

Human rights due diligence: risks of modern slavery for displaced workers

Acknowledgements



Anti-Slavery International is the world's oldest human rights campaign, founded in 1839. It exists to challenge contemporary forms of slavery wherever they exist by tackling modern slavery's root causes. Working in partnership with survivors, experts and its members, Anti-Slavery International manages projects in countries worldwide to help communities to understand and eliminate the causes and adverse effects of modern slavery, through legislative change, research and advocacy.



La Strada International is a European NGO Platform against human trafficking, that works from a human rights perspective in support of trafficked persons. The platform aims to prevent human trafficking and to protect and realise trafficked persons' rights. This is done by providing access to adequate assistance and support to victims, and via information and knowledge exchange, capacity building of NGOs and other stakeholders and cross-sectoral cooperation.

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Anti-Slavery International offers advisory services to support businesses to conduct human rights due diligence to reduce the risk of modern slavery, including for displaced workers. To find out more click [here](#).

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Ukrainians fleeing the Russian invasion

Credit: Kevin Buckert on Unsplash

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**Ukrainians fleeing the Russian invasion**

Credit: Kevin Buckert on Unsplash

Executive summary

In 2020, a quarter of the world's population was living in conflict-affected countries. By May 2022, the number of people forced to flee conflict, violence and human rights violations surpassed 100 million, more than double the number recorded in 2010 (41 million).¹

These displaced people are at higher risk of human rights abuses, which happen in the conflict-affected areas, along the unsafe migration routes they are forced to take and when they arrive in their destination country. These human rights abuses can include labour exploitation, forced labour and human trafficking.

Displaced people are at higher risk of exploitation for many reasons, including hardship and discrimination, deceptive and coercive recruitment practices, language barriers, weak social networks and a poor understanding of labour law in their destination countries.

All businesses – from consumer-facing brands to business-to-business suppliers – have a duty to respect the human rights of all those working in their own operations and in their value chains. There is always something that businesses can do to prevent and mitigate the risk of exploitation in their operations and value chains.

This guidance explains how businesses can prevent and mitigate some of the risks of labour exploitation, forced labour and trafficking affecting displaced people. It is aimed in particular at businesses who work in or with suppliers in countries neighbouring conflict-affected areas or where there are high numbers of displaced people.

To illustrate the relevance of heightened due diligence, throughout this guidance, we have included case studies of those countries receiving high numbers of people displaced by the ongoing war in Ukraine: Bulgaria, Germany, Italy, Moldova, Poland and Romania.

¹ <https://www.unhcr.org/refugee-statistics/insights/explainers/100-million-forcibly-displaced.html>

Key recommendations

The report outlines recommendations for all businesses, whether consumer-facing brands or their suppliers. The recommendations are intended to guide your due diligence activities to prevent and remedy the exploitation of displaced people. While the war in Ukraine makes this guidance particularly timely, the recommendations are intended to inform heightened due diligence activities wherever there are high numbers of displaced workers.

First steps – Defining responsibilities

- Share this document with your teams and at least with all Tier 1 suppliers in your value chains
- Define who is responsible for conducting risk assessments and implementing each recommendation
- Define internal procedures for due diligence and supplier management

Country of operation

- Identify countries and regions in your value chains where displaced people are at risk of exploitation
- Identify the relevant laws, policies, practices and support provisions in the destination countries identified
- Identify the areas of highest risk and the most appropriate due diligence activities

Gender and inclusion

- Consider how gender can influence each area of risk and due diligence
- Include gender as a category when recording employee data
- Consider the specific experiences of people with marginalised identities in relation to each area of risk and due diligence
- Consult specialists to provide additional support

Recruitment

- Understand your workers' recruitment journey
- Develop clear standards
- Share your ethical recruitment standards with labour agencies and check they are properly understood
- Conduct due diligence on labour agencies to check they are respecting ethical recruitment standards
- Explicitly prohibit recruitment fees and related costs
- Provide access to remedy in the event of poor recruitment practices

Accommodation and transport

- Give workers an accommodation contract in a language they understand
- Check that the accommodation is safe and secure, providing gender-segregated accommodation as appropriate
- Check that workers are not being charged fraudulent fees for transport or accommodation
- Keep proper records on worker accommodation, including where workers are living and who has access to their accommodation
- Provide information on how to access support services and how to raise a complaint

Contracts

- Provide workers with their contract in a language they understand before they start work
- Allow workers the time they need to understand the contract. Do not pressure them to sign

Documentation

- Keep secure records on all workers
- Check for falsified documents
- Never restrict workers' access to their documents
- Make sure undocumented workers are supported and protected

Payment of wages and fees

- Maintain open lines of communication with workers and conduct specific checks
- Check any additional fees charged to workers

Workers' understanding of their labour rights

- Use professional language services
- Provide language classes alongside skills training
- Provide labour rights training

Freedom of association

- Understand barriers to unionisation and other mechanisms for worker representation
- Cover the right to freedom of association in training
- Establish recognition agreements

Grievance mechanisms

- Ensure that displaced workers are able to access a meaningful grievance mechanism
- Ensure that workers can report grievances without barriers
- Refer to [Oxfam and Reckitt's grievance mechanism toolkit](#)
- Implement an effective remediation process

Codes of conduct

- Share your code of conduct with all suppliers and sub-contractors. Make it explicit that this code is contractually binding and must be followed
- Provide training on your code of conduct
- Monitor suppliers to make sure that standards are being met
- Tackle discrimination and ensure fair treatment

Working with NGOs and external support networks

- Partner with specialist local NGOs and stakeholders
- Develop an action plan with these stakeholders
- Build a database of support services and refer displaced workers as needed



Part I

Introduction

Context

In 2020, a quarter of the world's population was living in conflict-affected countries. By May 2022, the number of people forced to flee conflict, violence and human rights violations surpassed 100 million,² more than double the number recorded in 2010 (41 million).³

People displaced by conflict and violence are at higher risk of human rights abuses. These abuses happen in conflict-affected areas, along the unsafe migration routes people are forced to take and when displaced people arrive in their **destination country**.

Several factors increase displaced people's exposure to forced labour, human trafficking and labour exploitation specifically. These factors include not having identity documents, weak social and economic networks in their destination country and exposure to informal recruitment during their journey.

As key economic actors, businesses can have a major positive or negative influence on the welfare of workers throughout their **value chains**. This is particularly the case in areas directly or indirectly affected by conflict, where there are high numbers of displaced people and a higher risk of human rights abuses.

It is not always easy for businesses to know whether displaced people are working in their value chains. It is therefore imperative that your teams understand why displaced workers are at increased risk and conduct heightened due diligence in countries neighbouring conflict-affected areas that are receiving high numbers of displaced people.

2 'SDG Report 2022 > Goal 16', United Nations Statistics Division, last accessed 30 January 2023, unstats.un.org/sdgs/report/2022/Goal-16/.

3 'Forced migration or displacement', Migration Data Portal, last updated 27 May 2022, migrationdataportal.org/themes/forced-migration-or-displacement.

Aims of this guidance

This guidance aims to help businesses conduct **heightened human rights due diligence**⁴ to reduce the risk of labour exploitation, forced labour and trafficking of displaced workers in their own operations and their value chains. Such heightened due diligence should be **conducted along the whole of a value chain, focusing on your own operations and those of suppliers in countries receiving high numbers of displaced people.**

Each section explains why people displaced by conflict are especially vulnerable to exploitation – during both recruitment and employment – and what steps your teams should take to prevent exploitation within key business activities.

The war in Ukraine

The war in Ukraine has resulted in over 7 million people moving to other countries across Europe. Businesses operating in Europe or working with suppliers in Europe must therefore take steps to prevent and mitigate the risk of forced labour that these displaced people face when they enter the workforce.

To illustrate the relevance of heightened due diligence, throughout this guidance, we have included case studies of those countries receiving high numbers of people displaced by the ongoing war in Ukraine: Bulgaria, Germany, Italy, Moldova, Poland and Romania.

Our consultations with organisations in all six countries identified patterns of labour abuses against displaced workers, many of which indicate an increased risk of **modern slavery**. Recruitment practices were found to lack oversight, raising concerns that the proper checks are not being carried out. This situation leaves displaced people more exposed to exploitative practices. Indeed, there is evidence that displaced people have experienced labour rights violations and in some cases, indicators of modern slavery.

The poor and exploitative practices identified during our consultations include:

- a failure to meet basic standards for accommodation and transport
- a failure to provide contracts in a language the worker understands
- a failure to provide a contract before the start of employment
- discrimination in employment terms
- excessive overtime, and a refusal to allow breaks and time off.

Barriers to displaced people finding decent work and risk factors for exploitation were also identified, including not speaking the local language well or at all, not understanding their labour rights or their right to work in their destination country, and poor access to information. Women and children, who make up the majority of people fleeing Ukraine, were reported to find it particularly difficult to access clear information, guidance and support, for example, in relation to childcare.

⁴ UNDP, *Heightened Human Rights Due Diligence for Business in Conflict-Affected Contexts: A Guide* (16 June 2022), available from <https://www.undp.org/publications/heightened-human-rights-due-diligence-business-conflict-affected-contexts-guide>.

Who is it for?

This guidance is designed to support the due diligence activities of every business along a value chain, from consumer-facing brands to business-to-business suppliers. At a minimum, you should share it with your human resources, labour relations, procurement and ethical trade teams. It is aimed in particular at **businesses operating in or working with suppliers in countries neighbouring conflict-affected areas or where there are high numbers of displaced people.**

As a responsible business, you should conduct due diligence not only on your own activities, but also on those of suppliers in your value chains. This means checking that they are implementing good practices and upholding ethical standards.

How to use this guidance

You should share and discuss this guidance with your internal teams and suppliers in your value chains.

Part I of this guidance provides background on the current situation, outlines the methodology used to draw up the recommendations and presents some key concepts.

Part II (Displaced workers: Risks and recommendations) is intended to guide your teams' risk assessment and due diligence activities. It presents the main labour-related risks and recommendations in twelve areas of particular relevance to displaced people entering the workforce:

1. [**Country of operation**](#)
2. [**Gender and inclusion**](#)
3. [**Recruitment**](#)
4. [**Accommodation and transport**](#)
5. [**Contracts**](#)
6. [**Documentation**](#)
7. [**Payment of wages and fees**](#)
8. [**Workers' understanding of their labour rights**](#)
9. [**Freedom of association**](#)
10. [**Grievance mechanisms**](#)
11. [**Ethical standards: Codes of conduct**](#)
12. [**Working with NGOs and external support networks**](#)

You can read each section in full or refer to specific sections as needed.

The boxouts give examples from the six countries receiving high numbers of people displaced by the conflict in Ukraine (Bulgaria, Germany, Italy, Moldova, Poland and Romania). More detail about their national laws, policies and practices is provided in the annex.

