



Members Fortnight Call Special Event—  
Opening Statements



The Food Network for Ethical Trade – Every fortnight 10 – 11.30 hrs – Time extended to promote awareness of Anti Slavery Day

# Competition Law and Safe Space Statements

## Participant Identity:

*Please display your **name** and the **business name***

## Competition Law Statement

*“We are meeting to discuss issues raised in the forum of the Food Network for Ethical Trade.*

*We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.*

*If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if the chair believes that discussions are in breach of competition law”*

## Safe Space Statement

*The fortnightly members call is a safe space for members to discuss and exchange ideas on human rights risks and improvement actions and all are reminded to please always respect this principle.*

# Agenda 18th October 2023

Timing	Item	Who
10.00 – 10.05	Welcome and Introduction to the session	FNET – Courtenay Forbes
10.05 – 10.15	Update on Modern Slavery Global Landscape & Success Factors	ILO – Alix Nasri
10.15 – 10.30	Business Themed Modern Slavery Risks	Stronger2Gether – Bethan Hunt
10.30 – 10.45	Modern Slavery Helpline Findings & Effective Remedy	Unseen – Emily Roberts
10.45 - 11.00	Repayment of Recruitment Fees – Progress and Challenges	Impactt – Rosey Hurst
11.00 - 11.05	Implementing the Employer Pays Principle in Thailand and Malaysia	Tesco - Courtenay
11.05 - 11.15	Labour and Human Rights Risks in Logistics	Wilberforce Inst – Cristina Talens
11.15 - 11.20	Q&A then Close Session	



International  
Labour  
Organization

GLOBAL BUSINESS  
NETWORK ON  
FORCED LABOUR

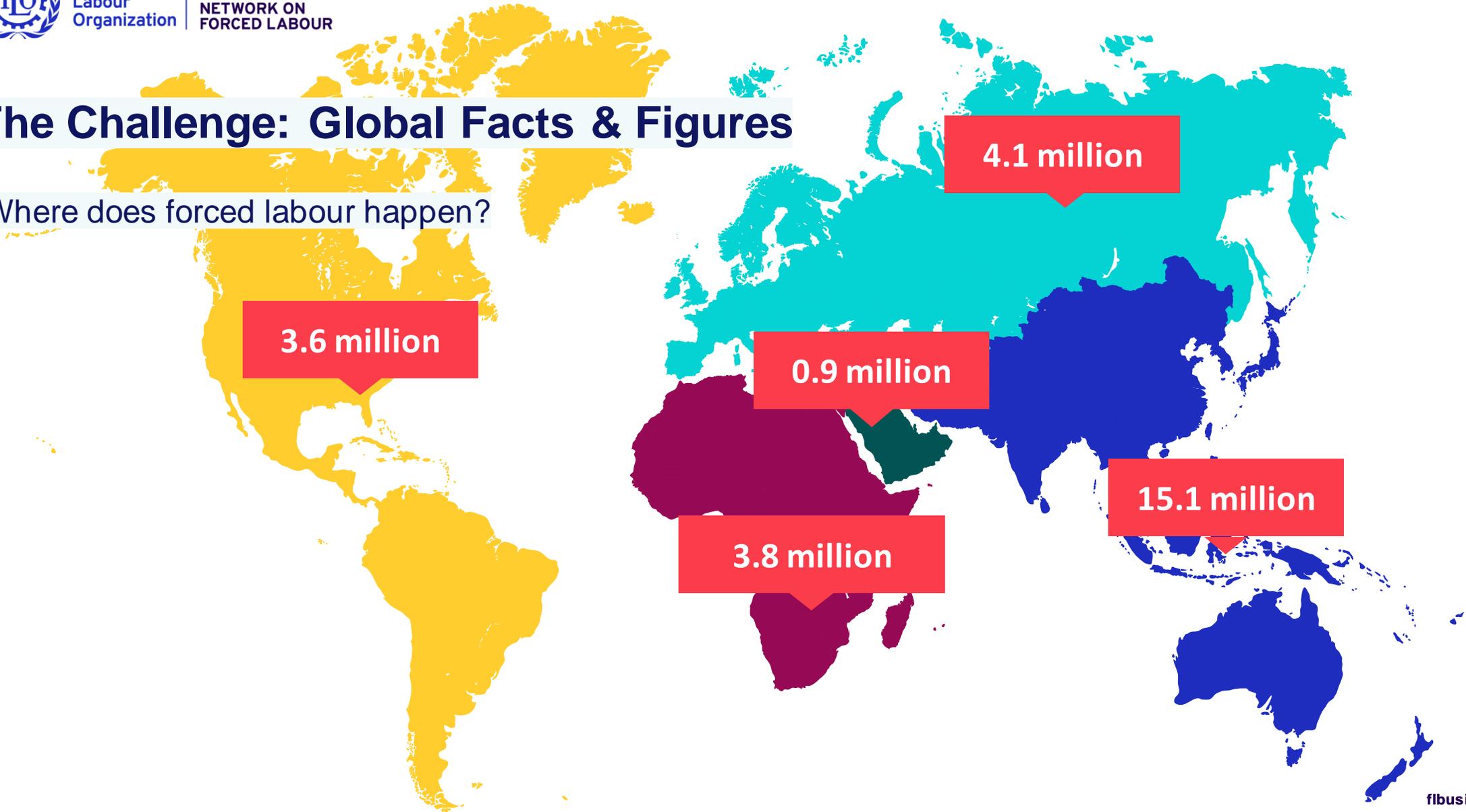
# ▶ The ILO Global Business Network on Forced Labour





## The Challenge: Global Facts & Figures

Where does forced labour happen?



## Economic sectors



**32%** (5.5 million)

Services (such as trade, transport and hospitality except domestic work)



