A Collection of good practice examples
— to combat exploitation in supply chains from members of the Bali Process Working Group on Trafficking in Persons
The Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime (Bali Process) was established in 2002 and is a voluntary and non-binding regional consultative process co-chaired by the Governments of Australia and Indonesia. It comprises 46 member countries and four international organizations.

Published: June 2021
**Foreword**

We are pleased to present this *Compendium of Good Practice Examples to Combat Exploitation in Supply Chains* (Compendium) on behalf of the Bali Process Working Group on Trafficking in Persons (Working Group). The Compendium brings together a collection of good practice initiatives from Working Group members to guide government action in the region to combat exploitation in supply chains. It delivers on a priority agreed by the Working Group at its 2019 Annual Meeting, and contributes to priorities of the Government and Business Forum, articulated in the Acknowledge, Act, Advance (AAA) Recommendations.

Exploitation in supply chains can take many forms including trafficking in persons, slavery, and serious forms of labour exploitation such as servitude, forced labour, debt bondage and deceptive recruitment for labour or services. Unfortunately, these practices are more prevalent than ever before. The International Labour Organization estimates that over 24 million people are trapped in forced labour globally, including 16 million in private sector supply chains. No country is immune and no industry or sector is without risk.

Furthermore, the COVID-19 pandemic has resulted in new and heightened risks of trafficking in persons and exploitation in the region. The economic impacts of COVID-19 are exacerbating the drivers of trafficking in persons, including loss of work and income. COVID-19 also presents challenges in identifying and supporting victims.

Governments have an important role to play in combating exploitation and taking action, including in collaboration with the private sector, international organizations and civil society. However, we cannot combat these crimes alone. We need a strong regional and international response to address exploitation and to protect and support those at risk.

This Compendium is a product of regional collaboration and cooperation. It brings together knowledge and expertise from the sixteen countries and three international organizations that are members of the Working Group with the aim of facilitating information and knowledge sharing on initiatives to combat exploitation in supply chains to inspire government action on a global scale.

We look forward to continuing our work with the Working Group and broader Bali Process membership to strengthen government responses to exploitation in supply chains and to work towards a future where no person is a victim of these crimes.

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**Terminology**

This Compendium uses the term exploitation to describe trafficking in persons, slavery, servitude, forced labour, debt bondage and deceptive recruitment.

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**Acronyms and abbreviations**

- **Bali Process**: Bali Process on People Smuggling, Trafficking in Persons and Related Transnational Crime
- **GABF**: Bali Process Government and Business Forum
- **ILO**: International Labour Organization
- **IOM**: International Organization for Migration
- **IPEC**: International Programme on the Elimination of Child Labour
- **NGO**: Non-government organization
- **OECD**: Organisation for Economic Co-operation and Development
- **RSO**: Bali Process Regional Support Office
- **SDGs**: The United Nations Sustainable Development Goals
- **Compendium**: Compendium of Good Practice Examples to Combat Exploitation in Supply Chains
- **UN**: United Nations
- **UNGP**: United Nations Guiding Principles on Business and Human Rights
- **UNHCR**: United Nations High Commissioner for Refugees
- **UNODC**: United Nations Office on Drugs and Crime
- **Working Group**: Bali Process Working Group on Trafficking in Persons

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1. International Labour Organization, “Forced labour, modern slavery and human trafficking” 2014

Combating Exploitation in Supply Chains

Millions of people globally are exploited in the supply chains of the goods and services that we sell, buy and consume every day. Exploitation in supply chains can occur in every industry and sector, including in the production of clothing and food, the construction of essential infrastructure such as roads and buildings, and delivery of services including cleaning. Exploitation is pervasive in supply chains in all regions of the world and generates an estimated US$150 billion of illicit profits annually.²

What do ‘supply chain’ and ‘supply chain transparency’ mean?

Every government and business has supply chains. These supply chains are made up of the people that supply the government or business with the products and services it needs to operate. For example, the supply chains of a fashion company include labourers who pick the cotton, workers who process the cotton into fabric, workers who sew the fabric into clothes, truck drivers who transport the finished garments to the fashion company’s shops, and sales staff in those shops. Similarly, a government’s supply chain in construction might include labourers who source raw materials, workers who process the raw materials into construction products, workers who transport goods from factories to construction sites, and builders who work on construction sites.

Often, workers in supply chains can be vulnerable to trafficking in persons and exploitation. However, many governments and businesses know very little about their supply chains. This makes it difficult to detect trafficking in persons and exploitation that may be taking place in supply chains. Governments and businesses can learn more about their supply chains by taking steps to understand how the products and services they use are produced and delivered. This helps to make supply chains more transparent and means cases of trafficking in persons and exploitation can be identified.

Scale and scope of the problem

Exploitation in supply chains is a significant global issue. The International Labour Organization (ILO) estimates that there are more than 24 million victims of forced labour globally.³ Of these, 16 million are estimated to be exploited in global supply chains including in industries such as construction, textiles, agriculture and domestic work.

50% of these victims are exploited through debt bondage.⁴

4.8 million victims are in forced sexual exploitation, and 4 million are in state-imposed forced labour.⁴

Women and girls are disproportionately affected, comprising 99% of victims in the commercial sex industry, and 58% in other sectors.⁴

Forced labour occurs in every country in the world. However, it is most prevalent in Asia and the Pacific.⁵

New and ongoing challenges

Certain global conditions can create a workforce vulnerable to exploitative practices. These include:

- geographic risks of conflict, high migration flows, displacement and poor governance
- business operations driven by a ‘race to the bottom’ to produce goods and services as cheaply as possible, and
- the increasingly complex nature of supply chains.

These conditions remain ongoing challenges in global efforts to address exploitation in supply chains. At the same time, new and emerging challenges, such as the global COVID-19 pandemic, require urgent responses and innovative solutions.

Geographic risks

Every country in the world can be susceptible to root causes or drivers that increase vulnerability of populations to exploitation. These can include:

- displacement, including because of conflict or natural disasters
- poverty, including because of unemployment or underemployment
- weak rule of law
- inequality and marginalization
- flawed international recruitment practices, and
- poor workplace protections.

Corporate practices – a ‘race to the bottom’

Businesses and governments can contribute to the exploitation of workers by participating in a ‘race to the bottom’ to reduce costs, and reduce production and delivery times. When exploring cost-cutting measures, businesses may overlook the human rights impacts of their decisions, especially on the most vulnerable workers hidden deep in their supply chain.

Similarly, in a race to attract foreign investment, governments may reduce regulation and enforcement of decent working conditions to lower labour costs for businesses operating in that country. Governments can instead work with the private sector to drive a ‘race to the top’ to improve workplace practices across business. Governments can do this by supporting business purchasing practices that promote responsible and transparent supply chains and by strengthening public sector procurement processes to encourage responsible business practices.

Tip: Work with the private sector to build understanding

- It is important that governments work with the private sector to explore opportunities to encourage responsible business conduct and improve supply chain transparency, including through regulatory and non-regulatory initiatives.
- Governments can also work with their own suppliers to address risks of exploitation in public sector supply chains, including by setting clear expectations for Government suppliers.

Supply chain complexity

The global nature of supply chains means that sourcing, production, manufacture and distribution of goods and services can occur in different parts of the world. Global supply chains are also increasingly complex and faster moving than ever before. This means that supply chains can be extremely difficult to identify and to trace. Most goods pass through a long chain of producers, manufacturers, distributors and retailers before they reach the consumer. Because of this, exploitation can be hidden deep in the supply chain and be difficult to identify and uncover. As a result, businesses and governments can often unknowingly contribute to exploitation.

The COVID-19 pandemic

The global COVID-19 pandemic has heightened risks of exploitation for those most vulnerable to these practices, including workers in global supply chains. There are a range of factors that are driving heightened risks, including:

- loss of work and income
- low awareness of workplace rights
- requirements to work excessive overtime to cover capacity gaps
- increased demand due to supply chain shortages, and
- travel restrictions that limit the ability of workers to safely return to home countries.

