



Base Code Guidance: **Modern Slavery**



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1. Introduction

This guide will help businesses understand key concepts, legal definitions and their responsibility to tackle modern slavery. It provides examples and practical steps to assist companies in applying ETI Base Code clause 1, on the prohibition of forced labour, *Employment is freely chosen*, as well as tips on how to embed modern slavery awareness and due diligence within business practice. Section 2 contains advice on identifying risks of modern slavery in supply chains and business operations, as well as stakeholder engagement.

Sections 3 and 4 will guide companies through the process of remediation and provides tips on what to do when modern slavery is found in supply chains and how to prevent it.

The Annexes include details on international and regional standards concerning modern slavery, information on selected geographies linked to a high risk of forced labour and frequently asked questions about strategies to address modern slavery.



2. Modern slavery - a matter for business

Nobody should work under conditions of slavery or forced or compulsory labour. This basic right is enshrined in international law, regional instruments and national laws. Yet for many workers, freedom to choose employment remains beyond reach. The International Labour Organization (ILO) estimated in 2012 that a **minimum of 21 million** women, men and children around the world are in some form of forced labour. .

While the highest numbers of forced labourers were reported in Asia, forced labour is found all around the world, including in Europe. The UK Government¹ estimated in 2013 that 10-13,000 people are in modern slavery in the UK at any given time.

*Modern slavery is an umbrella term that includes forced labour, debt bondage, servitude and trafficking for the purposes of labour exploitation. The prohibition of forced labour forms Clause 1 of the ETI Base Code, **Employment is freely chosen**, as it is the most egregious labour rights violation. Forced labour describes a situation in which a worker performs work or services involuntarily and under a threat of some form of penalty.*

Most modern slavery is found in the private sector

According to the ILO, 80% of those affected by forced labour work in the private sector, with poverty and lack of access to decent work commonly cited as key underlying causes. However, corporate practices can also contribute to the problem. The constant search for low input prices linked to profit; the drive for ever lower prices and shorter lead times; and the move to sub-contracted rather than directly employed labour are all factors that increase the risk of worker exploitation and modern slavery.

Complex supply chains with multiple tiers stretching across continents and jurisdictions make it a challenge to ensure decent working conditions for all workers along the supply chain. The risk of forced labour is highest in lower tiers where there is little visibility and where there is the most vulnerable and socially excluded workforce. However, abuses can occur in any part of the supply chain and in any country.

Every business needs to consider how and where it can be affected by slavery

Modern slavery is perceived to be more widespread than previously thought and is often to be found at the farthest reaches of the supply chain i.e. in Tier 2 and beyond² :

- 77% of companies think there is a likelihood of modern slavery occurring in their supply chains
- 42% of companies see the length and complexity of supply chains as one of the strongest barriers to effectively addressing modern slavery

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/383764/Modern_Slavery_Strategy_FINAL_DEC2015.pdf

² <https://www.ashridge.org.uk/getmedia/7692d06f-0166-45cf-affb-e1c9ee45ad1c/Corporate-Leadership-on-Modern-Slavery-Summary-Report-2016.pdf>

Responsible businesses want nothing to do with any form of modern slavery as they recognise its abhorrent nature. They also recognise the harm it can cause to the business should they be found to be in some way complicit with such practices. However, businesses also have a legally defined responsibility to respect human rights³. This includes the duty to address and be transparent about the risks and instances of modern slavery in supply chains and business operations. As such, businesses are increasingly being judged on their commitment to and actions on tackling modern slavery on the basis of their due diligence. This includes identifying, mitigating and managing risk, identifying corporate responsibility and leverage as well as monitoring and review. Additionally, we are starting to see a trend in increased legislation and regulation, with poor due diligence processes potentially resulting in legal liability.

Governments have a critical role to play

The risk of modern slavery increases in instances where governments fail in their obligation to protect human rights. Failures of the rule of law or complicity of some governments in modern slavery can make addressing risks more difficult (see Annex II). Consequently, responsible businesses will seek to understand the underlying causes of modern slavery that may be linked to their operations as well as those derived from the failure of rule of law. A government's responsibility to protect its citizens and workers from abuse and exploitation is evidenced in appropriate legislative and regulatory measures, as well as the application, enforcement and monitoring of such legal protection.

Business action to address modern slavery could include advocating for legislative and policy change in collaboration with civil society organisations, trade unions and employers' organisations. Targeted advocacy can go a long way to improve the enabling environment in which responsible business can operate, and reduces the country-specific risks in which modern slavery occurs. Examples of this include helping to create a level playing field (such as through improved labour inspection or mandatory modern slavery transparency), or reducing workers' vulnerability to forced labour if their visa is tied to a particular employer.

“Slavery thrives when people are “deliberately or unthinkingly excluded from social and economic development, justice and the rule of law”. It is an issue of human rights, a political one, but also an issue of business practice.”

**Dr Aidan McQuade,
Chief Executive, Anti-Slavery International
(ETI board member)**

³ UN Guiding Principles on Business and Human Rights

2.1 ETI Base Code Clause 1

Clause 1 of the ETI Base Code relates to the prohibition of forced labour, debt bondage and servitude.

These actions are now commonly described by the umbrella term **modern slavery**. Modern slavery covers a number of specific issues, including human trafficking, forced and compulsory labour, debt bondage, slavery, servitude, worst forms of child labour and slavery. Each of these are defined and prohibited

under international law as serious human rights violations and serious crimes (see Annex I). Apart from a few exceptions related to compulsory labour in exceptional situations (see Annex II), the prohibition of modern slavery is absolute.

ETI Base Code Clause 1: Employment is freely chosen

1.1 There is no forced, bonded or involuntary prison labour.

1.2 Workers are not required to lodge "deposits" or their identity papers with their employer and are free to leave their employer after reasonable notice.

Definitions

Forced labour is any work or services which people are not doing voluntarily and which is exacted under a threat of some form of punishment, including the loss of rights or privileges.

Bonded labour is demanded as a means of repayment of a debt or a loan and can apply to a whole family and be inherited through generations.

Involuntary prison labour is prison labour that violates international labour standards (see Annex II). It includes situations where prisoners are required to work for the benefit of a private company or an individual.

The business commitment under Clause 1 of the ETI Base Code includes a requirement to understand forced labour, to identify the risks within the business's own operations and supply chains, and to embed that understanding in policies and actions.

2.2 Identifying forced labour

There is a common myth that forced labour is a workplace only issue; that exploitation only happens in the workplace. However, in order to identify forced labour, the situation of a worker needs to be examined in its totality, considering the process of recruitment, working and living conditions. For example, workers provided through a recruiter, agent or an individual can be exploited by them and they may be required to pay to obtain work as a one-off or ongoing arrangement. They may be forced to use associated services such as accommodation, or hand over some or most of their earnings. This can all be happening while a worker is treated well at their actual place of work.

Another common myth is that only a worker who is physically forced to perform work or services is in forced labour. However, many workers are put into a forced labour situation through

deceptive or coercive recruitment and kept in it through a web of actions such as threats, violence, isolation or wage entrapment. Consent or agreement by a worker to take up or travel to a job is irrelevant if deception, coercion, threats, violence or abuse of the worker's vulnerability have been used.

Examining the types of workers and working conditions in specific worksites and sectors can provide the best indication of the likelihood of forced labour occurring. This includes examining and understanding a number of factors, such as how the workers were recruited, who employs and manages them at work, who manages payment of their wages and working conditions, and whether there are agents involved in controlling where workers live, how they get food and transport, and most importantly, whether the worker is free to leave the work without repercussions.

The continuum of exploitation and the ETI Base Code

Violations of a number of other labour rights are linked to situations of forced labour. Forced labour sits at the most extreme end of a continuum of labour abuse and exploitation⁴, where decent work (respect for workers' rights and their ability to claim their rights) lies at the opposite end. The space on the continuum between decent work and forced labour is filled with labour rights violations, such as non-payment of wages, excessive working hours, lack of freedom of association, discrimination, threat and abuse.

But not all violations of labour rights found along the continuum of exploitation constitute forced labour. Some, such as non-payment of wages can be one indicator that, combined with other indicators, could constitute forced labour. In other cases, an indicator could, over time, escalate to a situation of modern slavery if, for example, failure to pay wages becomes routine.

Continuum of exploitation

DECENT WORK



FORCED LABOUR

Addressing labour rights abuses (through application of all clauses in the ETI Base Code) will help prevent the most egregious forms of exploitation, such as forced labour, and will enable decent work to flourish.

Where does forced labour occur?

The ILO highlights agriculture, construction, manufacturing, extractives, entertainment industries and domestic work as having the highest risk of forced labour. In 2012, the ILO estimated 56% of forced labour victims were found in the Asia-Pacific region, but that Central and Eastern Europe and Africa have the highest prevalence of forced labourers at 4.2 and 4.0 per 1,000 inhabitants.

The evidence from the ILO, the US Department of State and Labor and a range of civil society and trade unions show that forced labour is found in all regions of the world and in a wide range of industries. The list of high-risk sectors and industries is growing as more is known about the problem.

Businesses need to consider the risk of forced labour, irrespective of the industry or countries in which they operate or from which they source goods and services.

⁴ <https://www.jrf.org.uk/report/between-decent-work-and-forced-labour-examining-continuum-exploitation>



Indicators of forced labour

The ILO has identified eleven indicators that highlight the circumstances in which forced labour can be found. The table below provides the indicators, explanations of how these might appear, and suggests ways of mitigating, managing or responding to risks or incidents of forced labour.

