

Uyghur workers in global supply chains: ETI position statement

Background

The Ethical Trading Initiative (ETI) is a leading alliance of companies, trade unions and NGOs that promotes respect for workers' rights around the globe. Our vision is a world where all workers are free from exploitation and discrimination, and enjoy conditions of freedom, security and equity.

The ETI's approach to doing business responsibly in complex global supply chains is closely based on the UN Guiding Principles on Business and Human Rights, which set out the Protect, Respect and Remedy framework. States should protect human rights; businesses should respect those rights; and both should work to provide remedy when rights are violated.

The ETI works with its members to practically implement the obligations set out in the UN Guiding Principles, focusing on the rights set out in the ETI Base Code through a process of continuous improvement and shared learning. The Base Code has nine clauses, of which the first is 'Employment is freely chosen': there should be no forced, bonded or involuntary prison labour.

In October 2019, ETI published specific <u>guidance on State-Imposed Forced Labour</u>. The guidance set out recommended actions that businesses should take, both individually and together with industrial groups and other stakeholders, to prevent and remediate forced labour in their supply chains. However, there is a limit to the actions that individual businesses can take in certain complex situations that need action from government to ensure business can act responsibly.

Issue

The ETI is deeply concerned about recent reports investigating the recruitment and employment of Uyghurs and other Muslim minorities in the Xinjiang Uyghur Autonomous Region (XUAR) as well as in other regions in China. For example, we note recent reports by the <u>Australian Strategic Policy Institute</u> and the <u>Centre for Strategic and International</u> <u>Studies</u>.

In these and other reports, individual allegations of forced labour, as well as labour paid well below the minimum wage, are documented.

Many businesses have already taken important steps to map their supply chains and prevent or mitigate risks of forced labour wherever they can, in line with the UN Guiding Principles. However, in some situations, individual and collective action by international companies and engagement with their suppliers alone will not resolve the issues.

There are reported challenges in conducting supply chain due diligence within the XUAR. As the CSIS report documents, the particular conditions in which the recruitment and employment of these workers is occurring mean that obtaining reliable information by interviewing the workers is difficult. There are also constraints on access by independent auditors to the region.

Action

Collaboration between businesses, governments, civil society and trade unions is key to understanding and addressing complex issues in global supply chains. Effective collaboration depends on a level of transparency and open dialogue between those stakeholders. In the spirit of ensuring that workers' fundamental rights are respected, that China continues its preeminent position in the textile supply chain and that international brands can source with confidence, ETI urges as a matter of priority that:

- There is a dialogue between the relevant parties including relevant government departments that:
 - ensures transparency in the XUAR and beyond with respect to the recruitment and employment of Uyghur workers
 - enables effective business access to conduct enhanced due diligence within their supply chains
- Any issues identified are quickly and comprehensively remedied where possible
- Responsible business engagement is normalised

Responsible businesses make their best efforts to conduct adequate due diligence within their supply chains so as to ensure that (i) any labour risks within their supply chain are identified and (ii) any risks identified are promptly prevented or remedied. In the case that businesses cannot conduct adequate due diligence with respect to the recruitment and employment of Uyghur workers by companies in their supply chain, they must assume that cases of forced labour and payment below minimum wage are present. Consequently, we expect that they will have to reconsider their continued sourcing from those companies.

Contact

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