At the same time, restrictions on travel and interpersonal interaction, as well as changes to workforce conditions have disrupted existing risk assessment processes and controls. These factors have combined to increase the risk of workers in global supply chains becoming vulnerable to exploitation. It is important that governments and businesses alike continue to monitor and work together to address the increased risks of exploitation brought about by COVID-19.
What does exploitation in supply chains look like?

What is exploitation?

Exploitation in supply chains includes a range of serious exploitative practices where coercion, threat or deception are used to exploit victims and undermine or deprive them of their freedom. For the purposes of this Compendium, exploitation does not include practices like substandard working conditions or underpayment of workers, although these practices are harmful and may be present in some cases of exploitation. The below boxes illustrate what worker exploitation can look like in contrast to decent standards of work.

Exploitation in global supply chains

Many of the world’s victims of exploitation are exploited in global supply chains. Exploitation can occur in every stage of the supply chain, including:

- production of raw materials
- manufacturing and refinement of goods
- supply of services, such as cleaning and security services
- shipping or delivery of goods around the world, and
- disposing, dismantling or removing goods that are no longer being used.

Exploitation can also occur at any point of the labour cycle, including at the point of recruitment, anytime during employment, and even at exit. Despite the many ways that exploitation can manifest in supply chains, there are a number of core characteristics that can indicate a higher risk of exploitation:

- **Sector and industry risks:** Certain sectors and industries may have high exploitation risks because of their characteristics, products and processes. For example, industries that are recognized as high-risk globally include extractives, textiles and fashion, fishing, electronics, cleaning and agriculture.
- **Product and services risks:** Certain products and services may have high exploitation risks because of the way they are produced, provided or used.
- **Geographic risks:** Some countries may have higher risks of exploitation due to poor governance, weak rule of law, conflict, corruption, displacement, State failure to protect human rights, high migration flows and socio-economic factors like poverty or widespread discrimination.
- **Business risks:** The nature of the supply chain model of a particular entity can create a higher risk of exploitation. For example, widespread reliance on subcontracting and the use of labour recruiters can increase trafficking in persons and exploitation risks.

### Forms of Worker Exploitation

- Worker cannot refuse or cease work because of coercion, threats or deception, including in relation to debt
- Worker is deprived of personal freedom

### Dangerous or Substandard Working Conditions

- Worker can refuse or cease work but doing so may lead to detriment
- Worker is not paid fairly and does not receive some or all entitlements
- Worker is required to work excessive hours
- Workplace is unsafe

### Decent Work

- Workers’ rights are respected
- Worker is free to refuse or cease work
- Worker is paid fairly (at least the minimum wage)
- Workplace is safe
The following hypothetical sector-specific case studies provide examples of exploitation practices that occur every day in global supply chains and highlight some of the difficulties with identifying and responding to these practices. The sectors featured in these case studies are generally considered higher risk for exploitation, including forced labour.

### Shipping Sector – Case Study

The shipping sector presents unique challenges to combating exploitation. Seafarers are particularly vulnerable to risks of exploitation due to long periods of physical and geographical isolation, and frequent visits to foreign countries. Regulatory and enforcement mechanisms in the shipping industry tend to be weak. Additionally, a fear of reporting, or lack of awareness of available reporting mechanisms, means that the true number of seafarers in need of support is much higher than the data shows. Foreign flagged vessels operating within a country’s waters present the greatest risks, as the host country often does not investigate conditions on board.

**Example:** Simple Shipping is a global shipping container company that provides sea freight services to a number of large companies. After receiving an anonymous tip-off, one of Simple Shipping’s cargo vessels is detained in a port. When investigators board the vessel, crew members report having to drink seawater as there was no drinkable water on board the vessel. They also report they were forced to eat inedible food. None of the crew members had been paid for the last 12 months. They were unable to leave the ship at any time, even when docked, and had paid significant fees to secure the jobs in the first place.

### Construction Sector – Case Study

The long and multi-tiered supply chains and high rates of subcontracting in the construction sector can result in little visibility and control over suppliers and subcontractors’ recruitment and employment practices. The production of many materials used in construction can also involve significant exploitation risks, including bricks, stone, concrete, and recycled steel. A high proportion of labour for construction projects may come from low-skilled migrant workers vulnerable to exploitation.

**Example:** Construction Corps is a large construction company specializing in the construction of roads and rail bridges. Construction Corps’ bridge building programs have an emphasis on offsite pre-fabricated elements made from steel and concrete. Construction Corps’ supply chains for these pre-fabricated elements include overseas ship-breaking yards in coastal regions. Unknown to Construction Corps, these ship-breaking yards are using forced labour to generate scrap steel to recycle for steel making. When these practices are brought to Construction Corps’ attention, investigations reveal that Construction Corps cannot determine which of its bridge elements were generated through forced labour.

### Electronics Sector – Case Study

Supply chains in the electronics sector are particularly complex and often involve multiple levels of offshore subcontracting to produce and manufacture electronics. This can make it difficult for businesses to have visibility of their full supply chain and increases the risk of exploitation, including forced labour. In addition, growing use of third party labour recruitment agencies can increase worker vulnerability to exploitation.

**Example:** A multinational corporation has signed a new contract with a large electronics company, Everyday Electronics to supply all of its global offices with computers, laptops and monitors. Everyday Electronics subcontracts manufacturing to ElectroStack, a company based in a third country. A local NGO in the third country has found that ElectroStack workers are lured from other countries by third-party recruiting companies who promise them a good salary, steady work and good opportunities. The workers all pay significant sums of money to the recruiters to secure their passage to the host country and employment with ElectroStack. They are told that the recruiters will arrange their work visas and housing when they arrive. However, when the workers arrive, their passports are taken from them and they are forced to share small rooms with a dozen other workers in poor living conditions. They are not given proper work visas and are told that if they try to leave, ElectroStack will report them to the police for migration offences.

### Tip: Address practices that may facilitate exploitation

Governments can take steps to address practices in operations and supply chains that may cause or contribute to exploitation, including:

- charging workers recruitment fees
- tying workers’ accommodation to their employment status
- confiscating identification documents, such as passports
- imposing unmanageable lead times and purchasing practices, and
- underpayment, including unlawful wage deductions.
**Textiles Sector – Case Study**

Globally, the textile industry is recognized as a high-risk sector for exploitation due to risks associated with the production of raw materials and the subsequent processing of these materials. There is limited visibility of textiles supply chains due to widespread and sometimes unauthorized subcontracting which can make it difficult to identify criminal practices. Walk Free Foundation’s Global Slavery Index 2018 Report estimates that G20 countries import over $127 billion worth of garments, with many at risk of being produced with forced labour.

**Example:** Umbrella Uniforms is a clothing company that supplies uniforms to a number of large businesses including fast-food chains and retailers. Umbrella Uniforms engages a range of overseas subcontractors to produce its uniforms. To minimize costs, Umbrella Uniforms regularly changes subcontractors and often uses short-term contracts to fulfill high volume orders. An investigation reveals one of Umbrella Uniforms’ subcontractors is producing uniforms in factories where forced labour is prevalent. The uniforms are then falsely labelled by the supplier as made in a different country.

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**Tip: Consider how you can benefit from third-party expertise**

- Governments can reflect on where to draw on subject matter expertise to improve their overall response to exploitation, including by collaborating with industry bodies, multi-stakeholder initiatives, international organizations, expert NGOs and trade unions.

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**Defining exploitation in an international context**

Governments are in a unique position to develop and implement effective legal frameworks to combat exploitation in supply chains. There are a number of international laws and standards that can guide Governments’ efforts to develop these frameworks and combat exploitation in supply chains.
The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children

The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children (TIP Protocol) supplements the United Nations Convention against Transnational Organized Crime. It is the primary international instrument that guides governments’ response to trafficking in persons. The TIP Protocol provides important guidance to States on establishing and implementing effective responses to combat trafficking in persons, including in global supply chains.

