specifications. And they have short lead times. These negative pressures on labour standards from the public buyers themselves could be changed."

--Affiliate

# Objective 7: Strengthen the commitment of existing affiliates and attract new <u>affiliates</u>.

"Do good things and talk about it. More PR in Germany please."

--Affiliate

"Find the ethical "pushers" in each organisation. They are different in each institution. We could develop this into an Ambassadors scheme for public sector staff members to advocate for Electronics Watch affiliations in their organisations and regions."

--Affiliate

"Focus on building out into the National Health Services. It's huge and their spend is vast." --Affiliate

"Focus efforts wholeheartedly on one or two large public buyers like government."

--Affiliate

"The polarity of the whole world is changing. Asian countries are becoming consumers as much as producers. How can we include the public sector in Asia?"

--Monitoring partner

Objective 8: Strengthen monitoring partners' capacity to help workers in the electronics supply chain realise their rights and improve their working conditions.

"Try to build more capacities in the grassroots organisations as monitors. Most of us already do a lot of work with workers as trainers, researchers, and advocates. Sometimes it's hard to understand the role as "monitor," and the differences, whilst subtle, are important to get straight, and get training in. We could expand training in the methodologies and capacities required."

--Monitoring partner

Objective 9: Strengthen relations to the wider organisational ecology in the sustainable development, circular economy, and international labour rights fields and promote growing public awareness of Electronics Watch.

"Circular economy debates can be an element to take a closer look at, as they are growing strongly as an agenda right now. At the public authority level, they want to support and buy from start-ups, new innovative circular economy style companies." --Expert advisor

"Perhaps more engagement with research with like-minded institutions (academics, think tanks, government agencies) to increase the intellectual arguments and backing for the work Electronics Watch is pursuing. For example, through a series of dialogues in various forms, e.g. research reports, policy briefs, brief interviews/podcasts, public events, etc." --Expert advisor

"I think Electronics Watch can improve on communication to the general public. Work on becoming more known by everyone." -Affiliate

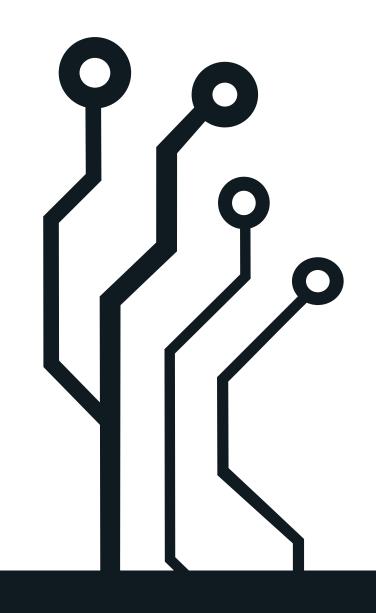
Objective 10: Ensure Electronics Watch accountability to stakeholders and maintain robust organisational functions.

"Revive the formal advisory group. Many public entities would see this as an important selling point."

--Expert advisor

"Having an advisory group would be good. This is a good way to get input."

--Affiliate



# electronics watch

Responsible public procurement. Rights of electronics workers.