House of Lords
House of Commons

Joint Committee on Human Rights

Forced Labour in UK Supply Chains

Sixth Report of Session 2024–25 HC 633 / HL Paper 159

Joint Committee on Human Rights

The Joint Committee on Human Rights is appointed by the House of Lords and the House of Commons to consider matters relating to human rights in the United Kingdom (but excluding consideration of individual cases); proposals for remedial orders, draft remedial orders and remedial orders. The Joint Committee has a maximum of six Members appointed by each House, of whom the quorum for any formal proceedings is two from each House.

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1. The Joint Committee on Human Rights has explored the issue of forced labour in supply chains reaching the UK. The inquiry has found evidence that goods which are produced or part-produced with forced labour are being sold to consumers in the UK. This is counter to the Government's stated position that no company operating in the UK should have any forced labour whatsoever in its supply chain.[1]

2. The UK has a patchwork of domestic legislation which is relevant to forced labour and supply chains. However, this current framework has not prevented goods linked to forced labour from entering the UK market.

3. The UK has ratified a number of international agreements which are relevant to the issue of forced labour. However, the international law obligations on the UK under these agreements usually only extend to the UK's jurisdiction. The international legal framework is currently of limited practical use, therefore, in tackling forced labour in UK supply chains occurring outside of the UK.

4. The UK's main international trading partners are taking steps to address forced labour in their supply chains. This includes enhanced due diligence requirements in the EU and the enactment of a targeted import ban for goods with a footprint in the Xinjiang region of China which has been place in the United States of America since 2021. The UK is now falling behind international partners in its approach to addressing forced labour in supply chains.

5. Encouragingly, the Committee has heard a willingness from representatives in the business sector for the implementation of mandatory human rights due diligence requirements for UK companies. At present, the UK takes a voluntary approach to due diligence in supply chains. This is not creating a "level playing field" and risks putting responsible businesses at a disadvantage. Mandatory requirements would drive a more consistent approach across business.

6. Import bans for goods linked to forced labour can send a strong message that forced labour in supply chains will not be tolerated. Such bans can be an appropriate response to state-imposed force labour, where conventional due diligence approaches may be inappropriate.

1 HC Deb 3 December 2024 c176

7. There are opportunities for domestic law enforcement agencies to use existing legal powers under the Proceeds of Crime Act 2002 to investigate goods potentially linked to forced labour.

8. Since leaving the EU, the UK enjoys greater freedom in its trading arrangements with international partners. Although the UK does include clauses on human rights and labour rights in some international agreements, there is no stated policy on this approach, nor are there effective mechanisms in place to assess the impacts of such clauses.

9. The green energy transition poses specific risks of forced labour in supply chains, largely due to the required technology's reliance on critical minerals and polysilicon. The Procurement Act 2023 and the recently enacted Great British Energy Act 2025 will go some way to addressing these concerns. However, the recently published Solar Roadmap is not sufficient to tackle the supply chain risks. The Government should address this.

10. Some cases are being brought by survivors of forced labour in UK courts. These cases are most often being brought under tort law and can be protracted, complex, and expensive. Providing a dedicated route for civil claims to be brought against companies would benefit survivors, as well as placing the burden on companies to demonstrate that they have taken measures to prevent forced labour in their supply chains.

11. The current framework in the UK does not prevent goods linked to forced labour from being imported and sold in the UK. New legislation is needed to establish: corporate responsibility including mandatory due diligence; an import ban on goods linked to forced labour; and a "duty to prevent" to establish civil liability for companies who do not take adequate steps to prevent forced labour in their supply chains.

12. This report builds on the Committee's previous publication "Human Rights and Business 2017: Promoting responsibility and ensuring accountability" which examined business practices in relation to human rights and recommended new legislation be brought forward.

1 Introduction

Forced labour in global supply chains

13. 'Forced labour' is defined by the International Labour Organisation (ILO) as "all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily".[2] The ILO categorises forced labour as a form of modern slavery (the other principal type of modern slavery being forced marriage).[3] As of 2021 there were approximately 27.6 million people subject to forced labour globally, and this number is increasing.[4] Two-thirds of all forced labour cases are linked to global supply chains.[5]

14. The term 'supply chain' refers to the range of suppliers that provide goods or service to a company. For example, a supply chain for a greengrocer's could include a farmer providing produce and the company that transports the produce to the grocer. Supermarkets and other large companies can have hundreds of suppliers with supply chains that stretch across the globe.

15. Supply chains can be complex and have many levels or 'tiers'. A 'Tier 1' supplier sells directly to the retailer or buyer. For example, a farmer who sells apples directly to a grocer is a Tier 1 supplier to the grocer. The grocer then becomes the Tier 1 supplier to the customer when he sells the apples on. A 'Tier 2' supplier is a step down the line. For example, if a farmer sold apples to a Trader, and the trader sold the apples to a supermarket, the farmer is a Tier 2 supplier to the supermarket and a Tier 1 supplier to the Trader. Broadly, Tier 1 suppliers are the easiest for a company to assess as a company has direct access to them. In general, the further down the Tiers a supplier is, the more difficult it is likely to be for a retailer or other buyer to assess the risks of forced labour and human rights violations in their operations.

2 International Labour Organisation (ILO) Forced Labour Convention 1930 (No.29)

3 International Labour Organization, Walk Free, and International Organization for Migration, "Global Estimates of Modern Slavery: Forced Labour and Forced Marriage", September 2022, pg 2

4 International Labour Organization, Walk Free, and International Organization for Migration, "Global Estimates of Modern Slavery: Forced Labour and Forced Marriage", September 2022, pg 2

5 Walk Free (FLS0064)

16. Industry experts advised that these 'chains' are not linear, and in reality, may more accurately be described as a 'supply network'.[6] For example, some electronics products require thousands of suppliers to produce a single unit,[7] and components may go from one supplier to another then back to the original supplier. Some companies are both suppliers and customers to the same commercial organisation.

17. This report is focused on forced labour in the international supply chains of goods which enter or are sold on the UK market. It does not address issues of forced labour in the UK itself, nor human trafficking to and within the UK. Although these issues are important and deserve Parliamentary attention, they are outside the scope of this inquiry. In addition, the inquiry did not explore the aspects of e-commerce (which has been highlighted in evidence as an area of low regulation which can incur high risks of forced labour in supply chains) or the potential role for investors, both individual and institutional to use their influence to address the issue of forced labour in supply chains.

Particular risks for UK supply chains

18. The Minister for Trade Policy and Economic Security has stated that "no company in the United Kingdom that operates under the existing statutory framework should have any forced labour whatsoever in its supply chain."[8] However, our inquiry heard that the existing statutory framework is not succeeding in meeting this ambition. A recent report by the Bureau for Investigative Journalism claimed:

> More than a hundred consumer brands–from Apple to Volkswagen–can be tied to the tainted trade [of state-imposed forced labour in China.][9]

19. The UK imports a significant volume of goods (over US$26 billion worth) from five sectors where high levels of forced labour are found: electronics, garments, fish, timber, and textiles.[10] Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management stated in written evidence:

6 Annex 2: techUK roundtable discussion
7 Q39 [JJ Messner de Latour]
8 HC Deb 3 December 2024 c176
9 The Bureau of Investigative Journalism, "China's economy runs on Uyghur forced labour | TBIJ", 29 May 2025
10 Walk Free, Global Slavery Index, United Kingdom Country Study (accessed 27 June 2025)

With companies not required to map their supply chains or verify labour conditions, and no corresponding ban on importing goods made with forced labour, tainted goods can easily be imported and sold on the UK market.[11]

20. Some specific examples of forced labour in UK supply chains which have been brought to the attention of the Committee during our inquiry include:

a. **Cotton:** It is estimated that globally 1 in 5 garments made from cotton have been linked to forced labour in the Xinjiang area of China.[12] The Committee heard from Rahima Mahmut, of the World Uyghur Congress, about the discriminative forced labour and re-location practices that Uyghurs and other minority groups are subjected to in China, including the separation of families.[13] In a vote in the House of Commons in 2021, MPs declared that the Uyghurs and other ethnic and religious minorities in the Xinjiang region of China were suffering a genocide.[14] When retailer Shien gave evidence to the Business and Trade Committee, their representative could not confirm whether cotton from Xinjiang was used in clothing sold to UK consumers.[15]

b. **Fish:** Evidence suggests that North Korean workers are being subjected to forced labour on Chinese fishing vessels as part of North Korea's export of its citizens as labourers in order to raise funds for the regime, including its weapons programmes.[16] This is occurring notwithstanding UN sanctions which have been in place since 2017 which prohibit North Korean nationals being granted work permits by other countries.[17] It has been reported that in some cases these workers have not set foot on land for over ten years.[18] Once caught, the fish are sent to China for processing before being sold on to markets in the Europe and the USA.[19] Britain imported £307 million worth of fish from China in 2023, making China the UK's second largest supplier of

11 CCLA Investment Management, Rathbones Group (FLS0040)
12 End Uyghur Force Labour, Homepage
13 Q2 [Rahima Mahmut]
14 HC Deb 22 April 2021 c1246
15 Oral evidence taken by Business and Trade Select Committee, on 7 January 2025, Q232 – 238 [Yinan Zhu]
16 Environmental Justice Foundation, "Trapped at Sea: Exposing North Korean Forced Labour on China's Indian Ocean Tuna Fleet", 22 February 2025; Foreign, Commonwealth and Development Office and Dame Barbara Woodward DCMG OBE, "You cannot separate North Korea's human rights violations from the threat it poses to international peace and security: UK statement at the UN Security Council", 12 June 2024
17 United Nations Security Council Resolution 2375 (11 September 2017) UN Doc S/RES/2375
18 Environmental Justice Foundation, "Trapped at Sea: Exposing North Korean Forced Labour on China's Indian Ocean Tuna Fleet", 22 February 2025, pg 22
19 Environmental Justice Foundation, "Trapped at Sea: Exposing North Korean Forced Labour on China's Indian Ocean Tuna Fleet", 22 February 2025, pg 22

fish.[20] Research by the Environmental Justice Foundation has found that it is highly likely that fish caught by North Koreans subjected to forced labour are being imported into the UK.[21]

c. **Processed tomatoes:** The Committee heard from Michael Rudin, the Executive Producer for the recent BBC World Service investigation 'Blood on the Shelves'. The investigation found evidence that processed tomatoes were being sold in the UK and labelled as being from Italy when they were in reality likely to have been produced in China under forced labour conditions.[22]

d. **Solar panels:** Solar panels are at a high risk of exposure to forced labour due to their reliance on polysilicon which is largely mined and processed in regions with high risks of exposure to forced labour. The manufacture of solar panels in factories may also present risks of forced labour as this takes place largely in China.[23] Katherine Bryant told the Committee that due to a lack of traceability, it is almost impossible to know if any solar panel sold in the UK is free from forced labour or not.[24] Solar power is explored further in Chapter 6 of this report.

e. **Critical Minerals:** The Committee is aware of reports of alleged forced labour and child labour in the mining industry. In particular, there is evidence of the use of child labour in artisanal mines in the Democratic Republic of Congo.[25] We heard that the Democratic Republic of Congo is the source of around 70% of the world's cobalt which is a key ingredient in lithium-ion batteries and magnets.[26] It is therefore likely that minerals sourced here will have entered UK supply chains. There is evidence to indicate that children are working in highly dangerous environments, with exposure to toxic dust, and with no protective equipment.[27] This particular sector is explored further in a case study at the end of this chapter.

20 Seafish (the public body for the seafood industry in the UK), Seafood Trade data, (accessed 19 June 2025)

21 Environmental Justice Foundation, Illegal fishing and human rights abuses in the Korean fishing fleet, June 2020 Briefing; Environmental Justice Foundation, Tide of Injustice, Exploitation and Illegal Fishing on Chinese Vessels in the Southwest Indian Ocean, April 2024

22 Q5 [Mike Rudin]

23 Department for Energy Security and Net Zero (FLS0062)

24 Q35 [Katharine Bryant]

25 The Freedom And Justice Partnership; The Freedom And Justice Partnership (FLS0066)

26 Q37 [Katharine Bryant]

27 The Freedom And Justice Partnership; The Freedom And Justice Partnership (FLS0066)

21. **CONCLUSION**

The evidence we heard demonstrates that goods produced by forced labour are being sold in the UK.

International law on forced labour

22. The UK has ratified a number of international treaties with relevance to forced labour, the most important of which are:

  a. **The European Convention on Human Rights:** Article 4 of the European Convention on Human Rights (ECHR) prohibits "slavery and forced labour". It declares that "no one shall be held in slavery or servitude" and "no one shall be required to perform forced or compulsory labour".[28]

  b. **The International Covenant on Civil and Political Rights:** Article 8 of the International Covenant on Civil and Political Rights (ICCPR) prohibits slavery and servitude, or requiring someone to perform forced or compulsory labour.

  c. **International Labour Organization Conventions**: The UK has ratified various International Labour Organization (ILO) conventions. Key among them are the Forced Labour Convention 1930 (No.29), by which the UK undertook to "supress the use of forced or compulsory labour in all its forms within the shortest possible period".[29] The UK has also ratified the Protocol to that convention, by which the UK undertook to "take effective measures to prevent and eliminate [forced or compulsory labour], to provide to victims protection and access to appropriate and effective remediation … and to sanction the perpetrators".[30] The UK has also ratified the ILO's Abolition of Forced Labour Convention 1957 (No.105), which among other things obliges the UK to "suppress" and not to make use of any form of forced or compulsory labour "for the purposes of economic development".[31]

23. These international agreements create legal obligations for the UK as a matter of international law, although these usually only extend to the UK's territorial jurisdiction. However, with the exception of the ECHR, there are no courts which can be used by individuals to directly enforce their rights, either internationally or in the UK. Leigh Day stated in written evidence:

28 European Convention on Human Rights, Article 4(1) and (2)
29 Forced Labour Convention 1930 (No.29), Article 1(1)
30 Protocol of 2014 to the Forced Labour Convention 1930, Article 1(1)
31 Abolition of Forced Labour Convention 1957 (No.105), Article 1

> “While international law sets important standards for corporations regarding forced labour, these obligations remain largely unenforceable in the UK.”[32]

24. The ECHR is an exception because the rights it sets out can be enforced by the UK’s domestic courts under the Human Rights Act 1998 and by the European Court of Human Rights. However, even in the case of the ECHR, its applicability to forced labour in the UK’s supply chains is severely limited. In all but a few limited situations, the Convention only applies to the UK in its own territorial jurisdiction, i.e. for events which take place in the UK.[33] Article 4 has therefore been relevant principally in cases of forced labour, modern slavery and human trafficking which have taken place in the UK itself rather than in the UK’s supply chains abroad.[34]

25. In addition to the legally binding obligations set out above, the UK is also supportive of a number of voluntary international initiatives. In particular, the UK supports the UN Guiding Principles on Business and Human Rights (UNGPs), which were endorsed by the UN’s Human Rights Council in 2011. The principles provide guidance to states and companies on how to prevent, address, and remedy human rights abuses which occur as part of business operations. The Guiding Principles aim to clarify and elaborate upon existing state responsibilities under several international conventions. The UK Government’s latest action plan on implementing the principles was published in 2020.[35]

26. Similarly, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct are recommendations aimed to encourage businesses to make positive contributions to economic, environmental and social progress, and minimise the adverse impacts of their operations. The latest edition was published in 2023.[36] Although the guidance and principles may help businesses and states to better understand and deliver their existing legal obligations, both the OECD guidance and UNGPs are advisory and unenforceable in the UK.

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32 Leigh Day (FLS0052)

33 See European Convention on Human Rights, Article 1, which requires parties to the Convention to ”secure to everyone within their jurisdiction the rights and freedoms” it contains.

34 See, e.g., *C.N. v United Kingdom* (application no. 4239/08); *V.C.L. and A.N. v United Kingdom* (application nos. 77587/12 and 74603/12)

35 Foreign, Commonwealth and Development Office, “UK National Action Plan on Implementing the UN Guiding Principles on Business and Human Rights: Progress Update, May 2020”, 27 May 2020

36 Organisation for Economic Co-operation and Development (OECD), Guidelines for Multinational Enterprises on Responsible Business Conduct, 2023 edition

UK domestic law

27. The UK relies on a patchwork of domestic statutes to address the use of forced labour in supply chains that extend outside of the UK. Key amongst these is the Modern Slavery Act 2015 (MSA 2015). The MSA 2015 was world-leading when it was passed. It introduced the UK's first corporate reporting requirements for slavery and forced labour practices in supply chains by requiring corporations with £36 million or more annual turnover to declare the actions they had taken to address modern slavery in their supply chains each year.[37] This reporting duty was primarily intended to stimulate corporate action to investigate and eliminate forced labour in companies' supply chains.[38] However, the Committee has heard evidence that the reporting requirement is not fulfilling its objective, and compliance with the obligation is low.[39] This is despite companies being able to fulfil their duties by reporting that no action has been taken.[40]

28. Other statutes in the patchwork include the Foreign Prison-Made Goods Act 1897, the Proceeds of Crime Act 2002, the Procurement Act 2023 and, to a lesser extent, the Human Rights Act 1998.

29. Sector-specific legislation is also in place to help address modern slavery in some public-sector supply chains. For example, under the newly enacted Great British Energy Act 2025, one of Great British Energy's objectives is facilitating, encouraging and participating in "measures for ensuring that slavery and human trafficking is not taking place in [Great British Energy's] business or supply chains".[41] Under the National Health Service Act 2006 (as amended by the Health and Care Act 2022), the Secretary of State is required to make regulations to "make such provision as the Secretary of State thinks appropriate with a view to eradicating the use in the health service in England of goods or services that are tainted by slavery and human trafficking".[42]

30. Later chapters of this report will analyse the component statutes of this patchwork of domestic legislation in detail, analysing its limitations and gaps, and making recommendations for its improvement. The overwhelming evidence we received, however, was clear: the UK's domestic law framework is currently inadequate to address forced labour in UK supply chains. As the Independent Anti-Slavery Commissioner told the Committee:

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37 Modern Slavery Act 2015, s.54

38 Correspondence from The Rt Hon the Baroness May of Maidenhead relating to Forced Labour in UK Supply Chains dated 28 April 2025

39 Independent Review of the Modern Slavery Act 2015: Final Report, May 2019, page 14

40 Modern Slavery Act 2015, s.54, ss.4,(b)

41 Great British Energy Act 2025, s.3(2)(e)

42 National Health Service Act 2006, s.12ZC (added by the Health and Care Act 2022, s.81)

> "[I]t is time also that the Government act to catch up with international partners and introduce new legislation to put in place more protections to stop goods linked with forced labour coming into the United Kingdom."[43]

31. **CONCLUSION**

There is currently a piecemeal and ad hoc approach to addressing forced labour using domestic policy. This does not prevent goods linked to forced labour being sold in the UK, nor provide clarity for businesses.

RECOMMENDATION

New legislation is needed to ensure that the UK's market is protected from goods tainted by forced labour. This should establish:

(i) that it is unlawful to import or sell goods linked to forced labour in the UK

(ii) new mandatory human rights due diligence duties for businesses,

(iii) a right for those who have suffered forced labour to bring a claim for civil liability against those responsible,

(iv) the regulatory arrangements for imported goods, sale of goods, and ensuring business compliance with the new due diligence duties

(iv) how such regulations will be enforced and how those responsible for enforcement will be resourced

The legislation should be introduced within one year of the publication of this report.

Leadership in Government

32. The fragmented domestic legal position is reflected in the lack of political leadership on forced labour within government. Over the course of our inquiry, it became clear that there was confusion within government about which Minister or department should be taking the lead on tackling forced labour in supply chains, or at least be responsible for coordinating the work of other departments. The issue of forced labour in supply chains engages potentially at least four government departments: the Home Office, the Department for Business and Trade, the Department for Energy Security and Net Zero, and the Foreign Commonwealth and Development Office.[44] Sarah

43 Q52 [Eleanor Lyons]
44 Department for Energy Security and Net Zero (FLS0062)

Jones MP, Minister of State for Industry at the Department of Energy Security and Net Zero and the Department of Business and Trade acknowledged this difficulty:

> "When I have questions on modern slavery and forced labour, I have to go to multiple people in multiple government departments to get answers. Clearly, there is an issue there."[45]

33. The Independent Anti-Slavery Commissioner shared this sentiment, adding her experience of disconnect between different departments:

> "When I speak to all of these departments, as I do regularly, they often do not know what is going on in the department next door. The Government need to lay out a clear strategy about what they are doing in this space and it needs to be owned by the absolute leaders in the Government—No. 10 and the Cabinet Office"[46]

34. **CONCLUSION**
There is a lack of visible leadership and coordination within government on tackling forced labour in UK supply chains.