Key obligations

There are twenty articles in the TIP Protocol. Key obligations for States include:

- Adopting legislative and other measures to criminalize trafficking in persons and ensuring that criminal responsibility extends to:
  - attempts to commit a trafficking offence
  - participation as an accomplice in a trafficking offence, and
  - organizing or directing others to commit a trafficking offence.

- Criminalize the forms of exploitation linked to trafficking in persons, including:
  - forced labour
  - debt bondage
  - sexual exploitation, and
  - non-consensual removal of organs.

- Addressing the demand for exploitation that drives trafficking in persons crimes and the drivers that increase vulnerability to trafficking in persons crimes.

- Working collaboratively with civil society organizations and other non-government stakeholders to establish policies, programmes and other appropriate measures to combat and prevent trafficking in persons.

- Providing support and protection to victims, including by:
  - protecting their identity, privacy and internationally recognized human rights
  - providing physical protection, protection from revictimization and the necessary physical, psychological and social means of recovery
  - implementing measures that offer victims the possibility of obtaining compensation for damages suffered, and
  - facilitating the repatriation of victims with due regard to their safety.

ILO Forced Labour Convention, 1930 (No. 29)

The Convention Concerning Forced or Compulsory Labour, 1930 (No.29) (Forced Labour Convention) is one of the eight fundamental conventions of the ILO. The Forced Labour Convention provides important guidance to States on strengthening their efforts to combat forced labour in all its forms.

Key obligations

- Suppress the use of forced or compulsory labour in all its forms within the shortest possible period.
- Ensure that the penalties imposed by law are effective and strictly enforced.
- Punish forced or compulsory labour as a penal offence.

P029 – Protocol of 2014 to the Forced Labour Convention, 1930

This Protocol requires Member States to provide protection and effective remedies, including compensation, to victims of forced labour. It also obligates States to develop a national policy and plan of action for the effective and sustained suppression of forced or compulsory labour. The adjoining Recommendation 203 includes supplementary measures on the role of the private sector and addressing forced labour in their operations.

ILO C189, Domestic Workers Convention, 2011

The Domestic Workers Convention sets labour standards for domestic workers and entered into force in September 2013. The Convention stipulates that workers should be afforded daily and weekly rest hours, entitlement to minimum wage, and to choose where they live and spend their leave. The Convention also states that ratifying States should take protective measures against violence and should enforce a minimum age, consistent with the minimum age at other types of employment.

United Nations Guiding Principles on Business and Human Rights

The United Nations Guiding Principles on Business and Human Rights (UNGPs) is a global standard endorsed by the United Nations Human Rights Council in 2011. Consisting of 31 principles, the UNGPs aim to support implementation of the United Nations’ “Protect, Respect and Remedy” framework. The UNGPs provide States and businesses with important guidance on how to effectively shape business good practice and build corporate responsibility. Effective integration of the UNGPs into business practice can assist in creating an environment that is conducive to respecting and protecting human rights.

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Key standards
The UNGPs set out clear standards for States, including the following:

Recognizing States’ existing duty under international law to preserve and protect human rights and fundamental freedoms, including:

- protecting against human rights abuse by businesses
- taking appropriate steps to prevent, investigate, punish and redress human rights abuse through effective policies, legislation, regulations and adjudication
- setting clear expectations that businesses respect human rights
- enforcing laws that require businesses to respect human rights
- providing guidance to businesses on how to respect human rights and encouraging them to communicate how they address their human rights impacts, and
- exercising necessary and appropriate oversight over business activities to ensure human rights are being respected.

Providing access to remedy for victims of business-related abuses, including:

- taking appropriate steps to ensure that when human rights abuses occur, those affected have access to effective remedy
- ensuring the effectiveness of domestic judicial and non-judicial grievance mechanisms concerning human rights abuses
- ensuring that there are minimal legal, practical and other business-relevant barriers for those seeking remedy, and
- ensuring that non-judicial grievance mechanisms are legitimate, accessible, predictable, equitable, transparent, rights-compatible and a source of continuous learning.

Businesses also have obligations under the UNGPs, including:

- undertaking corporate responsibility activities to respect human rights and comply with applicable laws
- expressing their commitment to respecting human rights through a comprehensive, public and accessible policy statement
- addressing and assessing any adverse human rights impacts with which they are involved, and appropriately integrating any findings from these impact assessments across internal functions and processes, and
- carrying out ongoing human rights due diligence so as to identify, prevent, mitigate and account for how they address their adverse human rights impacts.

Key terms: Definitions and concepts
Criminal Exploitation

**Trafficking in Persons**

Trafficking in persons is the recruitment, transportation, transfer, harbouring or receipt of a person by deceptive, coercive or other improper means, for the purpose of exploiting that person. Trafficking can occur within a country or between countries. Article 3(a) of the TIP Protocol specifies three key elements to a trafficking in persons offence:

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<thead>
<tr>
<th>Action</th>
<th>Means</th>
<th>Purpose</th>
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<tbody>
<tr>
<td>Recruitment</td>
<td>Threat of use of force</td>
<td>Exploitation including:</td>
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<tr>
<td>Transportation</td>
<td>Coercion</td>
<td>- Exploitation of the prostitution of others</td>
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<tr>
<td>Transfer</td>
<td>Deception</td>
<td>- Other forms of sexual exploitation</td>
</tr>
<tr>
<td>Harbouring</td>
<td>Abduction</td>
<td>- Forced labour or services</td>
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<tr>
<td>Receipt of persons</td>
<td>Fraud</td>
<td>- Slavery or practices similar to slavery</td>
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<td></td>
<td>Abuse of power</td>
<td>- Servitude</td>
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<td></td>
<td>Abuse of positions of vulnerability</td>
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<tr>
<td></td>
<td>Giving or receiving payments or benefits</td>
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**Slavery**

The United Nations Slavery Convention of 1962 defines slavery as the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised. This includes when the ownership arises because of a debt or contract made by the victim.

Slavery may include circumstances where someone:

- buys or sells another person
- uses a person or their labour in a substantially unrestricted manner
- controls a person’s movements, or
- makes a person work with little or no pay.

**Servitude**

Where an individual is either not free to stop working or leave their place of work and their personal freedom is also significantly restricted.

**Deceptive recruiting for labour or services**

Where an individual is deceived about the type of work they will be doing, the length of their stay, their living or working conditions or how much they will earn.

**Debt bondage**

Where an individual works to repay a real or perceived debt that is excessive and that they may never be able to pay off. Often, the individual has little control over how long they must work or what type of work they need to do to pay back the debt.

**Forced labour**

The ILO’s Forced Labour Convention, 1930 (No.29) defines forced labour as all work or service which is extracted from any person under the threat of a penalty for which the person has not offered himself or herself voluntarily.

This definition consists of three elements:

1. **Work or service** refers to all types of work occurring in any activity, industry or sector including in the informal economy.
2. **Menace of any penalty** refers to a wide range of penalties used to compel someone to work.
3. **Involuntariness** refers to the absence of free and informed consent of a worker to take a job and his or her freedom to leave at any time.
Worker Protection

Fair and ethical recruitment

Ethical recruitment is the process of engaging a worker fairly, transparently and on merit. The ILO’s General principles and operational guidelines for fair recruitment promotes that recruitment should take place in a way that respects, protects and fulfills internationally recognized human rights.

The Institute for Human Rights and Business’ Dhaka Principles for Migration with Dignity are a set of human rights based principles to enhance respect for the rights of migrant workers from the point of recruitment and throughout a term of employment.

The below highlights the 10 Dhaka Principles:

1. No fees are charged to migrant workers
2. All migrant worker contracts are clear and transparent
3. Policies and procedures are inclusive
4. No migrant workers’ passports or identity documents are retained
5. Wages are paid regularly, directly and on time
6. The right to worker representation is respected
7. Working conditions are safe and decent
8. Living conditions are safe and decent
9. Access to remedy is provided
10. Freedom to change employment is respected, safe return guaranteed

Due Diligence

The term ‘due diligence’ refers to the ongoing responsibility to carry out processes which identify, prevent, mitigate and account for human rights violations. These processes should include assessing actual and potential human rights impacts, integrating and acting upon the findings, tracking responses, and communicating how impacts are addressed.

