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"Preventing Trafficking for Labour Exploitation: Decent Work and Social Justice"
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Statement by Mike Dottridge

Panel 3 (21 June): The Role of the Private Sector

The last 15 years have seen numerous commitments made by businesses to take action to stop workers being subjected to forced labour and the labour exploitation that is one of the purposes for which people are trafficked. I want to discuss what they have done, what more they could do and what the OSCE can do to encourage them.

When the issue of how to tackle the 'demand' for the services or products of people who have been trafficked is raised, it implies that an effort should be made to influence people and change their purchasing decisions. A key question that comes up each time is whether to focus efforts on individual consumers or on businesses and corporations.

While individuals may ultimately provide the cash that ends up in the pockets of people who exploit or traffic women, men, girls and boys, persuading large numbers of individuals to change their purchasing decisions takes a lot of effort and coordination. In contrast, when workers have been trafficked for labour exploitation, a single policy change made by a large business can have a major impact on hundreds or even thousands of workers, not only in its own work place, but throughout those of its suppliers.

For individual consumers there is a direct choice: either buy or don't buy. However, businesses and large organizations have other options which enable them to influence conditions in their suppliers' workplace in a positive way: for example, suspending purchases with a condition that purchasing will be resumed if the supplier can demonstrate effective reform and accountability. Both businesses and other large organizations can also have a positive impact by adopting an appropriate procurement policy that requires their suppliers to check that trafficking in human beings and labour exploitation do not occur.

The procedures that businesses can use to ensure that their workers and those of their suppliers have not been trafficked are part of a wider set of corporate social responsibility initiatives to ensure that businesses do not cause human rights violations or allow abuse to occur in the workplace or elsewhere and to address other unacceptable effects of their business, for example on the environment. These initiatives have developed rapidly over the past two decades. They have received growing attention from the United Nations, first in the framework of the UN Global Compact and most recently in the form of a set of *Guiding Principles for the Implementation of the United Nations 'Protect, Respect and Remedy' Framework*, which were prepared by the UN Secretary-General's Special Representative on the issue of human rights and transnational corporations and other business enterprises.

These *Guiding Principles* were adopted earlier this month by the UN Human Rights Council. They require business enterprises to respect human rights and to exercise what is called 'due diligence' to check the human rights impact of their business activities and to take action to remedy adverse effects. They apply to businesses which are multinational in character, but also to smaller businesses that operate only at national or local level. The specific measures that businesses can take to stop trafficking in human beings from occurring are situated in the context of these wider frameworks.

Commenting in 2009, the UN Special Representative on business and human rights noted that claims by businesses that they respected human rights were all very well, but few businesses had systems in place to substantiate their claim. He noted that they needed an ongoing process of human rights due diligence, whereby they would become aware of, prevent, and mitigate adverse human rights impacts caused by their business. This applies to trafficking in human beings and others labour rights abuse, as well as other human rights violations.

What has business done?

The spur to businesses in Europe and North America to take action to stop forced labour or other abuse from occurring in their supply chains was that they feared they were running an unacceptably high risk if they failed to do so - a risk of bad publicity which would damage their image and cause their sales to drop. They were pressured into taking action initially in the 1990s by publicity organized by non-governmental organizations, trade unions or others about abuse occurring in the supply chains of businesses importing products into Europe and North America from other parts of the world. However, subsequent campaigns have focused on work place abuse in the same country, such as one organized by the Coalition of Immokalee Workers in the United States, which focuses on trafficking and labour exploitation on Florida's tomato farms. This campaign persuaded food corporations buying tomatoes to adopt a zero-tolerance policy for forced labour and a code of conduct for their suppliers.

Businesses have been encouraged to adopt a statement of core principles concerning respect for internationally-recognized human rights. Many have made commitments to ensure that forced labour does not occur in their workplaces or supply chains. Some have made an explicit commitment to combat human trafficking. Many commitments have taken the form of a 'code of conduct', some adopted by individual companies, some by groups of businesses operating in the same sector (buying and selling a specific commodity, such as sporting goods, or belonging to a single trade association) and some known as 'multi-stakeholder' initiatives, which require independent verification of the standards specified by an independent quality standard organization.

Most codes of conduct and similar commitments by businesses include an explicit provision not to use forced labour, but do not necessarily include a reference to trafficking in human beings. Various initiatives have encouraged them to include a ban on trafficking and to introduce procedures governing recruitment, which will ensure that trafficking does not occur.

The key actions required by businesses to stop people being trafficked or subjected to labour exploitation, using codes of conduct or similar procedures, centre on recruitment procedures and on ensuring that workers are free to leave their jobs if they want to do so. This means ensuring that they are not given such a large amount of money in advance that they would be unable to repay the money and would consequently be ‘bonded’ to their employer and not free to leave their jobs; and also ensuring that no other techniques are used to prevent workers leaving their jobs, such as their employer taking possession of their passport or official identity document, or withholding wages over a prolonged period. It also means ensuring that workers are not intimidated in such a way that they do not dare disobey their employer or leave.

Evidently, business codes need to be more than declarations of intent. They need to be accompanied by appropriate management systems and by procedures to verify that the provisions of codes are implemented.

The very fact that codes and their compliance procedures are adopted voluntarily (at least by the business that opts for a code, if not its suppliers, which are required to conform to the code’s provisions) is seen by some to be a strength and by others to be a weakness. The ‘*Protect, Respect and Remedy*’ framework that was approved by the UN Human Rights Council in 2008 has introduced a standard framework to guide all businesses and the 2011 *Guiding Principles* specify with greater clarity than ever before what each business should do to exercise due diligence.

The *Guiding Principles for the Implementation of the United Nations ‘Protect, Respect and Remedy’ Framework* focus on “the State duty to protect human rights”, as well as the responsibility of businesses to respect human rights and to ensure that workers and others have access to remedy if abuses occur.

When talking to the UN Human Rights Council about what steps are required next to follow up the *Guiding Principles*, the UN Secretary-General’s Special Representative, Professor Ruggie, stressed that a major priority now is capacity building, to ensure that both governments and businesses know what steps they are required to take.

What can the OSCE do to encourage business to take appropriate action?

The OSCE has a role to play in bringing the principles focusing on State duties, and the action required by States to implement them, to the attention of the OSCE’s participating States.

A further step that the OSCE could take to help businesses would be to facilitate discussions among specific groups of businesses (those with common interests, such as the members of a single trade association or a chamber of commerce), about the possible human rights impact of their activities, including what measures, if any, are taken already to ensure that human rights are respected in their workplaces and those of their suppliers, the specific commitments which they could make to address human rights in a company policy and the sorts of management systems they could put in place to ensure that abuses of human rights do not occur.

Of course, it would also be helpful if the OSCE would ensure that advice for government officials, businesses, employers and workers was available in the right language and an appropriate form (for example, explaining how certain recruitment practices or contracts of employment can encourage or facilitate human trafficking and labour exploitation).

Thank you for your attention.

(text: 1,504 words)