Study on Forced Labour in the Fisheries and Aquaculture Market

Report for the
Market Advisory Council

Final Report

Submitted by

SAKANA

Declaration of interest

Sakana Consultants has long-term contracts with the following entities:

- The Global Seafood Alliance, a US-based NGO promoting several certification programmes such as Best Aquaculture Practices and Best Seafood Practices.
- The Global Dialogue on Seafood Traceability, a Dutch-based NGO promoting a standard for a common data structure in seafood supply chains.

Table of content

List of figures

List of tables

1   Introduction

Forced labour is a global problem that affects many industries, including fisheries and aquaculture. ILO, Walk Free, and ION (2022) estimated that over 28 million people are in forced labour worldwide, with the Asia-Pacific region mainly affected.

The European Commission published the proposal for a new regulation on prohibiting products made with forced labour on the Union market in September 2022.

This proposed regulation may have significant implications for the fisheries and aquaculture sectors, primary sources of imports into the EU. The fisheries and aquaculture products industry is an important source of employment and economic activity in many countries. Still, it has also been associated with various cases of human rights abuses, including forced labour.

The proposed regulation prohibits the placement of products made by forced labour on the EU market. It applies to all products (EU-manufactured products and imported goods). It is notably based on developing a risk-based enforcement framework and coordinating competent authorities at the national level: customs for imported goods and potentially labour administrations for goods produced in the EU.

The Market Advisory Council has commissioned this study that aims at

- Collecting information sources on species/products/countries/companies most likely to be connected to forced labour (both EU production and imports), such as:
  - Substantiated list of documentation from civil society organisations, indicators, databases, and international sources that could potentially be used in the future database.
  - Substantiated list of "products/countries" pairings most likely to be identified as being connected to forced labour.
- Identifying Member States' initiatives to fight forced labour in the supply chain (e.g., legislation against forced labour in the fleet – including migrants in the EU vessels) and industry initiatives to combat forced labour in the supply chain, such as certifications and NGO-industry partnerships.
- Broad economic analysis of the presence of forced labour, notably the market size affected.
- Drafting recommendations to the Commission and Member States for potential consideration during the interinstitutional negotiations.

2   Context

2.1   What is forced labour?

The ILO Forced Labour Convention, 1930 (No. 29) defines forced or compulsory labour as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily" (Art. 2.1). It refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more subtle means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities.

Several international conventions and protocols have reinforced ILO Convention 29, such as:

- The United Nations Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery (1956).
- The ILO Abolition of Forced Labour Convention, 1957 (No. 105).
- the ILO Worst Forms of Child Labour Convention, 1999 (No. 182).
- The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, 2000 (the Palermo Protocol)

National authorities must consider forced labour a crime after ratifying these conventions and protocols. As noted by ILO (2015):

> "The vast majority of ILO member States have ratified Conventions 29 and 105 on forced or compulsory labour and have ratified the "Palermo Protocol" against human trafficking. Consequently, they are required to make this practice a crime. This means forced labour and human trafficking are punishable as crimes in most countries around the world, and that companies found involved in such activities could face prosecution."

Publications from the New Zealand Ministry of Business, Innovation & Employment highlight that "the most extreme forms of exploitation occur in conjunction with other exploitative offences and breaches, such as breaches of employment standards, immigration fraud, physical and sexual assault including family violence, and money laundering".
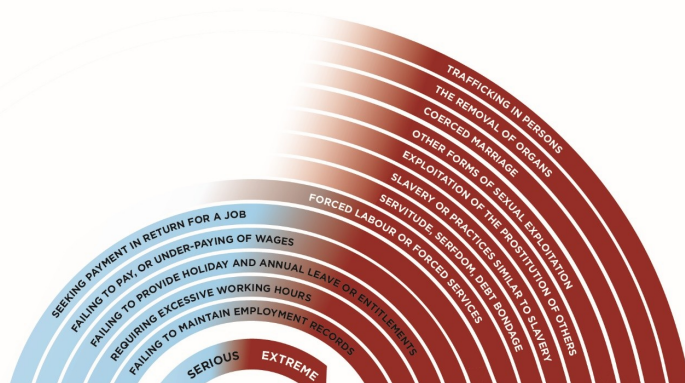
Figure 1: A non-exhaustive range of practices referenced in the diagram above are criminalised in New Zealand's legislation, including the Immigration Act 2009 and Crimes Act 1961[1].

---

[1] New Zealand Ministry of Business, Innovation & Employment (2021) "Plan of Action Against Forced Labour, People Trafficking and Slavery". https://www.mbie.govt.nz/dmsdocument/13607-plan-of-action-against-forced-labour-people-trafficking-and-slavery-proactiverelease-pdf

Figure 1 provides a non-exhaustive list of breaches and offences associated with exploitation, together with an indicative sense of their position on a spectrum ranging from serious to extreme, as reported in New Zealand's legislation. It should be noted that IUU is not explicitly mentioned in this New Zealand document.

2.2   How to identify forced labour

To clarify the definition of forced labour, ILO has defined eleven indicators that are associated with forced labour:

- Abuse of vulnerability: employers take advantage of the workers' vulnerability to force them to work: migrants, ethnic minorities, lack of knowledge of local language or laws.
- Deception: workers are misled about the terms and conditions of their employment
- Restriction of movement: workers are not allowed to leave the work site or are kept under surveillance.
- Isolation: workers are denied contact with the outside world, limiting their ability to receive adequate information and/or contact relatives.
- Physical and sexual violence: workers are subjected to physical and mental abuse by employers or colleagues.
- Intimidation and threats: workers are threatened with harm if they do not comply with employers' demands.
- Retention of identity documents: employers withhold workers' identity documents, making it difficult for them to leave the work site.
- Withholding of wages: employers do not pay workers their salaries on time or withhold them altogether.
- Debt bondage: workers are forced to work to repay a debt by working.
- Abusive working and living conditions: forced labour victims will likely endure conditions that workers would not accept freely.
- Excessive overtime: workers may be obliged to work excessive hours beyond the legal limits. They may also be denied breaks and days off and compelled to take over the shifts of absent colleagues.

The situation is quite straightforward for some of these indicators: physical violence and retention of identity documents are strong indicators of forced labour. Cases of forced labour may be more complex to identify for indicators such as excessive overtime or abusive working and living conditions. The boundary between unfair social practices and forced labour may be complex to assess, notably for sectors like the fishing industry.

Excessive overtime is a typical example. The EU's Working Time Directive (2003/88/EC) requires EU Member States to guarantee a limit to weekly working hours:

- The average working time for each seven-day period must be at most 48 hours, including overtime.
- Depending on national legislation and/or collective agreements, the 48-hour average is calculated over a reference period of up to 4, 6 or 12 months.

Some Member States impose stricter limits, such as France, where the average working time must not exceed 44 hours for each seven-day period over a reference period of 12 weeks, with an absolute maximum of 48 hours. Nonetheless, it is very complex to assess if imposing work above the limit defined by the directive constitutes an infraction to labour regulations or an indication of forced labour.

It should also be noted that the fishery sector is in a different position regarding working hours regulations. Many fishers work under a self-employed status all over the EU, excluding them de facto from any working hour regulations. Moreover, the EU's Working Time Directive only partially applies to fishing crews under contract. In 2013, the EU social partners in the fishing sector reached an agreement proposing to align EU law with the ILO Convention 188, which was adopted in 2016 by the European Commission under the Council Directive (EU) 2017/159 of 19 December 2016.

2.3   Specific major risks in the fishing sector regarding forced labour

The fishing sector presents unique risks and challenges concerning the issue of forced labour. This chapter provides a comprehensive overview of the risks associated with forced labour in the fishing industry.

Hazardous working conditions at sea: Workers in the fishing sector often face dangerous working conditions at sea, including storms, extreme weather conditions, and potentially hazardous fishing equipment. These conditions increase the risk of exploitation and forced labour, as workers may be compelled to work long hours in unsafe conditions without adequate safety equipment.

Isolation and lack of oversight: Fishing vessels operate in remote and international waters, challenging monitoring and controlling working conditions on board. The isolation of workers at sea renders them vulnerable to exploitation and forced labour, as they have limited means of communication and recourse in case of abuse.

Illegal recruitment practices: The fishing industry is frequently associated with illegal recruitment practices, such as human trafficking and fraud. Workers may be deceived about the working conditions, forced to pay exorbitant recruitment fees, or trapped in debt bondage, exposing them to the risks of forced labour. Undeclared and unregulated work: many fishing sectors operate in the informal economy, where many workers are unregistered and lack legal labour protections. This vulnerability leaves them susceptible to exploitation and forced labour, as employers may take advantage of their informal status to deprive them of fundamental rights.

Complex supply chains: Fishery products can pass through complex supply chains before reaching markets. This complexity can hinder the traceability and transparency of working conditions throughout the supply chain, enabling exploitation and forced labour to go undetected. To effectively address forced labour in the fishing sector, it is crucial to consider these specific risks. This necessitates robust coordination and cooperation among governments, international organisations, employers, workers, and civil society actors to establish appropriate regulations, ensure adequate monitoring, and promote responsible fishing practices. By recognising and addressing these risks, stakeholders can work together to combat forced labour in the fishing sector, protect workers' rights, and create a more sustainable and ethical fishing industry.

3 The proposed legislation

3.1 Overview of the legislative mechanism

The Commission's proposal aims to establish an effective mechanism for prohibiting the placement of products made by forced labour on the European Union (EU) market and their exportation. This instrument encompasses the following elements:

1. **Marketing prohibition:** The regulation includes a clear and binding ban on marketing products made through forced labour in the EU. This prohibition applies to both EU-manufactured products intended for domestic consumption and exports and imported products.

2. **Risk-based enforcement framework:** The proposal establishes an enforcement framework based on risk assessment. In coordination with customs authorities, national competent authorities will play a crucial role in enforcing the regulation and ensuring compliance with the prohibition of forced labour in all products placed on the European market.

3. **Built on international standards:** The regulation is founded on international standards concerning human rights and decent work. This ensures that the measures taken by the EU align with global expectations in combating forced labour.

4. **Complementing existing initiatives:** The proposal complements other existing initiatives, such as due diligence measures. It introduces specific measures targeting forced labour, aiming at enhancing the overall effectiveness of EU efforts to combat human rights violations and unfair practices within supply chains.

5. **Due consideration of SMEs:** The proposal considers the specific challenges faced by small and medium-sized enterprises (SMEs). It provides guidance to help companies, particularly SMEs, understand and comply with the requirements of the regulation, aiming to mitigate implementation challenges specific to SMEs.

In addition to the mechanism for implementation, the proposal includes tools to support its practical application:

1. **Database with risk indicators and factual information on forced labour:** An external consultant will establish a database containing risk indicators and accurate information on forced labour, including countries and products. This database will assist companies and competent authorities in assessing risks and taking appropriate actions.

2. **Network of competent authorities:** A network will facilitate cooperation and information exchange among competent authorities from different EU Member States. This should promote a harmonised approach to enforcing the regulation.

3. **IT tool for swift and reliable exchange of information between authorities:** An IT tool will be developed to enable efficient exchange of information between competent authorities, ensuring fast and reliable communication and coordination in handling forced labour cases.

4. **Guidance for companies and competent authorities:** Clear guidance will be provided to assist companies, especially SMEs, in understanding the regulatory requirements and implementing appropriate measures. Specific advice will also be developed for competent authorities to support consistent and effective enforcement.

