Every year, thousands of men and women are trafficked into labour exploitation in Europe. The problem may seem distant from the daily operations of your company. However, it is likely to be closer than you think.

What is at stake?

Human trafficking for labour exploitation occurs when (migrant) workers are coerced or deceived into situations of forced labour, which they cannot freely leave.

Human trafficking is a human rights violation and a crime, which thrives in the private economy. It represents not only a legal or socio-economic challenge, but a business one as well.

Human trafficking has a negative impact on the global market. It causes unfair competition, downward pressure on wages and labour standards and stigmatises the industry.

Contributing to human trafficking, whether indirectly through business operations or by making direct use of the labour of trafficked persons, has severe implications for companies. These include legal and compliance issues, financial penalties, reputational damage and consumer demand losses.

Also a European problem

Human trafficking is often thought of as a problem of developing countries only. In reality, more than a half of the global profit from non-domestic labour exploitation is estimated to be made in the industrialised economies. Forced labour in the world’s developed economies, including the EU and countries of Central and South-Eastern Europe, represents a value of more than 47 billion Euro annually.

Contrary to common beliefs, human trafficking is also not restricted to the sex industry or the black economy. The problem exists in a wide range of industries, including agriculture, manufacturing, construction and hospitality; it exists in sectors with weak labour rights as well as well-regulated, mainstream ones. It is estimated that 880,000 people are subjected to forced labour in the European Union alone, 70% of whom are victims of labour exploitation outside the sex industry.

Vulnerable business sectors

Forced labour can leak into the supply chains of any business: large or small, mature or new. However, some companies have shown to be more vulnerable than others.

Those companies that are active in the sectors with high demand for cheap and low-skilled labour, and those that use labour intermediaries or subcontract with vendors should be especially alert. The lower the supply chain transparency and the less knowledge you have on the activities of your business partners, the easier it is for traffickers to disguise their illegal operations.

Employment and recruitment enterprises can play a role in facilitating human trafficking practices. Deceptive recruitment, abuse of vulnerability or coercion during recruitment or at destination, alongside exploitative conditions of work are among key indicators of human trafficking.
**What can businesses do?**

Proactive corporate responsibility policy committing to zero tolerance to human trafficking and forced labour is no longer a mere PR driven tactic for large international companies. It is an imperative for all companies that want to have a sustainable future for their company.

There are a number of measures your company can take to lower the risk of complicity in human trafficking, described, among other, by the UN Guiding Principles on Business and Human Rights. You can demand that labour standards and minimum wages are respected throughout your company’s supply chain by drafting robust supplier codes of conduct. You can monitor compliance and use regular, random audit mechanisms, resorting to contract termination following code violations by suppliers and partners. You can create avenues for worker grievances and establish processes to ensure access to employee remedy and redress. Lastly, you can work to ensure improved corporate transparency, integrating strong reporting standards into your corporate responsibility policy.

**Engaging with NGOs**

In addition to making sure that your operations are not contributing to human trafficking, there are many ways in which companies can support its prevention. You can initiate projects to improve socio-economic conditions of local communities or respond to specific needs of vulnerable groups. Furthermore, you can provide education or employment opportunities for trafficked persons to prevent them from remaining vulnerable to human trafficking. In addition, you can choose to educate your employees about the prevention of human trafficking and support public awareness-raising campaigns.

Grassroots anti-trafficking NGOs can help you to determine ways to address the demand and supply sides of human trafficking in those countries or regions where you operate. NGOs work with local communities and are well-positioned to share insights about context-specific risks and needs. They can advise on human rights and labour standards or connect you to relevant experts.

Engaging with local NGOs will at a minimum help you to gain a better understanding of your stakeholders. A best-case scenario could involve a cooperative partnership to tackle the issue.

Please contact La Strada International for more information or referral to a local anti-trafficking NGO.

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1 “Profits and Poverty: The Economics of Forced Labour”. International Labour Organisation (ILO), 2014
3 "Operational indicators of trafficking in human beings. Results from a Delphi survey implemented by the ILO and the European Commission”. ILO, 2009