

ISSARA GLOBAL FORUM 2018 NOTES

The Issara Global Forum 2018: Innovation in Human Rights and Responsible Sourcing brought together stakeholders throughout global supply chains – including workers, government, civil society, trade unions, recruitment agencies, Thai suppliers, global buyers and technology experts.

DAY 1: INNOVATIVE, EFFECTIVE PARTNERSHIPS IN ETHICAL SOURCING

The first day of the Global Forum highlighted different perspective on developments in responsible sourcing over the last year and current needs. The Forum was opened by workers and trafficking survivors, who reminded us that businesses have a responsibility to know that there are people being exploited and sacrificing themselves within their supply chains. This was a powerful reminder that worker voice must be front and center in all dialogue on ethical sourcing, in order to include voices of all stakeholders and ensure positive outcomes for workers and businesses alike. HE Vivathana Thanghong, Director General, Department of Labour Protection and Welfare, Thailand Ministry of Labour; and, HE U Myo Aung, Permanent Secretary, Myanmar Ministry of Labour, Immigration and Population further opened the event by acknowledging the labour migration demand and the benefits for both origin and destination countries. Both highlighted the importance of partnership with civil society and the private sector in order to combat human trafficking, be compliant with international standards, and respect human dignity. They noted that upcoming opportunities to build responsible sourcing include the restart of the migration process for Burmese workers into the Thai fishing industry, as well as establishing zero cost recruitment fees.

Leading a panel of global buyers, the Reverend David Schilling of the Interfaith Center on Corporate Responsibility highlighted the evolution of identifying risk in global supply chains and the current very top down audit approach which misses the true perspective of workers. Led by the UN Guiding Principles, he tasked us to continue to on a path of capacity building and engagement with more stakeholders to understand conditions beyond the first tier of the supply chain. Tim Pilch of Pentland Brands described the results seen over the last 18 months of collaborating with Issara as greater transparency through the tiers of their supply chain, particularly in understanding working conditions. In the coming year, he felt there are more opportunities for collaboration amongst buyers and advancing honest conversations on costs and payment terms with suppliers, which was seconded by Clare Clifton of World Wise Foods to build an understanding of leverage with suppliers. Other panelists felt that understanding and advancing responsible recruitment is the most exciting opportunity in the coming year, in addition to building momentum from buyer engagement and commitment to further action.

A few memorable quotes from this sessions: “In order for big companies to be successful, we need to understand our full supply chain, and human rights plays a non-negotiable role in this”; “the era of commodity buying is changing. It used to be purely price based but this is not an

acceptable way going forward. Welfare of all workers - vessels, land workers - will have to be priced in. This will be the new era of commodity buying"; and "Going beyond audits is important, as we don't want to see more data capture, but more knowledge capture. Data only does not change things."

Further hearing from voices within the full supply chain, a panel of suppliers and recruiters discussed how to incentivize ethical behavior, with Tanat Rakpetch from Betagro describing steps along their path to responsible recruitment including having clear and transparent contracts for workers and employers paying for recruitment costs. The difficulties in identifying consistent costs and a need for buyer support in this area was also noted. Myat Thu from the Myanmar Overseas Recruitment Agency Federations and Kyaw Soe Naing from Aye Lin Let Htut Myanmar recruitment agency described Thai recruitment agencies and their lack of commitment to zero fees recruitment as a major roadblock to ethical recruitment, as the collection of fees from workers has risen with changes in Thai law over the last year. Panelists highlighted further understanding of recruitment and the potential risks within these systems – such as the role of Thai recruitment agencies – as a need for the coming year.

Building on these perspectives, workers and advocates discussed how business can share responsibility with the State to protect human and labour rights in concrete terms. There was a healthy discussion on the best way to engage brands and exert influence in order to exact change, with panelists illustrating the challenges faced in Thailand and other contexts where collective bargaining is weak or non-existent and understanding how international codes of conduct are not taking root deep into supply chains is labour intensive work. Some panelists were more pessimistic on the pace of change and commitments from global buyers, while others were more hopeful on steps – if not the pace of engagement - being taken by governments and trade unions. As one trafficking survivor state, "Please treat the workers properly, and hold up your end of the bargain."

Day 1 concluded with table top breakout discussions. Some main points and outcomes from these discussions and other Q&A from the day included:

- Balancing worker voice within international codes of conduct and local legal regulations. For instance, full transparency on desired overtime and making sure it doesn't lead to overwork or involuntary work. Speakers from Issara and Thai businesses noted that Thai law allows a maximum of 36 hours of overtime per week, which is not compliant with international codes of conduct and the ETI Base Code, but often sought after by workers and a factor in their retention.
- Additionally, promoting the participation of labour unions in strengthening grievance mechanisms.
- Building awareness of labour rights, working conditions and the migration process from a first mile jobseeker perspective.
- Further transparency from buyers and suppliers on contributions to improving recruitment of workers and working conditions.

