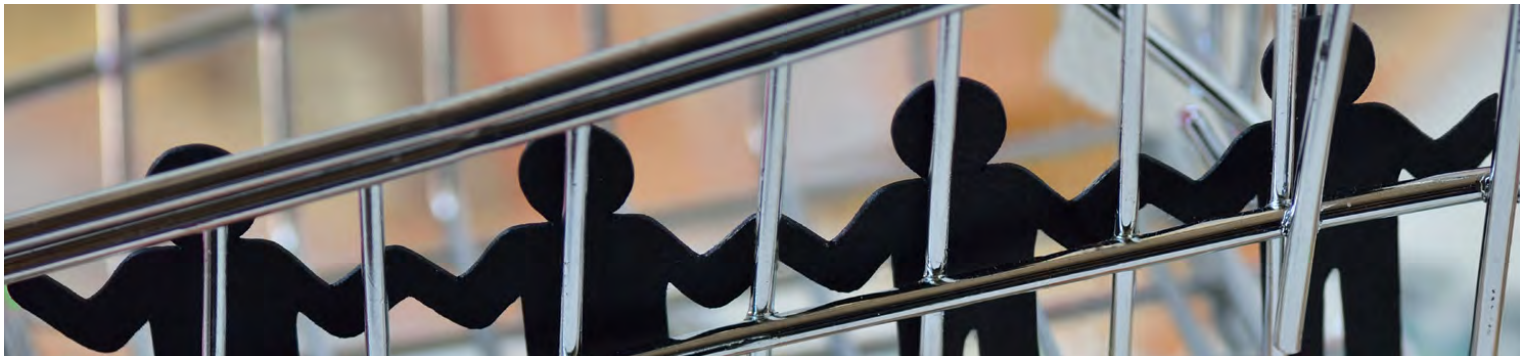


Fighting Modern Slavery

What the [Agriculture Sector](#) can do to Help



Background

Modern slavery is the recruitment, transport, receipt and harboring of people to exploit their labour, and it affects almost all parts of the world. Globally, it's estimated that there are over 40 million men, women and children in situations in modern day slavery today.¹ These victims, found in factories, construction sites, fisheries and sex venues, are forced to work for little or no pay, deprived of their freedom and often subjected to unimaginable suffering.

While most people think that modern slavery focuses primarily on women and girls being forced into the sex industry, this represents only about 19 percent of total forced labour. Beyond this, 64 percent of the victims are associated with supply chains and the private sector, which begin with a grower or producer and end as a finished product purchased by consumers in the retail market.

For more than a decade, the international modern slavery response community has not come close to meeting its full potential. While individual, small-scale success stories can be found, many victims are never identified. For example, the 2019 Trafficking in Persons Report (TIP Report) was only able to account for 86,000 victims receiving assistance globally. During the same time period, there were less than 7,000 convictions. This means that less than one percent of victims are being identified and assisted each year.

This number has remained unchanged for several years. Why are these numbers so low? According to the International Labour Organization (ILO), the profits generated from this illicit trade are estimated to exceed US\$150 billion annually. This means that every 60 seconds, this criminal industry makes more than US\$285,000. With this amount of money at stake, it's not surprising that the number of trafficked persons continues to increase. According to the United Nations, modern slavery is the second most profitable multi-national criminal activity after drug trafficking.

¹ <https://www.ilo.org/global/topics/forced-labour/lang--en/index.htm>



Why should the agriculture sector care about this topic?

The majority of agricultural goods we buy have been through a growing, harvesting, production, packaging and distribution process known as the supply chain. Supply chains begin with a grower or producer and end as the finished product purchased by consumers. Modern slavery can be found at any stage within these supply chains.

As food companies attempt to compete, they're often under pressure to keep costs as low as possible. Labour represents a significant portion of product costs, so reducing these expenses can be achieved by working with harvesting, packaging and processing entities in locations where labour rates are low. In some cases, unscrupulous actors in the supply chain exploit workers to gain the highest profits in locations where labour standards are unregulated or non-existent, often without the knowledge of brands or retailers.

Indicators of modern slavery vary, but can include debt bondage, physical and sexual violence, threats against employees and their families, wage withholding, restrictions in freedom of movement and retention of personal documents. As a result of these practices, it's possible for modern slavery to infiltrate the supply chains of many of our every-day agriculture products.

While on-site audits are often used to assess that there are no signs of modern slavery in a farming, harvesting or food processing facility, supply chains are often complicated and involve many levels, so it can be difficult to trace the exact sites where modern slavery exists.

An agriculture process might include a range of tiers within their supply chain. For example, one company's business might include three tiers. Tier three is where the food is grown; tier two is where the food is collected, sorted and distributed to wholesalers and buyers; and tier one is where the food is processed for final sale. Many major food companies regularly audit tier one facilities, but fewer audits happen in the lower tiers. As a result, this is often where the greatest potential for modern slavery exists.