The UNGPs recommend that States should take additional steps, where appropriate, to require human rights due diligence by State agencies and by business enterprises receiving their support and business. This type of action will help to protect against human rights abuses by government agencies and business enterprises that are owned or controlled by the State, or that receive substantial support and services from State agencies.

Grievance mechanism

Grievance mechanisms and remediation are key concepts in the UNGPs and are important parts of an effective response to combating criminal exploitation in supply chains. Grievance mechanisms refer to formal, legal or non-legal complaints processes that can be used by individuals, workers or communities that are being negatively affected by certain business activities and operations.

The UNGPs stipulate that an organization that identifies they have caused or contributed to adverse human rights impacts must provide for, or cooperate in, the remediation of the impact. Remediation can take many forms, including taking steps to ensure the harm cannot recur, formal apologies, compensation, or stopping certain activities.

The Employer Pays Principle

The Employer Pays Principle requires that no worker should pay for a job; the costs of recruitment should be borne not by the worker but by the employer. Costs and fees associated with recruitment, travel and processing of migrant workers should be covered by the employer from their home community to the workplace, as well as the costs associated with a worker’s return when the relocation is not permanent.

Adoption of the Employer Pays Principle is in alignment with the UNGPs and represents an important step in achieving UN Sustainable Development goal 8.7 on decent work for all. This approach will protect migrant workers and counter the risk of forced labour in global supply chains.
What can governments do?

There are a range of ways that governments can strengthen responses to exploitation in supply chains. These include:

- **leading by example** and encouraging best practice through their own public sector procurement
- using government’s market leverage as a major procurer to drive positive change
- strengthening legal and policy frameworks, and
- developing awareness-raising and capacity-building initiatives

Leading by example and encouraging best practice

Governments are in a unique position to set clear standards for good practice by leading by example in combating exploitation risks in their own procurement. Globally, governments are showing an increasing commitment to this type of proactive action. A strong and comprehensive government approach to combating exploitation in supply chains can serve as an example of good practice to businesses and civil society. As procurers of significant amounts of goods and services, governments are encouraged to look at trafficking and exploitation in the supply chains of their own procurements and investments. Governments can take steps to identify areas across their supply chains that may have a high risk of trafficking and exploitation. Effective identification of these high risk areas can allow for governments to take targeted action in assessing and addressing these risks.

New Zealand: Ethical and Sustainable Work Practices Guidance

The New Zealand Government has developed a suite of resources to influence business and government to implement fair treatment of workers through the use of ethical and sustainable work practices. The resources, which are targeted at employers, procurers, franchisors, and recruiters, focus on employment standards and labour and human rights risks. These resources are also relevant to New Zealand’s implementation of a new broader outcome procurement rule ‘Improving working conditions for New Zealand workers’, which increases expectations on business to improve conditions for workers in high risk industries.

**Resources include:**

- **Employment Standards Checklist**
  - An editable checklist employers can follow to assess compliance.

- **Employment Standards Guide**
  - A guide to accompany the checklist including relevant explanations of the legislation that relate to employment standards.

- **Helpful steps**
  - Initial steps procurers can take to identify and minimize labour rights risks in supply chains.

- **Procurement process**
  - Steps that could be implemented in the procurement process to aid in assuring supply chain compliance with employment standards.

- **Table of risk factors**
  - Risk factors to help identify areas of non-compliance.

- **List of mitigations**
  - Mitigations to consider following an assessment of risk.

- **Franchisor guidance**
  - Tools to help franchisors monitor and manage employment compliance risks throughout the life of a franchise contract.

- **Recruiter considerations**
  - Due diligence questions for recruiters and employment brokers to ask before placing a candidate in another organization.
The New Zealand Government developed these resources through:

- **Research** of existing international and local guidance.
- **Engaging** with high risk sectors on their existing processes and sector risks.
- **Learnings** from government agencies implementing practices in procurement processes.
- **Consultation** with organizations demonstrating best practice.
- **Discussions** with experts in procurement, human and labour rights, and assurance.

**Purpose**

The New Zealand Government developed these resources with the intention that they will:

- help users understand and apply ethical and sustainable work practices in relation to the treatment of workers
- raise awareness of increasing demands from stakeholders for fair treatment of workers, and
- outline approaches that entities can take to assure themselves that their organizations and supply chains treat workers fairly.

Through effective implementation, these resources will have a positive effect on the health, safety, productivity and wellbeing of workers around the world.

**Looking Ahead**

New Zealand’s government agencies have utilized the recently released resources in undertaking cleaning service procurements. The Government is learning about the practical application of the guidance through uptake of the resources and through engagement with industry and government agencies. The resources act as a useful starting point for organizations to take action and responsibility for addressing labour exploitation in their own organization and their supply chains. To access the resources, please visit: [https://www.employment.govt.nz/workplace-policies/ethical-sustainable-work-practices/](https://www.employment.govt.nz/workplace-policies/ethical-sustainable-work-practices/).

The Ministry of Business, Innovation and Employment is continuing to support sector leaders and government agencies to implement the resources and is also developing additional guidance for Directors and Investors.

**Tip: Collaborate on the approach**

- Governments can leverage the expertise of other organizations to protect workers from exploitation and respond to cases of exploitation.
- Governments can consult expert international organizations, reputable NGOs, academics and frontline officials to develop a comprehensive and robust response to exploitation in supply chains.
Government leverage

Governments have significant leverage to use their procurement activities to drive positive change by suppliers to ensure workers in global supply chains have access to decent work and are free from exploitation. Due to the size and scope of public sector procurement, Governments are in a unique position to drive good practice across all levels of government, business, and the wider community.

Collaboration

The RST was established in close collaboration with United States Government agencies and NGO partners. The United States Government collaborated primarily with the supply chain management NGO, Verite, in addition to working with Made in a Free World and the Aspen Institute. In developing the RST, the United States Government and Verite solicited input from survivors of human trafficking and other private sector and civil society stakeholders.

The United States funded the efforts of NGOs and worked closely with Verite to pull together the RST for companies, federal contractors, federal procurement and contracting professionals, advocates, investors, consumers and others seeking to address trafficking in persons in their supply chains.

Looking Ahead

The RST continues to evolve and expand to include new industries related to both government and private sector supply chains. A new set of tools tailored to meet the needs of the diverse private security sector is currently under development. The United States Government is looking to develop a training webinar to assist with the marketing and distribution of these new tools.

The RST has shown to be a valuable resource. Data analytics show that site usage has steadily grown, including new and returning users from countries around the world. In order for the online platform to reflect accurate data and remain up to date, the United States Department of State requires continued financial resources and the contribution of subject matter experts. To access the RST, please visit https://www.responsiblesourcingtool.org/
Strengthening legal and policy frameworks

Governments can also drive meaningful change through legislative initiatives. Robust legal frameworks provide the basis for a strong and effective response to exploitation in supply chains. Key actions governments can take to strengthen legislative frameworks include:

- **Maintaining** a strong criminal justice framework and penalty regime that combats trafficking in persons and exploitation.
- **Ensuring** legal and policy frameworks can protect and support victims or those vulnerable to trafficking and exploitation.
- **Considering** new legislation, such as supply chain transparency or human rights due diligence laws that increase business accountability and transparency.

### Australia: Modern Slavery Act 2018

The Australian Government is combating modern slavery in global supply chains through the Modern Slavery Act 2018 (Cth) (the Act). The Act requires over 3,000 large businesses operating in the Australian market to publish annual modern slavery statements detailing their actions to assess and address their modern slavery risks. The Act sets a clear standard for business action on modern slavery and aims to drive change by holding businesses to account for how they manage their operations and supply chains. In a world-first, the Act also applies to the Commonwealth of Australia, requiring the annual publication of a Commonwealth Modern Slavery Statement that addresses the same criteria set out for business modern slavery statements.

