




Bali Process
Government &
Business Forum



THE PERTH FORUM

Work Plan for 2017/2018

Presented on 25 August 2017



“You may choose to look the other way, but you can never again say you did not know.”

William Wilberforce

CONTENTS

A Message from our Business Co-Chairs	5
The Consultations	6
The Priorities	8
Guiding Principles for Perth Forum Initiatives	10
The Initiatives Implementation Pyramid	11
The Work Plan	12
Key Themes	13
Initiatives	15
Initiative 1 – Ethical Recruitment	16
Initiative 2 – Supply Chain Transparency	18
Initiative 3 – Incentives	20
Initiative 4 – Safeguards and Redress	22
Proposed Initial Steps and Working Groups	24
High-Level Work Plan	26
Next Meeting	29



A MESSAGE FROM OUR BUSINESS CO-CHAIRS

25 August 2017

Dear Leaders

The Bali Process Government and Business Forum (“Perth Forum”) brings together influential business leaders, governments and other international stakeholders from across the Indo-Pacific region. The first Forum will be held in Perth, Australia in August 2017.

We will join the Government Co-Chairs, Minister for Foreign Affairs for Australia, the Hon Julie Bishop MP, and Minister for Foreign Affairs for the Republic of Indonesia, Retno L.P. Marsudi, as the Business Co-Chairs of the inaugural Perth Forum.

This partnership between government and business, the first of its kind in the Indo-Pacific region, harnesses the combined efforts of government and the private sector to develop innovative strategies to combat modern slavery, including human trafficking and forced labour. It recognises that no one individual, business or government can end modern slavery; collaboration is crucial.

The Co-Chairs intend for this Perth Forum to result in meaningful, concrete initiatives to prevent modern slavery and improve the lives of victims. This Work Plan is a crucial document that will require commitment from both business and government sectors.

This Work Plan sets out an agreed strategy, devised after careful consultation with over 20 business leaders and countries, and a panel of international experts. Over the next 12 months, this Work Plan aims to provide a clear focus for business and government to look at some of these issues in greater detail, so that recommendations and findings can be presented at the next meeting of the Perth Forum in 2018.

We are excited about the possibility of innovative, strategic, and most importantly, impactful change. Momentum is growing. The time has never been better to harness the collective power and influence of government and business. We look forward to your passionate and dedicated work to eliminate modern slavery in our region.

