



Organization for Security and Co-operation in Europe

**Special Representative and Co-ordinator
for Combating Trafficking in Human Beings**

REPORT

**Third Workshop on the Prevention of Trafficking in Human Beings in
Supply Chains through Government Practices and Measures**

**Stockholm
18-19 May 2017**

Disclaimer

The recommendations, statements and positions set out in the following summary have been drafted by the OSCE based on the ideas and suggestions which were raised during the event. They do not necessarily reflect the position of each individual panellist or the position of their respective organizations. The recommendations listed below are OSCE recommendations which were informed by the panel discussions. They do not indicate that each organization represented on the panels specifically endorses or supports each recommendation.

Introduction

The workshop “*Prevention of Trafficking in Human Beings in Supply Chains through Government Practices and Measures*” was organized by the OSCE Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings (OSR/CTHB) in close co-operation with the Council of the Baltic Sea States (CBSS) on 18 and 19 May 2017 in Stockholm. This was the third workshop organized under the OSCE extra budgetary (ExB) project “*Prevention of Trafficking in Human Beings in Supply Chains through Government Practices and Measures*”. The first two workshops took place in Berlin on 5 and 6 September 2016 and London on 29 and 30 November 2016.

The workshop provided more than 40 public procurement and anti-trafficking experts and policymakers from 15 OSCE participating States with the opportunity to discuss how governments in the OSCE region can address the problem of trafficking in human beings (THB) in supply chains more effectively, share promising practices and lessons learned and explore opportunities for further co-operation. Workshop participants also discussed groundbreaking existing legislation, policies and initiatives, as well as new initiatives such as the Netherlands Child Labour Due Diligence Law and France’s recently adopted law requiring companies to establish a “plan of vigilance” for identifying risks of human rights violations within their global supply chains.

The workshop was structured in three panels, addressing trafficking in human beings for labour exploitation (THB/LE) in supply chains. The panels focused on raising awareness of the relevance of THB/LE to public procurement; building knowledge and capacity on THB/LE issues through discussions regarding, and presentation of, existing promising government prevention strategies, particularly public procurement, transparency and labour recruitment measures; and lessons learned and ways forward. Three breakout sessions were organized during the workshop discussing trafficking in human beings and labour regulations, THB and public procurement, and THB and transparency in supply chains.

Welcoming Remarks & Introductory Addresses

The welcoming remarks were delivered by *Ambassador Madina Jarbussynova*, OSCE Special Representative and Co-ordinator for Combating Trafficking in Human Beings, *Anthony Jay*, Head of Media & Communications on behalf of Director General of the Council of the Baltic Sea States Secretariat and *Per-Anders Sunesson*, Ambassador at Large for Combating Trafficking in Persons, Ministry for Foreign Affairs, Sweden.

In her opening remarks, Ambassador Jarbussynova thanked the Secretariat of the Council of

the Baltic Sea States for co-hosting the workshop, for its commitment to and leadership on the topic of the event and for the CBSS' continuous support to the work of the OSCE, both in the context of the Alliance Against Trafficking in Persons and the Alliance Expert Co-ordination Team, and particularly as a partner in the framework of the OSCE project on prevention of trafficking in supply chains. She also expressed her gratitude to the Swedish authorities, in particular to Ambassador Per-Anders Sunesson and the Ministry for Foreign Affairs, for providing invaluable support to the workshop, and for generously hosting the reception.



Ambassador Jarbussynova also mentioned that through leveraging their purchasing power and “role in the globalization process”, governments can lead by example, setting clear criteria for compliance with human rights standards, international and national provisions. She emphasized the *recent policy developments in the field* of preventing THB/LE in supply

chains, adopted in the U.S., UK, Norway, Sweden, Germany and the EU. The Special Representative also spoke about the OSCE's work in this field, including previously adopted OSCE commitments and research conducted.

In conclusion, Ambassador Jarbussynova mentioned that the public procurement process, fair recruitment practices, and transparency by private sector companies, if correctly incentivized and enforced, can have a great influence on preventing trafficking of human beings in supply chains. The Ambassador advised that to make this a reality, partnerships must be forged to ensure that all relevant stakeholders do their part, and work together towards a similar approach.

Anthony Jay began his opening remarks by welcoming the participants of the seminar and by noting that the CBSS has been focusing on the topic of combating THB and labour exploitation since 2010. He also acknowledged that the subject of ethical sourcing is a complicated one due to the lack of consumer awareness and information available regarding the manufacture of goods. The reality is that consumers cannot be totally sure if goods they are purchasing are made without forced labour or human trafficking.

In his opening remarks, Ambassador Per-Anders Sunesson stated that although human trafficking for sexual exploitation has been the first priority of the Swedish Government, mentioning the path-breaking Swedish Film *Lilya 4-Ever*, more and more attention is being paid to trafficking in human beings for labour exploitation. Successfully addressing labour exploitation could also have a positive impact on the fight against sexual exploitation he said.

Mr Sunesson noted that the Swedish public is becoming more aware of THB/LE as there was an increase of 183 per cent in labour exploitation cases over the last two years in Sweden. Mr Sunesson mentioned that the topic of forced labour was included on the agenda of the County Administrative Board, which is the representative of the Government in the region and the co-ordinating body for state activities in the county. The County Administrative Board implemented a project, together with the CBSS, focusing on stimulating the dialogue between

relevant authorities in Sweden, Belgium and the UK, and increasing the capacities of state institutions.

The Ambassador mentioned that in line with EU guidelines, the Swedish Government presented the Public Procurement Strategy in June 2016, which included references to trafficking in human beings in the apparel industry and emphasized the need to prevent human rights violations. He also spoke about the “Global Deal” platform which was initiated by the Swedish Government together with the ILO and the OECD to increase social dialogue and reduce inequality.

Ambassador Sunneson concluded that Sweden will focus further on prevention of THB for labour exploitation as much more still needs to be done.

Diana Madunic, the Swedish Corporate Social Responsibility Ambassador, spoke in her introductory address on the Corporate Social Responsibility (CSR) strategy of the Government of Sweden and what the expectations from Swedish companies are in this regard, including in their supply chains. The Government’s clear expectation is that companies operating in Sweden or abroad respect human rights in all their activities, including guarding against THB.

The Government has overall responsibility to protect workers and consumers, and has developed two important documents on CSR to ensure ethically sourced and produced goods and services. The overall CSR Strategy focusing on topics such as anti-corruption and the environment was approved in December 2015 and the National Action Plan on Business and Human Rights was approved in August 2015.