Forced Labour Indicator	What to look for
Abuse of workers' vulnerability	<p>Workers are recruited or kept in a situation of exploitation because of:</p> <ul style="list-style-type: none"> • Language barriers • Background (membership of a minority or a particular social group) • Gender • Age • Disability • Immigration status • Lacking alternative livelihoods (fleeing conflict, natural disaster, displacement or persecution) • Economic need • Dependency on employer for immigration status, food, work, housing • Existing debt • Inappropriate or familiar relationship with employer/agent.
Deception	<p>Type of work or conditions of work differ from what was promised to a worker, either verbally or in writing. Promise of decent work does not materialise and workers are trapped in abusive working conditions. Deception includes:</p> <ul style="list-style-type: none"> • False promises about working conditions and wages • False promises about job type, location, housing and living conditions • Misleading information about immigration status, legal requirements, identity of employers, payment of taxes • Misleading information about local customs, costs of living, need for specialist equipment or skills. <p>Deception takes place when the worker would not have accepted the job had they known the reality of the work and/or the conditions (NB: Many workers would however still accept an exploitative job, if they believed that this was the only opportunity for them to earn money to support their families).</p>
Restriction of movement	<p>Workers are prohibited from leaving worksite</p> <p>Workers are locked up and guarded at work or in their accommodation</p> <p>Constant surveillance and control of workers' movement inside and outside of the workplace (camera surveillance; requirement to immediately respond to phone calls; workers are picked up and dropped off at accommodation and not allowed to leave)</p> <p>Workers are tied to accommodation provided by employers/ agents</p> <p>Workers require exit visas (permission of the employer) to leave the country or place of work.</p>
Isolation	<p>Workers are isolated in remote locations, such as rural areas, areas that are difficult to access (e.g. at sea)</p> <p>Workers are denied contact with the outside world: such as being kept behind closed doors; not knowing the local language; creating groups of workers who do not have a language in common; confiscating mobile phones; preventing them from contacting families or concealing the working premises from the public eye</p> <p>Workers are not allowed to interact with other workers or the local community.</p>
Physical or sexual violence	<p>Workers may be subject to violence or threats of violence</p> <p>Workers may be forced to take drugs or alcohol</p> <p>An implicit threat of violence may be instilled by subjecting one worker to violence in front of others to deter complaints; the use of fight dogs or threatening-looking individuals as guards; or spreading rumours about instances of corporal punishment against complainants.</p>

Example of mitigation strategies
<ul style="list-style-type: none"> • Provision of legal advice on rights and immigration status • Information and access to support organisations that can act on behalf of vulnerable workers or advocate in their interests (trade unions; NGOs; migrant worker organisations; community groups) • Specialised support for vulnerable workers, including women, young workers, workers with disabilities • Provision of language classes • Understanding family circumstances and home context • Access to advice on financial and debt management • Provision of alternative housing options.
<ul style="list-style-type: none"> • Written contract requirement (including where a third-party recruiter is involved) in a language that the worker can understand • Provision of orientation packs or worker passports (document provided to migrant workers with basic information about the country of origins, customs, laws, workers’ rights and contacts to places where support and help can be found, such as NGOs, trade unions and embassies) • Provision of access to independent advice on rights and obligations (such as immigration).
<ul style="list-style-type: none"> • Workers are free to come and go from their workplace and accommodation - this includes the freedom to choose a mode of transport to/from the place of work • In countries where sponsored migrant workers require an employer’s permission to leave the country of employment, ensure that permission is issued when workers take up the job.
<ul style="list-style-type: none"> • Workers are provided with information about the country (region) of destination and connected to places where they can meet other co-nationals (see the above reference to worker passports) • Explore the possibilities of using technology such as mobile phone apps to reduce worker isolation • Facilitate family contact for workers through the use of information technologies.
<ul style="list-style-type: none"> • Managers and supervisors are trained in treating workers with respect and dignity, and are aware that the use of violence, threats and harassment are unacceptable • Put in place confidential and safe grievance mechanisms that are trusted by workers • Have credible whistleblowing policies and systems that are appropriately resourced for effective responses.

Forced Labour Indicator	What to look for
Intimidation and threats	<p>Intimidation and threats often amount to psychological coercion designed to suppress workers’ confidence and to achieve control over them. Common intimidation and threats include:</p> <ul style="list-style-type: none"> • Verbal abuse and intimidation in front of other workers • Calling workers names, constant insults and undermining • Threat of denunciation to authorities, loss of wages or access to privileges, housing, land, further worsening of working conditions • Threats to workers’ family members or others, including threats of harm • Fining workers as a disciplinary measure.
Retention of identity documents	<ul style="list-style-type: none"> • Confiscation of passports or identity cards by employers or agents • Confiscation of other personal documentation (such as qualification certificates) • Confiscation of other valuable possessions <p>Workers are unable to access these documents on demand and often feel that without these they cannot leave the job.</p>
Withholding of wages	<ul style="list-style-type: none"> • Workers are systematically given irregular or delayed pay • Worker are obliged to remain with an abusive employer while waiting for owed pay • Wages are deliberately withheld • No access to earnings because of lack of control over bank accounts • Workers obliged to work in return for a favour or provision of accommodation.
Debt bondage	<ul style="list-style-type: none"> • Workers are paying off a debt (sometimes inherited debt) • Debt is created by a recruiter providing a loan • Debt is increased through excessive interest, added charges or account manipulation, making it impossible to pay off • Debt has no mutually agreed and acceptable terms and conditions and is easily manipulated by the lender.
Abusive living and working conditions	<ul style="list-style-type: none"> • Workers are required to accept degrading and difficult working and living conditions • Overcrowding, sub-standard, unsanitary or unsuitable premises, lack of privacy, living at the workplace • Lack of protective/warm clothing, health and safety breaches, lack of access to clean water or toilets • Workers have no choice over where they live or with whom they live.
Excessive overtime	<ul style="list-style-type: none"> • No days off • Excessively long hours over long periods • Requirement to work excessive hours or days beyond limits prescribed by law • Denial of breaks • Requirement to be on call 24/7.



TIP:

EACH OF THESE INDICATORS ON THEIR OWN TAKEN IN ISOLATION MAY NOT CONSTITUTE FORCED LABOUR OR MODERN SLAVERY. HOWEVER, EACH SITUATION NEEDS TO BE ASSESSED CAREFULLY AND MAY INCLUDE THE PRESENCE OF SEVERAL INDICATORS.

EVALUATE THE CREDIBILITY OR IMPACT OF THREATS FROM THE PERSPECTIVE OF THE AFFECTED WORKER – TAKE INTO ACCOUNT THEIR INDIVIDUAL BELIEFS, AGE, GENDER, CULTURAL AND SOCIAL BACKGROUND AND STATUS.

Example of mitigation strategies

- Supervisors are trained in dispute resolution and fair worker management
- Ensure that principles of reasonable and unacceptable conduct are well understood and monitored
- Clarify unacceptable practices, such as unreasonable fines and fee charging
- Grievance mechanisms are put in place that ensure workers are able to raise concerns about the threats posed by their employers or third parties, such as agents.

- Implement policy that forbids confiscation of identity documents or other possessions
- Workers should have the option to deposit their documents for safekeeping, but a copy of the document and a receipt should be issued and the worker must have access to the documents upon request.

- Withholding wages should be prohibited
- Workers must have direct access to their wages and accounts where wages are held
- No unfair or unreasonable deduction should be made
- Wage structure, method and frequency of payment should be set out clearly in a contract
- Access to NGOs and trade unions to provide advice on opening of bank account, money transfers etc.
- Information about income record keeping, banking and finance management should be provided to workers.

- No fees, deposits or requirements to purchase services or to take out loans should be implemented
- Where a worker has taken out a loan, access to impartial financial and debt management advice should be provided (for example through a civil society organisation)
- Information about debt management and basic financial advice should be provided to workers in their own language, along with their terms and conditions of employment.

- Ensure that rules and regulations with regards to conditions of accommodation are respected
- In the absence of local laws, ensure that international acceptable standards of health and safety are met
- Wherever possible, tied accommodation should be prohibited
- Information about accommodation options and cost should be communicated to workers in their own language, along with their terms and conditions of employment
- Engage civil society organisations to identify alternative accommodation options for workers.

- Overtime beyond legal limits should be prohibited
- Workers should not be pressured into working overtime or signing waivers accepting to work overtime
- Overtime must be properly monitored and recorded.



Is it forced labour?

Example	No	Yes
<p>An inspection identified that all workers' passports are locked in a safe in the manager's office.</p>	<p>Workers are able to opt to keep their passport in the manager's office for safekeeping following a string of thefts in dormitories. Workers are able to access their passports upon request at any time and are given copies when they deposit their passports with the manager.</p>	<p>Workers are required to give their passports to the supervisor as a condition of employment and are unable to access them until they have fulfilled their contract.</p>
<p>Workers' pay has been delayed or paid in instalments</p>	<p>The employer encountered a temporary cash-flow issue because of delayed payment of invoices by customers. This is a one-off incident and the employer implemented changes to prevent this from occurring in the future.</p>	<p>Workers' wages are withheld until the end of the contract, are regularly paid late or paid less than was agreed.</p> <p>OR</p> <p>Part of the workers' wages is deducted by the employer/agent and used to cover food, transport, housing so that workers are completely dependent and cannot afford to leave the job.</p>

2.3 Understanding the underlying issues

Modern slavery (forced labour) does not exist in a vacuum. It is caused by a range of social, political and economic factors and business practice:

Business factors

Business practices and suppliers' practices may contribute to increasing modern slavery risks, for example:

- impact on suppliers, including short lead-in times, expectations for high flexibility, late payments and downward cost pressures
- Poor record-keeping; use of sub-contractors without proper checks
- Lack of access by workers to other labour rights such as freedom of association, payment of minimum wages, safe and secure working conditions, grievance mechanisms or remedy

Other factors

In addition, laws, practices, local customs and policies can contribute to workers' vulnerability to modern slavery, such as discrimination on grounds of gender, caste, race, nationality, ethnicity. Women face higher risks of sexual abuse and exploitation.