#### Development of the Act

The Australian Government developed the Act through a collaborative and extensive 10 month consultation process with the community. These consultations included a detailed discussion paper, 99 written submissions from stakeholders, and 16 consultation roundtables with over 170 business and civil society experts. Australia is working collaboratively with business and civil society to implement the Act through its Modern Slavery Business Engagement Unit (the Unit) in the Australian Border Force. The Unit also worked with business and civil society experts to develop guidance for reporting entities about how to comply with the legislation.

#### Key features of the Act

<table>
<thead>
<tr>
<th>Clear reporting threshold</th>
<th>Centralized publication</th>
</tr>
</thead>
<tbody>
<tr>
<td>All entities operating in Australia, with over AU$100 million annual consolidated revenue must comply.</td>
<td>Statements are submitted to Government for publication on an online register.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Mandated reporting criteria</th>
<th>Application to the Government</th>
</tr>
</thead>
<tbody>
<tr>
<td>All statements must addressing the same mandatory reporting criteria.</td>
<td>The Australian Government is also required to prepare annual modern slavery statements.</td>
</tr>
</tbody>
</table>

Raising Awareness

Since January 2019, the Unit has participated in over 150 awareness-raising events across Australia and overseas. In June 2019, the Australian Government hosted a national modern slavery conference for 400 delegates from 18 countries. The conference brought together experts to discuss the Act’s Reporting Requirement and how government and business can work together to address modern slavery.

The Unit is also working closely across the Australian Government to raise awareness of modern slavery and build capacity amongst government officials to address modern slavery risks. In December 2020, the Australian Government published its first Commonwealth Modern Slavery Statement, outlining its efforts to address modern slavery risks in public procurement.

#### Looking Ahead

The Act provides for a three-year review of its effectiveness. This recognizes that global efforts to combat modern slavery through supply chain transparency are still in their early stages and ensures that the effectiveness of the Act can be assessed in light of future developments. The Australian Government will commence this three-year review in 2022.

Tip: **Encourage training and awareness-raising**

- Government officials can raise awareness about exploitation within their agency and promote positive practices, including due diligence.
- It is important to promote internal and external training materials to increase staff knowledge base.
Thailand: Amendment of the Anti-Trafficking Law

Thailand’s Office of the Attorney-General is working to amend its Anti-Trafficking Law to criminalize forced labour as a standalone offence under Section 6/1. The amendment seeks to enable victims of forced labour to receive legal support in the same manner as other victims of trafficking. Through the amendments, Thailand aims to encourage victims to cooperate with law enforcement authorities, contributing to the effective prosecution of perpetrators. By taking immediate and effective action to address violations, Thailand aims to prevent exploitative situations from degenerating further into coercive labour practices.

Aims of the Amendment

The amended provision is intended to be used as a practical tool that can help the prosecution of trafficking and forced labour offences. The amendments will ensure that victims of forced labour shall be equally protected and supported under the new provisions. Under the new amendment, victims of forced labour will receive legal support in the same manner as victims of trafficking in persons. This includes restitution and exemption from prosecution for offences caused by or directly linked to their victimization. The Thai Government is working to ensure that victims of labour exploitation, whether regular or irregular migrants, shall be equally protected and supported under the amended provisions.

Why amend the legislation?

Forced labour is a serious offence which requires a strong criminal justice response. Currently in Thailand, there is no law specifically punishing forced labour that is not the result of human trafficking. Trafficking for labour exploitation also has lower detection and prosecution rates compared with trafficking for sexual exploitation. This is something the Thai Government is looking to address through its legislative amendment of the Anti-Trafficking Law.

Tip: Incorporate support for victims in legislation

- Governments can consider how to integrate victim protections and support in legislation.

Looking Ahead

Capacity building

Developing a clear policy and building capacity for private recruitment and employment agencies, recognizing these agencies play an important role in labour markets.

Guidance and support

Developing clear guidance and training to complement the amendment. Lists of indicators for forced labour will be developed and disseminated to assist frontline personnel in making assessments and identifying forced labour victims to enable them to be referred to organizations which provide targeted assistance.

Inspection

Promoting the important role of labour inspections in an effort to identify violations of labour law that are linked to forced labour practices.

Enhanced cooperation

Enhancing cooperation between relevant government authorities and combining labour and criminal law enforcement to investigate forced labour offences.

Training

Exploring opportunities in origin and destination countries to facilitate training of frontline officials on forced labour prevention and law enforcement. This training will be delivered to enforcement personnel, labour inspectors, trade unions, and civil society organizations.
Awareness-raising and capacity building

Responding to risks of exploitation in supply chains requires a proactive approach. Governments can raise awareness of trafficking and exploitation risks and indicators with government officials, the private sector and the wider community. Governments can also equip businesses to better identify and respond to exploitation, including by raising awareness about potential pathways to remediation. Governments are encouraged to collaborate with peak industry bodies and specialist civil society organizations where appropriate.

Indonesia: Technical Guidance and Capacity Building of Local Government

The Indonesian Government is strengthening the role of the regional government in preventing trafficking in persons by providing technical guidance and establishing a capacity building program for local governments to better identify and respond to cases of trafficking in persons.

Purpose

This initiative aims to improve the understanding of government officials on the dangers of trafficking in persons, and promotes their capacity to protect victims and their families at home. The program targets particular government agencies responsible for social services and labour services in provinces where migrants originate from.

The program provides the opportunity for local governments to gain a comprehensive understanding of key considerations to better support Indonesian citizens who are victims of trafficking in persons abroad. This includes information about protections available at Indonesian missions overseas as well as coordination process among government agencies at national and regional levels.

Better educating local law enforcement about the risks and identifiers of trafficking in persons will lead to better protection of victims. Through this targeted capacity building, the Indonesian Government hopes to better support victims through rehabilitation, repatriation, and joint prevention efforts involving relevant countries.

Lessons learned

The Indonesian Government acknowledges that in some parts of the country, responding to cases of trafficking in persons can be difficult due to limited financial resources and staffing dedicated to managing cases of trafficking in persons.

To overcome these challenges, Indonesia’s Ministry of Foreign Affairs encourages the National Task Force to identify means to improve the capabilities of regional governments, particularly in relation to human resources and budgets. At the same time, the Ministry of Foreign Affairs will optimize the use of international cooperation to assist regional governments in solving this problem.

Looking Ahead

In designing the capacity building program for regional government officials, Indonesia is developing standard modules for guidance activities. These modules will complement the existing guidance. The Indonesian Government is also looking to further develop cooperation with relevant agencies across government in the implementation of the technical guidance.

Providing worker support and protection

Protecting workers from exploitation is a priority of every government. The UNGPs make it clear that organizations that identify that they have caused or contributed to adverse human rights impacts must provide for, or cooperate in, the remediation of that impact.

Viet Nam: Code of Conduct for recruitment agencies

Viet Nam has developed a Code of Conduct for Vietnamese recruitment agencies that send workers overseas for employment. The Code of Conduct was first developed in 2010, in recognition that there are risks of forced labour and human trafficking in recruitment practices. It establishes fundamental principles that Vietnamese recruitment agencies should comply with. The Code of Conduct was revised in 2018 in partnership with ILO, IOM and UN Women.

Purpose

There were a number of factors that led to the development of this initiative, including:

- risks of forced labour and human trafficking in recruitment practices
- lack of comprehensive operational principles to guide recruitment practices, promote accountability and protect migrant workers in a timely manner
- Viet Nam’s commitments to related international conventions
- gender inequality and lack of female empowerment, and
- the need to improve the efficiency of recruitment agencies.