The Swedish CSR framework encourages companies to take three steps: to establish a code of conduct, to identify risks and conduct due diligence, and to map supply chains and ensure transparency in hard to trace supply chains. Sweden’s requirements for companies to report on CSR actions are stricter in comparison to other EU member states. EU regulations require companies with 500 employees or more to report on their CSR efforts, comparatively, in Sweden, companies with at least 250 employees must report. Sweden believes that these requirements will not be a burden for companies but will increase companies’ competitiveness on the global market, increase profits, and stimulate growth. Ms Madunic noted that investors and consumers expect this level of commitment and that companies who comply have a comparative advantage over those who do not.

The Swedish authorities are also trying to play a leading role. A new law on public procurement was recently adopted which strengthened human rights and sustainability criteria in public purchases. The CSR Ambassador highlighted the role of international organizations, as major procurers, and underlined their duty to perform due diligence in their supply chains. Ms Madunic believes that consumer power has to be leveraged to influence companies to implement relevant reforms by 2025.

Alix Nasri from the ILO Fundamental Principles and Rights at Work Branch discussed in her introductory address how global supply chains (GSCs) provide opportunities, such as job creation, poverty reduction, entrepreneurship, and transition from the informal economy to the formal one, but also present challenges such as undermining labour rights, acute THB in lower tiers of supply chains, and particular risks for migrant workers. She noted that Export

Processing Zones (EPZs) are exempt from labour law and taxes. Furthermore, she spoke about how governments have limited capacity and resources to effectively monitor and enforce compliance with laws and regulations, and how the expansion of global supply chains has exacerbated the gaps in supply chains governance.

Ms Nasri stated that there are 232 million international migrants and 740 million internal migrants who are especially vulnerable to THB. The ILO estimates that 21 million people are in forced labour and trafficking globally, of which 44 per cent moved for work in GSCs. She mentioned that 90 per cent of forced labour occurs in the private economy and that 51 billion USD in profit is made from sectors within GSCs.

Ms Nasri presented the Palermo Protocol and the ILO framework developed to eliminate forced labour and THB, including ILO Convention 29, the 2014 ILO Protocol to the Convention, and ILO Recommendation 203, with a specific provision related to GSCs. Measures to be taken for the prevention of forced labour include: protecting persons, particularly migrant workers, from **possible abusive and fraudulent practices** during the recruitment and placement process; and supporting **due diligence** by both the **public** and private sectors to prevent and respond to risks of forced or compulsory labour.

Furthermore, Ms Nasri mentioned the 2016 Conclusions of the ILO Committee on Decent Work in GSCs, including to use **public procurement to promote fundamental principles and rights at work (FPRW)** to impact workers' rights and working conditions along GSCs; and to require **enterprises owned or controlled by the state to implement due diligence procedures** and to promote decent work in all their operations in SCs.

In addition, she presented the 2016 ILO Principles and Guidelines for Fair Recruitment. Guideline 11 includes that governments should:

- raise awareness of the **need for fair recruitment in both the public and private sectors** and ensure workers have access to free, comprehensive and accurate information regarding their rights and the conditions of their recruitment and employment;
- set out expectation that **all enterprises domiciled in their territory or jurisdiction respect human rights** throughout their operations and the FPRW for all workers, including migrant workers, homeworkers, workers in non-standard forms of employment and workers in EPZs;
- stimulate **transparency** and require enterprises to report on due diligence within their SCs;
- provide **guidance to business** regarding due diligence;
- and co-operate through **regional bodies/multi-stakeholder initiatives** to harmonize laws and practices to ensure decent work in GSCs.

Guideline 15 stipulates that **public employment services** should respect human rights when recruiting workers, including through human rights due diligence assessments of recruitment procedures, and should address any adverse human rights impacts with which they are involved.

Ms Nasri finalized her intervention by describing ILO's Programme of Action on Supply Chains for 2017-2021 and other initiatives, which will accelerate reduction of trafficking in

persons in GSCs. For example, the Integrated Intervention Model, pilot-tested in selected industrial global value-chains, is organized around five areas of action: (1) knowledge generation and dissemination; (2) capacity building; (3) effective advocacy in decent work in global supply chains; (4) policy advice and technical assistance; and (5) partnerships and policy coherence.

She also mentioned the Alliance 8.7 Working Group on Supply Chains and participation in other business led initiatives such as the IHRB Leadership Group, BSR Responsible Sourcing, IOM IRIS, EICC, CGF, and others. ILO's work with business includes the ILO Helpdesk for Business on International Labour Standards, (accessible at www.ilo.org/empent/areas/business-helpdesk); the ILO Handbook for Employers and Business to Combat Forced Labour (assessing compliance, tips for action, good practices); the upcoming ILO Business Network on Forced Labour; and upcoming ILO Practical Guidance on Fair Recruitment for Employers and Labour Recruiters.

Panel 1: What is human trafficking for labour exploitation in supply chains? How is this relevant to public procurement?

This panel was moderated by *Ruth Freedom Pojman*, Senior Adviser, Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings. *Cindy Berman*, Head of Knowledge & Learning, Ethical Trading Initiative, was the rapporteur of the panel.

Anna Ekstedt, Expert, Office of the National Coordinator against Trafficking in Human Beings, Sweden, *Anna Patrick*, Public Affairs Specialist, Office to Monitor and Combat Trafficking in Persons, U.S. Department of State, *Anders Lisborg*, Senior Advisor, Center against Human Trafficking, National Board of Social Services, Denmark, *Darryl Dixon*, Director of Strategy, Gangmasters Licensing Authority, UK, *Anniina Jokinen*, Adviser for the Task Force against Trafficking in Human Beings, Council of the Baltic Sea States, and *Roel Janssens*, Economic Adviser, Office of the Co-ordinator of OSCE Economic and Environmental Activities, were the panellists for this session.

Experts speaking during the panel agreed that trafficking in human beings is a global problem and that countries and industries no matter their wealth and capacities can be exposed to it. Forward looking legislation and policies were discussed during the panel including the U.S. President Executive Order, Federal Acquisition Regulation (FAR) and UK Modern Slavery Act.

Panellists discussed existing practical tools and projects in this field, namely: Sweden and Denmark joined efforts in 2016 to develop a project to look at supply chains and discuss the role of public procurement in preventing THB. The U.S. State Department developed a web-based tool www.responsiblesourcingtool.org, which can assist companies and authorities in better identifying risks of trafficking in human beings in supply chains. The authorities in Denmark, in close co-operation with the private sector, developed a Guide for companies and employers on managing the risk of hidden forced labour. The Gangmasters Labour Abuse Authority in the UK developed the Supplier/Retailer Protocol, the Labour User Best Practice Guide, and the Certificate in Professional Development: Investigating Modern Slavery. The Council of the Baltic Sea States implemented the project ADSTRINGO which also addressed

the issue of trafficking in supply chains and developed guidelines to prevent abusive recruitment, exploitative employment and trafficking of migrant workers in the Baltic Sea region, which were launched in 2014.

