

Modern Slavery Webinar

Issues Arising in the Lead-Up to the
end of the First Reporting Period



Kimberly Randle,
Executive Director and
Principal Lawyer,
Fair Supply

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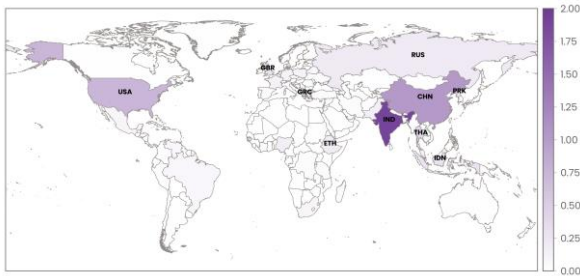
Modern Slavery: 8 Types of Exploitation



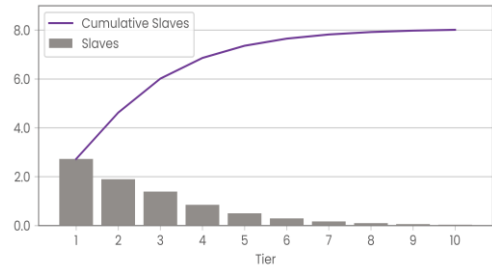
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Modern slavery risk by country



Modern slavery by tier

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17 out of the 40 million victims of modern slavery around the world are exploited in private economy distorting global markets and undermining responsible business.

Top ten industries with high modern slavery risk globally

- Commercial Services & Supplies
- Household Durables
- Tobacco
- Personal Products
- Electronic Equipment, Instruments & Components
- Construction Materials
- Metals & Mining
- Textiles, Apparel & Luxury Goods
- Food Products
- Paper & Forest Products

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How to address risks effectively with suppliers

Policy and procedure

Risk assessment & due diligence

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Supplier contracts

- Are provisions relating to modern slavery risk factors are included in all new supplier contracts?
- What disclosure of working with suppliers is being made to improve labour rights practices?
- What provisions are being made in supplier policies in relation to the organisation's rights to audits and site visits?

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Due diligence standards

Provide a strong framework for practical steps organisations can take in undertaking due diligence.

Scorecard

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Assess nature of involvement

Respond to actual adverse human rights impacts according to the level of involvement, specifically, whether the organisation has caused, contributed to or is directly linked to modern slavery practices via its business relationships.

The organization will have caused modern slavery or other adverse human rights impacts if its own actions (or omissions) and decisions, without contribution from clients or other entities, resulted in the harm.

The organization will have contributed to modern slavery or other adverse human rights impact if it either incentivizes or facilitates harm. This is done alongside another entity or through another entity. In all cases of contribution, there must be an element of causality such that the organisation's actions (or omissions) and decisions influenced another party in a way that was not trivial, so as to make the harm more likely.

The organization will be linked to modern slavery if it has not caused or contributed to harm but there is still a direct link between the organisations operations, products or services and the harm via a business relationship. The proximity of relationship between the reporting entity and the enterprise causing or contributing to the harm does not need to be immediate for a direct link to be established. This means there may still be a direct link between the harm and the reporting entities products, operations or services beyond the first tier of business relationships.



Caused



Contributed



Linked

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Remediation and mitigation

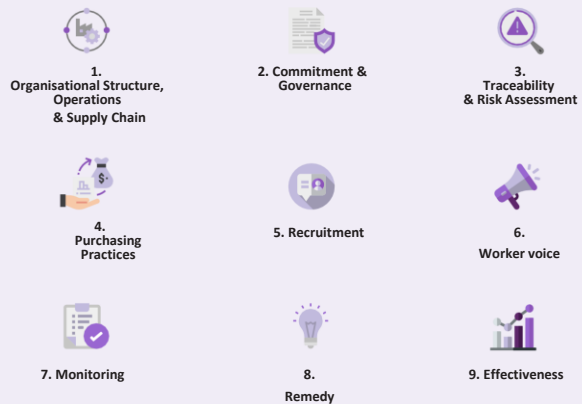
The organization considers that an effective remedy is a substantive outcome that corrects, reverses, fixes or makes good the negative impact on the rights holder. Remedies should be adapted to the situation and designed in consultation with the impacted rights holder(s) whenever possible.

The organisation will use the 'Effective Action Guide' below to assist in the design of its responses to instances of modern slavery. However, the organisation acknowledges that effective remedies will be highly context specific and should not be limited to specific types of action.

Caused	Immediately cease or prevent the action/omission causing the harm and play a direct role providing appropriate remediation. 'Direct role' means the organisation can choose to remediate via its own Human rights Grievance Policy and Procedure, or via other legitimate processes as long as it remains actively engaged and ensures an appropriate remedy is provided.
Contributed	Immediately cease or prevent the action contributing the harm, using leverage to mitigate the risk that any remaining impact continues or recurs. Play a direct role (see above) in remediation of the harm. The organisation should provide remediation appropriate to its contribution to, and therefore share of responsibility for, the harm. Where companies cannot agree on their differentiated roles, consider using third party mediator.
Linked	Use leverage to mitigate the risk of the impact continuing or recurring to the greatest extent possible. The organisation may also play a direct role in remediation if it wishes.

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Measuring Effectiveness



Each pillar is made up of indicators that provide evidence that the reporting entity has addressed and mitigated modern slavery risk under that pillar. Scores are attributed to each of the indicators under the assessment pillars.

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COVID-19 and Modern Slavery Statements

Reporting Entities must now include in their modern slavery statement the effect of COVID-19 on modern slavery risks in their global supply chains

Increased supply of vulnerable population	As a result of COVID-19 there is an increased supply of vulnerable populations in search of work and economic opportunity. This increase in vulnerability will lead into an increase in severe exploitation. When economies open there is likely to be a rise in false job offers and human trafficking. In a survey of 3000 migrant construction workers in India, 25% had debts they could not repay and 60 percent of these migrants feared violence by their creditors.
Increased Demand of Modern Slavery	There has been an increase in prevalence in the online sexual exploitation of children. Within global supply chains, once economies reopen incentives for companies to rapidly scale production may increase exploitation and unauthorized subcontractors to unethical producers. For example, in order to meet the demand for hand sanitiser and masks, countries including the US have turned to prison labour as a means of production. US Customs and Border Protection recently revoked a hold on the import of rubber gloves from a supplier suspected of using forced labour.
Disruption of anti-slavery efforts and government response	Many government and civil society response organisations have had their responses to modern slavery impeded. Other resources to sustain anti-slavery efforts through NGO's providing rescue and aftercare may be impeded.

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COVID-19 and Risk Assessment

Undertake a COVID-19 Exposure Assessment to understand where in your global operations and supply chain COVID-19 will have the most significant impact. Once that has been undertaken address the existing modern slavery risks in your operations and supply chains.

Ensure that a representative from your modern slavery working group sits on your organisation's COVID-19 response team.

Ensure that existing supplier contracts are fulfilled and that supplier engagement as a result of COVID-19 adequately addresses the risks of modern slavery.

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kim@fairsupply.com.au



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