In the annex, you will also find a glossary of key terms (shown in bold italics in the text) and further information about the organisations consulted to produce this guidance.

Methodology

In March-April 2022, La Strada International conducted an [assessment of the risks and gaps affecting efforts to prevent the trafficking of people displaced from Ukraine](#).⁵

Drawing on case studies of the situation in six countries accepting high numbers of people displaced from Ukraine, this guidance explains how businesses can prevent and mitigate some of the risks affecting displaced people identified.

We consulted organisations in Bulgaria, Germany, Italy, Moldova, Poland and Romania between August 2022 and October 2022.

The organisations were selected through the La Strada International Platform and its network, and Anti-Slavery International's own network of civil society organisations. These organisations all work on the ground in the countries studied and specialise in promoting the labour rights and human rights of displaced people. Many work directly with displaced people, providing support and advice on areas such as housing, psychological support, employment law and workers' rights.⁶

We asked representatives of these organisations a series of questions about emerging risks in the different countries, barriers to finding decent work and other considerations that should be developed into recommendations for specific countries or sectors. The questions focused on:

- Risk factors for exploitation and barriers to finding decent work affecting displaced people in the country where they work (including obstacles to the implementation of the European Union's Temporary Protection Directive, a measure intended to provide immediate protection to displaced people from non-EU countries⁷)
- Aspects that should be included in guidance for the private sector to prevent exploitation and secure decent work for displaced people
- Measures that have been taken to enable displaced people to access decent work, including by civil society, governments and the private sector in the country where they work.

The case studies and recommendations in this guidance document were developed from their responses. Nevertheless, readers should bear in mind that this is a complex, evolving situation.

While we have drawn on the situation of people displaced from Ukraine to develop this guidance, the recommendations can and should be applied wherever there are high numbers of displaced people. How your business applies these recommendations will depend on contextual considerations. These considerations will include the specific risks and vulnerable groups identified by your risk assessments, and support provisions and relevant laws identified in consultation with local experts (see section: "[Country of operation](#)").

5 Suzanne Hoff and Eefje de Volder, Preventing human trafficking of refugees from Ukraine: A rapid assessment of risks and gaps in the anti-trafficking response (La Strada International, 2022), available at https://freedomfund.org/wp-content/uploads/UkraineAntiTraffickingReport_2022_05_10.pdf.

6 Details of the organisations consulted can be found in [Annex III](#).

7 European Commission, 'Temporary Protection', available at https://home-affairs.ec.europa.eu/policies/migration-and-asylum/common-european-asylum-system/temporary-protection_en.

Key Concepts

Migration status and displaced people

A person's immigration status defines the conditions of their right to live and (if applicable) work in their destination country. It also affects their exposure to forced labour and exploitation.

A **migrant worker** is someone who migrates to another part of their country or across international borders for work. This movement can be seasonal, circular, temporary or permanent. A migrant has undocumented status if they do not have a visa.

A **displaced person** is someone who is forced to leave their home due to conflict, violence, human rights violations or disaster (whether natural or human made).

This guidance will use the term 'displaced people' to refer to people who migrated as a result of conflict, especially in the context of Ukraine. The term 'displaced workers' is also used to refer to people who have been displaced by conflict and are seeking work in their destination country. You can find definitions of these terms in [Annex II](#).

While many of the recommendations in this guidance apply to all migrant workers, they are focused on the specific risks faced by displaced workers.

Continuum of exploitation

Modern slavery is when an individual is exploited by others, for personal or commercial gain. Whether tricked, coerced or forced, they lose their freedom. This includes but is not limited to human trafficking and forced labour, including **debt bondage**.



While no one is inherently more vulnerable to modern slavery, certain factors can put someone at higher risk. These factors include a person's migration status, gender, limited language skills, marginalisation, lack of knowledge of their rights, limited support and lack of access to personal documents. For someone displaced by conflict, a number of these factors will be relevant.

Labour rights abuses occur on a continuum of exploitation. Decent work – in which workers can enjoy all their rights – sits at one end and forced labour sits at the other. The space between is the continuum in which labour rights violations occur.

The situation of displaced people working in your business or value chains will sit somewhere on this continuum. There is always something that you can do as a business to make sure your workers and those of your suppliers are able to enjoy their rights.

In some cases, a single indicator is sufficient to signal the presence of forced labour.⁸ In other situations, multiple indicators or an indicator that escalates over time (such as regular unpaid wages) can amount to forced labour.

Human rights due diligence

The [United Nations Guiding Principles for Business and Human Rights](#)⁹ are based on three pillars:

- **Governments' duty to protect human rights**
- **Businesses' responsibility to respect human rights**
- **Access to remedy for victims of human rights abuses perpetrated by businesses**

The United Nations Guiding Principles outline your business' responsibility to respect human rights and conduct appropriate due diligence. This due diligence, crucially, must assess, prevent, mitigate and remedy risks and harm to people.

The scope of any **human rights due diligence** process will depend on the operating context, size and nature of your business, the complexity of your value chains, your relationships, for example with sub-contractors, and their potential negative effects on human rights.

Heightened human rights due diligence in the context of conflict

The United Nations Guiding Principles recommend that businesses conduct heightened human rights due diligence in the context of conflict because of the increased risk of human rights violations. Specifically, they recommend that you should:

1. Identify the negative effects of your business activities on conflict situations and human rights, whether these effects are direct or indirect, actual or potential
2. Act on your findings: stop activities causing harm, work to prevent harm, avoid situations that could lead to harm and use your influence to reduce or prevent harm, whether the harm is directly or indirectly linked to your business activities
3. Monitor whether these measures are effective
4. Communicate with stakeholders about what you are doing as a business to respect human rights

This United Nations guidance is aimed at businesses operating within conflict-affected areas. Nevertheless, as shown in this guidance, heightened due diligence should also be conducted in areas bordering conflict-affected areas and countries accepting a high number of displaced people due to the increased risk of human rights abuses in these places.

Your teams must therefore be mindful of the different contexts in which your business operates and how this context influences the risks present and the due diligence activities they should undertake.

⁸ The International Labour Organization has identified 11 indicators of forced labour: abuse of vulnerability; deception; restriction of movement; isolation; physical and sexual violence; intimidation and threats; retention of identity documents; withholding of wages; debt bondage; abusive working and living conditions; and excessive overtime. ILO Indicators of Forced Labour (International Labour Office, 2012), available from ilo.org/global/topics/forced-labour/publications/WCMS_203832/lang-en/index.htm.

⁹ Office of the United Nations High Commissioner for Human Rights (UNOHCR), *Guiding Principles on Business and Human Rights* (United Nations, 2011), HR/PUB/11/04, available from digitallibrary.un.org/record/720245.



Part II

Displaced people: Risks and recommendations

This section outlines the due diligence measures that your business should take to prevent and remedy the exploitation of displaced people. The areas of due diligence discussed are by no means exhaustive. They are intended to provide guidance on where to focus your efforts.



Sharing this document with teams and Tier 1 suppliers in value chains

Recommendations

Share this document with your teams and at least with all Tier 1 suppliers in your value chains

We recommend that you start by sharing this document with your teams and your suppliers to make them aware of the need for heightened due diligence to reduce the risk of exploitation of displaced people. You should at a minimum share it with all Tier 1 suppliers in your value chains. Best practice would be for you to encourage Tier 1 suppliers to share the standards down through your value chain tiers and to monitor this.

Define who is responsible for conducting risk assessments and implementing each recommendation

Building on the risks and recommendations outlined in this document, you should work with your teams and suppliers to specify who is responsible for conducting risk assessments and due diligence on your various operations. You should also specify who is expected to monitor and evaluate the timeline and progress.

It should be clear who is responsible for implementing each recommendation in this guidance and each due diligence process identified as necessary by your risk assessments.

Define internal procedures for due diligence and supplier management

As part of this work, your business should develop procedures with clear areas of responsibility for conducting heightened due diligence on your own operations and those of your suppliers.

Country of operation

The first factor to consider is the national context in the countries where your operations and suppliers are located. This will enable you to identify the most appropriate due diligence activities and the areas where there is a higher risk of exploitation of displaced workers.

You should pay particular attention to countries neighbouring conflict-affected areas and those receiving high inflows of displaced people. You should consider the laws, policies, practices and support provisions in the destination countries of displaced people because they will inform your approach to due diligence.

It is also vital that you understand how displaced people are viewed by local people, because negative perceptions and discrimination can put displaced people at increased risk.

Recommendations

Identify countries and regions in your value chains where displaced people are at risk

You should stay informed about new and ongoing global crises, how they might trigger mass movements of people and the resulting risks to workers in your value chains. You should seek advice from local labour law specialists, NGOs and trades unions on how to identify, prevent and mitigate these risks (see section: “[Working with NGOs and external support networks](#)”).

You can also use data tools to find information. For example, data on displaced people is available from the [International Organization for Migration's Displacement Tracking Matrix](#).¹⁰

Identify the relevant laws, policies, practices and support provisions in the destination countries identified

The table in [Annex I](#) summarises the policies, practices and laws in the six countries with high numbers of workers displaced from Ukraine used for the case studies: Bulgaria, Germany, Italy, Moldova, Poland and Romania. You can find information on other countries by consulting with local labour law specialists, NGOs and trades unions (see section: “[Working with NGOs and external support networks](#)”).

Identify the areas of highest risk and the most appropriate due diligence activities

The guidance in this document is based on the specific risks affecting people displaced from Ukraine, as identified during our consultations. You should consult with local workers, labour law specialists, trades unions and NGOs in the countries where you and your suppliers operate. This will enable you to identify the areas of highest risk in these countries and the steps you should take to prevent and mitigate the risk of modern slavery.

10 'Displacement Tracking Matrix', International Organization for Migration, dtm.iom.int/.

Gender and inclusion

Women and girls who have been displaced by conflict face specific gender-based risks, when travelling, during recruitment and in the workplace. These risks include gender-based violence, physical and psychological trauma, health problems, including for pregnant women, and exploitation.

Women are also more likely to be the main caregivers for children, older family members and family members with additional support needs, which may constrain their employment opportunities.

Forced labour in the private sector also has a gendered dimension,¹¹ with women more likely than men to experience physical and sexual violence and threats against family members.

Women make up a high proportion of people displaced by the conflict in Ukraine ([see Box 6](#)).

In addition to the heightened risk to women and girls, you should consider the specific risks affecting other social and gender identities. To this end, you should assess how the experiences of marginalised groups can affect their exposure to modern slavery and how this might influence your due diligence activities. For example, LGBTQI+ people, people with disabilities and people belonging to minoritised ethnic groups can be exposed to specific labour-related risks and discrimination.

Recommendations

Consider how gender can influence each area of risk and due diligence

Given that women face more barriers to entering the workforce and are at higher risk of exploitation, your teams should take a gender-sensitive and trauma-informed approach to engaging with workers and conducting due diligence activities.