Co-operation between government institutions and the private sector was mentioned as an important element in prevention of THB in supply chains. Many companies lack the incentive to improve their operations in the human rights context. Governments have to address this situation by implementing effective polices to “convince companies” to better manage their supply chains.

Speakers mentioned the importance of developing innovative policies to address new trends in this area. Sweden for example has adopted legislation called “THB light” which will allow law enforcement and prosecutors to more easily bring trafficking criminals to justice by lowering the burden of evidence that needs to be presented.

Some of the main challenges encountered by state authorities in the eradication of trafficking in human beings in supply chains are due to the fact that exploitative and abusive practices do not usually occur within the first tier of a supply chain however, checking further down the chain becomes a complex exercise, particularly at the lower tiers. The complexity of preventing THB in global supply chains is exacerbated by additional existing challenges such as non-existing or non-enforced labour laws, unsafe working conditions, low wages, forced labour, corruption, and inefficient use of public resources.

One speaker presented a concrete case in Denmark concerning the exploitation of vulnerable workers from another EU country by a sub-contractor of a large cleaning company, and discussed how the government addressed the case with the company to prevent further exploitation, developing measures such as shortening the labour recruitment supply chain by hiring workers directly.

The importance of good governance was raised by another speaker, including making the links between policies on anti-corruption and THB, public procurement, and transparency in supply chains. It was suggested to build on existing reform initiatives, and anti-corruption laws and policies where they are already in place.

The panellists underlined the importance of prohibiting the collection of recruitment fees from workers since no person should pay for obtaining a job. A survey conducted in the U.S. showed that 77 per cent of workers surveyed said that they paid fees to be recruited. Because of this practice workers are forced to take loans from recruiters and as a result, victims are paid less for their job in order to repay the loan. It can take up to two years to pay off the debt.



Speakers also discussed how an effective strategy to prevent THB/LE should be based on four pillars: private sector engagement and self-regulation; government agency task forces and regulation; trade unions and workers organizations; and civil society and NGOs.

Recommendations:

- ✓ Governments and companies alike should admit that THB can happen in any country or supply chain;
- ✓ States should ensure equal access to justice and remedies for migrant workers whose rights and freedoms are violated;
- ✓ It is important to provide free legal aid and support services to facilitate access to remedies, especially compensation;
- ✓ States should ensure that when purchasing goods, works and services, all public sector organizations, including state-owned, controlled or supported enterprises, have in place appropriate due-diligence procedures to guarantee respect of human rights wherever they operate;
- ✓ States should consider developing ethical procurement guidelines for use by public sector organizations in tenders for public contracts at international, national and local level. Guidelines should support the integration of ethical criteria and social clauses throughout their public procurement processes;
- ✓ “Abnormally low” bids resulting from lack of compliance with social and labour law or from abusive practices should be excluded;
- ✓ Businesses should commit to preventing trafficking for forced labour, abuse and exploitation in all their business activity, including in their supply chain. They should, *inter alia*:
 - Establish clear recruitment policies and ensure that neither the recruitment agency nor its sub-agents or the labour user charge fees or costs to job-seekers for their recruitment and placement. Such costs or fees are the responsibility of the future employer;
 - Map out the risks of labour exploitation in supply chain(s);
 - Introduce clauses in their contracts with companies in their supply chain that foresee contract termination upon the detection of abusive treatment of workers.

Panel 2: Existing good practices to prevent trafficking for labour exploitation in supply chains, especially through public procurement, transparency and labour recruitment measures

This panel was moderated by *Anders Lisborg*, Senior Advisor, Center against Human Trafficking, Denmark. *Ernesto Archila*, Independent Expert on combating THB for labour exploitation in supply chains, served as the rapporteur of the panel.

Darryl Dixon, Director of Strategy, Gangmasters Licensing Authority, UK, *Porter Glock*, Procurement Analyst at the Office of Federal Procurement Policy, Office of Management and Budget, USA and *Mercia Silva*, Executive Coordinator, the National Pact Institute for the Eradication of Forced Labor (InPacto), Brazil, were the panellists who discussed current promising practices in their countries.

The panellists agreed that public procurement can serve as an efficient tool for achieving different goals, especially sustainable development. By joining forces within the public

procurement process, state institutions, including from different countries, can have great market power over suppliers in terms of demanding respect for human rights standards from them. One such approach has been established between public procurement authorities in Sweden and Norway who are sharing results of suppliers’ audits as a measure to reduce costs and obtain valuable information about possible human rights abuses by suppliers.

The importance of following up to initial audits of suppliers has been strongly underlined. It is absolutely necessary to verify on the spot if identified violations have been addressed by contracting companies in order to ensure that further violations do not take place.

Panel participants agreed that the government should serve as model employer and take all necessary measures to prevent exploitation and trafficking in human beings in its procurement system. At the same time, governments have to understand that contractors listen to consumers and regulators and that vendors understand supply chains better than state authorities, therefore there is a need to empower them to use their advantages to better manage their own supply chains.

Speakers discussed concrete examples of state policies and initiatives aimed at the prevention of trafficking in human beings in supply chains. One such example is the Swedish County Councils’ Sustainable Procurement programme. This model is based on a common approach by local administration in Sweden who agreed on co-financing orders and sharing audit results. The Swedish County Councils developed a Code of Conduct for suppliers, which is also a part of the legal contract.

Another forward-looking initiative is the Responsible Sourcing Tool developed by the U.S.



State Department which supports procurement officers in better understanding the risks of human trafficking in supply chains, as well as the mechanisms to implement effective management systems to detect, prevent, and combat trafficking.

Moreover, the panel discussed a good practice from Brazil: the National Pact Institute for the Eradication of Forced Labor (InPacto). It is one of the ground-breaking initiatives in Brazil, including the so-called “dirty list” that was established by the Labour Ministry, to mobilize Brazilian

companies to commit themselves to keeping their supply chains free of slave labour exploitation, with a preventative approach, promoting decent work, and continuously improving policies and practices in their own operations and supply chain. The initiative also provides support for companies that have signed the Pact through tools and continuous improvement on management to tackle slave labour and ensuring decent work.

Challenges in preventing trafficking in human beings through public procurement were also discussed by the panellists. One such challenge is the lack of the human resources needed to monitor all government contracts. The U.S. Government, for example, spent 472 billion USD on contracts in 2016 and has around 60,000 contractors whose work requires considerable

resources in terms of monitoring and enforcement. The lack of a definition of “recruitment fees” and weaknesses of social audits are other challenges faced by public procurement experts in their endeavour to prevent human trafficking in supply chains and in identifying victims.

After the panellists finalized their presentations, participants from the OSCE participating States briefly described initiatives existing in their countries on the prevention of human trafficking in supply chains.