35. **RECOMMENDATION**
The Government should consider how it can provide visible leadership and coordination on the issue of forced labour in supply chains within government.

The China Audit–a missed opportunity

36. During the course of the inquiry, the UK Government has been undertaking a 'China Audit' to assess the bilateral relationship between the UK and China. The stated aim of this audit was to deliver a long-term strategy for the relationship between the two states, following what the Intelligence and Security Committee in 2023 described as a "completely inadequate" approach to the threat posed by China over the past decade.[47] The Government has noted China's systemic use of force labour in written evidence to this inquiry.[48]

37. On 24 June 2025, the Foreign Secretary told the House of Commons that the audit is:

45 Q86 [Sarah Jones MP, Minister for Industry at DBT and DESNZ]
46 Q68 [Eleanor Lyons]
47 Intelligence and Security Committee, "China", 13 July 2023, pg. 196
48 Department for Energy Security and Net Zero (FLS0062)

> "[L]ess a single act, than an ongoing exercise which will continue to guide the UK's approach to China."[49]

38. In his statement, the Foreign Secretary noted that China has risen to become the second largest economy in the world, has recently increased its military capabilities so that it now has the largest army in the world, and has developed dominance over most critical supply chains.[50] The Foreign Secretary asserts that the UK therefore has no choice but to engage in trade with China.[51]

39. In the Foreign Secretary's statement, he made reference to "shining a spotlight" on human rights such as the "situations" in Xinjiang and Tibet. In other publications Government has recognised serious breaches of human rights carried out by China.[52] The Foreign Secretary made no commitments about how the issue of state imposed forced labour in China would be addressed.

40. The Secretary of State for Business and Trade told us in a letter:

> "We recognise that raising concerns alone is not sufficient to address the scale and severity of the human rights violations taking place [in China]. That is why we have adopted a comprehensive approach, deploying a range of targeted measures to support the people of Xinjiang and to hold China to account."[53]

41. However, the listed 'targeted measures' in the Secretary of State's letter do not specifically relate to China, and include the existing UK instruments of export controls, sanctions, and guidance for businesses. International collaborative actions mentioned in the letter include co-signing a UN statement and verbally raising the situation in Xinjiang at a meeting of the Human Right's Council.[54]

42. **CONCLUSION**
The Government's China Audit has missed an opportunity by not publicly setting out an approach to addressing state-imposed forced labour in China.

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49 China audit: Foreign Secretary's statement, 24 June 2025
50 China audit: Foreign Secretary's statement, 24 June 2025
51 China audit: Foreign Secretary's statement, 24 June 2025
52 Department for Energy Security and Net Zero (FLS0062); Department for Energy Security and Net Zero, Solar Roadmap, 30 June 2025
53 Correspondence from the Secretary of State for Business and Trade to the Committee, 30 June 2025
54 Correspondence from the Secretary of State for Business and Trade to the Committee, 30 June 2025

Falling behind other countries

43. Last year, the House of Lords appointed a Committee to review the functioning of the Modern Slavery Act 2015.[55] Reporting in October 2024, that Committee set out a number of ways in which the UK has fallen behind other countries in tackling modern slavery, including in supply chains.[56] We found similar evidence in our inquiry. From transparency reporting to import bans, human rights due diligence to international agreements, the evidence set out in the following chapters of our report show how the UK is failing to keep pace with international comparator states.

Previous Work by the Joint Committee on Human Rights

44. The Joint Committee on Human Rights (JCHR) has published previous reports addressing the subject of forced labour connected to the UK. Most recently, in April 2017, the JCHR published its report entitled “Human Rights and Business 2017: Promoting Responsibility and Ensuring Accountability”.[57] In that report, our predecessor committee urged the then-Government to take various steps to reduce the risk of goods produced by forced labour entering the UK market. The current report builds on the work of our predecessor committee and notes the lack of progress which has been made in the UK since that report was published.

55 Modern Slavery Act 2015 Committee, Report of Session 2024–25, The Modern Slavery Act 2015: Becoming World-Leading Again, 16 October 2024, HL Paper 8, para 1

56 Modern Slavery Act 2015 Committee, Report of Session 2024–25, The Modern Slavery Act 2015: Becoming World-Leading Again, 16 October 2024, HL Paper 8

57 Joint Committee on Human Rights, Sixth Report of Session 2016–17, Human Rights and Business 2017: Promoting Responsibility and Ensuring Accountability, HL Paper 153 / HC 443

2 Corporate responsibility: Transparency reporting and mandatory human rights due diligence (mHRDD)

The UK's current approach to transparency reporting

45. 'Transparency reporting' is the process by which companies or public bodies report publicly on their operations. The Modern Slavery Act 2015 (MSA 2015) is the primary legislation in the UK concerning modern slavery and forced labour. The MSA 2015 was considered to be world-leading legislation when passed in 2015 and generated cross-party support in the UK.[58] The Act has been described as an important step forward in UK and global policy-making on corporate accountability,[59] and has provided a blueprint for similar legislation in other nations, notably Australia and Canada.[60]

46. Section 54 of the MSA 2015 requires commercial organisations with a turnover exceeding a set value to make a "slavery and human trafficking statement for each financial year". The value, set out in secondary legislation, is currently set at a turnover of at least £36 million per year.[61] The statement must either set out the steps the organisation has taken during the financial year to ensure that slavery and human trafficking are not taking place in any of its supply chains or any parts of its own business, or state that the organisation has taken no such steps.[62] The duty applies

58 House of Lords Modern Slavery Act 2015 Committee, First report of session 2024–25, Government response, The Modern Slavery Act 2015, become world-leading again, HL paper 8, pg. 3
59 Environmental Justice Foundation (EJF) (FLS0039)
60 Parliament of Australia, Inquiry into establishing a Modern Slavery Act in Australia, Terms of Reference, 15 February 2017; Norton Rose Fulbright, "From disrupted to tainted supply chains: Canadian legislation against modern slavery may be coming post-COVID", 15 June 2020
61 Modern Slavery Act 2015 (Transparency in Supply Chains) Regulations 2015, reg.2
62 Modern Slavery Act 2015, s.54(4)

to ‘commercial organisations’ which carries on at least part of its business in any part of the UK.[63] The statements required under s.54 are commonly referred to as ‘Transparency in Supply Chain’ statements or ‘TISCs’. This is the terminology which will be used in this report.

47. However, the majority of the evidence received by the Committee indicates that the TISC duty is not effective in preventing forced labour in supply chains. There are two main problems which have been identified with the transparency reporting model.

48. First, there has been a lack of engagement with the duty from organisations. In 2019, an independent review commissioned by the Government estimated that around 40% of eligible companies were not complying with the TISC requirement at all.[64] The Secretary of State can seek an injunction against non-compliant companies, but this power has not been used.[65]

49. Secondly, we heard that there are fundamental problems with the TISC duty even where it is complied with.

50. The TISC duty can currently be met by an organisation declaring it has taken no steps to address forced labour in its supply chains.[66] There is therefore a lack of incentive for meaningful engagement with the duty and no transparency information may be forthcoming;[67]

51. There is no universal deadline for publication–organisations publish TISCs piecemeal throughout the year and there is no obligation to use the central public register of statements, which makes scrutiny challenging.[68]

52. The quality of TISC statements vary considerably as there are no obligatory criteria.[69]

53. The TISC duty is limited in scope and applies only to organisations with a turnover of over £36 million, meaning there is a large number of organisations which are not required to report at all, and the duty does not apply to public bodies.[70]

63 Modern Slavery Act 2015, s.54(12)
64 Independent Review of the Modern Slavery Act 2015: Final Report, May 2019, page 14
65 International Dalit Solidarity Network (FLS0016)
66 International Bar Associations Human Rights Institute (IBAHRI) (FLS0008)
67 Beyond Human Rights Compliance (FLS0020)
68 UK government, Modern slavery statement registry; ES3G Limited (FLS0014)
69 ALP (the Association of Labour Providers) (FLS0010)
70 Tony’s Chocolonely (FLS0007); Modern Slavery Act 2015, s.54(2)

54. There is no obligation to provide evidence for any of the claims made in TISC statements, and therefore no way of knowing whether claims are accurate - which we heard creates a risk of unsubstantiated claims being made to enhance a company's reputation.[71]

55. To a certain extent, transparency reporting relies on consumer backlash against bad behaviour to persuade companies to remove forced labour from supply chains. However, evidence shows that such consumer backlash can be short-lived, with little long-term impact on consumer behaviour.[72] For example, there were media reports that the clothing company BooHoo were using factories in Leicester where workers were subject to very unsafe conditions akin to modern slavery in July 2020.[73] Despite the widespread reporting of the scandal, in the same year Boohoo sales rose substantially and exceeded projected expectations by £68.1 million.[74]

56. As Katherine Bryant of Walk Free said in evidence to our Committee:

> "[S]o far we have seen that transparency has not worked. … the UK Modern Slavery Act is not fit for purpose because it focuses purely on reporting."[75]

57. The shortfalls in the UK's voluntary reporting regime have led to calls for reform. For example, the House of Lords Modern Slavery Act 2015 Committee recently concluded that the Act has not kept up with the advances of other nations.[76] Baroness May of Maidenhead, who led the campaign for the MSA 2015 and under whose premiership the Act was passed, wrote to us during the course of the inquiry, stating:

> "When the Act was introduced, there were those who were concerned about the impact on business. It is now clear that in order to have an impact on modern slavery and human trafficking we need to go further."[77]

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71 ES3G Limited (FLS0014)

72 British Retail Consortium (BRC) (FLS0033)

73 Sunday Times, Boohoo: fashion giant faces 'slavery' investigation, 5 July 2020; Independent, Boohoo 'facing modern slavery investigation' after report finds Leicester workers paid as little as £3.50 an hour, 5 July 2020

74 Dr Erin O'Brien (Associate Professor at Griffith University); Dr Justine Coneybeer (Research Fellow at Griffith University); Ms Kyla Raby (Doctoral Researcher at University of South Australia) (FLS0024)

75 Q39 [Katharine Bryant]

76 House of Lords Modern Slavery Act 2015 Committee, UK's response to modern slavery has not kept up with the advances of other nations, 16 October 2024

77 Correspondence from The Rt Hon the Baroness May of Maidenhead relating to Forced Labour in UK Supply Chains dated 28 April

58. The UK's Trade Strategy made a commitment to "launch a review of our approach to ensuring responsible business conduct, focusing on the global supply chains of businesses operating in the UK." On 7 July 2025, Jess Phillips MP, Parliamentary Under Secretary in the Home Office, confirmed that alongside this review, government are considering how to strengthen s.54 of the Modern Slavery Act, including "the reporting requirements, the turnover threshold, and penalties for non-compliance".[78]

59. **CONCLUSION**
Section 54 of the Modern Slavery Act is not effectively motivating companies to address forced labour in their supply chains. The Committee is pleased to see the Government are considering changes to strengthen the duty.

60. **RECOMMENDATION**
Government should strengthen the reporting duty under s.54 by establishing effective accountability mechanisms for non-compliance.

61. **RECOMMENDATION**
Government should remove s.54(4)(b) of the Modern Slavery Act 2015, which enables companies to comply by reporting that no action has been taken.

62. **RECOMMENDATION**
Government should extend the TISC reporting duty to public organisations.

Human Rights Due Diligence (HRDD)

63. 'Due diligence' in general refers to taking reasonable but not exhaustive steps to detect risk and prevent negative outcomes. 'Human rights due diligence' (HRDD) in terms of corporate responsibility entails corporations undertaking proactive processes to minimise and manage the risk of human rights violations occurring within their operations.[79] This could include for example conducting risk assessments; requiring suppliers to fulfil certain conditions; or carrying out unannounced audits.[80] This differs

78 Human Rights and Slavery: Supply PQ 63486, 7 July 2025
79 United Nations, Human Rights Office of the High Commissioner, Working Group on Business and Human Rights, Corporate human rights due diligence – identifying and leveraging emerging practices, (accessed 29 June 2025)
80 Unseen (FLS0005)

to transparency reporting which is a passive process of publicly stating what has been done on an annual basis (which can be nothing). However, outcomes from due diligence processes, such as identified risks and the measures put in place to address them, could form part of the information shared in transparency reports.[81]

64. Companies in the UK face a significant risk of forced labour in their international supply chains. John Morrison, CEO of the Institute for Human Rights and Business told the Committee:

> The reality is that most British companies with international supply chains will have a risk of forced labour somewhere in their supply chains.[82]

The UK's current approach to human rights due diligence

65. In the UK, corporate due diligence requirements for supply chains have been described as voluntary. Sarah Jones MP, Minister of State for Industry at the Department for Energy Security and Net Zero and the Department for Business and Trade, told the Committee:

> "[I]n the department for business, the approach that we have taken in the past is one of voluntary due diligence—we adopt a voluntary approach with businesses, based on implementing UN principles and OECD guidelines".[83]

66. The Committee received a number of submissions indicating that there would not be a level playing field for businesses until there is mandatory human rights due diligence in the UK.[84] The Global Commission on Modern Slavery, led by Baroness May of Maidenhead, argued that:

> To drive the systemic change needed to address [forced labour's] root causes, governments should move beyond voluntary measures and enact well designed legislation mandating HRDD for companies, in full alignment with the UNGPs.

67. Oliver Holland, Partner at Leigh Day told the committee that the current legislation is ineffective:

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81 Unseen (FLS0005)

82 Q38 [John Morrison]

83 Q83 [Sarah Jones MP, Minister for Industry, DBT and DESNZ]

84 Unseen (FLS0005); Tony's Chocolonely (FLS0007); British Retail Consortium (BRC) (FLS0033); Ethical Trading Initiative (FLS0057)

> "existing laws do not do enough to ensure that companies and public bodies take responsibility for human rights abuses and environmental harms. As I said already, there is a strong and urgent need for mandatory due diligence legislation."[85]

68. Evidence shows that there is a desire amongst some businesses for the introduction of mandatory cross-sector human right due diligence standards to create a 'level playing field' and ensure companies who take a responsible approach to due diligence are not placed at a commercial disadvantage.[86] For example, in August 2022, a statement signed by 49 corporations and organisations including Asda, Tesco, Unilever and John Lewis called for "a new law mandating Human Rights and Environmental Due Diligence for Companies and Investors". The statement called for:

> "[…] the UK government to urgently bring forward ambitious primary legislation to mandate companies to carry out human rights and environmental due diligence. To level the playing field in practice, the requirement needs to be accompanied by consequences that will be strong enough to ensure that businesses that fall within the scope of the legislation carry out Human Rights and Environmental Due Diligence (HREDD) to a high standard and that victims have access to justice."[87]

69. The Independent Anti-Slavery Commissioner has expressed her strong support for the introduction of mandatory human rights due diligence requirements throughout the supply chain in the UK to the Committee[88] and is currently consulting with business leaders and policy makers to develop a proposal for Government.[89]

70. Fidelity International, a sustainable investment company with over $900 billion assets under management, told the Committee:

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85 Q22 [Oliver Holland]

86 Tony's Chocolonely (FLS0007); Mr Chee Yew Wong (Professor at University of Leeds); Mr Jonathan Winterton (Professor at University of Leeds); Mrs Ying Zhang (Postgraduate Researcher at University of Leeds) (FLS0009); ALP (the Association of Labour Providers) (FLS0010); Ardea International (FLS0027)

87 Business and Human Rights Resource Centre, "Calling for a new law mandating Human Rights and Environmental Due Diligence for Companies and Investors", August 2022

88 Q73 [Eleanor Lyons]

89 Independent Anti-Slavery Commissioner, Modern Slavery & Mandatory Human Rights Due Diligence in the UK, IASC, (accessed 2 July 2025)

"[We would like to see] Mandatory due diligence - Risk-based and proportionate due diligence into forced labour in supply chains could help companies identify forced labour risks. A company should be able to tailor due diligence requirements to a company's size, sector and supply chain risks."[90]

71. Tony's Chocolonely, the UK's fastest growing chocolate brand, urged the introduction of mandatory human rights due diligence:

"Comprehensive mHREDD [mandatory human rights and environmental due diligence] legislation will give businesses the clarity they need to operate, will create a level playing field and will bring about real and lasting change in corporate practices."[91]

72. A willingness to go beyond the current minimum requirements in the private sector is also evidenced by the development of several voluntary standards which aim to tackle forced labour and associated human right violations in supply chains.

73. The Ethical Trading Initiative has launched both the Corporate Transparency Framework and the HRDD Progression Framework to support its 80 members to improve their approaches to supply chain transparency and due diligence.[92]

74. In 2022, after in depth consultation, the BSI published BS 25700 Organizational responses to modern slavery, which is now used by organisations in around 100 countries to improve their modern slavery due diligence.

75. The Independent Anti-Slavery Commissioner told the Committee that businesses she interacts with are seeking greater due diligence requirements:

"The United Kingdom Government should introduce mandatory human rights due diligence. … I work with businesses that want the Government to introduce this legislation. They want a level playing field and for their efforts tackling forced labour in their supply chains to be acknowledged and for those who are not doing it to address those problems within their supply chains."[93]

90 Fidelity International (FLS0012)
91 Tony's Chocolonely (FLS0007)
92 Ethical Trading Initiative, Human rights due diligence, (accessed 02 July 2025)
93 Q63 [Eleanor Lyons]

76. **CONCLUSION**

The UK's current approach of relying on voluntary implementation of due diligence is not effectively tackling forced labour in supply chains. Implementing mandatory human rights due diligence requirements for companies would level the playing field and be welcomed by many responsible businesses.

RECOMMENDATION

The Government should legislate to introduce mandatory human rights due diligence requirements throughout supply chains for businesses trading in the UK. In developing this legislation, the Government should consult with businesses and ensure that there is sufficient lead time for any new requirements to be implemented.

International comparators: The Corporate Sustainability Due Diligence Directive (CSDDD)

77. Several international allies and competitors are moving towards mandatory corporate due diligence on human rights and forced labour. In particular, the EU is incrementally introducing mandatory human rights and environmental due diligence via the Corporate Sustainability Due Diligence Directive (CSDDD).

78. However, in November 2024, EU Heads of State and Governments called on the EU Commission to simplify the framework and reduce the burdens for business from the CSDDD.[94] The Commission put forward an 'Omnibus' proposal on 26 February 2025 seeking to significantly reduce the requirements and scope of the CSDDD.[95] Commenting on the Omnibus proposal, the EU Commission stated that:

> [T]he Commission is recalibrating some EU rules in a growth-friendly manner that will enable more cost-effective delivery of our policy objectives.[96]

94 European Council (EU), Budapest Declaration on the New European Competitiveness Deal, 8 November 2024

95 European Commission, Omnibus I, 26 February 2025

96 European Commission, Questions and answers on simplification omnibus I and II, 26 February 2025

79. Some stakeholders believe this proposal goes too far, departing from the spirit of the directive and watering down the originally agreed requirements.[97] The International Federation for Human Rights called the Omnibus proposal "disastrous", saying that it would axe key provisions, make the CSDDD toothless, and create more confusion.[98]

80. The Omnibus proposal was laid twelve days after the call for evidence for our inquiry closed. Therefore, the vast majority of the written evidence the Committee received (which was overwhelmingly positive towards the CSDDD and suggested that the UK should emulate these new requirements as a minimum) was submitted before the revisions to CSDDD were proposed.

81. A final outcome on the details of the CSDDD will be negotiated by the European Parliament and the European Council. Under the EU Council's negotiating mandate, it has been suggested that transposition into the domestic law of Members States should be delayed until July 2028.[99]

82. Business representatives told the Committee that it is helpful if standards across countries are aligned as this minimises the regulatory burden under which they are placed.[100] However, a certain amount of variation is inevitable even amongst EU Member States, who have some discretion in how they transpose the Directive into their domestic law and systems. France and Germany have already adopted legislation to address human rights due diligence in supply chains, in advance of potential CSDDD requirements.[101]

83. The requirements placed on businesses by the French and German legislation currently differ (and may need to be updated when the directive comes into effect). Although Member States can exceed the requirements of a directive, they will at least have to meet its minimum standards.

84. **RECOMMENDATION**

In developing its own mandatory human rights due diligence, the UK should be mindful of the outcome of the CSDDD process in the EU, in order to ensure that businesses which operate in both the UK and EU are not placed under conflicting regulatory burdens.

