

Electronics Watch: Addressing Modern Slavery in ICT Supply Chains

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electronics  watch

Membership



Contracting for Change



step
3

Work with industry, workers' organisations, and other affiliates to improve conditions and ensure sustainable change.



step
2

Monitor for compliance to detect possible contract breaches while also strengthening workers' own voices to report on problems in their factories.



step
1

Demand decent working conditions in the electronics supply chain through contract performance conditions that affiliates can include in their contracts for ICT hardware products.

Electronics Watch Contract Conditions for Supply Contracts

Part I: Contract Conditions

Introductory provisions

1. These Conditions are for inclusion in a contract between the Affiliate and the Contractor for the supply of electronic goods.

OR

These Conditions are for inclusion in a contract for goods and services between the Affiliate and the Contractor, which involves the temporary or permanent provision of electronic goods.

2. In these Conditions:

"Affiliate" means an affiliate of Electronics Watch who, as a contracting authority (as defined in Directive 2014/24/EU), monitors Code compliance in Factories through Electronics Watch;

"Code" means the Electronics Watch Code of Labour Standards contained at Part III to these Conditions, or an equivalent code¹ of international labour standards;

"Conditions" means the Electronics Watch Contract Conditions for Supply Contracts;

"Contract" means the legally binding agreement between the Affiliate and the Contractor that requires the Contractor to supply the Goods under the terms of the Conditions;

"Contract of Employment" means a contract of service or apprenticeship, whether express or implied, and (if it is express) whether oral or in writing;

"Contractor" means the business enterprise that enters into the Contract with the Affiliate;

¹ Equivalent codes require compliance with country of production labour laws, including health and safety regulations, and international labour standards, including the ILO core conventions (please see clause 2 at Part III to these Conditions).

² Please see Article 42(13) of the Public Contracts Regulations 2015 that indicates that where a precise description of the subject-matter of a contract is not possible, reference to the contract shall be accompanied by the words "or equivalent".

Home Office's Guidance on the Transparency in the Supply Chain provisions of the Modern Slavery Act (section 54).

- **Transparency:** Where are goods coming from? Are they from high risk regions and industries?
- **Due Diligence:** Requiring adherence to specified labour standards – e.g. a Labour Code – in collaboration with stakeholders (civil society, trades unions, workers).
- **Monitoring & Evaluation:** How will you assess compliance? What happens when suppliers fail to meet specified standards?
- **Remedy:** What efforts will you take to remediate 'workers and prevent any further of future victimization?
- **Training:** For your own staff – being able to identify and act on risks.

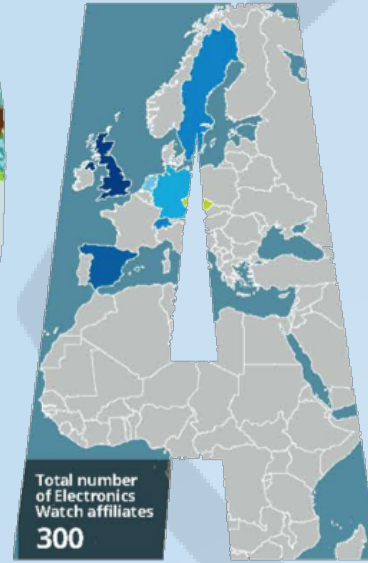


Informed public
buyers



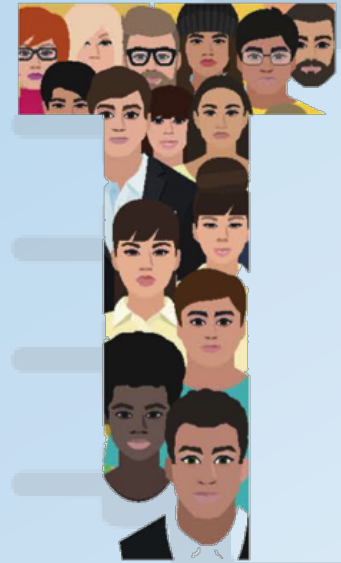
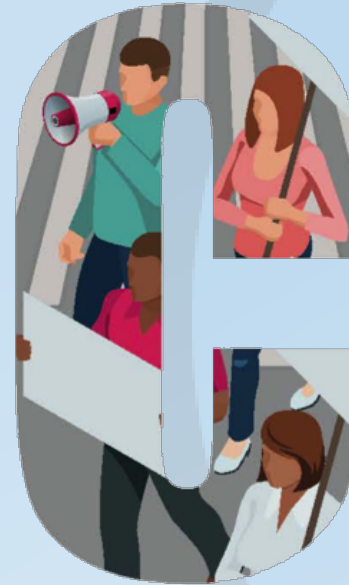
Increased transparency

Systemic Industry
Improvements



Growing public buyer
demand for decent
working conditions

Stronger worker voices



Improvements in
factories

Factory: China

Products: Notebooks and Servers

Framework agreement: UK Higher Education Framework Agreement

Issue: Involuntary student labour

EW: Onsite worker survey & worker-management dialogue training, dialogue with brands and factory, affiliate engagement

Impact:

- Student labour only with consent
- 48%: factory improved last 6 months



Factory: Thailand

Products: Multifunctional Devices

Framework agreement: Swiss local authorities framework agreement



Issue: Debt bondage (excessive recruitment cost for migrant workers, confiscation of passports and work documents).

EW: Compensation following monitoring through interviews with workers and recruiters, dialogue with Migrant Workers Rights Network (MWRN), RBA, brands, and factory.

Impact

- Passports & work **documents returned to** migrant workers
- Direct employment
- Workers **compensated** in a “rare award” which could total about **\$10 million**, an estimate based on the number of workers and average sum of \$660 they paid which was more than six times the legal limit
- Working with industry to address root causes and prevent recurrence of violations.

See also: [Thai electronics firm compensates exploited workers in rare award, Reuters, 11 Dec 19.](#)
[Electronics Watch, Lessons from Cal-Comp case, 2020.](#)

Benefits of Collaborating

- **Monitoring reports** on your supply chain & action guide
 - **Public buyer toolkit:** model contract clauses, Contractor Guidance, disclosure forms, tools for contractors
 - **Voice** in Electronics Watch
- **Share cost** of monitoring with affiliate network
 - **Use contract clauses** to address conditions in supply chains
 - Provide **product data** to Electronics Watch
- Measurable **improvements** in socially responsible public procurement of ICT hardware
 - Increased **supply chain transparency**
 - Visible **leadership**
 - **Knowledge exchange** across Europe
 - **Insights** beyond social audit perspective

Questions?

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