Bosnia and Herzegovina (BiH)

The authorities face challenges on combating THB in supply chains. The country’s economy is weak and unemployment is high. Workers are willing to accept any job and the government welcomes any kind of new business and investment to generate employment. The so-called SerbAz case was registered in Bosnia and Herzegovina concerning approximately 600 workers recruited to work in Azerbaijan on government contracted construction. There, Bosnian workers were exposed to poor working conditions. After a year of work, workers reported violations to the Bosnian authorities after the deaths of a few workers. The case was investigated, resulting in the Bosnian Prosecutor General raising an indictment with 15 counts, including for THB and money-laundering, in 2014. The trial is ongoing and facing difficulties due to the involvement of several countries, including the recruitment company being registered in Russia and holding off-shore accounts. The speaker indicated that this was an example of a case of THB in supply chains, related to public procurement.

After this case, the necessity for labour inspections was included in the National Referral Mechanism. Also, in May 2014, Bosnia and Herzegovina adopted a new Law on Public Procurement which complies with the EU Directive on Public Procurement. Unfortunately, the new law on Public Procurement does not include THB as an exclusion ground. Another problem is that the lowest price in the public procurement process is the most important criteria in more than 90 per cent of cases. After the workshop, the authorities will analyse the possibility of harmonizing national public procurement legislation with the EU Directive to ensure that THB is an exclusion ground in public contracts.

Croatia

Combating THB in supply chains is a new topic for Croatia. Cases of labour exploitation have not been encountered in the past, but in 2016, 31 victims of labour exploitation were registered. The speaker noted that after the workshop, they will follow up and discuss how to include public procurement and labour inspection authorities in the national co-ordination mechanism.

Ireland

The second National Action Plan was published recently, which includes action on supply chains. A National Action Plan on Business and Human Rights will be published soon, as well as a toolkit on Business and Human Rights for public and private entities. The authorities will analyse the initiatives mentioned during the workshop, especially the responsiblesourcingtool.org and the Danish Toolkit.

The work on THB in Ireland is focused more on domestic issues and less on complex supply chains. There is also no pressure from domestic NGOs on supply chains, as other things are priorities. For the first time a prosecution for THB for labour exploitation took place in Ireland when a gang from Romania was brought to justice regarding pop-up car washes and waste recycling. In terms of next steps, the Irish authorities will focus on developing practical tools for businesses on combating THB/LE.

Lithuania

Authorities implemented the project ADSTRINGO, co-ordinated by CBSS, which focused on combating THB in supply chains of certain economic sectors. Recommendations from the project were shared with experts for analysis and possible future steps. Therefore, it could be said that Lithuania is taking its first steps on combating THB in supply chains. The National Action Plan for 2017-2018 includes action on preventing the demand for trafficked persons.

A new law on public procurement was adopted to transpose the EU Public Procurement Directive which will enter into force on 1 July 2017. The exclusion grounds prescribed by the law will apply to both contractors and subcontractors. Accent will be put on strategic procurement by shifting from the cheapest offer to the best offer. Social issues and THB will be included among evaluation criteria. Authorities are aiming to ensure that at least 30 per cent of procurement be carried out based on the “best offer” criteria and not “cheapest offer”. Another mandatory criterion to be included in public tenders is that more points will be assigned to offers from companies which pay the highest wage to workers in the country of production.

Portugal

The National Co-ordinator presented the work of Portugal in combating THB, including its Observatory on Trafficking in Human Beings, with the mission of collection, production, treatment and analysis of trafficking in human beings data, also entailing the mapping of THB cases, including for labour exploitation. The topic of combating THB in supply chains will be included in the 4th National Action Plan on THB, including regarding further strengthening labour inspections on foreign workers in the agricultural sector.

Bulgaria

The Public Procurement Act from 15 April 2016 has the goal of transposing into national legislation the EU Public Procurement Directive. The PP Act also includes THB and child labour as exclusion grounds. At the same time, Bulgarian authorities do not have the necessary experience of managing THB risks in public contracts. Unusually low-price offers are a sign of possible labour exploitation during goods manufacturing and the contractors must explain why the price is too low. It is believed that the legislation on this subject is good but focus needs to be paid to monitoring and enforcement. The Institution of Labour Inspection exists but it does not have significant power in this regard.

Estonia

Similarly to Bulgaria, the Estonian public procurement includes THB and child labour as exclusion grounds in the public contracts. Authorities do not have to accept the cheapest offer but the best offer during the procurement process. The Estonian authorities are using the Danish Guidelines “Managing the Risk of Hidden Forced Labour – a Guide for Companies and Employers” which is distributed among companies and NGOs and the approach is to ask if entities are performing risk assessments or if they use subcontractors. Estonia will increase the power of the labour inspectorate.

In co-operation with the company Ericsson, the authorities are developing a paper on Corporate Social Responsibility which will include a section on THB. Based on the National Strategy to prevent violence, including THB, authorities are trying to work with companies on this matter.

Authorities will also analyse the possibility of including CSR principles in public procurement in the framework of the National CSR Plan. This should be discussed with public procurement bodies, which previously did not understand how THB is relevant to public procurement.

Israel

Two projects relevant to this topic have been implemented in Israel. The first is focused on the prevention of THB for sexual exploitation in the tourism sector through building awareness and developing capacities, implemented with the support of the Ministry of Tourism. The second project is focused on the situation of workers coming to Israel from developing countries.

The next step in this direction is to gather existing tools, to start a discussion on public procurement and build effective policies from the ground.

In Israel, the labour laws apply universally to all workers, even if they come from abroad, and offer protection to migrant workers as well. For example, the law prescribes how much can be deducted from a worker’s salary, no more than 25 per cent, which protects the worker from abuses from the employer. These provisions are enforced by the labour inspection and immigration authorities. The immigration authorities check both immigration status and labour conditions.

Norway

Authorities are focused on building capacities to implement the legal framework on Socially Responsible Public Procurement. A new Directive was adopted this year which guides contracting authorities to prioritize human rights in public contracts. Authorities consider that assessing the risks of THB and human rights violations is essential. It is important that procurement experts take into consideration the country in which goods have been produced as an important element of the risk assessment. A new tool on assessing risk has been implemented which includes the following 3 steps:

- self-assessment questionnaire;
- checking documentation and developing correction plans;
- and conducting audits.

Conducting audits on suppliers' premises is a problematic area. There are 400 municipalities in Norway and not all of them, especially the smallest ones, have the capacity to conduct audits. The expert mentioned the THB case that was uncovered in the public health sector through audits carried out at a medical gloves supplier in Malaysia.

Canada

Canada focused on THB for sexual exploitation but increasingly acknowledge that THB for labour exploitation is also an issue. In this regard, a first step was to analyse the THB risks within the temporary labour program, in order to ensure respect of human rights and, in particular, labour rights.

