ASSESSING 5 YEARS OF IMPACT AND TRENDS IN WORKER VOICE AND RESPONSIBLE SOURCING: INTRODUCTION & EXECUTIVE SUMMARY

2014 - 2019
ISSARA INSTITUTE
THE ORGANIZATION | 2014 - 2019

OPERATIONS
GEOGRAPHIC PRESENCE & COVERAGE

STAFFING
NUMBER OF STAFF

FINANCIALS
INCOME & EXPENSES

IN-HOUSE LANGUAGES

FINANCIALS
INCOME BY DONOR TYPE

ISSARA MEANS FREEDOM > www.issara.institute
WORKER VOICE & EMPOWERMENT

CALLS & MESSAGES THROUGH WORKER VOICE CHANNELS
(January 2016 - December 2019)

<table>
<thead>
<tr>
<th>Year</th>
<th>Calls and Messages</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>7,160</td>
</tr>
<tr>
<td>2017</td>
<td>16,204</td>
</tr>
<tr>
<td>2018</td>
<td>45,086</td>
</tr>
<tr>
<td>2019</td>
<td>85,020</td>
</tr>
</tbody>
</table>

FACEBOOK FOLLOWERS
199,945 BURMESE, KHMER, AND THAI

FIRST-MILE OUTREACH
17,341 BURMESE MIGRANT WORKERS TRAINED

GOLDEN DREAMS USERS
15,818 REGISTERED USERS

PRE-DEPARTURE TRAINING
11,677 JOB SEEKERS EDUCATED

TRANSFORMING SUPPLY CHAINS

REMEDIATION CASES, INCLUDING FORCED LABOUR
(January 2016 - December 2018)

<table>
<thead>
<tr>
<th>Year</th>
<th>Remediation Cases</th>
<th>Forced Labour Cases</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>5,530</td>
<td>12,143</td>
</tr>
<tr>
<td>2017</td>
<td>6,000</td>
<td>24,211</td>
</tr>
<tr>
<td>2018</td>
<td>8,448</td>
<td>45,336</td>
</tr>
</tbody>
</table>

INDUSTRIES COVERED
- Apparel and Footwear
- Electronics
- Food and Beverage, including poultry, seafood, and some agricultural products
- Petcare

MOST COMMON FORMS OF FORCED LABOUR ENCOUNTERED
- OVERWORK: Systematic, non-voluntary overtime
- UNDERPAY: Cheated on wages and benefits
- OVERWORK & UNDERPAY: Promised daily wage but paid on a target system that drives overwork and underpay
- THREATS AND ABUSE: Most often by line supervisors, interpreters, and HR staff
- DEBT BONDAGE: Most often originating from the labour recruitment process

PARTNERSHIP

<table>
<thead>
<tr>
<th>Category</th>
<th>Suppliers</th>
<th>Golden Dreams Ambassadors</th>
<th>Supplier and Recruiter Reps Trained</th>
<th>Recruitment Agency Collaborators</th>
<th>Civil Society Partners</th>
<th>Global Brands &amp; Retailers</th>
<th>Academic Collaborations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers in Partners’ Supply Chains</td>
<td>1,085</td>
<td>650</td>
<td>614</td>
<td>128</td>
<td>30</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>Across the Region</td>
<td></td>
<td>ACROSS THE REGION</td>
<td>ACROSS THE REGION</td>
<td>ACROSS THE REGION</td>
<td>ACROSS THE REGION</td>
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EXECUTIVE SUMMARY

Issara’s impact over the past five years can best be understood within its theory of change (described on pages 12-13). Our behaviour change-based theory of change is relatively straightforward. It recognizes that there are only 3 key actors directly involved in the process of labour exploitation and human trafficking: those being exploited (job seekers and workers), those doing the exploiting (recruiters and employers), and those mandated to stop the exploitation (the duty bearers—government and business).

Issara’s goal is to eliminate labour exploitation, including forced labour and human trafficking, and the objectives in Issara’s theory of change connect directly to this goal through interventions designed to change the behaviours of jobseekers, workers, recruiters, employers, and duty bearers. These interventions and programs are carried out by the Issara team, a multi-cultural, multi-lingual team of technical experts located primarily in-country (though also in the US and UK) who work directly on the ground with the workers, suppliers, and recruiters that are within the supply chains of Issara’s global brand and retailer partners (listed on page 52) as well as all other job seekers and workers who contact our worker voice channels.