DAY 2: (ARE WE) MAKING WORKERS' LIVES BETTER WITH TECHNOLOGY

The second day of the Issara Global Forum opened with a breakfast session on how technology can address environmental and social objectives to drive more responsible sourcing. Issara Institute, Integrated Monitoring, FishWise and Labor Voices presented current approaches for harnessing technology for worker voice and supply chain traceability at sea, building a roadmap for social responsibility in seafood, and in assessing labour and environment conditions through feedback from workers. All focused on worker voice and inclusion in design as a key element in technologies to ensure tools don't operate in a vacuum or become checklists without action. For example, Kohl Gil of Labor Voices highlighted that creating survey questions relevant to workers required engaging workers in the design of the questionnaires.

Building on this, an expert intensive primer from Aaron Halegua of NYC School of Law and Dr. Lisa Rende Taylor, Executive Director Issara Institute, presented key findings from an ongoing global study of migrant worker-oriented technologies funded by the British Academy and conducted in collaboration with Brown University. To preface analysis on technologies, the researchers looked at new legislation in many countries and how far it goes in identifying responsibilities of global brands and retailers. Key notes from the speakers included:

- When we looked at the legislation, we realized that it seeks more than due diligence and risk assessment. It pushes companies to take responsibility to directly improve the lives of workers in their supply chains. This is a good starting point but not the ending point, however.
- But this is not easy. The biggest challenge is where to start in extensive global supply chains. It is very hard because of how complex these supply chains are. The only way to do this is through a systematic and well thought out method.
- When we were conducting these interviews, we realized that technologies and people who started these technologies fell into roughly three groups:
 - Anti-trafficking and labour rights organizations, mostly non-profit NGOs, who had been in touch and working with exploited migrant workers from the trafficking/human rights angle, aiming to identify and protect victims
 - Worker organizations and trade unions focused on worker organizing and collective bargaining, freedom of association; not necessarily "trafficking" and "slavery" and "victims"
 - Due diligence technology providers, often for-profit boutique firms, aiming to meet business demand for ways to triage, map, evaluate risk in supply chains.
- Key questions in looking at these technologies included if we should see technology as serving a particular mission or as neutral and understanding what is being done with information collected by technology tools, that is, if the information is for buyers' due diligence, suppliers' business management, or worker education and empowerment.
- Issues to consider include understanding how scale and financial sustainability might work, how the data sourced from workers is leading to action or change (through the tool, or through further action from the business), and how ethical issues and safeguards are integral to the tool.

Further panels with donors, suppliers and recruiters explored this topic and reiterated that technology cannot solve labour issues on its own, and that a current lack of trust and ethical behavior in technology which collects data from workers is inhibiting its potential. Further risks include manipulation of data, privacy and security concerns. Similar points and questions emerged in discussion, including:

- Can data be collected in a neutral way? Who owns the data, who can access it and how it kept safe? What happens to the data after it has been collected?
- How do we move beyond monitoring social and labour conditions to approaches that address systemic issues and serve as effective tools for remediation? Workers need to understand the outcomes of data collection.
- Connections on the ground are crucial, and companies and investors have to be responsible for safeguards around information collected from workers. Civil society has a crucial role to play in ensuring worker voice is heard, but there is also a risk of retribution against both workers and civil society.
- Dr. Domonique Gautier from Seafresh Group highlighted how harnessing worker voice can benefit suppliers by describing Seafresh's collaboration with Issara's Inclusive Labour Monitoring approach. Although he noted how the management team had to adjust out of their comfort zone and be responsive to worker issues, they are now seeing the benefits to closer collaboration with workers.
- Tun Min Latt from International Focus recruitment agency brought up a key point to harness technologies that are already used locally, such as Line or Viber apps which workers already use to communicate. Additionally, recruitment agencies noted that the prevalence of cell phones among migrant workers should be leveraged for communication, but that channels should also be assessed for the potential to spread misinformation.

The technology focus of Day 2 continued into the afternoon, where current practitioners pitched their answer to the question "Where do data and technology need to be in the future to make worker lives better?" Participants included Caravan Studios, Centro de los Derechos del Migrante, Responsible Business Alliance, Issara Institute, Labor Voices, Muglan and FairAgora. Following the session, participants had an opportunity to walk through a marketplace highlighting current tech and non-tech approaches, and hear more from practitioners and ask questions.

Although Day 2 focused on technology, it was grounded by experiences from workers and civil society which showed the need to understand worker power and security in dispersed global supply chains. The prevalence of debt bondage, information asymmetries on employment and working conditions, issues with embassy and police support, and a lack of protections for workers across sectors were some issues described. One former fisherman described hearing from his boat captain "if you don't work, I'm going to kick you into the sea," showcasing the

need to continually consider real conditions for workers and what technology does and does not address in ensuring ethical conditions exist for workers.

