

# BATTLING MODERN SLAVERY

Despite vast improvements in the global fight against modern-day slavery over the past decade, more than 45 million people remain victims of forced labour worldwide, with 58 per cent of those from five countries alone. While government intervention can have the biggest immediate impact, businesses have their

own role to play. Ensuring transparency and accountability across globalised supply chains – from direct providers to indirect third-party sourcing – is key, and the procurement function is pivotal to not only safeguarding firms from big fines, but helping nations eradicate modern slavery once and for all

## DIRECT LABOUR

Current systems of outsourced recruitment and management of foreign migrant workers often put employees at risk of forced labour and human trafficking. In 2014 HP became the first IT company to require direct employment of foreign migrant workers across its supply chain. The transition to direct employment means that all foreign migrant workers of HP's suppliers must be employed and paid directly by the supplier, not by agents, sub-agents or third parties

## GOVERNMENT RESPONSE

Of the 161 countries analysed by the Walk Free Foundation, just four engage with businesses and investigate public procurement – the UK, Brazil, United States and Australia. The UK's Modern Slavery Act, enacted in 2015, requires large, commercial organisations to prepare a slavery and human trafficking statement each financial year, holding them accountable for violations across their domestic and international supply chains

## CHANGING THE LAW

In 2016 the United States closed a loophole in legislation that had previously allowed goods made through forced labour to enter the country. Historically, a "consumptive demand" clause in trade laws meant forced labour-produced goods were legally imported if they were not produced "in such quantities in the United States as to meet the consumptive demands of the United States"

## PREVALENCE OF MODERN SLAVERY

Estimated percentage of total population in modern slavery



Number of people in modern slavery (millions)

Modern slavery refers to the exploitation of people who cannot refuse or leave because of "threats, violence, coercion, abuse of power or deception, with treatment akin to a farm animal", according to the Walk Free Foundation. This can take the form of human trafficking, forced labour, debt bondage, forced or servile marriage, and the sale and exploitation of children.

Those in grey were not included in the index

## CONFLICT MINERALS

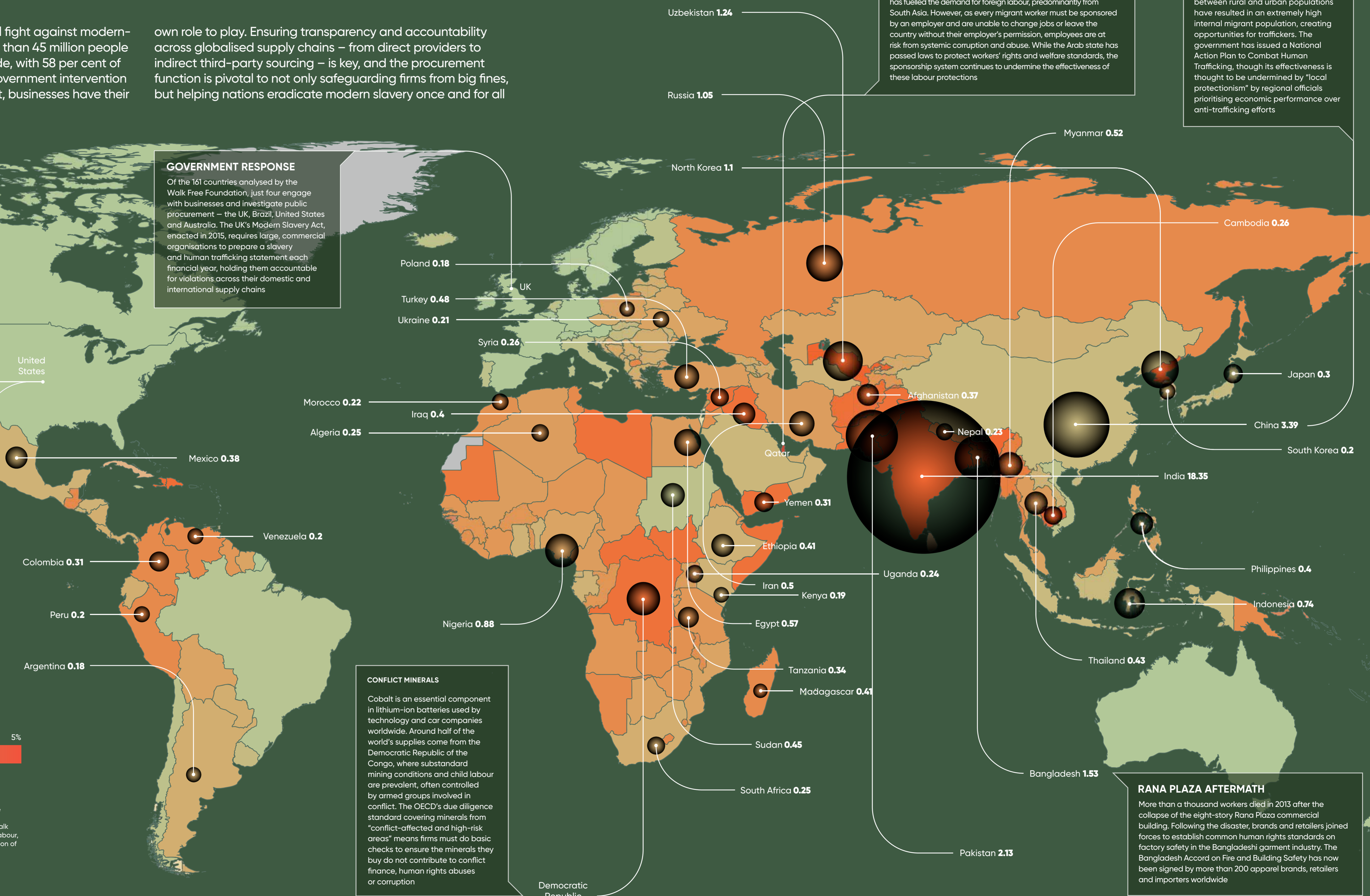
Cobalt is an essential component in lithium-ion batteries used by technology and car companies worldwide. Around half of the world's supplies come from the Democratic Republic of the Congo, where substandard mining conditions and child labour are prevalent, often controlled by armed groups involved in conflict. The OECD's due diligence standard covering minerals from "conflict-affected and high-risk areas" means firms must do basic checks to ensure the minerals they buy do not contribute to conflict finance, human rights abuses or corruption

## WORLD CUP EXPLOITATION

The construction programme for the FIFA 2022 World Cup in Qatar has fuelled the demand for foreign labour, predominantly from South Asia. However, as every migrant worker must be sponsored by an employer and are unable to change jobs or leave the country without their employer's permission, employees are at risk from systemic corruption and abuse. While the Arab state has passed laws to protect workers' rights and welfare standards, the sponsorship system continues to undermine the effectiveness of these labour protections

## EASTERN PROMISES

Disparities in work opportunities between rural and urban populations have resulted in an extremely high internal migrant population, creating opportunities for traffickers. The government has issued a National Action Plan to Combat Human Trafficking, though its effectiveness is thought to be undermined by "local protectionism" by regional officials prioritising economic performance over anti-trafficking efforts



## RANA PLAZA AFTERMATH

More than a thousand workers died in 2013 after the collapse of the eight-story Rana Plaza commercial building. Following the disaster, brands and retailers joined forces to establish common human rights standards on factory safety in the Bangladeshi garment industry. The Bangladesh Accord on Fire and Building Safety has now been signed by more than 200 apparel brands, retailers and importers worldwide