In summary, the proposed mechanism for the regulation includes a marketing prohibition, a risk-based enforcement framework, complementarity with existing initiatives, consideration

of SMEs, and tools such as a database, a network of competent authorities, an IT tool for information exchange, and guidance for companies and competent authorities. The objective is to establish a framework for combating forced labour and ensuring that products on the EU market are manufactured in compliance with human rights standards.
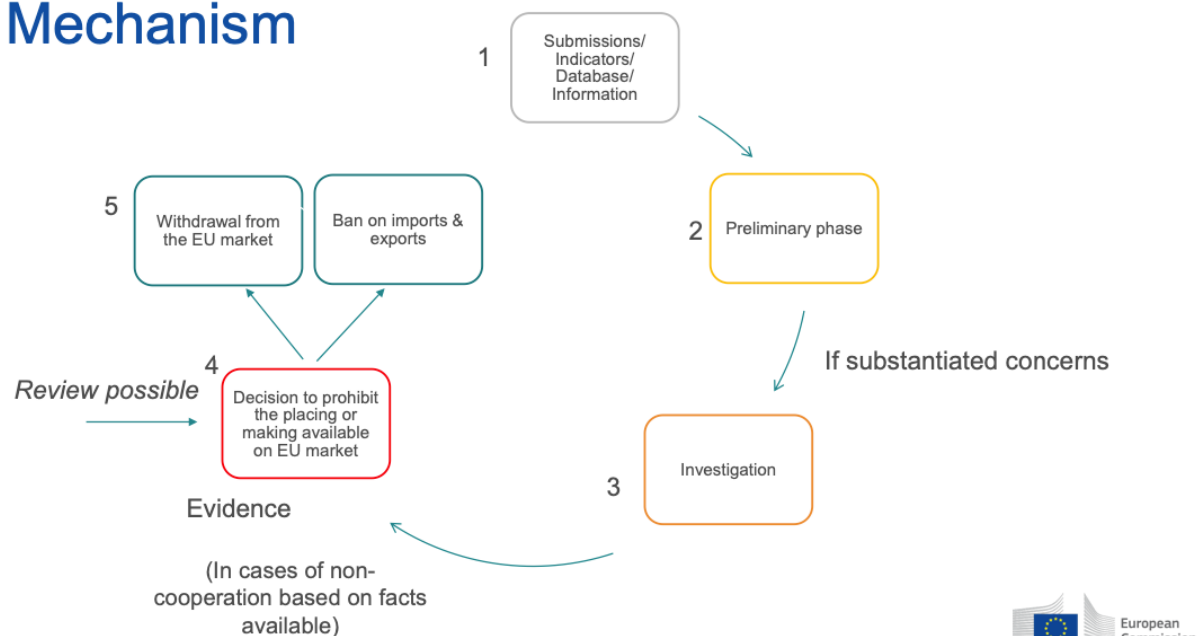
Figure 2 Forced Labour Regulation, Fabio Appel, DG TRADE C4

3.2   Relationship with current and proposed due diligence regulations

Strengthening due diligence: complementarity and robust framework. The proposed legislative mechanism to prohibit products made with forced labour in the Union market is closely related to current and proposed regulations on due diligence. This relationship strengthens the overall regulatory framework by combining the specific focus on forced labour with the broader scope of due diligence. Integrating the two approaches makes the regulatory framework more comprehensive and effective in addressing supply chain risks and human rights violations. The proposed mechanism provides a robust foundation to ensure responsible business conduct and protect human rights throughout the supply chain.

Targeting forced labour: focused alignment with due diligence regulations. The proposed legislation specifically targets products manufactured with forced labour, aligning it with existing and future due diligence regulations. By narrowing its focus on this specific issue, the legislation complements the broader regulations that address various aspects of supply chain transparency and responsible business conduct. This targeted alignment allows for a more tailored and practical approach to combating forced labour, directly addressing eliminating this egregious practice. The proposed legislation strengthens the European Union's commitment to promoting ethical supply chains and human rights protection by incorporating forced labour concerns into the due diligence framework.

Enhancing responsible business conduct: synergy and coherence between the proposed legislation and due diligence framework. The proposed legislative mechanism is crucial in enhancing responsible business conduct. It works synergistically with existing and future due diligence regulations to create a coherent and comprehensive framework. By prohibiting

products made with forced labour, the legislation strengthens the incentives for companies to adopt robust due diligence measures and eliminate forced labour from their supply chains. This coordinated effort supports the European Union's commitment to sustainable and ethical business practices, fostering fair competition and ensuring the protection of human rights. By combining the legislative mechanism with due diligence regulations, the European Union establishes a holistic approach that promotes responsible business conduct and sets higher standards for supply chain transparency and human rights protection.

3.3   Implementation timeline: phased introduction of the regulation

Implementing the proposed legislative mechanism to prohibit products made with forced labour on the Union market is a critical step in addressing supply chain risks and human rights violations.

Phase 1: Development and consultation period

The first phase of the implementation timeline involves the development and consultation period. During this stage, the European Commission will actively engage with relevant stakeholders, including Member States, industry representatives, civil society organisations, and experts. Through consultations, impact assessments, and the consideration of practical implementation aspects, the Commission seeks to ensure that the regulatory framework addresses the complexities and challenges associated with combating forced labour effectively. Additionally, the Commission will strive to align its efforts with international partners, fostering collaboration and sharing best practices to achieve a harmonised approach to eradicating forced labour.

Phase 2: Adoption and publication of the regulation

Once the development and consultation period is complete, the proposed regulation will undergo the formal adoption process. This phase involves review and approval by the European Parliament and the Council of the European Union. While the exact timeline for adoption and publication may vary, the Commission will work diligently to streamline the process and ensure timely progress. Upon publication, the regulation will provide businesses operating in the Union market with clear guidelines and requirements for compliance. Despite the direct application of the regulation, Member States will publish secondary legislation and statutory documents to ensure that the EU regulation may be enforced at the national level, notably by the national labour administrations and customs authorities. This phase may generate discrepancies that would lower the chance for consistent enforcement across the European Union.

Phase 3: Transition and compliance period

Following the regulation's publication, a 24-month transition and compliance period will be established to facilitate adjustment for businesses and stakeholders. This period is essential for raising awareness, building capacity, and providing comprehensive guidance to support implementing the regulation's requirements. According to the draft legislation, in collaboration with Member States and relevant authorities, the European Commission offers support and resources to help businesses effectively understand and meet the new obligations. During this phase, companies will be encouraged to conduct due diligence assessments, review their supply chains, and take appropriate measures to eliminate products made with forced labour. The Commission will actively monitor compliance efforts, address challenges, and provide guidance where needed.

4 Key initiatives

This section highlights initiatives tackling forced labour in supply chains. It ranges from legislation banning forced labour or requiring the implementation of specific due diligence mechanisms to risk assessment tools developed by NGOs or academic researchers. The idea is to understand how different stakeholders identify forced labour, highlighting the data that may have been used to evaluate forced labour risk. In the draft regulation, the indicators that are planned to be defined during the first two years are aimed at identifying high-risk cases at the national and sectoral levels. Discussions with representatives from DG Growth and DG Trade indicate that, at this stage, there is no intention from the Commission to integrate company-level information, except potentially for the list of companies identified as having used forced labour, although it is not clear if this list would be made available to the public or restricted to key public agencies.

4.1 Regulatory initiatives in the European Union

4.1.1 Forced Labour in Member States Regulations

Allain and Schwartz (2020) have comprehensively analysed domestic legislation covering 193 countries (See Appendix 1, page 41). Their analysis shows that among the 27 EU Member States:

- Eleven member states have no legislation prohibiting specifically forced labour. Nine of these eleven member states nonetheless mention forced labour as an element to identify human trafficking in their legislation.
- Four member states mention the prohibition of forced labour in their constitutions but not in specific legislation.
- Ten member states mention the prohibition of forced labour in their constitutions and specific legislation (mostly in criminal legislation).
- Two member states mention the prohibition of forced labour in specific legislation.

The European member states prohibit forced labour within their borders and link these offences to human trafficking regulations. There are, however, no instruments currently in place addressing specifically forced labour through the lens of sustainable supply chains: nothing on mandatory reporting by companies or specific risk assessment mechanisms.

4.1.2 Guidelines

Several member states have issued guidelines for companies to identify forced labour better. Some are general, condensing legal information, but provide little guidance on risk management design. Others are more practical, providing interesting methods for companies to consider, such as:

- The guide "Managing the risk of hidden forced labour, a guide for companies and employers"[2] was published by The Danish National Board of Social Services in 2014. This agency is part of the Ministry of Social Affairs in Denmark.

---

[2] https://www.gla.gov.uk/media/1578/guidelines-riskmanagement-eng-version-1-0.pdf

4.1.3   Due diligence

Several due diligence frameworks mandate large companies to report their social practices. However, most of these instruments are still young and/or in development and do not specifically address forced labour. Two national legislations are currently worth mentioning:

The **French Duty of Vigilance law** (Loi de Vigilance) was voted in 2017, requiring due diligence in human rights and environmental responsibility within a company's parent and subsidiary operations and its supply chain. Companies subject to the law are large groups operating in France of either 5 000 employees if the group is based and operates in France or 10 000 employees for international groups operating partly in France. Companies subject to the law have to:

1- develop a continuous risk mapping exercise;
2- implement procedures for regularly assessing the situation of subsidiaries, subcontractors or suppliers with whom the company has an established business relationship;
3- develop an action plan to mitigate risks or prevent serious damage;
4- establish a mechanism for alerting and collecting reports relating to the existence or realisation of risks in consultation with the representative trade union organisations in the company;
5- develop a system for monitoring the measures implemented and evaluating their effectiveness. The thresholds are considered too narrow by some civil society organisations, which estimate that only 150 groups would be covered by the legislation.

The **German Act on Corporate Due Diligence Obligations in Supply Chain** went into force at the beginning of 2023. This regulation is derived from the EU Non-financial Reporting Directive as transposed into German law and is implemented with a phased approach:

1- by January 2023, companies with 3 000 or more employees were covered by the law;
2- by January 2024, the threshold will be lowered to a level of 1 000 employees.

Companies must provide information annually on environmental, employee-related and social issues, respect for human rights and the fight against corruption. Companies must also develop risk management procedures to back all the claims made in their annual reporting.

4.1.4   Sectoral social dialogue

The European sectoral social dialogue[3] has a specific committee for sea fisheries. In November 2021, the social partners adopted a joint resolution "establishing benchmark principles aimed at better regulating the proliferation of sustainability labels certifying social conditions on board fishing vessels" (as noted in the press release). This resolution insists upon seven key actions:

1. The ratification and implementation of ILO C188 as the main international 'guardian' of labour standards.
2. Full inclusion of internationally agreed labour standards in private labels.
3. Grant meaningful roles for industry actors and their representatives in the standard.

---

[3] Commission decision of 20 May 1998 on the establishment of Sectoral Dialogue Committees promoting the Dialogue between the social partners at European level (notified under document number C(1998) 2334) (98/500/EC)

4. Ensure robust chain of custody, monitoring and enforcement mechanisms.
5. Inspection reports/valid documents/national certificates shall be validated and recognised by voluntary standards.
6. Private labels certifying social sustainability shall not discourage the ratification of labour Conventions in fishing, particularly ILO C188.
7. Front-of-package information provided to the consumer should differentiate between social certification and environmental certification.

4.2   Regulatory initiatives outside the EU

4.2.1   Multilateral processes

On 19 September 2017, the Call to Action to End Forced Labour, Modern Slavery and Human Trafficking was launched during the 72nd Meeting of the UN General Assembly. Its aim was to outline necessary actions to achieve Sustainable Development Goal Target 8.7, which calls for effective measures to end forced labour, modern slavery, human trafficking and child labour[4].

Building on this call for action, the governments of Australia, Canada, New Zealand, the United Kingdom and the United States jointly launched the "Principles to Guide Government Action to Combat Human Trafficking in Global Supply Chains" in September 2018[5]. The four principles are:

- Principle 1: Governments should take steps to prevent and address human trafficking in Government procurement practices.
- Principle 2: Governments should encourage the private sector to prevent and address human trafficking in its supply chains.
- Principle 3: Governments should advance responsible recruitment policies and practices.
- Principle 4: Governments should strive for harmonisation.

4.2.2   Council of Europe

The Group of Experts on Action against Trafficking in Human Beings (GRETA) is an independent body established by the Council of Europe, tasked with monitoring and ensuring the implementation of the Convention on Action against Trafficking in Human Beings, conducting visits and publishing evaluation reports on the measures taken by each party state.

4.2.3   Norway

In 2021, the Norwegian Government tabled Proposition 150 L "Act on business transparency and work with fundamental human rights and decent work", following a two-year legislative consultation with civil society, labour and business representatives. The Norwegian Parliament passed the Act in June 2021 which entered into force on 1 July 2022. It covers companies in Norway and foreign companies that sell products and services and must pay taxes in Norway.

---

[4] https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/759332/End-Forced-Labour-Modern-Slavery1.pdf
[5] https://www.state.gov/wp-content/uploads/2019/03/286369.pdf

Only large companies that exceed the threshold for two of the following three conditions are subject to the Act:

1. The sales revenues: 70 million NOK (approximately 6,25 million Euros)
2. The balance sheet total: 35 million NOK (approximately 3,13 million Euros)
3. The average number of employees in the financial year: 50 full-time equivalents.

Companies subject to the Act are required to carry out due diligence and publicly report on these efforts, as well as having a duty to provide information on how they address actual and potential adverse impacts.