In recent years, the limitations of auditing have also been identified. These include a lack of adequate training for interviewers, corruption resulting in modern slavery practices being ignored, audits that focus only on health and safety and audits that don't include worker interviews.

Testimonial

This testimonial showcases the experience many migrants face in a forced labour situation.

"When I was 18 years old, I heard that there were many pineapple farms in Thailand that needed workers. So, I went there. I didn't know which one had work, so I just chose one. The man who managed the farm said I could have a job. We negotiated a salary of US\$50 a month. For me, this was a huge amount of money. But he said I couldn't leave the farm. I was okay with this. I needed the money so I agreed.

After working 18 hours a day for nearly two months, I went to the employer and asked for my pay. He smiled and laughed before saying, "I am sorry, I forgot to mention to you that it costs me US\$54 a month to keep you here and I am only paying you US\$50. So you owe me money. Until you pay it back, you cannot leave this place."

For three years, I was not able to leave. With armed security guards, barbed wire and nothing but jungles around, I couldn't escape. None of us could. The more I worked, the more debt I owed. With so much work with nothing in return, my heart was filled with hopelessness and despair. If that fire hadn't brought the authorities, I would never have been able to leave. I lost three years of my life. Gone... stolen from me. Something I can never get back again."

(Myanmar victim – Thailand exploitation)

This victim's story pinpoints several characteristics that are common in modern slavery:

- **Fraud or deception to trick a person into an exploitative labour situation**
- **Debt, violence or threats to hold a person in place**
- **Lack of any payment in exchange for services provided causing the person to lose control of his or her life**

What the food sector can do

There are eight important ways in which major food companies can address the risk of modern slavery within agricultural supply chains.

1. Internal and external policies related to modern slavery should be put in place or fine-tuned. These include codes of conduct, annual compliance certifications, standard contract language, due diligence questionnaires and supplier statements of conformity.
2. Purchasing practices should be revised and tailored towards a more responsible approach. This includes studying and coming to understand the impact of costing, harvest forecasting and suppliers' workload management.
3. Supply chain mapping efforts should aim at a complete product traceability, from the food item on the farm to finished goods. This helps to conduct effective risk assessments to identify potential modern slavery vulnerabilities at all levels. This exercise should engage a range of company employees, including legal, corporate social responsibility, supply chain management, risk and human resources. Once completed, training should be offered to employees and business partners at all levels to improve their understanding of the problem.
4. Investigative audits should be carried out among new and existing suppliers to illuminate the real conditions faced by workers throughout the supply chain. These investigations should verify that:
 - **All workers have written employment contracts in a language they understand**
 - **Contracts have not been substituted at either source or destination**
 - **Contracts are compliant with local labour laws**
 - **Legal and industry limits on working hours are observed**
 - **All deductions are included in the contract within legal or industry regulations**
 - **Withholding of wages is not tolerated**
 - **There are no restrictions on freedom of movement**
5. Companies should ensure that grievance mechanisms such as phone apps or third-party hotlines, are available to workers. This allows workers to provide valuable feedback about their working conditions in a safe way.
6. Capacity development programmes should be put in place to equip suppliers with the right expertise and tools to start implementing changes within their business operations, with the aim of cascading this knowledge and responsibilities down the supply chain.
7. Food companies should join multi-stakeholder initiatives that unite farmers, workers, civil society and governments to focus on both strategic and practical methods of collectively reducing modern slavery.
8. If modern slavery is found anywhere in an agriculture supply chain, companies should have a plan in place to address the problem in an effective manner and remediate it. This should include a response that protects workers from any further harm, gives them support, rehabilitation options and offers them access to both judicial and non-judicial remedies.

Migrant recruitment within agriculture businesses

Since many farms and agricultural businesses rely on migrant labour to succeed, understanding how the migrant worker recruitment process works is an important part of protecting a company's business and reputation.

Many people in less developed countries seek job opportunities elsewhere with the hope of a better life for themselves and their families. This could be within their own country or within another country that is often considered more prosperous. Those who leave with the specific intention to find employment are migrant workers

If a migrant is associated with people who have no intention of exploitation, the outcome can be positive. In the best of circumstances, the working conditions are good, compensation is fair and the migrant is happy with the terms and conditions. But when migrants come in contact with employers whose intent is to exploit, they might not be able to leave the work site, they might not be paid or they might lose control of their lives.

There are a number of reasons why migrants are easier to exploit than local people. Many don't speak the local language, don't know where to go for help or wouldn't receive sympathy from the local authorities for their situation. For many migrants, the initiation to this exploitative process begins within their community. Labour agents approach them with a promise of a good job opportunity abroad. This can be done through a formal or informal process.

Through the informal system, the migrant might receive help to cross a border to take a job in another country for a fee. When a more formal process is used, labour brokers act as facilitators for employment agencies. Once a person has been identified, they're introduced to the agency and negotiations begin. At this stage, deception or false promises may be made regarding terms and conditions of employment, including the job type, length of contract, salary and benefits.