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97 Q32 [Craig Melson]

98 International Federation for Human Rights, Disastrous Omnibus proposal erodes EU's corporate accountability commitments and slashes human rights and environmental protections, 10 March 2025

99 Council of the EU, Simplification: Council agrees position on sustainability reporting and due diligence requirements to boost EU competitiveness, 23 June 2025

100 Q25 [Scott Steedman, Craig Melson], Q32 [Dr Roger Barker]

101 Germany: Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz, LkSG), 16 July 2021; France: law on the duty of vigilance of parent companies and ordering companies (LOI n° 2017-399 du 27 mars 2017 relative au devoir de vigilance des sociétés mères et des entreprises donneuses d'ordre), 27 March 2017

Proportional due diligence obligations for Small and Medium Enterprises

85. One of the principal objections to MHRDD is the burden it would place on business, especially Small and Medium Enterprises (SMEs). Under the UN Guiding Principles, it is advised that businesses of all sizes have a responsibility to respect human rights.[102] However, it is noted that this responsibility and the requirements for delivering it should be proportionate to a company's size, capacity, and risk profile.[103] This means SMEs would be subject to fewer and less onerous requirements than larger organisations.

86. A proportionate risk-based approach would enable a due diligence framework to allow flexibility for SMEs, offering scaled-down processes that are practical for smaller businesses while maintaining effectiveness.[104]

87. Evidence received by the Committee has supported the principle that companies of all sizes should be mandated to undertake proportional risk-based due diligence measures, but has also noted that SMEs would be likely to require additional support.[105]

88. Support might include training provision and access to official government approved resources.[106] Witnesses also noted that SMEs may not have the same leverage as larger companies, and so if forced labour were found in their supply chain they would not have the resources to implement corrective action plans, as might be expected in a larger company. Therefore, we heard that in such a situation it would be appropriate for guidelines to recommend they to cut ties with suppliers instead of seeking to influence them to improve their practice.[107]

89. Despite being of smaller size, SMEs can be exposed to significant risks of forced labour in their supply chains. ES3G, a company that provides worker engagement services told the Committee:

> "[I]n our experience it is likely that smaller companies working with smaller suppliers are where significant risks of worker human rights abuses lie."[108]

102 UN Guiding Principles on Business and Human Rights, principle 14.
103 UN Guiding Principles on Business and Human Rights, principle 14; Ethical Trading Initiative (FLS0057)
104 Ethical Trading Initiative (FLS0057)
105 ALP (the Association of Labour Providers) (FLS0010); Mines Labour Protection Campaign (MLPC), Jodhpur, Rajasthan, India (FLS0038)
106 Unseen (FLS0005)
107 ES3G Limited (FLS0014)
108 ES3G Limited (FLS0014)

90. The Committee received evidence that smaller companies are often closer to their suppliers, and therefore can more effectively carry out due diligence.[109] Some SMEs have shown a willingness to engage with enhanced forced labour due diligence. A research project between the BSI and King's Business School surveyed businesses that had recently downloaded the new guidance provided by the voluntary British Standards Institute BS25700, and found that the majority of private sector respondents were SMEs.

91. **RECOMMENDATION**

SMEs should be subject to lighter mHRDD requirements than larger companies, which should be proportional and risk-based to manage the specific risks of forced labour in their supply chains. Policymakers should support SMEs with guidance, tools and resources to help them comply without excessive burdens.

Implementing mandatory Human Rights Due Diligence (mHRDD)

92. If the UK introduces mHRDD, there are practical challenges which must be overcome to ensure it is as effective as possible. To ensure success, businesses must know where to start and what government's expectations are.

Challenges

93. Supply chain data is often not readily available, and companies may not know the origin or complete journey of many materials or components they buy.[110] Many UK companies do not engage with suppliers beyond those with which they have a direct business relationship (also called tier 1 or first-tier suppliers).[111]

94. Early in the inquiry, the Committee heard from a BBC producer about the challenges his investigation faced when seeking to trace the origin of processed tomatoes sold in the UK. The investigation took many months, incurred high costs, and even after undertaking extensive research including trace element analysis testing, could not definitively establish the

109 Tony's Chocolonely (FLS0007)
110 Q25 [Craig Melson]
111 Annex 2: techUK roundtable discussion; CCLA Investment Management, Rathbones Group (FLS0040)

origin of the products.[112] If a BBC investigation struggles to trace a supply chain back to the source, this indicates businesses without access to such resources will be faced with a significant challenge.

95. If faced with such a challenge when implementing mHRDD, businesses will benefit from clarity on what is expected of them. Existing guidance under the UN Guiding Principles and the OECD Framework will be familiar to some but not all companies, and more granular information and outreach is likely to be required.

96. Over the course of the inquiry, the Committee has heard a range of suggestions of how government could support businesses to implement mHRDD effectively. These include:

- A central source of guidance, information, and verified resources for businesses to use when implementing mHRDD practices.[113]
- Opportunities for data sharing where public and private companies can securely share intelligence and identify risks.[114]
- Databases showing regions and products exposed to high and low risks of forced labour,[115] such as the List of Goods Produced by Child Labor or Forced Labor published by the Bureau of International Labor Affairs in the USA.[116]
- Lists of supplier companies that do and do not meet government's expectations in managing the risks of forced labour in their supply chains (sometimes called "black lists" and "white lists").[117]
- Government supported certification schemes to show that companies are meeting government's expectations in managing the risks of forced labour in their supply chains.[118]
- Free resources such as risk assessments, template policy documents and guidance on identifying forced labour risks and engaging suppliers.[119]

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112 Q5 [Michael Rudin]
113 Ethical Trading Initiative (FLS0057)
114 Q39 [JJ Messner de Latour]
115 Fidelity International (FLS0012)
116 US Department of Labor, List of Goods Produced by Child Labor or Forced Labor, (accessed 1 July 2025)
117 Q30 [Craig Melson] and Q41 [Katharine Bryant]
118 UN Global Compact Network UK (FLS0015)
119 Walk Free (FLS0064)

Supply Chain Centre

97. The Government recently announced in the UK's Trade Strategy that a Supply Chain Centre will be established within the Department of Business and Trade. Although details on the operation, powers, resources, and timeline for establishing the Centre were light, it was suggested that this centre could "improve businesses access to information"; have a role in mapping supply chains to yield intelligence; and work with multilateral institutions.[120]

98. **CONCLUSION**
The Committee supports the Government's decision to establish a body that could play a role in supporting businesses to address the risks of forced labour in their supply chains.

99. **CONCLUSION**
Verified supply chain and risk data and uniform supportive materials would be welcomed by business; having a single source of information would help to create consistency in practice across organisations and sectors.

100. **RECOMMENDATION**
The Government's newly announced Supply Chain Centre should support companies to conduct effective HRDD by providing a single point of access to verified information, guidance and resources.

Regulation of Corporate Responsibility

101. Regulation and enforcement of new corporate responsibility requirements will be essential to ensure compliance and to deliver Government's aim of removing forced labour from the UK's supply chains. As explored earlier in the chapter, voluntary approaches to compliance have not been sufficiently effective in motivating compliance, or a change in corporate behaviour.[121]

102. Academics from DeMontfort University wrote to the Committee:

120 Department for Business and Trade, UK Trade Strategy, 26 June 2025
121 Correspondence from The Rt Hon the Baroness May of Maidenhead relating to Forced Labour in UK Supply Chains dated 28 April

> "It is evident from our research that companies do not fear regulation and enforcement, because other than on paper, they do not currently exist."[122]

103. However, a company which identifies forced labour or modern slavery in one of their suppliers should not necessarily be penalised.[123] Active discovery of forced labour practices can demonstrate that effective due diligence practices are in place and should be anticipated.[124] Unless state imposed forced labour is identified (see Chapter 3 for more detail), companies should primarily seek to use their influence to improve the supplier's working conditions rather than cutting ties with the supplier, in line with UNGP 19. However, if reasonable action is not taken by the purchaser company to ensure that the supplier is responding appropriately following discovery of forced labour practices, this may demonstrate non-compliance with duties to address forced labour effectively.

104. Penalties are frequently used to deter negative corporate behaviour in the UK. For example, companies can be fined 4% of annual turnover for certain breaches of the Data Protection Act 2018.[125] Financial penalties for non-compliance with mHRDD duties could help to off-set any regulatory burden. It has been proposed that penalties for breaching mHRDD obligations should be proportional to a business's size but would need to be of a significant amount to motivate compliance, for example 5% of a company's annual turnover was suggested by Unseen, the Anti-Slavery charity that run the UK's modern slavery helpline.[126] Walk Free; business consultants Ardea International; asset managers Fidelity International; and Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management, also proposed that mHRDD legislation should include penalties for non-compliance that are proportional to a company's annual turnover.[127] This would ensure that SMEs do not face insurmountable fines. In showing her support for penalties, the Independent Anti-Slavery Commissioner stated:

> "One thing that businesses respond well to is charges against their bottom lines."[128]

122 Professor David Walsh (Professor in Criminal Investigation at De Montfort University); Ms. Karen Lawson (Senior Lecturer, De Montfort University Law School at De Montfort University) (FLS0025)

123 Q40 [John Morrison]

124 Mr Peter Frankental, Amnesty International (FLS0070)

125 Information Commissioners Office, Penalties, (accessed 14 July 2025)

126 Unseen (FLS0005)

127 WALK FREE (FLS0075); Fidelity International (FLS0012); Ardea International (FLS0027); CCLA Investment Management, Rathbones Group (FLS0040)

128 Q62 [Eleanor Lyons]

105. **CONCLUSION**
Regulatory oversight and accountability measures will be required to ensure compliance with the new due diligence requirements.

106. **CONCLUSION**
Imposing penalties for non-compliance with mHRDD would make the risks of non-compliance clear to companies and provide a rationale for conforming which does not exist at present.

107. **RECOMMENDATION**
Government should establish effective regulatory arrangements to ensure compliance with the new rules for mHRDD, including penalties for non-compliance that are proportional to company turn over.

108. **RECOMMENDATION**
This regulatory function could be led either by the Office for Responsible Business Conduct or the Supply Chain Centre. The chosen body must be effectively resourced to deliver these new duties.

3 Import bans and restrictions

109. Another measure to tackle forced labour in supply chains is import bans or restrictions. An import ban is a prohibition on goods being brought into a country. Similarly, an import restriction places certain requirements or limitations on goods entering a country. In the context of forced labour, an import ban or restriction seeks to prevent or limits goods linked to forced labour from entering a country, or to limit the extent to which they enter.

Current position in the UK

110. The UK does not currently have any comprehensive import ban on goods produced by forced labour. The Foreign Prison-Made Goods Act 1897 (FPMG) was introduced to prohibit the importation of goods "made or produced wholly or in part in any foreign prison, gaol, house of correction, or penitentiary".[129] It includes certain exceptions, including for goods in transit or not imported for the purposes of trade, and goods of a description that are not manufactured in the UK.[130]

111. When introduced, this Act aimed to protect British industries from cheap imported products (in particular mats and brushes). However, it has only been used once in the 128 years it has been in force.[131]

112. The Committee has received evidence that the FPMG can be applied in situations where individuals have been 'lawfully' detained according to local laws, but whose continued detention is a breach of human rights, as understood by the UK. This could apply to political prisoners in Xinjiang for example.[132]

113. However, these approaches are failing to prevent goods linked to forced labour from being imported into the UK, which imports a significant volume of goods (over US$26 billion worth) from five sectors at high risk of exposure to forced labour. Cargo flights are permitted to bring goods directly from

129 Foreign Prison-Made Goods Act 1897, s.1
130 Foreign Prison-Made Goods Act 1897, s.1
131 Lauren Satill (FLS0043)
132 Lauren Satill (FLS0043)

the capital of Xinjiang to the UK unhindered;[133] and media investigation has provided strong evidence that tomatoes produced under forced labour conditions are used in products sold in UK supermarkets.[134] Due to a lack of enforceable legislation, there is nothing to stop goods linked to forced labour from entering and being sold in the UK.

114. The UK's Trade Strategy noted weaknesses in the UK's current supply chain regime:

> [W]e recognise that concerns continue to be raised regarding the effectiveness of the UK's regime in preventing human rights, labour rights, and environmental harms in supply chains. Within a fast-changing international landscape, we acknowledge reforms introduced by many of our trading partners.[135]

115. However, the strategy did not provide any solutions to this concern, instead offering a review of "our approach to ensuring responsible business conduct". No timeline nor output for such a review is suggested.

116. **CONCLUSION**
The UK's current approach to imports is inadequate to prevent goods linked to forced labour from entering the UK.

Current position in USA and EU

117. The below provides an overview of the import ban legislation for goods linked to forced labour in both the USA and the EU. Specific elements of each of these import bans are explored further in the chapter.

United States of America

118. In the USA, the Uyghur Forced Labour Prevention Act (UFLPA) has been in operation since 2021.[136] Introduced under President Biden, the UFLPA builds on s.307 of the Tariff Act 1930, which prohibits the import of goods linked to forced labour, convict labour or indentured labour.[137] The Tariff Act 1930 applies to all countries, whereas the UFLPA applies specifically to the

133 Air Cargo Update, New Air-Freight Route Connects Urumqi and Bournemouth, 28 August 2024; Cardiff Airport: China, PQ HL3218, 19 December 2024
134 Q5 [Michael Rudin]
135 Department for Business and Trade, UK's Trade Strategy, 26 June 2025, pg. 87
136 United States of America, Uyghur Forced Labor Prevention Act (UFLPA) 2021
137 United States of America, Tariff Act 1930, s.307

Xinjiang region in China, where the USA recognises there are high levels of state imposed forced labour against minority groups..[138] This can be problematic, as Modern Slavery charity Unseen told the Committee:

> [T]he sole focus on China ignores the global nature of the problem and the wider risk for commodities from outside of China.[139]

119. The Act established a rebuttable presumption, analysed further in the enforcement section of this chapter.

120. In addition, the USA has also had in place a prohibition against any goods produced by North Korean citizens being imported since 2017, under s.302A of the Countering America's Adversaries Through Sanctions Act. The Act includes a rebuttable presumption that all goods produced by North Korean citizens are considered to be made with forced labour unless proved otherwise with "clear and convincing evidence".[140]

European Union

121. The EU Forced Labour Regulation (Regulation (EU) 2024/3015) was introduced in 2024 and is expected to apply from 14 December 2027.[141] It prohibits "the placing and making available on the Union market, or the export from the Union market, of any product made using forced labour".[142] Article 37 of the Regulation requires Member States to lay down rules on penalties for non-compliance with decisions of the competent authority, including orders requiring the withdrawal and disposal of tainted products, as well as orders for the production of information as part of investigations into whether the terms of the Regulation had been violated.

122. The EU regulation applies to goods produced by forced labour anywhere in the globe (including in Member States), not just one geographic region.[143] This provides greater scope for addressing forced labour as it occurs in many if not all countries.

123. The advantage of the EU approach is that goods linked to forced labour cannot be imported or exported once identified, whereas the UFLPA applies to imported goods only.[144] This means that once goods are confirmed as being linked to forced labour, they cannot leave the EU and will not

138 US Department of Labor, Bureau of International Affairs, Against Their Will: The Situation in Xinjiang, (accessed 9 July 2025)
139 Unseen (FLS0005)
140 CCLA Investment Management, Rathbones Group (FLS0040)
141 Regulation (EU) 2024/3015
142 Council of the EU, Products made with forced labour: Council adopts ban, 19 November 2024
143 Walk Free (FLS0064)
144 Modern Slavery and Human Rights Policy and Evidence Centre (FLS0034)

be sold in other markets, helping to prevent a "dumping ground" effect where tainted goods are sold in countries with less stringent standards.[145] This approach also complies with WTO requirements that domestic and imported goods be subject to the same conditions.[146]

124. As import bans are introduced in other competitor markets such as the EU and USA, the Committee heard that there is a risk the UK could become an ever more attractive destination for goods produced by forced labour.[147] As the Global Legal Action Network warned the Committee:

> Unlike other major economies, the UK has yet to implement comprehensive import restrictions targeting products made with forced labour, leaving it vulnerable to becoming a dumping ground for tainted goods.[148]

125. **CONCLUSION**

Other key comparator markets such as the EU and USA have put in place import bans on goods linked to forced labour. The UK's lack of equivalent legislation puts the UK at risk of becoming a dumping ground for goods that cannot be sold elsewhere.

126. **RECOMMENDATION**

The Government should introduce an import ban to prevent goods produced using forced labour from entering the UK market. This should establish:

(i) how the risk of forced labour in supply chains will be identified;

(ii) who is responsible for identifying forced labour risks in supply chains and what is done with this information;

(iii) who is responsible for preventing the import of goods likely to be exposed to forced labour and if necessary confiscating goods;

(iv) and what resulting processes will follow once goods are confiscated

145 Modern Slavery and Human Rights Policy and Evidence Centre (FLS0034)
146 Walk Free (FLS0064)
147 Unseen (FLS0005; Migrant Help (FLS0049); Coalition Against Forced Labour in Trade, The Human Trafficking Legal Center (FLS0056); Global Legal Action Network (FLS0060)
148 Global Legal Action Network (FLS0060)

Impact of import bans

Preventing goods linked to forced labour from reaching the market

127. Evidence points overwhelmingly to the success of the US import ban in preventing goods linked to forced labour from reaching the market.

- Since the implementation of the UFLA US Customs and Border Protection (CBP) has confiscated 16,201 shipments with a total value of $3.67 billion. Of these, 9,739 are detained and 5,738 have been released.[149]
- The US government conducted an impact assessment two years after the implementation of the UFLPA enforcement mechanism in June 2022. The assessment identified four key impacts:
  - Increased investment in domestic production of polysilicon used in the manufacture of solar panels: "U.S. polysilicon producers have entered into more than $7 billion in long-term sales agreements with component manufacturers and invested more than $575 million in increased production capacity."
  - According to industry reports, 95% of apparel companies have enhanced their supply chain due diligence efforts with the use of technology and verification tools.
  - Increased due diligence efforts in the USA automotive industry.
  - A 48% reduction in the import of PVC as importers shift to domestic supply and identify new international suppliers outside of Xinjiang.[150]

128. JJ Messner de Latour of the Institute for Responsible Mining Assurance told the Committee that the access to market restrictions under the UFLPA were more effective in focussing corporate attention than disclosure requirements because there is a risk of businesses losing millions of dollars if their products are seized, resulting in supply disruptions, wasted stock, and potential breaches of contract.[151]

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149 US Customs and Border Protection, Uyghur Forced Labour Prevention Act Statistics, (accessed 21 June 2025)

150 United States Department for Homeland Security, Fact Sheet: In Just Two Years, Forced Labor Enforcement Task Force and the Uyghur Forced Labor Prevention Act Have Significantly Enhanced Our Ability to Keep Forced Labor Out of U.S. Supply Chains, Release Date: July 9, 2024

151 Q47 [JJ Messner de Latour]

Upstream impact on forced labour

129. There is some evidence that import bans can change the behaviour of some organisations and states exploiting forced labour. Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management stated:

> There is evidence that import bans do lead to behaviour change. Businesses are incentivised to improve their practices to regain and maintain market access when their products have been withheld by a forced labour import ban.[152]

130. For example, there is some evidence that a global boycott of cotton from Uzbekistan, coupled with campaigning pressure. led to the Uzbekistan government stopping the use of state-imposed labour in the cotton harvest.[153] Once an independent human rights organisation had verified that state imposed forced labour was no longer systemic, the global boycott was lifted.[154]

131. However, there are concerns that import bans can have unintended consequences. For example, some witnesses warned that the Chinese state has responded to the UFLPA by "redeploying" forced workers from Xinjiang to other areas that are not subject to regional import bans.[155] This highlights the difficulties of trading with states known to engage in forced labour practices.