Canada spends 23 billion dollars annually on goods and services. The nexus between public procurement and THB is a topic raised recently and it has been brought before an expert group. Canadian public procurement legislation includes an integrity regime to exclude contracts that have concrete offences. Currently, THB is not included in the integrity regime. Public contracts include a code of conduct which focuses on white collar crimes. Authorities are working through a multi-departmental working group at the Ottawa province level to implement updates to the code of conduct so as to include, *inter alia*, THB, forced labour, and other labour violations. Contracting experts are provided with risk assessment tools, such as responsiblesourcingtools.org. Authorities are analyzing the possibility of updating legislation, especially at federal level, which could also serve as an example for provinces. Canada welcomed this OSCE initiative as critical to establishing a dialogue between public procurement and THB policy makers and increasing knowledge in the area, and plans to continue to follow up with its implementation.

Iceland

Authorities have focused mostly on awareness raising and training. The work on THB for labour exploitation started to be a priority for state authorities after a case had negative media coverage. After this case, a group of three experts travelled around the country to discuss THB with law enforcement and to raise awareness. The EU public procurement directive was transposed into Iceland's Public Procurement Law. As a result, THB and labour exploitation are reflected in public contracts as exclusion grounds. Regarding shortcomings, the number of prosecutions for THB for labour exploitation is low; the last prosecution took place in 2009.

The new National Action Plan on THB focuses mostly on labour exploitation. After the workshop, authorities plan to undertake efforts to include public procurement and business and human rights within the Plan. Also, participants will suggest including public procurement experts in the steering group on THB.

Latvia

The EU Directive on public procurement was transposed into national legislation and the Procurement Bureau is responsible for its enforcement.

Prevention is the main priority of state institutions. The State Border Guards and Labour Inspection carry out joint checks, with up to 5000 per year. Latvian citizens are being exploited in the U.S., Brazil and Colombia as drug mules. To address this problem, authorities raise awareness about the need to use certified labour providers, and have developed a list of recruitment agencies which have a record of violations in the workplace, regarding which agencies to use.

Poland

The authorities will be developing a National Action Plan on Responsible Public Procurement.

The current Public Procurement Law contains the following provisions related to Socially Responsible Public Procurement:

Art. 24. 1. Excluded from contract award procedures shall be:

13) economic operator being a natural person who has been convicted with a final verdict for a criminal offence:

referred to in Criminal Code:

- offenses against the environment;
- trafficking in human beings;
- offenses against the rights of persons performing paid work (violation of employee rights, social insurance law, OSH - occupational health and safety)

referred to in other laws:

- corruption in sport
- act of terrorism
- fiscal offence
- offences against foreigners staying in the Republic of Poland contrary to regulations (the Act of 15 June 2012 on the consequences of entrusting the performance of work to foreigners staying in the Republic of Poland contrary to regulations)

The Act of 15 June 2012 on the consequences of entrusting the performance of work to foreigners staying in the Republic of Poland contrary to regulations:

Penalty of fine or imprisonment when:

- employing foreigners in conditions of special overuse - penalty of imprisonment for 3 years;
- employing foreigners being victims of trafficking in human beings - penalty of imprisonment for 3 years.

Art. 10. 3. The conditions of special overuse

- the working conditions of the person or persons entrusted with the performance of work in violation of the law, infringing dignity of the human beings and grossly unequal, in particular on grounds of gender, in comparison with the working conditions of the persons entrusted with the performance of

work in accordance with the law, affecting especially health or safety of persons engaged.

Recommendations:

- ✓ Authorities, including those from different countries, should examine the opportunity of developing a joint approach to managing the risk of trafficking in human beings in supply chains, including by conducting joint oversight and monitoring activities and sharing the results of audits conducted;
- ✓ Following up with suppliers on identified violations as a result of monitoring and oversight activities (e.g. social audits) is necessary but not sufficient. State authorities have to co-operate with suppliers on permanent basis to create a sustainable relationship which would allow minimizing the risks of THB in supply chains;
- ✓ In developing policies and practices on prevention of trafficking in human beings in supply chains, state authorities should focus on results and not only the process. In this regard, the emphasis has to be placed on activities with the highest probability of impact;
- ✓ Social audits have to be complemented with additional monitoring and oversight tools since audits only provide a snapshot of the situation in companies' supply chains. State authorities have to analyse the opportunity of using innovative tools such as, mobile applications, surveys, voice-operated and text messaging apps, block chain and data mining methods, etc.;
- ✓ Policymakers and lawmakers should consider amending public procurement legislation by shifting from the principal of lowest bid to the principal of the best bid in order to ensure that the procurement system takes into account social and human rights aspects of manufacturing goods and delivery of services;
- ✓ State authorities should analyse the opportunity of including national public procurement authorities in the national interagency mechanisms focused on prevention and combating trafficking in human beings and include and implement these recommendations in national anti-trafficking action plans;
- ✓ Guidelines on the application of legal provisions determining THB as grounds for exclusion of suppliers have to be developed. Public procurement laws in many countries prescribe that THB can serve as a reason for exclusion of a bidder from the procurement process but additional guidance on enforcement of this provision is lacking.

Breakout Sessions

At the beginning of the sessions the participants were informed about the OSR/CTHB project on Prevention of Trafficking of Human Beings in Supply Chains, and that one of the outputs of the project workshops is the development of flexible Model Guidelines as a practical tool for the OSCE participating States. In addition, it was explained that the exchange of information among countries is crucial in order to incorporate as many views, strategies and obstacles faced by authorities in the OSCE area as possible into the guidelines. The outcomes of the discussions will be incorporated into the Model Guidelines to reflect existing efforts and to increase ownership by the countries from the OSCE area that will use the document to enact similar policies and legislation at the national level. Practices will also be incorporated into a Compendium of Practices, as another output of the project.

Breakout Session: "Trafficking in Human Beings and Public Procurement"

The breakout session was co-moderated by *Pauline Gothberg*, National Coordinator, Social Responsibility in Public Procurement, Swedish County Councils and Regions and *Radu Cucos*, Assistant Officer on Combating Trafficking in Human Beings, OSCE OSR/CTHB.

The development of model guidelines for preventing trafficking in human beings in supply chains is one of the planned outputs of the OSCE project, which will hopefully be a useful document to aid the creation and development of policies and practices or to further strengthen them. Participants’ contributions during group discussions shared their experiences for input into the Guidelines. The Model Guidelines will allow countries to study different policy models to prevent trafficking of human beings in supply chains, with a special focus on public procurement, transparency and ethical and fair labour recruitment regulations.

It was mentioned during the discussions, that the OSCE has been tasked by participating States to update its own internal regulations, and intends to “walk the walk” when it comes to its own procurement. The OSCE has approved the necessary legal framework for suppliers and included trafficking into its contractual clauses. The next step in terms of implementation is the mapping of its suppliers. Assessing the risks and mitigating risks will be done during the mapping exercise.