**18.7%** (3.2 million)

in manufacturing



**16.3%** (2.8 million)

in construction



**12.3%** (2.1 million)

in agriculture

# Most common manifestations of coercion and involuntariness

## Top 5 manifestations of coercion<sup>5</sup>



**36.3%**

Non-payment  
of wages



**20.8%**

Abuse of  
vulnerability



**19.3%**

Some form of  
direct threat



**9.6%**

Financial  
penalties



**5.1%**

Debt  
manipulation



♀ Women are more affected than men

♂ Men are more affected than women

## Top 5 manifestations of involuntariness<sup>4</sup>



**51.3%**

Excessive overtime,  
on-call work or more  
hours than initially  
agreed to



**47.8%**

Very low or  
no wages



**43.4%**

Type of work  
different to  
initially agreed



**29.6%**

Job is of different  
nature from that  
specified during  
recruitment



**27.8%**

No freedom to  
leave or change  
employer



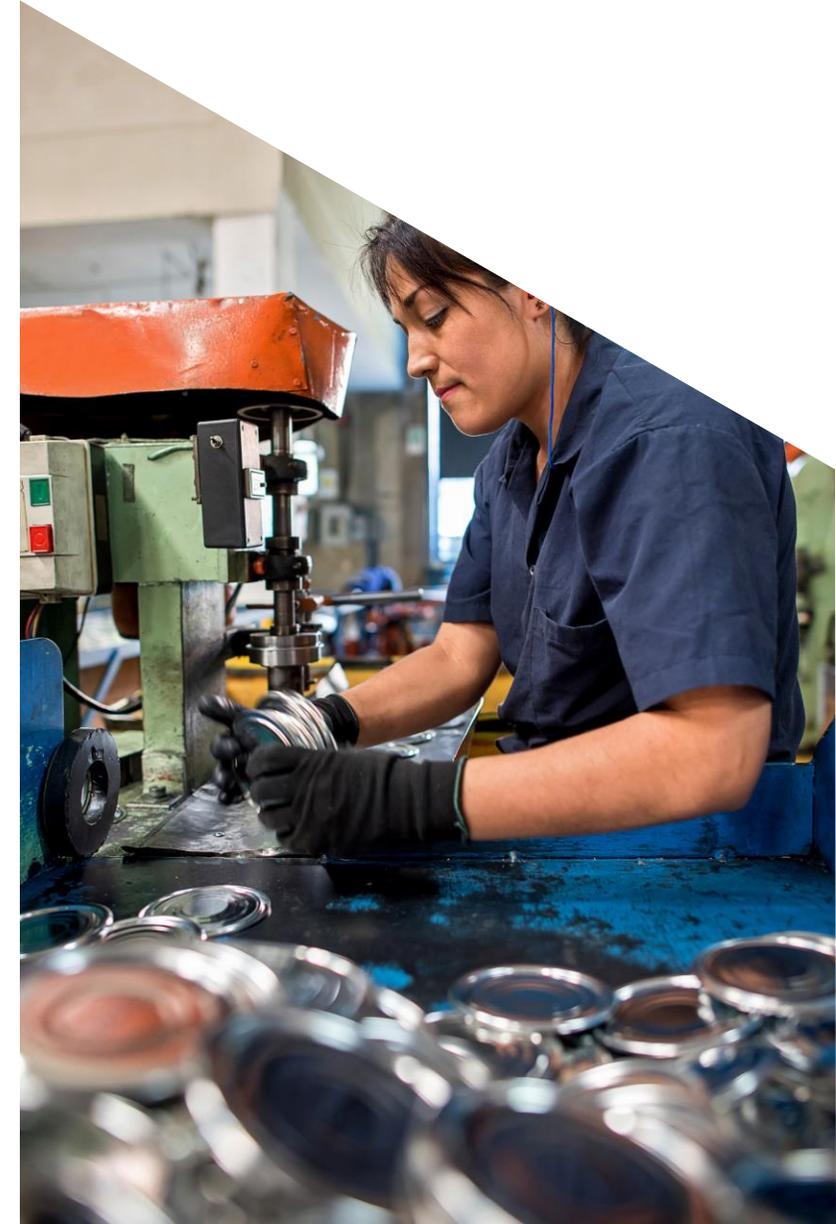
♀ Women are more affected than men

♂ Men are more affected than women



## Current challenges and contextual factors:

- Inadequate and poorly enforced national labour laws and policy frameworks
- Increased regulatory pressure and changing regulations
- High levels of informality and low regulation of the labour market.
- Workers' lack of access to grievance mechanisms, remedy, and representation.
- Difficult to achieve visibility in the lower tiers of the supply chain
- Challenges related to fair recruitment, especially of migrant workers
- Ensuring internal, cross-functional awareness
- State-imposed forced labour



## What works in practice: Addressing the 11 indicators

- **Abuse of vulnerability:** awareness raising, life skills training (financial management etc)
- **Isolation:** integration of business, workers, and surrounding communities
- **Retention of identity documents:** use of safe, accessible storage
- **Withholding of wages:** digital wage payments



## A focus on fair recruitment

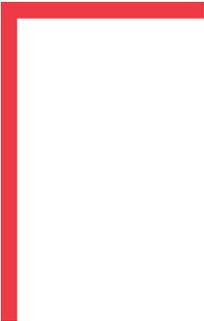
- Adoption of fair recruitment policies that include zero fees to workers
- Strengthened due diligence
- Contracts and service agreements with recruitment business partners
- Provision of clear information to workers throughout recruitment process
- Provide access to grievance mechanisms
- Remediate worker-borne recruitment fees and costs





## Success factors identified at company level

- **Strong governance and commitment to address forced labour at senior level.**
- **Capacity-building of all implementing staff within the company.**
- **Access to ongoing technical guidance.**
- **Leverage, together with other companies.**
- **Support from employer and business membership organisations to their members.**
- **Participation in multi-stakeholder initiatives focused on forced labour such as ILO Global Business Network (increased coordination).**
- **Use of technology and mechanisation to increase transparency of operations.**
- **Publishing remediation efforts.**



# Anti-Slavery Day 2023

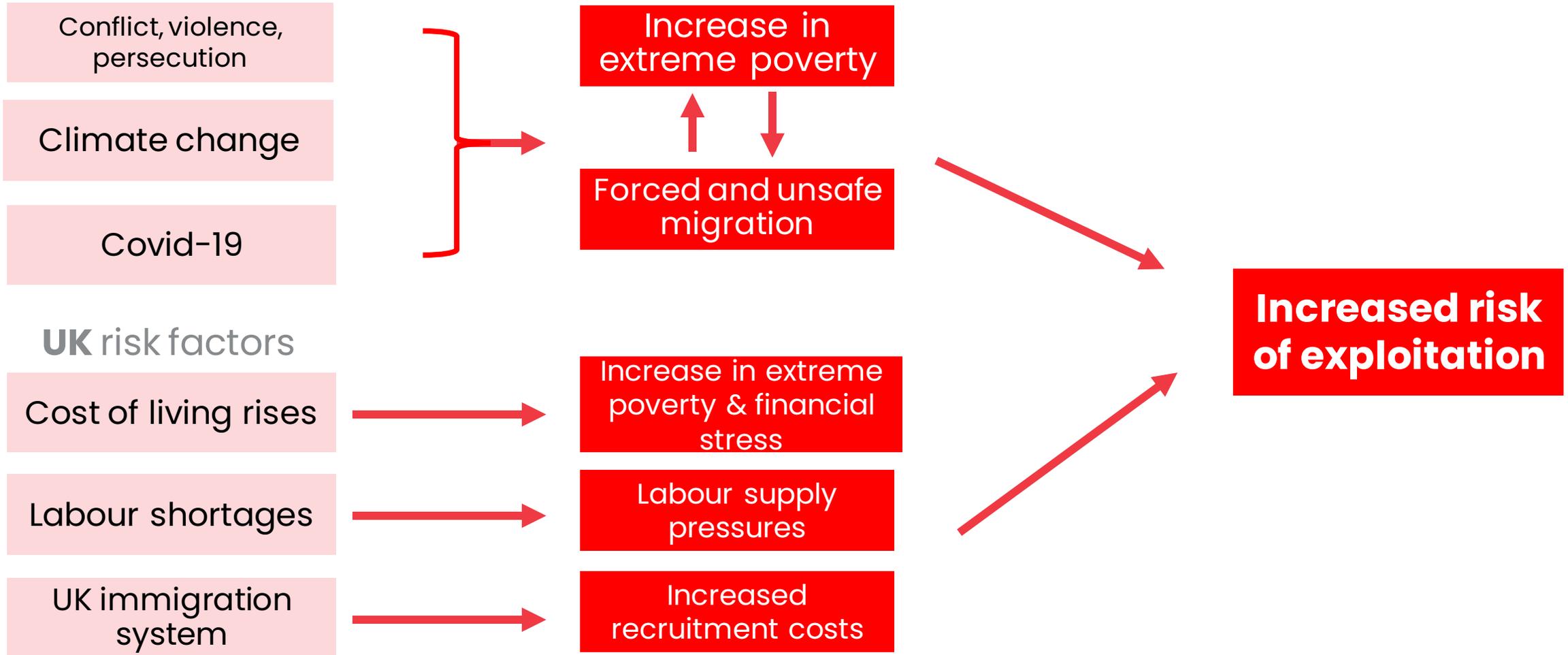
*Stronger Together*

[Play Video](#)