DAY 3: ETHICAL RECRUITMENT IN GLOBAL SUPPLY CHAINS: EMERGING MODELS

The Issara Global Forum's last day focused on emerging patterns, trends and responses in labour recruitment in Southeast Asia, and began with an expert intensive primer from Phil Marshall (Research Communications Group) and Mark Taylor (Issara Institute). Building on research done by Issara on the Myanmar-Thailand recruitment corridor, preliminary findings from discussions with recruitment agencies in Cambodia and Malaysia are finding similar challenges with migrants having limited information that exacerbate their vulnerabilities in the recruitment process. Approaches to address this and make information available when and where it is needed are working with local civil society organizations to empower workers, listening to workers and suppliers on the need for a quicker recruitment process, and businesses having transparent communications and policies on contracts, pay, translation and grievance mechanisms. Although the discussion on ethical recruitment has focused on zero fees, principles of transparency and professionalization should drive all aspects of ethical recruitment. Transparent policies and simple actions such as clearly outlining the roles and responsibilities of companies and recruiters can be a start on the path towards zero fees recruitment. Despite the growing interest in ethical recruitment, the reality is that most workers on the Myanmar side pay much more than the legal ceiling of 150,000 kyats (around \$100), and further discussion is needed on what will incentivize buyers, suppliers and recruiters to move to this model.

Building on this, the day continued with a discussion of success stories and also challenges in employer pays labour recruitment models. Key aspects of the discussions included:

- The high level of debts for workers and ways they borrow money just for the opportunity for work.
- Leverage from buyers with their supply chain and building relationships are hand-in-hand drivers that are working to enact change. Although there is a lot of pressure from buyers, consumers and governments, further partnership is needed to advance ethical recruitment.
- A worker representative described her initial lack of trust with a recruitment agency because no/low fees recruitment seemed abnormal when compared to other agencies that all charge workers. The lack of information and trust is a large issue, but more ethical recruitment can result in worker retention and productivity.
- Understanding the role and regulation of recruitment middlemen, from Thai recruitment agencies to sub agents and informal brokers within source countries, is a challenge in preventing first mile debt.
- Not only workers but recruitment agencies struggle to understand the differences in allowable legal fees between different countries, and changing regulations. This affects relationships with suppliers and how recruitment agencies are able to support or how they are liable for fees collected from workers. A market that currently focuses

exclusively on recruitment agencies being selected on price, with heavy involvement from informal brokers, is a challenge.

- Clear communication about jobs, conditions and contracting remains a challenge and inhibiting to ethical recruitment.
- Global perspectives highlighted common challenges, including evolving fraudulent employment schemes that charge workers, workers paying for a job that either does not exist or is different from what they paid for, and age and sex discrimination in recruitment. Sister Rebecca Kay Thi Oo (Good Shepherd Myanmar Foundation) went over some of the ways that these actors exploit a lack of jobseeker information, from working with religious, community or ethnic leaders to make agreements to taking advantage of jobseekers who cannot confirm the role of a broker.
- Common emerging effective practice to combat these challenges include engaging on the ground partners from civil society to worker or community ambassadors who can provide accurate information, and amplifying worker voice in the recruitment process. For example, MOEAF highlighted how working with Issara is helping it fulfill its role to monitor recruitment agencies and ensure good practice. Many practitioners also felt that blacklisting unethical actors can be effective, although they may re-emerge under new agency names.

A worker representative stated “The global brands are becoming more transparent. You are our partner - find ways to speak with the civil society and make sure you get your message across.”

The final panels further explored how best practice can build a case for ethical recruitment, and how global buyers can advance this. Dr. Katharine Jones from Coventry University led a panel on tackling exploitative recruitment globally, saying that ethical recruitment is becoming familiar in various countries, but there is a massive amount to be done, especially with regards to remediation. There is lots of emerging guidance and toolkits, as well as partnerships between government and the private sector, and now work has to be done to link global with local and know how we are making a difference on the ground.

- David Schilling from ICCR: investors should be asking companies for policies, follow up on impact of these policies. Impact is going to be seen in companies utilizing partnership and not just making demands.
- Mark Taylor from Issara: both bottom-up and top-down approaches are possible, we need to share experiences, information, and lessons learned across stakeholders and the corporate sectors to gain a deeper understanding of how to empower jobseekers. Work with organizations that workers can tap into.
- Neil Wilkins from Institute for Human Rights and Business: work closely with businesses and government to build understanding of human rights and encourage better behavior. Costs of employment shouldn't be on the workers, it should be a negotiation between brands and suppliers. We need to encourage transparency.
- Several key points were also made in Q&A with the audience: there are commitments but missing timelines, and people working on the ground need these to move things

forward. We are moving to mapping out and understanding recruitment, there is a lot more to do, but it's moving in the right direction.

The Issara Global Forum 2018 closed with a panel of global buyers, suppliers and development actors, moderated by Dr. Lisa Rende Taylor from Issara Institute, examining how they can implement their commitments to ethical recruitment and what other roles are needed. These global buyers highlighted that promoting collaboration within industries, increasing education on an employer pays model, promoting further champions of ethical recruitment approaches, putting ideas into action through pilot approaches that are tailored to industries, and having donors and buyers de-risk the process of ethical recruitment (through covering costs) are some ways forward in practical terms.