Whilst the Code of Conduct is applied voluntarily, it represents an important instrument for enterprises that supports enhanced legal compliance, better business management, and prevention of forced labour and trafficking in persons. The revised Code of Conduct includes monitoring tools designed to increase transparency in the ranking of recruitment agencies and address challenges often faced by migrant workers, particularly domestic workers.

Impact of the initiative

As a result of recruitment agencies utilizing the Code of Conduct, overall awareness and knowledge of issues facing migrant workers has improved, both amongst recruitment agency staff and migrant workers. Under this initiative, necessary pre-departure training is provided to workers going abroad, and information about contracts and workers’ rights is explained. Uptake of the Code of Conduct has also increased significantly since its introduction in 2010. In 2013, there were 20 recruitment agencies registered to apply the Code of Conduct, compared with 104 recruitment agencies in 2018.

Looking Ahead

Viet Nam is working to strengthen the monitoring and evaluation of the application of the Code of Conduct by evaluating 125 recruitment agencies by the end of 2020. Viet Nam will also continue to provide training for all recruitment agency staff, focus on new national regulations and ILO conventions, and encourage further uptake of the Code of Conduct.
Tip: Involve the local community

- Governments can raise awareness and build capacity in the community to better identify indicators of trafficking and exploitation.
- Governments can engage local community members and groups through formal or informal networks to better equip governments to collect information and support workers.

The Sri Lankan Government has identified a number of challenges in its prevention and disruption work. The below table outlines some of these challenges:

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recruitment via social media</td>
<td>Recruiters for labour hire are often facilitated through social media, with recruiters largely based outside Sri Lanka. This makes prevention and disruption for Sri Lankan authorities particularly challenging.</td>
</tr>
<tr>
<td>Fear of immigration authorities</td>
<td>Victims of trafficking are reluctant to report their case to authorities, given fears around their immigration means and status.</td>
</tr>
<tr>
<td>Lack of documentation</td>
<td>Financial transactions are rarely documented, making it difficult for authorities to prove the occurrence of transactions.</td>
</tr>
</tbody>
</table>

Looking Ahead

The Sri Lankan Government is working to educate the public and raise awareness about the indicators of human trafficking in an effort to prevent more people from being trapped in situations of forced labour. The Government is also focused on enhancing the knowledge and capacity of investigators to respond to cases of human trafficking and related labour exploitation.

Preventing trafficking and labour exploitation

The Sri Lankan Government recognizes that trafficking in persons is one of the most profitable crimes in the world. The Sri Lankan Government has identified that many Sri Lankans apply for higher education and part-time job opportunities abroad. Many have fallen victim to forced labour in factories or companies overseas, particularly in Eastern Europe. A growing number of criminal syndicates use social media advertising to target Sri Lankans and recruit them for work. These syndicates often charge between 200,000 – 1,500,000 Sri Lankan Rupees per person in recruitment fees. Many who fall victim to these recruiters are then trafficked abroad and forced to work for little or no pay.

The Sri Lankan Government has developed new initiatives to prevent Sri Lankans from falling victim to human trafficking abroad. Under the new initiative, the Sri Lankan Bureau of Foreign Employment (SLBFE) and travel agents are working together to register job orders from foreign countries and ensure employment agreements are signed by both the applicant and the travel agent. If a person is recruited without registration through SLBFE, the relevant travel agent will be charged under the Penal Code and in violation of Sri Lanka’s Foreign Bureau Act. This initiative aims to regulate labour migration, prevent forced and cheap labour in supply chains, and disrupt the victimization of Sri Lankans working overseas.

Sri Lanka: Preventing Sri Lankans from human trafficking victimization abroad

The Sri Lankan Government recognizes that trafficking in persons is one of the most profitable crimes in the world. The Sri Lankan Government has identified that many Sri Lankans apply for higher education and part-time job opportunities abroad. Many have fallen victim to forced labour in factories or companies overseas, particularly in Eastern Europe. A growing number of criminal syndicates use social media advertising to target Sri Lankans and recruit them for work. These syndicates often charge between 200,000 – 1,500,000 Sri Lankan Rupees per person in recruitment fees. Many who fall victim to these recruiters are then trafficked abroad and forced to work for little or no pay.

Preventing trafficking and labour exploitation

Sri Lanka’s Criminal Investigation Department has developed new initiatives to prevent Sri Lankans from falling victim to human trafficking abroad. Under the new initiative, the Sri Lankan Bureau of Foreign Employment (SLBFE) and travel agents are working together to disrupt and prevent Sri Lankans from falling victim to human trafficking and labour exploitation in foreign countries.

Under the new initiative, the SLBFE and travel agents are working together to register job orders from foreign countries and ensure employment agreements are signed by both the applicant and the travel agent. If a person is recruited without registration through SLBFE, the relevant travel agent will be charged under the Penal Code and in violation of Sri Lanka’s Foreign Bureau Act. This initiative aims to regulate labour migration, prevent forced and cheap labour in supply chains, and disrupt the victimization of Sri Lankans working overseas.
Who can governments partner with?

Comprehensive Partnerships

Collaboration is key to any comprehensive approach to combating exploitation. We all have a role to play in combating exploitation in supply chains:

- **Businesses** can respect human rights, remedy harm and use their leverage to influence and create positive change.
- **Workers** can raise awareness and understanding of their rights, including through joining or forming trade unions.
- **Civil society organizations** can promote best practice, raise awareness and engage business and governments to share expertise and enhance accountability.
- **International and regional organizations** can set standards and drive coordinated action.

Inter-government collaboration

Governments can work together to build strong regional responses to trafficking in persons and exploitation. Government collaboration can lead to a more harmonious international approach to combating these crimes.

The *Principles to guide government action to combat human trafficking in global supply chains* (the Principles) are an example of government collaboration. The Principles were developed in 2018 by the Governments of Australia, New Zealand, the United States, Canada and the United Kingdom and provide guidance to governments on using their leverage to address exploitation in supply chains. The Principles provide a framework from which all countries can build a strategy to take effective action within public and private sector supply chains.

The below table outlines the four key Principles:

<table>
<thead>
<tr>
<th>Principle</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principle 1</td>
<td>Governments should take steps to prevent and address human trafficking in government procurement practices.</td>
</tr>
<tr>
<td>Principle 2</td>
<td>Governments should encourage the private sector to prevent and address human trafficking in its supply chains.</td>
</tr>
<tr>
<td>Principle 3</td>
<td>Governments should advance responsible recruitment policies and practices.</td>
</tr>
<tr>
<td>Principle 4</td>
<td>Governments should strive for harmonization.</td>
</tr>
</tbody>
</table>

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Government and business collaboration is essential for a comprehensive national response to exploitation in supply chains. Through partnering with businesses, governments can access specific subject matter expertise, reach broader audiences and learn from the business sector.

**Government and business partnerships**

**Bali Process Government and Business Forum – Case Study**

The Bali Process Government and Business Forum (GABF) brings together Governments and senior business leaders to consider ways to prevent and combat trafficking in persons, forced labour and other forms of exploitation.

In August 2018, the Acknowledge, Act, Advance (AAA) Recommendations were endorsed by GABF.

- **Acknowledge** encourages business and government to understand the challenges associated with these transnational crimes.
- **Act** encourages governments to strengthen policy and legislative frameworks and encourages businesses to implement ethical business practice.
- **Advance** involves developing a governance framework to ensure sustainability and effectiveness of the GABF.

These recommendations outline actions to strengthen and implement policy and legal frameworks, and advance long-term efforts to improve supply chain transparency, ethical recruitment and worker protection and redress. This was the first major policy document agreed between the private and public sectors to deal with forced labour, human trafficking and related exploitation.

**United Arab Emirates: Our World, Our Future Strategy**

The United Arab Emirates’ (UAE) Our World, Our Future strategy is an initiative to respond to challenges faced in supply chains including trafficking in persons. Under the Our World, Our Future strategy, the UAE developed a Modern Slavery and Human Trafficking Policy and adopted a code of ethics for its State-owned multinational company, Dubai Ports World. The UAE also formed an inter-departmental working group on human rights which aims to develop a human rights framework and due diligence processes and procedures.

