

Statement by Amb. Tichy-Fisslberger on behalf of the OSCE CiO
“The Public-Private Partnership in the Fight Against Human Trafficking”
20 July 2017

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- We are here today to address the risks of trafficking in human beings (THB) in the private sector. THB is one of the big scourges of our time.
- Ordinary citizen may think they do not come across THB, but they do, most often through labour exploitation in the private sector, particularly in construction, agriculture, but also with nannies, nurses, the production of clothes, luxury goods, in hotels, in the context of big sport events, and also in branches we do not often talk about, such as car-wash, rubbish collection, fisheries, model agencies, other recruitment agents and so on.
- According to ILO there is a clear nexus between the costs of recruitment and the risk for the person being recruited to end up in exploitation. Unfair recruitment costs are often an indication of exploitation. .
- When workers are sent to other countries it is often blurred what happens upon arrival, there is a clear nexus between THB and migration. Often the EU provisions on free circulation of persons are being misused.
- Bitcoins are a rather new problem. Although this currency is difficult to follow, cybercrime leaves digital trails – we should learn to follow these trails to uncover what is going on.
- A recent report by the Financial Action Task Force (FATF) on money laundering related to persons trafficked to other countries, whose documents were subsequently confiscated by the traffickers and presented to open bank accounts to be used for overdrafts or even loans. When the banks asked for reimbursement the persons had already left the country.
- The dimension of THB would not be possible without corruption.
- Moreover, economic recession benefits traffickers because of the increased demand for cheap labour.
- The existence of many intermediaries is an additional risk, e.g. recruiting agencies and subcontracting companies. Complex global supply chains with sometimes blurred trails often encompass respectable – and less respectable – companies, the latter providing infrastructure for exploitation. Arguably, this is the most lucrative and least risky form of THB.
- Last year in Hamburg there was consensus by a Ministerial Council Decision on better adherence to labour, social, and environmental standards (4/16). In this vein the AT Chairmanship organized a thematic committee on good governance in supply chains in the Economic and Environmental Committee this May.

- There are various relevant international instruments, e.g. the UN Guiding Principles on Business and Human Rights reminding us that human rights should not only defend individuals against the State, but that States also have certain obligations to guarantee that human rights are respected by third parties like corporations. Case law by the European Court of Human Rights confirms this principle. Additionally there are the SDGs (particularly 8.7 against forced labour and human trafficking), the UN Convention against Transnational Organized Crimes with the Palermo Protocol, the UN anti-Slavery Convention, the ILO Convention against forced labour and so on.
- The AT Chairmanship supports various OSCE endeavours in this context, such as the Extra budgetary project on Supply Chains. Further initiatives include a Conference on domestic servitude in diplomatic households held last May. There will be more CTHB events in the course of the next 6 months.
- According to ILO there are 21 Mio forced workers in the world. Forced labour not only constitutes a grave violation of human rights, but is also bad for the economy because there is no level playing field between companies respecting the law and those who do not. THB itself is a huge business that brings about huge profits.
- We all agree that there is a clear need for international cooperation – on a cross-dimensional, cross-cutting and multi-disciplinary basis. But such cooperation would be of no use unless we also cooperate with the private sector and civil society, who are the real actors on the ground.
- We also have to tackle the demand side, way too often people are asking for cheap labour and turn their eyes away from the conditions of work involved. To this effect, we need more consumer responsibility. Some important initiatives such as the Slavery Footprint already exist. It is essential to make supply chains and money trails transparent to consumers.
- We have to tackle the root causes of exploitation, which are often a lack of education, of knowledge about one's rights as well as a lack of perspectives in many countries. We have to try to prevent THB all together.
- In this regard, the OSCE is the right platform – for regional dialogue, capacity building measures, awareness rising, assisting countries, bringing together relevant stakeholder etc.
- In AT, we have a Task Force and Sub-Working Group on labour exploitation that brings together central and regional government bodies, partners of both sides of industry, employers and employees, labour inspectors, trade unions, the civil society etc.
- Legislation on procurement is essential since procurement - after all - involves a lot of tax payers' money. In AT, government bodies have to apply the principle of the best offer rather than the cheapest offer. New legislation will introduce criminal sentences including for persons who should have known that something was not correct but preferred to turn their eyes.

- It is essential that corporations as legal persons can be held accountable. So far, there are very few international court cases in this regard. Recently in a case concerning labour exploitation of restroom attendants in a restaurant chain, a court in Belgium ruled that not only the subcontracting firm exploiting its workers had to pay fines but also the company making business with this subcontracting firm.
- Additional difficulties exist for example regarding sex tourism. In some countries its eradication would adversely affect the entire national economy.
- There are various companies ready to cooperate, e.g Hotel chains, Airlines, Apparel and famous designers but there are not (yet) enough.
- The work of the OSCE in this context is crucial. Likewise the European Commission is currently trying to build up a Business Coalition in the Fight against THB.
- Let us not get discouraged – we owe it to the victims. We do not want to live in a world where – knowingly or unknowingly – we benefit from slavery and THB.