Yours sincerely



Andrew Forrest
Australian Business Co-Chair
Chairman, Fortescue Metals Group



Eddy Sariaatmadja
Indonesian Business Co-Chair
Chairman, Emtek Group

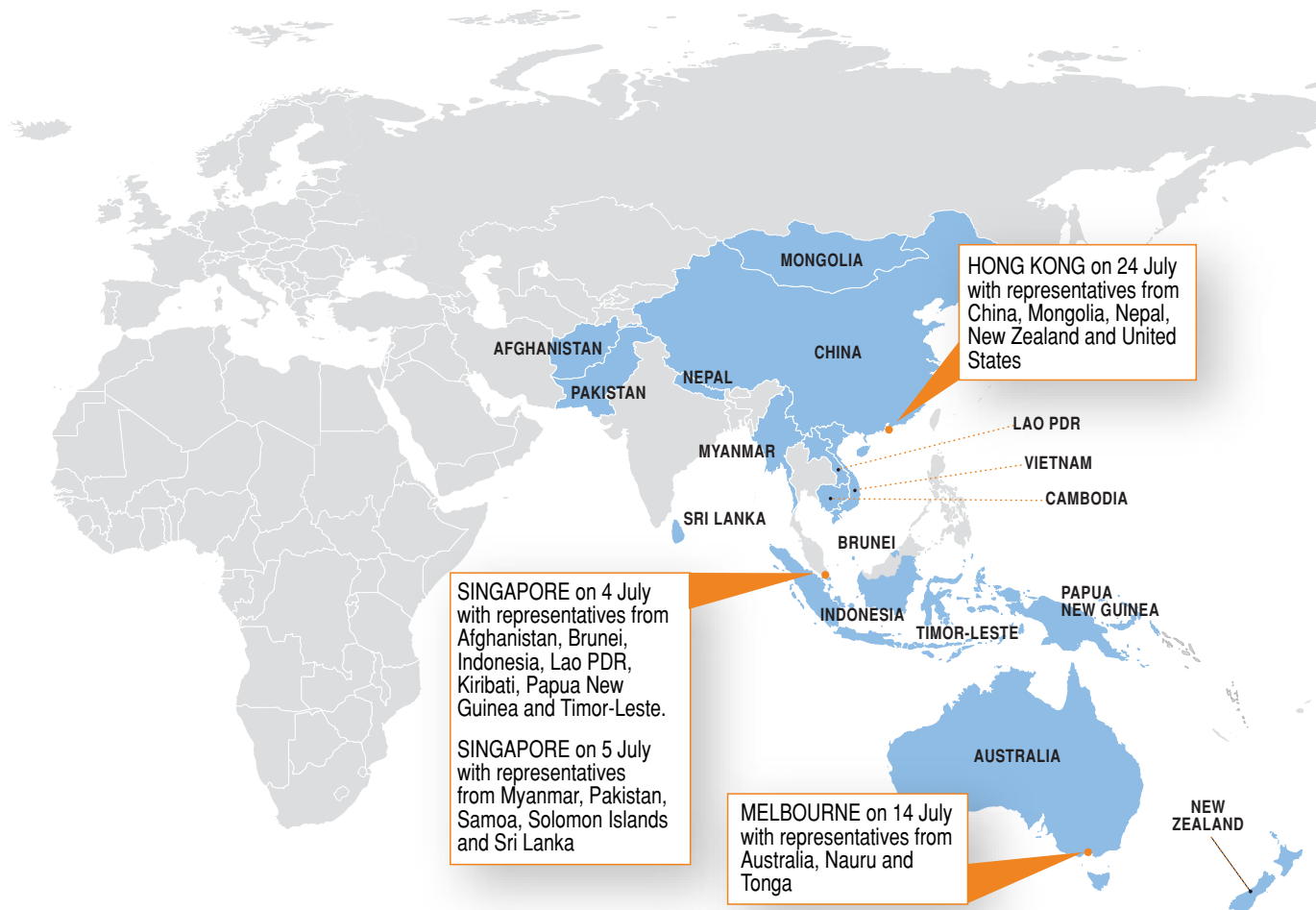


THE CONSULTATIONS

Singapore, Melbourne and Hong Kong

In preparation for the Perth Forum, representatives of the Business Co-Chairs facilitated a series of round table discussions with businesses attending the Perth Forum. Government representatives of the Bali Process member states were invited to observe the consultations.

For those companies unable to attend the consultations, the Business Co-Chairs had separate calls and discussions around the priorities. The purpose of the consultations was to identify a range of options from business to present to government to consider in driving responsible businesses and to prevent and eliminate modern slavery.