Include gender as a category when recording employee data

Your onboarding teams should include gender as a category when recording employee data, to inform appropriate engagement and support.

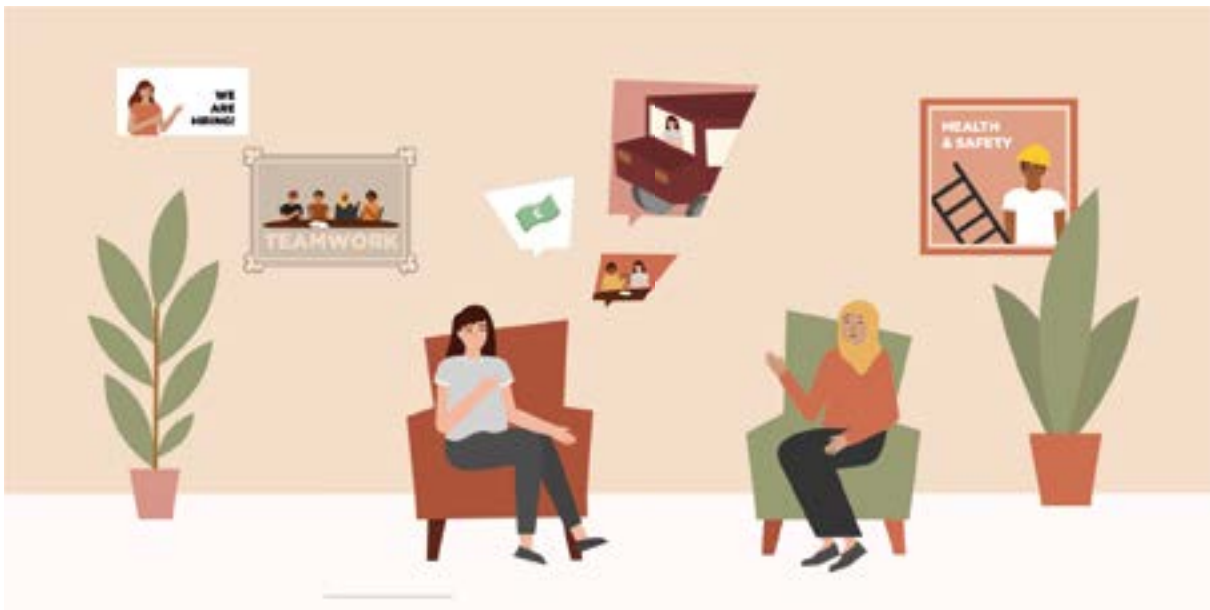
Consider the specific experiences of people with marginalised identities in relation to each area of risk and due diligence

You should review the risk assessments on labour-related risks to displaced people and corresponding due diligence activities to check they are inclusive and non-discriminatory. This can be achieved by consulting with experts and specialist organisations to understand how marginalised groups are affected by labour-related risks to displaced people.

Consult specialists to provide additional support

You should work with trained specialists who work in a non-discriminatory way to provide specific and appropriate support to displaced women and people with marginalised identities (see section: [“Working with NGOs and external support networks”](#)).

¹¹ Global Estimates of Modern Slavery: Forced Labour and Forced Marriage (International Labour Organization (ILO), Walk Free, and International Organization for Migration (IOM), 2022), available from cdn.walkfree.org/content/uploads/2022/09/12142341/GEMS-2022_Report_EN_V8.pdf.



Engaging with workers to understand their recruitment journey

Recruitment

People who have been displaced are likely to take unsafe and **irregular migration routes** to different destination countries. During their journey, they can be exposed to exploitative recruitment practices and deception. This exploitative recruitment can also take place before departure and on arrival in their destination country.

Examples of harmful practices include charging **recruitment fees**, transportation fees and associated costs, or being expected to do something in return for transport, such as accept a job offer. According to the International Labour Organization recruitment fees are “any fees or costs incurred in the recruitment process in order for workers to secure employment or placement”.¹² Recruitment fees should therefore be understood as including all costs associated with recruitment.

Deceitful recruitment, when someone is recruited under false pretences, can also expose displaced people to exploitation.

Some countries have a licensing scheme for recruitment or employment agencies. This adds a layer of protection for workers because a regulator typically holds these agencies to a certain standard. Licensing schemes and government accreditation do not however eliminate risk entirely. Nor do they absolve your business of its responsibility to conduct due diligence.

Recommendations

Understand your workers’ recruitment journey

Your business should consider what may have taken place in the recruitment process before a worker reached your value chain. Doing so will enable you to both understand recruitment-related risks and provide appropriate support.

¹² International Labour Office, *General principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs* (International Labour Organization, 2019, p. 28, available from ilo.org/global/topics/labour-migration/publications/WCMS_536755).

You should consult with all workers to map their recruitment journeys and establish whether recruitment fees or related costs have been paid.¹³ You should also confirm that workers have not been coerced or misled, or exposed to exploitative recruitment practices. This should be done during recruitment and throughout workers' employment to make sure that those who do not feel comfortable disclosing initially can do so later.

Key factors to consider include everything from the country a worker was displaced from, the countries they travelled through and their destination country. You should assess the practices of all recruitment agents along that journey against a high standard, to reduce the risk of forced labour.

Develop clear standards

Your business should develop an internal ethical recruitment policy that outlines responsible recruitment processes and standards, following the Employer Pays Principle.¹⁴ It should include heightened due diligence to protect displaced workers, in particular those from vulnerable groups. These groups include women, **undocumented workers**, racially minoritised groups, people of minoritised religions, nationalities, cultures, genders or sexual orientations, and people with disabilities or accessibility needs (see section: "[Gender and inclusion](#)").

As part of a proactive approach to employing displaced workers, you should adopt measures to prevent discrimination, including in relation to wages, working hours and overtime.

Your ethical recruitment policy should make it clear that recruitment fees and related costs are not permitted and that your business will cover any costs of recruitment.¹⁵

Contracts should be clear and available in a language the worker understands. You should make sure that all workers have agreed to and signed their contract before starting work (see section: "[Contracts](#)"). Workers should be informed who their direct employer is and how to raise a grievance, so they can resolve any employment-related issues or concerns (see section: "[Freedom of association](#)").

Share your ethical recruitment standards with labour agencies and check they are properly understood

You should clearly communicate your ethical standards to all labour agencies you work with. We highly recommend that you run **training and awareness raising sessions** with labour agencies and partners to make sure they understand the relevant policies and to support their implementation to a high standard. Standards should be contractually binding.

13 As defined by the ILO in *General principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs*.

14 Institute for Human Rights and Business (IHRB), *Six Steps to Responsible Recruitment: Implementing the Employer Pays Principle* (IHRB), accessed 30 January 2023, available from ihrb.org/employerpays/the-employer-pays-principle.

15 As outlined in the Employer Pays Principle: Institute for Human Rights and Business (IHRB), *Six Steps to Responsible Recruitment: Implementing the Employer Pays Principle*.

Conduct due diligence on labour agencies to check they are respecting ethical recruitment standards

Workers who work for a business temporarily but are employed by a third party can be exposed to specific risks because of a **lack of oversight and accountability**.

Your business should conduct ongoing due diligence on labour agencies to make sure that they are upholding ethical standards. You should require them to be transparent to reduce the risk of agency workers being subject to precarious employment terms or exploitative practices.

Your human resources team should recruit through recognised databases and official government-supported platforms where they are available.

Explicitly prohibit recruitment fees and related costs

Your teams should consult with workers directly to confirm that they **have not paid fees or other costs** as defined by the ILO.¹⁶ Such fees could be in the form of a 'job finding fee', payments for 'optional services' through wage deductions and recruitment-related costs, such as for transport from the worker's home community to the workplace and back when the move is not permanent.

Your business should budget for anticipated recruitment costs according to the migration corridors used. Doing so should mitigate the risk of recruitment agencies charging workers recruitment fees.

Provide access to remedy in the event of poor recruitment practices

If you find that workers have paid any fees as part of their recruitment, you should provide appropriate remedy. According to the [Employer Pays Principle](#), this means "restoring migrant workers adversely impacted during the recruitment lifecycle to the situation they would have been in had the impact not occurred".¹⁷

You should have a clear internal process to remedy any recruitment-related labour rights violations identified. If workers are found to have paid recruitment fees reimburse them as quickly as possible. Best practice would be to reimburse fees without the need for workers to provide documentation.

¹⁶ As defined by the ILO in *General principles and operational guidelines for fair recruitment and definition of recruitment fees and related costs*.

¹⁷ Institute for Human Rights and Business (IHRB), *Six Steps to Responsible Recruitment: Implementing the Employer Pays Principle*.

Box 2: Recruitment – Workers displaced from Ukraine

Recruitment: There have been many reports of exploitative practices in the recruitment of people displaced from Ukraine. Many workers find their jobs online and via social media and messaging platforms, such as Facebook and Telegram. This leads to a lack of regulatory oversight, resulting in increased vulnerability to exploitative practices.

Workers are also offered work at country borders, which can lead to exploitation and poor living conditions. Recruitment agencies operate widely with minimal oversight, raising concerns around poor practice, including among agencies operating in government-accredited centres.

Despite a lot of jobs being offered on recruitment platforms and with some employment agencies, these jobs are not always verified and there are fears of exploitation.

In **Romania**, there have been cases of false adverts for jobs in tourism, hospitality and catering. These jobs turn out not to exist and people are deceitfully recruited into other forms of work. For example, there are reports of women who have been transported to brothels in Germany. There is reportedly a lot of peer-to-peer recruitment, with few checks done to confirm that these job offers are genuine and lead to decent work.

Qualifications: In all countries, it was reported that displaced people often work below their qualification level, because their qualifications are not recognised. This in itself is not an indicator of forced labour. However, having such a reduced pool of accessible jobs means that workers are more likely to feel they have to accept poor working conditions for lack of decent work alternatives.

Many people displaced from Ukraine, including those who are highly qualified, such as doctors, often work in lower skilled jobs. In **Germany**, for example, displaced people have found it difficult to get their qualifications recognised and a large number of professions require a German qualification. Teachers and nurses, for example, need a qualification that is recognised as comparable to the German certificate. This was also reported as a common issue in **Romania**.