4.2.4 United Kingdom

The UK Modern Slavery Act 2015 (Act) aim was notably to encourage businesses to eradicate modern slavery from their operations and supply chains. The Transparency in Supply Chains provision (TISC) defined by this act requires companies with a turnover above 36 million pounds (approximately 40 million euros) to publish *"a statement of the steps the organisations have taken during the financial year to ensure that slavery and human trafficking is not taking place"* in their operations or supply chains.

The intention was for the TISC provision to become a strong incentive for businesses to be transparent about their efforts to tackle modern slavery risks, thus increasing competition to drive up standards for tackling modern slavery.

However, a preliminary review of the instrument by the Business & Human Rights Resource Centre shows that the regulation has not been fully implemented and that most of the reports are

> *"Only around three in five of in-scope companies are reporting under the law, and a majority of those companies are publishing general statements that do not achieve the intention of the law." (Business & Human Rights Resource Centre, 2021)*

4.2.5 USA

4.2.5.1 Federal government

At the Federal level, forced labour is a key issue for the US Customs and Border Protection Agency (CPB), an agency of the US Department of Homeland Security and the Bureau of International Labor Affairs.

The US federal approach is mainly focused on international trade: the US Tariff Act of 1930 prohibits the importation into the United States of any goods made "wholly or in part" using forced, indentured, or convict labour, in any part of the world. This act is applicable irrespective of the method of production of the goods[6]. Private organisations (companies or non-profit organisations) must introduce a specific petition to the CBD agency highlighting all evidence indicating the presence of forced labour in a supply chain for a product to be banned from entering the US. This procedure is similar to the one proposed in the draft legislation.

---

[6] Section 307 (§ 307) of the U.S. Tariff Act (19 U.S.C. §1307), states: "All goods, wares, articles, and merchandise, mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/ and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision."

4.2.5.2 California

The Californian legislature passed the California Transparency in Supply Chains Act (CTSCA) in 2015. Companies subject to the act are large companies operating in California, with a turnover of over 100 million US dollars. The act requires that companies publish a supply chain disclosure report, accessible from their website frontpage. A company must address five topics in its supply chain disclosure (Harris 2015).

1. **Verification**. Companies must disclose how they engage in verifying product supply chains to evaluate and address risks of human trafficking and slavery. The disclosure must specify if a third party did not conduct the verification.
2. **Audits**. Companies must disclose how they conduct audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. The disclosure must specify if the verification was not an independent, unannounced audit.
3. **Certification**. Companies must disclose to what extent they require direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking in the country or countries where they are doing business.
4. **Internal Accountability**. Companies must disclose to what extent they maintain internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking.
5. **Training**. Companies must disclose to what extent they provide company employees and management, who have direct responsibility for supply chain management, training on human trafficking and slavery, particularly for mitigating risks within the supply chains of products.

4.2.6 Canada

The current approach developed by Canada relies on a ban on goods linked to forced labour, enforced by the Canada Border Services Agency, a prohibition in place after the ratification of the *Canada-United States-Mexico Agreement Implementation Act*. However, there are very limited guidelines for the CBSA to implement this ban (Pellerin, Scheitterlein and Farrel 2021).

The CBSA also requires that importers implement due diligence processes to evaluate the risk of forced labour in their supply chain. The legislation is currently revised, with several NGOs pushing for the adoption of stricter rules. These NGOs consider that the current due diligence process is not enforced properly, letting companies fill reports of good intentions.

4.2.7 Australia

In Australia, companies importing goods are subject to the Modern Slavery Act (2018): they must provide annual statements outlining their actions to address modern slavery risks in their global operations and supply chains. This requirement only applies to companies with an annual turnover of 100 million AUS$ (61 million EUR).

4.2.8 New Zealand

The New Zealand Ministry of Business, Innovation & Employment launched a "Plan of Action Against Forced Labour, People Trafficking and Slavery" in 2021[7]. This five-year plan reinforces New Zealand's approach to tackling forced labour in its economy, notably with the potential introduction of legislation requiring businesses to report publicly on transparency in supply chains.

A consultation process on Modern Slavery legislation was held in 2022. The key feature of the draft legislation was the implementation of a strong due diligence mechanism, graduated depending on the size of the companies based on annual revenue threshold (Dunn et al. 2022):

- All companies would be required to take reasonable and proportionate action if they become aware of modern slavery in their international operations and supply chains or modern slavery or worker exploitation in their domestic operations and supply chains. The parent or holding companies of, or companies with significant contractual control over a New Zealand entity, must undertake due diligence to prevent, mitigate and remedy modern slavery and worker exploitation. These obligations apply regardless of the entity's size and appear to extend to foreign entities.
- Medium (20-50 million NZ$ annual revenue[8]) and large (50 million NZ$ and above annual revenue) entities would also be required to disclose the steps they are taking to address modern slavery in their international operations and supply chains and modern slavery and worker exploitation in their domestic operations and supply chains.
- Large entities would also be required to undertake due diligence to prevent, mitigate and remedy modern slavery in their international operations and supply chains and modern slavery and worker exploitation in their domestic operations and supply chains.

4.3 Market-based initiatives

This section lists private initiatives that at least partially address the identification of forced labour in supply chains.

It should be noted that trade unions have been vocal in denouncing the absence of worker representation in several of these initiatives (see the joint declaration published by Europeche and ETF, section 4.1.4) or the work by Decker Sparks et al. (2022). Their key argument is the lack of worker representation in developing these tools and the perceived lack of worker-centric processes.

4.3.1 Rise

The Roadmap for Improving Seafood Ethics (RISE) is a collaborative and cross-sector approach to foster improvements in the global seafood industry. RISE brings together diverse stakeholders, including businesses, NGOs, governments, and academics. The initiative is led by a steering committee composed of industry leaders and experts and has received support from various organisations.

---

[7] New Zealand Ministry of Business, Innovation & Employment (2021) "Plan of Action Against Forced Labour, People Trafficking and Slavery". https://www.mbie.govt.nz/dmsdocument/13607-plan-of-action-against-forced-labour-people-trafficking-and-slavery-proactiverelease-pdf

[8] As at April 2023, 20-50 million NZ$ correspond to 11-28 million EUR

A defining characteristic of RISE is its tripartite focus on social responsibility, sustainability, and transparency. The initiative recognises that these three areas are interrelated and that progress in one area is contingent upon progress in the others. This integrated approach to sustainability sets RISE apart from other seafood sustainability initiatives that may focus on only one or two of these areas.

The focus on social responsibility reflects RISE's commitment to addressing human rights and labour conditions in fisheries and aquaculture supply chains. This includes forced labour, child labour, and unfair working conditions.

4.3.2   SRA

Developed by the Sustainable Fisheries Partnership (SFP), the Social Responsibility Assessment (SRA) is a tool designed to help seafood industry professionals assess and improve the social responsibility of their operations.

The SRA covers social responsibility issues, including labour rights, working conditions, human rights, community engagement, and environmental sustainability. The assessment process involves collecting and analysing data on these issues and engaging with stakeholders such as workers, local communities, and NGOs.

The SRA can be applied to both wild-caught and farmed seafood operations and different fisheries and aquaculture supply chain segments, from harvesters and processors to retailers and food service companies. The SRA can be a tool to identify areas for improvement and ultimately lead to the development of a Fishery Improvement Project (FIP).

4.3.3   Seafood Social Risk Tool (SSRT)

The Seafood Social Risk Tool (SSRT) was developed by the Sustainable Fisheries Partnership (SFP) in collaboration with a number of fisheries and aquaculture industry stakeholders, including fisheries and aquaculture companies, NGOs, and academic experts, and was launched in 2018.

The Seafood Social Risk Tool (SSRT) is a data-driven, quantitative risk assessment tool designed to identify and evaluate potential social risks associated with fisheries and aquaculture supply chains. It uses a multi-dimensional framework to assess the likelihood and severity of social risks, incorporating data on various factors such as labour conditions, human rights violations, and governance issues. The tool draws on publicly available data sources and employs statistical modelling techniques to generate risk scores for individual fisheries, aquaculture products, and entire supply chains. The SSRT is intended to assist seafood industry stakeholders in understanding and addressing social risks in their operations and to promote transparency and accountability in global fisheries and aquaculture supply chains.

4.3.4   Onboard Social Accountability (OSA)

Onboard Social Accountability (OSA) International Ltd is a recently established non-profit enterprise (April 2020) that aims to combat the mistreatment of workers in the fishing and aquaculture industry.
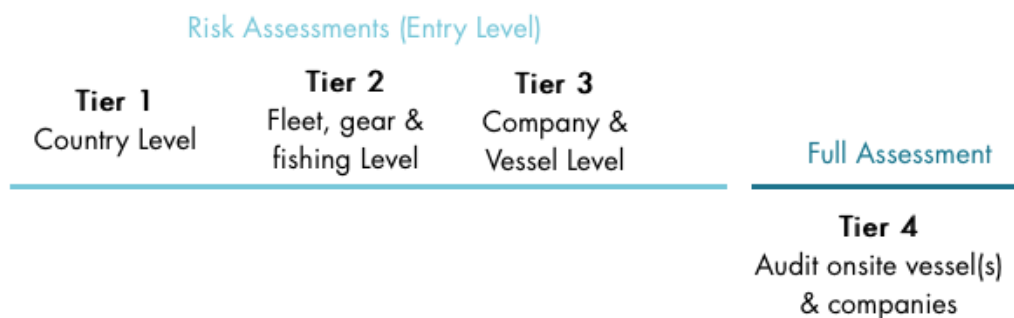
Figure 3: OSA Programme Approach (Source: http://www.osainternational.global/our-approach)

The Onboard Social Accountability (OSA) initiative can be applied to promote transparency, participation, and grievance redressal mechanisms in the fisheries and aquaculture industry. By implementing the OSA Technical Framework, fisheries and aquaculture companies can establish social accountability mechanisms to engage with stakeholders, address their concerns, and demonstrate their commitment to social responsibility and sustainability.

4.3.5 FisheryProgress: Human Rights Code of Conduct

The FisheryProgress Human Rights Code of Conduct outlines the principles and practices fisheries and aquaculture companies should follow to ensure that human rights are respected and protected throughout the fisheries and aquaculture supply chains. The Code covers labour standards, working conditions, health and safety, and freedom from discrimination and harassment. It is designed to promote sustainable fisheries and ensure that workers in the fisheries and aquaculture industry are treated fairly and with respect while complying with applicable laws and regulations related to labour and human rights.

4.3.6 Responsible Sourcing tool (RST)

The Responsible Sourcing Tool (RST) was developed by the United States Department of State's Office to Monitor and Combat Trafficking in Persons, collaborating with other US government agencies and non-governmental organisations like Vérité. It is an online resource developed by the US Department of State to help businesses and organisations ensure that their supply chains are free from forced labour and other human rights abuses. The RST includes various tools and resources, including guidance documents, checklists, and risk assessment tools, to help fisheries and aquaculture professionals identify and address potential risks in their supply chains.

Specifically for the fisheries and aquaculture industry, the RST offers specific guidance and resources related to fisheries and aquaculture products sourcing, processing, and distribution. These include detailed risk assessments for major seafood-producing countries and regions and guidance on assessing the risk of forced labour and other human rights abuses in fisheries and aquaculture supply chains.

4.3.7 The Sustainable Supply Chain Initiative (SSCI)

The Consumer Goods Forum (CGF) developed the Sustainable Supply Chain Initiative (SSCI). This global, multi-stakeholder program aims to promote responsible sourcing practices and improve the sustainability performance of supply chains across various industries, including fisheries and aquaculture.

The initiative is focused on developing a credible and robust benchmarking system for social and environmental certification schemes, standards, and codes of conduct that cover different

stages of the supply chain. The SSCI has partnered with the Global Seafood Sustainability Initiative (GSSI) to develop a specific framework for At-Sea operations.

4.3.8   Certifications

When it comes to certifications, there are different approaches, and the social dimension is often linked to certifications already established in the field of sustainable fisheries. However, the significance of the social dimension in these certifications can vary considerably from one certification to another. While attempts at comparative analysis can be found, they need to be more widely endorsed.