- Other factors may include:
- Restrictive immigration policies and government corruption
- Lack of labour rights legislation, enforcement or labour inspection
- Suppression of human rights, including freedom of association, media independence and the ability for civil society organisations to operate freely.

3. Modern slavery - due diligence

ETI encourages businesses to conduct human rights due diligence and has developed a Human Rights Due Diligence (HRDD) Framework⁵ to help businesses identify and mitigate human rights risks, and report on actions taken. The four-step process included in this guide is designed to help with any human rights issue and shows how the HRDD framework can be applied to address modern slavery.

How does due diligence differ from audits?

Audits, or “social audits” are often the main mechanism for businesses to monitor compliance with ethical trade commitments. While audits can be helpful in flagging workplace issues, they have been criticised for failures to detect human rights abuses, and modern slavery in particular.

Key weaknesses of traditional compliance audits are that they are a snapshot of a particular moment or a particular part of supply chains. They rarely capture credible information about working conditions directly from workers, as supervisors or managers may be present and workers may fear repercussions for being open and honest. The most exploited and vulnerable workers are also unlikely to be interviewed by auditors as they will be hidden from view. Furthermore, audits usually follow a standard template, and may compartmentalise indicators, preventing auditors from seeing a whole complex picture involving multiple factors⁶.

Traditional audits aim to assess compliance, whereas human rights due diligence involves pro-active assessment of risks and investigation of incidences of abuse anywhere in the supply chain, remedying those situations and publicly reporting on how they are addressed.



⁵ <http://www.ethicaltrade.org/resources/human-rights-due-diligence-framework>

⁶ www.antislavery.org

3.1 STEP 1: Assessing the risk of modern slavery

The process of risk assessment involves considerations of external risks linked to supply chain location and risks within own business operations. See annex for a list of useful sources of information.

Identifying external risks

- Review country risks from open source and media reports (e.g. modern slavery research and assessment in latest government, NGO, international organisation, such as the United Nations and media reports; understand cultural practices that may represent a modern slavery risk; latest human rights record; records on freedom of association; labour rights records; assessment of quality of labour rights enforcement)
- Review sectoral risks (e.g. incidence/prevalence of modern slavery in a particular sector/production of a product). The US Department of Labor publishes lists of products with a high risk of forced labour in the production process (see Annex IV).
- Analyse regulatory, legal, social, political and economic factors that may contribute to modern slavery (e.g. such as restrictive policies against migrant workers; police corruption or lack of labour inspection; presence of vulnerable populations). The ILO regularly examines countries on their record with regards to compliance with forced labour conventions and the US Department of State assesses states annually on their performance in addressing modern slavery (see Annex IV).



Fig. 1⁷

Identifying risk within own business operations

Any business may cause modern slavery, or contribute to it through a business relationship, or may be linked to modern slavery through its business operations.

- Consider supply chains of goods and services, including company headquarters, cleaning, security, catering, transport, logistics, warehouses, packaging and processing and distribution networks
- Examine internal business procedures that may contribute to modern slavery, such as making unrealistic demands on suppliers or sanctions for raising issues along the supply chains
- Map supply chains from raw materials to finish and sale
- Identify gaps in visibility – risks tend to be greater at lower tiers
- Cross-reference supply chains with country risks, sectoral risks and risks to workers
- Identify actors along the supply chains – direct customers and partners, producers, sub-contractors, agents and labour providers, informal links
- Assess prevalence of business practices that increase modern slavery risks: sub-contracting; extended or complex employment relationships (agency/temporary workers; informal job facilitation; labour providers)
- Assess the impact of high flexibility and low profit margins (short lead in times or increased consumer demand for cheap goods leads to risks of exploitation, such as long working hours or forced overtime).



Fig. 2⁸

Understand who the workers are in your supply chains, which workers are the most vulnerable to modern slavery and involve workers in your due diligence process, including feedback on any measures implemented.

⁷ <https://www.johnlewispartnership.co.uk/content/dam/cws/images/tempfolder/csr/human-rights-june-16.pdf>

⁸ <https://corporate.marksandspencer.com/documents/plan-a-our-approach/mns-human-rights-report-june2016.pdf>

EXAMPLE: Potential incidence of forced labour by business areas

Marshalls' due diligence processes in relation to slavery and human trafficking in its business and supply chains;

Due diligence processes regarding modern slavery and human trafficking are embedded throughout our procurement due diligence process;⁹

Stage 1: Initial Desk-based Due Diligence Report

Stage 2: Initial Supplier Visit and Audit

Stage 3: Third Party Auditing Visit and Reporting

Stage 4: Detailed Human Rights Impact Assessment and Ongoing Human Rights Programme

Conducting a risk assessment

General country and sector risk assessments help identify specific areas of concern. To assess the specific risk of forced labour in any part of their supply chain or own operation, a business will require detailed, accurate and current information directly from a locality. This may be a challenge particularly when considering lower tiers of supply chains where businesses are unlikely to have direct business relationships.

Information provided directly by workers or worker representatives is key to assessing whether forced labour or labour rights violations may be occurring. These sorts of assessments might need to be carried out by specialist researchers who should have local knowledge and language and experience of interviewing workers confidentially and safely. A full assessment will include not only working conditions, but also living conditions of workers. Living conditions are often a clue that indicates abuse. For example, if workers are required by the employer or agent to stay in the accommodation they provide, not allowed to leave their accommodation, or if the workers' income is paid into an account controlled by the agent, these are potential indicators of forced labour.

In some instances, it may not be possible or safe to conduct worker interviews directly (for example if workers are isolated in remote locations, under constant surveillance, or if there is a high risk of retaliation against workers engaging with outsiders). In these instances, information can be sourced from local informants. These include:

- workers' organisations (trade unions)
- NGOs who work on labour rights; violence against women; modern slavery or human trafficking or general human rights
- community organisations or local community representatives
- other workers or traders
- trade associations
- taxi drivers
- market stall holders
- international organisations and NGOs with local presence
- foreign embassies (of nationals that represents migrant workforce or countries that are concerned with modern slavery issues).



⁹ <http://www.marshalls.co.uk/documents/policies/Marshalls%20Modern%20Slavery%20Policy%20and%20Disclosure%20Statement.pdf>

Case study: Repórter Brasil on Nestlé, Douwe Egberts

Brazil is a country with a long history of slave labour. Over many years, there has been a concerted effort to tackle this, involving changes in legislation, labour inspectors, civil society organisations and the media. In 2003, a so called Dirty List, *lista suja*, was published by the Brazilian Ministry of Labour and Employment containing the names of companies associated with practices analogous to slavery.

A National Pact was developed involving civil society organisations, government, trades unions and some responsible companies. It oversees investigations into cases of forced labour, child labour and slavery-like conditions, and manages the process of engaging with companies that are placed on the Dirty List. The Pact is managed and supported by an organisation called InPacto.

Companies are given the opportunity to address cases of slavery if found in their supply chains. If they fail to show progress or commitment, they will be put on the publicly available Dirty List for at least two years, and banned from tendering for government contracts. Any company considering purchasing goods or services from any other company can check if they appear on the Dirty List. This means that any company using the services of another company on the Dirty List cannot claim ignorance, and will face investigation for sourcing from a company known to be associated with slavery.

In 2016, cases of child labour and modern slavery were found on coffee plantations supplying global multinational companies¹⁰, including Nestlé and Douwe Egberts. When the results of an investigation uncovering these issues were brought to the attention of Nestlé, they admitted that they had bought coffee from two plantations where workers were rescued from forced labour by Brazilian authorities, and suspended supply from these farms. This case is being dealt with through the National Pact.

Identifying salient risks and prioritising risks

Once a company has conducted a thorough risk assessment, it will need to rank risks according to their severity and scale, consider where the company has the biggest responsibility for the number of workers affected, or where there is the greatest potential to influence. Risks to and impact on workers should be a primary consideration.

Examples of areas to consider when prioritising risk:

- Volume and category of spend
- High level of risk faced by workers
- Significant gaps in knowledge
- Length of supplier relationship
- Possibility to work collaboratively with others
- Public interest in the issue
- Possible cases of modern slavery identified
- High risk identified, but no cases identified.

Should a risk assessment identify high risk, but no specific instances, consider commissioning an in-depth investigation into the causes of that risk and identify mitigation strategies.



Fig. 3 ¹¹

¹⁰ http://reporterbrasil.org.br/wp-content/uploads/2016/12/Cafe%CC%81_ING_Web.pdf

¹¹ <https://corporate.marksandspencer.com/documents/plan-a-our-approach/mns-human-rights-report-june2016.pdf>



4. STEP 2: Identifying leverage, responsibility and actions

Before taking action to reduce risks of modern slavery, it is important that companies identify opportunities to effect change and consider their individual leverage. Most often leverage will be significantly greater if companies are able to collaborate with one another through multi-stakeholder initiatives such as ETI or engage in strategic partnerships with other relevant institutions. It is essential that companies review their business structures, processes and decision-making systems to ensure that they can exercise necessary leverage and act appropriately.





4.1 Increasing capability of business to address the risk of modern slavery

The capability of a business to address the risk of and actual cases of modern slavery will depend on how robust and developed its policies and procedures are, the methods of working with suppliers and the strength of its stakeholder engagement.