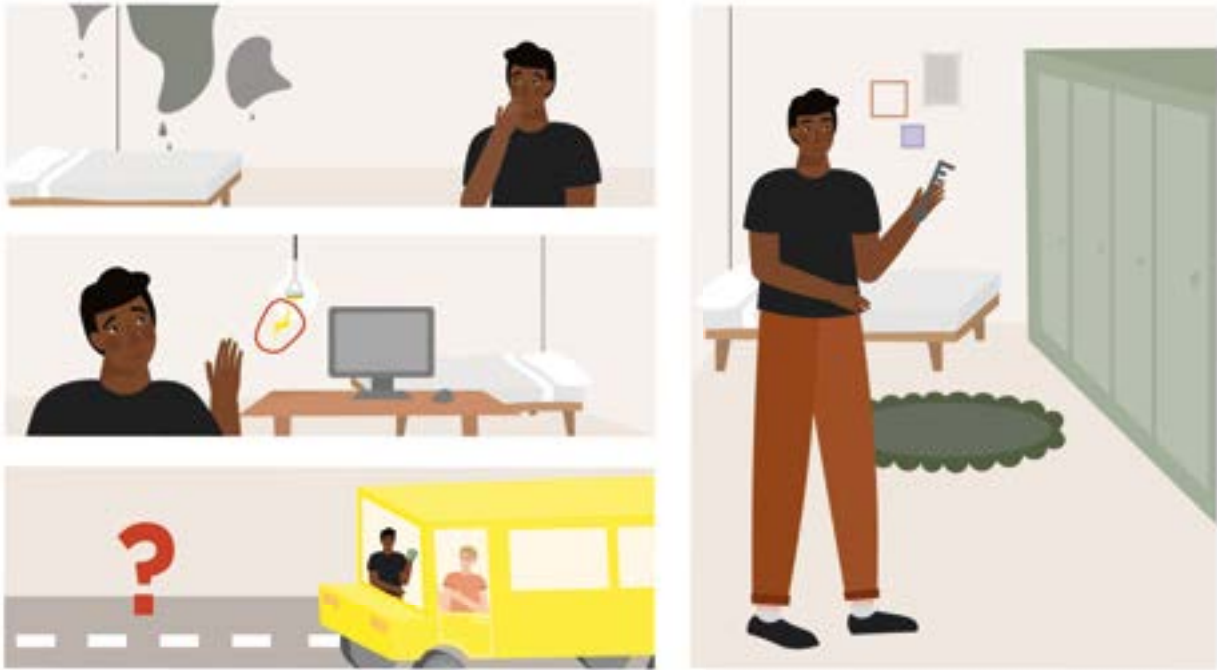
Contracts: Reports indicate that employers in **Germany** often hand out contracts after people have started work. This increases the risk of exploitative practices because workers are not able to give informed consent to the contract terms. Contracts should be provided before they start work, so workers understand the conditions of their employment.

Recruitment procedures are reportedly very complicated in **Germany**. Many people do not properly understand their labour rights and need support to access the labour market. Although the Temporary Protection Directive (see “[Box 4](#)”) supports the entry of people displaced from Ukraine into employment, in practice it is very difficult for many to get a job.

Language barriers: Language barriers also made it difficult for workers to get a job in all countries studied.

Highly-qualified people in particular find it difficult to access jobs matching their qualification level, because they have little or no knowledge of German. A lack of language skills in German and English has led a third of Ukrainians, [polled by the IFO Institute](#) from May to June 2022, to take on work below their qualification level. Many workers therefore have to take jobs with few pre-requisites, which are often lower-paid, irregular and in higher risk industries.

Children: Unaccompanied minors are at high risk of exploitation. This was especially noted in **Poland**. Many displaced people with childcare needs, often women, in all countries studied have struggled to find work that they can do alongside their caring responsibilities.



Checking that accommodation and transportation is safe and secure

Accommodation and transport

People displaced by conflict often have weak social networks in their destination country and find it difficult to access basic necessities, such as accommodation, transport and food. They can have little choice but to rely on their employer or a third party to provide access to these necessities. This lack of support and dependency increases their vulnerability to labour abuses and human rights violations.

Geographically isolated accommodation can leave workers in an even more vulnerable position and at increased risk of having their movements controlled or restricted. It is therefore important that workers have access to external support services.

Substandard accommodation and multiple workers providing the same address can indicate modern slavery. It is therefore important to check that accommodation is safe, secure and meets minimum standards.

When housing is not provided to workers as part of their employment, employers generally have less oversight of the conditions of their accommodation. While primary responsibility for the suitability of accommodation falls on the accommodation provider, employers should nevertheless ensure their staff are living in safe and healthy environments.

Workers might also be offered transport, which could be open to abuse if unregulated. Workers could, for example, be forced to pay unagreed fees or be deceived about their destination. Any costs associated with travel from workers' home community to their workplace should be covered by the employer (see section: "[Recruitment](#)").

Recommendations

Give workers an accommodation contract in a language they understand

You should check that workers have received an accommodation contract, detailing aspects such as the length of the tenancy, the rent, any fees and the deposit payable (with payment schedule), the notice period and the facilities included. This should be provided in a language that the workers understand.

Check that the accommodation is safe and secure

If accommodation is provided as part of a worker's role, you should check that it conforms to all health, sanitation, electrical, mechanical, fire and structural safety requirements.

You should confirm that all worker accommodation is safe and secure, and meets standards that guarantee human dignity,¹⁸ including that it:

- Is in a separate building within a reasonable distance from the place of work
- Has individual, separate beds and enough space per person
- Has access to clean and hot water at all times
- Has clean, sufficient, hygienic and sanitary bathroom facilities
- Has safe and hygienic cooking facilities
- Has adequate facilities for washing and drying clothes
- Has first aid kits accessible
- Has sleeping quarters and toilet facilities that are separated by gender, as appropriate.

You should check that workers are able to move freely and that they are not unduly restricted. Workers should not be subject to curfews or discriminatory accommodation conditions, such as on the basis of sex, gender, ethnicity or nationality. They should be able to access their accommodation at any time.

You should also check that workers have safe, lockable storage for their personal documents and possessions, and that these documents are not withheld.

Workers may need to provide for their families; in such cases, living conditions need to be suitable for all ages, including children.

Check that workers are not being charged fraudulent fees for transport or accommodation

You should monitor the provision of transport for workers, both from their accommodation to the workplace and during working hours, to prevent exploitation. If your business provides transport from worker accommodation, you should make sure it is safe and free. Your teams should carry out appropriate due diligence on housing and transport providers and monitor possible risks.

¹⁸ See International Labour Organization, *Workers' housing*, ILO Helpdesk Factsheet No. 6 (International Labour Organization, 2009), available at https://www.ilo.org/empent/Publications/WCMS_116344/lang--en/index.htm.

Your human resources team, or those managing accommodation contracts, should speak with workers to check that they are not being fraudulently charged for accommodation or transport. Displaced workers who are being exploited in some form might find it hard to speak honestly due to barriers such as a fear of losing their home or job. Steps can be taken to mitigate this, such as assuring workers that complaints will be confidential.

If workers have paid such fees, then they should be reimbursed immediately. Best practice would be to reimburse fees without the need for workers to provide documentation.

Keep proper records on worker accommodation

Your business should keep accurate records on where workers are living and who has access to the accommodation, including when accommodation is provided by a labour agency.

Indicators that workers are experiencing modern slavery include not knowing their home address or multiple workers providing the same address.

Provide information on how to access support services and how to raise a complaint

You should signpost workers to local services that can advise them on accommodation and how to access health care, child care and psychological support.

You should also give workers clear information about how to raise a complaint about their accommodation and transport, whether they are provided by your business or a third party (see section: "[Freedom of association](#)").

Box 3: Accommodation and transport – Workers displaced from Ukraine

Accommodation and transport has been offered at the border to those fleeing Ukraine, sometimes linked to employment. Reports indicate that many such offers result in poor and exploitative working conditions. Widespread discrimination is also reported in terms of who is offered accommodation and transport.

Many issues have arisen when accommodation is linked to employment and workers are often scared to report concerns for fear of losing their homes. Problems also arise when the accommodation provider helps find the displaced person work without fully understanding their qualification level, skills or any potential risks. There were many reports of people being expected to work for free in return for 'free housing', for example as domestic workers.

Poland: Safety concerns have been reported in relation to accommodation offered by citizens that does not meet basic standards. Recruitment agencies are also offering substandard, overcrowded accommodation.

Some displaced people have been housed in remote locations, with employers organising their transport. This leaves them very isolated from the rest of the community and disproportionately reliant on their employer.

Germany: Displaced people have found it difficult to secure accommodation, particularly in Berlin. Concerns were raised about accommodation agreements, with people being forced to do domestic work in return for housing or being charged excessive rent for beds.

One report described the situation of a Ukrainian woman who had fled to Germany. A man offered her a room but when she arrived he demanded she clean his house without payment, confiscated her identity documents and made sexual advances. When she refused, he made her leave the accommodation.

It is difficult to determine the scale of exploitation of people working and living in private households because of a lack of oversight.

There have been reports of companies offering jobs with substandard housing. Many women have few options other than to take jobs in the care sector that require them to live onsite 24-hours a day, for little pay.

Italy: There has been observable discrimination in the provision of accommodation. People covered by the Temporary Protection Directive (see "[Box 4](#)") were in general able to access support much more easily than other third-country nationals. This issue was raised in all countries.

Romania: Many domestic worker jobs advertised online as providing food and housing have turned out to be exploitative. There have also been cases of people being offered transport to one destination and being taken to a different destination.

Bulgaria: Many displaced people were initially accommodated in hotels. However, hotel owners became unhappy with this situation and wanted to move people on. This has resulted in a shortage of accommodation. There is a risk of exploitation in the hospitality sector, where people have been forced to work in kitchens and hotels for no payment.

Box 4: Temporary Protection Directive (TPD)

The [Temporary Protection Directive](#) was designed to help European Union member states manage the mass arrival of displaced people into the region.

The European Commission invoked the Directive on 4 March 2022 to offer quick and effective assistance to people fleeing the Russian invasion of Ukraine. This temporary protection was initially intended to last for one year but has been extended until at least March 2024 as people have continued to be displaced.

Only certain categories of people displaced by the conflict are eligible for protection under the Directive:

- Ukrainian nationals and residents, and their family members
- Non-Ukrainian nationals and stateless people legally residing in Ukraine who cannot return to their country or region of origin (such as **asylum seekers** or beneficiaries of international protection), and their family members.

These people are only eligible if they fled Ukraine after Russia began its military invasion on 24 February 2022. People who left Ukraine before the invasion started (before 24 February 2022) are **not automatically** covered by the Directive.

The Directive ensures the immediate protection and rights of those eligible, including residency rights (a permit for the duration of the protection), access to the labour market, access to housing, social welfare assistance and medical care. Eligible people are also entitled to access banking services, to move to another European Union country before a residence permit is issued and to move freely within European Union countries for 90 days in a 180-day period once a residence permit has been issued by their host country.

Unaccompanied children and teenagers have the right to legal guardianship and all under-18s have the right to access education.

Temporary protection can only be enjoyed in **one** member state. If a beneficiary of temporary protection no longer resides in their host member state, their residence permit and associated entitlements will be withdrawn. The Directive differentiates between people returning voluntarily to Ukraine for the long term, those whose temporary protection has expired and those who are just returning to Ukraine for short visits.

