

20 December 2006

**SOMO response to Nokia comments on:
The High Cost of Calling: Critical Issues in the Mobile Phone Industry**

Nokia alleges that SOMO's report on the mobile phone industry contains "some significant errors". As an example, Nokia cites, "Nokia does not work with several of the companies highlighted in the report - HIVAC, P.Imes and Micro-devices". Although large companies are often unaware of the companies that supply small parts for their phones, SOMO's report simply notes the facts: workers at these factories identified Nokia as a customer but Nokia asserts that no relationship exists (see p. 37 of the report). In the Hivac case, SOMO reprinted (in Annex 1) the letter that was written by workers to Nokia and Motorola before Nokia responded that Hivac is not a supplier and that it would investigate possible production of counterfeit Nokia products. This series of events is clearly recounted in SOMO's report (see p.29). Information about the relationship between Nokia and P.IMES can be found on page 37 of the report, Nokia and Microdevice Technology on p. 38.

Nokia also refers to "errors" in the report regarding their factory in Chennai, India, but in its written response the company does not say what these errors might be. Since the company previously expressed concern about SOMO's findings on freedom of association and employment contracts in its factory, Nokia is presumably referring to this again in its statement. Page 82 of SOMO's study states that workers at Nokia's factory reported being told not to join a union or engage in any union activity. Nokia headquarters claims that "this is not [their] policy". Page 82 of the report also explains that workers at Nokia reported not receiving a contract until several months after beginning work. Again, Nokia headquarters says that this is not their policy. This discrepancy is a perfect example of the unfortunate reality in the mobile phone industry in which companies' policies are not always translated into realities for the workers.

SOMO welcomes and encourages Nokia's investigations into working conditions at two of their suppliers in Thailand. In fact, rather than isolated, ad hoc investigations, SOMO encourages all mobile phone companies to proactively monitor their entire supply chains, i.e. direct and sub-tier suppliers, to make sure that human rights and labour standards are not being violated in the manufacture of their products.