These are the principal fisheries and aquaculture certifications that encompass a social dimension:

- **The Responsible Fishing Vessel Standard (RFVS)** is a voluntary certification scheme for fishing vessels that promotes responsible and sustainable fishing practices. The standard covers a range of social, environmental, and safety issues, including crew welfare, safety, and the sustainable use of fish stocks. The RFVS was developed by Seafish, an industry body that supports the UK seafood industry. It is based on the International Labour Organization's (ILO) Work in Fishing Convention and other international standards.
- **The Fair Trade USA Capture Fisheries Standard** is a certification program that ensures fishing operations meet social, environmental, and economic standards to promote sustainable and ethical practices in the fishing industry. Fair Trade USA, a non-profit organisation, manages the program. Once certified, fishing operations can sell their Fair Trade-certified products at a premium price, which provides additional income to workers and supports community development projects.
- **The Marine Stewardship Council (MSC) certification** has established itself as an international entity that provides a robust and widely recognised standard for sustainable fishing. The MSC certification, renowned globally, is seen as an endorsement affirming that fishing operations are committed to environmentally sound practices and sustainability. Nevertheless, when addressing the social issues associated with the fisheries sector, notably forced labour, the approach and standards set by the MSC appear to be less comprehensive. The organisation's Chain of Custody Standard, revised in 2018, includes requirements concerning forced labour, child labour, and minimum wage compliance. The MSC Labour Eligibility Requirements consolidate existing MSC labour requirements into a single document and have been effective from the beginning of May 2023.
- **The Friend of the Sea (FOS) certification** is a voluntary scheme that promotes sustainable practices in the industry, including wild-caught and farmed seafood. This certification includes social criteria that require companies to respect human rights, provide decent working conditions, and support local communities in the industry.
- **The Aquaculture Stewardship Council (ASC) certification includes** social criteria to ensure that workers in the aquaculture industry are treated fairly and with respect, that companies engage with and support local communities, and that effective management systems are in place to manage ongoing compliance with social and environmental standards.
- **Best Aquaculture Practices (BAP)** is a certification program that promotes responsible and sustainable practices in the aquaculture industry. The BAP certification covers a range of environmental, social, and animal welfare criteria. On the social side, BAP requires that certified companies have policies and practices in place to manage the health and safety

of their workers, as well as fair labour practices and non-discrimination policies. BAP covers the production (fishmeal, hatcheries and farms) but also the processing stage.

- **GLOBALG.A.P.** is a certification program that ensures safe and sustainable agricultural practices, including aquaculture. The program has social criteria that require certified companies to comply with relevant labour laws and regulations, promote worker health and safety, and engage with and support local communities. Companies must also have effective management systems to comply with social, environmental, and food safety criteria.

- **SMETA (Sedex Members Ethical Trade Audit)** is an audit methodology developed by Sedex, a global membership organisation that aims to promote ethical and responsible business practices in multi-supply chains. SMETA can be applied to fishing boats, vessels, and farms to assess compliance with social and ethical standards in the industry. SMETA audits for fishing boats and aquaculture typically assess a range of social criteria, including worker rights, working conditions, and health and safety on board the vessel.

- **AMFORI** is a business association promoting responsible sourcing policies. AMFORI develops tools, capacity-building and a collaborative platform for businesses to better understand social and environmental risks within their supply chains. AMFORI provides auditing and certification programs to assess suppliers' compliance with ethical labour standards (BSCI) and environmental best practices (BEPI). These initiatives aim to identify and mitigate the risks of forced labour. Additionally, they offer capacity-building programs to educate companies on responsible sourcing practices.

4.4 Databases

4.4.1 Global Slavery Index

The NGO Walk Free developed the Global Slavery Index, last published in 2018. There is only one iteration of the fisheries-specific database, produced in 2018, and there doesn't seem to be any plan for a routine update of most of the underlying indicators. This index is built using a risk matrix approach: countries are classed based on various publicly available indicators, summarised in three components:

- The prevalence component, with an estimation of the number of people in modern slavery
- The vulnerability component is based on the combination of 36 indicators covering five factors: 1- Governance Issues, 2- Nourishment and Access, 3- Inequality, 4- Disenfranchised Groups and 5- Effects of Conflict.
- The Government response component summarises how governments are taking
  - milestone 1: survivors of slavery are supported to exit slavery and empowered to break the cycle of vulnerability;
  - milestone 2: effective criminal justice responses are in place in every jurisdiction;
  - milestone 3: effective and measurable national action plans are implemented and fully funded in every country;
  - milestone 4: laws, policies and programs address attitudes, social systems and institutions that create vulnerability and enable slavery;
  - milestone 5: governments stop sourcing goods or services linked to modern slavery.

A specific index has been estimated for fishing operations based on six indicators:

1. The percentage of national catch caught outside a country's Exclusive Economic Zone (EEZ) with higher values indicates greater vulnerability.
2. The mean distance (km) from a fishing country to the location of the catch is calculated at a resolution of 0.25 degrees and weighted by tonnes caught in each cell, with greater distances indicating greater vulnerability.
3. The percentage of harmful subsidies as a percentage of the total (2009) landed value of the fishery.
4. Per capita GDP based on purchasing power parity in 2016 US$ as an indicator of relative national wealth with higher values indicating lower vulnerability.
5. The value of the fishery per fisher (US$) as an indicator of the average return to fishers within the sector. The team building the indicator averaged the value of reported industrial fisheries catch between 2005-2014 and divided this number by the estimated number of individuals employed in industrial fisheries in 2003, as more recent data were unavailable, with higher values indicating lower vulnerability.
6. The percentage of unreported fish catch divided by the total of all catch reported and unreported for industrial fishing as an indicator of governance and effective fisheries management, with higher values indicating greater vulnerability.

Each indicator is categorised depending on specific parameters (Table 1) and indicators are then regrouped into two key components:

- The "National Fisheries Policy" component summarises the three first indicators.
- The three last indicators constitute the "Wealth and Institutional Capacity" component.

Each component is estimated by averaging the category values for each indicator. Countries are then ranked according to the final score based on a traffic light system: Components with a score below two are considered green, from 2 to 3 amber, and red for all scores of 3 and above.

Table 1: Parameters used to determine a country's rating for each of the six characteristics in the Global Slavery Index

Fishery characteristic	Category			
	1	2	3	4
1 Outside EEZ (%)	< 5%	5 - 29%	30 - 69%	> 70%
2 Distance to fishing grounds (km)	< 150	150 - 500	500 - 1300	> 1300
3 Harmful subsidies (%)	< 1%	1 - 5%	6 - 20%	> 20%
4 Per capita GDP (US$)	> $50 000	$17 000 - $49 000	$7 000 - $16 999	< $7 000
5 Value per fisher (US$)	> $25 000	$4 000 - $25 000	$1 000 - $3 999	< $1 000
6 Unreported catch (%)	0%	1 - 15%	16 - 40%	> 40%

Study on Forced Labour in the Fisheries and Aquaculture Market

However, the construction of this index hasn't followed what would be considered best practices:

- no trade union is mentioned to have been involved in the process,
- some of the underlying assumptions are subject to heated debate, such as the potential link between harmful subsidies and forced labour,
- the construction of some variables is too broad and oversimplistic, such as the share of activities in EEZ, which is complex to estimate.

This results in perceived incoherencies in the ranking of several countries in the final table, highlighting the complexity of creating such indices. It should be noted that, despite its limitations, the Global Slavery Index for fisheries is the only tool specific to the fishing sector.

4.4.2   Fragile State Index

FFP, a US-based NGO, developed the Fragile State Index (FFP stands for Fund For Peace). It consists of a risk matrix to assess the level of political and economic fragility for 179 countries. FFP has updated its database annually since 2006, which would allow referencing some of the indicators in a regular due diligence process. The current risk matrix is based on the ranking and weighing of 12 synthetic indicators, some of which are derived from public databases.

4.4.3   The University of Pennsylvania labour rights indicators

Researchers from the University of Pennsylvania have developed a method to determine a synthetic indicator of country-level compliance with freedom of association and collective bargaining rights that is comparable between countries and over time. Built on 108 underlying variables, the indicator values are however not updated regularly (last iteration in 2017). The method is however very precise and could be replicated[9].

4.4.4   Databases produced by the US administrations

Most of the initiatives developing risk assessment are based on databases developed and maintained by several US federal administrations, such as:

- The US Department of State Trafficking in Persons Report: since 2001, the Office to Monitor and Combat Trafficking in Persons has released annually a report detailing how each country fights human trafficking. The report is accompanied by a list of countries classed in three tiers:
  - Tier 1: countries whose governments fully comply with the Act's minimum standards for eliminating trafficking.
  - Tier 2: countries whose governments do not fully comply with those standards but are making "significant efforts to bring themselves into compliance" with them. This tier is divided into two subgroups: Tier 2 and Tier 2
  - Tier 3: countries whose governments do not fully comply with those standards and are not making "significant efforts to bring themselves into compliance".
- The list of goods produced by child labour or forced labour, maintained by the Bureau of International Labor Affairs (ILAB), is a repository of goods and their source countries, as required under the Trafficking Victims Protection Reauthorization Act (TVPRA). There are currently 16 countries for which fisheries and aquaculture products have

---

[9] https://labour-rights-indicators.la.psu.edu/docs/Method_paper.pdf

been identified to be associated with child labour and 6 with forced labour (as at June 2022 – see Table 2).

Table 2: List of countries and goods identified by the US Department of Labour

COUNTRY/AREA	GOODS	CHILD LABOUR	FORCED LABOUR
Bangladesh	Dried Fish	X	X
Brazil	Fish	X	
Cambodia	Fish	X	
China	Fish		X
El Salvador	Shellfish	X	
Ghana	Fish Tilapia (Fish)	X	X
Honduras	Lobsters	X	
Indonesia	Fish	X	X
Kenya	Fish	X	
Nicaragua	Shellfish	X	
Paraguay	Fish	X	
Peru	Fish	X	
Philippines	Fish	X	
Taiwan	Fish		X
Tanzania	Nile Perch (fish)	X	
Thailand	Fish		X
Uganda	Fish	X	
Vietnam	Fish	X	
Yemen	Fish	X	

5   Development of a risk matrix

5.1   Existing risk matrix

The development of risk matrixes by trade groups to identify where forced labour may occur is very recent. During this research, the tool developed by the sustainable initiative Better Cotton[10] was the only risk matrix identified partly in the public domain:

The Better Cotton approach consists in developing a scoring based on variables from existing databases:

- The Global Slavery Index
- The Fragile States Index
- The University of Pennsylvania Labor Rights Indicators
- The US Department of Labor List of Goods Produced by Child Labor
- The US Department of State Trafficking in Persons Report
- The YESS Methodology (this tool is not in the public domain)

For each database, a certain number of variables are selected and receive a specific weight to reflect the importance of the factor from the perspective of the Cotton Industry.

This approach is completed by the elaboration of a specific questionnaire maintained by the initiative, reflecting specific risk factors for the cotton sector that would not be identifiable in public databases:

1. Does cotton production mostly rely on manual labour for any of the following activities: land preparation, sowing, weeding, or harvest?
2. Do most (over half of) cotton farms rely on seasonal or temporary workers at some point during the season (i.e. harvest)?
3. Do workers often (at least 25% of workers in a Producer Unit/Large Farm) travel from different regions/provinces/states for the purpose of working on cotton farms?
4. Do international migrants often (at least 25% of workers in a Producer Unit/Large Farm) work on cotton farms?
5. Is accommodation usually provided to workers by farmers or labour recruiters?
6. Are workers provided loans or wage advances by farmers or labour recruiters?
7. Are labour recruiters typically (in at least 25% of cases) involved in hiring or supplying workers for cotton production?
8. Are there groups of workers working on cotton farms who speak a different language or belong to a different religious, ethnic, or social group than their employers?
9. Have there been reported instances of the worst forms of child labour on cotton farms? Reports can come from BCI assessments or other sources.
10. Were there any reports of forced labour in licensing assessments from the most recent season?

These questions are expected to be answered nationally by an expert group, ideally once a year to reflect potential changes. The final score is a combination of the weighted score obtained from the existing databases (for 60% weight) and of the questionnaire maintained by the initiative (40% weight). This approach could be replicated at the European level for the fisheries and aquaculture products sector, but the process heavily relies on ad-hoc expert

---

[10] http://bettercotton.org/wp-content/uploads/2021/10/Global-Forced-Labour-Risk-Assessment-Methodology.pdf

knowledge, notably for the questionnaire and the weighting exercise. It is however not expected that the database proposed in the legislation follows this approach: it would need ad-hoc expert groups for all major sectors to

5.2   Dimensions to be considered in a risk matrix

Developing a comprehensive risk matrix applicable to all commodities trade in Europe, irrespective of their origin, is daunting. For the fisheries and aquaculture products only, three sub-matrices could be considered if they were to be applied at a global scale: two-sub matrices for the production step: one for fisheries and one for aquaculture, and one sub-matrix for the processing step. Key variables underlying the risk matrixes could be identical, but with different weights, depending on the guidance of sectoral specialists.

