

Public-Private Partnership in the **Fight Against Human Trafficking**

20 - 21 July 2017
Moscow

OSCE



Presentation by The Consumer Goods Forum
Panel 3 | Private sector initiatives
and practices addressing THB



The Consumer Goods
FORUM

OUR STORY

CGF BOARD



Retailer College

Olaf KOCH
Metro



Manufacturer College

Ian COOK
Colgate-Palmolive



WORKING TOGETHER EFFICIENTLY FOR POSITIVE CHANGE

IDENTIFY FOCUS AREAS, DEVELOP & SHARE SOLUTIONS, SPEAK WITH A COMMON VOICE





THE CONSUMER
GOODS FORUM

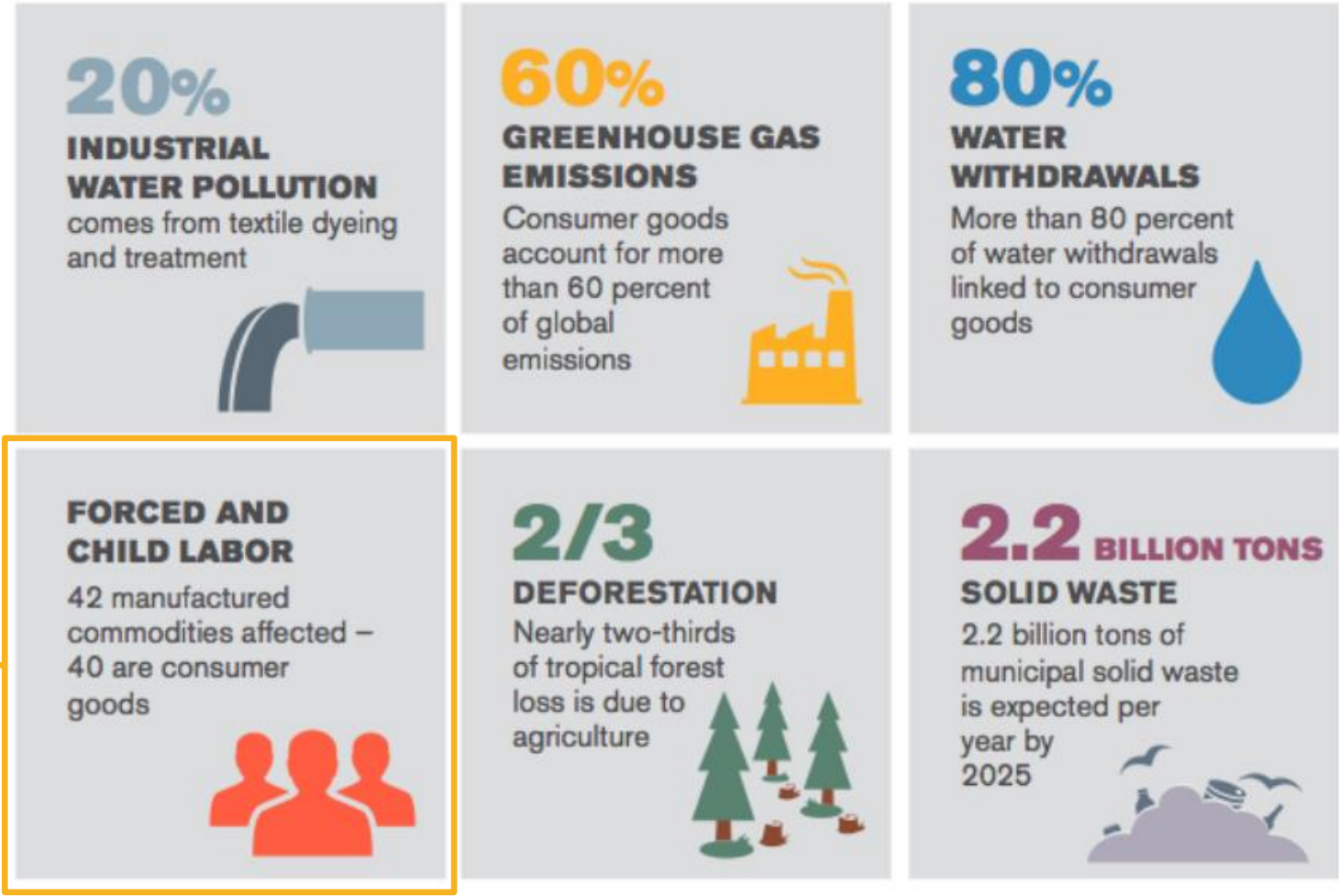
SOCIAL
SUSTAINABILITY

SOCIAL SUSTAINABILITY

Social sustainability is the least defined and understood of the different ways of approaching **sustainability**

Social sustainability has had considerably less attention in public dialogue than economic and environmental **sustainability**.

Yet, it is a business imperative to act upon it

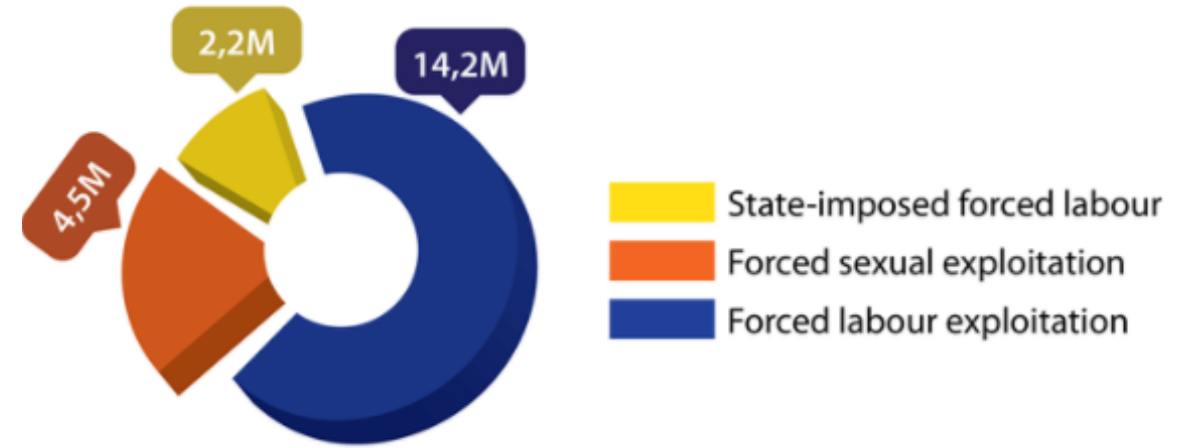


- 20% INDUSTRIAL WATER POLLUTION**
comes from textile dyeing and treatment
- 60% GREENHOUSE GAS EMISSIONS**
Consumer goods account for more than 60 percent of global emissions
- 80% WATER WITHDRAWALS**
More than 80 percent of water withdrawals linked to consumer goods
- FORCED AND CHILD LABOR**
42 manufactured commodities affected – 40 are consumer goods
- 2/3 DEFORESTATION**
Nearly two-thirds of tropical forest loss is due to agriculture
- 2.2 BILLION TONS SOLID WASTE**
2.2 billion tons of municipal solid waste is expected per year by 2025

FORCED LABOUR WORLDWIDE

21 million people victims of forced labour

Types of Forced Labour (in millions of people)



» **14.2 million (68%)** are victims of forced labour exploitation in economic activities, such as agriculture, construction, domestic work or manufacturing.

US\$ 150 BILLION IN ANNUAL ILLEGAL PROFITS GENERATED FROM FORCED LABOUR



» **Three out of every 1,000 people worldwide** are victims of forced labour across the world, trapped in jobs which they were coerced or deceived into and which they cannot leave.

REGULATIONS & SOCIAL SUSTAINABILITY | A GROWING FRAMEWORK

USA

Early 2016, the [US Trade Facilitation and Trade Enforcement Act](#) made it illegal to import goods made with forced labor into the USA.