State Imposed forced Labour (SIFL)

132. Import bans or restrictions play a particularly important role when it comes to state imposed forced labour. It is estimated that approximately 3.9 million people are subjected to state imposed forced labour globally, accounting for one in seven of all forced labour cases.[156] Where forced labour is imposed by the state and becomes a revenue stream for national authorities, as in China and North Korea,[157] it is not appropriate to attempt

152 CCLA Investment Management, Rathbones Group (FLS0040)

153 Uzbek Forum for Human Rights, A turning point in Uzbekistan's cotton harvest, published 10 March 2022

154 Cotton Campaign, "Cotton Campaign Ends its call for a global boycott of cotton from Uzbekistan", 10 March 2022

155 Q47 [John Morrison]

156 ILO, Walk Free, UN Migration IOM, Global Estimates of Modern Slavery, Forced Labour and Forced Marriage, published September 2022

157 House of Commons Library, UK supply chains and Uyghur and Turkic Muslim forced labour in China, Research Briefing CDP-0142 (2024), 04 November 2024; United Nations OHCHR, Institutionalised forced labour in North Korea constitutes grave violations of human rights, 16 July 2024

to use “buyer leverage” to improve working conditions as would be possible under normal due diligence practices. This is because effective audits of sites and recruitment practices and other methods used to verify working conditions cannot be carried out. It has been reported that attempting to undertake an audit or workplace assessment in situations of state-imposed forced labour can put both auditors and those under forced labour at risk.[158] For example, according to John Morrison, CEO of the Institute for Human Rights and Business:

> [I]n a country such as China […] talking openly about forced labour, not just in Xinjiang but anywhere in the country, might endanger the worker or even the auditor. Therefore, quite a few social audit companies no longer operate in China.[159]

133. As it is not possible to obtain an independent evaluation of working conditions in cases of state-imposed forced labour, there is in practice no way of ascertaining whether and the extent to which forced labour is being used in the production in the products of that state. Buyers that attempt to encourage better working conditions will have no reliable evidence as to whether their efforts have led to change. Therefore, in cases of state imposed forced labour, we heard that there can be no business relationship. In its evidence to our inquiry, Walk Free stated:

> [I]t is considered impossible for companies to conduct effective human rights due diligence or provide genuine remedy in situations where forced labour is imposed by the State. In line with the UNGPs, it is therefore preferable to disengage completely rather than contribute to systemic human rights abuses in high-risk circumstances.[160]

134. The UK’s Independent Anti-Slavery Commissioner told the Committee she believes import bans are an important tool, particularly for cases of state-imposed forced labour:

> [I]mport bans are important when we are looking to have an enforcement tool and need to make it clear that other actions have failed in this space. This is particularly important in areas where there is state sponsored forced labour. On the whole, [import bans] can do more good than harm when they are effectively implemented.

135. Global Legal Action Network told the Committee the UK should establish a ban for goods produced in locations where state-imposed forced labour is used:

158 The Rights Practice (FLS0053)
159 Q49 [John Morrison]
160 Walk Free (FLS0064)

> A UK law should address state-imposed forced labour as a separate and more serious issue necessitating bans from entire regions where there is credible evidence of the use of government-sanctioned forced labour.[161]

136. **CONCLUSION**
In cases of state-imposed forced labour, it is not possible to seek to use buyer leverage to improving working conditions.

137. **RECOMMENDATION**
The import ban recommended above must clarify that no company which uses or allows state-imposed forced labour in its supply chains can import goods to the UK.

Implementing import bans

Identifying goods linked to forced labour

138. When representatives from the National Crime Agency and Border Force came before the Committee, they expressed concerns about the practicality of tasking officers on the ground with identifying goods produced or part-produced by forced labour via a physical inspection.[162] They told us that Identifying goods linked to forced labour via a physical inspection is not feasible; background intelligence on the origin of the goods and the operations of the supplier would be needed.[163]

139. The Committee heard that HMRC officially holds data about imports and could have a greater role feeding into the intelligence held by the National Crime Agency.[164] This might help to identify companies and shipments linked to forced labour, which Border Force could be empowered to confiscate.

140. Alex Murray of the National Crime Agency expressed a willingness for intelligence agencies to do more to identify goods linked to forced labour:

> It is an intelligence question, and I know that the Border Force intelligence agency, HOI, is very good at fusing data and making assertions and directing personnel. Similarly, HMRC has lots of

161 Global Legal Action Network (FLS0060)
162 Q56 [Phillip Holliday]
163 Q56 [Alex Murray]
164 Q56 [Alex Murray]

capability in that space. It would be a challenge for intelligence agencies, which people would try to get around, but it is a challenge that I think we should stand up to.[165]

141. Article 13 of the EU Forced Labour Regulation provides for cooperation and the exchange of data between the authorities of third countries and the Commission, to enable effective implementation of the EU Forced Labour Regulation.[166] The regulation states:

> International cooperation may involve exchanges of information on forced labour risk areas or products, of best practices for bringing forced labour to an end, and of information on decisions to ban products, including their reasons and evidence, in particular with third countries that have similar legislation in place.[167]

142. Global Legal Action Network stated:

> The EUFLR allows for cooperation between EU competent authorities and those of third countries with similar instruments in place. This cooperation entails sharing information on risk products or areas, best practices and decisions to ban products (including reasons and evidence). This has the potential to reduce costs for enforcing authorities on the countries engaged in cooperation.[168]

143. The recently published Trade Strategy set out the intention to enable Border Force officers to make effective decisions and find illicit consignments that undermine legitimate trade.

144. The UK's Trade Strategy included a commitment to improve HMRC data sharing at borders, and shared details of two projects which had been undertaken to improve access to data, the Verifiable Credentials pilot that was undertaken with US Customs and Border protection;[169] and the Border Trade Demonstrators projects, which continue to explore data sharing with other border agencies including EU partners.

145. The Committee were pleased to see this commitment to improving import data, and hopes there will be a timely report on the outcomes of both the Verifiable Credentials pilot and the Border Trade Demonstrators projects. Such action may assist in the UK being considered a competent authority and therefore being included in EU data sharing arrangements under EUFLR.

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165 Q56 [Alex Murray]
166 Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024, Article 13, (1)
167 Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024, Article 13, (2)
168 Modern Slavery and Human Rights Policy and Evidence Centre (FLS0034)
169 Department for Business and Trade, UK Trade Strategy, 26 June 2025, pg. 69

146. **CONCLUSION**
Effective implementation of a forced labour import ban would require effective data sharing and co-ordination between multiple UK law enforcement and intelligence agencies, including HMRC, the NCA and Border Force.

147. **CONCLUSION**
The Committee was encouraged by the reference in the UK's Trade Strategy to plans to modernise detection capabilities and use pre-arrival data to enhance the tools available to Border Force.

148. **RECOMMENDATION**
In taking steps to enable Border Force officers to find illicit consignments, the Government should ensure they are enabled to search out consignments of goods linked to forced labour.

Enforcement of import bans

The rebuttable presumption

149. The UFLPA has significantly shifted the implementation of this ban by introducing a 'rebuttable presumption' in relation to the Xinjiang region of China.[170] The 'rebuttable presumption' sets as the default that all goods "mined, produced, or manufactured wholly or in part in the XUAR, or by an entity on the UFLPA Entity List" are presumed to be linked to forced labour unless and until it is proved otherwise.[171] The UFLPA specified the creation of a 'list of entities'[172] linked to Xinjiang, which included those using forced labour in Xinjiang, those involved in the facilitation of forced labour in Xinjiang including the recruitment and transportation of workers, a list of products these entities produce, and a list of entities that export such products, and a list of entities or facilities which source materials and products linked to Xinjiang.[173]

150. The Modern Slavery Policy and Evidence Centre highlighted that a benefit of this 'rebuttable presumption' approach is that it forces companies to map and share their supply chains and hence aids transparency:

170 United States of America, Uyghur Forced Labor Prevention Act 2021, s.3
171 United States of America, Uyghur Forced Labor Prevention Act 2021, s.3
172 United States of America, UFLPA Entity List
173 United States of America, Uyghur Forced Labor Prevention Act 2021, s.2, (d),(2),(B),(i) – (v)

> [A] rebuttable presumption contributes to efforts aiming to increase supply chain tracing and transparency as it enables authorities to require companies to trace their supply chains and disclose information in order to rebut the presumption.[174]

151. Owing to the rebuttable presumption, the US authorities are able to seize goods linked to the region swiftly and without the need for costly and lengthy investigations. Phillip Holliday of Border Force explained to the Committee how such a presumption might assist law enforcement in the UK if implemented:

> [The] rebuttable presumption might be one measure, for example, if we were making recommendations, where the onus is put on others as opposed to law enforcement. Otherwise, we will be on the back foot the whole time, trying to argue about the supply chain and that they were goods that were correctly subject to forfeiture.[175]

152. The severity of this forfeiture mechanism in the USA is tempered by an avenue for appeal to challenge such presumptions, by submitting an applicability review.[176] If on appeal evidence can be produced by the importer of the goods that shows there is no forced labour in the supply chain (including mapping the supply chain and providing documentation about transfer of goods), the goods may be released to the importer. However, if proof cannot be provided within the specified timeframe the goods can be permanently seized.[177] This provides certainty to the authorities that their decision will not be later overturned, and means that goods do not have to stored indefinitely while cases are decided.

Forced labour task force

153. The enforcement of the UFLPA in the USA is monitored by the Forced Labor Enforcement Taskforce, which sits under the Department of Homeland Security and is composed of seven member agencies.[178] Since enforcement began in June 2022 to date, enforcement of the UFLPA has resulted in a total of 16,201 shipments of goods being apprehended under the 2021 Act, of these, 9,739 have subsequently been denied entry to the US.[179]

154. Walk Free suggested:

174 Modern Slavery and Human Rights Policy and Evidence Centre (FLS0034)
175 Q73 [Phillip Holliday]
176 US Customs and Border Protection, Best Practices for Applicability Reviews: Importer Responsibilities
177 US Customs and Border Protection, Operational Guidance for Importers, 13 June 2022
178 US Department of Homeland Security, Forced Labor Enforcement Taskforce, (accessed 22 June 2025)
179 U.S. Customs and Border Protection, Uyghur Forced Labor Prevention Act Statistics, (accessed 6 December 2024)

> Public bodies [in the UK] could improve interagency collaboration by establishing a dedicated Forced Labour Enforcement Task Force, modelled after the US Forced Labor Enforcement Task Force (FLETF), which oversees enforcement of the UFLPA.[180]

155. **RECOMMENDATION**

To aid enforcement, the UK's import ban should include a rebuttable presumption that goods linked to regions where the UK Government considers state-imposed forced labour is imposed are linked to forced labour until proven otherwise.

156. **RECOMMENDATION**

The UK's import ban should establish or designate a responsible body to oversee the implementation of the import ban by facilitating data sharing and co-ordinating activity between different law enforcement agencies. Such a body must be provided with adequate powers and resources to fulfil this function.

180 Walk Free (FLS0064)

4 Other enforcement mechanisms

157. The UK has a number of other measures already in domestic law which could be used to tackle forced labour in UK supply chains, in addition to the measures discussed in previous chapters. In particular, the Proceeds of Crime Act 2002 has to date been underutilised by law enforcement agencies to seize goods linked to forced labour.

Proceeds of Crime Act 2002

158. The Proceeds of Crime Act 2002 (POCA) establishes the UK's main regime for the recovery of criminal assets. It also gives law enforcement agencies a number of related investigatory powers to detect and recover such assets.

Part 7: Money laundering offences

159. Part 7 of POCA sets out a number of money laundering offences. For the purposes of all these offences, "criminal property" is defined by POCA in a broad manner, including the property or proceeds which represent someone's benefit from "criminal conduct".[181] "Criminal conduct" includes any conduct which amounts to an offence in the UK, as well as conduct which takes place abroad but would be an offence if it took place in the UK.[182] In the case of Part 7 offences, a person will only commit an offence if they know or suspect the property is criminal property or the benefit of criminal property.[183]

160. There is a specific exception to the s.329 offence (acquisition, use or possession of criminal property). Namely, a person will not have committed an offence under that section if they acquired, used or possessed the criminal property for "adequate consideration" or, in other words, they made a fair exchange for it in money or in kind.[184] The application of this exception has recently been clarified by the Court of Appeal, as explained later in this chapter.

181 Proceeds of Crime Act 2002, s.340
182 Proceeds of Crime Act 2002, s.340(2)
183 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [31]
184 Proceeds of Crime Act 2002, s.329(2)(c) and (3)

Part 5: Civil recovery of proceeds of unlawful conduct

161. Part 5 of POCA sets out how the proceeds of crime can be reclaimed through civil proceedings, allowing for the recovery of "property obtained through unlawful conduct"[185] even if there has been no conviction. "Unlawful conduct" is conduct which is unlawful under the criminal law of the relevant nation of the UK, as well as equivalent conduct abroad which is also unlawful under the criminal law of the relevant foreign jurisdiction.[186] The exception is when the conduct amounts to a "gross human rights abuse or violation", which can amount to unlawful conduct even if it is not an offence in the law of the other jurisdiction.[187]

162. Property which is obtained through unlawful conduct is "recoverable property" for the purposes of Part 5 of POCA.[188] Such property can be 'traced' through the hands of people who subsequently obtain the property, meaning it can be recovered from third parties.[189] However, s.308 sets out a general exception to recovery: if a person obtains recoverable property in good faith, for value, and without notice that it was recoverable property, the property ceases to be recoverable.[190]

Relevance to forced labour

163. The provisions in Part 7 and Part 5 of POCA, and particularly their application to conduct which takes place abroad, have implication for forced labour carried out abroad. For example, it is an offence under s.1 of the Modern Slavery Act 2015 to hold another person in slavery or servitude, or to require another person to perform forced or compulsory labour. If such conduct is committed abroad, the proceeds or property produced may amount to "criminal property" for the purposes of Part 7 of POCA; this could provide a basis for criminal offences to be investigated and charged in the UK under ss.327–238 of POCA if people perform the prohibited actions with those products or proceeds, such as transferring them.

164. Similarly, where the products are produced by conduct which is both unlawful in the UK and the foreign jurisdiction, that property may be "recoverable property" under Part 5 of POCA and therefore 'traced' through the subsequent people who handle it in the UK for the purposes of civil recovery.

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185 Proceeds of Crime Act 2002, ss.242 and 304

186 Proceeds of Crime Act 2002, s.241

187 Proceeds of Crime Act 2002, s.241(2A). "Gross human rights abuse or violation" is defined in s.241A, and requires torture or cruel, inhuman or degrading treatment or punishment of a person for either trying to expose the illegal activity of officials or defend human rights, carried out by a public official or person acting in an official capacity.

188 Proceeds of Crime Act 2002, s.304

189 Proceeds of Crime Act 2002, ss.304 to 306

190 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [46]

165. Recent litigation, discussed below, has indicated the potential importance of POCA as a tool to tackle forced labour in UK supply chains.

R (World Uyghur Congress) v National Crime Agency

166. World Uyghur Congress (WUC) is an international non-governmental organisation which campaigns on behalf of Uyghurs.[191] The WUC describe Uyghurs (or Uighurs, Uyghurs) as "ethnically and culturally a Turkic people living in the areas of Central Asia commonly known as East Turkistan." The National Crime Agency (NCA) is the law enforcement organisation responsible for the investigation of serious and organised crime in the UK.[192]

167. In *R (World Uyghur Congress) v National Crime Agency,*[193] WUC challenged the NCA's failure to investigate the importation of cotton produced in Xinjiang under Parts 5 and 7 of POCA. It was agreed between the parties that products derived from forced labour anywhere in the world (or the funds from the sale of such products) could constitute "criminal property" for the purposes of money laundering offences under Part 7 of POCA.[194] It was also agreed between the parties that such products (or the funds from the sale of such products) could be "recoverable property" under Part 5 of POCA.[195]

168. However, WUC argued that the NCA had misdirected itself in two ways: First, it had incorrectly believed that it was necessary to identify a specific product as criminal property before starting an investigation into whether an offence of money laundering had occurred.[196] Second, that the NCA had wrongly believed that the presence of a person within a supply chain who could rely on the exemption under s.329(2)(c) of POCA effectively 'cleansed' the criminal property, meaning it (or the proceeds of its onwards sale) could not be recovered from anyone who subsequently acquired it.[197] Similarly, a "purchaser or importer who suspects the goods to be the product of forced labour or other human rights abuses would not be able to rely on section 308".[198]

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191 World Uyghur Congress, "Who We Are", (accessed 27 June 2025)
192 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [14]
193 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715
194 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [16]
195 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [16]
196 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [4]
197 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [4]
198 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [57]

169. The Court of Appeal concluded that the NCA had applied the wrong tests when deciding whether to exercise its investigatory powers under POCA. First, the NCA did not have to have definitive knowledge that property was criminal property *before* it started an investigation, because the very purpose of the investigation would be to determine whether the property was criminal property.[199] Second, the exception to liability for an offence under s.329 of POCA (use, acquisition or possession of criminal property) was a personal exception which attached only to the person who made a fair exchange for the criminal property.[200] It would not assist someone later down the supply chain if they committed an offence under s.329, namely anyone who acquired, used or possessed criminal property when they knew or suspected it was criminal property.

Implications of the Court of Appeal's judgment

170. The Committee heard mixed views on the likely impact of the judgement. Although the case may demonstrate that it is possible for UK businesses to be considered liable for forced labour in their supply chains,[201] the impact this will have on business behaviour is unclear at present. Business consultancy experts Ardea International suggested that this should lead to companies reviewing their risk profiles as a protective measure:

> "Businesses could now be at risk of prosecution from the NCA, meaning that businesses will need to conduct thorough due diligence and monitoring of their supply chains".[202]

171. However, Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management state that it is "far from clear" that there will be a significant change in law enforcement priorities following the case, and hence the impact on corporate liability considerations may be low.[203] The Ethical Trading Initiative suggest that there is unlikely to be a significant change in corporate behaviour until a high-profile case is successfully brought against a UK company.[204]

199 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [58]
200 *R (World Uyghur Congress) v National Crime Agency* [2024] EWCA Civ 715 at [34]
201 Beyond Human Rights Compliance (FLS0020)
202 Ardea International (FLS0027)
203 CCLA Investment Management, Rathbones Group (FLS0040)
204 Ethical Trading Initiative (FLS0057)

Law enforcement use of POCA powers: current underuse

172. Notwithstanding the Court of Appeal's judgment in *R (World Uyghur Congress) v National Crime Agency*, the POCA powers are still being underused. The Committee heard from Rahima Mahmut, UK Director at World Uyghur Congress on 22 January 2025 that since the judgment in July 2024, the NCA has still not decided whether or not it will investigate if the cotton highlighted by World Uyghur Congress is linked to forced labour. This remained the case when the NCA appeared before the Committee on 23 April 2025, and as of 3 July 2025 no public statement from the NCA on the matter has been forthcoming. Rahima Mahmut told the Committee that she hopes the case highlights the need for legal reform:

> In the UK, we are hoping that this case is the catalyst that the UK Government need to adopt new legislation banning forced labour imports, or legislation banning imports from the region. Due to legislative lacuna, we had to resort to criminal law and the Proceeds of Crime Act as there is currently no other law. The lack of a law in the UK is shocking. It is an outlier.[205]

173. The Proceeds of Crime Act engages a range of law enforcement agencies including HMRC,[206] Border Force and the National Crime Agency.[207] On 23 April 2025, the Committee heard evidence from the representatives of the National Crime Agency and Border Force, alongside the UK's Independent Anti-Slavery Commissioner. The NCA and Border Force told the Committee that at present, they do not have a clear mandate to confiscate goods linked to forced labour. However, both witnesses agreed this might be possible in principle be under the Proceeds of Crime Act 2002, and both agreed that this opportunity should be explored further.[208]

174. Phillip Holliday, Central Region Director of Border Force, explained that POCA is currently only used by Border Force to seize cash, but it has the potential to be used to seize criminal property and assets:

> Border Force does use the Proceeds of Crime Act when it is intercepting criminal cash outbound at the border. What we have not previously used it for is asset forfeiture and other goods that may be associated

205 Q3 [Rahima Mahmut]
206 HM Revenue and Customs, HMRC's criminal investigation powers and safeguards, Guidance, Updated 13 July 2021
207 Proceeds of Crime Act 2002, s.2A
208 Q56 [Phillip Holliday and Alex Murray]

with crime. My understanding is that if we were asked to intercept something on behalf of another law enforcement body such as the NCA, we would be permitted to seize those goods at the border.[209]

175. Alex Murray, Director of Threat Leadership of the National Crime Agency, agreed that the Proceeds of Crime Act could apply to goods linked to forced labour:

> Under Section 329 [of POCA], anything that has been obtained from a criminal endeavour, such as forced labour or modern slavery per se, can be conceived as money laundering. The legislation is there.[210]

176. The Committee wrote to the Secretary of State for Business and Trade to ask if the Government considered agencies should use POCA powers more actively to hold to account those profiting from forced labour. Rt Hon Jonathan Reynolds replied saying it was not a matter for government to direct:

> Government cannot direct how the POCA powers are used by law enforcement. Criminal investigations and prosecutions are dealt with on a case by case basis by the relevant agencies.[211]

177. This lack of clarity does not aid enforcement agencies in the delivery of statutory duties. At present, the National Crime Agency is aware that POCA could be used to seize goods linked to forced labour, but it would be a new use of the powers, and the agency says it does not have a clear mandate to begin taking this action.[212] On the other hand, Government says that it cannot direct how POCA powers are to be used.[213] This situation appears to present a barrier to law enforcement agencies using their powers under POCA to seize goods linked to forced labour.[214]

Conclusions

178. **CONCLUSION**
The powers already available under POCA are being underused by law enforcement agencies in relation to goods linked to forced labour which occurs outside of the UK.