For businesses to be prepared, they should:

Review corporate decision-making and strategies

- Review senior level commitment to ensure leadership and buy-in at the highest level in the business
- Review accountability to drive change in practice and throughout its operations
- Review resource allocation for human rights issues (modern slavery)
- Identify gaps in knowledge and skills
- Put in place procedures for reporting modern slavery concerns within the company's operations and supply chains and communicate these up and down the supply chains
- Develop a specific time-bound plan to address modern slavery risks in short, medium and long term
- Assess degree of trust, stability of supply and the length of business partnership



TIP:

INCLUDE HUMAN RIGHTS IMPACT (MODERN SLAVERY PREVENTION) INTO KPIs FOR PURCHASING AND PROCUREMENT FUNCTIONS

To secure ownership and buy in, it is helpful to set up an internal working group within the business to:

Review policies and procedures

- Map existing policies and codes of conduct (internal and supplier) to identify coverage of risks related to modern slavery
- Review monitoring processes for compliance with policies and codes of conduct
- Involve internal and external stakeholders (such as NGOs) in policy review and development
- Review policies on the rights of workers to organise and bargain collectively
- Encourage communication and engagement up and down the supply chain
- Ensure that policies specify expectations on key business functions (including procurement, buyers, human resource), suppliers, customers, business partners and others linked to business operations, products and services
- Ensure that all contracts include clauses on modern slavery and risk factors
- Communicate a “know and show” culture in policies and codes of conduct within the business and suppliers
- Review coverage of human rights issues in pricing, sourcing and buying policies



TIP:

INCLUDE SPECIFIC MEASURES TO PREVENT AND ADDRESS MODERN SLAVERY IN ALL RELEVANT POLICIES, INCLUDING:

- | | |
|--|--------------------------|
| PROCUREMENT, PURCHASING, SOURCING AND SUB-CONTRACTING POLICIES | CHILD LABOUR POLICY |
| WHISTLE-BLOWING POLICY | CHILD PROTECTION POLICY |
| MIGRANT WORKER POLICY | SUPPLIER CODE OF CONDUCT |
| HUMAN RIGHTS POLICY | EMPLOYEE CODE OF CONDUCT |
| GENDER POLICY | GRIEVANCE POLICY |
| RECRUITMENT POLICY | HUMAN RESOURCES POLICY |

Review capacity of suppliers to manage risks

- Review whether suppliers have sufficient knowledge and understanding of modern slavery risks
- Review supplier policies and practices on preventing and addressing modern slavery (assess whether they are realistic and achievable)
- Review what systems are in place for worker management and worker dialogue
- Encourage suppliers to conduct worker surveys (and ensure that the right to access and interview workers directly is reserved)
- Support capacity building of suppliers rather than driving compliance top-down
- Encourage suppliers to raise modern slavery concerns without the risk of being penalised
- Agree under what conditions a supplier would be terminated (as a last resort if all efforts to improve fail)
- Identify supplier training and support needs.

4.2 Exercising leverage to reduce risk and influence change

Addressing practices and risk that lead to forced labour include understanding what change needs to occur (in practices or law and policy) in order to improve or mitigate situations of exploitation. Remediation for workers that have been subject to rights violations may require collaboration amongst businesses working in partnership with other key stakeholders, such as trade unions and NGOs. Businesses may also have a key role to play in advocating with governments to provide better legal and regulatory protection for workers. This will contribute to longer-term systemic change.

Building strategic partnerships

- Identify sources of expertise on modern slavery (NGOs, academics, consultants, other businesses, trade unions, local organisations)
- Engage with other businesses and industry bodies
- Participate in multi-stakeholder initiatives
- Consider engaging external stakeholders in advisory capacity to be a “critical friend” and assist in developing a business strategy against slavery
- Identify partners (preferably locally) with capability to investigate/verify risks of modern slavery and capacity to support victims
- Engage with trade unions – local and international federations

EXAMPLE: Consumer Goods Forum social sustainability committee action

EVERY WORKER SHOULD HAVE FREEDOM OF MOVEMENT 

 **NO WORKER SHOULD PAY FOR A JOB**

 **NO WORKER SHOULD BE INDEBTED OR COERCED TO WORK**

In 2016 The Consumer Goods Forum publicly committed to collaborating on industry action on forced labour. 48 companies agreed to take specific steps to address practices that lead to forced labour: recruitment fees, withholding of wages and passport retention.

Elevating the issue

- Engage with governments at local and national level to strengthen modern slavery laws and policies and to address underlying factors (such as tied visas for migrant workers)
- Engage with international organisations to improve compliance and the application of international standards (such as advocacy at the International Labour Conference or the UN Forum on Business and Human Rights)
- Communicate the need for business action on modern slavery at public forums and in the media
- Support civil society advocacy efforts on modern slavery
- Communicate with national parliaments and regional bodies (such as the EU or ASEAN) on modern slavery issues

EXAMPLE: ETI Members’ letter to the Prime Minister to advocate for introduction of the provision on transparency in supply chains in the UK Modern Slavery Act



ETI led an initiative with its corporate, NGO and trade union members, in partnership with the British Retail Consortium and other key stakeholders to advocate for the inclusion of a Transparency in Supply Chains Clause in the UK Modern Slavery Act. A letter¹² was sent to the Prime Minister, with logos and signatures from all major high street brands and retailers calling for government to introduce legislation that would create a level playing field for responsible businesses. This letter proved to be the catalyst for government changing its mind on the matter (it had previously been strongly against this). Clause 54 of the Modern Slavery Act was adopted and came into effect in October 2015. It is now highlighted by the UK government as the flagship in the Modern Slavery Act, and is widely cited internationally as best practice in promoting transparency and corporate accountability.

¹² <http://www.ethicaltrade.org/resources/eti-brc-letter-pm-modern-slavery>



5. STEP 3: Mitigating risk of modern slavery and remediating workers affected by modern slavery

Businesses need to know how to deal with two principal scenarios:

- Where there is a risk of modern slavery
- Where an actual instance of modern slavery has been found

Dealing with risks and underlying issues will require time, planning and collaboration to achieve change (outlined in section 4.1). When an identified case of modern slavery occurs, it is important to act quickly but also proportionately to prevent further abuse and to achieve the best possible outcome for the affected workers. ETI advises businesses to put systems in place in advance rather than only in response to a modern slavery concern.

5.1 Addressing the risk of modern slavery

- Adjust business practices to reduce the risk of modern slavery (simplify supply chains; build strong, supportive and long term relationships with suppliers; implement KPIs and standard operating procedures)
- Provide information to workers about their rights, obligations and support structures (work with NGOs, trade unions or worker representatives to raise workers' awareness of their rights and where to turn to for help)
- Put in place grievance and remediation systems that are safe and trusted by workers (such as helplines and worker representation) in a language and format that workers can understand
- Identify and address factors that may contribute to modern slavery (such as illegal wage deductions; lack of trade union presence and freedom of association; lack of awareness about rights; recruitment fee charging; pressure on costs; short lead-in times; undue pressure on suppliers; tied accommodation and or transportation)
- Ensure that key functions within your business and suppliers receive training on identification of modern slavery risks and contributing factors.



TIP:

ESTABLISH A SINGLE POINT OF CONTACT WITHIN THE BUSINESS FOR THE REPORTING OF CASES AND WITH RESPONSIBILITY TO ACT OR ADVISE ON ACTIONS TO BE TAKEN. IDENTIFY A SINGLE PERSON RESPONSIBLE FOR DECISION-MAKING OR FOR ENSURING APPROPRIATE DECISION-MAKING PROCESSES.

5.2 Addressing a modern slavery situation

Every business should be prepared for the eventuality of modern slavery occurring in their supply chain. Whether in direct or indirect supply chains, a business has a responsibility to mitigate the situation. Pro-active establishment of procedures for responding to instances of modern slavery will help business react quickly and more appropriately should a case arise, and will also help manage media exposure and reduce reputational damage.

Have a standard operating procedure in place

- Identify who is responsible for resolving the situation, including responsibility for engagement with affected workers, follow up actions and remediation
- Know the local stakeholders (NGOs, trade unions, migrant community organisations, authorities) and understand who can assist and how
- Work collaboratively with other businesses sourcing in the same locations (even if they operate in different sectors) or from the same supplier
- Terminate a supplier or a business relation where there is a lack of commitment or evidence of appropriate remedial action.

Ensure that mitigation is worker focused

- Understand and respect workers' needs and wishes (note that the needs of female workers might differ, so ensure that women workers are able to express themselves)
- Recognise that however unacceptable or exploitative a situation may be, the worker may be in a desperate situation if their livelihood and their family's livelihood is at stake and they express a desire to remain in that situation. In such cases, the situation needs to be handled with great care
- Immediate termination of a supplier or removing a worker from the situation may cause more harm (see Annex III.)

- Look for solutions that mitigate the current situation and prevent the risk of further harm, such as:
 - Engaging local NGOs, trade unions, community organisations or authorities (where appropriate and safe)
 - Ensuring that workers get the protection and support they require, do not face criminalisation or deportation (for example for irregular immigration status) or retaliation for raising grievances
 - Do not place workers or yourself at risk of serious harm
 - in extreme cases where serious and organised criminals are involved, call the police
 - Looking beyond the individual case to identify contributing factors and poor practice
 - Looking into possibilities of helping workers to secure alternative jobs or income

Ensure remediation and compensation for workers

Where cases of forced labour have been found:

- Report the matter to the police, but ensure that this is safe for workers and that they will not be subjected to further punishment or ramifications if the police are known to be corrupt or in alliance with the perpetrators of the crime
- Provide or facilitate workers' access to compensation (for lost earnings, unpaid wages as well as for pain and suffering)
- Support affected workers in finding alternative employment

Access to remedy for the most vulnerable workers is an issue that needs more consideration. Few companies have a comprehensive policy and ETI will be doing further work on this topic.

