TRADE FACILITATION MEASURES AND GOOD GOVERNANCE IN SUPPLY CHAINS

PREVENTION OF TRAFFICKING IN HUMAN BEINGS IN SUPPLY CHAINS

Concluding meeting

24th OSCE ECONOMIC AND ENVIRONMENTAL FORUM
“Strengthening stability and security through co-operation on good governance”

Prague, 14-16 September 2016

The magnitude of the problem

- 20.9 million people are in forced labour situations worldwide and the majority of them, or an estimated 68%, are in a situation of labour exploitation (ILO)
- Forced labour and THB in the private economy generates US$ 150 billion in illegal profits per year (ILO)
- 71% of global companies believe there is a likelihood of modern slavery occurring in their supply chains (ETI UK)
- 50 top companies, with a combined revenue of 3.4 trillion USD, might have a hidden workforce of 116 million people (ITUC)
Why should governments and private sector combat THB in supply chains

**Global HR agenda**
- UN GPs on Business and Human Rights
- UN Sustainable Development Goals
- ILO Protocol 2014 to the Forced Labour Convention

**Laws at the national level**
- US EO Strengthening Protection Against Trafficking in Persons in Federal Contracts
- UK Modern Slavery Act
- EU Public Procurement Directive

**Economics**
- THB because of demand for cheap labour
- Illegal unfair advantage on costs of production
- Distorts the market and undermines the competitive process

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**OSCE leadership on CTHB in SC**

**OSCE participating States to work with the business sector to apply principles of due diligence and transparency in assessing and addressing risks of exploitation throughout supply chains**

Zero-tolerance policies or other similar standards in government procurement of goods and services

Require by law that all government contracts for goods and services go only to businesses that have a plan in place to ensure that their subcontractors and employees do not participate in activities that contribute to or that constitute THB
The work of OSR/CTHB

**OSCE project** “Preventing Trafficking in Human Beings in Supply Chains through Government Practices and Measures”

**Financially supported** by Austria, Germany, the Netherlands and Switzerland

**Project objective** to provide OSCE pS with practical tools to enact measures to prevent THB in supply chains and build their capacity to implement these measures

The high-level conference “Prevention of trafficking in human beings for labour exploitation in supply chains”, Berlin, 7-8 September 2016

- Over 180 participants
- 85 government representatives from 35 OSCE pS / pC
- Experts from IOs, such as CoE, CBSS, ICMPD, ILO, IOE, IOM, ITUC and UNODC
Conclusions of the Conference

- THB can happen in any country or industry supply chain
- Binding labour standards in and their enforcement are essential to prevent THB in supply chains
- Leverage public procurement (PP) to CTHB in supply chains
- Businesses welcome well-designed transparency and PP regulations that create a level playing field
- Need for harmonization of approaches and jurisdictions to lessen the burden for business across the OSCE region
- Recruitment fees → vulnerability of workers
- Listen to the voice of workers, create grievance mechanisms
- Financial Institutions and Investors critical to CTHB

The work of OSR/CTHB

OSCE Special Representative says ‘do the right thing’ and take ethical approach to combating human trafficking

Alliance Conference “Ethical issues in Preventing and Combating Human Trafficking”, Vienna, 4-5 November 2014