The different tools identified in section 4.3 have all in common to rely on variables created for the purpose of the tools, or to use such indicators. None of these indicators is directly derived from any public database but is the result of extensive research sometimes involving several experts to analyse national legislations, civil society reports and court files.

The University of Pennsylvania labour rights indicator is for example based on 108 underlying variables developed by an economist and a lawyer. All these variables require a specific ranking exercise using comparable sources for all countries. Once the variables are set, a weighing exercise involving several experts was performed using the Delphi method, a structured communication approach allowing a group of experts to converge on a consensus.

For the purpose of this study, an illustrative matrix was built using 18 indicators:

1. US State Dept - 2022 Trafficking in Persons Report
2. US Labor Dept - Child Labour in Seafood
3. US Labor Dept - Forced Labour in Seafood
4. US Labor Dept – Child and Forced Labour in Seafood combined
5. Corruption perceptions Index 2022
6. Global Slavery Index Fishing - Policy
7. Global Slavery Index Fishing - Economics & Governance
8. Global Slavery Index - Prevalence
9. Global Slavery Index - Governance Issues
10. Global Slavery Index - Nourishment and Access
11. Global Slavery Index - Inequality
12. Global Slavery Index - Disenfranchised Groups
13. Global Slavery Index - Effects of Conflict
14. Global Slavery Index - Final overall
15. Fragile State Index - P3 Human rights and rule of law
16. Fragile State Index - E2 Uneven economic development
17. Fragile State Index - S2 Refugees and IDPs
18. University of Pennsilvania - Labor right indicators

This list is used as an illustration of how a risk dataset could be built and used. The 18 variables are included, sometimes recoded (from textual to numeric coding) and normalised on a scale from 0 (high risk) to 10 (low risk). Combining them generates an aggregate risk score from 0 (high risk) to 10 (low risk). The final score is recoded in risk categories, to facilitate the final reading: very high risk from 0 to 2 (black), high risk from 2 to 4 (red), medium risk from 4 to 6 (amber) and low risk above 6 (green).

An Excel spreadsheet is published as an annexe of this report, for readers to test their own weight structure. Testing different weight structures allows the user to understand some of the complexity associated with such an approach, as final scores are heavily dependent on:

- the recoding rules for qualitative information,
- the inclusion/exclusion of key variables,
- the weight structure considered,
- the thresholds for the final scale.

5.3   Interest and limits of a risk matrix

Developing a risk matrix approach requires considering several dimensions:

Convergence: The ability for all stakeholders to agree on the list of variables and the weighing system allowing the systematic ranking of countries and products. Although this may seem technical, the Excel tool provides examples of various weight structures and how they may impact the final scores.

The availability of updated information to develop the matrix: during this research, it has been highlighted that several of the existing indicators currently promoted by private initiatives are at best maintained irregularly, like the University of Pennsylvania labour right indicators or a unique exercise, such as some of the variable used to build the Global Slavery Index indicators on fisheries. Some of these variables are also built on other tools: some of the variables developed for the Fragile State Index are used in other tools. Overall, this process questions the validity of the data used and the applicability of such an approach at the European level.

Availability of sectoral-specific information: forced labour is a widespread problem but has sectoral specificities. Identifying potential hotspots requires to develop of sectoral-specific approaches which may be complex to achieve. For the fisheries sector, the unique risk analysis exercise has been achieved by the Global Slavery Index with the construction of a fisheries-specific index.

Collinearity and bias: Developing a risk matrix requires including variables that are unbiased and adding information. Collinearity is one of the key issues associated with the potential matrix, lowering the potential to discriminate risks. Collinearity also increases the costs for maintaining the database.

The chicken and egg issue: Some variables used in risk analysis are linked to the past detection of forced labour in specific supply chains. For example, the list of goods produced by child labour or forced labour, maintained by the Bureau of International Labor Affairs (ILAB), will only flag situations where the US Customs have already documented forced labour. Replicating this type of list at the European level will generate the same identification problem: a duo product - country would only be considered of high risk if a case has been identified.

Interpreting a score: the final scores obtained have to be considered carefully, like risk probabilities: there may be more chance to identify forced labour for cases with a low score, but the scoring exercise is essentially highlighting situations that may be more problematic, allowing a prioritisation for agencies to identify where to look, but may not be sufficient to identify where forced labour is actually occurring.

6 Economic analysis

6.1 Size of the market considered

We used the trade data as recorded by EUMOFA to develop this analysis. We downloaded the data for all extra-EU imports between 2018 and 2022. We have calculated the average annual trade over the 5-year period, with a specific correction for the trade originating from the UK which is only accounted as extra-EU trade since 2020. On average during that period, the EU imported fisheries and aquaculture products for an annual total of 27.2 billion euros, with the five key countries (Norway, China, United Kingdom, Morocco and Ecuador) representing nearly 50% of the imported value (Figure 4). The 20 first trade partners concentrate just over 80% of the value of fisheries and aquaculture products imports.
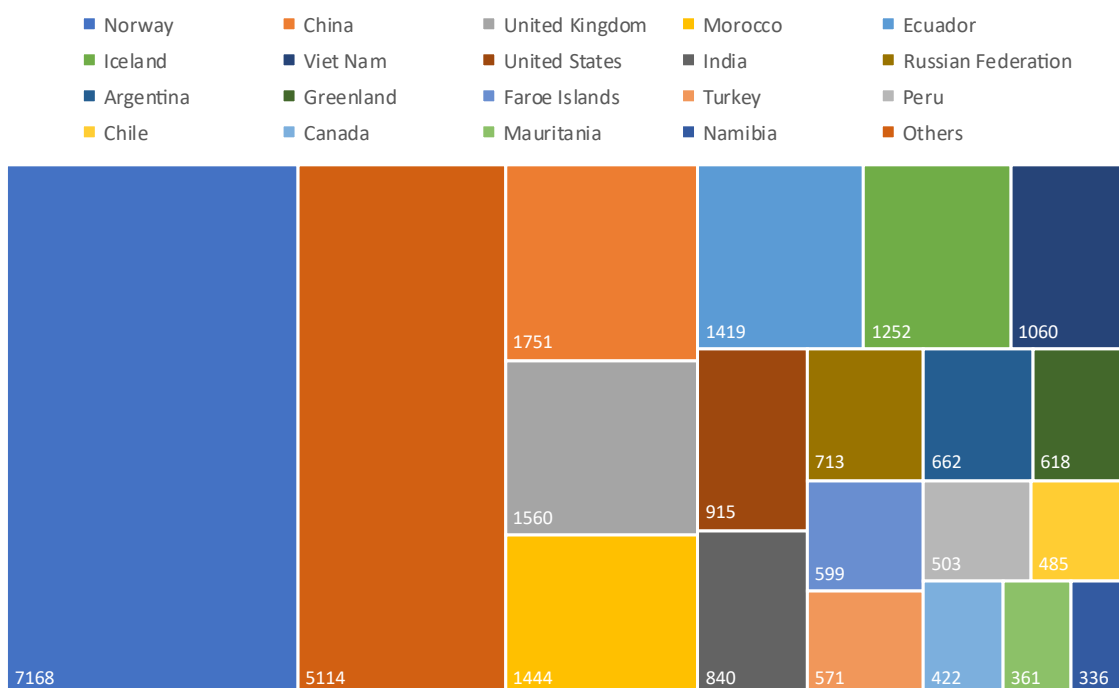
Figure 4: Main fisheries and aquaculture products trade partners for the EU between 2018 and 2022 - figures are annual average trade in millions of euros

In terms of commodity groups, the salmonids group (mainly salmon) represents 25% of the value imported into the EU, followed by the crustaceans group (18% of the value, mainly shrimp) and the groundfish (17% of the value, mainly gadoids) groups. With the Tuna (11% of the value) and the cepahlopods (9% of the value) groups, this represents 80% of the value imported in the EU (Figure 5).

Legend:
- ■ Salmonids
- ■ Crustaceans
- ■ Groundfish
- ■ Tuna and tuna-like species
- ■ Cephalopods
- ■ Other marine fish
- ■ Non-food use
- ■ Small pelagics
- ■ Bivalves and other molluscs
- ■ Misc aquatic products
- ■ Freshwater fish
- ■ Flatfish
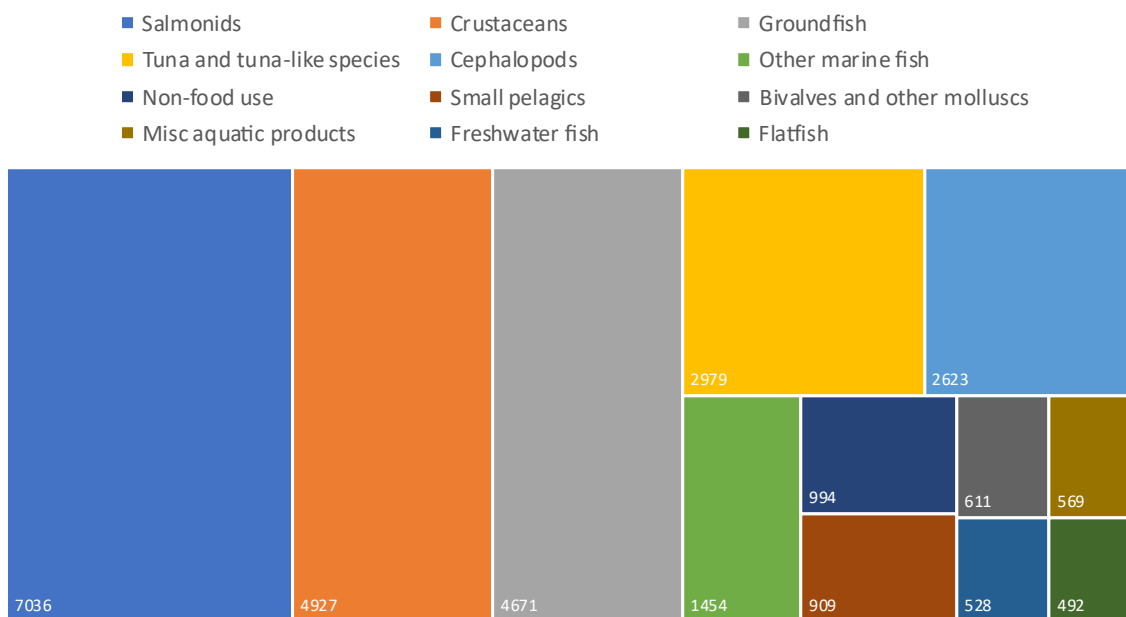
Figure 5: Main fisheries and aquaculture products commodity groups imported into the EU between 2018 and 2022 - figures are average annual trade in millions of euros

6.2 Application of the risk matrix to the EU trade

As mentioned in section 5.3, building a matrix at the country-product type level leads to the definition of large groups with high-risk of forced labour associated. This is the result of the absence of company information associated with the risk analysis, leading to the classification of entire countries in the same risk group, irrespectively of company practices. This is also the result of an imperfect weighting exercise: building the database and developing the sectoral weighting should follow a long co-construction exercise.

The analysis has been built using an illustrative combination to provide an example of weight structure to estimate risk levels for the processing countries (Table 3). The final score obtained is comprised between 0 (high risk) and 10 (low risk), with the ranking of the final score in four groups thresholds (Black from 0 to 2, Red from 2 to 4, Amber from 4 to 6 and Green above 6).

Table 3: example of weight structure to estimate risk levels for processing countries

VARIABLE	Weigth
US State Dept - 2022 Trafficking in Persons Report	15,0%
Corruption perceptions Index 2022	35,0%
GSI Prevalence	10,0%
GSI Effects of Conflict	10,0%
Fragile State Index P3 Human rights and rule of law	7,5%
Fragile State Index E2 Uneven economic development	7,5%
Fragile State Index S2 Refugees and IDPs	5,0%
University of Pennsilvania - Labor right indicator	10,0%

Using this weight structure and these thresholds allows to identify cases where the chances of identifying forced labour are higher (see section 0 for the top cases and Table 4 for the ranking of the commodity groups). As mentioned before, it is essential to note that

1- the results obtained are highly dependent on the method employed, notably the thresholds and the weight structure: with the current weight structure and the thresholds implemented, 19% of the product value imported into the EU would be classed with a high or a very high risk, from a processing perspective.

2- the results are only indications of potential risks, not actual risks: developing a database limited to countries and species is forcing the analysis towards the classification of entire countries into identical risk categories.