5.3 Preventing modern slavery from occurring/re-occurring

Understanding the underlying causes of modern slavery helps address the violations that might put workers more at risk. Protecting and promoting fundamental labour rights will help to prevent the most severe violations, such as forced labour, from occurring. There are some practical steps that businesses can take to prevent slavery from occurring and to assist workers to stay free from further exploitation:

- Avoid hasty and knee-jerk reactions, such as immediate supplier termination, without considering the risks and well-being of workers
- Avoid imposing blanket bans on the employment of certain categories of workers, such as young workers or refugees, as this could expose them to greater harm
- Recognise freedom of association and help workers understand their rights
- Promote complaint mechanisms and whistleblowing procedures that will enable workers to raise complaints about abuses
- Ensure that workers are not charged recruitment fees or any other hidden fees (such as for transportation, visa facilitation and translation services)
- Where national law may be restrictive and contribute to workers' dependency, consider introducing measures that would reduce the effect of such restrictions (such as issuing workers with letters permitting them to leave, in countries where workers on sponsored visas are not allowed to leave the country without an employer's permission)
- Reduce the length of supply chains. Vertical integration enables businesses to better check what is happening throughout the supply chain
- Promote direct and long-term employment rather than sub-contracting and overreliance on temporary labour
- Formalise relationships with suppliers and other business partners and encourage suppliers to establish such relationships with their own suppliers
- Enable democratic and independent trade unions to access workplaces so that they are able to organise workers and represent their interests in collective bargaining agreements with employers
- Enter into a framework agreement with a global trade union federation, if feasible.

Case study: IndustriALL global framework agreement

Global Union Federation IndustriALL has existing Global Framework Agreements (GFAs)¹³ with several multinational companies, including ETI members H&M and Inditex. They underline the central role of freedom of association and collective bargaining in sustainable supply chains by providing workers with the mechanisms to monitor and enforce their rights at work.

GFAs serve to protect the interests of workers across a multinational company's operations. GFAs are negotiated on a global level between trade unions and a multinational company. They put in place the very best standards of trade union rights, health, safety and environmental practices, and quality of work principles across a company's global operations, regardless of whether those standards exist in an individual country.

¹³ <http://www.industriall-union.org/issues/pages/global-framework-agreements-gfa>

6. STEP 4: Monitor, review, report and improve

Monitoring, tracking and communicating the impact of steps taken to address and prevent modern slavery is integral to human rights due diligence. Leading businesses report publicly on efforts to tackle modern slavery as a part of their human rights due diligence commitments.

6.1 Transparency – a due diligence essential

Increased transparency and accountability is now expected, not just by civil society but also by shareholders, customers and increasingly regulators. It is no longer acceptable for organisations to claim ignorance or abdicate responsibility for what is going on in their business or any part of the supply chain.

Documenting abuses and reporting publicly on the impact of any remedial actions taken by businesses or their supplier is an integral part of being transparent and accountable. Stating intentions to take actions or listing actions taken may not suffice. Businesses should be able to demonstrate the measurable and verifiable impact of actions taken to mitigate a case of modern slavery or reduce risk. While not all actions will have immediate measurable and demonstrable impacts (shifts in attitudes and employment practices may take longer), milestones and interim results should be defined, regularly measured and evaluated.

It is important to regularly review governance structures and decision making, responsibility and accountability systems. This should include reviewing established KPIs on human rights (modern slavery) due diligence, as well as tracking mitigation and remedial actions and their effectiveness. Evaluation of impact and effectiveness need to be independently verified.

Remediation for affected workers or those at risk is a vital due diligence effectiveness benchmark.

Documenting the impact of actions taken is key to fostering a “know and show culture” within your business and supply chains. In practice this means embedding knowledge about modern slavery and supply chain due diligence throughout the business and within the supplier base, identifying and filling gaps in knowledge and skills. It means being transparent about issues and challenges and encouraging identification of risks throughout the supply chain, tracking and evaluating the effectiveness of the response and publicly sharing learning.

Review and monitoring systems need to be robust. As explained earlier in this guide, exercise caution with regards to audits as they are unlikely to pick up signs of forced labour and human trafficking because of their hidden nature. Certification and labelling are often misunderstood as comprehensive guarantees rather than assurances related to an element within supply chains. Third party verification is key, as is consultation with and input directly from workers or those who act on their behalf.



TIP:

VERIFY INFORMATION COLLECTED LOCALLY WITH INTERNATIONAL SOURCES AND VICE VERSA. ENSURE THAT YOUR DATA IS AUTHORITATIVE, ACCURATE, CURRENT, VERIFIABLE AND BELIEVABLE.

A shift towards transparency is an opportunity for business to demonstrate leadership and 'own' the message when discussing issues in supply chains. Each business should carefully consider the contents of their transparency disclosure. What is relevant and appropriate to share will

depend on a number of factors, such as the size of the business, type of business, where it operates and its supply chains. However, there are some key ingredients that each business should consider including:



TIPS FOR TRANSPARENCY DISCLOSURE:

- DEMONSTRATE UNDERSTANDING OF THE ISSUE BUT ALSO INCLUDE ANY GAPS IN KNOWLEDGE - IDENTIFIED
- USE SIMPLE LANGUAGE AND BE SUCCINCT, BUT COVER ALL RELEVANT POINTS
- SET OUT CLEARLY HOW RISKS WERE ASSESSED AND HOW THEY ARE INVESTIGATED
- EXPLAIN CLEARLY ALL THE STEPS THAT WERE TAKEN AND WHY
- EXPLAIN YOUR DUE DILIGENCE PROCESS AND SPECIFY WHICH STAKEHOLDERS WERE CONSULTED AND WHY
- EXPLAIN GOVERNANCE STRUCTURE THAT UNDERPINS THE STATEMENT
- USE CASE STUDIES AND EXAMPLES
- DESCRIBE PLANS FOR NEXT STEPS
- PROVIDE LINKS TO RELEVANT POLICIES
- PUBLISH A LIST OF SUPPLIERS



6.2 Mandatory disclosure

The UN Guiding Principles on Business and Human Rights introduced a global standard that expects businesses to respect human rights and act with due diligence. Due diligence is becoming the norm and there is also a growing body of law requiring businesses to report publicly on what they are doing in relation to human rights issues.

UK law:

Commercial organisations with an annual turnover of £36 million or more must produce an annual statement on steps they have taken to ensure that there is no slavery in their supply chains or own business (UK Modern Slavery Act, s. 54). UK-incorporated quoted companies must in their Strategic Report set out information about environmental, employee, social, community and human rights issues (s. 414C Companies Act 2006).

French law:

The 2017 French Corporate Duty of Vigilance law establishes a legally binding obligation for parent companies to identify

and prevent adverse human rights and environmental impacts resulting from their own activities, from activities of companies they control, and from the activities of subcontractors and suppliers with whom they have an established commercial relationship.

EU law:

Companies with 500 or more employees must report on environmental, employee and social matters as well as on respect for human rights, bribery and anti-corruption, and must include information on due diligence processes, principal risks and mitigation (EU Non-financial Reporting Directive 2014/95/EU).

A number of statements made under the UK Modern Slavery Act have now been published. The Modern Slavery Act Registry¹⁴ collects these statements and allows businesses to review the statements of their peers and to benchmark themselves against others in the same industry. Various analyses carried out in the first year of reporting identified some common pitfalls in transparency reporting.



REPORTING PITFALLS:

- NO DETAILS ON STRUCTURE, NATURE, COMPLEXITY OF SUPPLY CHAINS
- NO INFORMATION ABOUT SPECIFIC RISKS AND HOW THEY WERE IDENTIFIED
- GENERIC STATEMENTS ABOUT POTENTIAL ISSUES OR MEANINGLESS PROCLAMATIONS ABOUT ZERO TOLERANCE TO SLAVERY
- NO EXPLANATION ABOUT STEPS TAKEN OR CHANGES MADE
- FAILURE TO IDENTIFY ACTIONS
- LACK OF CONSIDERATION OF NEXT STEPS
- STATEMENT COPIED FROM A TEMPLATE OR ANOTHER BUSINESS
- NO CONSIDERATION GIVEN TO ALL CATEGORIES OF WORKERS (OR ONLY STAFF AND EMPLOYEES CONSIDERED)
- NO CONSIDERATION OF GENDER
- STATEMENT NOT SIGNED AT THE DIRECTOR LEVEL AS REQUIRED BY LAW
- STATEMENT NOT PUBLISHED PROMINENTLY ON COMPANY'S WEBSITE
- LACK OF KPIs THAT MEASURE AND MONITOR CHANGE AND DIRECTION OF TRAVEL

¹⁴ <http://www.modernslaveryregistry.org/>

Leadership, good practice and seriousness of engagement can be distinguished in the level of detail provided in company disclosure; openness about any gaps in knowledge and giving a time-bound commitment to address these.

EXAMPLE: OXFAM GB’s analysis of priority risk areas and proposed actions (excerpt)

Activity	Risk of unidentified incident of modern slavery	Action plan
International operations	No risk framework in place for modern slavery	Commit to develop one by November 2017
Oxfam GB’s UK agency workers		
Oxfam House (our HQ in Oxford) sources contracted services (facilities, café, security).	Gap in checks for our drivers, warehouse and transport agency worker	Ensure a consistent and appropriate approach for all UK agency workers by June 2017
Suppliers have been through a tender process and ethical assessment and all workers for Oxfam are paid at least the Living Wage Foundation rate	Low visibility of the due diligence process these suppliers use for hiring agency labour	Strengthen our due diligence regarding our suppliers’ agency hiring processes in 2017
Oxfam GB’s non HQ on-site contracted services	Supplier checks are overdue for a number of suppliers	We will conduct a new assessment of these long-term contracts, with a focus on recruitment and wage practices, during 2017/18.

Annex I Clause 1 and key international standards

The ETI Base Code is based on ILO Conventions. There are several key standards in addition to the ILO Conventions that prohibit conduct covered in Clause 1.

Relevant ILO Conventions

C29 Forced Labour Convention, 1930

The signatories to the convention undertake to prohibit forced labour. Article 2 of the Convention defines forced labour as: "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily."