The table summarizes the main ideas discussed during the breakout sessions in the context of institutional, legal and practice frameworks:

<p>Institutions</p> <ul style="list-style-type: none"> • Political leadership is needed to create institutional ownership; • The economic situation (ex. 34 per cent unemployment) can be a bottleneck to developing anti-trafficking procedures; • Institutions must identify which department is responsible for moving things forward. Global Affairs, Public Safety/DHS? • Corruption/shadow economy.
<p>Legislation</p> <ul style="list-style-type: none"> • The complexity of legislative frameworks is a difficulty. Typically, labour inspections, wages and company law are in separate legislative instruments; a similar situation is seen with domestic trafficking and trafficking in global supply chains, making it difficult to navigate; • Legislation that only applies to domestic workers/wages etc; • Some legislative frameworks have not harmonized the EU directive and/or there is no possibility to exclude economic actors for trafficking; • Problems with transparency; • Grounds for exclusion (slave labour/trafficking).
<p>Implementation / practice</p> <ul style="list-style-type: none"> • Awareness is low as regards to risks in global supply chains (trafficking, child labour, labour exploitation). The general public do not see the problems in this field;

- Awareness that best practice is to co-operate with suppliers and not terminate contracts;
- Raising awareness that the criteria's do not exclude small and medium sized enterprises (SMEs);
- Co-ordination with different ministries is needed to ensure a systematic approach;
- Small procurement offices (municipalities/health regions) do not have the capacity (competence, time and resources) to efficiently manage the risk of THB in supply chains;
- Easy guidelines for procurement officers are needed;
- Training of procurement officers and mandatory training when new legislation comes into place have to be implemented;
- Control mechanisms/monitoring/follow-up actions have to be carried out;
- Sharing of information on audit reports and responsibilities should be implemented;
- New ways of awarding good suppliers (award criteria, qualification criteria) should be developed and taken into account within THB mitigation practices;
- Even if evaluation criteria on THB are developed it can be hard for a procurement officer to evaluate the bids;
- Even if policies/guidelines are put in place there is always a risk that they are not followed in practice or do not cover important issues;
- Databases of people/companies involved in trafficking are lacking.

The development of legislation on the prevention of THB through public procurement in the U.S. and Sweden came through pressure from the outside, including media and especially NGOs. Another argument for the adoption of legislation in this field is based on improving economic efficiencies and competitiveness. Bad suppliers currently have an unfair advantage.

For the future the question was posed: is there a possibility to set up a network of public procurers with a focus on combating trafficking, as a part of the larger network to be formed of the workshop participants as foreseen in the project, including an informal peer group to share information/best practices on how to solve issues.

Breakout Sessions: "Trafficking in Human Beings and Transparency Measures"

This session was co-moderated by *Ernesto Archila*, independent anti-trafficking expert and *Mercia Silva*, Executive Coordinator, the National Pact Institute for the Eradication of Forced Labor (InPacto), Brazil.

The OSR/CTHB explained the objectives of the breakout session, and presented some of the planned outputs of the project in more detail, namely the Compendium of Resources and Model Guidelines which would result from the workshop discussions, including a Model Law, as well as the development of a network of participants for the further exchange of information and peer to peer learning. The moderators then provided an overview of the past discussions, stemming from the Berlin workshop, stating that transparency, at a basic level, is about incentivizing and engaging with companies to be open and truthful about their supply chain concerns and practices. This is not to penalize them, but to reward leadership and share risk, based on a shared understanding that slavery can be found in most global supply chains.

The moderators explained types and degrees of enforcement and the need for clarity on the purpose and scope of transparency. Topics of particular importance included the need to report out on actions and policies if they exist or requiring actions and policies to report out on; reporting out on suppliers and publicly mapping out supply chains to identify risks; and reporting on and registering labour recruiters. The topic of reporting must also be clarified as to whether it should include only slavery and THB practices or if other forms of exploitation will be captured. Transparency must also not only be public facing but include transparency to the government when bidding on contracts and transparency towards workers to provide knowledge of the downstream outcomes of their labour. Also important is transparency regarding the beneficial ownership of anonymous corporations alongside transparency of the company's community impact. Lists, including registers of companies with THB violations and lists of goods, should also be kept transparent.

Furthermore, the degrees of stringency and enforcement were discussed. The questions of whether enforcement practices should be voluntary or binding, how compliance may be measured, the importance of civil society in engaging with the process, worker empowerment and ability to organise transparency mechanisms, and whether there should be sanctions for false and non-existing reporting, were considered

The discussion began with a presentation of the UK Modern Slavery Act and the lessons learned one year after its enactment. According to the Act, a company must publish a statement and put it on its online homepage, to say what steps are being taken to prevent trafficking in human beings in its supply chains. The statement must be signed at the senior level. If the statements are not made public, companies can be fined. Companies themselves asked the government to include a transparency clause in the new law to create a level playing field by regulating the private sector, which was a key factor in passage of the UK Modern Slavery Act. There is now a movement to strengthen the Act, including a Private Member's bill on public procurement. One year after the passage of the law, only a small percentage complied: several hundred companies reported, out of the thousands expected to report.

The UK's legislation is an example of a 'light touch' approach. On the positive side, the CEO or board member has to sign off and publish the company transparency statement. However, on the negative side, the requirement is only to publish a statement, even if the company states that it is doing nothing. Another gap is that the government does not publish a list of companies who are required to comply. UK NGOs believe that there are about 15,000 companies who should report, and they have started their own registry of which company statements are published.

There has been a tangible cultural change as a result of the enactment of the UK Modern Slavery Act. Civil society has said that companies will be rewarded for their honesty and integrity. Some companies in the UK have published their entire supply chains, others only given examples. It has been demonstrated that the worst fears of companies were not realized, as there have not been negative media or economic impact from the law, and in fact, progressive companies have been rewarded by civil society and the media.

The group discussed the purpose of transparency policies and the potential impacts of transparency. A dynamic tension is inherent in transparency: if businesses are exposed it is necessary to encourage positive changes and promote leadership rather than a negative ‘cut and run’ attitude. There needs to be a broader framework for how companies react to violations that come to light: transparency can aggravate the danger of overreaction. There need to be incentives to admit problems and ensure remedies. There should be sanctions for systematic abuses and false reporting (consequences for non-reporting).

In Sweden, the priority is to identify more victims nationally. It is also a priority to work with companies to create a structure to identify labour exploitation in smaller businesses and supply chains and incentivise business to come forward. Ensuring “one year later” incentives exist to reward companies for implementing policies is hoped to develop a more responsible business ethic separately to the classic ‘punishment’ and ‘prosecution’ responses to violations. Sweden works with companies and researchers regarding codes of practice so as to ensure the government is fully aware of and understands the complexity of the problem and the importance of taking all possible anti-trafficking measures and demonstrating a positive obligation to companies.