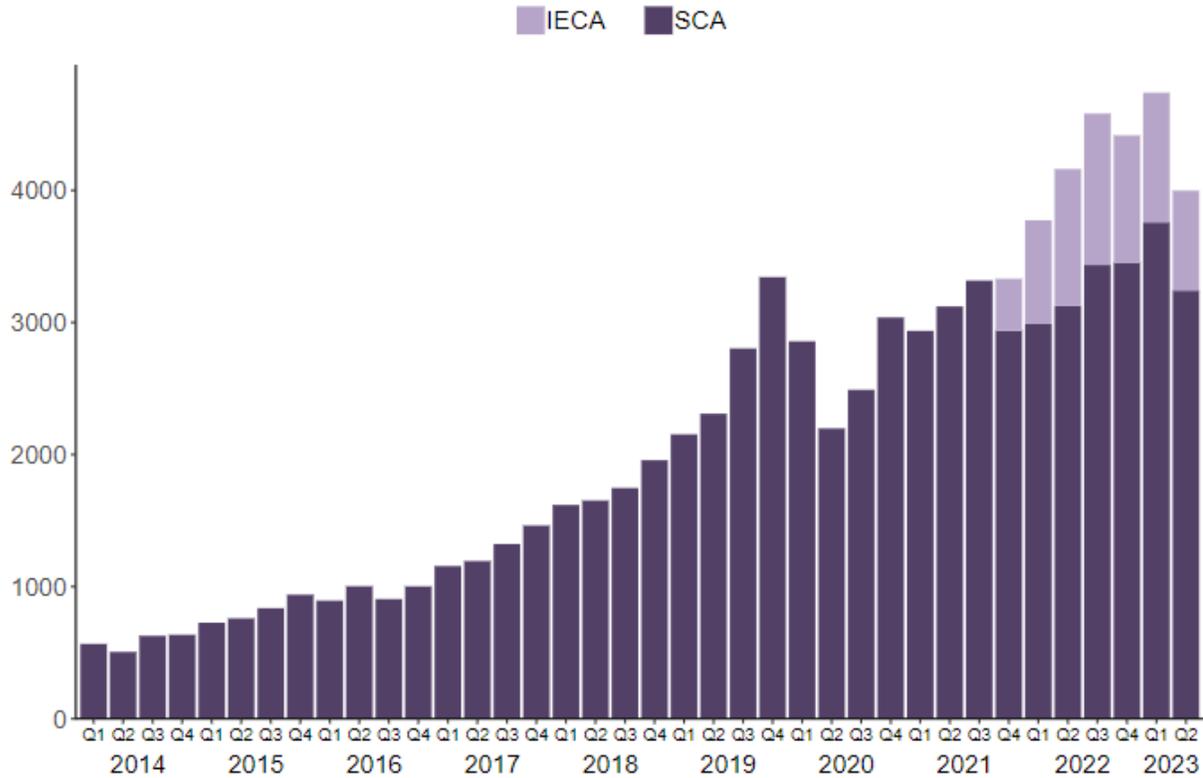


# Key factors

## Global (incl. UK) compounding risk factors



# Scale of the problem **in the UK**

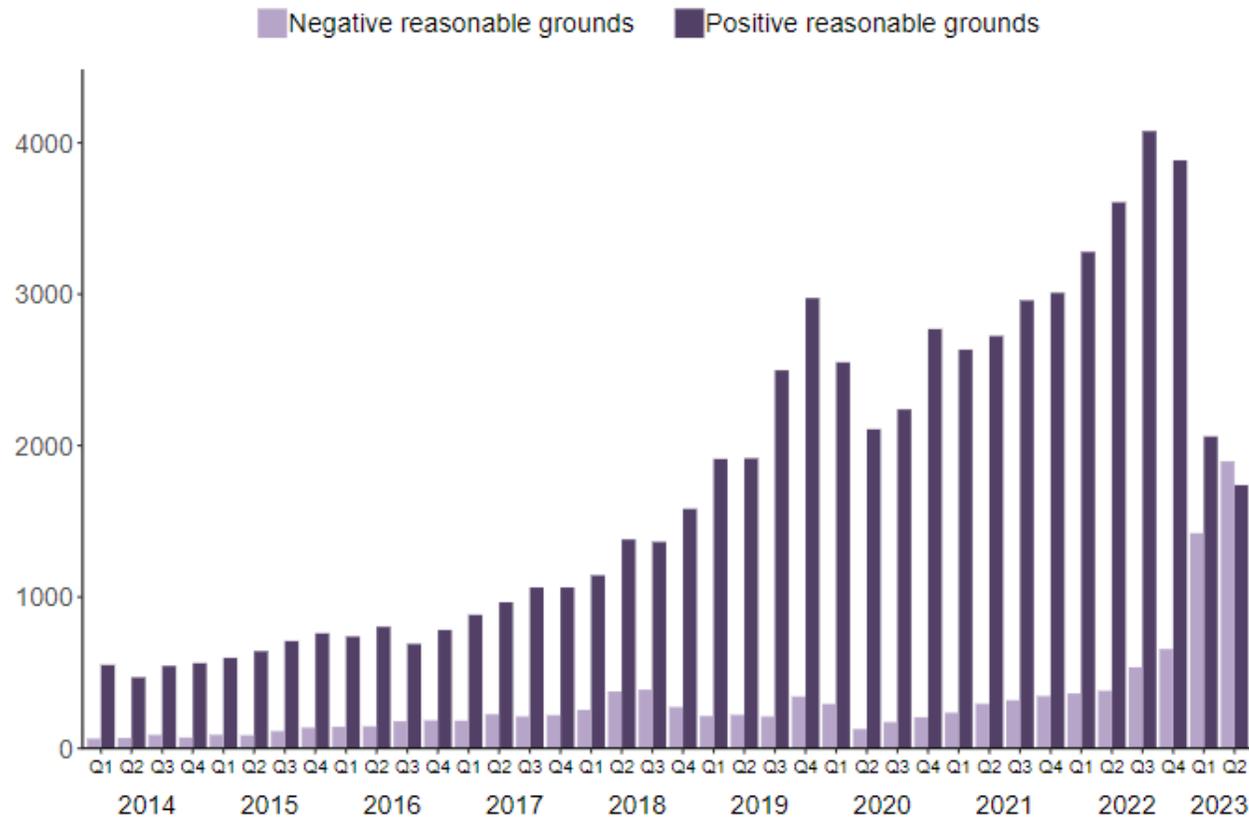


Number of quarterly NRM referrals by competent authority

## NRM Statistics Q2 2023

- 3,998 potential victims referred (-16% vs Q1 2023, -4% vs Q2 2022)
- 76% male, 24% female
- Most common nationalities: Albanian, UK and Vietnamese
- Most common reported: labour exploitation for adults, and criminal exploitation for children

# Reasonable grounds decisions



**Number of NRM positive and negative reasonable grounds decisions**

## Proportion of positive decisions

- Before 30 January: 90%
- Since 30 January:
  - 25% adults
  - 74% child

## Median time taken from referral

- March to January: 6 days
- April to June: 21 days

# Recent political changes impacting survivor support



Modern Slavery: Statutory Guidance for England and Wales (under s49 of the Modern Slavery Act 2015) and Non-Statutory Guidance for Scotland and Northern Ireland

Version 3.4

Part 5 of the **Nationality and Borders Act 2022**  
(and subsequent judicial review challenge)

Pg. 132 - The Reasonable Grounds threshold is an **objective one**. The decision maker must agree with the statement that there are "reasonable grounds to believe that a person **is** a victim of modern slavery"

## Illegal Migration Act 2023



...People from these cohorts who are identified by the Home Office as **potential victims of modern slavery, won't be offered specialised support and may be detained and removed from the UK**. The only exemption from these measures is if the Home Secretary decides people need to be in the UK to cooperate with a law enforcement investigation.