209 Q56 [Phillip Holliday]
210 Q53 [Alex Murray]
211 Correspondence from the Secretary of State for Business & Trade and President of the Board of Trade relating to forced labour in UK supply chains dated 30 May 2025
212 Q56 [Phillip Holliday]
213 Correspondence from the Secretary of State for Business & Trade and President of the Board of Trade relating to forced labour in UK supply chains dated 30 May 2025
214 Unseen (FLS0005)

179. **RECOMMENDATION**

The NCA and Border Force should use the existing powers under POCA to prevent goods linked to forced labour being sold in the UK and to seize assets linked to forced labour.

5 Free Trade Agreements

180. Free Trade Agreements ('FTAs') are legally binding agreements between two or more countries setting out the terms of their trading relationship. They are usually used to reduce barriers to trade between the parties in relation to specific sections of their economies. Since leaving the EU, the UK has been able to agree international trade agreements as an individual state. Prior to this, trade agreements were arranged on behalf of the UK and all other EU Member States by the European Commission via a centralised procedure.[215] During the course of this inquiry, the UK has signed FTAs with a number of countries, including India,[216] the EU,[217] and the USA.[218]

181. It is increasingly common for provisions to be included in free trade agreements which display the parties' values. Typically, these clauses commit the parties to upholding or improving rights as part of the trade agreement. These can take the form of commitments to uphold human rights in general,[219] or more focused commitments to uphold specific rights, such as labour rights.[220]

182. These clauses can create legal obligations when they are operative terms rather than just political statements, meaning that the parties can use a breach of the provision to initiate dispute resolution proceedings and potentially suspend or terminate the agreement. These provisions are legally binding, giving the parties a tangible incentive to uphold their commitments to human rights and a mechanism to penalise noncompliance.

215 European Commission, Trade and Economic Security, Making trade policy, (accessed 21 June 2025)
216 Department for Business and Trade, UK concludes trade deal with India, 6 May 2025
217 Prime Minister's Office, 10 Downing Street, Cabinet Office, Department for Business and Trade, The Rt Hon Nick Thomas-Symonds MP and The Rt Hon Sir Keir Starmer KCB KC MP, PM secures new agreement with EU to benefit British people, 19 May 2025
218 Department for Business and Trade, US-UK Economic Prosperity Deal (EPD), Policy Paper, updated 20 June 2025
219 This is the standard approach of the EU in its free trade agreements with third parties. See Council of the European Union, Common approach on the use of political clauses, 10491/1/09, 25 April 2013
220 This is the approach often seen in the free trade agreements of the US. See: K4D Research Helpdesk, Human Rights and Governance in OECD Country Trade Agreements with Developing Countries, 26 April 2017, pgs 3–4

The UK's approach to human rights in free trade agreements

183. In response to our queries, the Secretary of State for Business and Trade Jonathan Reynolds told the Committee that the UK does include provisions on forced labour in free trade agreements, and assured the Committee that the UK can employ a range of mechanisms to ensure compliance with labour commitments in free trade agreements:

> [T]here are a number of mechanisms the UK uses to support our and our trading partner's compliance with FTA labour commitments, from the application of a dispute settlement mechanism to engagement through dedicated committees and civil society forums established through our FTAs.[221]

184. However, at present the UK does not have a stated policy on the inclusion of human rights provisions in its free trade agreements, although they are sometimes used. In correspondence to the Committee, Secretary of State for Business and Trade Jonathon Reynolds said:

> We negotiate chapters and provisions to ensure labour standards and workers' rights are protected globally–we have these in FTAs with Australia and New Zealand, in CPTPP, and we have labour provisions in Trade and Sustainable Development chapters in a range of other trade agreements.[222]

185. The Committee heard some evidence that a more systemic approach to including human rights clauses within trade deals could help to ensure that human rights are seen as central to UK trade strategy.[223]

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221 Correspondence from the Secretary of State for Business & Trade and President of the Board of Trade relating to forced labour in UK supply chains dated 30 May 2025

222 Correspondence from the Secretary of State for Business & Trade and President of the Board of Trade relating to forced labour in UK supply chains dated 30 May 2025

223 Tony's Chocolonely (FLS0007); Rights Lab, University of Nottingham (FLS0063)

Examples of the UK's approach to forced labour in its post EU-FTAs

India-UK Trade deal

186. On 6 May 2025 the Government announced that it had concluded a Free Trade Agreement with India.[224] Nevertheless, at the time of writing, some issues within the agreement are still being negotiated, and the agreement has neither been signed nor ratified. The agreement is therefore not yet legally in force and the full text is not yet available.

187. The Global Estimates of Modern Slavery, compiled by the International Labour Organisation (ILO) and Walk Free, in partnership with the UN International Organization for Migration estimates that over 11 million people are living in modern slavery in India, at a prevalence of 8 people per thousand in the population.[225] Sarah Jones MP, Minister of State for Industry at the Department for Energy Security and Net Zero and the Department for Business and Trade, told the Committee:

> We know that the numbers of people in forced labour in India are high, so we can use tools like FTAs, and we should.[226]

188. The Minister confirmed that the Government's intention was for the trade deal with India to have a positive impact on modern slavery in India. Although the full text of the India trade agreement is not yet available, the Government's summary states that the agreement will include a chapter on labour and commitments for the effective enforcement of labour laws, however there is no indication of how such measures would be implemented or reviewed.[227]

US-UK Economic Prosperity Deal (EPD)

189. The US-UK Economic Prosperity Deal (EPD) was agreed on 8 May 2025The parties agreed a "general terms" document set out the parties' intention to continue negotiations in certain additional areas.[228]

190. Under the Global Estimates of Modern Slavery, compiled by the International Labour Organisation (ILO) and Walk Free, in partnership with the UN International Organization for Migration it is estimated that over a million

224 Department for Business and Trade, UK concludes trade deal with India, 6 May 2025
225 Walk Free, Global Slavery Index, Modern Slavery in India (accessed 1 July 2025)
226 Q77 [Sarah Jones MP, Minister for Industry at DBT and DESNZ]
227 Department for Business and Trade, UK-India trade deal: conclusion summary, updated 15 May 2025, Chapter summary 4.16 Labour
228 Department for Business and Trade, US-UK Economic Prosperity Deal (EPD), 8 May 2025

people live in modern slavery in the USA, a prevalence of 3.3 per thousand in the population.[229] Point 6(a) in the document states that the parties intend to discuss "high-standard commitments" on matters including labour practices, with a specific reference to forced labour in supply chains.

191. In response to a Parliamentary Question, Baroness Gustafsson, Minister for Investment at both the Department for Business and Trade and HM Treasury, confirmed that forced labour in supply chains would form part of the broader discussion on a wider US deal.[230]

EU-UK Trade and Cooperation Agreement

192. Available evidence suggests that rates of forced labour in the EU are low compared to global averages. Of the EU countries listed on the Global Slavery Index, Bulgaria has the highest prevalence of modern slavery, at 8.5 per 1,000 in the population; and Norway has the lowest prevalence of any country globally, at 0.5 per 1,000 in the population.[231] Nevertheless, as the UK's biggest post-Brexit trade agreement, the approach taken to human rights clauses in that agreement is instructive.

193. The EU has an agreed policy of using "political clauses" in its agreements with third parties in order to promote the EU's values and political principles.[232] These values and principles explicitly include the respect for human rights, democracy and the rule of law.[233] In practice, this has meant systemically using 'essential elements' human rights clauses in its free trade agreements with third parties.[234] Such clauses usually invoke the full panoply of universal human rights recognised by the EU, rather than the clauses limited to specific rights used by countries like the US and Canada.[235] For example, in the post-Brexit EU-UK Trade and Cooperation Agreement (TCA), the parties agreed that it was an 'essential element' of the agreement that:

> The Parties shall continue to uphold the shared values and principles of democracy, the rule of law, and respect for human rights, which underpin their domestic and international policies. In that regard, the

229 Walk Free, Global Slavery Index, United States Country Study, (accessed 1 July 2025)
230 Trade Agreements: USA, PQ HL7886, 16 June 2025
231 Data obtained from Walk Free, Global Slavery Index, 3 July 2025
232 Council of the European Union, Common approach on the use of political clauses, 10491/1/09, 25 April 2013
233 Council of the European Union, Common approach on the use of political clauses, 10491/1/09, 25 April 2013, pg 3
234 European Parliament, "Human Rights in EU Trade Agreements: The Human Rights Clause and its Application", July 2019, pg 2
235 European Parliament, "Human Rights in EU Trade Agreements: The Human Rights Clause and its Application", July 2019, pg 3

> Parties reaffirm their respect for the Universal Declaration of Human Rights and the international human rights treaties to which they are parties.[236]

The agreement also says that:

> If either party considers there has been a "serious and substantial" failure to fulfil its obligations under that clause, this can be the basis for the unilateral termination or suspension of the agreement in whole or in part.[237]

194. **CONCLUSION**
The EU's systemic approach to including human rights clauses in its free trade agreements provides an example of how the UK's approach to trade could be used to project British values abroad.

Future negotiations

195. The UK is continuing negotiations with the Gulf Cooperation Council (GCC) which includes Saudi Arabia, the United Arab Emirates, Qatar, Kuwait, Oman, and Bahrain.[238] Concerns about the human rights records in some of these states have been raised in a recent House of Lords debate.[239] Baroness Gustafsson, Minister for Investment at both the Department for Business and Trade and HM Treasury, assured the House that the Government "really value our standards on human rights, and we will never compromise on those for any free trade agreement".[240] She also stated that the UK would use its sanctions regime if necessary to hold those involved in serious human rights violations to account.[241]

Impacts of labour rights clauses in trade agreements

196. The Committee received mixed evidence on the general impact of provisions on labour rights within trade agreements. Hope for Justice, an NGO focussed on ending modern slavery, urged the continued use of human

236 Trade and Cooperation Agreement, CP426, Article 763(1) read with Article 771
237 Trade and Cooperation Agreement, CP426, Article 772(1)
238 Department for Business and Trade and Department for International Trade, Trade agreements we are negotiating, last updated 24 March 2025
239 HL Deb, 3 June 2025 cols 603 – 606
240 HL Deb, 3 June 2025 col 604
241 HL Deb, 3 June 2025, col 603

rights conditions within such agreements.[242] However, techUK, the UK's trade association for the technology industry, stated that chapters on labour rights in free trade agreements have not made a difference yet.

197. Sarah Jones MP, Minister of State for Industry at the Department for Business and Trade and the Department for Energy Security and Net Zero, told the Committee :

> When it comes to what those impacts [of clauses in trade agreements] really are, some of the evidence is difficult to understand, and the data is going in the wrong direction on forced labour [globally].[243]

198. Although understanding impacts may be challenging, we heard that it is important that the UK continues demonstrate international responsibility on the issue of forced labour. Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management stated in written evidence:

> As one of the world's largest economies and a member of the G20, the UK has both the responsibility and capability to drive meaningful change. This substantial economic power means that UK purchasing practices and business operations have direct impact on worker conditions in lower-income countries that supply these products.[244]

199. **CONCLUSION**
The UK has not yet developed a uniform approach to embedding obligations to uphold human rights in its trade agreements, and it is unclear how the impacts of such clauses are assessed and evaluated when used.

200. **CONCLUSION**
Ensuring clauses on human rights are included in trade agreements can demonstrate the UK's values and principles in terms of forced labour.

201. **RECOMMENDATION**
The Government should make it an explicit policy to include provisions concerning forced labour in future trade deals.

242 Hope for Justice (FLS0017)
243 Q77 [Sarah Jones MP, Minister for Industry, DBT and DENZ)
244 CCLA Investment Management, Rathbones Group (FLS0040)

Impact Assessments

202. Prior to Brexit, the UK was under the umbrella of the European Commission, which conducts impact assessments before and during trade negotiations as part of the Better Regulation Agenda.[245] The EU Commission has responsibility for examining the effects of trade agreements on human rights in both the EU and among its trade partners. and the Commission also carries out evaluations of trade agreements once they are in operation.[246] The EU requires its trading partners to respect and implement fundamental ILO principles including effectively addressing all forms of forced or compulsory labour.[247]

203. Now that the UK has left the EU, it is no longer subject to the EU Commission's approach.[248] Undertaking assessments of potential trading partners and evaluations of the impact of trade agreements can help to manage the UK's risk of forced labour in supply chains. There is a precedent for the UK to suspend trade negotiations for non-economic policy reasons.[249]

204. **RECOMMENDATION**

The UK should carry out effective impact assessments before entering trade negotiations with other nations. These assessments should include analysis of how enhanced trading arrangements with the UK will impact the use of forced labour in the contracting state, and whether an agreement would be likely to increase the UK's exposure to forced labour in supply chains.

205. **RECOMMENDATION**

The UK should not enter trade agreements or negotiations with states that actively and knowingly participate in gross violations of human rights, such as state-imposed forced labour.

245 European Commission, Trade and Economic Security, Impact Assessments, (accessed 21 June 2025)

246 European Commission, Trade and Economic Security, Human Rights (accessed 21 June 2025)

247 European Commission, Trade and Economic Security, Labour rights, accessed 21 June 2025

248 Rights Lab, University of Nottingham (FLS0063)

249 Foreign Secretary statement, Israel and the Occupied Palestinian Territories, 20 May 2025

206. **RECOMMENDATION**

The Government should establish a regular, formal process to assess whether the obligations to uphold labour rights and human rights in trade agreements are being met. If breaches are found, the UK should have a policy of using dispute resolution mechanisms and exemptions under trade agreements to their fullest effect to prevent and deter future breaches.

6 Public Procurement

207. 'Public procurement' is the process by which public bodies purchase goods, works and services. The Department for Energy Security and Net Zero told the Committee that the public sector spends around £400 billion on goods and services each year.[250] We heard that public procurement presents heightened risks of exposure to forced labour when compared to the private sector for a range of reasons including the large and complex nature of government supply chains, the drive to prioritise cost-effectiveness, the diverse range of goods and services public services procure, and what were described as "generally under-resourced" conditions within the public sector.[251]

208. A Department of Health and Social Care Review in 2023 found that 21% of NHS suppliers present a high risk of forced labour or modern slavery in their supply chains, and surgical instruments, gloves, gowns, uniforms, and face masks were identified as the five highest risk products.[252]There have been several high-profile instances where government has used public funds and has been found to have unknowingly procured from sources likely to be linked to forced labour.[253]

209. We heard from Solar Energy UK that public sector buyers should be held to the highest standard:

> [P]ublic sector buyers should be expected to have a higher duty of care, particularly when using taxpayer funds.[254]

210. **CONCLUSION**
Taxpayers are entitled to expect public money to be used carefully and responsibly.

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250 Department for Energy Security and Net Zero (FLS0062)
251 Westminster Council (FLS0068); CCLA Investment Management, Rathbones Group (FLS0040); Q21 [Professor Olga Martin-Ortega]
252 DHSC, Review of risk of modern slavery and human trafficking in the NHS supply chain, 18 December 2023
253 Guardian newspaper, NHS rubber gloves made in Malaysian factories linked with forced labour, 9 December 2018; Sheffield Hallam University, Helena Kennedy Centre for International Justice, In Broad Daylight, Uyghur Forced Labour and Global Solar Supply Chains, 2021
254 Solar Energy UK (FLS0026)

211. **CONCLUSION**
Public procurement carries a higher risk of exposure to forced labour.

Procurement Act 2023

212. The Procurement Act 2023 (PA 2023) established a new legal framework to govern the awarding of public contracts.[255] The purpose of the Act was to create a "simpler and more transparent" procurement system, with "streamlined new procedures" and guided by principles such as value for money.[256] The PA 2023 came into forced on 24 February 2025. The Department for Energy Security and Net Zero stated in written evidence:

> … the Procurement Act 2023 will enable public sector contracting authorities to reject bids and terminate contracts with suppliers which are known to use forced labour themselves or anywhere in their supply chain. The Act provides both mandatory and discretionary grounds for public buyers to exclude suppliers known or suspected of using forced labour.[257]

213. However, the Committee has received evidence questioning the practicality of implementing these new powers. Public buyers are often under cost and time pressures, and it is questionable whether public buyers, particularly those at local authority level, will have the awareness of such powers or the capacity to use them.[258]

214. The Act established two vehicles to prevent public money supporting forced labour practices: a central debarment list and the Procurement Review Unit (PRU). The Committee received evidence that there is a Debarment Review Service within the Procurement Review Unit which undertakes investigations into suppliers (on behalf of a Minister of the Crown) to establish whether they are excluded (mandatory) or excludable (discretionary).[259]

215. However, at present no entry has been added to the central debarment list.[260]

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255 The Procurement Act 2023 extends to England and Wales, Northern Ireland and Scotland: Procurement Act 2023, s.126. However, the majority of the Act's provisions do not generally apply to devolved Scottish authorities: Cabinet Office, "Guidance: Devolved Contracting Authorities", updated 18 May 2025, para 24–26 (accessed 25 June 2025)

256 Explanatory Notes to the Procurement Bill, HC Bill 218-EN, paras 1–4

257 Department for Energy Security and Net Zero (FLS0062)

258 Westminster Council (FLS0068); Qq21–23 [Professor Olga Martin-Ortega and Oliver Holland]

259 Correspondence from the Minister of state for Industry Department for Energy Security & Net Zero and the Department for Business and Trade relating to Forced Labour in Supply Chains

260 UK Government Debarment list (accessed 06 July 2025)

Exclusion regime under the Procurement Act 2023

216. An 'exclusion' is when a supplier is not permitted to participate in a procurement exercise, to have their tender considered, or to be awarded a public contract.[261] There are two principal types of exclusions under the PA 2023: "excluded" suppliers, who *must* be excluded, and "excludable" suppliers, who *may* be excluded at the discretion of the public authority.[262]

217. Under the PA 2023, a supplier is an "excluded supplier" if the contracting public authorities thinks that a mandatory exclusion ground applies and the circumstances giving rise to that exclusion ground are continuing or likely to occur again.[263] A supplier will also be an "excluded supplier" when they have been added by a Minister of the Crown to the Debarment List because of a mandatory exclusion ground.[264] The Debarment List is a new mechanism created by the PA 2023 which allows a Minister to place a supplier on a centrally published list. The list is being managed by the Procurement Review Unit.[265] The Debarment List must always be consulted by public authorities undertaking a relevant procurement exercise.[266]

218. A supplier is an "excludable supplier" if the contracting public authority thinks that one of the discretionary exclusion grounds applies and the circumstances giving rise to that exclusion ground are continuing or likely to occur again. The discretionary grounds are set out in Schedule 7 to the PA 2023 and include situations in which the decision maker considers that there is sufficient evidence that the supplier has engaged in conduct which would constitute an offence under certain provisions of the Modern Slavery Act 2015 (but no conviction has actually occurred).[267] A supplier is also an "excludable supplier" when they have been added by a Minister of the Crown to the Debarment List (explained above) for a discretionary exclusion ground.

Effectiveness of the exclusion regime

219. Our inquiry received evidence pointing out a number of weaknesses in the exclusion regime under the PA 2023. These included concerns that many local authorities may lack the capacity and resources to apply these new

261 Cabinet Office, "Guidance: Exclusions", updated 24 February 2025, para 2 (accessed 25 June 2025)
262 Procurement Act 2023, s.57
263 Procurement Act 2023, s.57(1)(a)
264 Procurement Act 2023, s.57(1)(b)
265 Cabinet Office, "Guidance: Exclusions", updated 24 February 2025, paras 17–19 (accessed 25 June 2025)
266 Cabinet Office, "Guidance: Exclusions", updated 24 February 2025, para 17 (accessed 25 June 2025)
267 Procurement Act 2023, Schedule 7, para 3

powers effectively. For example, Westminster City Council highlighted the difficulties of ensuring a consistent approach is taken in decision making, even within one local authority:

> [T]he decentralised nature of contract management across many councils can make it more difficult to ensure consistent policy implementation and training delivery. Each contract manager oversees different sectors, each with its own specific risks, and it possible that not all will have in-depth expertise …[268]

220. More generally, the Independent Anti-Slavery Commissioner stated in oral evidence to the Committee:

> I have some concerns about the clarity and how easy it is to understand what steps procurement officers should take. I have concerns that, for instance, it is discretionary whether a business or supplier should be disbarred. … It puts quite a big burden of proof on the procurement officer to make those decisions.[269]

221. To support a consistent approach in public purchasing, the Churches, Charities and Local Authorities Investment Management Limited asset management fund and Rathbones Group Wealth and Investment Management suggested guidance would be helpful:

> Clear guidance could include specific indicators that help to screen for and identify high-risk suppliers, such as recruitment practices, restrictions on workers' freedom of movement and association, and withholding of documents. This type of guidance would enhance consistent decision-making across different public bodies.[270]

222. **CONCLUSION**
The Procurement Act and the Great British Energy Bill provide public buyers with new discretionary powers to reject suppliers if the use of forced labour is reasonably suspected.

