

Enhancing Protection of Migrant Workers in Asia Through Responsible Recruitment and Employment Practices

Round Table Report

Background

On 22nd October 2019, IOM Viet Nam and amfori jointly organized a round table under the theme “*Enhancing Protection of Migrant Workers in Asia Through Responsible Recruitment and Employment Practices*”.

The round table brought together 21 stakeholders representing international buyers, their suppliers in Asia, as well as international and diplomatic community to discuss vulnerabilities of migrant workers in international supply chains associated with unethical recruitment and employment practices and identify ways to address them.

Specifically, the round table aimed to:

- Increase understanding on vulnerabilities of migrant workers during recruitment, as well as employment and return;
- Raise awareness on the impact of unethical recruitment practices on migrant workers and companies;
- Discuss challenges in addressing the risks of forced labour in business operations and supply chains;
- Share good practice on how private sector can respond to these risks;
- Share recommendations and identify opportunities for joint action.

Introduction

International migration increased from 220 million in 2010 to 258 million in 2017, with stock of migrant workers estimated to be 164 million (59.2% of all international migrants)¹. When well-managed, migration has the potential to contribute to poverty alleviation and human development of workers, families and communities, as well as economic growth in countries of origin and destination. But when migration is ill-managed through improper regulation of migration corridors and unscrupulous business practices, migrants in global supply chains remain highly vulnerable to a range of risks including deceptive recruitment practices and debt bondage.

¹ ILO Global Estimates on International Migrant Workers, 2018

Globally, there are more than 40 million victims of modern slavery found in almost all economic sectors and often hidden in plain sight. According to estimates by the Walk Free Foundation, the International Labour Organization (ILO) and the International Organization for Migration (IOM), 24,9 million people were in a situation of forced labour in 2017.² Forced labour prevalence is highest in Asia and the Pacific, where four out of every 1,000 people were victims. According to ILO this generates USD 150 billion annually in illegal profits in the private economy.³

The 2017 estimates also showed that almost one fourth of the victims of forced labour are international migrant workers. South-East Asia and the Pacific host more than 25 million migrant workers, of these 13,6 per cent are women migrant workers.⁴ Migrant workers remain highly vulnerable due to unethical recruitment practices such as charging excessive fees, document retention and inaccurate or deceptive information on job terms and conditions. During employment, migrant workers may be subject to contract substitution, restrictions on freedom of movement and association, unlawful wage deductions, difficulties to access effective grievance mechanisms and remediation, debt repayment, and social and cultural isolation. The interlinkage between these issues create an exploitation continuum that can trap migrant workers into a situation of forced labour.

Through its Corporate Responsibility in Eliminating Slavery and Trafficking Initiative (CREST), IOM has developed a Multi-Stakeholder Theory of Change (*Annex 1*) with input from the private sector, experts, civil society, as well as international organizations. The Theory of Change identified **six main root causes** that perpetuate migrant worker vulnerabilities that lead to continued exploitation. It also defined the **roles of different actors** in bringing about the desired change to current recruitment and employment practices of migrant workers.

The round table participants were invited to share their experiences and challenges in addressing migrant worker vulnerabilities and work together to identify practical solutions to tackle the problem.

Challenges in addressing the risks of forced labour in business operations and supply chains

This section summarizes the round table discussion around the six main root causes of migrant worker vulnerabilities to exploitation.

Lack of Knowledge

- Developing markets in Asian countries require more labour, which often addressed through recruitment of international migrant workers. This in turn requires the timely and effective response and coherence between different levels of government. In this regard, data collection and analysis are very important to inform decision-making and development of relevant regulations.

² Walk free Foundation, ILO and IOM. *Global Estimates of Modern Slavery. Forced Labour and Forced Marriage*. Geneva, 2017

³ ILO. *Profits and Poverty: The Economics of Forced Labour*. Geneva, 2014

⁴ ILO. *Global Estimates on International Migrant Workers*. Geneva 2017

Recruitment Fees

- *Discrepancies between requirements of national laws, international standards and buyer codes of conduct:* businesses face a challenge in addressing varying requirements of national laws and international or buyer standards in terms of recruitment fees and related costs.
- *Excessive recruitment fees and related costs:* Case example of Vietnamese migrant workers was shared. Recruitment fees and related costs to secure a job abroad are often exceed legal ceiling. Migrant workers need to take out loans or sell their property such as farms, houses, to finance recruitment expenses. Furthermore, they are usually not informed of the total amount that they would need to pay thus leading to debt accumulation. Workers often face restricted movement when they are enrolled in pre-departure training and their identification documents are withheld.
- *Audits don't always uncover the issues:* lack of documentation, language barriers, irregular status of workers are some challenges for standard social audits to identify.

Governance

- *Viet Nam downgraded to Tier 2 Watchlist in the [Trafficking in Person \(TIP\) report 2019](#):* an annual report produced by the United States Department of State to assess government efforts to combat human trafficking and highlight strategies to address this crime and protect the victims downgraded Viet Nam from Tier 2 to Tier 2 Watchlist. There is a need to advocate with the Government of Viet Nam to enhance law enforcement in the sphere of international recruitment, forced labour and human trafficking.
- *Need to strengthen national policies to enhance protection of migrant workers, especially female migrant workers.* It was mentioned that to reduce women vulnerability in migration, women economic empowerment needs to be promoted.
- *Domestic work is overlooked:* Migrant workers, most often women, employed in domestic care work are particularly vulnerable, which needs to be addressed through strengthening government and business policies to ensure the rights of is migrant workers in this sector are protected.