# Recent political changes: Anti-slavery commissioner role vacant for 18 months

## Home Office accused of deliberately leaving anti-slavery post unfilled

Exclusive: This week marks four months with no independent commissioner, creating a 'vacuum' of oversight, say campaigners



## UK anti-slavery post left unfilled by Home Office since April 2022

Role of anti-slavery commissioner vacant at time when cases of suspected trafficking at all-time high



Home Office statistics have revealed that 21,518 potential victims of trafficking, slavery and forced labour were reported in 2022. Photograph: Anna Gowthorpe/PA

News story

## Home Secretary announces new Independent Anti-Slavery Commissioner

Eleanor Lyons will take up the role to help combat modern slavery.

From: [Home Office](#) and [The Rt Hon Suella Braverman KC MP](#)

Published 11 October 2023



# What's the issue?

## What is debt bondage?

**Labour is demanded as a means of repayment for a loan** – which could be a loan provided to cover the recruitment fee and travel to take up the role.

- Excessive interest rates
- Loans impossible to pay off
- Debt passed can be passed on to next generations

Jobseekers may be forced to pay such costs under coercion, or may do so willingly, desperate to find work.

No receipts, fraudulent documentation.

May have to borrow money.

Can lead to debt bondage.

***One-fifth*** of people in forced labour exploitation are in ***situations of debt bondage.***

Immigration and  
asylum

Revealed: Indonesian workers on UK farm 'at risk of debt bondage'

As farms look further afield for labour, investigation finds Kent pickers saying they struggle to pay fees charged by unlicensed brokers

Emily Dugan

@emilydugan

Sun 14 Aug 2022 17:00 BST

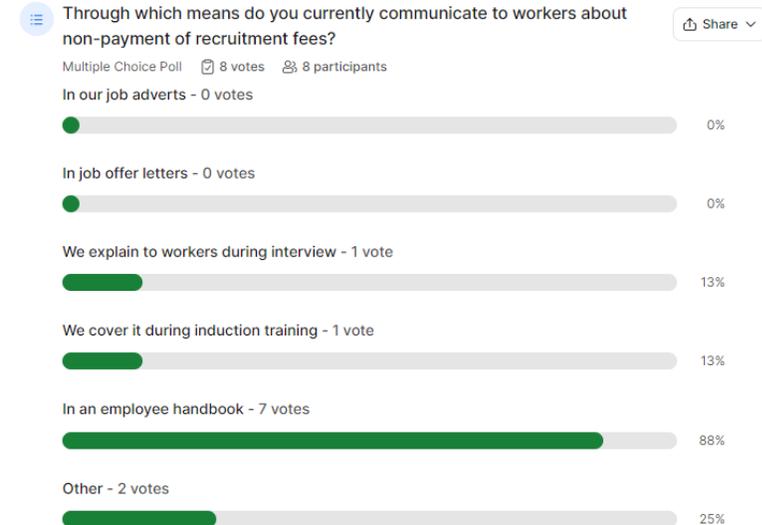


A technician operates an agricultural machine in the strawberry sheds at Clock House farm. Photograph: Hollie Adams/Bloomberg/Getty

# Recruitment tactics of labour exploitation

## Breakdown of recruitment tactics of labour exploitation potential victims

Recruitment tactic	# of PVs
Job offer/advertisement	239
Smuggling/ransom	173
False promises or statements	159
Abduction	137
Offer of accommodation	81
Posing as benefactor	60
Familial	36
Friend	25
Intimate partner/marriage proposition	22
Other	20
Coercion (threats, blackmail etc.)	12
Grooming	2
Unknown	2,956
<b>Total</b>	<b>3,922*</b>





# MSEH findings and effective remedy

FNET Anti-Slavery Day

October 2023

Emily Roberts | Business Engagement Manger | [e.roberts@unseenuk.org](mailto:e.roberts@unseenuk.org)

# what unseen do

**empower**

**equip**

**influence**

If you think someone may be a victim of modern slavery, call  
the 24/7 **Modern Slavery & Exploitation Helpline** on:

