

**GFMD / Bali Process regional consultation  
Opening session  
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- Dear co-chairs, thank you very much for giving me the floor. I joined Samsung end of 2018, prior to that I worked for the International Organisation of Employers, as its Secretary-General, and was very much engaged in establishing the GFMD Business Mechanism. It is a pleasure attending and presenting at this conference and engage in a constructive, important conversation on human rights in general and labor mobility and migration specifically and its challenges. In my intervention I will focus on our business reality and practices, what gaps we came across in migrant protection, what works in addressing irregular migration and what role technology can play.
- Let me start with sharing with you who we are, why labor mobility is important and what our practices and experiences are. We are a major provider of technology, and a leading player in consumer electronics and business solutions. Around 280,000 people work for Samsung Electronics in 74 countries. What many people may not know is that we at Samsung manufacture a significant share of our products and components in-house. Not only that, but we also provide technology that powers many other brands' products.
- We are committed to respecting the labor & human rights of our employees and of those who may be affected by our business activities. With a global workforce labor mobility is part of our daily reality for both white and blue collar workers. Zooming in on our white collar global mobility; free flow of talents and enabling legislation, policies and procedures are a must to support us in sharing knowledge and expertise, build capacity and drive our company culture. In some of the large countries we manufacture in we have a significant number of in-country blue collar migrant workers to accommodate growing our business and providing us with the skills we need as we are yet unable to find all these skills in the close proximity of our operations. Only in 4 countries we employ a small portion of cross-country blue collar migrant workers. Some of them are regular workers that in principle are employed by us directly, some of them work for us on a temporary contract.
- Our migrant worker's guidelines are in line with the Code of Conduct of the Responsible Business Alliance (RBA) and clearly state among others that neither Samsung employees nor employees of sub-contractors and suppliers shall pay recruitment fees, that passport or ID documents shall remain in the possession of the migrant workers and that a written employment contract shall be provided to migrant workers in their native language and shall be explained verbally to enable review and understanding prior to signing the employment contract and departure from the sending country.
- We have full control over our own operations. We take our business responsibility by putting policies in place, exercising due diligence, favoring direct recruitment and if that is not possible work with our accredited and approved recruitment agencies only, in principle employing migrant workers directly and providing them with support before, during and after employment.

- We do not control in full our supply chain. Our due diligence processes are in conformity with the RBA auditing process, but will and cannot give 100% reassurance every moment every day for all suppliers. Collaborative approaches with other companies in industry association such as the RBA work and are needed but are one piece of the puzzle only. Good example here to mention is the Responsible Labor Initiative (RLI) from the RBA.
- The RLI is a multi-industry, multi-stakeholder initiative focused on ensuring that the rights of workers vulnerable to forced labor in global supply chains are consistently respected and promoted. Supported by the Walmart Foundation and implemented jointly with Elevate the Responsible Workplace program focused most recently on Malaysia. RBA members have already led to RLI positive impacts for workers including: Reimbursement of \$40 million in recruitment fees, returning tens of thousands of passports and breaking the cycle of exploitation by transforming the market for ethical business practices and including workers in developing solutions.
- Reality is unfortunately that there is an “irregular work industry” where many benefit from, at the cost of migrant workers. If investigations reveal that issues exist such as recruitment fees being paid by migrant workers in our supply chain, we will work with our suppliers to ensure repayment of fees to the workers and put in place other necessary remedies.
- Not always will suppliers be willing to repay recruitment fee paid by migrant workers, improve housing conditions or live by the contractual standards. In that case we will ultimately have to discontinue our relation with that suppliers. These decisions are not taking lightly as we recognize that this does leave the migrant worker without remedy and without a job. Migrant workers therefore being covered by social protection from governments should be an avenue to be considered.
- We also spend time with our suppliers to educate them on responsible business conduct in general and migration specifically. We do this at least once a year and in some countries, such as Malaysia and Hungary, we worked with the International Organization for Migration to train our suppliers including recruitment agencies. We provide our migrant workers with housing facilities as well as with meals, leisure opportunities and health care. Especially for cross-country migrant workers we have to provide them with information and documentation in their own language. All new staff in Samsung production receives comprehensive training. Not only to ensure high quality and efficiency of our production but also to ensure that EHS standards and procedures are known and understood.

I have not mentioned yet COVID-19 but view that it is the right moment to do so now.

- We put health & safety first as one of our five business principles. The importance of treating everyone with dignity and respect and putting health and safety first became greater since the beginning of this January.
- When work was not or only partly possible our workforce was in principle paid in full. In some of the countries mandatory leave (full or in part) during closure was implemented as per policies. Communication with our workforce is primarily driven locally, we understand the importance of frequent communication, also for our migrant workers, as well as the collaboration with our employee representatives and work councils.

- Special attention is given to vulnerable workers such as migrant workers. Our dormitories remained available also during closures or part closures and were cleaned more frequently as per company and country guidance. We also paid more attention to mental wellbeing and how to deal with stress and uncertainty.
- How the future post COVID-19 will look like is still unclear; will we have a need for more or less migrant workers? Will we need different skills and competencies? What we do know is that for a sustainable business we need flexibility and agility in both volumes of our workforce as in skills and competencies as the future will continue to be different compared to the past.

I would like to conclude with the following observations in relation to the three key themes of this conference:

- Firstly, **gaps in migrant protection** are not the same everywhere and vary from unclear legislation, inconsistency of legislation across countries, limited ratification of ILO convention related to forced labor, non-official recruitment agencies and limitations in due diligence processes.
- Secondly, what works in **addressing irregular migration** and support us in doing business are solid and predictable in country legislation and enforcement of law. Strong legal, transparent, predictable and flexible tracks for employment will contribute to preventing irregular migration and hence reduce the risk for workers abuse, as that is what matters most.
- This should be complemented with capacity building, especially for the SME in the supply chain, to help them understand the rules and legislation and to increase compliance. In doing so, SME embracing responsible business conduct become more attractive in acquiring business from MNE, as the risk for non-compliance decreases and the rights of migrant workers are guaranteed.
- In working with recruitment agencies it would be of great help if government could actively accredit recruitment agencies after a sound due diligence process for us to do business with. We have good experiences in some countries.
- In our due diligence approaches to eradicate forced labor and modern slavery we have to acknowledge that one party or one company alone cannot solve this. We need collaborative approaches. Within the industry such as the Responsible Business Alliance but also multi-stakeholder collaboration at national and international level.
- Thirdly, **technology** should be our friend. Samsung is not a developer of apps, we produce hardware. Every migrant worker has a smart phone as this is their lifeline with their beloved ones. Governments could consider developing apps or actively promote already developed apps as great examples exist, to communicate policies and procedures including help line access. Online platforms for migration processes bring transparency and predictability to the processes. Such platforms also facilitate business's process to help them in recruiting the skills they need in their workforces. And access should only be allowed to accredited recruitment agencies.
- Thank you for your time and wishing all of you many inspiring conversations, where we dare to challenge ourselves, in the meetings ahead.