2014 Protocol to the Forced Labour Convention

The Protocol expands on and updates the previous Conventions. It covers measures for the prevention of forced or compulsory labour, including:

Art. 2(e) By supporting due diligence by both the public and private sectors to prevent and respond to risks of forced or compulsory labour;

and remedies for victims of forced labour.

C 182 Worst Forms of Child Labour, 1999

Defines every person under the age of 18 as a child and defines worst forms of child labour. ETI has produced a separate Base Code Guide on child labour¹⁵.

C 105 Abolition of Forced Labour Convention, 1956

The Convention addresses forced and compulsory labour for economic purposes and as a means of political coercion.

In certain circumstances ILO standards permit requiring a person to perform labour. These include:

- a. work or service normally required of a person imprisoned in execution of a sentence or formal decision passed by the competent judicial authority. Such work or service shall be carried out under the supervision and control of public authorities, and any persons performing such work or service shall not be placed at the disposal of any private party, company, or juridical person;
- b. military service and, in countries in which conscientious objectors are recognized, national service that the law may provide for in lieu of military service;
- c. service exacted in time of danger or calamity that threatens the existence or the well-being of the community; or
- d. work or service that forms part of normal civic obligations¹⁶.

Relevant international treaties prohibiting slavery

1926 Slavery Convention

The Convention prohibits slavery, which is defined in Article 1.1 as the status or condition of a person over whom any or all of the powers attaching to the right of ownership are exercised.

1956 Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery

The convention expands upon the 1926 Convention by prohibiting institutions and practices that have not been defined and covered by the initial convention, including debt bondage, serfdom and child slavery.

¹⁵ <http://www.ethicaltrade.org/eti-base-code/4-child-labour-shall-not-be-used>

¹⁶ ILO Conventions, ICCPR, ACHR

Relevant international treaties prohibiting human trafficking

Trafficking is a three-stage process through which an individual is brought into a situation of exploitation, including forced labour or slavery. The process includes:

ACTS, such as recruitment, transportation, transfer, harbouring or receipt of a person by the

MEANS of the threat or use of force, coercion, fraud, deception or the abuse of a position of vulnerability, for the PURPOSE of exploitation, which includes forced labour or services.

2000 Palermo Protocol (The Protocol to Prevent, Suppress and Punish Trafficking in Persons Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime)

The Protocol prohibits human trafficking in all its forms and provides the internationally recognised definition of trafficking in Art. 3: "Trafficking in persons" shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation. Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices.

2011 European Union Directive on preventing and combating trafficking in human beings and protecting its victims 2011/36

The EU directive prohibits trafficking which is defined similarly to the Palermo Protocol as a three-stage process (in case of adults).

Article 5 creates liability of legal persons for trafficking offences committed for their benefit by any person, acting either individually or as part of an organ of the legal person, and it further provides for a possibility to hold a legal person liable where the lack of supervision or control has made human trafficking possible for the benefit of that legal person by a person under its authority.

Other relevant standards and guidelines:

1948 Universal Declaration of Human Rights states that: "No one shall be held in slavery or servitude; slavery and the slave trade in all their forms shall be prohibited."

1966 International Covenant on Civil and Political Rights reaffirms the prohibition of slavery in all its forms.

UN Guiding Principles on Business and Human Rights set out the duty of the state to protect human rights and the responsibility of businesses for respecting human rights and for providing remedy where rights of workers have been violated or denied.

Annex II Special cases: State sponsored forced labour

According to the ILO, most forced labour (around 80%) occurs in the private sector. In some cases, however, it is the state, rather than a private actor that is directly engaging in modern slavery, often against its own laws. It is vital that businesses are aware of these special cases, and exercise careful due diligence. As evidenced below, products of state sponsored forced labour and workers enslaved by their own governments can be found throughout global supply chains. If a company's supply chains are linked to any of these instances, there is a high degree of certainty that modern slavery is present in its' supply chain.

State-sponsored forced labour in agriculture in Uzbekistan and Turkmenistan¹⁷

Two central Asian countries in particular have been in the spotlight for state sponsored forced labour in the cotton industry. Uzbekistan and Turkmenistan supply a large proportion of the world's cotton market and are known to forcibly mobilise their citizens each year (including children in the case of Uzbekistan) to harvest cotton. Citizens are coerced under a threat of penalty to pick cotton. Public sector employees, such as teachers and nurses, as well as recipients of state benefits are amongst the most affected.

Through a chain of command from the top levels of the government, each region/district is given annual cotton production quotas, and this is further distributed at a local level. For example, factory managers and hospital administrators are allocated specific quotas and will assign this to their employees. Employees are sent out to the fields to pick cotton and have to meet stipulated quotas. Refusal to go can result in dismissal from job, public persecution or humiliation, physical punishment from local governors, curtailment of benefits or loss of the right to study.

Both Uzbekistan¹⁸ and Turkmenistan¹⁹ have been under examination by the ILO for violations of forced labour conventions. Due to concerns over forced labour in the Uzbek cotton productions, over 200 companies signed the Cotton Pledge and committed to not knowingly source cotton from Uzbekistan.

Some companies adopted a similar approach to Turkmen cotton.

EXAMPLE: H&M ban on cotton from Turkmenistan and Syria

"Since December 2015, H&M has a ban on cotton from Turkmenistan and Syria. All suppliers working with H&M will sign a commitment requiring that they don't buy cotton from Turkmenistan or Syria.

The suppliers that do not sign the commitment will not be allowed to work with H&M. H&M has an equivalent ban on cotton from Uzbekistan since 2013. The reason for this ban is that H&M under no circumstances accepts underage workers and/or forced labor being used anywhere in our value chain, including in cotton cultivation. Unfortunately, this is sometimes the case in Uzbekistan and Turkmenistan and H&M does therefore not accept conventional cotton from Uzbekistan, Turkmenistan or Syria in our products²⁰."

¹⁷ <http://www.cottoncampaign.org>

¹⁸ <http://pubdocs.worldbank.org/en/307241448038866033/Uzbek-2015-TPM-Report-20112015.pdf>

¹⁹ http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:13100:0::NO::P13100_COMMENT_ID:3253697

²⁰ <http://about.hm.com/en/media/news/ban-on-cotton-from-turkmenistan-and-syria.html>

State sponsored trafficking in human beings – North Korean workers²¹

The Democratic People's Republic of Korea (DPRK) or North Korea has been sending tens of thousands of its citizens to work abroad under circumstances akin to trafficking in forced labour. North Korea uses the deployment of its citizens abroad as a method of earning hard currency. Workers are subjected to strict, military style discipline and are constantly watched by supervisors deployed by the regime. Most of their pay (approx. 90%) is appropriated by the government²². It is estimated that there are at least 50,000 North Koreans currently working in 16 countries worldwide.

Most workers are sent to Russia to work in logging or construction, or to China to work in restaurants and the apparel and textiles industry. But, thousands more are being employed across the Middle East, Asia, Europe and Africa, earning the government between \$150 - 230 million per year, or approximately 7-8% of North Korea's total exports²³.

The system of labour export is organised, managed and overseen by multiple branches of the DPRK government²⁴. Prospective workers are vetted against selection criteria which consider the candidate's *Songbun* (family background), political background (whether they are ideologically trustworthy), skill level and hard-working character²⁵. All workers must be married with at least one child and be in excellent health – as verified by a physical examination no sooner than six months prior to departure²⁶. Single men are precluded from access to overseas jobs and only young women are selected for restaurant and textile jobs overseas.

The operational side of the system varies by country and by industry but is usually arranged by:

- DPRK businesses²⁷ operating in the host country or directly through DPRK embassies around the world.
- Businesses then pay the government for use of labourers, either paying their wages directly to DPRK government offices (often to the embassy) or to the workers' supervisor (DPRK official). Payment may also be made via a third-party company who collects wages and then pays compensation to the government.

EXAMPLE: Forced labour of North Korean workers linked to UK supply chains²⁸

APPAREL AND TEXTILES-MALTA

In 2014, Leisure Clothing Company, a Chinese owned clothing factory in Malta was found to be employing 36 North Koreans in slave like working conditions. At the time, the company supplied small quantities of clothes to at least two British companies, Karen Millen and Coast, as well as a small number of European brands. Both British companies reportedly stopped doing business with the factory when they were alerted to this in November 2014.

Working conditions as reported by factory workers consisted of no rest days during the first five months, long hours (11-13 average) from 7am to 9:30pm, withholding payments and confiscating passports²⁹. The Managing Director and the Marketing Director responsible were charged with human trafficking offences and the exploitation of workers. They were also charged with misappropriating employees' wages, failing to pay employees their wages, overtime and allowances and failing to comply with employment conditions.

²¹ <http://www.ethicaltrade.org/resources/north-korea-state-sponsored-forced-labour-briefing-note>

²² NKDB

²³ IHRL pg 18. Estimates for this figure vary and have been reported as high as 1.5 billion (UN Special Rapporteur).

²⁴ IHRL.

²⁵ Neither the job postings nor the selection criteria are made public.

²⁶ Scartiatou. Physical examination involves a blood test and eye, ear and liver examination.

²⁷ DPRK businesses are government or state-owned or state-controlled enterprises.

²⁸ <http://www.ethicaltrade.org/resources/north-korea-state-sponsored-forced-labour-briefing-note>

²⁹ From the testimony submitted by Chinese and Vietnamese workers, one of whom reported receiving compensation after 8 months and another forced to stay until €2,000 could be accumulated (the amount owed from transportation, accommodation and other fees).

