



TRUNG TÂM  
PHÁT TRIỂN VÀ HỘI NHẬP

## CENTER FOR DEVELOPMENT AND INTEGRATION

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### 1. Current description and status of the situation of electronics in your country

The electronics industry is the second largest source of exports from Vietnam with large producers including Canon, Samsung, Pentax and Foxconn etc, employing 250,000 workers in about 500 companies.<sup>i</sup> About 90% of workers are female and about 70% are domestic migrant workers. Vietnam, in its rapid growth and global integration process, is also identified as one of six 'social hot spots' in the global electronics sector.<sup>ii</sup> Recent research shows that workers in this sector are exposed to industrial toxic chemicals causing potential health risks especially on reproductive health. In addition, employees often have to work excessive overtime and many are employed on precarious short term contracts. Workers are not well protected because most companies do not support the exercise of the right of workers to act collectively.<sup>iii</sup> Workers face risks and violations in several areas, most significantly in their rights to health, decent work, fair wages, and the right to freedom of association.

The Center for Development and Integration (CDI), founded in 2005, brings together government, businesses and citizens to identify and address 'societal gaps' resulting from Vietnam's globally-driven, rapidly growing and changing economy. CDI provides analytical studies, management advice, capacity building and policy advocacy in the service of good governance. Our trademarks are pragmatic thinking, innovation and 'state of the art' practices central to promoting national development: Public Governance; Environmental management; Trade and Finance; and Corporate Governance. CDI's work focusses on remote and rural areas of Vietnam as well as new industrial zones. In line with rapid urbanisation the cities will be an increasing focus of our work.

What activities have you done to those goals during the last year?

CDI and Oxfam are partners in the project on social protection for migrant workers in 4 provinces: Hanoi, Vinh Phuc, Hai Duong, Bac Ninh. The ground work in directly engaging and support the protection mechanism for workers have raised issues that pose on the obligation of business to implement labors' rights. Especially in Sam Sung case and other emerging cases like

Apple and Nokia, the critical situation facing workers in terms of health, wage become critical. There are some efforts of CDI and Oxfam to work with regional organization AMRC to advocate for change in Samsung case, but it just started with the mapping study on supply chain.

The electronic sector in Vietnam prevails more risks and vulnerable situations for laborers hence it calls for a larger scale of action in Vietnam as well as an evidence base process to link with the global campaign towards an ethical business in electronic sector and national protection mechanism for laborers.

What are the key remaining challenges?

In general there is insufficient understanding and recognition of workers' rights by authorities, poor implementation of Codes of Conduct by the industrial actors in the supply chain and low awareness on the part of workers of their rights.<sup>iv</sup> The root of these problems is the ineffectiveness of protection mechanisms including monitoring issues such as health and safety with labor rights based and social dialogues that might improve the state's responsibility and hold corporate accountable for their workers.

Additional suggestions

CDI plans to start the campaign on labor rights of electronics sectors in particular the Samsung case as to strengthen protection mechanisms for workers' rights in the electronics industry in Vietnam by engaging stakeholders in constructive social dialogues and by enhancing workers' bargaining power to use these mechanisms to claim their rights.

Specific campaign goals are

- Access of situational information for citizens, consumers and media so that they can increase demand for corporate obligations to respect and protect laborers rights in electronic sector.
- Engagement of media and Trade Union in promoting and bargaining for protection of labor rights in the sector
- Awareness and role of policy makers/regulators increased in accountability to laborers on working conditions.

CDI also wants to join regional campaign and networks on electronic sectors. In Asia with ANROE, AMRC. With reference to the current emerging complaints and laws suit all around the world.<sup>1</sup>

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<sup>1</sup> <http://www.hindustantimes.com/world-news/Europe/Samsung-labour-practices-under-scanner-in-France/Article1-1017778.aspx>

[http://www.novethic.fr/novethic/rse\\_responsabilite\\_sociale\\_des\\_entreprises,ressources\\_humaines,conditions\\_de\\_travail,plainte\\_contre\\_samsung\\_accuse\\_bafouer\\_ses\\_engagements\\_ethiques\\_en\\_chine,139325.jsp?utm\\_source=newsletter&utm\\_medium=Email&utm\\_content=novethicInfo&newsletter=ok](http://www.novethic.fr/novethic/rse_responsabilite_sociale_des_entreprises,ressources_humaines,conditions_de_travail,plainte_contre_samsung_accuse_bafouer_ses_engagements_ethiques_en_chine,139325.jsp?utm_source=newsletter&utm_medium=Email&utm_content=novethicInfo&newsletter=ok)

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<sup>i</sup> Vietnam Electronics Industry Association (VEIA) report at <http://www.veia.org.vn/default.asp?page=newsdetail&newsid=8588>

<sup>ii</sup> The Social Hot Spots Database (<http://socialhotspot.org>) monitors countries that are most at risk of human rights violations and the presence of related social issues in different industries. Vietnam is listed in the area of Electronics and Computing Machinery Manufacturing as the second most critical 'social hot spot', after Indonesia, and followed by the Philippines, Thailand, India and China as reported at the Roundtable on Social Impacts of the Electronic Sector hosted by the Center for Responsible Business (University of California Berkeley, January 31st – February 1st, 2012, full access at [http://responsiblebusiness.haas.berkeley.edu/documents/presentations/roundtableelectronics2012/Roundtable\\_Summary\\_Final%5B1%5D.pdf](http://responsiblebusiness.haas.berkeley.edu/documents/presentations/roundtableelectronics2012/Roundtable_Summary_Final%5B1%5D.pdf)

<sup>iii</sup> Based on a number of surveys and studies on the electronics industry including:

Better Work. 08/2010. The Electronics Feasibility Study. Full access at <http://www.betterwork.org/EN/Publications/Documents/Better%20Work%20Electronics%20Feasibility%20Study%20Executive%20Summary.pdf>

MakeITFair. 11/2011. Out of Focus. Labour Rights in the Vietnam's digital camera factories. Full access at <http://makeitfair.org/en/the-facts/news/reports/out-of-focus>

And CDI's observations through working with workers in six industrial zones in Vietnam during 2010 – 2012.

<sup>iv</sup> For example, the Electronics Industry Citizenship Coalition (EICC).