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The Honorable Moon Jae-in
President of the Republic of Korea
1 Cheongwa-daero, Seoul 03048
Republic of Korea

SK/GS/MS

21 March 2018

Samsung Electronics Vietnam

President Moon,

In advance of your visit to Vietnam and meeting with President Tran Dai Quang, the International Trade Union Confederation would like to outline serious concerns relating to human and labour rights in the country, specifically with respect to the operations of Samsung Electronics.

South Korea is bound by the OECD Guidelines for Multinational Enterprises, the ILO MNE Tripartite Declaration and the UN Guiding Principles on Business and Human Rights. I am pleased that in your Presidency you have repeatedly affirmed your commitment for Korea to ratify ILO core Conventions and to follow the recommendation of the National Human Rights Commission. The “New Southern Policy” your government is pursuing should therefore not only target forging economic ties with Southeast Asia, but must also reflect your commitments with respect to human rights, in particular as this pertains to the behaviour of your companies.

Samsung Electronics has committed grave abuses of workers’ rights and is responsible for the deaths of young workers in South Korea because of the use of toxic chemicals in its semiconductor operations. In Vietnam, Samsung Electronics has its largest plant manufacturing 50% of its mobile phones, and the company has become Vietnam’s largest foreign investor employing nearly 137,000 workers.

Recent research into conditions for women workers in Samsung’s factory in Vietnam by the Hanoi-based Research Centre for Gender, Family, Environment and Development (CGFED) and IPEN, a global network of environment and health NGOs working to reduce and eliminate harmful chemicals, found:

- There are no specific regulations on workplace safety in the electronics industry to safeguard the health of its workers, despite Samsung’s reputation for using toxic chemicals.
- Nearly one-third of electronics companies examined by the government violate Vietnamese law governing overtime work. A government investigation of 17 electronics companies found two with more than 100 hours/month overtime in peak months and three others with 50 – 60 hours/month overtime. Vietnamese law limits overtime to 30 hours/month. A

government study noted that “too much overtime is one of the main reasons leading to labour accidents in electronic companies” (MOLISA, 2016).

- None of the 45 female workers at Samsung interviewed for that study received a copy of their work contracts. This is a violation of Vietnamese law. All the women said that their work contracts are kept by the company and that they were not given a copy.
- The health impact of the electronics industry in Vietnam is unstudied and unknown. However, the government has noted the potential for serious health impacts of the electronics industry: "Problems relating to labour safety in the electronics industry can lead to cancer and heart attacks due to being exposed to chemicals, radiation and electronic waves ... But this is only an inference, without proving statistics, although there are real lead poisoning and occupational diseases" (MOLISA, 2016).
- Formation of trade unions and freedom of association is a requirement of ILO Conventions 87 and 98, but Vietnam has not ratified them. The Vietnam National Union of Workers in Industry and Trade (VUIT) is affiliated with IndustriALL and covers workers in the electronics industry. However, Samsung has a no-union policy and claims that it “has a principle of management that does not need trade unions”. An internal Samsung document described company actions to undermine formation of trade unions.

Given these enormous risks to human and labour rights in the operations of Samsung in Vietnam, we urge you to engage Samsung management both in Korea and in Vietnam to address these grievances and to ensure that the company carries out human rights due diligence with respect to Samsung subsidiaries and suppliers in Vietnam. Your leadership and commitment to human and labour rights is critical to ensuring respect for the rights of millions of workers in the region producing goods and providing services to multinational companies.

Yours sincerely,

A handwritten signature in black ink, appearing to be 'A. Bui', written in a cursive style.

General Secretary