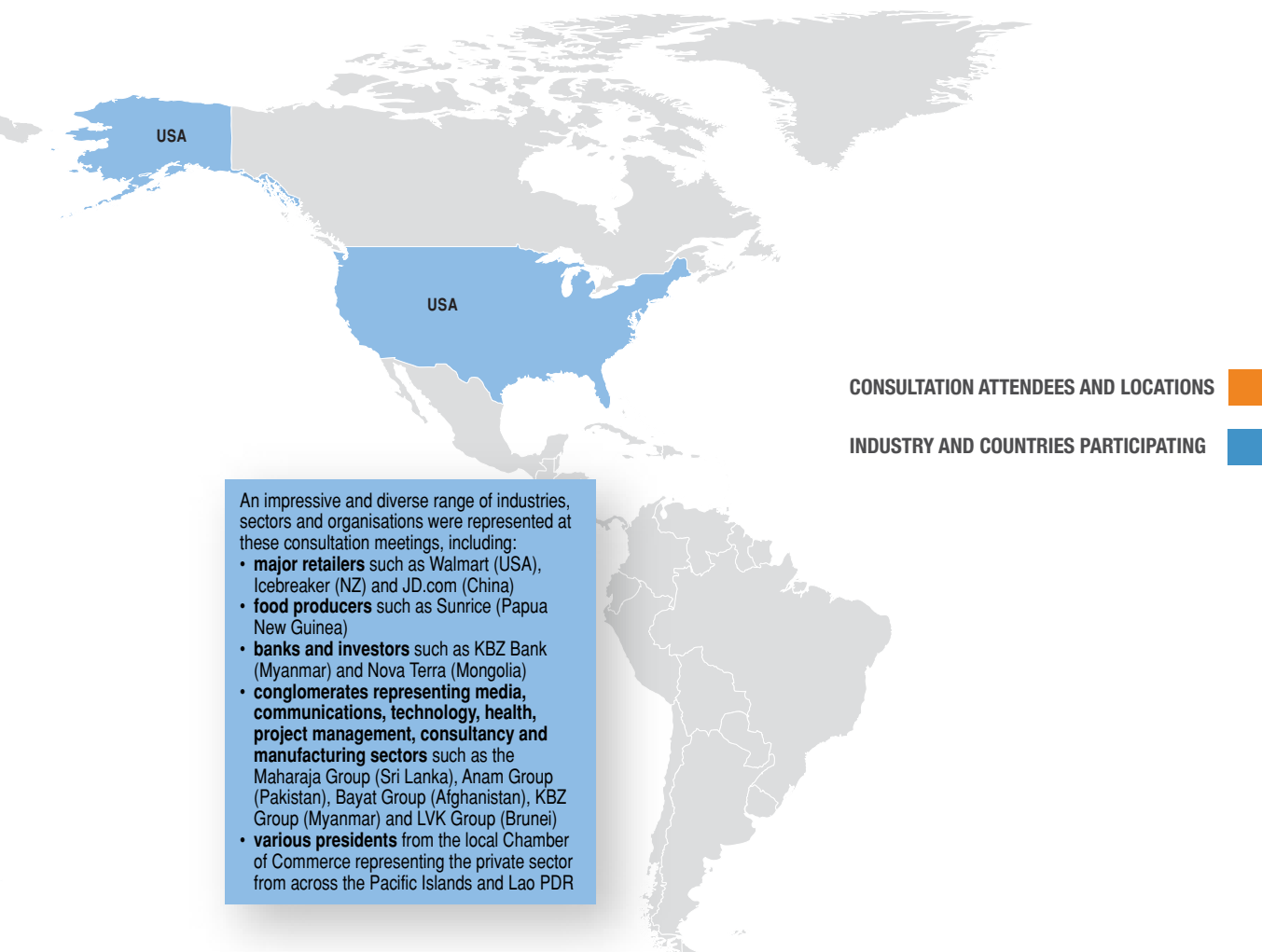


Businesses were asked their views on the top key issues and priorities, focusing on those that could help form the foundation of a meaningful strategy that works for both business and government.

The consultations were not a forum to investigate any individual business models in detail, or expose business for any identified failures or inaction. It was well recognised that each business is at a different stage of the journey when responding to issues of modern slavery. Rather the focus was on businesses collaborating, sharing their experiences and resources, and identifying ways to work with government to develop pragmatic regional strategies for managing supply chains and labour practices to mitigate the risk of modern slavery.

Importantly, representatives from Bali Process member states were invited to observe the consultation process to ensure governments were engaged with the process.

The goal is for business and government to work together on these issues, not in silos, in order to leverage the power and leadership of both.





THE PRIORITIES

The Top 3 priorities facing Business and Government

Addressing the complex crimes of modern slavery requires a coordinated, coherent response from stakeholders across the public, private and civil sectors.

The consultation engaged a range of stakeholders including government, law enforcement, universities, civil society, faith based communities, business, industries, unions and others offering victim support.

The Business Co-Chairs also consulted with leading academics, business experts and civil society groups to seek their input on the most urgent and demanding issues facing business and government.

After consultation with business and experts, the top 3 priorities included:

- 1. Ethical employment** – the ethical recruitment, employment, treatment and transport of workers, particularly migrant workers.
- 2. Transparency of supply chains** – improving transparency of supply chains to enable business to identify and respond to risks of modern slavery.
- 3. Safeguards and redress mechanisms** – availability of and access to safeguards and redress mechanisms for victims, workers and whistle-blowers via company complaint processes, mechanisms and collaboration.

It is from these priorities and consultation with business that the initiatives (outlined on page 15) have been selected.

Detailed briefing papers for each of the priorities were provided to all consultation members.





GUIDING PRINCIPLES FOR PERTH FORUM INITIATIVES

Seven guiding principles were designed to inform the initiatives

The paramount objective of the Perth Forum is to harness the power of both government and business to end modern slavery. Addressing the issues of modern slavery is complex, involving a range of stakeholders, across a diverse and dynamic region.

As a framework for the Perth Forum, seven key principles were developed by the Business Co-Chairs and Business Leaders.