223. **CONCLUSION**
There is significant concern that public buyers, such as local authorities, will not have sufficient capacity to use discretionary powers effectively.

268 Westminster Council (FLS0068)
269 Q65 [Eleanor Lyons]
270 CCLA Investment Management, Rathbones Group (FLS0040)

224. **RECOMMENDATION**
The Government should assess how frequently the new discretionary powers are being used across public sector buyers by analysing the reports on excludable suppliers submitted to the Procurement Review Unit by Contracting Authorities. If it appears the discretionary powers are being underused, or there is a wide variance in the range of use, Government should consult with Contracting Authorities to understand why this is the case and explore whether further support is required.

225. Some organisations have raised more fundamental concerns about the exclusion regime. For example, some witnesses have raised concerns that the threshold for mandatory exclusion is too high,[271] as it usually requires suppliers or connected persons to have gone through the criminal justice system and have been convicted of relevant offences. In addition, no person or supplier has yet been placed on the Debarment List for either a mandatory or discretionary ground.[272]

226. We heard that in the UK, there is a low conviction rate for Modern Slavery cases compared to other types of crime,[273] and only a very limited number of tort cases are beginning to be heard from survivors of extraterritorial forced labour.[274] The number of people convicted for such offences, and hence recorded on the Debarment List as excluded, is likely to represent a small fraction of the potential of those who might be tried. The House of Lords Modern Slavery Act 2015 Committee reported that only 1.8% of potential victims of modern slavery and human trafficking referred to the National Referral Mechanism secured a prosecution against their perpetrators.[275]

Procurement Review Unit (PRU)

227. The Procurement Act established the Procurement Review Unit to have responsibility for oversight of the new regime and embed the changes introduced by the Act into contracting authorities.[276] However, based on the evidence presented to the Committee, the precise functioning of the Procurement Review Unit and the Debarment Review Service which sits within it remains unclear. Sarah Jones MP, Minister of State for Industry at the Department for Business and Trade and the Department for Energy Security and Net Zero wrote to the Committee outlining that the Debarment

271 CCLA Investment Management, Rathbones Group (FLS0040)
272 UK Government Debarment list (accessed 06 July 2025)
273 Q65 [Eleanor Lyons]
274 Q19 [Oliver Holland]
275 Modern Slavery Act 2015 Committee, Report of Session 2024–25, The Modern Slavery Act 2015: Becoming World-Leading Again, 16 October 2024, HL Paper 8
276 Cabinet office guidance, Procurement Review Unit, published 24 February 2025

Review Service would undertake investigations into suppliers on behalf of a Minister and can investigate on all exclusion grounds except those related to national security.[277]

228. In response to the Committee, Michael Shanks, Minister for Energy at the Department for Energy Security and Net Zero told the Committee:

> The PRU […] will consider the evidence provided by suppliers in order to assess whether the circumstances giving rise to an exclusion ground are continuing or likely to occur again. Furthermore, the PRU will be responsible for conducting investigations into suppliers to determine whether they are excluded or excludable suppliers, and whether they should be added to the public debarment list.[278]

229. However, at the time of writing, the Minister had not yet responded to the Committee's question in that same letter about how data provided by Contracting Authorities (public buyers, for example local authorities) to the Procurement Review Office on excluded supplier decisions would be used, and whether such data would inform investigations.

230. **CONCLUSION**

The exclusion regime under the PA 2023 presents an opportunity to tackle forced labour in public procurement if used correctly and to its full extent. However, this will depend on effective functioning of the Procurement Review Unit.

231. **RECOMMENDATION**

The Government should review the actions of the Procurement Review Unit to assess if its investigations are taking account of all relevant evidence and are effectively informing the exclusion regime within 12 months of the enactment of the Procurement Act (February 2026).

277 Correspondence from the Minister of state for Industry Department for Energy Security & Net Zero and the Department for Business and Trade relating to Forced Labour in Supply Chains

278 Correspondence to the Committee from the Minister for Energy regarding the Forced Labour in UK Supply Chains Inquiry dated 2 July 2025

Great British Energy and the Great British Energy Act 2025

232. In order to drive forward the clean energy transition and advance the UK's goal of reaching Net Zero emissions by 2025, the Government published its Clean Power 2030 Action Plan on 13 December 2024.[279] The plan includes a target for the installation of 45–47 gigawatts (GW) of solar energy by 2030, up from a current level of 16.6 GW. The Government's independent statutory body, the Climate Change Committee (CCC) has reported that meeting the Net Zero target will require faster roll-out of renewable energy, including solar.[280]

233. During the course of our inquiry, the Great British Energy Act 2025 received Royal Assent. The main purpose of the Act is to set up Great British Energy, a state-owned but operationally independent energy company to drive investment in clean energy projects.[281]

234. As the Bill was passing through Parliament, JCHR Members in both the Lords and the Commons put forward amendments which aimed to prevent the use of forced labour in GBE supply chains or investments.[282] The Government subsequently amended the Bill to add to the objectives of Great British Energy so that they include facilitating, encouraging and participating in "measures for ensuring that slavery and human trafficking is not taking place in [Great British Energy's] business or supply chain".[283]

235. However, as the newly established company is currently in its infancy, it is too early to know what these commitments will mean in practice.

236. The Committee subsequently received correspondence from Michael Shanks, Minister for Energy at the Department for Energy Security and Net Zero, confirming that:

> GBE will respond to, and take action on, any identified issues or concerns that arise relating to forced labour, including any raised by the Joint Committee on Human Rights.[284]

279 Government Policy Paper: Clean Power 2030 Action Plan, updated 15 April 2025
280 Climate Change Committee, Progress in reducing emissions – 2025 report to Parliament, 25 June 2025
281 Explanatory Notes to the Great British Energy Bill, HL Bill 43-EN, paras 2–5
282 HC Deb, 25 March 2025, col 880
283 Great British Energy Act 2025, s.3(e)
284 Correspondence from The Minister for Energy relating to Great British Energy's (GBE) supply chains dated 4 June 2025

237. **CONCLUSION**

The Committee are encouraged by the Minister for Energy's assurance that GBE will take action on issues or concerns relating to forced labour raised by the JCHR.

238. **RECOMMENDATION**

Great British Energy must inform the Committee 12 months after this report is published to set out (i) how the objective on measures for ensuring that slavery and human trafficking are not taking place in Great British Energy's business or supply chain has been implemented, and (ii) what their plans are for the next 12 months in relation to this object. This information should also be included in GBE's Annual Report and Accounts.

The UK's demand for Critical Minerals

239. Critical minerals are essential to produce clean energy technology such as batteries, electric vehicles, and solar panels required for the Government's plans for clean energy.[285] In written evidence, the Department for Energy Security and Net Zero stated that the UK's demand for critical minerals is set to increase significantly by 2030, as the rapid growth of global demand for batteries and other net zero enabling technologies puts pressure on supply chains.[286]

240. Sadly, regions with mineral wealth are often at high risk of exposure to forced labour. This is particularly the case in the Democratic Republic of the Congo (DRC), the source of around 70% of the world's cobalt which is a key ingredient in lithium-ion batteries and magnets.[287] The DRC is known for its informal "artisanal" mines, where we heard that forced and child labour is rife.[288] Polysilicon, used in 95% of solar panels, also poses specific risks of forced labour due the dominance of the Chinese state in both mining and processing the mineral.[289]

241. However, there is no domestic production of these minerals in the UK, which remains dependent on international supply chains at high risk of exposure to forced labour in both mining and processing.[290] This is an issue for both public and private demand of renewable energy technology. The

285 Government Policy Paper: Clean Power 2030 Action Plan, updated 15 April 2025
286 Department for Energy Security and Net Zero (FLS0062)
287 Q37 [Katharine Bryant]
288 The Freedom And Justice Partnership (FLS0066)
289 Department for Energy Security and Net Zero (FLS0062)
290 British Geological Survey, UK 2024 Criticality Assessment, 28 November 2024

UK published a Critical Mineral Strategy in 2022. A revised strategy was expected to be forthcoming in Spring 2025,[291] but at the time of writing it has not yet been published.

242. **CONCLUSION**
The UK's demand for imported critical minerals is highly likely to increase in the future as the green energy transition progresses. Based on the evidence we heard, the Committee is concerned that there is not a clear strategy for managing the risks of forced labour associated with critical minerals.

243. **RECOMMENDATION**
The Critical Minerals Strategy should outline specific steps that the Government will take to address the UK's reliance on critical minerals which are sourced from regions with high risks of forced labour and child labour.

The solar roll out

244. Increasing the use of solar power has been a core element of the Government's plan to reach net zero.[292] The Government published its Clean Power 2030 Action Plan on 13 December 2024, which includes a target for the installation of 45–47 gigawatts (GW) of solar energy by 2030, up from a current level of 16.6 GW. In addition to this, the Action plan notes that an a further 9–10 GW of rooftop solar could be deployed by 2030. GBE's first project was a £200million investment in solar panels to be installed on the roofs of schools and NHS buildings.[293]

245. However, we heard that solar energy technology presents significant risks of exposure to forced labour, primarily due to the use of polysilicon in the manufacturing of solar panels.[294] The Department for Energy Security and Net Zero stated:

> Polysilicon is the primary component of over 95% of all solar photovoltaic (PV) modules produced globally. The UK has no domestic manufacturing capacity for conventional silicon solar PV and as such is completely dependent on global suppliers who, over the last decade,

291 Institute of Materials, Minerals & Mining (IOM3), "IOM3 welcomes announcement of new UK Critical Minerals Strategy", 4 December 2025
292 Government Policy Paper: Clean Power 2030 Action Plan, updated 15 April 2025
293 Government press release, Great British Energy to cut bills for hospitals and schools, 21 March 2025
294 Q35 [Katharine Bryant]

have increasingly moved from Europe, Japan, and the U.S, across to China. In this time module costs have fallen more than 80%, making large-scale solar one of the cheapest forms of electricity generation.[295]

246. The Department for Energy Security and Net Zero conceded that there is evidence that some companies in solar supply chains may be linked to forced labour:

> There is credible evidence to support allegations of widespread, systematic use of forced labour against members of Uyghur and other minorities in Xinjiang, and evidence that some companies involved in the supply chains of solar equipment and polysilicon may be linked to forced labour. Two reports, both from the Helena Kennedy Centre for International Justice,[296] have brought this issue to the fore.[297]

The Solar Taskforce and the Solar Stewardship Initiative

247. To address the issues of forced labour in solar supply chains, the Government re-launched the Solar Taskforce in October 2024.[298] The reactivated Taskforce held two meetings before it concluded its work[299] and published the Solar Roadmap on 30 June 2025. On 9 June, Energy Minister Michael Shanks stated that the Solar Roadmap would provide details on the Government's approach to securing solar supply chains free from forced labour.[300]

248. However, the roadmap did not offer any substantive new mechanisms or policies to address forced labour in global solar supply chains. In the section titled "Tackling Modern Slavery in Solar Supply Chains" (pp. 43–5) the document simply reiterated the current statutory framework and highlighted existing voluntary tools, before deferring to the standards developed by Solar Stewardship Initiative (SSI).

249. The Solar Stewardship Initiative (SSI) is a industry-led initiative which was established by SolarPower Europe and Solar Energy UK in March 2021. The SSI is a supply chain assurance scheme, which establishes Environmental,

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295 Department for Energy Security and Net Zero (FLS0062)
296 Sheffield Hallam University, Helena Kennedy Centre for International Justice, In Broad Daylight, Uyghur Forced Labour and Global Solar Supply Chains, 2021; Sheffield Hallam University, Helena Kennedy Centre for International Justice, Over-exposed: Uyghur region exposure assessment for solar industry sourcing, 2023
297 Department for Energy Security and Net Zero (FLS0062)
298 Government press release, "Solar taskforce meets in drive for clean power", 2 October 2024
299 UK Gov, Solar Taskforce
300 Solar Power, PQ 55915, 9 June 2025

Social and Governance (ESG) and Supply Chain Traceability Standards to deliver a tailored solution for supply chain sustainability in the solar industry.[301]

250. Chris Hewett, who represents Solar Energy UK and is the Co-Chair of the Solar Taskforce with Edward Miliband, told the Committee:

> The membership of the SSI is split. It contains manufacturers, including a lot of the Chinese manufacturers. About 60% of the global market is represented by the membership of the SSI.[302]

251. Membership of the SSI does not come with onerous conditions. SSI members in manufacturing are required to arrange independent assessment of at least two sites against the SSI's ESG standard within 12 months of joining the SSI. However, SSI certification applies to sites, not companies. So, a company could have a majority of uncertified sites, but still be included within the SSI membership.[303]

252. Community Energy England, a body which represents over 320 community energy and associated organisations across England, have expressed doubts about the solar industry's ability to self-regulate. It described the pace of the SSI's work as "glacial" and, despite aiming to provide market assurance, the body says there is still no transparency in the solar supply chain:

> Initiatives such as the Solar Stewardship Initiative seem to be moving slowly if at all. There is functionally no transparency at all in the solar supply chain. … there is very little information available which would enable community energy organisations or anyone to make informed decisions about the sourcing of their solar modules and other equipment.[304]

253. Other groups that have expressed concern about the credibility of the SSI include the European Solar Manufacturing Council (ESCM), and the End Uyghur Forced Labour Coalition.[305]

254. When questioned by the Committee, Sarah Jones MP, Minister of State for Industry at the Department for Energy Security and Net Zero and the Department for Business and Trade, noted that concerns have been raised

301 Solar Stewardship Initiative, About, (accessed 22 June 2025)
302 Q40 [Chris Hewett]
303 Solar Stewardship Initiative (SSI) Standards, (accessed 22 June 2025)
304 Community Energy England (FLS0032)
305 European Solar Manufacturing Council (ESMC), ESMC does not recommend participation in the Solar Stewardship Initiative, statement 9 April 2024; End Uyghur Forced Labour Coalition, Solar Stewardship Initiative Fails to Address Solar Industry Reliance on Uyghur Forced Labour, 10 March 2024

about the integrity of the SSI and its independence from industry, but when pushed by Members did not offer any solutions or mitigation to manage these risks, favouring a "wait and see" approach.[306]

255. **CONCLUSION**

The risks of forced labour presented by the solar industry, which is a key element of the Government's intended energy procurement programme, are not being effectively addressed.

256. **RECOMMENDATION**

GBE and other public buyers must ensure that solar procurement decisions are made on the basis of independent assessments and not rely solely on the SSI to provide assurance of supply chains.

257. **CONCLUSION**

The Solar Roadmap does not provide practical steps to reduce the risks of forced labour in solar supply chains and increase the diversity of supply to the UK market as suggested by Ministers.

RECOMMENDATION

The Government should evaluate the work of the Solar Taskforce to determine why the Solar Roadmap did not provide any further information on supply chains than that which was already publicly available, despite years of work and the establishment of a specific sub-group on supply chains.

258. **RECOMMENDATION**

The Government should urgently address the omissions in the Solar Roadmap in relation to global supply chains and develop a viable strategy to address the risks of forced labour in the UK's solar supply chain. In developing this strategy, government should engage with trade bodies, relevant NGOs, academics, civil society organisations and survivors of forced labour.

306 Q80 [Sarah Jones MP, Minister for Industry at DBT and DESNZ]

7 Access to justice for survivors

Access to justice for survivors

259. The previous chapters of this report have set out various systemic mechanisms for seeking to prevent goods produced from forced labour entering the UK market. We have also set out some mechanisms for holding corporations to account for the forced labour in their supply chains, including through the criminal law and regulation. An additional avenue for accountability, however, is individual survivors bringing civil cases against companies in the UK for the wrongs which occur in their supply chains. This chapter will explore those issues of civil accountability in UK courts, as well as other ways survivors can have their individual voices heard.

Accessing civil justice in the UK for survivors: the current barriers

260. Survivors of forced labour in UK supply chains currently face significant obstacles to accessing justice in the jurisdictions abroad where such abuse actually occurred. In particular, the individuals alleging abuse may come from vulnerable groups in the host country, such as migrant workers, and there is often a power and resource imbalance between impoverished and vulnerable claimants and well-resourced commercial operations or the apparatus of the state itself.

261. The only realistic prospect of access to justice for such survivors may therefore be to bring their cases against companies in the courts in the UK. There are a number of advantages to bringing such claims for survivors rather than relying on other forms of accountability, such as the criminal law. For example, the civil law can be used by individuals to pursue claims in the UK without having to rely on organs of the state, such as the UK's prosecuting authorities or regulators. In addition, the burden of proof in civil claims is usually lower than in criminal prosecutions, requiring the claimant only to prove matters on the 'balance of probabilities' rather than to the higher criminal standard of 'beyond a reasonable doubt'. Civil law also gives individuals the opportunity to claim individual reparations or financial compensation for the wrongs done to them (which survivors would not necessarily receive in the event of prosecutions or regulatory action).

262. Cases have been brought in the UK courts for the harms done to individuals as a result of forced labour in the supply chains of UK companies on the basis of negligence, false imprisonment, and unjust enrichment.[307] In written evidence, the law firm Leigh Day told us that:

> Typically, cases of this nature involve UK-based companies sourcing or manufacturing products through third-party suppliers abroad. The claims we have brought on behalf of victims of forced labour set out to establish liability of the UK company arising from their assumption of responsibility as evidence by their corporate policies, auditing practices, or public statements.[308]

263. However, we heard that such cases also currently face significant challenges. There are particular issues about the extent to which a company can be found liable for the harms which occur within its supply chain, particularly when carried out by subsidiaries or third-party suppliers. As Oliver Holland, a partner in the law firm Leigh Day, said in oral evidence:

> [T]he way that we bring these cases is that we establish tort law liability. To do that, we need to demonstrate corporate responsibility. We have to obtain extensive evidence of knowledge, control and assumption of responsibility by the UK companies. While these civil claims can be a really empowering process for victims - and that is a really important thing to consider as well - these cases can take a number of years to conclude. This is often because of the approach of defending companies fighting the cases on procedural issues, particularly on jurisdiction. […]
>
> That brings with it a high cost to these claims. The legal costs from the defendant and our costs can run into very high figures, sometimes exceeding the amount of actual damages that the victims are seeking.[309]

264. Two other complications arise from the operation of Private International Law. Private International Law, also known as 'Conflict of Laws', refers to the law applicable to private cases where the litigation involves foreign elements or cross-border disputes. Private International Law determines which country's courts should hear the case (which country is the most 'appropriate forum' for the case) and which country's law should be

307 Q19 [Oliver Holland]
308 Leigh Day (FLS0052)
309 Q19 [Oliver Holland]

applied to it. Different types of cross-border cases are covered by different international agreements and domestic law. For a court in England and Wales to consider itself the most appropriate forum when a potential defendant is located in another jurisdiction, the court will need to be convinced that it is the more suitable location for the interests of all the parties and the ends of justice.[310] In determining whether the law of England and Wales or another state should apply to the dispute, in non-contractual disputes with a cross-border element which are governed in the UK by UK Rome II,[311] the default rule is that the law of the country in which the damage occurs is the applicable law.[312] This is the case irrespective of the country in which the event giving rise to the damage occurred and irrespective of the country in which indirect consequences of that event occurred.[313] This means that, even in cases where the UK courts agree that they are the appropriate forum to hear a case (which itself can be the subject of litigation), they may be required to apply foreign law to resolve it.[314] This adds an additional layer of complication to such claims.

265. The complexity, time and expense of such claims can be a barrier to access to justice. In this context, as Oliver Holland also told us in oral evidence:

> It is also really important to remind ourselves that victims of forced labour are some of the most vulnerable and disenfranchised individuals in the world and are powerless against these companies.[315]

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310 *Vedanta Resources Plc v Lungowe* [2019] UKSC 20; *JSC BTA Bank v Granton Trade Ltd* [2010] EWHC 2577 (Comm)

311 Regulation (EC) No 864/2007 of the European Parliament and the Council of 11 July 2007 on the Law Applicable to Non-Contractual Obligations and The Law Applicable to Contractual Obligations and Non-Contractual Obligations (Amendment etc.) (EU Exit) Regulations 2019. UK Rome II sets out the means for determining which state's law governs most non-contractual obligations arising in civil and commercial matters. As an EU Member State, the UK was bound by Regulation (EC) No 864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II). After Brexit, that regulation became retained EU law by operation of the European Union (Withdrawal) Act 2018 and amendments were made by statutory instrument to domestic law to reflect the UK's post-Brexit legal system.