Some displaced people have not been able to claim these benefits. Others have been reluctant to register for the scheme because they have too little or incorrect information about it. Third-country nationals who fled Ukraine but who were not officially resident in Ukraine are not granted the same access to the labour market. They have to file a case for asylum, which is often a long process. Only those granted an international protection status are then allowed to work.

Racism, discrimination and exploitation has also been reported against both Ukrainians and third-country nationals. This includes xenophobic verbal attacks in public spaces and racism at work in **Poland**.

Concerns were raised in **Poland** that peoples' protection may be terminated if they overstay in another country for 30 days. Some people have resorted to applying for a long term stay or going back to Ukraine and re-entering their destination country. Some people are afraid to lose their protected status and some do not fully understand their entitlements. There are also delays getting permits approved in **Germany**.

In some countries, such as **Moldova**, host populations have become frustrated because local people living in poverty do not receive the same level of support as displaced people. There are similar reports from **Bulgaria** regarding local frustration at the support given to people displaced from Ukraine, with negative comments left on posters in Ukrainian.



Providing workers with their contract before they start work and training on their rights

Contracts

Displaced people can face financial hardship because they have lost their livelihoods or they have been forced to leave behind resources in their **country of origin**. They might also be displaced to a country where they do not speak the local language. Both of these factors make them more vulnerable to exploitation, whether through deception or because they feel pressured to sign contracts they do not understand.

One indicator of forced labour identified by the International Labour Organization is deception, which can happen through false contracts. This is when someone is offered a job that turns out to be very different than what was promised or what was outlined in the contract. This is another reason why your business should have clear grievance procedures, so that workers can report if a job is not what they agreed to (see section: "[Freedom of association](#)").

Recommendations

Provide workers with their contract in a language they understand before they start work

Workers should sign their contract at least one day before commencing work. Your human resources team should provide the contract in a language the worker understands, so they can make an informed decision whether to accept the conditions of employment.

The contract must include information such as the terms of employment, a job description, working hours, wages, overtime rates, leave entitlements, sick leave entitlements and deductions, if relevant. It should also include clear grievance procedures that allow workers to raise complaints anonymously and confidentially. You should also provide workers information on their right to Freedom of Association.

Your human resources team should be able to answer any questions about the contract and provide clarification before the worker signs it.

Allow workers the time they need to understand the contract. Do not pressure them to sign

You should check that no one has pressured workers in your business or value chains to sign an employment contract. Workers should be given enough time to understand the contract outside of the working environment.

Documentation

Withholding a worker's identification documents and valuable possessions is a common method of restricting their movements and preventing them from leaving their job. It is an indicator of modern slavery.

Displaced workers who are undocumented are particularly at risk, because they may feel unable to report abuses for fear of being identified by the authorities. Traffickers, labour agents, employers or other actors may use a worker's undocumented status against them and threaten to report them to the immigration authorities as a control tactic.

The same tactic can be used to control displaced workers who have the right to work, but who do not fully understand their rights. This lack of understanding means these workers may be misleadingly threatened with the prospect of being reported, detained and deported.

With conflict scenarios constantly evolving and displaced people having to move through several **transit countries**, it can be particularly difficult for displaced workers to understand their right to work in a given country.

Children and young people often make up a large percentage of the population who have been displaced. When young people travel without documentation proving their age, or are given false documents showing them to be older than they are, they are at increased risk of exploitation and child labour. Properly verifying documentation can help mitigate this risk.

Recommendations

Keep secure records on all workers

Your business should keep records on all employees. You should record at least their name, date of birth, identity document numbers, gender and date of joining. You must make sure that all personal data is protected and that workers consent to it being retained.

Your teams should conduct due diligence to make sure that child labour is not occurring anywhere in your operations or value chains. As a minimum, you should verify the age of each worker to confirm that no children are working in your business or your value chain. If child labour is identified, you should work in partnership with local child services or an appropriately qualified local NGO to ensure the child's immediate safety and best interests in the longer term. This includes making sure that their educational, social and economic needs are met.

Check for falsified documents

You should check for falsified documents, in particular identity documents or qualification documents that allow people to work in certain restricted industries, such as construction. You can liaise with local legal experts and NGOs to better understand how to recognise falsified documents in the countries where you operate.

Never restrict workers' access to their documents

You should never restrict workers' access to their identity documents. This is a common indicator of modern slavery. Ideally, you should provide workers with secure, individual storage (e.g. lockers) that they can access at any time. You should only store original copies of documents if workers ask you to do so in writing. Workers should still be able to access their documents at any time.

Make sure undocumented workers are supported and protected

Your teams should be aware of the specific risks to undocumented displaced workers. They should seek advice from NGOs to make sure that if any undocumented workers are identified in your workforce or value chains, they are properly supported and protected (see section: "[Working with NGOs and external support networks](#)").

Payment of wages and fees

Withholding wages and **debt bondage** are both indicators of forced labour. Both limit a worker's ability to freely leave their employment and are a risk to displaced people. In some cases, workers are misled to believe they owe money to their employer or recruitment agent for various services (such as recruitment or transport, as described above). Displaced workers are particularly at risk if they do not understand their employment rights in their destination country.

Recommendations

Maintain open lines of communication with workers and conduct specific checks

In addition to speaking to workers directly, you should check the payslips of employees and agency workers to confirm:

- Workers' wages are paid directly into their own individual bank account to which they have sole access, including to any bank cards, and not to a third party. Payroll records should show if multiple people have the same bank details. If this happens, an investigation is warranted as this is an indicator of modern slavery and exploitation.
- Workers receive the amount of money into their individual bank accounts that they expect.
- Workers are receiving at least the national minimum wage, overtime payments, rest days and hazard pay.
- Workers in the same role and with the same level of qualification are paid the same rate (i.e. certain groups of workers are not discriminated against).

Check any additional fees charged to workers

You should check that any legal deductions from a worker's wages have been agreed in advance, are reasonable and do not take the wage below the national minimum.

You should transparently explain any fees charged to workers for services such as childcare.

Box 5: Contracts, documentation and payment of wages – Workers displaced from Ukraine

Our consultations found that workers are often not aware of their entitlements, for example, in relation to contracts, documentation, payment of wages and the national minimum wage (see [“Annex I: Employment rules in each country studied”](#)).

Poland: Reports indicate that many people displaced from Ukraine are being recruited as temporary workers under civil law contracts instead of labour law contracts, which means they have fewer rights and protections. Employment agencies are known to employ workers through sub-contracting, a model open to abuse. Some workers are also employed on temporary contracts even when working for an employer indefinitely.

A lot of companies in **Poland** offer paid **translation and language** services to workers to help them understand documents, fill out forms and get work permits. These should be free services provided by the employer. In some cases, workers have had to pay to have documents translated, but they are only partly translated into Ukrainian or a language the worker understands. This means that workers are signing documents that they only partly understand.

Similarly, in **Romania** people are charging for services, such as support with contracts, that should be free, because they are aware that these are often paid services in Ukraine.

Germany: Some people have entered into employment relationships with no work contract and have had their employment verbally terminated after a short time. These workers are often not registered with the social security system.

Language barriers

Language barriers were reported to be an issue in all countries researched, even once workers had started in a role. Most people displaced from Ukraine do not, for example, speak German. There have been many examples of people being employed but then dismissed because they do not speak the language, or do not speak it well enough. Contracts are rarely translated into a language the worker understands in any of the countries studied.

Workers often do not understand their employment contracts, including whether their employer pays insurance or not. The often complex employment systems put people at a disadvantage.

Romania: The organisations we consulted reported that many workers do not have a contract, that conditions are often exploitative and that workers are unable to claim their rights. There have been cases of Ukrainian workers in hotels being paid half as much as Romanian workers in the same role. People displaced from Ukraine have been told that they should get less money because they made less in Ukraine.

Workers' understanding of their labour rights

Displaced people may not be able to choose a destination country in which they speak the local language. They can therefore find it difficult to understand complex local labour laws, their labour rights and how to access support.

Informal interpreting exacerbates this risk, because workers and employers are not able to check whether information is being communicated accurately. This may prevent a worker from raising a grievance and is often used as a control tactic to limit communication between an exploited worker and others.

As a business, you have a duty to provide safe and healthy working conditions for all your employees and to make sure your workers understand and can enjoy their rights. Working with civil society organisations, stakeholders and community groups on the recommendations below will be essential to establish trust with workers and make sure they are able to enjoy their rights (see section: "[Working with NGOs and external support networks](#)").

Recommendations

Use professional language services

You should communicate regularly with your workers, especially those at higher risk, such as displaced workers, to understand their experiences of recruitment, accommodation, transport and their working conditions.

If there are language barriers, you should use professional interpreting services rather than informal or peer interpretation, because the latter can more easily be used to misinterpret or mislead.

You should have processes in place to address any issues identified.

Provide language classes alongside skills training

To support workers to understand their rights, you should provide language classes alongside skills training. Improving communication offers a win-win for both your business and your employees.

Provide labour rights training

Your human resources or labour relations teams should organise training on labour rights for workers at the start of their employment. This training should cover:

- Roles and responsibilities within the business
- Health and safety information
- Working hours and rest periods
- Their labour rights, including their right to join a union
- Forced labour and exploitation, including the International Labor Organization's forced labour indicators
- How to report any concerns (see section: "[Freedom of association](#)").

This training should be provided in a language your workers understand. We also recommend displaying awareness raising posters on workers' rights (translated into all relevant languages) at your premises.

Freedom of association

Worker representation and organisation are fundamental to workers' rights. They enable workers and employers to negotiate, and workers to take collective action on issues affecting their rights. They offer a way for workers to improve their working conditions and reduce the risk of labour rights abuses.

Displaced people – and migrants in general – often face barriers to joining unions or participating in other forms of worker representation, including language barriers, marginalisation, discrimination, poor understanding of their labour rights, fear of reprisals and a weak social safety net in the event of termination.

Recommendations

Understand barriers to unionisation and other mechanisms for worker representation

Your human resources and labour relations teams should talk to your workers to understand whether certain groups, such as displaced people, face barriers to joining unions. You can also consult with specialist groups on this, including both NGOs and trade unions (see section: [“Working with NGOs and external support networks”](#)).

Cover the right to freedom of association in training

You should clearly explain to all workers that they have the right to freedom of association and to join a union in labour rights training. To improve worker representation, you could also create a forum for workers to raise and discuss suggestions and concerns with management.

Establish recognition agreements

As a business, you should consider establishing a formal recognition agreement with a trade union, with joint commitments. Your labour relations team should then negotiate with workers on their employment conditions regularly.



Making sure that displaced workers are able to access a meaningful grievance mechanism, with an effective remediation process

Grievance mechanisms and access to remedy

A grievance mechanism is any channel or procedure that allows a worker to raise a concern, question or complaint, and have it addressed or responded to transparently.