Outcomes, initiatives and projects must:

- 1. Provide a combination of regional and national solutions.**
- 2. Be business-led, and utilise both business and government resources to implement.**
- 3. Contribute and drive forward innovative and effective solutions.**
- 4. Be scalable solutions across the breadth of business sectors.**
- 5. Provide options to reflect different capacities and contexts of businesses and governments.**
- 6. Collaborate with a wide range of stakeholders to identify and leverage existing relevant work.**
- 7. (Above all) positively impact the eradication of slavery, prevent exploitation and protect victims.**

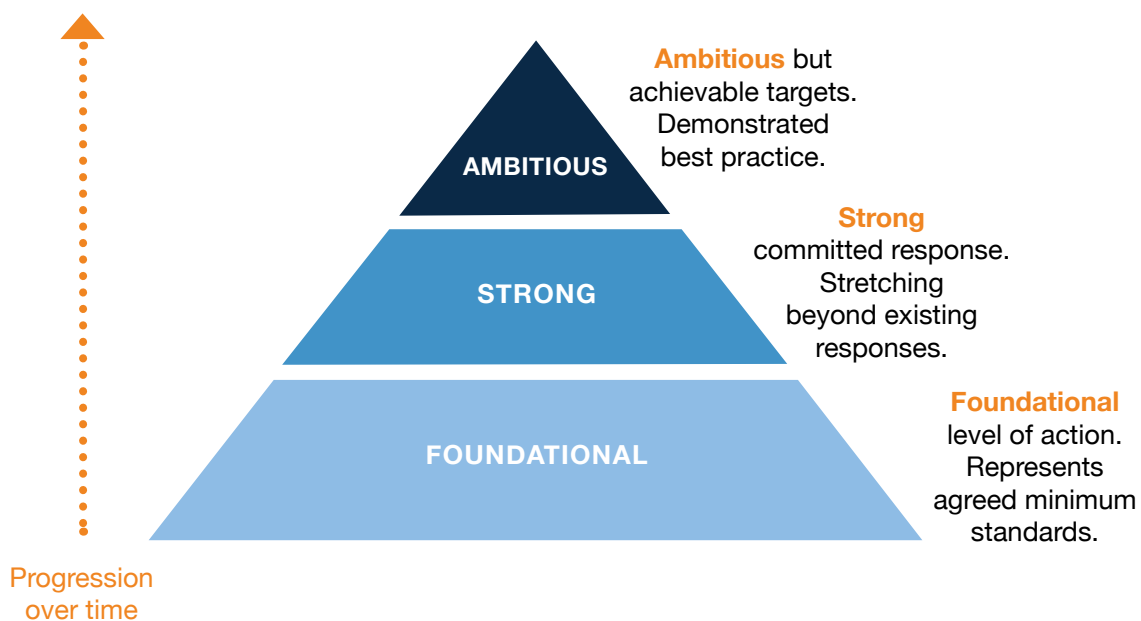


THE INITIATIVES IMPLEMENTATION PYRAMID

Providing a “menu of recommendations”

The Indo-Pacific is a dynamic and diverse region. It is home to many major powerhouse economies and emerging markets, and is the most populous region in the world. There is no “one size fits all” solution. Any regional solution must be staggered and proportionate to allow businesses and governments to opt in according to their specific contexts and capacities.

For these reasons we have designed three levels to guide the implementation of initiatives; from foundational to strong, to ambitious as illustrated below. For each initiative (outlined on pages 16-23), these options have been provided.





THE WORK PLAN

Proposed Work Plan for the next 12 months

After careful consultation with business, the proposed Work Plan sets out an agreed strategy that:



Over the next 12 months, this Work Plan aims to provide a clear focus for business and government to explore these issues in greater detail, so that business can present their recommendations and findings to government at the next Bali Process Government and Business Forum in 2018.

The Work Plan will not create any binding obligations or commitments upon either business or government, but rather will facilitate a practical and useful process for ongoing collaboration across sectors.

KEY THEMES

Key themes from consulting with businesses across the Indo-Pacific region

The consultation process saw a number of key themes developed and these are summarised below.

EDUCATION

Educate workers (especially migrant workers) to know and access their rights. Educate employers, recruiters and suppliers about their responsibilities in the promotion and protection of rights. Promote capacity building such as training and resources for employers, recruiters, suppliers, governments and the media.

REGULATION

Regulate on a regional and as appropriate national basis. Ensuring that voluntary corporate responses are complemented by helpful laws and policies to encourage ethical recruitment, employment and transport of migrant workers, together with promoting corporate transparency in supply chains.

INCENTIVISATION

Provide government incentives for business such as promoting ethical production by acknowledging achievements with awards or other incentives for compliance (e.g. preferential consideration in public procurement, tax breaks or other ways to drive change in behaviour).

