

Key Messages

The elimination of forced labour and human trafficking is a central challenge for the international community.

According to the International Labour Organization (ILO), 49.6 million people around the world, are in modern slavery, which includes those in forced and bonded labour, child labour and those subjected to domestic servitude and forced marriages. Forced labour and human trafficking are not confined to some countries or sectors; this is a universal issue that occurs both behind closed doors and in plain sight.

The risk of human trafficking and forced labour may be present in a company's own operations, in sourcing of goods and services for day-to-day use, or in a company's supply chain

A company's workplace, company-owned properties or premises, or a company's products or services (e.g., transport service, internet advertising service), can be susceptible to human trafficking and forced labour. A potential for risk exists for companies in the sourcing of goods used for day-to-day business, e.g., computers, telephones, and office furniture; or sourcing of services, for example, cleaning, security, and/or construction or renovation services. For many companies, the risk may not be immediately apparent. However increasingly, cases of human trafficking in the global supply chains of multinational companies in various sectors are being identified.

Human trafficking and forced labour poses significant legal, reputational, and financial risks to global businesses.

Human trafficking is a violation of international human rights law. Human trafficking is punishable as a criminal offence in most countries in the world today. Allegations of human trafficking can present serious threats to brand or company reputation. Companies found involved in trafficking or associated with it, could face prosecution. A case or even allegation of human trafficking can lead to an immediate loss of business or cancellation of contracts. Links to human trafficking, alleged or real, can result in the loss of an export licence and loss of access to international markets. Allegations of abuse can also present an obstacle to attracting new business opportunities and partners. It can therefore also have an impact on future profit and growth. Human trafficking is morally unacceptable.

Addressing human trafficking and forced labour in supply chains is not only a legal obligation but also a corporate responsibility. Whilst the challenge set out by the UN in addressing this global risk is complex in nature, there are very valuable opportunities for suppliers who decide to invest in addressing this risk with the UN. Working together will ensure risks are being monitored, mitigated and where identified, remediated effectively. Suppliers have an opportunity to show leadership in responsible business conduct.

Business is uniquely positioned to take action, having influence over parts of the economy and the employment relationship that few other stakeholders have.

Some concrete actions businesses can take may include the following:

- Conduct a risk or impact assessment on human trafficking and forced labour and develop a clear policy that explicitly prohibits human trafficking.
- Train managers, human resource personnel and other relevant employees on human trafficking. Consider joint training and awareness raising with your suppliers and business partners.
- Establish measures to monitor suppliers, sub-contractors of goods and services as well as providers of labour contracts.
- Develop appropriate strategies for taking corrective action before a problem occurs. In case human trafficking and forced labour are detected within the company's sphere of influence, provide for protection for victims, including economic rehabilitation.
- Raise awareness about trafficking in persons and forced labour, including in partnership with government, civil society and international agencies.
- Support reintegration and prevention programmes by providing skills development, job training/or employment opportunities for former victims of human trafficking and forced labour.

UN supply chains are at risk of instances of forced labour and human trafficking.

The United Nations (UN) procurement of goods and services (including works) totalling USD \$24.9 billion in 2023 from suppliers in over 218 countries and territories around the world puts UN supply chains at risk of instances of human trafficking and forced labour.

This risk is present throughout the procurement cycle and should be addressed from the level of policy through to implementation.

There is a UN mandate to Combat human trafficking and forced labour in its supply chain

The [UN Security Council Resolution S/RES/2388](#) calls upon UN system organizations to enhance transparency in their procurement and supply chains and step up their efforts to strengthen protections against trafficking in persons in all UN procurement. The [UN General Assembly Resolution 76/7](#) urges the Secretary-General to ensure that UN procurement does not contain goods and services produced by trafficked persons, and [ECOSOC Resolution 2021/25](#) requests that UN agencies ensure that UN procurement is free from trafficking in persons.

A process of human rights due diligence is central to addressing forced labour and human trafficking in procurement

Human rights due diligence is a risk management process detailed in the [UN Guiding Principles on Business and Human Rights \(UNGPs\)](#). By undertaking human rights due diligence, a business can identify, prevent, mitigate and account for human rights impacts that it may cause or contribute to through its own activities, including those which may be directly linked to its operations, products or services via its commercial relationships. Introducing measures to address the risk of forced labour and human trafficking into risk management and procurement activities is one of the essential ways businesses can conduct human rights due diligence in their supply chains.

Victims and survivors should be at the centre of remediation efforts

Human trafficking and forced labour are serious human rights abuses which have profound and long-lasting effects on victims and survivors. Those who suffered harm are to be at the centre of measures

to address forced labour and human trafficking, and efforts should be made to facilitate their access to effective remedy where abuses occur, in line with international standards and the applicable referral procedures in the concerned country.

It is imperative to align corporate practices with international norms and legal frameworks to prevent, mitigate, and remediate such risks.

If you are currently a UN supplier or interested to become a supplier to the UN, you will be required to comply with both the UN Supplier Code of Conduct and General Conditions of Contract through the full term of your contract for the provisions of goods/services or works which include obligations to address the risk of human trafficking and forced labour directly and indirectly in your supply chain.

Where a serious violation by the supplier is identified and/or there is no genuine interest from the supplier to address the situation, then disengagement, contract termination and engagement with authorities on remedy may be necessary.

Communication and transparency are central to learning and continuous improvement

This refers to an obligation of the UN and its suppliers to communicate and be transparent in their efforts to address the risk of human trafficking and forced labour in their supply chains.

Exercising human rights due diligence requires not only assessing and addressing human rights risks, but also communicating the actions taken. Reporting and publicly disclosing a UN Organization's or supplier's actions and progress in contributing to the fight against forced labour and human trafficking is a fundamental element of human rights due diligence in supply chains. UN Organizations and their suppliers are asked to report annually on how they are implementing human rights due diligence in their own procurement activities.

The responsibility for businesses to respect human rights applies to all business enterprises, regardless of their size, sector, location, ownership and structure.

Measures to meet this responsibility vary based on a business's capacities and resources. More advanced measures to address forced labour and human trafficking risks will be expected of a multi-national enterprise (MNE) than of a micro, small, and medium-sized enterprise (MSME).

The UN Supplier Code of Conduct sets out that;

- ✓ **The UN expects its suppliers to implement the process of human rights due diligence as set out in the UNGPs.** Concrete actions should include:
 - Embedding human rights due diligence in corporate governance frameworks
 - Establishing a corporate policy on ethical supply chains
 - Designating a senior executive responsible for human rights compliance
- ✓ **Consistent with the UNGPs, suppliers are also expected to exercise any leverage they have over the behaviour of other commercial entities in its supply chains.** Concretely, actions should include:

- Conducting risk assessments to identify high-risk regions and suppliers.
 - Implementing robust supplier screening and audit mechanisms.
 - Requiring suppliers to adhere to the UN Supplier Code of Conduct
 - Responsible disengagement from non-compliant suppliers.
 - Publicly report on human rights due diligence efforts
- ✓ **The UN expects its suppliers to prohibit forced or compulsory labour in all its forms and not engage in activities which increase the vulnerability of workers to forced labour. Concretely actions can include:**
- Ensuring fair labour recruitment practices in their supply chain.
 - Establishing grievance mechanisms accessible to workers.
 - Supporting victims through remediation programs
- ✓ **The UN expects its suppliers to not engage in any activity related to human trafficking or which increases vulnerability to human trafficking.**
- ✓ **UN suppliers are expected to disclose to the UN any investigation, inquiry, administrative or judicial procedure initiated against them in connection with the standards included in the UN Supplier Code of Conduct**