Grievance mechanisms should be anonymous and confidential, and lead to available, adequate and certain remedy to be effective. The appropriate form of remedy should be defined by the aggrieved worker, who may seek both financial and non-financial remedies. Grievance mechanisms must never be understood as a replacement or alternative to freedom of association.

Effective grievance mechanisms and access to remedy, including for displaced people, should be a priority for any responsible business. What your grievance mechanism looks like will depend on the size and structure of your organisation, and the country and sector you operate in, among other factors.

Grievances will be different depending on a worker's identity (e.g. sexual harassment and discrimination against certain groups may be more common). Women and people with gender-diverse identities also face specific barriers to coming forward with a complaint and accessing appropriate remedy.

Under Principle 31 of the UN Guiding Principles on Business and Human Rights (UNGPs),¹⁹ there are eight criteria for an effective Operational Level Grievance Mechanism: it must be legitimate, accessible, predictable with a clear procedure, ensure fair and respectful engagement between parties, transparent, in line with internationally recognised human rights, a "source of continuous learning", and based on dialogue with relevant stakeholders. Above all, it should be accessible to and trusted by workers.

19 See the UN Guiding Principles on Business and Human Rights, p. 33. https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf

Recommendations

Ensure that displaced workers are able to access a meaningful grievance mechanism

Any grievance mechanism must be anonymous and confidential. Workers should be informed how to access it to raise grievances safely.²⁰ It should be designed with workers' fear of reprisals in mind. Both documented and undocumented displaced workers should have access to the mechanism and to effective remediation.

Poorly designed company-managed hotlines are unlikely to be used, because they are unlikely to be trusted by workers. Workers, their credible representatives and independent experts should be consulted on the design of grievance mechanisms to develop trust in the process. An independent third-party organisation should therefore oversee the process and you should ensure that workers have access to independent advice.

Ensure that workers can report grievances without barriers

Your grievance mechanism should be fully transparent and open to all workers. You should make sure workers can report in their own language (via translation), without barriers, and that any platforms used are accessible to workers with disabilities.

It is also important to take a gender-responsive and inclusive approach to the design, implementation and oversight of grievance mechanisms. You should consider the potential and actual impact of your approach on groups at higher risk of marginalisation, including women, non-binary people and trans people. You should identify and remove barriers to their use of grievance mechanisms.

You should consult with credible worker representatives and local experts to understand any potential barriers that may need to be addressed.

Refer to the grievance mechanism toolkit

You should consider using [Oxfam and Reckitt's grievance mechanism toolkit](#),²¹ developed to support companies to design, implement and review site-level grievance mechanisms.

Implement an effective remediation process

You should set up a remediation procedure that enables your business to resolve grievances without undue delay. You must also make sure to address the root cause of the issue raised, to prevent the same problem arising in the future. You should engage an independent third party to oversee the process to facilitate the timely and effective resolution of grievances for displaced workers.

20 See Anti-Slavery International, *Migrant workers' access to remedy: A briefing paper for business* for more detail (2021), available at: https://www.antislavery.org/wp-content/uploads/2022/02/ASI_AccessToRemedy_Report.pdf.

21 See Oxfam, *The Grievance Mechanism Toolkit* (2022), available at: <https://www.oxfamapps.org.uk/grievance-mechanism-toolkit/>

Box 6: Labour rights – Workers displaced from Ukraine

Displaced people in all the countries studied lack awareness of their labour rights in those countries. This puts them at higher risk of exploitation. Labour rights in each country studied can be found in [Annex I](#). When employees have a poor understanding of their labour rights and forced labour, there tend to be more cases of exploitation.

Women and children make up the majority of people fleeing the conflict in Ukraine. Specific gender considerations therefore need to be taken into account when conducting due diligence. In all countries, women are not always given clear information, guidance or support, for example, with childcare. Mothers can find it difficult to get a job that allows them to take care of their children at the same time.

Discrimination

Discrimination was raised as an issue in all countries. In **Poland**, including before the war, the labour market was described as “dangerous or exploitative” for Ukrainian workers. According to our consultations, Ukrainian workers are viewed by some in **Poland** as “second-class people”. Discrimination is a key factor in exploitation. The prejudice, stereotypes and anti-migrant sentiment reported should be considered and addressed when conducting due diligence.

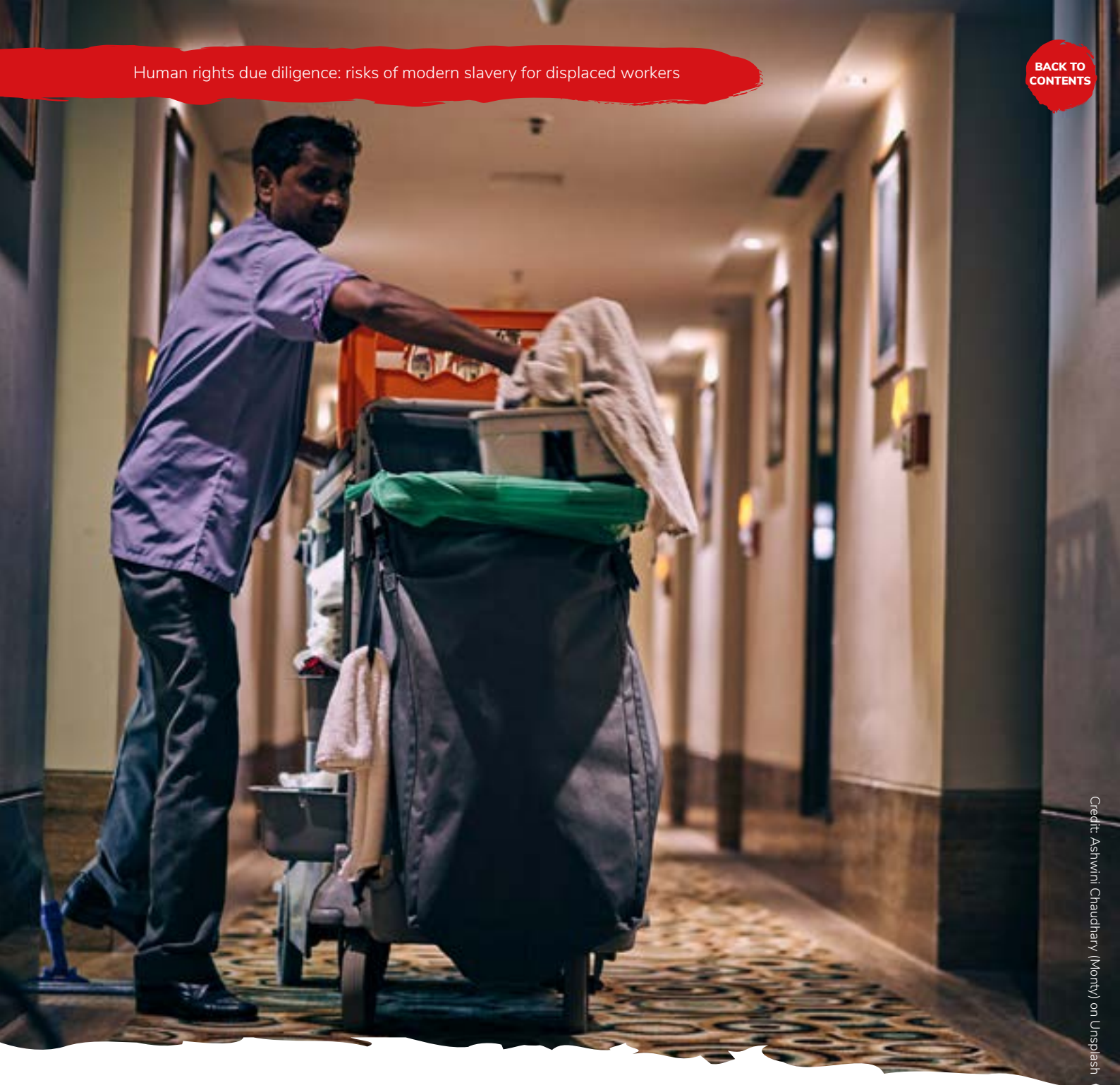
In **Germany**, **Greece** and **Italy** there is a hierarchy of **refugees** or displaced people. Some have certain rights that others do not. The consultations noted that those covered by the Temporary Protection Directive have been prioritised and have received more support faster than those who are not. There have been reports of discrimination against people who are not covered by this protection, as well as reports of racism in how support is provided and how workers can access rights and services.

Working hours

Some women in **Poland** were refused breaks or time off, especially when performing domestic work. Domestic workers were reported to need to be available around the clock and receive little more than minimum wage. There were also reports of workers on short-term contracts working up to 300 hours a month, and some with no contracts at all.

In **Germany**, there are reports of high working hours, which have interfered with the private lives of workers, including their ability to care for their children or participate in language courses. This experience is common across several countries.

There are cases of workers being verbally and physically abused when they try to claim their rights in **Romania**, often in situations where they were working without a contract. There are reports of excessive overtime in hospitality, especially in bars and hotels, which workers are unable to dispute. Many labour inspectors do not speak the same language as the workers, so they are not able to identify issues. This highlights the need for appropriate grievance mechanisms to be put in place.



Credit: Ashwini Chaudhary (Monty) on Unsplash

Ethical standards: Codes of conduct

A code of conduct allows your business to show your commitment to upholding ethical standards and preventing labour abuses within your operations and your value chains. Crucially, codes of conduct should be **binding, gender sensitive and address discrimination**.

Displaced people are at increased risk in value chains where there is not a code of conduct in place, because such value chains lack fundamental standards for ensuring that human rights are respected.

Groups at heightened risk of discrimination include women, displaced workers, undocumented workers, racially minoritised groups, people of minoritised religions, nationalities, cultures, genders or sexual orientations, and people with disabilities or accessibility needs.

For codes of conduct to be effective they must be properly understood by those responsible for implementing them and monitored.

Recommendations

Share your code of conduct with all suppliers and sub-contractors

Your teams should share your code of conduct with all suppliers and sub-contractors. They should clearly communicate that this code must be followed and is contractually binding. They should check that all sub-contractors are implementing good practices and maintaining high standards, including in the areas of heightened due diligence presented in this guidance.

Provide training on your code of conduct

Your teams should discuss the ethical standards in your code of conduct with internal staff, suppliers and sub-contractors to check they are properly understood and implemented. This could be done through specific training on the purpose, content, requirements and monitoring of the code.

Work consistently with suppliers to check standards are being met

You should incorporate the obligation to meet the standards set out in your code of conduct into existing supplier contracts. The standards should also form part of the pre-qualification process for new suppliers. Your teams should then work with your suppliers and sub-contractors on an ongoing basis to check these standards are met. This engagement should go beyond one-off audits²² or spot checks. Your teams should work with suppliers to support them to meet all the requirements.