Whether informal or formal, many migrant workers are tricked or cajoled into debt to pay excessive fees with the promise of an eventual payoff down the line. In order to obtain money for the fees, workers may mortgage their family's land, sell valuable possessions or find a money lender who charges excessive interest rates which add to mounting debt. In some cases, the person may also be given money as an advance on their salary.

Often the terms of this payment are unclear or never explained. While many of these fees are illegal, without someone to help them through the process, migrants and their families are often cheated even before they leave their home country. The actual range of fees differs from country to country, but can be as high as 21 months of proposed wages.

Upon arrival in the destination country, the workers' descent into forced labour can be reinforced through a host of additional burdens, which might include:

- **Physical or verbal abuse and discrimination, and their freedom of movement may be strictly curtailed**
- **Having signed one contract, upon arrival migrants are required to sign an amended contract, often in a foreign language, agreeing to deductions and lower wages**
- **Excessive, unexplained or illegal deductions may be made from workers' salaries that result in induced indebtedness**
- **Wages being withheld, delayed or unpaid**
- **Identity documents, passports or other valuable personal possessions being confiscated or withheld**
- **Workers being unable to terminate their employment without incurring significant financial penalties**

In these cases, migrant workers quickly realize that their job isn't the route out of poverty.



Remedies

To address the issue of modern slavery within agriculture settings that use a high percentage of international migrant labour, the International Labour Organization and the International Organization for Migration worked closely with the private sector to outline practical guiding principles for businesses.

If these steps are taken, significant progress can be made to help reduce modern slavery among migrant workers.

- Ensure that recruiter agreements include principles that explicitly prohibit the use of trafficking in persons, forced labour and child labour
- Ensure that labour recruiters comply with all legislation on labour migration, and policies related to the recruitment of migrant workers in the jurisdictions of origin, transit and destination countries
- Ensure that labour recruiters have policies to ensure that their recruitment activities treat migrant workers with dignity and respect, and are free from harassment or any form of coercion
- Encourage all manufacturing facilities to recruit migrants through legal channels that don't result in the potential for debt bondage and to have a clear policy related to the payment of recruitment fees and related costs
- Ensure that labour recruiters don't require migrant workers or their family members to provide a monetary deposit or other collateral as a condition of employment
- Ensure that farms and their contractors/ sub-contractors treat migrant workers fairly by having third-party auditors carefully monitor the agencies that provide contract labour, especially across borders, blacklisting those known to have used abusive practices and modern slavery

- Ensure that all migrant workers have written contracts, in a language that they can easily understand, specifying their rights regarding payment of wages, overtime, retention of identity documents, and other issues related to preventing modern slavery (if workers are illiterate, the contract should be read to them before it is signed)
- Ensure that labour recruiters do not confiscate documents, wages or personal belongings that are used to limit workers' freedom of movement
- Ensure that if modern slavery is found among migrant workers, the victims are provided support services and aren't punished for immigration-related offences during the identification procedure
- Ensure that migrant workers have effective access to remedy, without fear of recrimination, reprisal or dismissal (this might include internal grievance procedures of the labour recruiter or the employer)

Conclusion

More and more food companies are coming to realize that their efforts don't have to solely revolve around maximizing profits and expansion. There is an emerging trend among companies to integrate the idea of 'doing something for the greater good' into their corporate DNA.

Doing good and being profitable are not mutually exclusive. In fact, they can be complementary, and 'doing good' can even offer a competitive advantage. Consumers respect companies that take a social stand. In fact, the trend across all demographics is to focus spending with companies taking on issues like modern slavery and publicly saying, "We feel that this is wrong, and we feel compelled to do what we can to be part of the solution."



Why BSI?

BSI believes the world deserves safe, sustainable and socially responsible food. We offer a broad range of certification and risk management services to help organizations in the food and retail supply chain mitigate risk, protect their brands and build resilient supply chains.

With 90 offices around the world, we are a leading food safety and certification provider with the capacity and capability to provide integrated services for a wide range of food safety and business improvement standards across the entire food and retail supply chain; including GFSI-recognized standards.



Our products and services

Knowledge

The core of our business centres on the knowledge that we create and impart to our clients.

In the standards arena we continue to build our reputation as an expert body, bringing together experts from industry to shape standards at local, regional and international levels.

Assurance

Independent assessment of the conformity of a process or product to a particular standard ensures that our clients perform to a high level of excellence. We train our clients in world-class implementation and auditing techniques to ensure they maximize the benefits of standards.

Compliance

To experience real, long-term benefits, our clients need to ensure ongoing compliance to a regulation, market need or standard so that it becomes an embedded habit. We provide a range of services and differentiated management tools which help facilitate this process.

For more information on improving your organization's supply chain, visit [bsigroup.com/en-za](https://www.bsigroup.com/en-za) or email bsi.za@bsigroup.com