312 Regulation (EC) No 864/2007 of the European Parliament and the Council of 11 July 2007 on the Law Applicable to Non-Contractual Obligations (Rome II) (Retained EU Legislation), Article 4. The UK was party to Regulation (EC) No864/2007 of the European Parliament and of the Council of 11 July 2007 on the law applicable to non-contractual obligations (Rome II) as a Member State of the EU. At the end of the transition period, the UK chose to unilaterally retain the Regulation as assimilated law and is commonly referred to as 'UK Rome II'.

313 Regulation (EC) No 864/2007 of the European Parliament and the Council of 11 July 2007 on the Law Applicable to Non-Contractual Obligations (Rome II) (Retained EU Legislation), Article 4(1)

314 See, for example, *JSC BTA Bank v Granton Trade Ltd* [2010] EWHC 2577 (Comm), where the courts of England and Wales were determined to be the most appropriate forum even though the applicable law was Kazakh law.

315 Q19 [Oliver Holland]

Duty to prevent

266. In the 2017 report of our predecessor committee, *Human Rights and Business 2017: Promoting Responsibility and Ensuring Accountability*,[316] we recommended that a 'duty to prevent' should be adopted in the UK, modelled on the Bribery Act 2010, to ensure criminal and civil accountability for forced labour in UK supply chains. Section 7 of the Bribery Act 2010 makes it a criminal offence for a commercial organisation to fail to prevent bribery by an associated person acting on their behalf, wherever in the world that bribe actually takes place.[317] It is a defence to the s.7 offence for the organisation to demonstrate on the balance of probabilities that it had in place adequate procedures to prevent bribery. The 'failure to prevent' model in the Bribery Act 2010 has been successful in driving a shift in corporate behaviour in the UK.[318] Our predecessors' 2017 report said:

> We recommend that the Government should bring forward legislation to impose a duty on all companies to prevent human rights abuses, as well as an offence of failure to prevent human rights abuses for all companies, including parent companies, along the lines of the relevant provisions of the Bribery Act 2010. This would require all companies to put in place effective human rights due diligence processes (as recommended by the UN Guiding Principles), both for their subsidiaries and across their whole supply chain. The legislation should enable remedies against the parent company and other companies when abuses do occur, so civil remedies (as well as criminal remedies) must be provided. It should include a defence for companies where they had conducted effective human rights due diligence, and the burden of proof should fall on companies to demonstrate that this has been done.[319]

267. This recommendation, if implemented, would give survivors clear routes to access the courts in the UK and therefore seek justice against companies in the UK benefiting from forced labour in their supply chains. In terms of civil law, the creation of a duty to prevent would effectively be a new cause of action, failure to comply with which could be the basis of a civil claim. The burden would be on the corporation to demonstrate that they had adequate procedures in place designed to prevent such forced labour, in a similar manner to the defence in s.7 of the Bribery Act 2010. If a company was found not to have adequate procedures in place, they could be required to pay compensation to victims. The existence of such a form of accountability

316 Joint Committee on Human Rights, Human Rights and Business 2017: Promoting Responsibility and Ensuring Accountability, 29 March 2017
317 Bribery Act 2010, s.12(5)
318 Mr Oliver Holland (Partner at Leigh Day) (FLS0077) paras 7–11
319 Joint Committee on Human Rights, Human Rights and Business 2017: Promoting Responsibility and Ensuring Accountability, 29 March 2017, para 193

would encourage companies to actively consider their compliance processes and ensure they have in place sufficient measures to mean forced labour would not occur in their supply chains. Express wording would need to be used to make sure that the default rule of Private International Law does not displace the applicability of the law of England and Wales in such cases. Such overriding mandatory provisions are permissible, for example under Article 16 of UK Rome II.

268. Since the publication of the previous report in 2017, a number of other pieces of legislation have adopted a similar 'failure to prevent' model. For example, the Economic Crime and Corporate Transparency Act 2023 created an offence of failure to prevent fraud, but provides an organisation with a defence if it can prove on the balance of probabilities that it had in place such "prevention procedures as it was reasonable in all the circumstances to expect the body to have in place" or "it was not reasonable in all the circumstances to expect the body to have any prevention procedures in place".[320] Similarly, the Criminal Finances Act 2017 created offences of failure to prevent tax evasion, but provides organisations with a defence if they can demonstrate that they had in place "such prevention procedures as it was reasonable in all the circumstances to expect [the organisation] to have in place" or "it was not reasonable in all the circumstances to expect [the organisation] to have any prevention procedures in place".[321] Although both these two Acts, as well as the Bribery Act 2010, create criminal offences rather than civil causes of action, they provide a model for the basis of such a cause of action.

269. The then-Government did not substantively engage with this recommendation in its response to the Committee's 2017 report.[322] The then-Government stated that it had "no immediate plans to legislate further in this area".[323] In evidence to our inquiry, a number of witnesses urged the Government to implement the recommendation of our predecessor Committee.[324]

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320 Economic Crime and Corporate Transparency Act 2023, s.199; Home Office, Economic Crime and Corporate Transparency Act 2023: Guidance to organisations on the offence of failure to prevent fraud, November 2024, pg. 3. The offence will be effective from 1 September 2025: Home Office, Economic Crime and Corporate Transparency Act 2023: Guidance to organisations on the offence of failure to prevent fraud, November 2024, pg. 4

321 Criminal Finances Act 2017, ss.45 and 46

322 Joint Committee on Human Rights, Human Rights and Business 2017: Promoting responsibility and ensuring accountability: Government Response to the Committee's Sixth Report of Session 2016–17, 12 January 2018

323 Joint Committee on Human Rights, Human Rights and Business 2017: Promoting responsibility and ensuring accountability: Government Response to the Committee's Sixth Report of Session 2016–17, 12 January 2018, pg 15

324 See, in particular, The Circle (FLS0028) pg.3, Trades Union Congress (TUC) (FLS0069) pg. 8; Anti-Slavery International (FLS0061) pg.3, Leigh Day (FLS0052) pgs 9 and 10

Conclusions

270. **CONCLUSION**

It is currently too difficult for individual survivors to access the courts in the UK when they have been subject to forced labour abroad in the supply chains of UK companies.

271. **RECOMMENDATION**

The Government should implement the recommendation of the JCHR's 2017 report. A civil cause of action of failure to prevent forced labour should be created, with the burden placed on the relevant corporation to prove that they had adequate procedure in place to prevent such forced labour. It would be a defence for the corporation to demonstrate that they did have adequate procedures in place, for example due diligence processes. Those corporations which could not discharge that burden would be liable to pay compensation to the victims.

The survivor voice in policy making

272. At the heart of our consideration of forced labour in UK supply chains must be the victims and survivors of such abuse. As part of our inquiry, we heard moving evidence from survivors who shared their first-hand experience of being subjected to forced labour. This has provided invaluable insights into the causes and environments that enable forced labour to thrive, and the difficulties that survivors face accessing justice and re-adjusting after their ordeal.[325]

273. The Modern Slavery Act 2015 created the role of the Independent Anti-Slavery Commissioner ('IAS Commissioner').[326] The IAS Commissioner is independent of government and is charged with encouraging good practice in the prevention, detection, investigation and prosecution of slavery and human trafficking offences, as well as the identification of the victims of those offences.[327] When giving evidence as part of our inquiry, the current IAS Commissioner, Eleanor Lyons, highlighted her campaign to establish a 'Survivor Advisory Council':

> We absolutely need to have a survivor advisory council established in this country. It is important because some of the legislation that we have been speaking about focuses on the harm once it has happened, but we want to be able to prevent some of this harm happening.

325 Annex 1: Survivor Engagement Sessions
326 Modern Slavery Act 2015, s.40
327 Modern Slavery Act 2015, s.41

> The best way to do that is to listen to survivors themselves and to understand what led them to be in this situation of forced labour and what help, care and support they would have wanted as part of their recovery journey.[328]

274. The purpose of such a council would be to ensure that, in developing policies, the Government adequately reflects the needs and realities of victims and survivors of forced labour and modern slavery. Other comparable jurisdictions already have similar mechanisms. For example, the United States of America established the U.S. Advisory Council on Human Trafficking in 2015 to provide a platform for trafficking survivors to provide advice and recommendations on federal anti-trafficking policies.[329]

275. The US Advisory Council on Human Trafficking ("the Council") was established by the Justice for Victims of Trafficking Act (JVTA) and must include between 8 and 14 members who are survivors of human trafficking.[330] Members are appointed on a two-year term by the President and provide expertise to the President's Interagency Task Force to Monitor and Combat Trafficking in Persons (PITF) and the Senior Policy Operating Group (SPOG).[331] The Council aims to strengthen federal policy and programming efforts to reflect best practice.[332] Functions of the Council include reviewing federal policy and programs, providing advice and recommendations, gathering information, and serving as a point of contact for federal agencies seeking input on anti-trafficking policy and programming.[333] The Council publishes an annual report to share findings and recommendations with the PITF.[334]

276. One of the sticking points for the establishment of a Survivor Advisory Council is remuneration. The IAS Commissioner considers that members of such a panel should be remunerated for their contributions.[335] The IAS Commissioner's website states that she submitted a business case to the

328 Q67 [Eleanor Lyons]
329 U.S. Department of State, U.S. Advisory Council on Human Trafficking (accessed 20 June 2025)
330 United States of America, Victims of Trafficking Act 2015, section 115, (c)
331 United States of America, Victims of Trafficking Act 2015, section 115 (b), (c)
332 United States of America, Victims of Trafficking Act 2015, section 115, (d)
333 U.S. Department of State, U.S. Advisory Council on Human Trafficking (accessed 11 July 2025)
334 United States Advisory Council on Human Trafficking Annual Report 2024 (accessed 11 July 2025)
335 Q67 [Eleanor Lyons]

Home Office in April 2024 but that this was turned down on the basis of financial constraints.[336] The IAS Commissioner has nevertheless continued to pursue this project with the Home Office.[337]

277. Under the US model, the Members of the Council are not considered employees, but they are permitted reimbursement for travel expenses and a "per diem allowance" in accordance with US codes.[338]

278. In oral evidence, Sarah Jones MP, Minister of State for Industry at the Department for Energy Security and Net Zero and the Department for Business and Trade, accepted the value of survivors' voices being heard:

> On the principle of whether we need to make sure that the voices of people with lived experience are at the heart of this, the answer is absolutely yes, otherwise we do not know what we are talking about. That is clear. We need to carry on speaking to organisations that have those voices front and centre. We can get useful information from individual case studies, but having that voice there constantly as you are developing policy is important.[339]

279. **CONCLUSION**

We support the creation of a Survivor Advisory Council. Such a body could empower survivors of forced labour to contribute to meaningful legislative change and policy reform.

280. **RECOMMENDATION**

We recommend that the Government works with the IAS Commissioner and takes the necessary steps - including financial - to facilitate the creation of a Survivor Advisory Council.

336 Independent Anti-Slavery Commissioner, Strategy, Survivors' Voices, and Supply Chain Legislation: The Independent Anti-Slavery Commissioner's Key Asks at the Home Affairs Select Committee (accessed 20 June 2025)

337 Q67 [Eleanor Lyons]

338 United States of America, Victims of Trafficking Act 2015, section 115, (f)

339 Q78 [Sarah Jones MP, Minister for Industry at DBT and DESNZ]

Conclusions and recommendations

Introduction

1. The evidence we heard demonstrates that goods produced by forced labour are being sold in the UK. (Conclusion, Paragraph 21)

2. There is currently a piecemeal and ad hoc approach to addressing forced labour using domestic policy. This does not prevent goods linked to forced labour being sold in the UK, nor provide clarity for businesses. (Conclusion, Paragraph 31)

   New legislation is needed to ensure that the UK's market is protected from goods tainted by forced labour. This should establish:

   (i) that it is unlawful to import or sell goods linked to forced labour in the UK

   (ii) new mandatory human rights due diligence duties for businesses,

   (iii) a right for those who have suffered forced labour to bring a claim for civil liability against those responsible,

   (iv) the regulatory arrangements for imported goods, sale of goods, and ensuring business compliance with the new due diligence duties

   (iv) how such regulations will be enforced and how those responsible for enforcement will be resourced

   The legislation should be introduced within one year of the publication of this report. (Recommendation, Paragraph 31)

3. There is a lack of visible leadership and coordination within government on tackling forced labour in UK supply chains. (Conclusion, Paragraph 34)

4. The Government should consider how it can provide visible leadership and coordination on the issue of forced labour in supply chains within government. (Recommendation, Paragraph 35)

5. The Government's China Audit has missed an opportunity by not publicly setting out an approach to addressing state-imposed forced labour in China. (Conclusion, Paragraph 42)

Corporate responsibility: Transparency reporting and mandatory human rights due diligence (mHRDD)

6. Section 54 of the Modern Slavery Act is not effectively motivating companies to address forced labour in their supply chains. The Committee is pleased to see the Government are considering changes to strengthen the duty. (Conclusion, Paragraph 59)

7. Government should strengthen the reporting duty under s.54 by establishing effective accountability mechanisms for non-compliance. (Recommendation, Paragraph 60)

8. Government should remove s.54(4)(b) of the Modern Slavery Act 2015, which enables companies to comply by reporting that no action has been taken. (Recommendation, Paragraph 61)

9. Government should extend the TISC reporting duty to public organisations. (Recommendation, Paragraph 62)

10. The UK's current approach of relying on voluntary implementation of due diligence is not effectively tackling forced labour in supply chains. Implementing mandatory human rights due diligence requirements for companies would level the playing field and be welcomed by many responsible businesses. (Conclusion, Paragraph 76)

    The Government should legislate to introduce mandatory human rights due diligence requirements throughout supply chains for businesses trading in the UK. In developing this legislation, the Government should consult with businesses and ensure that there is sufficient lead time for any new requirements to be implemented. (Recommendation, Paragraph 76)

11. In developing its own mandatory human rights due diligence, the UK should be mindful of the outcome of the CSDDD process in the EU, in order to ensure that businesses which operate in both the UK and EU are not placed under conflicting regulatory burdens. (Recommendation, Paragraph 84)

12. SMEs should be subject to lighter mHRDD requirements than larger companies, which should be proportional and risk-based to manage the specific risks of forced labour in their supply chains. Policymakers should support SMEs with guidance, tools and resources to help them comply without excessive burdens. (Recommendation, Paragraph 91)

13. The Committee supports the Government's decision to establish a body that could play a role in supporting businesses to address the risks of forced labour in their supply chains. (Conclusion, Paragraph 98)

14. Verified supply chain and risk data and uniform supportive materials would be welcomed by business; having a single source of information would help to create consistency in practice across organisations and sectors. (Conclusion, Paragraph 99)

15. The Government's newly announced Supply Chain Centre should support companies to conduct effective HRDD by providing a single point of access to verified information, guidance and resources. (Recommendation, Paragraph 100)

16. Regulatory oversight and accountability measures will be required to ensure compliance with the new due diligence requirements. (Conclusion, Paragraph 105)

17. Imposing penalties for non-compliance with mHRDD would make the risks of non-compliance clear to companies and provide a rationale for conforming which does not exist at present. (Conclusion, Paragraph 106)

18. Government should establish effective regulatory arrangements to ensure compliance with the new rules for mHRDD, including penalties for non-compliance that are proportional to company turn over. (Recommendation, Paragraph 107)

19. This regulatory function could be led either by the Office for Responsible Business Conduct or the Supply Chain Centre. The chosen body must be effectively resourced to deliver these new duties. (Recommendation, Paragraph 108)

Import bans and restrictions

20. The UK's current approach to imports is inadequate to prevent goods linked to forced labour from entering the UK. (Conclusion, Paragraph 116)

21. Other key comparator markets such as the EU and USA have put in place import bans on goods linked to forced labour. The UK's lack of equivalent legislation puts the UK at risk of becoming a dumping ground for goods that cannot be sold elsewhere. (Conclusion, Paragraph 125)

22. The Government should introduce an import ban to prevent goods produced using forced labour from entering the UK market. This should establish:

(i) how the risk of forced labour in supply chains will be identified;

(ii) who is responsible for identifying forced labour risks in supply chains and what is done with this information;

(iii) who is responsible for preventing the import of goods likely to be exposed to forced labour and if necessary confiscating goods;

(iv) and what resulting processes will follow once goods are confiscated (Recommendation, Paragraph 126)

23. In cases of state-imposed forced labour, it is not possible to seek to use buyer leverage to improving working conditions. (Conclusion, Paragraph 136)

24. The import ban recommended above must clarify that no company which uses or allows state-imposed forced labour in its supply chains can import goods to the UK. (Recommendation, Paragraph 137)

25. Effective implementation of a forced labour import ban would require effective data sharing and co-ordination between multiple UK law enforcement and intelligence agencies, including HMRC, the NCA and Border Force. (Conclusion, Paragraph 146)

26. The Committee was encouraged by the reference in the UK's Trade Strategy to plans to modernise detection capabilities and use pre-arrival data to enhance the tools available to Border Force. (Conclusion, Paragraph 147)

27. In taking steps to enable Border Force officers to find illicit consignments, the Government should ensure they are enabled to search out consignments of goods linked to forced labour. (Recommendation, Paragraph 148)

28. To aid enforcement, the UK's import ban should include a rebuttable presumption that goods linked to regions where the UK Government considers state-imposed forced labour is imposed are linked to forced labour until proven otherwise. (Recommendation, Paragraph 155)

29. The UK's import ban should establish or designate a responsible body to oversee the implementation of the import ban by facilitating data sharing and co-ordinating activity between different law enforcement agencies. Such a body must be provided with adequate powers and resources to fulfil this function. (Recommendation, Paragraph 156)

Other enforcement mechanisms

30. The powers already available under POCA are being underused by law enforcement agencies in relation to goods linked to forced labour which occurs outside of the UK. (Conclusion, Paragraph 178)

31. The NCA and Border Force should use the existing powers under POCA to prevent goods linked to forced labour being sold in the UK and to seize assets linked to forced labour. (Recommendation, Paragraph 179)

Free Trade Agreements

32. The EU's systemic approach to including human rights clauses in its free trade agreements provides an example of how the UK's approach to trade could be used to project British values abroad. (Conclusion, Paragraph 194)

33. The UK has not yet developed a uniform approach to embedding obligations to uphold human rights in its trade agreements, and it is unclear how the impacts of such clauses are assessed and evaluated when used. (Conclusion, Paragraph 199)

34. Ensuring clauses on human rights are included in trade agreements can demonstrate the UK's values and principles in terms of forced labour. (Conclusion, Paragraph 200)

35. The Government should make it an explicit policy to include provisions concerning forced labour in future trade deals. (Recommendation, Paragraph 201)

36. The UK should carry out effective impact assessments before entering trade negotiations with other nations. These assessments should include analysis of how enhanced trading arrangements with the UK will impact the use of forced labour in the contracting state, and whether an agreement would be likely to increase the UK's exposure to forced labour in supply chains. (Recommendation, Paragraph 204)

37. The UK should not enter trade agreements or negotiations with states that actively and knowingly participate in gross violations of human rights, such as state-imposed forced labour. (Recommendation, Paragraph 205)

38. The Government should establish a regular, formal process to assess whether the obligations to uphold labour rights and human rights in trade agreements are being met. If breaches are found, the UK should have a policy of using dispute resolution mechanisms and exemptions under trade agreements to their fullest effect to prevent and deter future breaches. (Recommendation, Paragraph 206)

Public Procurement

39. Taxpayers are entitled to expect public money to be used carefully and responsibly. (Conclusion, Paragraph 210)

40. Public procurement carries a higher risk of exposure to forced labour. (Conclusion, Paragraph 211)

41. The Procurement Act and the Great British Energy Bill provide public buyers with new discretionary powers to reject suppliers if the use of forced labour is reasonably suspected. (Conclusion, Paragraph 222)

42. There is significant concern that public buyers, such as local authorities, will not have sufficient capacity to use discretionary powers effectively. (Conclusion, Paragraph 223)