Tackle discrimination and ensure fair treatment

Your teams should carry out all due diligence activities in a way that is non-discriminatory at all stages of the employment relationship: **from recruitment, throughout employment to contract completion.**

You should ensure fair and equal representation and participation in the workplace for all workers, including displaced workers, minoritised workers, vulnerable individuals and historically underrepresented groups. Your business should take specific steps to ensure the safety and wellbeing of these groups, and their equal access to the same rights and protections as other workers (see sections: "[Gender and inclusion](#)", "[Freedom of association](#)" and "[Working with NGOs and external support networks](#)").

Your business should have procedures in place to make sure that contracts can only be terminated in line with the conditions in the contract, upholding the principle of non-discrimination.

22 Anti-Slavery International, 'The inadequacies of social auditing: why we need worker-led solutions', last accessed 7 March 2023, available at: <https://www.antislavery.org/social-auditing-inadequate-why-we-need-worker-led-solutions/>

Working with NGOs and external support networks

Non-governmental organisations (NGOs) and local associations provide a range of services from information to mental health support. They have expertise in a wide range of areas, including labour law, asylum applications, social support, benefit entitlements, housing, psychological support, health care, child care, translation and training. Public services may also be available to provide advice and support to displaced people.

These organisations can provide relevant information about the local context where you operate and along your value chains. This information should inform your heightened due diligence activities and enable you to better support displaced workers. You can also signpost your workers to these organisations for extra support, if needed.

Recommendations

Partner with specialist local NGOs and stakeholders

Your business should partner and consult with local stakeholders working to protect the rights of displaced people. Your teams should consult with relevant organisations to understand the risks affecting vulnerable groups, such as undocumented workers, including barriers to freedom of association, and how to prevent and mitigate these risks.

Specialist organisations will differ from country to country. You should partner with local or regional non-governmental organisations who have expertise in displaced workers' rights, human rights and forced labour. You should check that they have experience providing services in a non-discriminatory way to affected workers and take a trauma informed, person-centred approach.

Develop an action plan with these stakeholders

Your business should draw up an action plan with the support of these organisations to prevent abuses, hear grievances and provide appropriate remedy and support to workers who have experienced labour abuses. This action plan should be non-discriminatory and gender responsive, giving special consideration to the potential and actual impacts on groups at higher risk of marginalisation, such as women, racially minoritised people and LGBTQI+ people.

Your action plan should outline key processes to follow to ensure decent work for displaced people. It should focus on preventing the risk of exploitation and detail how to effectively respond to any grievances raised or potential exploitation identified.

Build a database of support services and refer displaced workers as needed

People displaced by conflict have often experienced trauma. Your teams should work with local organisations to provide psychological support. You should have trained specialists available to help identify cases of gender-based violence and harassment, and provide appropriate support.

Conclusion

Displaced workers are at higher risk of exploitation and forced labour for many reasons, including hardship and discrimination, deceptive and coercive recruitment practices, language barriers, weak social networks and a poor understanding of labour law in their destination countries.

All businesses – from consumer-facing brands to business-to-business suppliers – have a responsibility to respect the human rights of all those working in their own operations and in their value chains. The scope of your business' due diligence activities will depend on its size and operating context. Nevertheless, there is always something you can do to prevent and mitigate the risk of exploitation in your operations and value chains.

At a minimum, you should share this guidance with your teams and your suppliers and determine who is responsible for due diligence in each area of risk. We encourage you to partner with local NGOs, associations and experts in the countries where you and your suppliers work, to identify specific areas of risk and how best to protect workers from exploitation.

We urge you to refer to this guidance to conduct heightened due diligence in all contexts where there might be high numbers of displaced people, while remaining mindful that your business' approach to upholding your workers human rights will be unique to your operations and your value chains.



Annex I: Employment rules in each country studied

The table below presents the employment laws and entitlements which must be met as a minimum in each country.

	Poland	Romania	Italy	Bulgaria	Moldova	Germany
Minimum Wage²³	PLN 3,010 per month (€630 / £548), to be increased to PLN 3,490 from 1 January 2023 and PLN 3,600 from 1 July 2023	€515.30 per month, €6,184 per year	No statutory minimum. However, employees are entitled to receive a salary commensurate with the quality and quantity of their work. It must also be sufficient to guarantee a decent lifestyle. This right can be enforced in court. The court often considers the minimum salary set in the national collective bargaining agreement for the sector, even if this agreement does not cover the employee.	BGN 3.92 per hour (€2), BGN 650 per month (€332.50)	4,000 MDL per month (about €200 EUR)	€12 per hour (as at 1 October 2022)
Maximum working hours per week	8 hours per day and 40 hours per week No more than 150 hours of overtime per calendar year (which must be paid at 150% or 200% of base salary for night hours, Sundays and public holidays).	48 hours per week	13 hours per day and 40 hours per week	48 hours per week	40 hours per week, not exceeding 10 hours on any given day. Reduced working hours are established for certain categories of employees, depending on age, health status, working conditions and other circumstances, in accordance with applicable law and an individual labour contract. For example, reduced weekly working time is 35 hours for those who work in conditions that the government recognises as harmful. Overtime (at the request of the employer) is limited to 120 hours per year.	In general this is 8 hours per day and 48 hours per week, but in exceptional cases 10 hours of work per day and 60 hours per week are permitted.
Annual leave entitlement	20 days annual leave plus public holidays. Employees can take four of these days off without prior approval, giving notice on the day. An employee cannot forfeit their right to annual leave	20 days	4 weeks per year (although collective agreements may be more generous)	20 days	Generally 28 days, 14 days of which must be taken consecutively	20 paid days for a 5-day work week Employers are not required to grant paid time off to employees during their first 6 months of employment.

23 All currency conversions are approximate and were done in October 2022.

	Poland	Romania	Italy	Bulgaria	Moldova	Germany
Sick leave entitlement	<p>33 days per year paid at 80% of average salary</p> <p>After 33 days, long-term sick leave is available for up to 182 days in a year, paid at 80% of average salary (but paid by the State Social Security Office).</p> <p>Workers must obtain a medical certificate to take sick leave.</p>	<p>Employers are required to pay for the first 5 days of the leave. The rest of the leave is covered by the state healthcare system.</p> <p>Sick pay is equivalent to 75% of average monthly income for the previous 6 months (Emergency Ordinance No. 158/2005).</p>	<p>3 days paid leave, after which the employee is entitled to receive social security sickness benefit for up to 180 days each year.</p>	<p>3 days at 70% of salary, after which the employee is entitled to social security indemnity payments of 80–90% of salary for a further 18 months (provided they have been in their job for more than 6 months).</p>	<p>5 days of paid leave, after which the employee is entitled to social security payments.</p>	<p>If a worker has been employed for the four weeks before their illness, they will be entitled to sick pay at 100% of their salary for up to 6 weeks.</p> <p>Workers must obtain a medical certificate to take sick leave.</p>
Carer's leave entitlement	<p>Individuals employed for more than 6 months can take up to 36 months off as childcare leave (until the child turns six). A parental allowance of PLN 400 (€93) per month is paid by the government for the first 24 months, if household income is below a certain threshold.</p> <p>Parents are also entitled to a government 'care allowance' of 80% of average income for 14–60 days if they stay home to care for a sick or disabled child.</p>	<p>Following an EU Directive, Bill 378/2022 is currently going through Parliament which would introduce employer-paid carer's leave (5 work days each year).</p>	<p>Care of children (where the child is medically certified as sick): Unlimited unpaid leave until the child is three (or six in the case of an adopted child) and 5 days per year thereafter until the child is 8 (or 12 in the case of an adopted child).</p> <p>Care of an adult who has a disability or chronic illness: up to 2 years unpaid leave which can be taken over the course of their working life. These carers are also entitled to a social security benefit equal to 100% of normal pay (up to a statutory maximum).</p> <p>Care of a spouse or close relative with a severe disability: 3 days paid leave per month</p>	<p>Care of children: 60 days paid leave per year</p> <p>Care of adults: 10 days paid leave per year</p>	N/A	<p>Short term: up to 10 days unpaid leave</p> <p>Long term: up to 6 months of full or partial leave</p> <p>Carer's leave can only be taken once for the same person in need of care.</p>
Maternity leave entitlement	<p>20 weeks maternity leave (with a mandatory minimum of 14 weeks for the mother), followed by up to 32 weeks parental leave (which can be split between both parents). Where employees only take maternity leave and not parental leave, they are paid at 100% for the period of maternity leave. Where they take both maternity leave and parental leave, they are entitled to either 80% for the entire period of maternity and parental leave or 100% for the entire period of maternity leave and the first 6 weeks of parental leave and 60% thereafter. The mother can choose her preferred pay scheme.</p>	<p>126 days leave at 85% of their average income (paid by the National Social Security Fund)</p> <p>Employees are only eligible if they have paid the minimum health insurance contribution for at least 1 month in the previous 12 months.</p>	<p>5 months leave paid at 80% of salary, and 2 paid hours per day to feed the child in its first year of life.</p> <p>Leave paid at a lower rate of 30% can be claimed by either parent for 6 months until the child reaches the age of three, except for civil servants who can receive 100% of their pay.</p>	<p>410 days paid at 90% of salary by the National Health Insurance Fund. Individuals must have worked for at least 12 months before taking maternity leave.</p>	<p>70 days before the estimated due date or birth and 56 days after the birth.</p> <p>Once maternity leave ends, either parent or a carer relative is entitled to partially paid childcare leave until the child is three.</p>	<p>A mother is entitled to maternity leave during the 6 weeks before giving birth and the 8 weeks after. This increases to 12 weeks after the birth, if the baby/babies are premature, multiples or have a disability.</p> <p>The mother may choose not to take any of the leave before giving birth. However, she must take leave after giving birth.</p>

	Poland	Romania	Italy	Bulgaria	Moldova	Germany
Minimum notice period for termination	<p>3 days for employment of less than 2 weeks on a probationary basis</p> <p>1 week for employment of at least 2 weeks on a probationary basis</p> <p>2 weeks if the employee was employed for less than 6 months</p> <p>1 month if the employee was employed for at least 6 months</p> <p>3 months if the employee was employed for at least 3 years</p> <p>**Notice periods may only be extended for the benefit of the employee</p>	20 working days for the employer or 15 calendar days for the employee	<p>15 days to 6 months depending on length of service, position and seniority</p> <p>Often set by collective agreements</p>	30 days	30 days in most cases, 2 months in the event of redundancy, or 14 days if the employee resigns	<p>Employees must give at least 4 weeks' notice before either the 15th or the last day of the next month.</p> <p>The notice employers must give depends on the length of employment:</p> <ul style="list-style-type: none"> • After 2 years: 1 month's notice; • After 5 years: 2 months' notice; • After 8 years: 3 months' notice; • After 10 years: 4 months' notice; • After 12 years: 5 months' notice; • After 15 years: 6 months' notice; • After 20 years: 7 months' notice. <p>Notice of termination can only expire on the last day of the month (or, for individuals in their probation period, on the 15th of the month). If insufficient notice is given prior to the end of the month, then the individuals' employment will terminate at the end of the following month.</p>
Protection against unfair dismissal (i.e. can the employer terminate for any reason, or must their reason be fair?)	Termination can only be for valid or justifiable reasons, such as employee misconduct or redundancy.	<p>Termination can only be for misconduct, physical or mental incapacity, professional inadequacy, the employee being arrested or redundancy.</p> <p>Individuals have certain rights on termination, e.g. to be informed of vacancies and to fair process.</p>	<p>Termination can only be for just cause, including redundancy, long-term illness and employee behaviour.</p> <p>Employees must have completed their probationary period to benefit from protection against unfair dismissal.</p>	Termination can only be on just grounds, including redundancy.	Termination can only be for cause, including redundancy and disciplinary offences.	The Unfair Dismissal Act sets out good reasons for dismissal. They include reasons relating to the employee's conduct (e.g. persistent refusal to work or offensive comments) or reasons relating to the person (e.g. frequent short periods of illness or long-term illness, poor performance or addiction). This applies to companies with more than 10 employees.