With the weight structure employed, tuna products and freshwater fish are the ones that are associated with a larger risk at the processing level, followed by cephalopods, groundfish and crustacean.

Table 4: Forced labour ranking for the commodity groups imported into the EU. Value imported in million euros

Commodity groups	Green	Amber	Red	Black	No data	% of red + black
Salmonids	6827	1	195	0	0	3%
Crustaceans	2030	1821	1039	1	2	21%
Groundfish	3287	31	1343	0	7	29%
Tuna and tuna-like species	217	1419	988	2	1	38%
Cephalopods	1456	152	790	6	217	30%
Other marine fish	1075	94	244	1	1	17%
Non-food use	826	90	69	1	0	7%
Small pelagics	866	8	33	0	0	4%
Bivalves and other molluscs and aquatic invertebrates	495	103	10	0	0	2%
Miscellaneous aquatic products	349	79	99	0	0	19%
Flatfish	387	2	103		0	21%
Freshwater fish	58	209	197	7	0	43%
Total	17873	4009	5109	18	229	
	66%	15%	19%	0%	1%	

Table 5: Top 20 species identified for the processing risk using the illustrative example

	Green	Amber	Red	Black	No data	Total	% of Red and Black
Cod	1704	13	696	0	0	2414	29%
Tuna, skipjack	32	746	580	0	0	1358	43%
Shrimp, warmwater	78	1406	579	0	1	2064	28%
Alaska pollock	264	7	539	0	0	811	66%
Squid	413	30	388	0	217	1048	37%
Shrimp, misc	1051	369	334	0	0	1754	19%
Tuna, yellowfin	55	350	278	0	0	683	41%
Other cephalopods	215	39	258	0	0	512	50%
Other marine fish	623	86	223	1	1	934	24%
Salmon	6650	1	194	0	0	6844	3%
Octopus	680	77	107	6	0	870	13%
Other flatfish	69	2	97	0	0	167	58%
Other freshwater fish	44	42	82	1	0	169	49%
Tuna, misc	47	259	70	0	0	376	19%
Nile perch	0	0	50	5	0	55	100%
Other crustaceans	15	4	54	0	0	73	74%
Tilapia	0	13	50	0	0	63	79%
Surimi	126	16	50	0	0	193	26%
Swordfish	35	38	45	2	0	120	39%
Other non-food use	140	60	45	1	0	246	19%

6.3   Lessons learned

It is essential to remember that the matrix developed for this study and the associated weighting process is an example proposed by two consultants and not the result of a dialogue organised at the EU level. Several important key questions should at least be discussed by a wider audience (companies, trade unions, trade associations, relevant administrations, NGOs) during the database construction process. This doesn't imply that the database construction and the weighting exercise should emerge from a consensus-based decision-making process as this may be extremely complex if all EU sectors had to be consulted but the process should be inclusive and transparent for stakeholders to adhere to it. The discussion should notably encompass two key questions:

- Which information is to be included: which database to include or not.
- How to weigh the information gathered in the database: all the examples listed in this study imply an explicit process of weight definition.

Moreover, it is important to remember that using only country-level information will only lead to the identification of potential risks, addressing only partially the identification process required. National authorities will need to obtain this company-level information as part of their investigations to identify forced labour instances properly. Using the example of the Onboard Social Accountability (OSA) (see section 4.3.4), it is striking to see that the proposed approach set up in the draft regulation only covers the two first steps of the OSA method (see figure 3).

Finally, the database construction process is expected to be time and resource-consuming. From a value-for-money perspective, risk levels for countries could emerge from an expert group: the list obtained by convening a group of fisheries and aquaculture products specialists is expected to be very close to the countries identified in the previous sections.

7   Recommendations

In this study, focusing on the proposed regulation to eliminate forced labour from European products, with particular attention to the fishing and aquaculture sector, we highlight several recommendations to guide the European Commission's actions.

1- **Engaging with international partners:** This involves, in particular, advocating for the ratification of ILO Convention 188 and strengthening bilateral and multilateral engagement.

2- **Insuring the availability of up-to-date information**: The complexity of forced labour requires reliable and up-to-date information. In this respect, the European Union should play a key role in constructing and maintaining comprehensive databases on social and environmental issues.

3- **Developing a severity scale:** enabling all public and private stakeholders to graduate and better comprehend the nature of this exploitation.

4- **Ensuring a transparent approach:** Building trust among all stakeholders is crucial for implementing the proposed regulation. It consists notably of openly communicating the methodologies developed and the outcome of the investigations. This could be implemented by establishing a transparent list of companies linked to forced labour and creating a mechanism to demonstrate compliance.

5- **Improving the links with the Corporate Sustainability Due Diligence Directive** is essential to improve the detection of forced labour and guarantee the compliance of supply chains. This could be achieved by ensuring that results of investigations are available to companies to feed their due diligence processes.

These recommendations provide a framework for a more effective and nuanced regulation capable of combating forced labour while recognising the efforts of businesses to maintain ethical supply chains free from any form of exploitation.

7.1   Engaging with international partners

Pushing for the ratification of ILO Convention 188.

The ratification of the International Labour Organization's Convention No. 188 consists of the minimal action each nation should undertake to tackle forced labour in fisheries. It represents the foundation of all legislative frameworks applied to the fisheries sector at the international and European levels. Nonetheless, the level of ratification of ILO C188 is very low, with several key fishing nations not part of the signatories. The situation is similar within Europe, where only a few member states have ratified the convention. Countries need to accelerate the ratification of the International Labour Organization's Convention No. 188, which sets out guidelines for protecting workers in the fishing sector. Given the prevalence of forced labour in the fishing sector, the EU should encourage Member States and Third Countries for the ratification and implementation of the convention, making it a precondition for enforcing its forced labour proposal. This would help ensure a level playing field for all actors in the fisheries sector while protecting the rights and well-being of workers in this vulnerable sector.

Strengthening bilateral and multilateral engagement.

As the European Commission considers the proposal to ban forced labour in products across Europe, it is crucial to recognise that the issue of forced labour transcends national borders and requires robust international collaboration.

The European Commission should actively engage at the international level with existing international organisations such as the International Labour Organization (ILO), the United Nations (UN), and the World Trade Organization (WTO) to encourage other countries and trade blocks to follow the same legislative route combining a strengthening on due diligence and the ban of goods tainted with forced labour.

The European Commission should also actively integrate the issue of forced labour in the bilateral discussions with third countries. The Commission should establish mechanisms to facilitate formal engagement to address root issues of forced labour through capacity building, the development of specific action plans. The proposal could be strengthened in this regard, building on examples like the IUU Regulation which enables enhanced cooperation between the European Commission and third countries through its carding system.

7.2 Insuring the availability of up-to-date information

Establish a dedicated organisation for the maintenance and management of comprehensive databases on both social and environmental issues.

One of the key challenges for effectively enforcing the regulation is the coordination among Member States. The draft regulation seems to imply a decentralised approach with a mechanism for National Authorities to take the lead on specific sectors or good categories. Establishing a dedicated organisation to coordinate national authorities' interventions would however limit duplications and potential blind spots.

This organisation would play a crucial role in enabling national authorities to create a shared information platform, adhering to international standards upon which they can base their investigations. The organisation should promote international collaboration and information sharing by establishing cooperative mechanisms with global organisations and initiatives such as the International Labour Organization (ILO), the United Nations (UN), and other relevant entities. International collaboration would facilitate the establishment of common standards and protocols for data collection, analysis, and sharing regarding forced labour and environmental concerns. This would ensure the harmonisation of collected data and facilitate international comparisons, enhancing the effectiveness of measures taken to combat forced labour.

Developing more nuanced approaches to risk assessment, considering the nature of forced labour.

The hidden nature of forced labour is challenging for developing comprehensive databases to detect forced labour hotspots. Forced labour is present in one form or another in all regions of the globe, and current databases are often built on confirmed cases of forced labour. As a result, a region may appear free of forced labour simply because there is a lack of means to detect the issue. The complexity and variability of forced labour mean that different regions may face distinct forms of forced labour, making it difficult to generalise across different contexts. Developing more nuanced approaches to risk assessment is critical to better capture the full spectrum of forced labour and its complexities. This will require engaging with various stakeholders, including affected communities, civil society organisations, trade unions and international organisations, to develop a more comprehensive understanding of the drivers and manifestations of forced labour in different regions worldwide.

7.3   Developing a severity scale

The current databases tend to treat all types of labour crimes related to forced labour equally, without considering a scale of severity. As a result, it may be challenging to identify and address the most severe cases of forced labour, thus avoiding the stigmatisation of specific actors or sectors by comparing lesser offences (or crimes) to those resembling slavery that affect different actors or sectors. To address these challenges, the European Union should propose, in consultation with stakeholders, trade unions and NGOs, its severity scale for forced labour. The Delphi scorecard partially answers this process but can only be applied during the investigation of specific cases or the implementation of due diligence processes. It is however inapplicable in a national-level risk analysis.

This scale would enable more nuanced and context-specific assessments of hotspots at the international level and help differentiate between cases of forced labour with different levels of severity, enabling better prioritisation of interventions and prevention measures. The proposed severity scale should be developed in consultation with stakeholders from different countries and cultures to ensure a shared understanding of the issue and build consensus around a common set of definitions. This would help ensure that the scale reflects the nuances and complexities of forced labour in different regions and industries and that it is not biased towards any perspective. In addition, the EU should encourage the development of localised databases and risk assessment tools that consider the specificities of the regions and sectors in which they operate. This would help ensure that the risk assessments enable effective implementation of preventive measures against forced labour.

Developing a scale of severity for forced labour in consultation with stakeholders and encouraging the development of localised risk assessment tools is essential to address the limitations of current risk assessment methods and to promote more effective interventions and prevention measures against forced labour.

From an operational perspective, it will also be necessary for national authorities to prioritise their actions, as available resources are de facto limited. Agreeing on a severity scale would in this case provide guidance on the prioritisation implemented in each member state.

7.4   Ensuring a transparent approach

Enhancing transparency and stakeholder engagement in the regulation.

Transparency plays a vital role in building trust, ensuring accountability, and fostering broad support for the regulation. The European Commission should commit to a transparent approach by disclosing relevant information, research, and data that inform the regulation's development. This includes providing accessible communication channels, such as dedicated websites and regular progress reports, to disseminate updates and engage stakeholders effectively.

Moreover, the Commission should actively seek input from all relevant parties, focusing on engaging private actors who play a central role in supply chains. Involving businesses, industry associations, and supply chain stakeholders through public consultations, working groups, and public-private partnerships will leverage their expertise and resources. This collaborative approach would ensure the regulation aligns with business realities, encourage innovative solutions, and promote ownership among key stakeholders.

Multi-stakeholder dialogue is essential in addressing the complex challenges associated with forced labour in supply chains. The Commission should facilitate platforms for meaningful engagement, bringing together public authorities, private actors, civil society organisations, and other stakeholders. These dialogues create opportunities for open discussions, knowledge sharing, and the development of comprehensive strategies that can effectively combat forced labour.

In addition to engagement, robust monitoring mechanisms should be established to track the implementation and impact of the regulation. Regular assessments, data collection, and reporting on compliance are essential to ensure accountability and identify areas for improvement. The Commission should also conduct periodic reviews of the regulation to assess its effectiveness and adapt it to evolving risks and realities. Engaging stakeholders in these review processes is crucial to gathering their perspectives and insights, ensuring continuous refinement and alignment with the changing landscape.

Ensuring transparency in investigations.

Transparency is an essential feature of the investigative process to effectively enforce the proposed regulation and address instances of forced labour in goods sold in the EU internal market.

To achieve this, the European Commission should establish clear guidelines and protocols for conducting investigations into suspected cases of forced labour. These guidelines should outline the steps, methodologies, and criteria to follow during the investigation process. These guidelines should emphasise the importance of transparency without compromising the necessary confidentiality of ongoing investigations. Additionally, authorities conducting these investigations should be open to receiving requests and information from individuals, trade unions and non-governmental organisations (NGOs) who may have relevant evidence or concerns related to forced labour. By encouraging the input of external stakeholders, the investigative process would become more comprehensive and diverse, ensuring a thorough examination of potential labour exploitation.

Transparency should be ensured at least by publishing the investigation's results. The European Commission should adopt a standardised approach to releasing investigation reports or summaries, making them publicly available. This would allow for greater accountability and allow stakeholders, including the public, to be informed about the findings and actions taken following these investigations.

7.5   Improving the links with the Corporate Sustainability Due Diligence Directive

Establishing a transparent list of companies formally condemned for forced labour practices.