TOP LEVEL LEARNING POINTS: 2014 – 2019

1. **Issara’s behaviour change-based theory of change and focus on empowering workers and transforming supply chains have shown unprecedented results.** Issara’s worker voice channels operate at a scale and effectiveness that is not paralleled in this space anywhere in the world - receiving over 85,000 calls and messages in 2019 alone, covering nearly 200,000 workers through Inclusive Labour Monitoring (ILM) and over 15,000 through the Golden Dreams smartphone application. Workers are now more likely to go to registered recruiters rather than informal brokers, are demonstrating increased knowledge of rights and laws, and are organizing to file cases against exploitative recruiters and file grievances directly with their employer. And, improved capacity and behaviour from recruiters and employers/suppliers provide a more receptive environment for worker voice and worker power, allowing Issara to support the remediation of nearly 20,000 cases of forced labour in the last five years.

2. **We are driving transformational change throughout the entire recruitment system.** Issara works with over 128 recruitment actors, whereas many initiatives operate with just a few hand-picked partners, sometimes even limited to single industries. Connecting recruiters with grassroots organizations and developing practical, behaviour change-focused professionalization programs for recruiters were Issara innovations that have demonstrated impressive results down to the first mile, displacing informal brokers and increasing professionalization of the recruitment system. Issara successfully built global knowledge of the actual picture of recruitment and costs—from the disproportionate power of destination-side recruitment agencies and employers, to the need for worker voice for a true picture of recruitment conditions—and advanced discussions through multi-stakeholder events and research. The Issara team has also measured and documented real change: reduced fees to job seekers, increased transparency, and improved remediation and empowered job seekers.

3. **However, there is a long way to go.** The existing government systems for labour recruitment and workplace regulation in much of Southeast Asia fall far short in maintaining the recruitment and working conditions expected/required by most corporate codes of conduct. And, due diligence systems where global business, employers, recruiters, government, audit and audit-plus service providers, and others do not safeguard workers and seek primarily risk mitigation rather than appropriate remediation outcomes continue to inhibit progress. Willingness to change certain industry practices seems to follow the global spotlight, there is a continued defensiveness for many global buyers and suppliers who have undertaken other efforts and routinely pass audits, and global commitments often stand in for real action.
The lesson learned is that tools and efforts that do not fully engage local actors in a trusted, long-term way and that do not have safe pathways to address the grievances of vulnerable workers will not see uptake, will not collect accurate and reliable information, will not be effective for job seekers, recruiters, employers, or buyers, and thus will not be sustainable.

WHAT THIS MEANS GOING FORWARD & FOR ISSARA’S ROLE

We are on the right path. Workers will share with trusted partners who can safeguard their interests, build their own power, and engage stakeholders for change. And while some businesses provided clear leadership examples, struggle, tension and backlash were also observed and experienced. This is expected, when disrupting the status quo and shifting markets. These can be signs that things are changing—thus validating Issara’s behaviour change / systems change model—and necessitate the ongoing monitoring and iterative role that Issara plays in transforming this space through:

- Amplifying the voice of job seekers and workers;
- Increasing transparency, ethical practice, and capacity across partner supply chains;
- Developing and offering better systems for duty bearers to adopt; and,
- Further engaging business and on-the-ground organizations meaningfully and over the long term, to ensure sustainability of good practice.

These will be Issara’s focus in 2020 and the coming years.

Looking ahead, Issara Institute hopes to see stronger multi-stakeholder collaboration to essentially reverse global systems of exploitation and the ineffective approaches that allow them to persist, and embrace the collective duty to do more—and better—to test and scale up models of operationalized worker voice with both remediation and due diligence aims, with a growing coalition of responsible sourcing, government, and human rights leaders and innovators.

To achieve this, bolder commitments from duty bearers are needed:

- **Businesses** must partner more boldly and effectively, moving beyond the audit-compliance comfort zone and buyer-supplier dyadic relationships, to more responsibly remediate labour risks based on worker voice; and,
- **Governments** must uphold and enforce their labour and criminal laws more seriously, and embrace opportunities to develop and/or adopt more professionalized, digitized, and more easily regulated labour recruitment and management systems.

The evidence strongly suggests that the eradication of modern slavery, forced labour, and human trafficking from global supply chains can only be achieved when workers, business, government, and civil society work together around common objectives and commitments, and a central focus of worker voice and remediation.

There is clearly a role for civil society campaigning and advocating to business to attempt to motivate more responsible corporate behaviour—sometimes using so-called “name and shame” tactics. This conclusion is supported by the key finding from Issara’s work that the responsiveness of some industries and businesses to remediate labour risks and abuses seemed to wax and wane with levels of international media exposure.

However, it is hoped that the last five years of Issara’s work clearly demonstrate the legitimacy of more non-profit worker rights organizations like Issara Institute fulfilling its commitments to human rights and labour rights by productively partnering and collaborating with business in novel ways to make safe, empowered worker voice—and **responsiveness** to empowered worker voice—a possibility in the many parts of the global supply chain that lack freedom of association and that face exploitative labour recruitment and working conditions.