43. The Government should assess how frequently the new discretionary powers are being used across public sector buyers by analysing the reports on excludable suppliers submitted to the Procurement Review Unit by Contracting Authorities. If it appears the discretionary powers are being underused, or there is a wide variance in the range of use, Government should consult with Contracting Authorities to understand why this is the case and explore whether further support is required. (Recommendation, Paragraph 224)

44. The exclusion regime under the PA 2023 presents an opportunity to tackle forced labour in public procurement if used correctly and to its full extent. However, this will depend on effective functioning of the Procurement Review Unit. (Conclusion, Paragraph 230)

45. The Government should review the actions of the Procurement Review Unit to assess if its investigations are taking account of all relevant evidence and are effectively informing the exclusion regime within 12 months of the enactment of the Procurement Act (February 2026). (Recommendation, Paragraph 231)

46. The Committee are encouraged by the Minister for Energy's assurance that GBE will take action on issues or concerns relating to forced labour raised by the JCHR. (Conclusion, Paragraph 237)

47. Great British Energy must inform the Committee 12 months after this report is published to set out (i) how the objective on measures for ensuring that slavery and human trafficking are not taking place in Great British Energy's business or supply chain has been implemented, and (ii) what their plans are for the next 12 months in relation to this object. This information should also be included in GBE's Annual Report and Accounts. (Recommendation, Paragraph 238)

48. The UK's demand for imported critical minerals is highly likely to increase in the future as the green energy transition progresses. Based on the evidence we heard, the Committee is concerned that there is not a clear strategy for managing the risks of forced labour associated with critical minerals. (Conclusion, Paragraph 242)

49. The Critical Minerals Strategy should outline specific steps that the Government will take to address the UK's reliance on critical minerals which are sourced from regions with high risks of forced labour and child labour. (Recommendation, Paragraph 243)

50. The risks of forced labour presented by the solar industry, which is a key element of the Government's intended energy procurement programme, are not being effectively addressed. (Conclusion, Paragraph 255)

51. GBE and other public buyers must ensure that solar procurement decisions are made on the basis of independent assessments and not rely solely on the SSI to provide assurance of supply chains. (Recommendation, Paragraph 256)

52. The Solar Roadmap does not provide practical steps to reduce the risks of forced labour in solar supply chains and increase the diversity of supply to the UK market as suggested by Ministers. (Conclusion, Paragraph 257)

The Government should evaluate the work of the Solar Taskforce to determine why the Solar Roadmap did not provide any further information on supply chains than that which was already publicly available, despite years of work and the establishment of a specific sub-group on supply chains. (Recommendation, Paragraph 257)

53. The Government should urgently address the omissions in the Solar Roadmap in relation to global supply chains and develop a viable strategy to address the risks of forced labour in the UK's solar supply chain. In developing this strategy, government should engage with trade bodies, relevant NGOs, academics, civil society organisations and survivors of forced labour. (Recommendation, Paragraph 258)

Access to justice for survivors

54. It is currently too difficult for individual survivors to access the courts in the UK when they have been subject to forced labour abroad in the supply chains of UK companies. (Conclusion, Paragraph 270)

55. The Government should implement the recommendation of the JCHR's 2017 report. A civil cause of action of failure to prevent forced labour should be created, with the burden placed on the relevant corporation to prove that

they had adequate procedure in place to prevent such forced labour. It would be a defence for the corporation to demonstrate that they did have adequate procedures in place, for example due diligence processes. Those corporations which could not discharge that burden would be liable to pay compensation to the victims. (Recommendation, Paragraph 271)

56. We support the creation of a Survivor Advisory Council. Such a body could empower survivors of forced labour to contribute to meaningful legislative change and policy reform. (Conclusion, Paragraph 279)

57. We recommend that the Government works with the IAS Commissioner and takes the necessary steps - including financial - to facilitate the creation of a Survivor Advisory Council. (Recommendation, Paragraph 280)

Annex 1: JCHR survivor engagement sessions: 20 & 25 June 2025

To inform the inquiry into forced labour in supply chains, the Committee engaged with survivors of forced labour in two sessions in June 2025.

Session A – 20 June 2025

On 20 June, Lord Alton and Baroness Lawrence met with two survivors of forced labour who shared details of their experience and their recovery to support the JCHR inquiry into forced labour in the UK's supply chains. The Joint Committee on Human Rights is most grateful to Hamza and Roj and the Human Trafficking Foundation for facilitating this valuable engagement which has provided insightful evidence.

Attendees: Two survivors Roj and Hamza, Lord Alton, Baroness Lawrence, Engagement Team members Shapla Begum and Siobhan Conway, Laura Fatah (Committee Specialist), Nick Herbert (Human Trafficking Foundation), two translators for the survivors.

Experience of forced labour

- Survivors did not have access to phones or any communication devices during their forced labour. One survivor did not know how long they been held for, as they had no way of measuring time, and could only confirm it was "a long time".
- The forced labour took place outside of the survivors' home countries, in all cases.
- Survivors reported being abducted, beaten, tortured, and given sub-standard medical treatment resulting in permanent health issues.
- Survivors were sometimes given only one meal a day, or occasionally had no food, and their access to water was limited. They received no pay.

Perpetrators implementing forced labour and torture

- The gangs in charge were described as ‘militia’ and “thinking they are ‘sons of God’.”
- One survivor described their forced labour taking place in a lawless society, where the gang or militia rules the region and no one is safe, women and children are attacked, rape and forced marriage is common. The crimes of the gang members are never accounted for, as they are more powerful than the government. There is a feeling of impunity.

Seeking support

- Survivors tended to believe that international human rights NGOs were more likely to be effective in addressing issues of forced labour than national governments or police forces.
- One survivor described reporting their treatment twice to government authorities, but nothing was done. Their captors were not intimidated by this, as they believed nothing would happen.
- A survivor told us they had no idea where the goods or products they worked on were exported to, the survivor lived exclusively in a monitored compound and had no contacts in the country or contact with the outside world.
- Survivors reported no inspections taking place by external or internal parties.
- A survivor expressed a feeling of hopelessness about the country their forced labour took place in, and felt there would not be any chance of improvement until the government had changed.

Experience after forced labour

- A survivor reported permanent damage to one of their senses and their bone structure after the torture they endured at the hands of their captors.
- A survivor reported having extreme nightmares and symptoms similar to PTSD, despite now feeling they were safe.
- A survivor described drinking to excess after their forced labour had ended, as a way of escaping their recurring thoughts about their torture.

- A survivor described attempting to commit suicide after they reached a safe place, in part due to the treatment they received from the authorities there.
- Survivors are currently being supported by an expert organisation but still experiencing significant difficulties.

Session B – 25 June 2025

On 25 June 2025, the below attendees met to hear directly from a survivor who was subjected to forced labour outside the UK. The Joint Committee on Human Rights is most grateful to Irene and the Human Trafficking Foundation for facilitating this valuable engagement which has provided insightful evidence to the Committee's inquiry into forced labour in the UK's supply chains.

Attendees: Irene a survivor, Nick Herbert from the Human trafficking Foundation, Shapla Begum from the Parliamentary Engagement Team, Laura Fatah, Committee Specialist at JCHR

Experience of forced labour

The survivor described being voluntarily transported from their home country by an agency to their new 'employer' in another country. The agency promised better opportunities to make money in the destination country and the survivor felt they had no better choices.

The survivor described how their passport was taken by their 'employer' on arrival at the airport.

The survivor described unsuitable cramped living and sleeping conditions, long working hours, receiving inadequate food and water supplies, and being prevented from seeking medical support.

The survivor explained how their employer had tried to threaten and intimidate them, claiming to be able to access them and harm them; even once they had returned to their home country. The employer had paid a high price for the worker (to the agency) and had a sense of ownership over the individual.

A written contract was not followed. The contract was meaningless.

The survivor described being kept in a compound with 40 other people in similar situations. The group of survivors contacted the local police, who asked the survivors to attend the police station; but this was impossible as they were being forcibly held in the compound.

The survivor also contacted an NGO, but was given a phone number by the NGO that did not work.

The survivor explained how eventually after overstaying a visa for several months, the local authorities pressured the recruitment agency (who sent the survivor to the workplace) to pay for a return flight, which was done. However, many of the group of survivors returned without documents and without salary despite being away “working” for over a year.

Potential solutions and support needs

The survivor suggested that social media could be a useful tool to bring attention to cases of forced labour.

The survivor explained that companies were avoiding accountability by shutting down and then re-opening under new names, seeming to be unconnected with the previous company.

The survivor suggested that enforcing compliance with labour standards, implementing transparency measures, and holding companies accountable via inspections could help to address the risks of labour exploitation.

It was suggested that survivors could benefit from support such as help gathering evidence and documents; emotional and psychological support for trauma; assurances of safety and protection; identity protection; housing and financial support.

The survivor proposed that governments should work with NGOs and Trade Unions to be more effective in identifying and addressing forced labour.

The survivor suggested that governments should be stricter in matters concerning labour laws, to avoid forced labour and provide a genuine deterrent.

The survivor shared that they had observed a lot of labour exploitation is happening in their country and other countries, at a rate which is becoming alarming.

The survivor suggested greater awareness and education about human rights is needed, because it can reduce the numbers of people subjected to forced labour.

The survivor suggested governments need to identify the root cause of how people end up in forced labour, some people find themselves in such a trap because of poverty through lack of income and have few other choices.

The survivor suggested companies need to be more transparent and more responsible. The survivor suggested that if the agency which recruited them had been responsible, it would have been easier for the individual to be repatriated back home.

Annex 2: techUK – key points from sector roundtable discussion 6 March 2025

On 6 March 2025, Committee Specialist Laura Fatah met with members of techUK for a roundtable discussion, following the attendance of Craig Melson, Associate Director for Climate Environment and Sustainability at techUK at a JCHR oral evidence session on 5 March 2025. The discussion aimed to provide industry feedback on the realities faced by the tech sector to inform the JCHR inquiry into forced labour in the UK's supply chains.

Challenges in managing forced labour

In the tech sector, the term 'supply chain' may be unhelpful/misleading, as this implies a linear relationship between businesses, when in reality this is more of a 'web' where business may be clients, competitors, and suppliers all at once. Companies may not exert as much influence on their 'suppliers' as politicians perceive, due to these interconnected business relationships.

Tier one suppliers are the easiest to assess. Going beyond T1 is really challenging for a range of reasons including traceability, competitiveness (i.e. not wishing to share contacts in case they are undercut) and availability of data.

If sourcing obscure materials or small quantities (for example for pilots or R&D purposes) availability is likely to be the main consideration, it may not be possible/economically feasible to consider supply chain concerns.

Undertaking due diligence activities in China can put country contacts at risk. Even when companies do want to know what is happening on the ground, it can be prohibitive to ask/explore for the presence of forced labour, as there could be significant consequences for those involved in such queries.

Internal audit activities and departments may have shrunk due to managing CO_2 outputs (reducing the amount of air travel) leading to greater reliance on external auditors.

How can government help?

✓ Provide a list of accredited companies in supplier countries, which are managing the risks of forced labour in line with Government's expectations

✓ Provide a list of knowledgeable and responsible third-party auditors based in supplier countries who can undertake due diligence effectively

✓ Targeted import bans were thought to be helpful, shifting the responsibility to the state rather than companies.

✓ Procurement requirements are very influential as most tech companies do want to bid for government contracts, government is the biggest buyer of tech.

✓ Updates to procurement procedure (e.g. PPN 009) should be better communicated, well in advance so notice can be given, and should ideally be developed in consultation with the tech sector.

✓ Align with CSDDD to avoid duplication and minimise compliance burden for companies

✓ Companies need generous notice periods to comply with any changes in regulations or requirements

Solutions in practice

One member shared that they ask their suppliers to join a database and complete a self-assessment questionnaire before they contract with them. This data is also shared with large retailers.

EU regulations and costs

Overall costs are hard to calculate but have been substantial for CSRD (the EU reporting requirement) alone.

Complying with CSRD is the main focus for most companies at present. Most members will have to comply with CSDDD once in force, but it is not being discussed by most companies yet.

One member shared that they know of a company that has dedicated 100 staff to managing and delivering CSRD.

Formal minutes

Wednesday 16 July 2025

Members present:

Lord Alton of Liverpool (Chair)

Juliet Campbell

Lord Dholakia

Tom Gordon

Afzal Khan

Baroness Kennedy of the Shaws

Baroness Lawrence of Clarendon

Lord Murray of Blidworth

Lord Sewell of Sanderstead

Alex Sobel

Peter Swallow

Sir Desmond Swayne

Forced Labour in UK Supply Chains

Draft Report (*Forced Labour in UK Supply Chains*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 280 read and agreed to.

Annexes and Summary agreed to.

Resolved, That the Report be the Sixth Report of the Committee to the House of Lords and the House of Commons.

Ordered, That the Chair make the Report to the House of Lords and that Sir Desmond Swayne make the Report to the House of Commons.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

Adjournment

Adjourned until 2.00pm on Wednesday 3 September.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the inquiry publications page of the Committee's website.

Wednesday 22 January 2025

Rahima Mahmut, UK Director, World Uyghur Congress; **Michael Rudin**, Executive Producer, BBC Eye Investigations, BBC; **Professor Alexander Trautrims**, Associate Director, Rights Lab at the University of Nottingham Q1–14

Wednesday 5 March 2025

Professor Olga Martin-Ortega, Leader of the Business, Human Rights and Environment Research Group, University of Greenwich; **Mr Oliver Holland**, Partner, Leigh Day Q15–24

Scott Steedman CBE, Director-General, Standards, British Standards Institution (BSI); **Dr Roger Barker,** Director of Policy and Corporate Governance, Institute of Directors (IoD); **Craig Melson**, Associate Director, Climate, Environment and Sustainability, techUK Q25–33

Wednesday 19 March 2025

Katharine Bryant, Director of Operations, Walk Free; **John Morrison**, CEO, Institute for Human Rights and Business; **Chris Hewett**, Co-Chair, Solar Taskforce; **J.J. Messner de Latour**, Sector Lead, Purchasing, Initiative for Responsible Mining Assurance (IRMA) Q34–51

Wednesday 23 April 2025

Eleanor Lyons, Independent Anti-Slavery Commissioner; **Alex Murray**, Director of Threat Leadership, National Crime Agency; **Phillip Holliday**, Central Region Director, Border Force Q52–73

Wednesday 7 May 2025

Sarah Jones, Minister for Industry, Department for Energy Security and Net Zero and Department for Business and Trade; **Daniel Cox**, Deputy Director, Department for Energy Security and Net Zero; **Matthew Davies**, Director of Trans-Pacific Negotiations and Policy, Department for Business and Trade

Q74–88

Published written evidence

The following written evidence was received and can be viewed on the inquiry publications page of the Committee's website.

FLS numbers are generated by the evidence processing system and so may not be complete.

1	Allam, Dr Amir (Senior Lecturer, Aston University); Moussa, Dr Tantawy (Senior Lecturer, University of Westminster); and Elmarzouky, Elmarzouky, Dr Mahmoud (Senior Lecturer, The University of St Andrews)	FLS0021
2	ALP (The Association of Labour Providers)	FLS0010
3	Anti-Slavery	FLS0061
4	Ardea International	FLS0027
5	Benstead, Dr Amy (Senior Lecturer in Fashion Management, University of Manchester)	FLS0011
6	Benstead, Dr Amy (Senior Lecturer, The University of Manchester); Sarmento, Dr Filipe (Research Associate, The University of Manchester); Stephens, Dr Victoria (Lecturer, The University of Manchester); Charles, Erica (Lecturer, Glasgow Caledonian University - London Campus); and Goworek, Professor Helen (Professor, Durham University)	FLS0045
7	Beyond Human Rights Compliance	FLS0020
8	British Retail Consortium (BRC)	FLS0033
9	British Standards Institution	FLS0055
10	CCLA Investment Management; and Rathbones Group	FLS0040
11	China Strategic Risks Institute	FLS0002
12	Christ, Dr Katherine (Senior Lecturer, University of South Australia Business); and Burritt, Honorary Professor Roger (Honorary Professor, Australian National University)	FLS0003
13	Coalition Against Forced Labour in Trade; and The Human Trafficking Legal Center	FLS0056
14	Community Energy England	FLS0032
15	Corporate Justice Coalition	FLS0041

16	Department for Energy Security and Net Zero	FLS0062
17	ES3G Limited	FLS0014
18	Environmental Justice Foundation (EJF)	FLS0039
19	Ethical Trading Initiative	FLS0057
20	Faulkner, Dr Elizabeth A. (Lecturer in Law, Keele University); and Rutherford, Dr Angelica (Lecturer in Law, Keele University)	FLS0023
21	Fidelity International	FLS0012
22	Frankental, Mr Peter	FLS0070
23	Gad, Dr (Senior Lecturer of Accounting, Lancaster University); and Young, Professor (Professor of Accounting, Lancaster University)	FLS0006
24	Global Legal Action Network	FLS0060
25	Gutierrez Huertero, Dr Gabriela (Senior Lecturer in International Management, King's Business School, King's College London); and Eisdell, Melissa (Senior Engagement Lead – Social impact across the supply chain , The British Standards Institution)	FLS0013
26	Gutierrez Huertero, Dr Gabriela (Senior Lecturer in International Management, King's Business School, King's College London); and Gupta, Dr Aditi (Senior Lecturer in Accounting & Financial Management, King's Business School, King's College London)	FLS0046
27	HACE: Data Changing Child Labour Limited	FLS0047
28	Holland, Mr Oliver (Partner, Leigh Day)	FLS0077
29	Hong Kong Watch	FLS0031
30	Hope for Justice	FLS0017
31	International Bar Associations Human Rights Institute (IBAHRI)	FLS0008
32	International Cocoa Initiative	FLS0042
33	International Dalit Solidarity Network	FLS0016
34	Islam, Professor Muhammad Azizul (Professor in Sustainability Accounting & Transparency , Business School, The University of Aberdeen)	FLS0022
35	Justice and Care	FLS0030
36	Leigh Day	FLS0052

37	Martin-Ortega, Dr Olga (Professor of International Law, The University of Greenwich)	FLS0076
38	Migrant Help	FLS0049
39	Mines Labour Protection Campaign (MLPC), Jodhpur, Rajasthan, India	FLS0038
40	Modern Slavery and Human Rights Policy and Evidence Centre	FLS0034
41	Moussa, Dr Tantawy (Senior Lecturer, University of Westminster); Allam, Dr Amir (Senior Lecturer, Aston University); and Elmarzouky, Dr Mahmoud (Senior Lecturer, University of St Andrews)	FLS0058
42	O'Brien, Dr Erin (Associate Professor, Griffith University); Coneybeer, Dr Justine (Research Fellow, Griffith University); and Raby, Ms Kyla (Doctoral Researcher, University of South Australia)	FLS0024
43	PRI	FLS0074
44	RenewableUK	FLS0067
45	Rights Lab at the University of Nottingham	FLS0078
46	Rights Lab, University of Nottingham	FLS0063
47	SSE PLC	FLS0044
48	Satill, Lauren	FLS0043
49	Solar Energy UK	FLS0065
50	Solar Energy UK	FLS0026
51	Steedman CBE, Dr Scott (Director-General, BSI)	FLS0071
52	TechUK,	FLS0073
53	The Chartered Institute of Procurement & Supply	FLS0048
54	The Circle	FLS0028
55	The Freedom and Justice Partnership and the Freedom and Justice Partnership	FLS0066
56	The Rights Practice	FLS0053
57	Tony's Chocolonely	FLS0007
58	Trades Union Congress (TUC)	FLS0069
59	UN Global Compact Network UK	FLS0015
60	Walk Free	FLS0064
61	Walk Free	FLS0075

62	Walsh, Professor David (Professor in Criminal Investigation, De Montfort University); and Lawson, Ms. Karen (Senior Lecturer, De Montfort University Law School, De Montfort University)	FLS0025
63	Westminster Council	FLS0068
64	Wong, Mr Chee Yew (Professor, University of Leeds); Winterton, Mr Jonathan (Professor, University of Leeds); and Zhang, Mrs Ying (Postgraduate Researcher, University of Leeds)	FLS0009

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the publications page of the Committee's website.

Session 2024–25

Number	Title	Reference
4th	Legislative Scrutiny: Border Security, Asylum and Immigration Bill	HC 789
3rd	Legislative Scrutiny: Mental Health Bill	HC 601
2nd	Accountability for Daesh crimes	HC 612
1st	Proposal for a Draft Northern Ireland Troubles (Legacy and Reconciliation) Act 2023 (Remedial) Order 2024	HC 569
1st Special	Human rights and the proposal for a "Hillsborough Law": Government Response to the Committees Third Report of Session 2023 - 2024	HC 739