08000 121 700

Working towards  
a world without slavery



modern slavery &  
exploitation helpline

08000 121 700

## 2022 helpline numbers:

**7,315**

Incoming  
helpline calls

**8,387**

Referrals and  
signposts

**2,464**

Web forms  
and app  
submissions

**6,516**

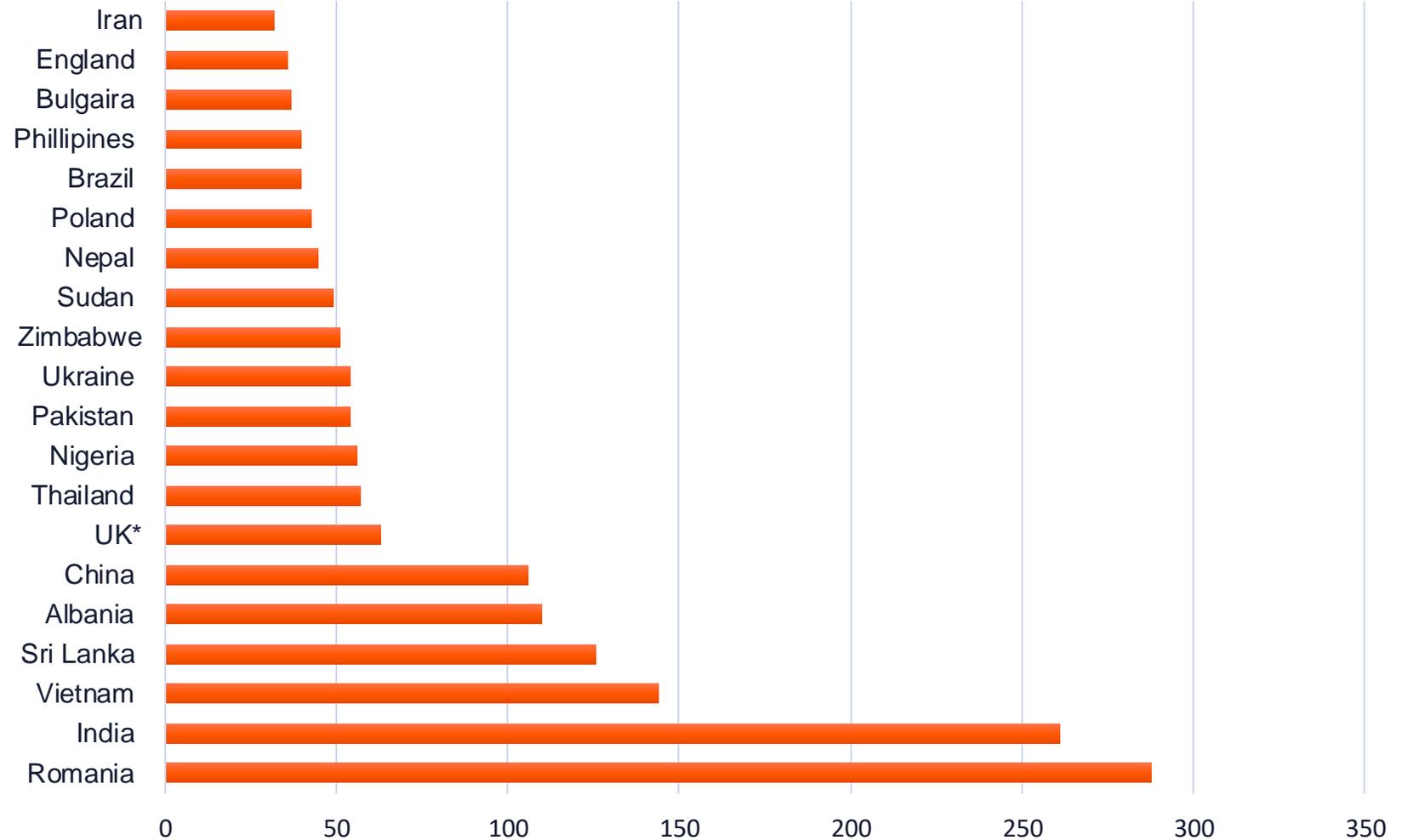
Potential victims  
of modern  
slavery

**116%**

Increase on  
3,019 potential  
victims indicated  
in 2021

# where do victims in the UK come from?

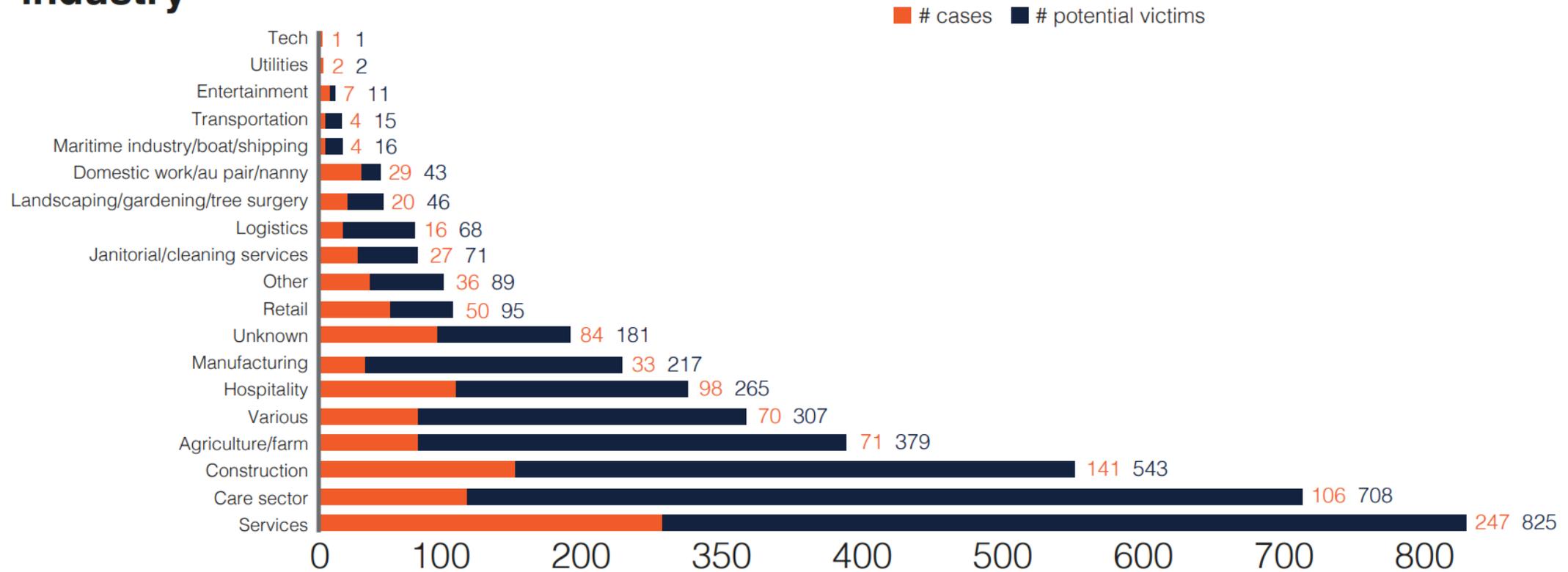
2022 helpline numbers:



\*Where United Kingdom was reported, but the specific country was not provided

# 2022 helpline numbers:

**Chart 20 – Breakdown of labour exploitation cases and potential victims by industry**



# Agriculture/Farm Helpline portal cases

## Recruitment methods

Seasonal Worker Scheme  
Job offer/Advertisement  
False promises or statements

## Methods of control

Financial control  
Holiday / leave insufficient  
Threat of cancelling visas

# trends and recommendations

- Lack of awareness amongst workers of terms of employment / workers' rights → **improve communication and engagement at each stage of employment**
- Changes in response to government landscape → **collaborative and transparent relationships with recruitment providers**
- Non-Employer Models – Exploiters have no formal link to the victim's employment but control the victim's home and economic matters → **increased due diligence during recruitment, modern slavery training and reporting mechanisms**



Registered charity number 1127620 • Unseen UK is a registered Limited company in England.  
Registered company number 06754171

[unseen.org](https://unseen.org)

A close-up photograph of a pair of weathered, brown hands holding several small, round, reddish-orange fruits. The background is a soft-focus green, suggesting an outdoor setting. A semi-transparent dark teal box is overlaid on the left side of the image, containing text.

# It's payback time .....

How fee repayment drives Responsible Recruitment and tackles forced labour

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**Rosey Hurst, Founder**  
**Patrick Shaw-Brown, Global Delivery Director**



## Our expertise



We are **specialised** in ethical trade, responsible sourcing, human rights and business.