Lack of Transparency

- *Challenges for employers to monitor and validate recruitment fees and related costs paid by workers:* unethical labour recruiters often don't issue receipts for the costs and fees, or only issue receipts that are in line with legal ceilings in countries of origin, while the expenses incurred by migrant workers are often in significant excess. This presents a challenge for employers to verify the fees and costs and make necessary action to reimburse workers and prevent such practices.

Lack of Effective Remedy

- *Collaboration for effective remedy is needed:* business need to develop and implement effective prevention and remediation policies and practices. The promotion of ethical recruitment and employment practices to better protect workers, especially migrant workers, requires multi-stakeholder approach and collaborative actions.

- *Best interest of the worker*: when forced labour is found in the supply chains, buyers usually cancel their orders as a way of putting pressure on the employers to address the problem and improve their recruitment and employment practices. However, the cancellation of order may mean that migrant workers will lose their jobs and have no other options but to return home, making them vulnerable to other risks. For example, upon returning to their country of origin, without proper support from employers, government and community, migrant workers may encounter difficulties in social and economic reintegration and inability to pay back debts among other challenges.
- *The future of work and technological progress*: In addition to the concern about recruitment and employment practices for migrant workers, it was mentioned that with the technological advances, specifically in a textile sector, automation might have negative impact on low-skilled migrant workers.

Opportunities for action, recommendations and way forward

The round table participants shared the following recommendations to address the root causes that of migrant worker vulnerabilities to exploitation.

Transparency

- *Consider direct recruitment schemes*: There are ongoing discussions among businesses and the Government in in Taiwan POC to promote direct recruitment channels managed by Governments of Taiwan POC and Viet Nam. The direct recruitment scheme is expected to enhance the transparency of labour supply chain and reduce the risks that migrant workers may encounter.
- *Strengthen monitoring and due diligence on employers*: International buyers need to map all actors in the recruitment process to minimize layers and increase transparency of labour supply chain. Recruitment fees and related costs need to be properly documented and validated by local recruitment agencies. Moreover, collaboration among buyers is required to establish minimum standards regarding recruitment and employment of migrant workers.
- *Strengthen reporting by private sector*, including employers, buyers and industry groups. Reporting on how companies address modern slavery in supply chains is an important source to disclose information on actions, achievements and lessons learnt, promoting learning and sharing between different stakeholders.
- *Raise awareness of workers on their rights and responsibilities* through awareness raising activities and tools, such as short videos in local languages, news in public and social media, pre-employment and on-the-job training to workers. Technology, such as an online games or mobile applications, should be utilized to reach a larger target audience.

Recruitment fees

- *Provide detailed and transparent employment contract to workers*: the contract must be in languages that workers understand. It is also important to enhance enforcement of transparency in documentation of recruitment fees and related costs through due diligence on recruiters.

- *Strengthen collaboration:* International buyers need to engage in joint lobbying with governments to set and enforce legal ceilings on recruitment fees and related costs. Both buyers and employers need to work closely with governments of countries of origin and destination to identify and confirm cases of non-compliance with legislation on recruitment and employment of migrant workers for appropriate corrective actions.

Effective Remedy

- *Map best practices on effective remedy:* industry groups and their members should join efforts with international organizations and map out effective remediation practices as well as identify relevant local actors and partners.
- *Raise awareness of employers* through training on migrant worker journey and associated vulnerabilities and risks. Buyers should encourage their suppliers to undergo the training organized by expert organizations without presence of buyers to avoid pressure from buyers on suppliers. Once their knowledge is enhanced, employers and recruiters should revise strategies, policies and practices on recruitment and employment of migrant workers.
- *Buyers and employers should allocate relevant budgets* for capacity-building activities.

About Organizers

[amfori](#)

As the leading global business association for open and sustainable trade, amfori brings together over 2,400 retailers, importers, brands and associations from more than 40 countries. amfori membership contains organizations of all sizes and all sectors with a combined turnover of more than one trillion euros.

amfori mission is to enable each of our members to enhance human prosperity, use natural resources responsibly and drive open trade globally.

amfori offers members a practical framework and world-class tools to manage the social and environmental performance of their supply chains and anticipate future trends. amfori advocates for progressive policy and collaborate with national, European and international partners to achieve social, environmental and economic progress.

[International Organization for Migration \(IOM\)](#)

Established in 1951, IOM is the leading inter-governmental organization in the field of migration and works closely with governmental, intergovernmental and non-governmental partners. With 173 member states, a further 8 states holding observer status and offices in over 100 countries, IOM is dedicated to promoting humane and orderly migration for the benefit of all.

The Round Table has been organized within the framework of the [Corporate Responsibility in Eliminating Slavery and Trafficking \(CREST\)](#), a regional partnership initiative that aims to realize the potential of business to uphold the human and labour rights of migrant workers in their operations and supply chains. Through the CREST initiative, IOM develops partnerships and projects with business to build stronger commitments to the elimination of modern slavery, implement ethical recruitment standards that address migrant workers' vulnerabilities and encourage collaboration across industries and stakeholders to achieve sustainable change.