To ensure effective due diligence measures and enable businesses to take credible action against forced labour, it is crucial to establish and maintain a transparent list of companies identified as being formally condemned for engaging in practices classified as forced labour.

The European Commission should lead in establishing the list and collaborating with relevant stakeholders, including government agencies, non-governmental organisations (NGOs), and trade unions. Such a collaborative approach would help maintain the accuracy and relevance of the list over time.

The Commission should ensure that identifying and evaluating companies for inclusion is transparent, accountable, and based on robust evidence. This would include documenting the

methodology, data sources, and verification procedures to determine a company's association with forced labour.

The list should be regularly updated to reflect new information and emerging trends in forced labour practices. The Commission should establish ongoing monitoring and evaluation mechanisms, engaging with relevant stakeholders to gather inputs and feedback on identified companies.

The Commission should publish the list on an accessible and dedicated platform, providing detailed information about each listed company's involvement in forced labour practices. This would allow businesses to exercise caution when entering partnerships or engaging in supply chains with these companies, and it would serve as a valuable resource for conducting effective supply chain risk assessments.

The Commission should guide businesses in effectively utilising the list in their due diligence processes. This could include best practices, risk mitigation strategies, and resources for engaging with listed companies to encourage them to take corrective actions.

Establishing a transparent mechanism for companies to demonstrate compliance and exit the list of companies formally condemned for forced labour practices.

To promote accountability and incentivise companies to address forced labour concerns, the European Commission should establish a transparent mechanism that allows operators on the list of companies formally condemned for engaging in practices classified as forced labour to demonstrate compliance and exit the list.

The European Commission should develop clear guidelines and criteria for companies to follow to demonstrate their compliance with the regulations and effectively address forced labour within their operations and supply chains. These guidelines should provide specific actions and measures companies can undertake to rectify any identified issues and improve their practices. Transparency should be ensured in developing these guidelines, with input from relevant stakeholders, including labour organisations, human rights advocates, and industry experts.

Companies should be allowed to submit evidence and documentation to the Commission, demonstrating their compliance with the established criteria and efforts to address forced labour risks effectively. This evidence could include audits, certifications, and other relevant information that validate their commitment to ethical practices and the elimination of forced labour. The Commission should establish a clear process for reviewing and evaluating this evidence, ensuring it is done impartially and transparently.

Conclusions regarding a company's removal from the list should be publicly accessible to both public and private parties. The Commission should publish these conclusions on its official platforms, clearly outlining the rationale and evidence supporting the decision. This transparency would promote trust, allow other stakeholders to evaluate the effectiveness of the company's remediation efforts, and encourage continuous improvement in combating forced labour.

Moreover, the Commission should guide and support companies throughout the compliance verification and exit process. This could include offering resources, best practices, and expertise to help companies strengthen their due diligence systems, engage with stakeholders, and implement sustainable measures to prevent forced labour.

8   References

Allain, J. and Schwartz, K. (2020). "Antislavery in domestic legislation". Database available at https://antislaverylaw.ac.uk/

Business & Human Rights Resource Centre (2021). "Modern Slavery Act: Five years of reporting. Conclusions from monitoring corporate disclosure". https://media.business-humanrights.org/media/documents/MSR_Embargoed.pdf

Decker Sparks J. L., Matthews L., Cárdenas D., Williams C. (2022). "Worker-less social responsibility: How the proliferation of voluntary labour governance tools in seafood marginalise the workers they claim to protect". Marine Policy, Volume 139, 105044, https://doi.org/10.1016/j.marpol.2022.105044 .

Dunn K., Beaumont I., Carey P., McIndoe I. (2022) "New Modern Slavery Legislation for New Zealand". Russell McVeagh. https://www.russellmcveagh.com/insights/april-2022/new-modern-slavery-legislation-for-new-zealand

EJF (2019). "BLOOD AND WATER: Human rights abuse in the global seafood industry". https://ejfoundation.org/resources/downloads/Blood-water-06-2019-final.pdf

ILO (2013). "Caught at sea: forced labour and trafficking in fisheries". Special Action Programme to Combat Forced Labour, Sectoral Activities Department. https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_214472.pdf

ILO (2015) "Combating forced labour: a handbook for employers and business". https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_101171.pdf

Interpol (2017). "Human Trafficking and Forced Labour: The deceptive and coercive practices undertaken within the recruitment process to work on fishing vessels". Purple Notice by Interpol General Secretariat.

Interpol (2019). "Human Trafficking and Forced Labour: The deceptive and coercive practices undertaken within the recruitment process to work on fishing vessels". Purple Notice requested by Interpol General Secretariat. 2019/231/OEC/ILM/ENS. https://www.interpol.int/content/download/13334/file/Human%20Trafficking%20and%20Forced%20Labour.pdf

Interpol (2021). "Strengthening Law Enforcement Cooperation Against Fisheries Crime." Environmental Security Programme. https://www.interpol.int/Crimes/Environmental-crime/Project-ALIOS

Lout G. E. (2023). "Human rights in a sea of market-based approaches: Evaluation of market-based tools integrating social responsibility in the Sustainable Seafood Movement". Sustainable Production and Consumption, Volume 35, 1-12, https://doi.org/10.1016/j.spc.2022.10.020 .

MSI Integrity, Not Fit-for-Purpose: The Grand Experiment of Multi-Stakeholder Initiatives in Corporate Accountability, Human Rights and Global Governance (Summary Report), July 2020. https://ciw-online.org/wp-content/uploads/MSI_Summary_Report_WSR_Sept2020.pdf

Pellerin W., Scheitterlein C., Farrel T. (2021) "Combatting Forced Labour in Supply Chains from a Canadian Customs Perspective." McMillan LLP. https://mcmillan.ca/insights/combatting-forced-labour-in-supply-chains-from-a-canadian-customs-perspective/

Selig E. R., Nakayama S., Wabnitz, C. C. C. Österblom H., Spijkers J., Miller N. A., Bebbington J. and Decker Sparks J. L. (2022). "Revealing global risks of labor abuse and illegal, unreported, and unregulated fishing". Nat Commun 13, 1612. https://doi.org/10.1038/s41467-022-28916-2

Syam A., Roggensack M. (2020) "Importing Freedom: Using the US Tariff Act to Combat Forced Labor in Supply Chains," The Human Trafficking Legal Center. https://htlegalcenter.org/wp-content/uploads/Importing-Freedom-Using-the-U.S.-Tariff-Act-to-Combat-Forced-Labor-in-Supply-Chains_FINAL.pdf

Tickler D., Meeuwig J.J., Bryant K., David F., Forrest J. A. H., Gordon E., Joudo Larsen J., Oh B., Pauly D., Sumaila U. R. and Zeller D. (2018). "Modern slavery and the race to fish". Nat Commun 9, 4643. https://doi.org/10.1038/s41467-018-07118-9

Appendix 1 – Summary of domestic legislations addressing forced or compulsory labour in the EU

Table 6: Summary of the domestic legislations addressing forced or compulsory labour in the EU

Member state	DOMESTIC PROHIBITION ON FORCED OR COMPULSORY LABOUR
AUSTRIA	There appears to be no legislation in place in Austria which prohibits forced labour.
BELGIUM	There appears to be no legislation in place in Belgium which prohibits forced labour, although article 433 ter of the Criminal Code prohibits forced begging and exploitation of begging.
BULGARIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 48. Forceful labour is also an element of the offence of trafficking in persons under article 159a of the Criminal Code.
CROATIA	Provisions related to forced labour are found in the Constitution which prohibits forced or compulsory labour at article 23 and the 2005 Decree on Work and Material Obligations which prohibits forced labour but provides for an obligation to work in the event of war or direct threat.
REPUBLIC OF CYPRUS	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 10(2). Article 8 of the Law on the Prevention, Fighting against Trafficking in and Exploitation of Human Beings and Protection of Victims also makes forced work or services a prohibited form of labour exploitation.
CZECH REPUBLIC	Provisions related to forced labour are found in the Constitution which prohibits forced labour or service at article 9. Section 168 of the Criminal Code also prohibits forced labour when committed as an element of the offence of trafficking in persons
DENMARK	There appears to be no legislation in place in Denmark which prohibits forced labour, although forced labour may form an element of trafficking in persons, prohibited under section 262a of the Criminal Code.
ESTONIA	Provisions related to forced labour are found in the Constitution at article 29 which declares that no one shall be compelled to perform work or service against his or her free will.
FINLAND	There appears to be no legislation in place in Finland which prohibits forced labour, although forced labour may constitute an element of the offence of trafficking in persons under chapter 25, section 3 of the Criminal Code.
FRANCE	Provisions related to forced labour are found in the Penal Code which prohibits forced labour at article 225-14-1. Article 225-14 also criminalises the imposition of working or housing conditions incompatible with human dignity.
GERMANY	Provisions related to forced labour are found in the Constitution which, under article 12, allows forced labour only when imposed by the judgement of a court or within the framework of a traditional duty of community service applying generally and equally. In the Criminal Code, article 233b criminalises forced labour, although including slavery, servitude, institutions and practices similar to slavery, exploitative conditions and forced begging.

Member state	DOMESTIC PROHIBITION ON FORCED OR COMPULSORY LABOUR
GREECE	Provisions related to forced labour are found in the Constitution which prohibits all forms of compulsory work at article 22(4).
HUNGARY	Provisions related to forced labour are found in the Criminal Code which criminalises forced labour at section 192.
IRELAND	There appears to be no legislation in place in Ireland which prohibits forced labour, although forced labour may form an element of an offence of trafficking under sections 2 and 4 of the Criminal Law (Human Trafficking) Act.
ITALY	There appears to be no legislation in place in Italy which prohibits forced labour. Article 603 bis of the Penal Code criminalises recruiting labour or organising labour activities characterised by exploitation, through violence, threats or intimidation, taking advantage of the state of need or necessity of workers.
LATVIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 106. Article 146 of the Criminal Code also makes violation of labour protection provisions an offence, but only where such result in injury, permanent loss of ability to work, or death. Forced labour may also form an element of the offence of trafficking under articles 154.1 and 154.2 of the Criminal Code.
LITHUANIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 48 and the Criminal Code which criminalises forced labour under article 147(1). Article 2 of the labour law also recognises the prohibition of all forms of forced and compulsory labour as a principle of labour regulations.
LUXEMBOURG	There appears to be no legislation in place in Luxembourg which prohibits forced labour, although obligatory work or services may form an element of the offence of trafficking under article 382-1 of the Penal Code.
MALTA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 35.
NETHERLANDS	There appears to be no legislation in place in the Netherlands which prohibits forced labour, although forced or compulsory labour may form an element of an offence of trafficking under section 273F of the Criminal Code.
POLAND	There appears to be no legislation in place in Poland, which prohibits forced labour, although article 65(2) of the Constitution declares that an obligation to work may only be imposed by statute. Forced work or services may also form an element of an offence of trafficking under articles 115(22) and 189A of the Criminal Code, and forced prostitution is criminalised under article 203.
PORTUGAL	There appears to be no legislation in place in Portugal which prohibits forced labour, although article 154 of the Penal Code criminalises coercing a person to any action or activity through violence or threats.

Member state	DOMESTIC PROHIBITION ON FORCED OR COMPULSORY LABOUR
ROMANIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 42 and the Criminal Code which criminalises pressing into forced or compulsory labour under article 212. Forced labour may also form an element of an offence of trafficking under articles 210 and 211 of the Criminal Code and articles 12 and 13 of the 2001 Trafficking Law.
SLOVAKIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 18. Section 190 of the Criminal Code also criminalises gross coercion, and forced labour may form an element of an offence of trafficking under sections 179 and 180.
SLOVENIA	Provisions related to forced labour are found in the Constitution which prohibits forced labour at article 49. Forced labour may also form an element of an offence of trafficking under article 113 of the Criminal Code.
SPAIN	There appears to be no legislation in place in Spain which prohibits forced labour, although section 25(2) of the Constitution declares that punishments entailing imprisonment and security measures may not involve forced labour and section 35 affirms the right to free choice of profession. Forced work or services may also form an element of an offence of trafficking under article 177 bis of the Criminal Code.
SWEDEN	Provisions related to forced labour are found in the Criminal Code 2020, which criminalises exploiting another person in forced labour. Chapter 4, section 1 of the Criminal Code also criminalises seizing a person to force them into service.

Source: extracted from Allain and Schwartz (2020).

Appendix 2 - Market-based interventions and their elements related to social responsibility.

Table 7: Market-based interventions and their elements related to social responsibility.