	Poland	Romania	Italy	Bulgaria	Moldova	Germany
Entitlement to redundancy pay	In the event of a collective redundancy (i.e. where a minimum of 10–30 employees depending on the size of employer are made redundant within 30 days), employees are entitled to 1–3 months of redundancy pay. Redundancy pay is capped at 15x minimum monthly wage.	There is no statutory severance pay, however, an employee may be entitled to severance pay under their individual employment agreement or applicable collective bargaining agreement.	No enhanced redundancy pay. However a strict redundancy procedure must be followed.	1 month's salary	If employees have worked for the employer for more than a year, they are entitled to 1 week's salary per year of employment, with a minimum of at least 1 month's salary.	There is no mandatory redundancy pay, but redundancy pay may be agreed with the works council. Employers and employees contribute to the employee's social security unemployment fund. The benefits received by the employee depend on their earnings in their last month of employment.
Pension entitlement (i.e. does the country enforce mandatory pension payments by employers to employees?)	19.25% of income, paid equally by the employer and employee on a monthly basis. There are also voluntary private pension schemes to which employers must contribute 1.5–4% of income, and employees contribute 2–5%.	Romania has a complex pensions system, including mandatory contributions to both state and private pension funds. Employees are the primary contributors to those pension schemes. However employers also pay 4–8% into the state pension fund if they have poor or risky working conditions in their business.	Mandatory contribution of 33% of gross salary, with 9% payable by the employee.	5% of the social security contribution must go towards a pension.		A German pension is not automatically paid to employees. An employee must apply and provide documentation to be approved. Both employees and employers contribute to the state pension via a social security contribution deducted automatically from the employee's salary and matched by their employer. Self-employed people are not entitled to, or required to contribute to, the state pension.
Health and safety requirements at the workplace (i.e. is there legislation requiring the employer to maintain certain health and safety standards in the workplace?)		Yes, there is legislation setting out rights to health and safety standards in workplaces.	Employers have a duty to evaluate workplace health and safety risks, and eliminate or minimise those risks.	Employers have various health and safety duties, including to adopt rules, conduct health checks, conduct training, provide safety equipment and consult with employees.	Employers are responsible for ensuring employee health and safety.	Occupational Health and Safety Act (Arbeitsschutzgesetz) Employers have a general duty to take necessary occupational safety measures. They must check whether the measures are effective and, if necessary, adapt them to changing circumstances.
Whistleblowing (i.e. does the country allow employees to disclose wrongdoing by their employer to a governmental or quasi-governmental body without fear of repercussion?)	There is no general legislation covering whistleblowing, but there are some whistleblowing protections in the financial sector.	In December 2022 a law entered into force containing general protections for whistleblowers, including anonymity This mirrors the EU Directive on whistleblowing, which protects whistleblowers, as well as imposing obligations on regulated companies to establish internal whistleblowing channels.	There are comprehensive protections for whistleblowers.	There are not currently any laws on whistleblowing.	Minimal whistleblowing protections exist.	Whistleblowing legislation in Germany is still weak in comparison to the EU Directive. National regulations on whistleblower protection are only in place for the financial services sector and on the protection of business secrets.

	Poland	Romania	Italy	Bulgaria	Moldova	Germany
Other	<p>If an employer wants to change employment terms and conditions in a way that would worsen pay or working conditions, they must provide notice (the same as termination) and justify those changes with a valid business reason.</p> <p>Better minimum conditions than those set out above may be included in a collective agreement covering the employer or industry.</p>	<p>Administrative and legislative barriers:</p> <p>Romania has a complicated and inaccessible qualifications framework based entirely on formal education. To get a job that requires a specific level of formal education, job seekers need to provide paperwork proving they have completed the required level.</p> <p>Without the relevant paperwork, refugees often have to obtain their qualifications all over again in their host country – which is time-consuming and serves no purpose other than an administrative one.</p> <p>Employees are required to speak and read Romanian, even if the job does not require it per se, because mandatory formalities such as fire safety and workplace safety briefings are conducted in Romanian. Such legislative hurdles could be overcome if all those affected by such provisions are considered when laws are drafted. For example, the legislation could allow for the relevant safety documents to be translated into the worker's own language.</p> <p>Romanian legislation does not allow doctors from outside the EU, Switzerland or the European Economic Area to practice (even if they completed their medical studies in Romania), unless they marry a Romanian citizen or obtain permanent residence.</p>	<p>If an employee is dismissed for any reason, they are entitled to severance pay (their annual salary divided by 13.5).</p>		<p>Employees who have worked for an employer for more than 1 year are entitled to severance pay of 1 week's salary per year of employment.</p>	

Annex II: Glossary

Asylum seeker: Someone who has submitted an asylum claim in a country other than theirs on the grounds of persecution.

Country of origin: The country where a migrant worker was born or habitually residing prior to migrating.

Debt bondage: When a person is forced to work to pay off a debt.

Destination country: The country where a migrant works and resides, either temporarily or permanently, which is not their country of origin.

Displaced person: Someone who is forced to flee or leave their home due to conflict, violence, human rights violations or disaster (whether natural or human made).

Heightened Human Rights Due Diligence: Specifically in areas of high risk, including conflict-affected areas, companies should carry out a heightened version of human rights due diligence, not only on their actual or potential impacts on human rights, but also their actual or potential impacts on conflict. It is proportionate to the risk, more complex and designed according to the context.

Human Rights Due Diligence (HRDD): As part of due diligence, companies should identify, assess, prevent, mitigate and account for potential and actual negative human rights impacts in their operations and value chains. Crucially, this due diligence process focuses on the risks posed to people, not to the business.

Internally displaced person: Someone who is forced to flee or leave their home due to conflict, violence, human rights violations or disasters, either natural or human made, who has not crossed an international border.

Migrant worker: A person who migrates to another part of their country or across international borders for work. This movement can be seasonal, circular, temporary or permanent.

Modern slavery: When an individual is exploited by others, for personal or commercial gain. Whether tricked, coerced or forced, they lose their freedom. This includes but is not limited to human trafficking and forced labour, including debt bondage.

Recruitment fees: Fees or costs paid by jobseekers during the recruitment process to secure employment. Workers should never be charged any fees or related costs for their recruitment.

Refugee: Someone who has been granted asylum, on the grounds of persecution, pursuant to the United Nations 1951 Refugee Convention.

Transit country: A country through which a migrant travels, which is not their country of origin or departure, to reach their destination.

Undocumented worker: A person who works in a country of which they are not a national, without having the required visa.

Value chain: A value chain is made up of all the interconnected activities required to deliver goods and services, from raw material extraction to sale to consumers. A business' value chain includes all the entities with which it has a direct or indirect business relationship and which either (a) supply products or services that contribute to the company's own products or services or (b) receive products or services from the company.²⁴

Annex III: Organisations consulted when preparing this guidance

ADPARE, Romania

Animus Association, Bulgaria

Arbeit und Leben, Germany

ASOS

Ban Ying, Germany

Business & Human Rights Resource Centre

eLiberare, Romania

Faire Integration, Germany

Homo Faber, Poland

KOK, Germany

La Strada International

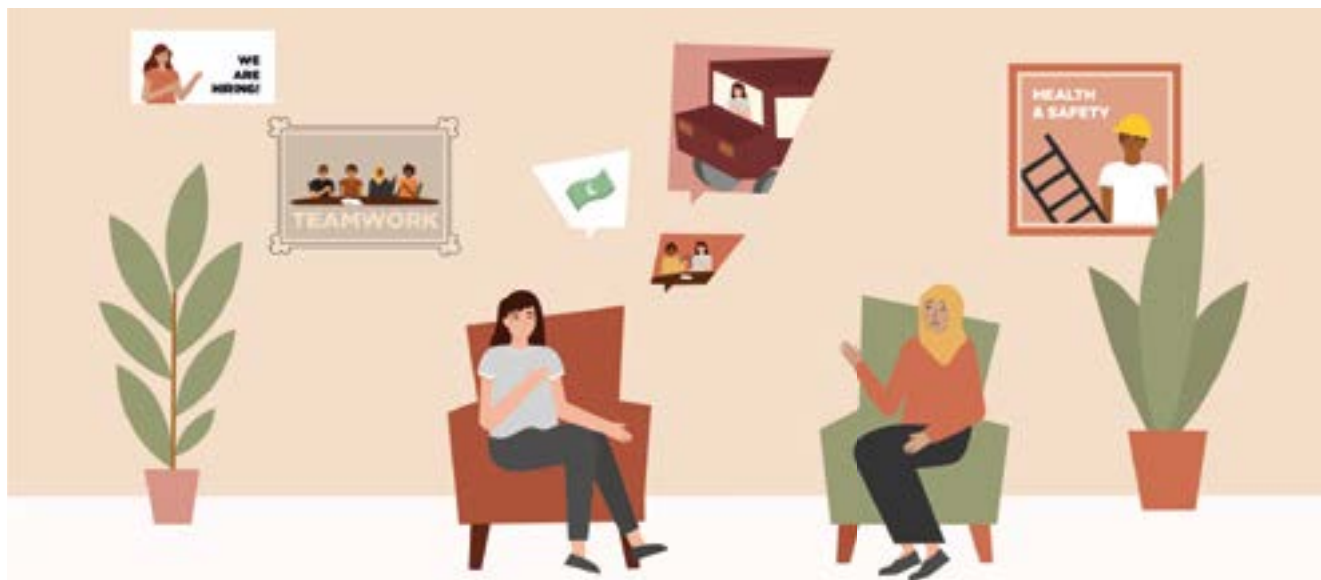
National Employment Agency, Moldova

On the Road, Italy

Polish Institute for Human Rights and Business

Tatiana Fomina, La Strada Moldova





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