

(English only)

Conference “The Public-Private Partnership in the Fight Against Human Trafficking” Moscow, 21 July 2017

Panel 4 – “The way forward”. How governments and businesses could address the prevention of THB in a collaborative way - regulations and voluntary initiatives

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Thank you to the OSCE for the invitation and for hosting this very important dialog. I am a senior advisor to United Way Worldwide’s Center on Human Trafficking & Slavery. The Center:

- Engages the business community to share best practices
- Leverages a footprint of member organizations throughout the U.S. to advocate for and provide services to victims.

SLIDE 1

A huge challenge to concerned brands has been knowing exactly which of the thousands of farms or factories in their supply chains could be exploiting workers. The first-tier suppliers are well known. The many behind them generally are not – this puts multi-national businesses—and us consumers at high risk of supporting exploitation.

The question is then what do we do about it. First, you have to find out about it, which can be a complicated endeavor. You could send someone down to a facility with a clipboard to go talk to workers and suppliers—if you know where they are.

Or you could solely rely on your suppliers to provide you data, or auditors to conduct audits, which as we've heard has its own shortcomings.

That said, who better to tell us about how workers are being treated in a factory, a farm, a fishing vessel or a mine than the workers themselves.

But, workers are all over the world, often in hard to reach areas. There are safety, cost and security challenges for researchers and workers participating in an in-person survey—how do you then get to millions of such workers, or even a representative sample?

SLIDE 2

In the past few years we've seen creative technology based tools developed by entrepreneurs to capture worker experiences:

- We've seen experts mine large data sets to find patterns to identify dubious suppliers—usually by compiling information from thousands of public sources such as news reports, legal filings, or NGO reports that may implicate certain suppliers
- We've seen the establishment of hotlines so workers can call in if they have concerns
- We've seen a couple of Yelp like applications where workers can rate their recruiter or employment agency and share that with other workers
- And, as mobile phone access has increased—we've seen the utilization of SMS or apps to survey workers directly

SLIDE 3

Generally, depending on the product, these data are then aggregated, analyzed and provided to a supply chain manager through a customizable dashboard, report, or data feed.

Thus these product developers aim to operationalize the input of worker voice as a factor in supply chain decision making. That is, when a company is conducting its due diligence on whether and how they should work with a supplier, they should also have information about that supplier's labor practices, as told by the workers themselves.

SLIDE 4

For example, there has been much reported on labor abuses in Thailand's seafood industry, primarily of migrant workers who come from the neighboring countries of Myanmar, Laos and Cambodia. These workers are often cheated during recruitment, abused out at sea in fishing boats, or while in processing plants back at port. A majority of the shrimp and seafood heads to Western consumers.

To address this, the Issara Institute, a Thailand based non profit organization partners with 14 leading global brands who are concerned about these abuses.

The interesting thing is the tools that Issara, with its limited staff, uses to get to all the potential victims. The Thai government estimates that there are over 300,000 workers in its seafood industry, and Issara estimates that 30 percent of those are probably victims of forced labor, many more endure other forms of rights violations. It's simply not possible to interview every possible worker.

However, over 90 percent of the Burmese migrant workforce actually has access to smartphones. And thus, with the support of the Walmart Foundation and the U.S. Agency for International Development, Issara launched a Burmese language App, called Golden Dreams where workers can report abuses. They also run a 24 hour multi-language hotline that workers can call into, and monitor other social media applications like Facebook and Vibre that workers already use.

Through the reliance on these technology-enabled platforms, Issara estimates that it has access to about 60,000 workers in the seafood industry. Staff then aggregate this data, verify it through in person visits when needed and provide it to brands who then urge their suppliers to respond, or risk being sanctioned or at worse cut from the business' supply chain.

SLIDE 5

Indeed, the prevalence of mobile technologies has made it easier and cheaper to survey workers. For example, another company, GeoPoll partners with mobile network operators in 45 countries to access and survey people about a variety of issues, including how they are treated at work. These partnerships give GeoPoll access to 320 million mobile phone users around the world.

SLIDE 6

Last year they surveyed hundreds of miners in the DRC and Tanzania. They sent an SMS to residents of specific regions where miners live. Those who qualified and opted in told GeoPoll about health and safety violations, lack of safety equipment as well as the presence of the worst forms of child labor in the mines. Many said they needed improved health care and wages for parents so children

would not have to work and identified which mines they work in. GeoPoll provides this data to businesses who can hold their suppliers accountable. The existing mobile network enables companies to conduct immediate research at a low cost to gauge the activities of their suppliers.

These are just two examples of technology enabled tools. Much more needs to be done, however, to ensure systemic solutions.

SLIDE 7

RECOMMENDATIONS:

Multinational companies who face many such risks have not adopted such solutions at an enterprise level. Despite the lower costs, conducting systematic due diligence for trafficking does not appear to have become part of standard operating procedure and is often relegated to separate, limited corporate responsibility or ethical sourcing departments. Brands should fully incorporate such tools for diligence into core sourcing functions. This investment will spur further innovations, drive down costs even further and fuel scaling.

Governments: Government, private and foundation donors and investors have largely driven product innovation and incentivized the market for such due diligence solutions. However, I will be blunt in my recommendations of what governments can and should do:

1. Pass laws that don't just drive corporate disclosure on how they may or may not be monitoring their supply chains—implement measures that COMPEL companies to act. The more companies FEEL like they need to take

these issues seriously—the more they will ACT to ensure that their supply chains are not exploiting workers

2. Use these tools to monitor your own supply chains—local and federal governments procure stuff. Many, like the U.S., have good stated intentions in their purchasing regulations, but like the private sector, monitoring of suppliers below the first tier is often lacking
3. Lastly, it can be cost prohibitive for labor ministries or departments to hire multiple inspectors to go inspect every farm, every factory, every port—governments can use these technology tools to directly access those who work in their jurisdictions. This data can inform the enforcement of local labor laws, and they should publish this data so that corporations and civil society can also hold dubious suppliers accountable.

A final thought, many of us thought that if we could just bridge this information gap—that is provide actionable data, then corporations would act upon it. While there are many examples of that happening—there are also many examples of that not happening. So while there are really some very interesting and exciting technologies being used in this space, at very affordable price points—we still need to continue to build the political will to act upon the stories that workers share with us.