



International
Labour
Organization

Advancing Fundamental Principles and Rights at Work on Forced Labour and Child Labour in Malaysia (Electrical and Electronics Sector)

July/2024

Electronics factory workers, Cikarang, Indonesia. © Asrian Mirza/ILO

▶ At a glance



Key areas of work

- ▶ Enhancing stakeholder knowledge and capacity
- ▶ Research and analysis
- ▶ Policy advice, tools and guidance



ILO Constituents and Key Partners

- ▶ Government: Ministry of Human Resources, and other ministries/agencies
- ▶ Employer and Business Membership Organizations (EBMOs)
- ▶ Workers' organizations
- ▶ Civil society organizations (CSOs) and non-governmental organizations (NGOs)



Donor

Employment and Social Development Canada (ESDC)



Budget

US\$550,232.09



Duration

2023 – 25



Target beneficiaries

Employers and workers in the sector, policymakers, and other key industry stakeholders



Sectoral focus

Electrical and Electronics Sector

▶ About the project

The project aims to assist Malaysia in improving labour rights and working conditions, particularly for vulnerable workers, through a broader and more sustainable approach. More specifically, it seeks to address forced labour and child labour issues in Malaysia's manufacturing sector, including the electrical and electronics (E&E) sector. The project is designed to enhance national and sectoral actions to adopt law and implement international labour standards in Malaysia, and to promote freedom of association and the right to collective bargaining. It also supports Priority 1: Rights at Work - protecting and promoting rights at work – of the Decent Work Country Programme in Malaysia. Furthermore, the project supports the implementation of Malaysia's National Action Plan on Anti-Trafficking in Persons 3.0 (NAPTIP 3.0), which identifies manufacturing as a sector confronted with human trafficking and forced labour, and seeks to support the Malaysian government in its effort to combat the issues. The project is in line with Strategic Goal No. 4 of the National Action Plan on Forced Labour (2021-2025), which aims to ensure that victims of forced labour will have improved access to remedy, support and protection services, while systems to prevent forced labour will be improved in high-risk sectors including manufacturing.

Electrical and electronics sector in Malaysia: Key facts

- The National Industrial Master Plan 2030 acknowledges global trends like digitalization and supply chain disruptions, aiming to position Malaysia to benefit from these shifts in the E&E landscape
- GDP contribution: The sector contributed 5.8 per cent to the GDP in 2023 and is set to achieve 120bn Malaysian ringgits in GDP growth and 495bn ringgits in export earnings by 2025
- Employment hub: The E&E industry is a significant employer, offering both high-skilled and semi-skilled jobs, with many segments still reliant on migrant workers
- Geographic concentration: Malaysia's E&E industry is concentrated in five geographical regions – Northern, Central, Southern, Eastern and Sarawak
 1. Penang as the leading E&E hub focuses mostly on the manufacturing of semiconductor components.
 2. Klang Valley and Seremban focus primarily on consumer electronics and other electrical end-products.
 3. Johor focuses on mostly manufacturing-related services (MRS) and semiconductor
 4. back-end operations.
 5. East Coast states such as Pahang, Terengganu and Kelantan are mostly dominated by SME.
 6. Sarawak mainly focuses on producing raw materials for the industry.

► Project approaches

- Engaging in policy conversations with government agencies and social partners to discuss recommendations from research including the review of systemic barriers to victim-support services. This will help create a victim-protection policy framework.
- Building public awareness by creating government-led communications strategy on the new National Action Plan on Forced Labour, which incorporate measures on child labour. Promoting fundamental principles and rights at work in the context of ESG framework, responsible business conduct and human rights due diligence with employers associations and enterprises in the sector.
- Facilitating the organizing and empowerment of women and migrant workers in the E&E sector to encourage freedom of association and capacity building for workers organizations.

► Expected project outcomes

- **Outcome 1:** By 2026, laws and policies to address forced labour and child labour take into consideration specific vulnerabilities and needs of at-risk population and are gender- and age responsive.
- **Outcome 2:** By 2026, enforcement of forced and child labour laws is strengthened, and victims' rights are protected.
- **Outcome 3:** By 2026, the public is sensitized about forced and child labour laws.
- **Outcome 4:** By 2026, freedom of association and the right to collective bargaining of women and men, local and migrant workers, in the E&E sector in Malaysia are enhanced and contribute to addressing forced labour and child labour.

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