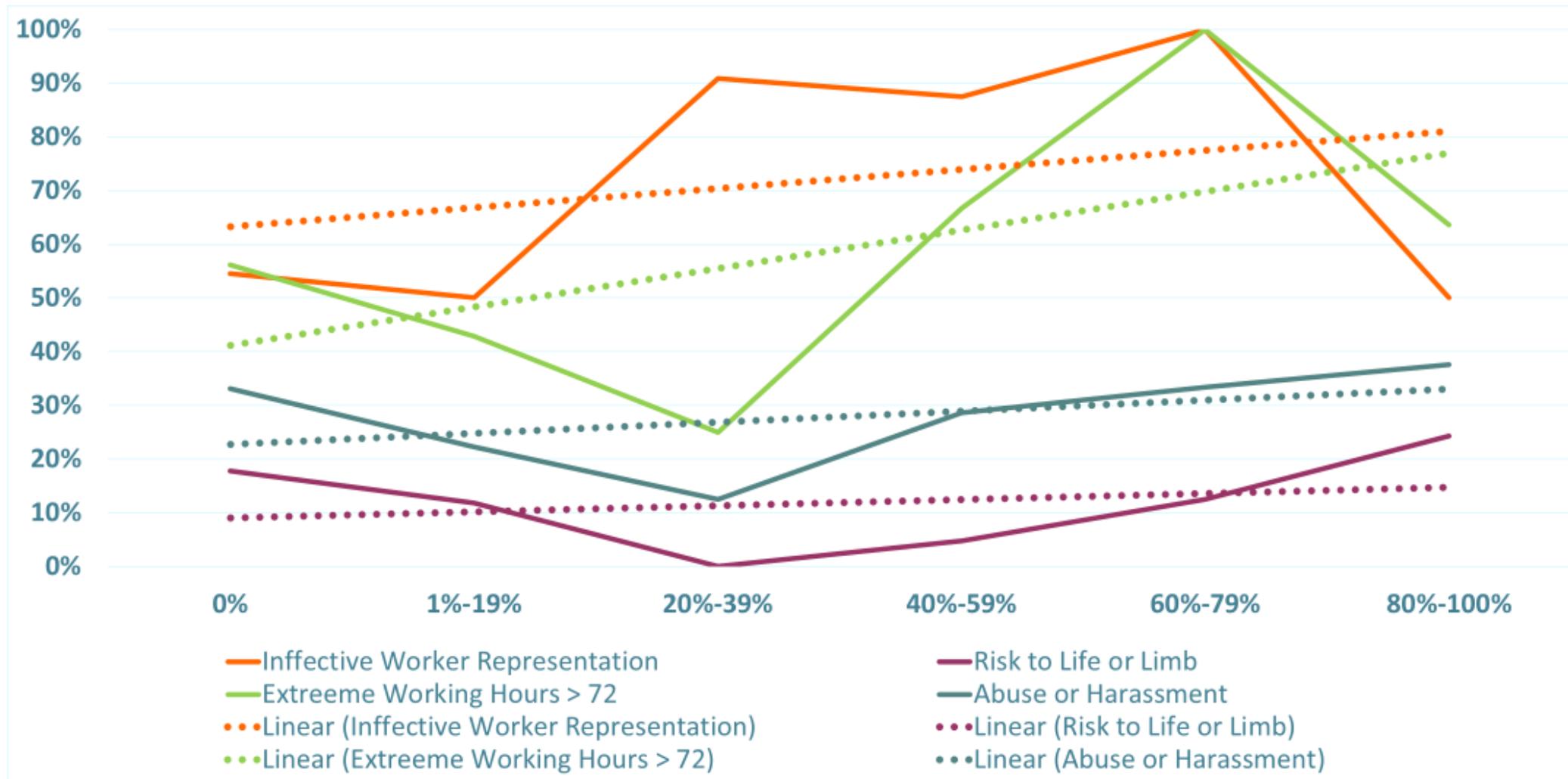


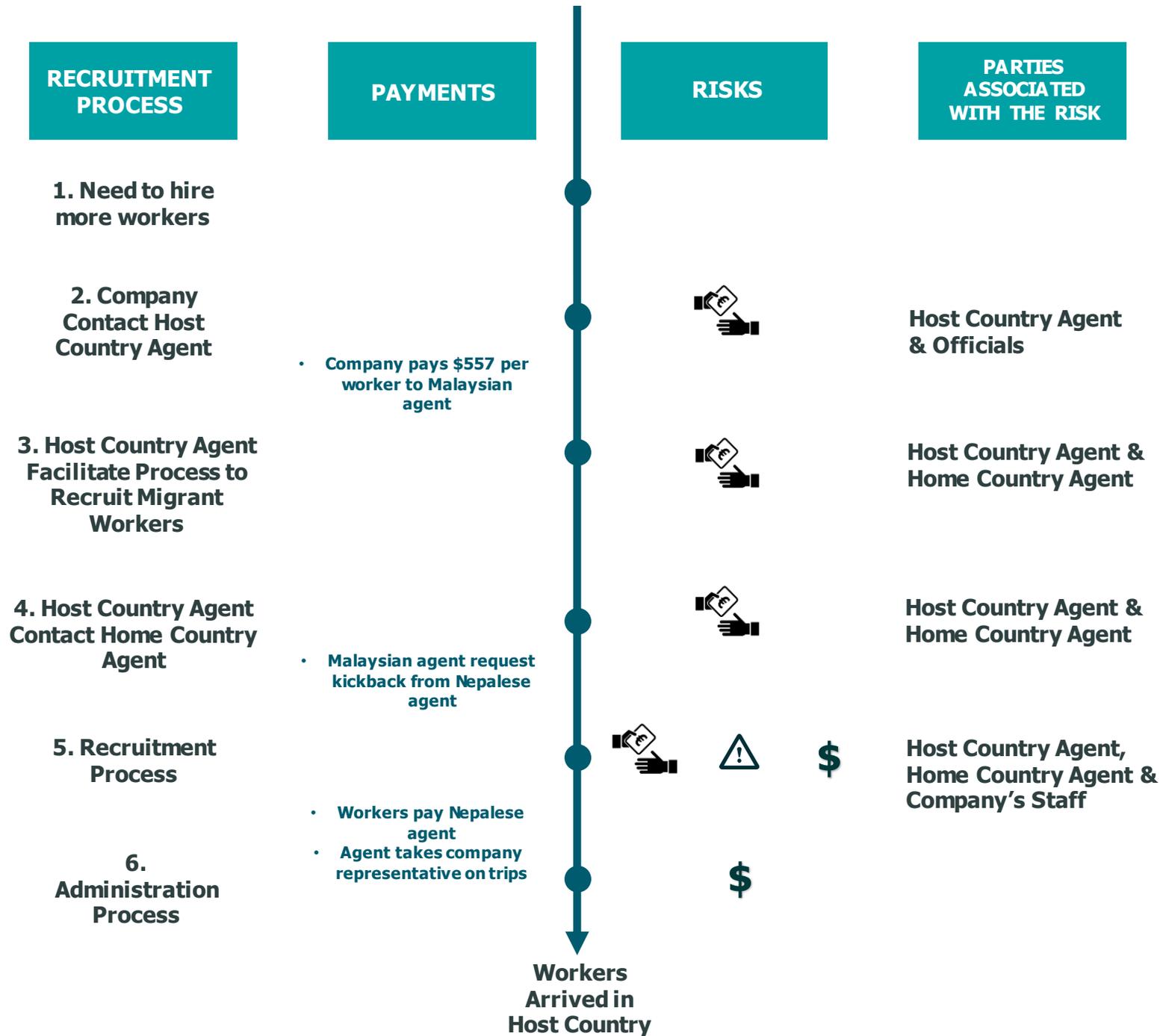
We have expertise in recruitment migration channels across **Europe, Africa, the Middle-East, & South and South-east Asia**

# Key messages

- Exploitative recruitment is an economic not a technical problem
  - Technical solutions without economic consequences simply do not work
  - Why start with repayment? It is the only measure which is proven to:
    - Remove current workers from debt bondage and forced labour
    - Be effective in forcing employers to implement proper financial models and due diligence in future recruitment
    - Thus driving real demand for responsible recruitment
    - And stimulating supply of responsible recruitment
  - How do we pay for repayment? Remedy Finance
- 

# Social risks to Migrant Workers





**KEY**

- Corrupt Practices** including kickbacks and bribery
- Other unethical Practice** such as prostitution
- Cost passed** on to workers/ recruitment fees

