

Prevention of Trafficking in Human Beings in Supply Chains Through Government Practices and Measures

CONCEPT NOTE

Background

Trafficking in human beings (THB) is a human rights violation and a lucrative crime. In its 2012 *Global Estimate of Forced Labour*, the International Labour Organization (ILO) suggests that 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. Furthermore, the 2014 ILO report, *Profits and Poverty: The Economics of Forced Labour*, said that forced labour in the private economy generates US\$ 150 billion in illegal profits per year, about three times more than previously estimated. However, few victims are identified and even fewer perpetrators convicted. For example, according to the 2015 US State Department Trafficking in Persons Report, there were only 216 convictions worldwide in 2014 for labour trafficking, which is 4.9% of the total number of 4,443 trafficking convictions in that year. Moreover, the trend is not improving, as compared to 2013, the proportion of convictions for labour exploitation decreased in 2014 from 8.1% to 4.9%. Moreover, in today's globalized economy, characterized by complex supply chains, with both materials and labour sourced from all around the world, it is difficult for buyers and consumers to be sure that the goods or services they purchase or procure were not produced by trafficked labour. Therefore, addressing this issue of **trafficking in human beings in supply chains** is an area of urgent concern.

The current migration and refugee situation affecting a number of OSCE participating States (pS) is another risk factor which can lead to an increase of labour exploitation. Migrants and asylum seekers are especially vulnerable to human trafficking, as they may be held in debt bondage to cover the cost of their journeys or be exploited.

International standards have recognized the duty of both businesses and governments to undertake due diligence and to protect against human rights abuses. Some governments have now taken measures to promote compliance with international anti-trafficking standards and enact laws and policies to ensure the ethical sourcing of goods and services. The best efforts by business will only allow for due diligence within their own value chains by themselves. This is where top-down governmental action is needed to enact good governance to protect human rights. Governments have a clear role to play in delivering and enforcing legislation that not only protects workers at risk of forced labour and trafficking but also safeguards actions of responsible businesses who require a level-playing field in order to compete fairly within the law. Furthermore, it is important that governments leverage their own large purchasing power for greater transparency, to make an impact for the better good and to ensure that taxes are not supporting THB.

In order to address this human rights and good governance concern, the Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings, OSR/CTHB, developed this project, which will:

- Promote the establishment of concrete measures to prevent human trafficking in supply chains through the implementation of capacity building workshops for competent authorities of OSCE pS;
- Exchange and learn about good practices, lessons learned, in addressing the gaps and challenges in policy and implementation;
- Develop and publish flexible model guidelines for governments on preventing THB in supply chains, with a focus on government procurement and transparency practices;
- Develop a strategic plan for the adoption of the model guidelines, leveraging reform efforts already underway, such as National Action Plans on Business and Human Rights and CTHB, or other relevant government commitments.

The OSR/CTHB published in November 2014 the 7th Occasional Paper *Ending Exploitation. Ensuring that Businesses Do Not Contribute to Trafficking in Human Beings: Duties of States and the Private Sector*, which recommended that governments take action to address any “adverse human rights impacts” in their business (not only possible cases of human trafficking), including their value chains”, and that “laws and regulations, aimed at preventing and eliminating any instances of trafficking-related activities in government procurement and in private sector supply chains should require that governments only purchase goods and services from contractors that have a plan in place to ensure that they, their subcontractors and employees do not participate in activities that contribute to or constitute human trafficking, including the willingness and ability to report on the implementation of such a plan”.

The OSR/CTHB also held an Expert meeting on prevention of trafficking in human beings in supply chains, with a focus on government practices and measures in Milan, Italy, in September 2015. Close to 30 participants, representing governments, international organizations, NGOs and think tanks, exchanged information on ongoing initiatives in preventing trafficking in supply chains across 11 countries and six international organizations, and discussed the concept note presented by the OSR/CTHB. The participants expressed unanimous support for the OSCE to prevent human trafficking in supply chains, especially on measures that governments can take, while the focus has been primarily on private sector action on this issue.

We have further consulted with other relevant international actors and found that this project not only addresses an existing gap in policy and practice, but also can have a significant impact on the problem. The OSR/CTHB possesses distinct comparative advantages: (1) through its unique high-level political access and leverage through the Special Representative and Co-ordinator for Combating Trafficking in Human Beings, it is well positioned to address these issues effectively and create a lasting impact; (2) It has convening power, which allows the Office to foster strong partnerships and facilitate effective co-ordination with key IOs and NGOs through the *Alliance against Trafficking in Persons*. It is thus able to create an active network of representatives of governments, think-tanks, IOs, NGOs, academia, and business. (3) The OSCE is well placed to play a decisive role due to its geography and membership. (4) The OSCE has adopted strong commitments and recommended actions on combating trafficking for labour exploitation, including in supply chains. Through its direct work with governments, it can steer the debate on ethical sourcing in the governmental sector and thus set a precedent for both governments and the private sector to follow. The project will tap the momentum that has developed and focus anti-trafficking efforts on eradicating THB for labour exploitation and forced labour along globalized supply chains, to promote the implementation of the UN Guiding Principles and the Sustainable Development Goals.

Project objective

The overall objective of the project is to provide participating States with practical tools to enact concrete measures to prevent human trafficking in supply chains, as well as build their capacity to implement these measures, thus protecting human rights through good governance.

Project outputs and activities include:

- A **compendium of relevant reference materials and resources** on ethical sourcing and prevention of trafficking in human beings for labour exploitation in supply chains is compiled and disseminated.
- The awareness and capacity of participating States to prevent trafficking in human beings in supply chains **is raised through capacity-building workshops. Five workshops** will be held in various locations across the 57 participating States in order to build states’ capacity to enact measures based on the practices shared and guidance provided. In addition, side events may be organized in cooperation with organizations and institutions working on the same topic.
- **Model Guidelines** for governments on safeguarding ethical sourcing in public procurement practices are developed. The guidelines will include concrete examples drawn from mega sporting events and other large governmental contracts. This could also include a collection of good practices of governmental (and other) measures on preventing THB in supply chains from within and beyond the OSCE region;
- A **plan for encouraging adoption of guidelines** and best practices will be developed, including a strategy to engage those governments where trafficking protections should be strengthened. Such a strategy may include identifying and engaging with the appropriate offices and officials to effectuate a change in procurement practices, properly framing the benefits relative to the possible costs of adopting new policies, and leveraging any reform efforts underway such as National Action Plans on Business and Human Rights or other government commitments.