Sweden is leading on regulation and has seen a big difference to the experience some years ago. Sexual exploitation has typically been the focus, and it takes time to establish and change attitudes in this area. For example, a meeting was arranged for hotel chains to address THB and was well attended. However, there is a question of priority as many victims come from small industries outside of Sweden and this must urgently be addressed. Sweden has found it is key to engage leadership and to work with trade unions and federations.



In Brazil, the national statistical office analyses existing transparency legislation using freedom of information to triangulate information about companies on the “dirty list” or at risk of being on the dirty list. Their sampling survey has shown that 1.5 million people cannot leave work because of debt bondage. Brazil uses tools to involve labour unions and worker organizations in monitoring the “dirty list” for the annual reporting process on supply chains transparency, by sector, and region.

The group discussed the issue of different starting points levels of accountability, and sharing information with the public and how it is important when initiating dialogue with relevant stakeholders on the issue of THB in supply chains to be clear that there is an understanding that they won’t be able to have 100 per cent effective enforcement of policies.

The group also debated experiences to date with certification regimes such as organic certification, new anti-slavery certification, and fair-trade labels. The limitations of such regimes due to the proliferation of false labels, the lack of credible standards monitoring, the

inadequacy of snapshot audits where information can be falsified and/or which lack workers' voices and the need for worker driven audits was also considered. Electronics Watch was mentioned, as well as the good practice of the Coalition of Immokalee Workers' worker driven social responsibility programme. The group then discussed the need for complaint and grievance mechanisms, and to explore the use of worker voice apps, such as: 'Laborlink' which the EICC has now partnered with; the application of block chain technology; and the role of consumers, who can be empowered to check the supply chains of products they buy through technology provided by 'Made in a Free World', for example.

Next, other experts from different countries discussed their national practices on the prevention of THB in supply chains.

The Lithuanian authorities implemented the "voluntary" project in 2013. The project asked large businesses to produce and publish a code of conduct on their website and ensure monitoring of it. As an anti-corruption transparency initiative, a website was set up for companies that want to be transparent to sign-up to and display their logo on. Discussions are also underway to try to convince business to set up anti-trafficking training, internal procedures, and to implement monitoring mechanisms. "Clear Wave" is the name of this transparency business-labelling initiative in Lithuania (accessible online: <http://www.baltojibanga.lt/en.html>). The main objective of the initiative is to encourage a transparent and ethical Lithuanian good business practice. Companies involved in this project assume the responsibility for the creation of a responsible and transparent way to operate.

Bosnia and Herzegovina has faced public pressure and political concerns in this regard. The training of labour inspectors, and the training module developed, after the SerbAz case was presented in Panel 2. A discussion on the utility of naming and shaming vs faming companies was held.

Croatia has made transparency a policy priority. Public procurement and the labour inspectorate, the NC, plan to extend the working group to address these issues.

Estonia hosted the NGO corporate social responsibility forum in which 60 companies came together for self-assessment and generated an index of participating companies. The index is used to reward and highlight best practices by the government but is not made public. Estonia is now thinking of extending the use of certification to public procurement.

Iceland already uses organic certification and will consider a "clean list" although participants considered the potential issue of ensuring that companies stay clean.

Portugal discussed NGO work focusing on transparency in the public sector, but not yet focused on THB. They planned to follow up with the NGOs working in Portuguese speaking countries to raise awareness and advocate a debate on THB transparency and how to translate it into a law.

The U.S. has had an enforcement approach since 1930. The U.S. Border Agency can stop shipment of goods if they believe they are connected to forced labour. In 2016 the "consumptive demand" legal loophole – allowing goods to come in if there was a demand for goods that could not be produced in the U.S. - was closed. Using this law, shipments can be

investigated for goods that might be contaminated with slavery and blocked from entry if forced labour is known and found. Even if there is a lack of enforcement, industry does not want to be barred or have their profits damaged from such an association.

Another U.S. trend is towards introducing public procurement and transparency legislation at the state and city levels, in Wisconsin and in Indiana, in addition to the California Transparency in Supply Chains Act, which inspired the UK Modern Slavery Act. A transparency bill at the federal level was developed, but not passed. Finally, the U.S. Department of Labor has conducted research and produced a list of goods at risk of child and forced labour, by source countries and commodity type, which can be found on their ‘Sweat and Toil’ app.

Israel presented some of their anti-trafficking experiences. A hotel industry partnership was established, at first the companies refused to discuss THB, believing it would scare people away. However, commitment across government is key, and when the Tourism Ministry got on board, they were more effectively able to put pressure on companies and speak the same language to them than the Ministry of Justice. Israel noted that it’s not an all or nothing issue and not just about picking one monolithic policy - rather it can be a building process.

The Australian inquiry process regarding a modern slavery law was discussed, especially the importance of the submission of public comments from stakeholders, as a chance to reflect and analyse lessons learned from legislation enacted globally to date.

In France, a law on the duty of care of parent companies was adopted in March 2017. The law requires large companies to assess and mitigate human rights infringements and environmental risks in their activities as well as their subsidiaries’ activities, and the activities of their subcontractors and suppliers with whom they had established a business relationship. Visibility and transparency as well as risk mitigation plans are compulsory to comply with the law, which imposes legal requirements on parent companies in the place of previous soft law obligations. This corporate “duty of vigilance” allows for penalties to be given where companies fail to apply due diligence and commit potential human rights violations. Although a sanctions scheme for violations was planned, it was removed as unconstitutional due to breaching the principles of necessity and proportionality of penalties; however, binding mechanisms still exist, including formal notice to respect obligations and the possibility of court injunctions and compensation for victims.

The aim of the law is to give greater responsibility to large firms in order to avoid further tragedies such as the Rana Plaza disaster, where several textile factories, belonging to the subcontractors of many French businesses, collapsed in Bangladesh resulting in the death of over one thousand people. It only applies to large companies, those with more than 5,000 employees in France or more than 10,000 employees abroad, in the most high-risk sectors (such as the manufacturing and extracting sectors).

The Netherlands has introduced a due diligence on child labour bill for Dutch companies.

Other issues discussed included pricing. As consumers expect increasingly lower prices this increasingly spirals exploitation, which can’t be remedied if companies are treated individually with a “company by company” approach. The issue of distinction between

slavery and other forms of labour violations was discussed. The vulnerabilities are interconnected. Another flavour of transparency is to go beyond just THB focus.

In addition, the pros and cons of transparency policies were discussed, whether to address broader business and human rights issues, as in Scandinavia, or focusing on combating THB, which could serve as an entry-point issue with both countries and companies to start a discussion on broader human and labour rights issues.