# ILO Forced Labour Indicators



Debt  
bondage



Restriction  
of  
movement



Withholding  
wages



Retention of  
ID



Abuse of  
vulnerability



Deception



Abusive living  
and working  
conditions



Physical and  
sexual violence



Intimidation  
and threats



Excessive overtime



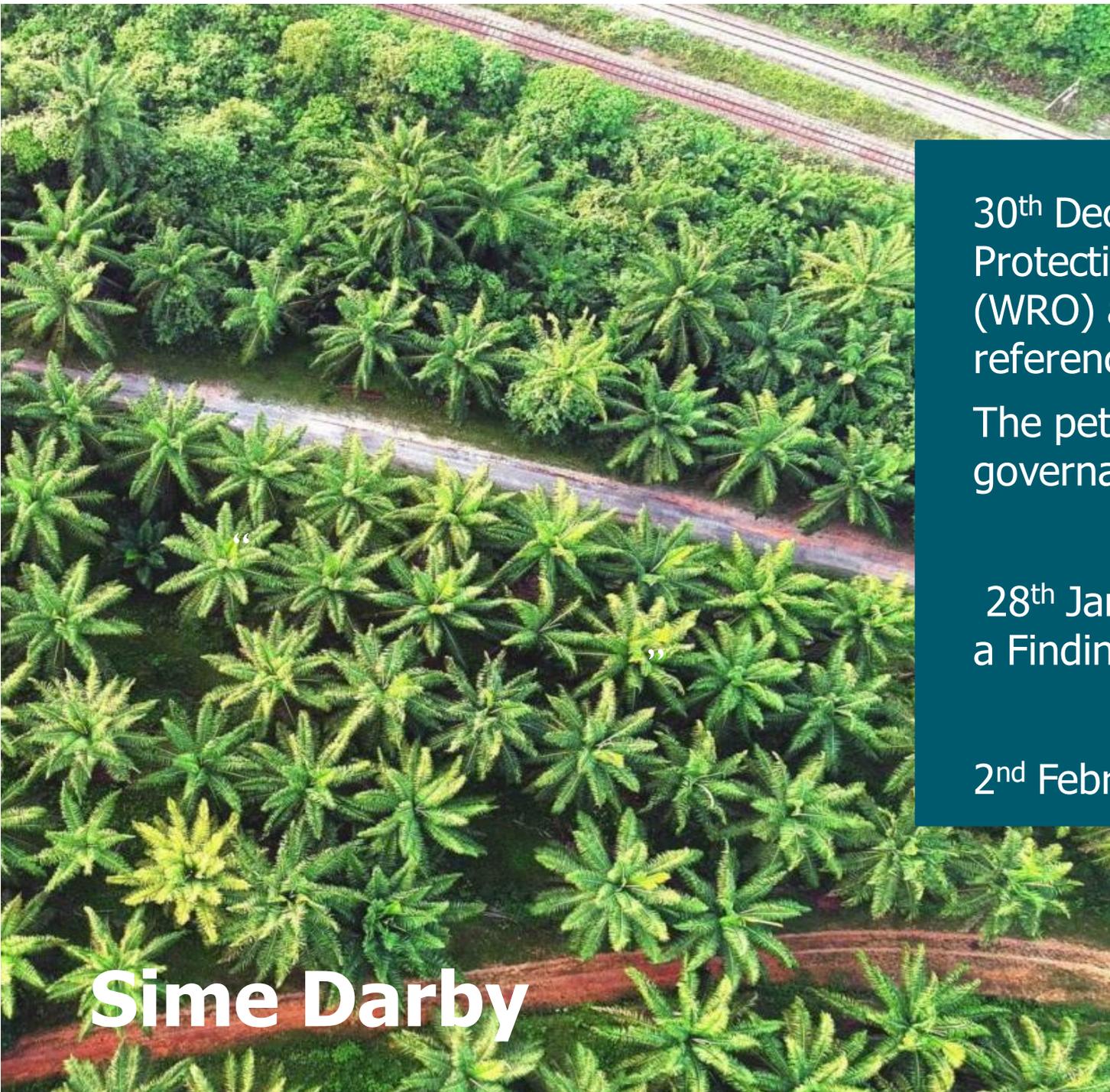
Isolation

# Forced labour indicators across key Asian markets

ILO Forced Labour Indicators	Malaysia (first movers)	Malaysia (laggards)	South Korea	Thailand	India	Dubai	Singapore
1. Abuse of vulnerability	Amber	Red	Amber	Red	Red	Amber	Amber
2. Retention of identity documents	Amber	Red	Amber	Red	Green	Amber	Amber
3. Restriction of movement	Amber	Red	Red	Amber	Amber	Amber	Green
4. Excessive overtime	Red	Red	Red	Red	Red	Red	Red
5. Abusive working and living conditions	Amber	Red	Red	Red	Red	Amber	Red
6. Deception	Red	Red	Amber	Amber	Green	Amber	Amber
7. Isolation	Amber	Red	Red	Amber	Amber	Amber	Amber
8. Debt bondage	Amber	Red	Amber	Red	Amber	Red	Red
9. Withholding of wages	Amber	Red	Red	Red	Red	Amber	Amber
10. Physical and sexual violence	Amber	Amber	Amber	Amber	Red	Green	Green
11. Intimidation	Amber	Red	Amber	Red	Red	Amber	Amber
Additional factor: Transparency	Amber	Amber	Amber	Amber	Amber	Amber	Amber

- Red = High risk
- Amber = Moderate risk
- Green = Lower risk



An aerial photograph of a palm oil plantation. The image shows rows of lush green palm trees. A dirt road and a set of railway tracks run diagonally across the upper portion of the image. The overall scene is a well-maintained agricultural landscape.

30<sup>th</sup> December 2020: Customs and Border Protection issued a Withhold Release Order (WRO) against Sime Darby Plantation, referencing all 11 ILO Forced Labour Indicators

The petition focused on failures in internal governance as the root cause

28<sup>th</sup> January 2022: CBP upgrades the WRO to a Finding

2<sup>nd</sup> February 2023: CBP modifies the Finding

**Sime Darby**

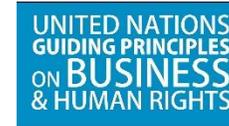
# What did Sime Darby do?

- Reimbursed US\$ 8 million in recruitment fees to workers, and ringfenced a further US\$9 million for former workers to apply.
- Responsible Recruitment Procedures with on the ground recruitment at source countries, multiple engagements with all players in the process (agents, recruiters, workers, etc), enhanced controls (e.g., multiple 3rd party verifications at different points of the process).
- Social dialogue platforms with elected representatives from every nationality at every estate. Over 1,500 formal worker representatives from 9 nationalities. More than 14,200 issues raised, with 13,800 issues resolved over 17 months.
- Three helplines, independently administered, for workers and contractors to raise grievances. Based on internal surveys of more than 21,000 workers, 96.1% are aware of, and 95.8% are comfortable with, the grievance channels.
- Sophisticated clocking system to monitor working hours
- Dedicated app for workers to request repairs accommodation. Over 37,000 requests received since October 2021, 97% resolved within agreed time frames.
- The implementation of an ESG (Environmental, Social and Governance) scorecard which carries as much weight as the operational scorecard.

# Impactt Principles and Guidelines for the Repayment of Recruitment Fees and Related Costs



International  
Labour  
Organization



## 1. International standards

## 2. Impactt's experience with large-scale repayment programmes

## 3. Consultation with 150+ stakeholders including technical and legal experts and practitioners, ILO, IOM, trade unions, governments, enforcement agencies, MSIs, NGOs