**Development of the Strategy**

The UAE Government is committed to supporting a high standard of business integrity and ensuring compliance with local laws and international frameworks. The Our World, Our Future strategy was drafted to be compliant with the UK Modern Slavery Act 2015 and the UAE Federal Law No. 51 of 2006 on Combating Human Trafficking. In developing the Our World, Our Future strategy, the UAE undertook stakeholder consultations, commenced due diligence operations and reviewed its internal operations. The UAE established a working group that identified third party contractors and the use of Dubai Ports World ports by other parties as the highest risk areas for potential trafficking in persons.

**Dubai Ports World**

The UAE’s Our World, Our Future strategy was developed because Dubai Ports World was identified as a world leader in global supply chain management. Dubai Ports World operates more than fifty related businesses and employs more than 56,000 people working across forty countries.

**Key features of the Our World, Our Future strategy:**

- Company standards which set out employees’ obligation to report suspected and known incidents of modern slavery.
- Recruitment policies which prohibit the use of child labour and the withholding of worker’s identity documents.
- Supplier self-assessments on modern slavery and a vendor code of conduct as part of its vendor screening process.
- Internal and desktop audits of policy compliance which is monitored by management and knowledge sharing with contractors.
- The creation of a confidential externally administered whistleblowing hotline to report violations of human rights.
- The creation of a working group to address emerging issues and online training to increase modern slavery awareness.

**Looking Ahead**

Next steps for the Our World, Our Future strategy include carrying out analysis under a monitoring and evaluation mechanism which has been developed to monitor key performance indicators across Dubai Ports World. This will ensure that modern slavery and human trafficking related policies and procedures are implemented to the maximum effect.

**Tip: Build partnerships with relevant stakeholders**

- Governments are encouraged to establish partnerships with business, expert civil society groups, local community groups, multistakeholder bodies and industry bodies to improve understanding of exploitation risks in supply chains.
- Governments can leverage these partnerships to strengthen their approach to addressing risks.
Government collaboration with international and multilateral organizations

International organizations offer valuable resources that governments can use to shape their approach to exploitation. Partnering with international organizations can enhance a government’s response to human rights abuses, in addition to adding credibility and necessary scrutiny. Below are some case studies which highlight the benefits of government collaboration with international organizations.

IOM CREST Program – Case Study

IOM’s Corporate Responsibility in Eliminating Slavery and Trafficking (CREST) program is a regional partnership between actors in labour supply chains to uphold the human and labour rights of migrant workers in their operations and supply chains.

CREST seeks to forge partnerships that promote increased access to ethical recruitment channels and services for migrant workers, eradication of fees charged to migrant job seekers, and widespread employment practices that guarantee transparent terms, conditions and remedies for workers.

Through CREST, IOM is collaborating with government, business and industry on a range of projects, including:

- **Policies and guidelines**
  - Assistance to develop a coherent approach to migrant workers and ethical recruitment.
- **Labour supply chain mapping**
  - Assessment and research across migration corridors to improve visibility and oversight in labour recruitment processes.
- **Capacity building**
  - Training programmes for brands, employers and recruiters to address business and human rights risks.
- **Ethical recruitment and due diligence**
  - Toolkits for companies, employers and recruiters to carry out due diligence processes for ethical recruitment.
- **Migrant support services**
  - Orientation materials for migrant workers to increase access to transparent and relevant information at all stages of migration.
- **Remedy and grievance mechanisms**
  - Guidelines and tools for employers and recruiters to provide grievance channels and remediation to workers.

ILO TRIANGLE in ASEAN program – Case Study

ILO’s Tripartite Action to Enhance the Contribution of Labour Migration to Growth and Development (TRIANGLE) in ASEAN program delivers technical assistance and support to governments, regional bodies and civil society to maximize benefits and minimize risks of labour migration.

The TRIANGLE in ASEAN program has worked with labour ministries, workers’ and employers’ organizations, recruitment agency associations, and civil society organizations in six countries in ASEAN: Cambodia, Lao People’s Democratic Republic, Malaysia, Myanmar, Thailand and Viet Nam.

Between 2011 and 2019, the TRIANGLE in ASEAN program achieved the following outcomes:

- adoption of **34 policy and legislative instruments** with technical assistance from TRIANGLE in ASEAN
- training of **36,476 people** from ASEAN Member States on labour governance issues
- commitment to codes of conduct on fair and ethical recruitment by **376 employment agencies** in Myanmar and Viet Nam, and
- compensation of **US$4,787,431** ordered to migrant workers for legal claims.
Government collaboration with civil society

It is essential that governments engage civil society in order for governments to remain at the forefront of emerging issues and better understand the lived experience of survivors and those at risk of exploitation. Civil society organizations can provide governments with deeper insights into issues and suggest ways governments can strengthen their response.

Myanmar: National Plan of Action to Combat Trafficking in Persons 2017–21

The Government of Myanmar has developed standalone National Plans of Action to Combat Trafficking in Persons. The development of these resources is in acknowledgment that trafficking in persons cannot be responded to in the same way as traditional crimes.

In accordance with the Myanmar Anti-Trafficking in Persons Law 2005, the Central Body for Suppression of Trafficking in Persons developed a five year recurring national plan to coordinate efforts of government departments to combat trafficking in persons. This resulted in the establishment of continuous five year National Plans of Action to Combat Trafficking in Persons, which include measures to address exploitation in supply chains. The third five year National Plan of Action (2017-21) (Plan) is currently being implemented. One of the key principles of the Plan is prioritizing the rights of victims through ensuring a victim-centred approach.

Development of the National Plan of Action 2017–21

During development of the Plan, three working groups developed annual work plans in their respective industry sectors to drive implementation. This was done in cooperation with civil society. The Plan has helped Myanmar to identify new forms and trends of trafficking in persons and to increase cooperation between government departments and other members of the community. The Plan has also contributed to there being a greater cooperation with investigations and prosecutions and the overall response to trafficking in persons cases has strengthened.

Next steps for Myanmar’s National Plan of Action:

- Revising of the Anti-Trafficking in Persons Law and by-law.
- Providing training courses on laws, rules and regulations to relevant organizations.

Future Challenges

The Government of Myanmar recognizes that a number of significant challenges to combat trafficking in persons remain. Low socio-economic development continues to drive high levels of migration. Much of this migration occurs through informal and high-risk channels that do not have high levels of visibility. Conflicts throughout the country also have increased the vulnerability of certain groups in the population to trafficking in persons risks. This conflict also limits the potential for successful reintegration of trafficking in persons victims into Myanmar’s society. The Government of Myanmar aims to address these challenges in future National Plans of Action.
Appendix 1: Summary of Tips

Below is a summary of the key tips for addressing exploitation in supply chains that were covered in this Compendium:

- Work with the private sector to build understanding
- Address practices that may facilitate exploitation
- Consider how you can benefit from third-party expertise
- Collaborate on the approach
- Consider where you can help build capacity
- Encourage training and awareness-raising
- Incorporate support for victims in legislation
- Involve the local community
- Build partnerships with relevant stakeholders