EXAMPLE: Forced labour of North Korean workers linked to UK supply chains³⁰

AGRICULTURE- POLAND

In 2015/16, it was reported that Mularski farm, a hothouse tomato producer supplying a number of retailers in the EU, employed 62 female workers from North Korea. Located in a quiet village 300km from Warsaw, the farm's glasshouses and workers' dormitories were completely enclosed by concrete walls. The workers lived in the dormitories and only left the premises on Sundays. Mularski contended that all 62 workers were legally employed, treated fairly and paid properly into their own bank accounts. This was verified by Polish authorities who regularly conducted inspections and approved the farm.

Based on the experiences of other foreign workers, however, the workers' bank accounts were in all likelihood, controlled by DPRK officials with funds appropriated on their return home or coupons issued for state stores in exchange for cash. Without jurisdiction to review financial records, nothing can be verified³¹. Finally, although no supervisor or state monitor was uncovered during the inspections, it is possible that the monitor had been embedded in the workforce and was spying on her colleagues. This is a tactic employed by Pyongyang to obtain information on its citizens.

State sponsored forced labour – Eritrea³²

Eritrea operates one of the most oppressive regimes in the world. A unique feature in Eritrea is an indefinite *national service* scheme through which the government sanctions forced labour of conscripts. National service was originally conceived as an 18-month programme. However, able-bodied men and most women have been required to serve indefinitely, under harsh and abusive conditions. Those who try to flee risk imprisonment, torture and reprisals directed against their families.

In direct violation of international labour standards, the Eritrean government has been assigning some national service conscripts to construction companies who exercise a complete monopoly in the field. Conscripted forced labour has been linked to mines, which have been run as joint venture operations between the Eritrean government and international businesses. This was the case for example at the Bisha mine, which was 60% owned by the Canadian company, Nevsun, and 40% by the State-owned Eritrean National Mining Corporation.

EXAMPLE: Court case against a Canadian company for use of forced labour³³

In October 2016, the Supreme Court of British Columbia allowed claims brought by three Eritrean plaintiffs against Vancouver based Nevsun Resources³⁴ Ltd. to proceed to trial. The plaintiffs allege that Nevsun is liable for the use of forced labour at its Bisha mine in Eritrea. The case is believed to be the first civil lawsuit seeking accountability for human rights abuses in Eritrea.

Prison Labour

ILO Convention No.29 specifies circumstances in which requiring a person to perform labour would not constitute forced or compulsory labour. One of the specific circumstances relates to work by imprisoned persons:

Art. 2.2 (c): "Work or service normally required of a person imprisoned in execution of a sentence or formal decision passed by the competent judicial authority. Such work or service shall be carried out under the supervision and control of public authorities, and any persons performing such work or service shall not be placed at the disposal of any private party, company, or juridical person."

If prison labour is found in supply chains, it is important to carry out a thorough investigation to ascertain whether it meets ILO standards. For prison labour to be permissible, it would need to meet such standards and the working

³⁰ <http://www.ethicaltrade.org/resources/north-korea-state-sponsored-forced-labour-briefing-note>

³¹ NKDB, pg.107.

³² <https://www.hrw.org/report/2013/01/15/hear-no-evil/forced-labor-and-corporate-responsibility-eritreas-mining-sector>

³³ http://www.antislavery.org/english/press_and_news/blog_and_news_2016/landmark_slavery_case_canada.aspx

³⁴ <http://www.ccej.ca/cases/nevsun/>

conditions of prisoners would need to be the same as those of free workers – they have to be receiving wages and working in accordance with health and safety and working time regulations.

Civil society^{35,36} and government reports³⁷ have raised concerns over the use of involuntary prison labour in the production of export goods in China and in Vietnam. The practice involves prisoners working for private companies under arrangements or joint ventures with the authorities without pay, in difficult conditions and often without proper health and safety arrangements. Some are subject to³⁸ punishment for mistakes or failure to fulfil quotas³⁹.

EXAMPLE: Chinese prison labour

“In September 2012, a woman in New York City found a letter in a Saks Fifth Avenue shopping bag written by a man claiming to be incarcerated in a Chinese prison labor facility. The letter was signed “Tohnain Emmanuel Njong” and accompanied by a small photo of a man in an orange jacket. Later found and interviewed, Njong, a citizen of Cameroon, said he was an English teacher in Shenzhen (Guangdong Province), when in May 2011 he was unjustly convicted of fraud and sentenced to a prison labor camp. According to Njong, he was forced to work 13 hours per day making paper bags, assembling electronics, or sewing garments, with no outside contact, until he was released in December 2013 for good behaviour”.⁴⁰

Some companies have publicly raised concerns over the risks of involuntary prison labour, in particular where factories in special economic zones in China and Vietnam are linked to their supply chains. Russia was also criticised in connection with the use of involuntary prison labour and for considering using prison labour to complete work on infrastructure for the 2018 FIFA World Cup.⁴¹



TIP:

A PRISON LABOURER CAN SOMETIMES BE IDENTIFIED THROUGH THE UNIFORM THEY ARE WEARING: IT MAY DISTINGUISH THEM FROM OTHER WORKERS.⁴¹

³⁵ http://www.laborrights.org/sites/default/files/publications/VN_Forced_Labor_Centers_PRINT.pdf

³⁶ Human Rights Watch and International Labour Rights Forum

³⁷ US Department of State Trafficking in Persons Reports

³⁸ <http://www.ethicaltrade.org/blog/can-prison-labour-ever-be-acceptable>

³⁹ US China Economic and Security Review Commission. Staff Research Report on Prison labor Exports from China and Implications for U.S. Policy, July 2014

⁴⁰ US China Economic and Security Review Commission. Staff Research Report on Prison labor Exports from China and Implications for U.S. Policy, July 2014.

⁴¹ <http://www.aljazeera.com/news/2015/05/russia-plans-prison-labour-2018-world-cup-150525150106877.html>

Annex III Frequently asked questions

Termination

Permanent termination of business relationships should only be used as a weapon of last resort, even where egregious abuses are found in supply chains. Summarily ending a business relationship often causes more harm than good, as many ordinary workers also make a living in these supply chains. Affected workers as well as those in other parts of the supply chain could find themselves completely without means to earn an income, and hence will be at risk of further exploitation as a result of a business withdrawal.

Responsible business needs to consider the best interest of the affected workers as a primary issue, including any knock-on effects for workers.

In some cases, boycotts can be used effectively as lever to bring about change. Boycott of cotton from Uzbekistan (see Annex II) by a large group of businesses has helped put pressure on the Uzbek government to engage with the ILO and reduce significantly the use of forced child labour in the cotton harvest.

Worker rescue

The wishes and best interest of workers need to be the primary concern for interventions in modern slavery cases. Pulling a worker out of a situation without understanding the risk to the worker, or without remedy and support in place, can result in further harm.

Unless a situation is one of serious harm to life or health, or a worker has asked to be rescued, the most responsible approach is to understand what the worker's situation is, and where possible, to consult with the worker, a trusted NGO or trade union to identify the best possible approach to resolution. Negative consequences of poorly managed worker rescues include workers facing destitution with no option but to return to abusive employers, or even to fall prey to more exploitative working situation. They may face risks of deportation or persecution by authorities, or of violence or persecution by exploiters or creditors if appropriate protective action is not taken.

Businesses should have standard operating procedures in place that guide staff on how to respond to modern slavery cases. It will often not be appropriate for a business to intervene directly, but rather to work in collaboration with other stakeholders, such as expert NGOs, trade unions or law enforcement, to address a situation.

ALWAYS RESPECT A WORKER'S RIGHT TO EXPRESS THEIR OWN NEEDS AND INTERESTS. SEEK TO UNDERSTAND THEIR PERSPECTIVE AND REASONS WHY THEY MAY BE RELUCTANT TO LEAVE ABUSIVE OR EXPLOITATIVE CONDITIONS

Certification and labels

A number of certification schemes exist that attest compliance with social and environmental norms. Certificates and labels for the most part relate to compliance with quality or environmental standards, or guarantees about part of the production process in a supply chain. Certification assumes that compliance with a standard can be proven and documented.

Businesses should not make any assumption about a certificate or a label in relation to modern slavery. It is vital to understand what is certified, why and how to assess whether the particular certificate or label bears any relevance to risk of modern slavery.

'Fair', 'ethical' and 'organic' are amongst the most common schemes referred to in business CSR reports. These schemes offer assurances about part of the process of production, such as a fair price being paid to the farmer, friendly to the environment, no use of harmful chemicals or that health and safety requirements were met. However, these schemes do not provide comprehensive assurances about risks of modern slavery. Because of the complexity of the issue, length of supply chains and a wide range of social, economic and political factors that need to be taken into account, businesses ought to undertake due diligence even where certificates, licenses and labels are presented as assurances.

Responsible businesses ought to undertake modern slavery due diligence, even where third party certificate or label is provided. They should confirm what is certified and verify whether the scheme has a demonstrable impact on the reduction of risk of modern slavery.

EXAMPLES:

Several labels have been developed to provide assurance that no illegal child labour is used. These include GoodWeave (previously known as Rugmark), which offers assurances that carpets made in India were not produced with child labour⁴². ETI member Marshalls developed its own label, Fairstone, which guarantees that no child labour has been used in its production and that fair wages and safe working conditions are maintained⁴³.

In January 2017, reports emerged about serious labour rights abuses on coffee plantations in Brazil certified by UTZ and the Rainforest Alliance⁴⁴.

In 2012, a group of Lithuanian men were found working in conditions of forced labour at UK chicken farms that were selling premium free range eggs which carried a certificate guaranteeing animal welfare⁴⁵.

Zero tolerance policies

Many businesses declare a zero tolerance policy to child labour, forced labour or modern slavery. It is vital that businesses commit to act to stamp out these serious human rights abuses. If a zero tolerance policy is adopted, it is important that the policy has substance and is meaningful, otherwise it can lead to poor practice, cover ups or false declarations of compliance.