**1** Protect workers

**Commit to transparency and disclosure**

**2**

**3** Engage in meaningful multi-stakeholder collaboration

**Ensure oversight, quality and integrity of the repayment process**

**4**

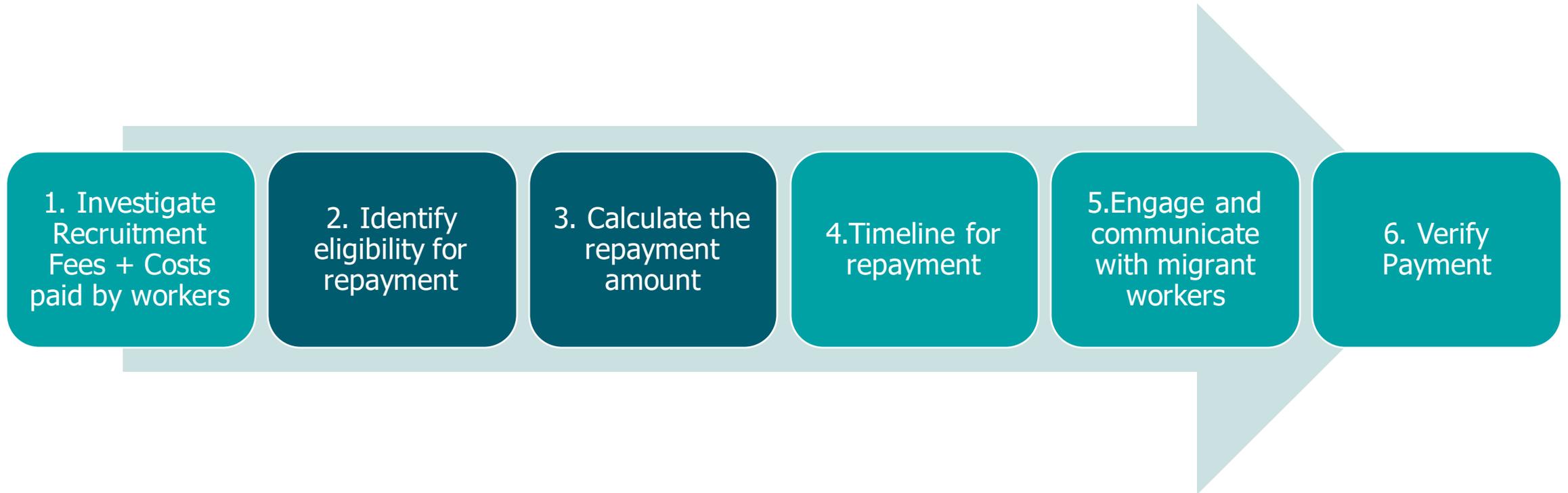
**5** Provide workers with access to alternate channels for remedy

**Integrate shared learning**

**6**

# CORE PRINCIPLES

# 6-step guidelines



# What is Remedy Finance?

Remedy Finance is:

1. A low-interest loan,
2. For small and medium palm estates in Malaysia,
3. To to repay workers for recruitment fees and related costs.

This pilot will:

1. Deploy USD ~6.5M in financing,
2. Cover ~5,000 workers (~2% of total),
3. With a payback period of three years (H2, 2024 – H2 2027).

**LTMA CAPITAL**

LESS TALK, MORE ACTION



# Responsible Recruitment in Thailand/Malaysia Requirements: Policy Verification Process

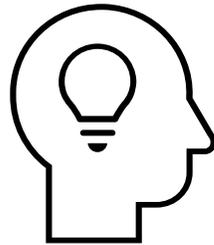


## • Our training program



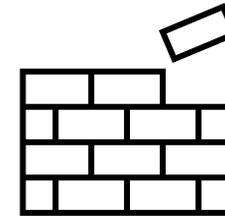
### Training Session 1

- Introduction to responsible recruitment and international standards and policies.



### Training Session 2

- Preventative measures, including recruitment agency selection, contracts and commercial arrangements, and communication with workers.



### Training Session 3

- Due diligence to conduct post-arrival and how to remediate fee repayment.



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INSTITUTE

Welcome to the

# Wilberforce Institute

Labour and Human Rights Risks Logistics

Cristina Talens



# World-leading research centre

- Founded in 2006, we have an inter-disciplinary focus with staff from History, Law, Social Sciences and Education.
- Our team have direct experience of dealing with forced labour, debt bondage, trafficking and smuggling in supply chains.
- Our Risk Assessment Services were set up in 2014 to address modern slavery within business.



# My background...

- Director of Risk Assessment Services Antislavery International (UK) & Comité Contre l'Esclavage Moderne (France) Spain and Italy.
- Social Auditor specialising in Agriculture. SGS, Intertek, Impactt Limited.
- UN Global Programme Against Trafficking and Smuggling of Human Beings.
- Ethical Trading Initiative (ETI) Retailers and International Brands.





# Why look at Modern Slavery Risks in logistics?

1

Under the MSA, you have to conduct checks on suppliers and address any issues found. EU Due Diligence 2024.

2

Brexit has led to shortages of labour and a reliance on subcontractors and agencies

3

There is less transparency on labour & human rights, exacerbated by a cost of living crisis

4

... Actively manage risks in your own supply chain and help you improve conditions for workers



# Aim of this training session



Help you understand modern slavery in the UK logistics sector



Understand what labour and human rights risks are present in warehousing and distribution



Understand key focus points for future risk assessments around the living wage, hours, and recruitment



Cover off any questions you may have and look at best practice



# 1. Risk Assessment - On sites

1. Management interview with 20 Key questions covering ETI Base Code provisions
2. Suppliers' knowledge of risk locally
3. Suppliers' Recruitment Practices
4. Site walk around
5. Worker interviews (if not at risk)
6. Document Checks – Pay, Hours, Worker Files
7. Interviews with local NGOs, Trade Unions, Industry bodies



Interviewing workers picking tomatoes in Italy



# Our findings in logistics & warehousing

- Significant rise in wage levels and tight margins as a result of labour shortages.
- Dependency on agency labour and subcontractors means less visibility on labour exploitation.
- Terms & conditions not understood by workers.
- Lack of communication channels for workers to raise issues.
- Excessive Working Hours.
- Cost of Living Crisis and Loans.
- Right to Work checks are not systematic.



HAULAGE & DISTRIBUTION IS HIGH RISK



## 2. Follow up with suppliers

### Supplier risk assessment

- Short report on the challenges faced by the sites and the current systems in place to meet those challenges.
- Conversation about how to overcome challenges.

### Guidance on due diligence

- Recommendations on systems that need to be in place, including a practical demonstration of “how to” gather information on 4-5 key questions.



### Encourage collaboration

- Focus on expertise of different organisations, trade unions and NGOs.



# Focus on wages & piece rates in warehouses

- All workers are entitled to a 'living wage'.
- 0-hour contracts can pose a problem after peak periods.
- T&Cs - Agency workers did not realise that they were working for the agency after 12 weeks.
- If you pay piece rates, these should be equivalent to at least the national minimum wage.
- Workers did not understand:
  - a) rates of pay for the job or how piece rates are calculated.
  - b) Productivity bonuses for picking rates.





*'I was told that there was no part time, and that the job was full time. Then the agency told me they could only guarantee me 4 hours a day.'*

*'If I only get one day a week, How am I supposed to live on £350 a month?'*

*'I'm not sure we are not getting equal shifts. I've been here 4 years. Some people are already on 5 days'*





# Focus on Hours, H&S for Drivers

- Excessive working hours for drivers, in some cases exceeding 80 hours a week.
- Need to follow EU rules on drivers' hours and tachographs, when the weight of a vehicle is over 3.5 tonnes and you're driving in the UK
- EU rules drivers must not drive more than:
  - 9 hours in a day - this can be extended to 10 hours twice a week
  - 56 hours in a week
  - 90 hours in any 2 consecutive weeks
- Loading activities and responsibilities of senders & recipients.



- GB driving rules. You must not be on duty for more than 11 hours in any working day.



# Focus on Hours for Drivers

- Duty time: Difference in the allocation of jobs to employees and the self-employed.
- Drivers working for a company = duty time is any working time.
- Self-employed, duty time is only time you spend driving the vehicle or doing other work related to the vehicle or its load.
- IR35 regulations: Subcontractors working for an employer over 6 months on a regular basis, should be given an employment contract.



IS IT BETTER TO BE AN EMPLOYEE  
OR SUBCONTRACTOR?



Are there any  
Questions?



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**Thank  
you.**

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