Type	Market-based intervention	Characteristics	Referenced human rights instruments & guidance	Worker engagement	Grievance reporting & remediation processes	Compliance & verification
NGO-led	Fair Trade USA Capture Fisheries Standard	Third-party certification program from Fair Trade USA; for small and medium-scale fisheries.	ILO Core Conventions and C188; UN Palermo Protocol.	Limited during audits. Workers are involved in the identification and selection of community issues to address with premium.	Required grievances mechanism; Remediation policy for zero tolerance issues.	Annual third-party audit.
NGO-led	Marine Stewardship Council (MSC) Chain of Custody Standard	Third-party certification program from MSC; applies to companies operating in the supply chain of the certified fishery.	ILO C188, C105, C182, C29; UN Palermo Protocol; UN Slavery Convention; Port State Measures Agreement (PSMA); SA8000; ITUC Global Rights Index; ILAB's List of Goods.	No specific requirements.	No remediation guidance or policy.	Annual audit or self-assessment depending on determined country-level risk.
NGO-led	Naturland Sustainable Capture Fishery Standard	Third-party certification program from Naturland; for small-scale producers.	ILO C105 and C182; UN Convention on the Rights of a Child; UN Declaration on the Rights of Indigenous Peoples.	Limited during audits.	No remediation guidance or policy.	Annual third-party audit.
NGO-led	Responsible Fishing Vessel Standard (RFVS)	Third-party certification program from Global Seafood Assurances (GSA); for any single commercially licensed fishing vessel or fleet.	International Bill of Human Rights; ILO Core Conventions and C188; IMO International Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F); Cape Town Agreement; IMO/ILO/FAO Code of Safety for Fishermen and Fishing Vessels; ISO/IEC 17065:2012 Conformity Assessment; and UK Fishing Safety Management Code; PSMA.	Limited during audits.	Worker voice and grievance processes.	Annual third-party audit.

Type	Market-based intervention	Characteristics	Referenced human rights instruments & guidance	Worker engagement	Grievance reporting & remediation processes	Compliance & verification
NGO-led	Friend of the Sea Wild Sustainable Fisheries Standard	Third-party certification program from Friend of the Sea; applies to operations engaged in the wild capture fisheries, regardless of scale or vessel size. Excludes enhanced fisheries.	ILO C138, C95, C155, C154, C29, C111, and the Maritime Labor Convention.	Auditors seek stakeholder input during the certification process, including fisher representatives or fishing associations.	No grievance mechanism requirements or remediation policy.	Annual third-party audit.
NGO-led	Social Responsibility Assessment Tool (SRA)	Risk assessment tool from Conservation International (CI); for small-scale to industrial fisheries and fleets, and onshore operations if applicable.	Monterey Framework; ILO Core Conventions and C188; UN Convention of the Rights of the Child; UN Declaration on the Rights of Indigenous Peoples; UNGPs; UN Palermo Protocol; UDHR; FAO & WHO Rome Declaration on Nutrition, FAO An Introduction to the Basic Concepts of Food Security.	Recommends worker-driven approach to assessing labor conditions—workers/fishers/farmers and their representative organisations should be involved in the evaluation and in the design of the FIP workplan.	Grievance mechanisms are assessed; All high-risk indicators require immediate attention and remediation channels should be activated if criminal activity is found; In FIPs, remediation processes should be enabled through effective grievance mechanisms.	Does not apply as assessments are voluntary.
NGO-led	Seafood Social Risk Tool (SSRT)	Risk assessment tool from Monterey Bay Aquarium Seafood Watch, SFP, Liberty Shared; tool covers the full seafood system including fishing and processing.	ILO Core Conventions and C188; UN Palermo Protocol; PSMA.	Does not apply.	Provides a qualified opinion on the risks in the seafood system.	Does not apply.
NGO-led	Onboard Social Accountability (OSA) Technical Framework	Risk assessment & benchmarking tool from OSA International; applies to commercial vessels.	ILO Core Conventions, C188, C138, C182, and Maritime Labor Convention; SA8000; UNCLOS; FAO Code of Conduct.	No specific requirements.	Grievance mechanism and associated policies assessed.	OSA tracks improvements in social accountability over time.

Type	Market-based intervention	Characteristics	Referenced human rights instruments & guidance	Worker engagement	Grievance reporting & remediation processes	Compliance & verification
NGO-led	Roadmap for Improving Seafood Ethics (RISE)	Online platform & resource repository from FishWise; intended for companies initiating or continuing human rights due diligence.	UNGPs; ILO Core Conventions and C188; Monterey Framework Pillar 1; Guidance from organisations such as ETI, International Labor Rights Forum (ILRF), SHIFT, and VERITE.	Specific guidance to support worker engagement such as encouraging freedom of association and collective bargaining for workers.	Remediation follows guidance from the UNGPs, ILO General Principles and Operational Guidelines for Fair Recruitment; Migration for Employment Recommendation (R86), C188.	RISE supports mandatory or voluntary due diligence. There is currently no mechanism for compliance.
NGO-led	FisheryProgress Human Rights Code of Conduct (part of the Human Rights and Social Responsibility Policy)	Code of conduct from FisheryProgress; applies to all FIPs reporting on FisheryProgress.	ILO C105, C182, and C188; ICCPR, ICESCR; UDHR; UNGPs.	Assessment is conducted in consultation with fisher and their trade unions or organisations, where these exist. If these do not exist, the FIP lead must confirm that fishers or representatives are consulted.	FIPs are required to have a publicly available grievance mechanism. FisheryProgress uses an appeal process to address allegations of forced labor, human trafficking, or child labor.	Annual or 3-year reporting dependent on risk; Risk assessment reports must be publicly available.
NGO-led	PAS 1550:2017	Code of practice from the British Standards Institution (BSI); applies to EU importers, processors, and buyers.	ILO Core Conventions, C188, C81, C122, C129, C144; UNGPs; Modern Slavery Act; PSMA; FAO International Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported and Unregulated Fishing.	Guidance for engagement with workers or those affected by working conditions.	Companies should have remediation policies and procedures in place (UNGPs)	Does not apply as the code is voluntary.
Industry-led	Atun de Pesca Responsable (APR)	Third-party certification program by AENOR; applies only to freezer purse seine tuna vessels.	UNE-195006 standard; ILO C188; RFMO Trade and Catch Documentation Schemes.	No specific requirements.	Corrective action taken by the company to correct violations.	Annual third-party audit.

Type	Market-based intervention	Characteristics	Referenced human rights instruments & guidance	Worker engagement	Grievance reporting & remediation processes	Compliance & verification
Industry-led	Fairness, Integrity, Safety and Health (FISH) Standard for Crew	Third-party certification program by FISH SC.; applies to all workers onboard a) small vessels (<24 m and/or voyage <3d) or b) large vessels (>24 m and/or voyage >3d).	ILO C188 and guidance R199; UDHR; IMO Torremolinos International Convention for the Safety of Fishing Vessels; IMO International Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F).	No specific requirements.	Required grievance mechanism; policies for identified child labor.	Regular third-party audits.
Industry-led	SSCI At-Sea Operations (ASO) Framework	Benchmarking tool by GSSI, with Consumer Goods Forum (CGF) and Sustainable Supply Chain Initiative (SSCI); covers all wild-capture activities that take place at sea including harvesting, processing, transshipment, and small-scale operations.	ILO Core Conventions and C188; UNGPs; UDHR; FAO Guidance on Social Responsibility in Fisheries and Aquaculture Value Chains; CGF Priority Industry Principles on Forced Labor.	Evaluate mechanism for worker engagement.	Required grievance mechanism.	Does not apply.
Industry-led	Thai Union Vessel Code of Conduct	Code of conduct by Thai Union; applies to all vessels that supply to Thai Union.	ILO Core Conventions, C188, and Maritime Labor Convention; UNGPs; UDHR; RFMO Trade and Catch Documentation Schemes (for Atlantic Tuna).	No specific requirements.	Required grievance procedure; suspension or discontinued purchasing for critical violations.	Annual third-party audit.
Industry & NGO-led	Seafood Task Force (STF) Vessel Code of Conduct and Auditable Standard	Code of conduct by STF; applies to the entire supply chain of STF members.	ILO C105, C182, and C188; applicable national labor laws.	No specific requirements.	Required grievance procedure.	Regular third-party audits.

Source: Lout (2023)

Appendix 3 – Chronology of key texts

1930: Adoption of the International Labour Organization (ILO) Convention No. 29 on Forced or Compulsory Labour condemns all forms of forced labour, including debt bondage.

1930: Tariff Act - Section 307 of the Tariff Act prohibits the importation of merchandise produced, in whole or in part, by forced or indentured labour, including forced child labour. US Customs and Border Protection (CBP) has the authority to seize and exclude from entry any such merchandise.

1948: Universal Declaration of Human Rights, adopted by the United Nations, prohibits slavery and forced labour.

1956: Supplementary Convention on the Abolition of Slavery, the Slave Trade, and Institutions and Practices Similar to Slavery, adopted by the United Nations, prohibits debt bondage, serfdom, and other forms of slavery.

1957: Adoption of ILO Convention No. 105 on the Abolition of Forced Labour, which aims to abolish forced labour in all its forms.

1998: Adoption of the ILO Declaration on Fundamental Principles and Rights at Work, which establishes that all workers have the right to work in decent and safe conditions, free from discrimination and harassment, and without being subject to any form of forced labour.

2000: United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organized Crime, prohibits human trafficking and related practices.

2006: Maritime Labour Convention, adopted by the International Labour Organization (ILO), sets out minimum working and living standards for seafarers, including those working on fishing vessels.

2007: The work in Fishing Convention, adopted by the International Labour Organization (ILO), sets minimum standards for work conditions in the fishing industry, including requirements related to working hours, wages, accommodation, and medical care.

2008: Adoption of the European Union's Regulation on Illegal, Unreported and Unregulated (IUU) Fishing aims to combat illegal fishing and improve the sustainability of marine resources. The Regulation doesn't make specific provisions concerning forced labour. However, IUU fishing and forced labour are intricated issues.

2010: The California Transparency in Supply Chains Act (CTSCA): This law requires certain companies in California to disclose their efforts to eradicate slavery and human trafficking from their direct supply chains.

2014: Adoption of ILO Convention No. 188 on Work in Fishing establishes minimum standards for work in the fishing sector and aims to protect workers against abusive practices, including forced labour.

2017: Adoption of the ILO Recommendation on Decent Work for Domestic Workers establishes minimum standards for domestic work and aims to protect workers against abusive practices, including forced labour.

2019: The adoption of ILO Convention No. 190 on Violence and Harassment in the World of Work establishes minimum standards for preventing and combating violence and harassment at work, including sexual harassment, and forced labour.

2021: The ILO launches a global campaign to end child labour and forced labour in fishing. This campaign aims to raise public awareness, strengthen international cooperation, and promote responsible policies and practices in the fishing sector.

Appendix 4 - Top species-country combinations associated with a high risk of forced labour in the processing sector

Table 8: Top species-country combinations associated with a high risk of forced labour in the processing sector

Species	Country	Value of trade (million euros)
Cod	Russia	425
Cod	China	266
Tuna, skipjack	Philippines	157
Tuna, skipjack	Papua New Guinea	133
Tuna, skipjack	China	106
Tuna, skipjack	Ghana	61
Tuna, skipjack	Thailand	52
Tuna, skipjack	Colombia	36
Alaska pollock	China	375
Alaska pollock	Russia	164
Shrimp, warmwater	India	291
Shrimp, warmwater	Venezuela	105
Shrimp, warmwater	Nicaragua	57
Shrimp, warmwater	Honduras	45
Squid	India	151
Squid	China	132
Squid	Thailand	80
Shrimp, miscellaneous	India	161
Shrimp, miscellaneous	China	105
Shrimp, miscellaneous	Honduras	27
Shrimp, miscellaneous	Thailand	20
Other cephalopods	India	168
Other cephalopods	China	76
Tuna, yellowfin	Papua New Guinea	57
Tuna, yellowfin	Philippines	54
Tuna, yellowfin	Ghana	43
Tuna, yellowfin	Guatemala	34
Other marine fish	Sri Lanka	67
Other marine fish	China	61
Other marine fish	Senegal	39
Salmon	China	166
Other flatfish	China	85
Other freshwater fish	Russia	37
Other freshwater fish	China	30
Octopus	Senegal	62
Other crustaceans	China	51
Nile perch	Tanzania	50
Tilapia	China	47
Haddock	Russia	29
Cuttlefish	Senegal	28
Saithe	China	21
Surimi	Thailand	21