UK

2015: [UK Modern Slavery Act](#) required companies with revenues greater than £36 million to begin publishing annual statements on the steps they are taking to tackle forced labour issues. (12,000 companies)

Sweden

Calls on suppliers to respect human rights and introduced incentives / penalties for compliance

USA (California)

Certain companies are required to publicly report on their specific actions to eradicate slavery and human trafficking in their supply chains (2,000+companies)

Denmark

Requires suppliers to conduct Human Rights due diligence.

USA

Certain government contractors are required to disclose to government any information that alleges there has been human trafficking, use of prostitution or forced labour by their employees or subcontractors' employees (300,000 companies)

France

2017 | Certain companies must prepare and publish a plan to tackle serious environmental and human rights impacts in their operations and supply chains.

European Union (28 nations)

Requires companies with 500+ employees to disclose non-financial information

World

On June 16, 2011, the UN Human Rights Council unanimously endorsed the UN Guiding Principles for Business and Human Rights, making the framework the first corporate human rights responsibility initiative to be endorsed by the UN.



Costco faces lawsuit over sale of prawns allegedly farmed by slave labor



Modern Slavery Act
2015



June 2015: 1st meeting of the UN-led "intergovernmental working group for the elaboration of an international legally binding instrument on Transnational Corporations and Other Business Enterprises with respect to human rights."

- » A Global Issue affecting our Industry
- » A Growing Stakeholder and Regulatory Pressure
- » A Business responsibility to act & an opportunity to grow responsibly
- » Industry collective action allows us to deliver together on positive change

#1 – Passport retention

#2 – Recruitment practices (fees | migrant...)

#3 – Wages (Unpaid / intermittent / under payment)



ILO/CGF FORCED LABOUR VIDEO



BACKGROUND

” Why is it so complex ?

- » Many incidents of forced labour are hidden, and often driven by criminality
- » Migrant, agency and illegal workers can be the most vulnerable to illegal forced labour practices and other forms of exploitation
- » Many cases exist in lower tiers of the supply chain – where visibility is harder and our individual company leverage lower
- » Traditional compliance audit approaches alone may not uncover all these issues

” What is the industry doing ?

- » Work has just begun in this space, and regulators and civil society are also becoming increasingly aware of it.
- » The journey is essential, yet creating long-term changes will require some consistent and broad-based collective efforts

” Why focus on forced labour ?

- » There are many social issues to cover, yet forced labour is identified as one of the most severe challenge across value chains
- » Freedom from forced labour is essential for the realisation of other Human Rights / Labour Rights

” Why are companies not talking about it ?

- » Consumers and other stakeholders may assume that businesses have much more visibility over their extended supply chains
- » Because these issues are highly unacceptable, this can make us and others in our supply chains concerned about addressing the issues publicly – which itself holds back progress

The CGF Resolution and Priority Industry Principles offer a global framework for joint actions