Application of a zero tolerance policy is closely linked to management of supplier relations. Suppliers need to be clear under what circumstances a relationship is likely to be terminated. Termination should be the last resort, for example when a supplier refuses to collaborate or address abuses. If suppliers fear sanctions or termination of relationship for raising issues with a view to finding a resolution, it is likely that they will attempt to conceal problems rather than ask for support in dealing with issues. Well applied policies can help push up quality standards, transparency and improvement of conditions along supply chains.



TIP:

MAKE YOUR ZERO TOLERANCE POLICY MESSAGE ABOUT ZERO TOLERANCE TO INACTION AND COVER UP, RATHER THAN ZERO TOLERANCE TO MODERN SLAVERY INCIDENCE.

⁴² <http://www.goodweave.org.uk/home.php>

⁴³ <http://www.marshalls.co.uk/homeowners/garden-paving/fairstone>

⁴⁴ <https://www.theguardian.com/sustainable-business/2017/jan/04/coffee-rainforest-alliance-utz-brazil-pesticides-exploited-workers-pay>

⁴⁵ <https://www.theguardian.com/law/2012/oct/29/workers-chickens-allegedly-trafficked-beaten>

Case study: The UK garment industry: a case for corporate responsibility and government action⁴⁶

In 2014, ETI commissioned a study into working conditions in the apparel and textiles factories in Leicester, an area of the UK that has re-emerged as a manufacturing hub for garments. A number of ETI's leading brands were sourcing garments from Leicester in response to fast fashion demands and alerted ETI to some concerns. University of Leicester research confirmed that they were right to be worried: there was gross exploitation and abuse of workers, particularly in small units employing under 20 people. Workers were being paid well below the minimum wage – some at less than £3 an hour. There was an almost complete absence of employment contracts, excessive and under-reported working hours and health and safety violations. There was minimal, if any enforcement of labour regulations and standards.

In response, ETI has set up a working group of concerned companies, unions and NGOs. They are liaising with local partners such as industry bodies, local government, labour enforcement and mediation bodies, and have engaged with trade unions. They have established a collaborative company-led programme to improve legal and ethical labour standards in suppliers' factories called Fast Forward, which is combined with forensic auditing techniques and a worker helpline. They are also consolidating their supplier base and building stronger partnerships with their suppliers.

But there is recognition that large brands cannot act alone, even with the strongest commitment. They cannot prosecute non-compliant factory owners, nor force government and local agencies to act. ETI and its members have called for government agencies such as the Gangmasters and Labour Abuse Authority, the Health & Safety Executive and HM Revenue & Customs among others to act.

In 2017, the UK Parliamentary Joint Committee on Human Rights also investigated the situation and called for "stronger legislation, stronger enforcement and clearer routes to justice" to protect workers' human rights.

Collaborating to address modern slavery

Stakeholder engagement is a key aspect of human rights due diligence. Civil society organisations, multi-stakeholder bodies, trade unions and other businesses are key stakeholders with which a business should engage to verify information and identify solutions. Civil society organisations and trade unions also play a crucial role in holding businesses to account and thereby acting as "critical friends".

⁴⁶ <http://www.ethicaltrade.org/programmes/leicester-garment-trade>

Selecting an NGO partner

Identifying a trustworthy, reputable and expert NGO can be a difficult task for businesses not familiar with the complex territory of civil society organisations. While there are some NGOs that have become household names, in general NGOs are very diverse and by no means are all equally professional or knowledgeable. Furthermore, there is a rise of organisations that might legally be non-profit, but in reality are consultancies selling a product in response to a demand.

When looking for NGOs to engage with, consider a number of factors, including:

- Track record (verified by others in the sector, funders, government organisations, international organisations, embassies)
- Length of existence and experience
- Association with national and regional alliances or forums
- Local knowledge and partnering with local communities/organisations
- Accreditation/registration with international organisations (such as the United Nations⁴⁷ or the Council of Europe⁴⁸)
- Frequency of public appearances at significant forums and publishing regularly in credible outlets
- Objectives: is the organisation focused on substance or form (for example, does it offer simplistic solutions to complex problems or demonstrate an understanding of the complexities); and is it focused on obtaining change for workers (for example, some NGOs may be well-meaning but have little knowledge, interest or engagement with real world situations). It is also important to note that in countries where civil society space is limited or non-existent, governments may set up “official” NGOs to act as extended arms of the regime and create a false perception of civil society activity
- Willingness to challenge and hold to account – NGOs that are prepared to act as critical friends and challenge businesses are some of the most valuable due diligence partners.

Working with trade unions

Worker organisations and trade union presence in a workplace can help prevent forced labour and address violations. However, the mere presence of a trade union does not guarantee the credibility of the organisation. Only trade unions that are fully independent of employers, the state and are free and democratic should be considered as credible worker representatives and partners for collaboration.

In order to identify a credible trade union locally, businesses should:

- Look for affiliates of major international trade union federations, such as IUF (the International Union of Food Workers), IndustriALL Global Union
- Look for affiliates of the ITUC (International Trade Union Confederation) and the ETUC (European Trade Union Confederation)
- Consult the local office of the ILO (the ILO is a tri-partite organisation. Its field offices will work in partnership with local trade unions)

⁴⁷ <http://undocs.org/E/2015/INF/5>

⁴⁸ <http://coe-ngo.org/#/ingos>

Annex IV Additional Resources

ETI modern slavery resources

- <http://www.ethicaltrade.org/issues/modern-slavery>
- ETI / Hult Business School Report on Corporate Leadership on Modern Slavery <http://www.ethicaltrade.org/resources/corporate-leadership-modern-slavery>
- ETI/Hult Corporate Approaches to Tackling Modern Slavery <http://www.ethicaltrade.org/resources/corporate-approaches-tackling-modern-slavery>
- ETI training on modern slavery <http://www.ethicaltrade.org/training/modern-slavery-act-your-business-ready>
- ETI Human Rights Due Diligence Framework <http://www.ethicaltrade.org/resources/human-rights-due-diligence-framework>

Country/sector information

US Government

- Annual Trafficking in Persons Report Published by the US Department of State: <https://www.state.gov/j/tip/rls/tiprpt/>
- List of goods produced by child and forced labour published by the US Department of Labor <https://www.dol.gov/ilab/reports/child-labor/list-of-goods/>
- Responsible Sourcing Tool: www.responsiblesourcingtool.org

UK Government

- Modern Slavery Human Trafficking Unit <http://www.nationalcrimeagency.gov.uk/about-us/what-we-do/specialist-capabilities/uk-human-trafficking-centre>
- Gangmasters Labour Abuse Authority <http://www.gla.gov.uk/>
- Statutory Guidance on UK Modern Slavery Act <https://www.gov.uk/government/publications/transparency-in-supply-chains-a-practical-guide>
- Equality and Human Rights Commission <https://www.equalityhumanrights.com/en>
- Financial Services Authority Guidance on non-financial reporting <https://www.gov.uk/government/consultations/non-financial-reporting-directive-uk-implementation>

ILO

- Assessment of compliance with labour standards by International Labour Organization <http://ilo.org/global/standards>
- Global estimates on forced labour <http://www.ilo.org/global/topics/forced-labour/policy-areas/statistics/lang--en/index.htm>

Reports by regional bodies

- Country assessments of the situation with regards to human trafficking by the Council of Europe Group of Experts: <http://www.coe.int/en/web/anti-human-trafficking/home>
- Anti-Trafficking portal of the European Commission: <http://ec.europa.eu/anti-trafficking/>

Useful Guidance and Reports

- ETI Base Code Guidance <http://www.ethicaltrade.org/eti-base-code>
- ILO Handbook for Employers and Businesses: http://www.ilo.org/global/topics/forced-labour/publications/WCMS_101171/lang--en/index.htm
- Anti-Slavery International: <https://www.antislavery.org/what-we-do/work-supply-chains/>
- CORE Coalition: Beyond Compliance - Effective Reporting under Modern Slavery Act: http://corporate-responsibility.org/wp-content/uploads/2016/03/CSO_TISC_guidance_final_digitalversion_16.03.16.pdf
- Stronger Together: <http://stronger2gether.org>
- Sedex guidance: <https://www.sedexglobal.com/sedex-forced-labour-guidance-news/>
- Verité responsible sourcing tool: <http://responsiblesourcingtool.org>
- Ergon Review of Modern Slavery Statements <http://www.ergonassociates.net/component/content/article/41-selected-reports/287-what-are-companies-reporting-on-modern-slavery>
- Global Slavery Index <https://www.globalslaveryindex.org/>

Modern Slavery Statements

- Modern Slavery Statement Registry:
www.modernslaveryregistry.org

General Human Rights Information

Civil society and trade union reports

- Annual Global Rights Index by International Labour Confederation <https://www.ituc-csi.org/applying-and-promoting-international-labour-standards/committee-of-experts-on-the-application-of-conventions-and-recommendations/lang--en/index.htm>
- Human Rights Watch annual global human rights report: <https://www.hrw.org/world-report/2016/>
- Freedom House human rights by country: <https://freedomhouse.org/report/freedom-world/freedom-world-2017?gclid=CNzllaWJgNMCFVXNGwodlUsDOA>

Government resources

- UK Government information on human rights internationally: <https://www.gov.uk/government/policies/human-rights-internationally>
- US Government information on human rights internationally: <https://www.state.gov/j/drl/hr/>

Company performance assessment and corporate justice monitoring

- Corporate human rights benchmark assesses businesses on their human rights performance: <https://www.corporatebenchmark.org>
- Modern Slavery Statement Registry: <http://www.modernslaveryregistry.org/>
- OECD watch – database of complaints against companies for failure to comply with OECD guidelines on multinational enterprises: <http://www.oecdwatch.org/cases>
- Know the Chain Benchmarks <https://knowthechain.org/benchmarks>

ETI-ASI/V1.1/08/17

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.

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