

Labor Trafficking in Supply Chains

Human trafficking is so insidious within the global economy that it taints a vast amount of products and services consumed today. Labor trafficking has occurred in agriculture, mining, fishing, garment factories, child care, cleaning services, hospitality, elder care, manufacturing, construction, moving and more.

Trafficking may occur at one point or multiple points throughout a product's life cycle, from harvesting of raw materials, through manufacturing and transportation, and to the shelves where products are sold. For example, men, women and children in the Democratic Republic of the Congo are forced to mine coltan. The mineral is then used to build cell phones, DVD players and video games, sometimes assembled by forced labor in China. Shrimp harvested using forced labor on Thai fishing vessels, is sent to distributors and then served at restaurants, where dishwashers and servers may be held in forced labor. Cocoa beans picked in West Africa using child labor might later become candy bars stocked on shelves by women and men compelled to work.

Eradicating modern slavery from the global economy requires a massive effort of multiple stakeholders, including consumers, corporations, governments and civil society. Everyone has an important role to play.



Consumers

Consumers have become increasingly concerned about the products they buy. Some seek options to purchase organic, sustainable, hormone-free, and free-range food products out of concern for their health, the environment and animal welfare. Others seek fair trade products to support fair wages for workers. In the past, consumer consciousness about modern slavery increased with reports of well known

brands implicated in sweatshop and child labor but then faded. Now, consumer attention to the issue is more sustained and increasing. They want to use their purchases both to voice opposition to slavery-like practices and support corporate social responsibility. Civil society, corporations and governments are developing strategies to offer more information to consumers, allowing them to make informed decisions.

Individual consumers can participate in this effort in multiple ways. They can learn about which goods are mined, harvested and manufactured using child labor and forced labor, through published reports and mobile applications. They can contact companies to inquire about their corporate policies and practices regarding human trafficking. Consumers may also purchase goods identified as slavery-free. There are even numerous online retailers of products made by formerly trafficked persons and purchases would help support their new endeavors. Individuals can also raise awareness by encouraging their friends, family and colleagues to use their consumer purchasing power to address modern slavery.

Civil Society

Labor rights, anti-trafficking, academic and fair trade organizations alike are advocating for corporations to participate in reducing slavery-like practices. These organizations are facilitating opportunities for consumers to communicate directly with their favorite companies about their anti-slavery practices. They are also supporting legislation to regulate corporate practices. They are devising tools such as mobile applications, to help consumers learn where modern slavery may have entered the supply chains of the products they use. Some lead boycotts of certain companies that knowingly continue to sell goods made with forced labor. Others help facilitate the sale of slavery-free goods. Still others rate corporations according to their transparency, policies and monitoring practices. Civil society organizations leading these efforts are also working in partnerships and coalitions, offering other organizations opportunities to become involved.

Corporations

Corporations of all sizes can meet this consumer demand for slavery-free goods and capture an increased market share, while also reducing potential liability and reputational harm. Many have been proactive, implementing independent monitoring and periodic audits, training personnel, and initiating investigations as needed. In 2006, hundreds of companies signed on to the Athens Ethical Principles, which consists of seven broad commitments to create policies and work toward prevention of human trafficking. In 2010, the Luxor Implementation Guidelines expanded on these principles and provided a roadmap for the specific types of activities companies could undertake. Even specific industries have signed on to voluntary codes of conduct, such as the Code of Conduct for the Protection of Children from Sexual Exploitation in Travel and Tourism, which recognizes that child sex tourism and child trafficking can be identified and reported by hotel personnel. These voluntary codes are just a beginning.

Corporations have the opportunity to take on a leadership position in guarding against modern slavery. Companies of all sizes and in all industries, whether selling goods or services, may contribute to these efforts. Companies can monitor their supply chains extending back to their raw materials, including the labor employed by suppliers, subcontractors and third party brokers. They can establish corporate policies that do not tolerate human trafficking. Some larger companies have designated leaders to focus on supply chain practices. Some have taken proactive steps to investigate their suppliers when allegations of wage issues, labor exploitation and forced labor surface. In fact, all private sector employees have a role to play. Inquire into your company's supply chain practices and policies. Contemplate whether your company hires third party brokers or contractors with stated policies about monitoring their supply chains for forced labor. Seek training to identify signs of human trafficking and seek increased commitment from your company's leadership to monitor and prevent slavery-like practices.

Governments

Governments are beginning to see a greater role for their involvement and participation as well. For example, they have been collaborating with the business community on their voluntary efforts and have also convened consumers, civil society and corporations to chart a path forward. Additionally, government reports list goods made with forced labor and the countries from which they come, and

they ban the importation of products known to be made with forced labor. Some have contemplated certification systems that would both increase information for consumers and also incentivize corporations to prevent forced labor and monitor their supply chains.

In another example of government action, starting January 1, 2012, the State of California requires retail sellers and manufacturers doing business in California and with annual worldwide gross receipts exceeding \$100 million dollars to post on their websites a disclosure of their efforts to combat human trafficking in their supply chains. This includes whether and to what extent supplier certifications, verification of supply chains, audits for compliance, and training for management and personnel is carried out. The new disclosure law is anticipated to affect more than 300 companies, including top multinational corporations operating worldwide and will result in increased consumer information, human trafficking awareness among corporations, and incentive for corporate action.

Not only do governments employ personnel and contractors, but they also consume a considerable amount of goods and their purchasing power is significant. They are beginning to review their own supply chains, including contractor labor practices and product and services purchases. As an example to other governments ready to undertake these efforts, some have started to insert contract clauses that prohibit human trafficking and they conduct audits, monitor contracts for compliance, and publicly disclose these efforts. Governments have multiple opportunities to help prevent slavery-like practices in the corporate sector whether by increasing information available about forced labor, collaborating with the business community to develop good prevention practices, or evaluating their own government supply chains.

Consumers, civil society, corporations and governments are collaborating, learning from one another, pushing one another, and forging the path ahead. Within this effort, everyone has a role to play and the more we accomplish, the more we prevent and decrease the incidence of human trafficking worldwide.