CGF VIDEO ON SOCIAL RESOLUTIONS & PRIORITY INDUSTRY PRINCIPLES



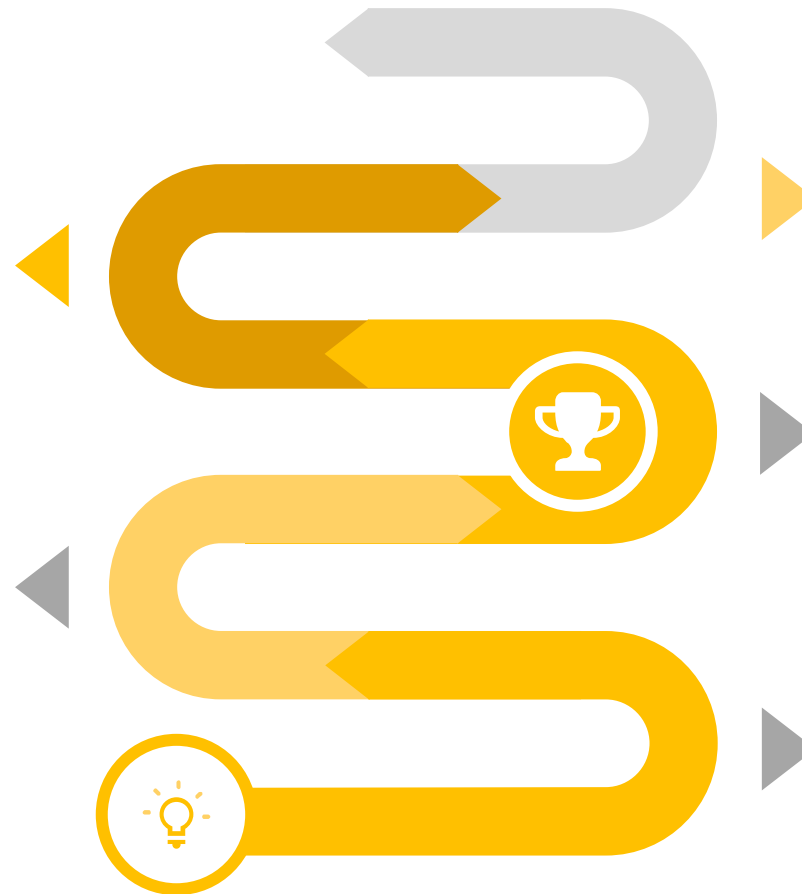
OUR JOURNEY TO FIGHT FORCED LABOUR

Identify Drivers of Forced Labour

Systemic issues and areas to influence

Where collective efforts make the difference

Focus on **Forced Labour**



PRIORITY PRINCIPLES AGAINST FORCED LABOUR

CGF Social Resolution on Forced Labour

First-ever industry resolution on the issue

A social agenda for our industry

Creation of the Social Sustainability
Committee



PRIORITY INDUSTRY PRINCIPLES




Forced labour is an unacceptable human rights violation that can take multiple forms, and must be addressed.

While certain employment and recruitment practices may not initially appear problematic, in aggregate or combined with other forms of leverage, they can result in forced labour, particularly among vulnerable workers.

We will take active measures to apply these Principles across our global value chains and own operations, to cases where such practices may lead to forced labour. We will seek to apply these Principles to all workers regardless of their employment status, location, contractual arrangements or role. We will do this as part of our collective journey to advance the human rights of workers and positively shape global labour markets.



EVERY WORKER SHOULD HAVE FREEDOM OF MOVEMENT




The ability of workers to move freely should not be restricted by their employer through abuse, threats and practices such as retention of passport and valuable possessions.

NO WORKER SHOULD PAY FOR A JOB



Fees and costs associated with recruitment and employment should be paid by the employer, not the employee.

NO WORKER SHOULD BE INDEBTED OR COERCED TO WORK



Workers should work freely, aware of the terms and conditions of their work in advance, and paid regularly as agreed.



INSTITUTIONAL ENGAGEMENT



CGF Board Co-Chair Letter to German Chancellor Angela Merkel: proposing Forced Labour as focus on G20 Agenda



Alliance 8.7

...the commissioner is supporting their resolution on forced labour that will **drive global collaboration** between retailers and manufacturers **to tackle forced labour**

The commissioner also supports CGF's global social compliance programme, an open-source platform that helps promote the harmonisation of efforts for the improvement of working conditions

Independent Anti-Slavery Commissioner
Annual Report 2015- 2016



Colombo Process Members

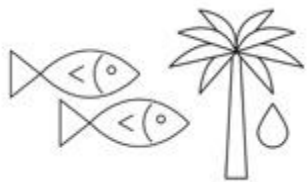


Regional Consultative Process on the management of overseas employment and contractual labour for countries of origins in Asia to positively affect the +2.5 million Asian workers leaving their countries every year under contract work abroad

Colombo Process



SEAFOOD & PALM OIL SECTORS IN SOUTHEAST ASIA



NEXT STEPS

- Identify focus area where CGF could have the highest impact
-
- Establish relationships with key actors and foster collaborative action
-
- Develop sector specific guidance material

Thank you!

QUESTIONS?

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