Appendix 2: Glossary

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt Bondage</td>
<td>A victim’s services are pledged as security for a debt that is manifestly excessive, or where the length and nature of the services are not limited or defined.</td>
</tr>
<tr>
<td>Deceptive Recruiting for Labour or Services</td>
<td>A victim is deceived about the exploitative nature of the work they are hired for, and may find themselves subjected to trafficking in persons or exploitation.</td>
</tr>
<tr>
<td>Due Diligence</td>
<td>An entity’s ongoing responsibility to carry out processes which identify, prevent, mitigate and account for how it addresses risks of trafficking in persons or exploitation.</td>
</tr>
<tr>
<td>Ethical Recruitment</td>
<td>The process of engaging a worker fairly, transparently and on merit, in a way that respects, protects and fulfils internationally recognized human rights.</td>
</tr>
<tr>
<td>Forced Labour</td>
<td>A victim is either not free to stop working or not free to leave their place of work, through the use of coercion, threats or deception.</td>
</tr>
<tr>
<td>Forced Marriage</td>
<td>Coercion, threats or deception are used to make a victim marry, or where the victim does not understand the nature and effect of the marriage ceremony.</td>
</tr>
<tr>
<td>Grievance Mechanisms</td>
<td>Formal, legal or non-legal processes that can be used by individuals, workers or communities that are being negatively affected by certain business activities and operations.</td>
</tr>
<tr>
<td>Labour Exploitation</td>
<td>The act of treating someone unfairly or keeping them in unfair conditions to benefit from their work or labour.</td>
</tr>
<tr>
<td>Labour Hire</td>
<td>Both public employment services and private employment agencies that offer labour recruitment and placement services.</td>
</tr>
<tr>
<td>Migrant Worker</td>
<td>A person who has travelled to a country of which they are not a national, with a view of being employed in that country.</td>
</tr>
<tr>
<td>Modern Slavery/Slavery-Like Practices</td>
<td>Practices including forced labour, debt bondage, forced marriage, servitude, exploitation.</td>
</tr>
<tr>
<td>People Smuggling</td>
<td>The action or practice of illegally transporting a person from one country to another, usually with the consent of the person/s being smuggled.</td>
</tr>
<tr>
<td>Recruitment</td>
<td>Advertising, information dissemination, selection, transport, or placement of people into employment.</td>
</tr>
<tr>
<td>Recruitment Fees</td>
<td>Any fees or costs incurred in the recruitment process in order for workers to secure employment or placement, regardless of manner, timing or location of their imposition or collection.</td>
</tr>
<tr>
<td>Servitude</td>
<td>Where a victim’s personal freedom is significantly restricted and they are not free to stop working or leave their place of work.</td>
</tr>
<tr>
<td>Slavery</td>
<td>Where a victim is owned as a commodity, can be an object for purchase, and their labour is forced in an unrestricted way.</td>
</tr>
<tr>
<td>Supply Chain</td>
<td>The complete sequence of processes involved in the production and distribution of a good or service.</td>
</tr>
<tr>
<td>Supply Chain Transparency</td>
<td>The process of increasing visibility and publicly sharing information about the steps, processes and methods involved in the production and distribution of a good or service.</td>
</tr>
<tr>
<td>The Worst Forms of Child Labour</td>
<td>Where children are exploited through slavery or similar practices including sexual exploitation, are engaged in hazardous work which may harm their health, safety or morals, or are used to produce or traffic drugs.</td>
</tr>
<tr>
<td>Trafficking in Persons/Human Trafficking</td>
<td>The recruitment, transportation, transfer, harbour, or receipt of persons, by means of the threat or use of force or other forms of coercion, abduction, fraud, deception, abuse of power, or a position of vulnerability to achieve the consent of a person having control over another person, for the purpose of exploitation.</td>
</tr>
<tr>
<td>Transnational Crime</td>
<td>Violations of law that involve more than one country in their planning, execution or impact, either of potential or actual effect.</td>
</tr>
<tr>
<td>Wage Theft</td>
<td>The denial of wages or employee benefits that are rightfully owed to an employee.</td>
</tr>
</tbody>
</table>

## Appendix 3: Key Resources

<table>
<thead>
<tr>
<th>Resource</th>
<th>Overview</th>
<th>Organization</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modern Slavery in Company, Operation and Supply Chains: Mandatory transparency, mandatory due diligence and public procurement due diligence</td>
<td>A paper that sets out what leading governments are already doing to encourage global businesses to do more to eradicate modern slavery.</td>
<td>Business &amp; Human Rights Resource Centre</td>
</tr>
<tr>
<td>Fair Labor Association Code of Conduct</td>
<td>Seeks to protect the workers who manufacture clothing, footwear, agricultural products and other items enjoyed by consumers around the world. Based on the ILO standards.</td>
<td>Fair Labor Association</td>
</tr>
<tr>
<td>Forced Labor in Supply Chains: Addressing Risks and Safeguarding Workers’ Freedoms</td>
<td>A brief that focuses on international standards, frameworks and best practices for identifying and eradicating forced labour in supply chains.</td>
<td>Fair Labor Association</td>
</tr>
<tr>
<td>The Dhaka Principles for Migration with Dignity</td>
<td>Key principles and guidance for employers and recruiters about safe migration, including charging of recruitment fees for migrant workers and document retention.</td>
<td>Institute for Human Rights and Business</td>
</tr>
<tr>
<td>Responsible Recruitment Resource Bank</td>
<td>Contains a wide range of tools, guidance, and research on how to ensure migrant workers are not exploited during recruitment.</td>
<td>Institute for Human Rights and Business</td>
</tr>
<tr>
<td>Corporate Responsibility in Eliminating Slavery and Trafficking (CREST)</td>
<td>CREST responds to challenges that businesses are facing in addressing the vulnerabilities of migrant workers in their operations and supply chains.</td>
<td>International Organization for Migration</td>
</tr>
<tr>
<td>International Recruitment Integrity System</td>
<td>A global initiative designed to promote ethical international labour recruitment.</td>
<td>International Organization for Migration</td>
</tr>
<tr>
<td>The Montreal Recommendations on Recruitment</td>
<td>Presents policymakers and regulators with practical guidance to improve regulation and oversight of international recruitment and protection of migrant workers.</td>
<td>International Organization for Migration</td>
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</table>
The International Labour Organization’s Alliance 8.7

Alliance 8.7 is a global partnership committed to achieving Target 8.7 of the 2030 SDGs. They have a range of policy guides designed to provide information on a range of issues, including trafficking in persons.

International Labour Organization

General principles and operations guidelines for fair recruitment and definition of recruitment fees and related costs

Aim to inform current and future work of the ILO and other organizations on promoting and ensuring fair recruitment.

International Labour Organization

Combating Forced Labour: Handbook for Employers and Business

Provides guidance material and tools for employers and businesses to strengthen their capacity to address the risk of forced labour and human trafficking in their own operations and in global supply chains.

International Labour Organization

Interpretive Guide to the United Nations Guiding Principles on Business and Human Rights

Provides additional background to the UNGPs to support a fuller understanding of their meaning and intent.

Office of the High Commissioner for Human Rights

The UN Guiding Principles on Business and Human Rights


Office of the High Commissioner for Human Rights

Organisation for Economic Co-operation and Development Library

The Organisation for Economic Co-operation and Development is an international organization that works to shape policies that foster prosperity, equality, opportunity and well-being for all.

Organisation for Economic Co-operation and Development

Model Guidelines on Government Measures to Prevent Trafficking for Labour Exploitation in Supply Chains

Model guidelines providing a practical tool to assist states in implementing concrete measures to prevent trafficking in persons in supply chains.

Organisation for Security and Co-operation in Europe

United Nations Sustainable Development Goals

The blueprint to address global challenges including poverty, inequality, climate change, environmental degradation, peace and justice.

United Nations

UNHCR – Trafficking in persons webpage

Information from the United Nations High Commissioner for Refugees (UNHCR) on the risks of human trafficking to refugees that include useful resources from the UNHCR and partner organizations.

United Nations High Commissioner for Refugees

United Nations Office on Drugs and Crime: Trafficking in Persons and Smuggling of Migrants

The United Nations Office on Drugs and Crime assists Member States in reforming their criminal justice systems in order to be effective, fair and humane. They have a number of resources related to combating trafficking in persons.

United Nations Office on Drugs and Crime

Walk Free Resources

Walk Free is an international human rights group focused on the eradication of modern slavery, in all its forms. They have a number of resources on protecting vulnerable people from exploitation.

Walk Free

Montreal Recommendations on Recruitment: A Road Map towards better regulation

Practical guidance and ideas for policy makers to improve regulation and oversight of international recruitment and protection of migrant workers.

International Organization for Migration