Finally, considerations for the next iteration of transparency law were discussed including:

- the importance of high level engagement and buy-in across the whole of government on the legislative process (it's a political question as to what can be achieved);
- mechanisms for incentivizing and rewarding companies: designing policy with an understanding of the dynamic tension that exists inherently in transparency policies - challenges and vulnerabilities of progressive companies (the danger of being penalized for admitting problems and taking action) vs. the need for high profile cases to raise awareness and deter
- whether to start with a light touch with phased in approaches;
- the feasibility of holding wide public consultation with civil society and companies;
- include other forms of labour exploitation - because it is difficult to draw the line on exploitation vs. forced labour vs. THB, and the importance of clear definitions and indicators;
- how to ensure whistleblowing protection and responsiveness to grievance and redress mechanisms for worker-oriented transparency as exploitation will take place where enforcement isn't in place, and workers should know where to turn;
- demonstrate connection to procurement policy - tying information to responsibility determinations/bidding/higher expectations from contractors than broader economy;
- create a panel to review tenders and selection process - to include unions and civil society, to ensure ethical sourcing in public procurement and company supply chains;
- whether to have clean or dirty lists, and the possibility of creating positive incentives such as tax breaks based on costing out the costs of compliance.

Breakout Sessions: "Trafficking in Human Beings and Labour Regulations"

The session was co-moderated by *Neill Wilkins* from the Institute of Human Rights and Business and *Vineta Polatside* from the Council of the Baltic Sea States.

The group discussed about the rationale behind labour regulations. It was generally agreed that regulation is a public good when adequately enforced and it ensures no exploitation of workers, helps end use of labour, raises awareness about labour issues, helps business and levels the playing field. It also establishes standards, reassures customers and clients and frees business from association with criminality.

If properly implemented, labour regulations provide protection from reputational risk, defends the tax base, creates an efficient business environment and a level playing field for business to compete fairly within the law and helps governments to set business policy.

Discussions were held regarding approaches to labour regulations: should they be imposed by state authorities or implemented voluntarily by businesses? There will always be a limit on how far voluntary or self-regulation can go. Some business actors will never join professional bodies or stick to industry codes etc. State regulation and enforcement of the law is needed to deal with these bottom feeders. This is the key premise of the UN Guiding Principles that posits the importance of both the state responsibility to protect alongside the business responsibility to respect.

Discussions continued on how to better regulate labour aspects in order to efficiently prevent human trafficking in supply chains. Participants of the group debated different voluntary models such as the risk management approach (certain sectors more at risk than others), registration and licensing of businesses, self-assessment, membership of professional bodies, and interrogation of contracts. The group also discussed state-imposed mechanism with the participation of tax authorities, labour inspectors, the police, complaints hotlines, transparency reporting, and losing contracts.

For many countries the definition of forced labour or trafficking is unclear legally and this can make regulation problematic. The ILO definition is a good one but countries need something more granular for everyday legislation. What is needed is well formulated law and well-resourced enforcement mechanism.

Discussions were held regarding the following state enforcement mechanisms:

- fines;
- removal of licence;
- improvement notices – otherwise fines may become an acceptable business cost;
- denial of access to public contracts;
- adverse publicity;
- and putting information into the hands of consumers.

It was acknowledged that sanctions can tend to be concentrated on the worst forms of exploitation however the majority of abuse is not singular egregious events but often a series of minor exploitations along the Forced Labour Continuum.

Government can also provide incentives to companies to better manage the risks of human trafficking in their supply chains. The following incentives could be used:

- fast track approval for licence renewal;
- access to government contracts;
- positive publicity;
- tax system;
- corporate Human Rights Benchmark;
- better information and guidance from government;
- and FairTrade certificates (though caveats were noted).

The group discussion gave attention to the challenges of regulation. Regulations can be bureaucratic, burdensome for business, gold plating - adding ever increasing layers of regulation, incentivize lack of enforcement – the belief that regulation is in place and so there is no need to undertake due diligence. In addition, regulations’ implementation could be undermined by lack of resources, corruption of state officials, capture of government by business, phoenixing of companies under a new name, trade associations acting as cartels, high barriers to entry to markets stifling competition, and lack of knowledge.

In the United Kingdom, the GLAA operates under a duty of growth code of practice meaning no imposition of unnecessary burdens on business. In Uzbekistan new SMEs are exempted from labour inspections in order to promote growth. In Uzbekistan there is a lack of staff qualified or trained to undertake labour inspections but there is interest to learn from other countries’ good practices.

The group had extended discussions around bogus self-employment which is increasingly common in the United Kingdom and used to circumvent regulation. This included large numbers of Bulgarians and Romanians coming to the UK to work before transitional limits on their normal employment were lifted. Many simply were told to register as self-employed but their activity and daily work schedules was clearly directed by agencies.

Panel 3: Challenges, lessons learned and ways forward

The rapporteurs of the preceding panels and the co-moderators of the breakout sessions featured as speakers in the “*Challenges, lessons learned and ways forward*” panel, moderated by *Ruth Freedom Pojman*. The speakers summarized the discussions during the panels and breakout sessions and shared the conclusions and recommendations discussed by experts and participants, as outlined above under each session.

The OSR/CTHB and the participants discussed the formation of a network of the workshop participants, as foreseen in the project, to create an informal peer group for online exchange of information, best practices and recommendations about what’s needed, and what’s worked, on how to solve issues and move forward. The participants asked the OSR/CTHB to share the participants’ emails, presentations, photos and the workshop report, and post on such an online network platform.

Concluding remarks

In her concluding remarks, Ambassador Madina Jarbussynova thanked the workshop participants for their insightful contribution, thoughtful remarks, and for continuous efforts in their day-to-day work to combat trafficking in human beings. She also expressed her appreciation to the CBSS and the Swedish Government for their support for the organization of the workshop and for hosting the event and reception at the CBSS Secretariat, as well as their excellent collaboration with the Office.

Referring to solutions to the issue of trafficking of human beings in supply chains, the Special Representative acknowledged that there is no “one-size-fit-all” solution, but rather different models that place stronger emphasis either on labour licensing, on public procurement and

transparency legislation, on grievance and reporting mechanisms, and others. Nevertheless, she stressed the importance of striving to harmonize approaches across jurisdictions, which is an overarching goal of the project, to learn from existing promising practices and challenges. She commended particularly the efforts of Brazil, Sweden, the UK and the U.S. that have gone the furthest in setting up specific governmental measures to prevent trafficking in supply chains.

Ambassador Jarbussynova also briefly spoke about importance of listening to workers, the issue of elimination of recruitment fees, the commitment of the private sector to embrace the prevention of human trafficking, child and forced labour as a key principle of doing business, the need for reliable and comparable data and strengthening the co-operation between the THB and public procurement experts.