INNOVATION

Use of technology such as apps, social media/digital platforms or other shared information platforms using emerging technology such as digitisation and blockchain to address the issue of modern slavery in the 21st century.





INITIATIVES

Through consultations with business, four initiatives emerged

In considering the development of these four initiatives, business has applied the guiding principles (page 10) and key themes (page 13) to finalise the list. For each initiative, working groups and key leads have also been established. This information is summarised in the table below with detail on each initiative outlined in the following section of this document.

The outcome of these initiatives will be a series of recommendations, presented to governments, on how to tackle modern slavery, including human trafficking and forced labour, in the region.

INITIATIVES	SATISFIES ALL 7 GUIDING PRINCIPLES	APPLICABLE THEMES				INTERESTED BUSINESSES IN WORKING AS GROUP HEADS
		EDUCATION	REGULATION	INCENTIVISATION	INNOVATION	
1. ETHICAL RECRUITMENT	✓	✓	✓	✓	✓	Thai Union (Thailand) Walmart (United States of America)
2. SUPPLY CHAIN TRANSPARENCY	✓	✓	✓	✓	✓	Sunrice (Papua New Guinea) LVK Group of Companies (Brunei) Icebreaker (New Zealand)
3. INCENTIVES	✓	✓	✓	✓	✓	Minderoo Group (Australia) Wesfarmers (Department Stores) (Australia)
4. SAFEGUARDS AND REDRESS	✓	✓	✓	✓	✓	Bayat Group (Afghanistan)



INITIATIVE 1 – ETHICAL RECRUITMENT

KEY OUTCOME: Establish regional arrangements for the ethical recruitment of migrant workers

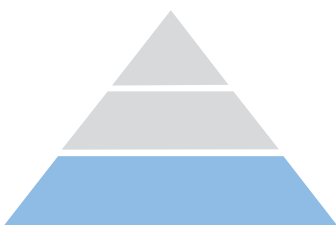
INSIGHTS FROM BUSINESS CONSULTATION

During the consultation session on “Ethical Employment of Migrant Workers” with business representatives and government observers, the following key insights were captured:

- Business acknowledged that migrant workers needed to be a focus of attention and support as they are more vulnerable for exploitation, especially in informal, seasonal or other low-to-medium skilled work, due to lack of education, linguistic barriers, less negotiating power, and lack of access and/or barriers to legal labour migration pathways.
- The development of a regional solution to promote safe and legal labour for migrant workers is critical and will assist business in making informed decisions to source their labour from ethical recruiters and jurisdictions and improving the conditions for workers.
- Business leaders strongly agreed that there is a business case for ethical recruitment and oversight.
- Business is very aware that remittances of migrant labour contributes strongly to GDP levels in many countries; migrant labour will continue, and is necessary, and stronger involvement by government and business is needed to improve the standards related to migrant labour.

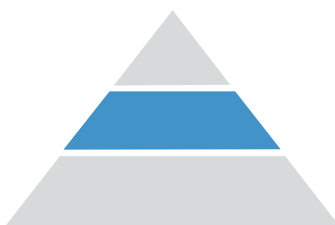
PROPOSED WORK AREAS

The key insights from business resulted in proposed work areas for further development by the working groups. The working groups will agree a set of recommendations for government that may include:



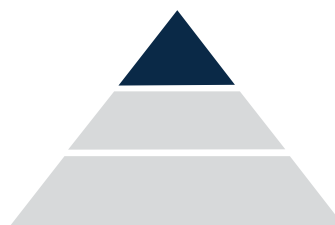
FOUNDATIONAL

- Coordinated capacity building at the local level in both source and destination communities for vulnerable groups of workers, employers, and duty-bearers/authorities
- Regional voluntary code of conduct on ethical recruitment principles for large companies
- Regional voluntary code of conduct/certification for recruiters, subject to a performance rating system
- Industry voluntary code of conduct/certification for recruiters, subject to a performance rating system
- Develop digital or other technology platforms that promote and incentivise ethical migrant worker recruitment systems (eg. Vietnamese rating system) (linked to Initiative 4)



STRONG

- Model country-to-country agreements on labour migration to improve access to migration pathways for low-skilled migrant workers
- Model law on ethical business conduct regarding recruitment



AMBITIOUS

- Compulsory licensing systems for labour recruiters
- Compulsory international certification system/code for labour recruiters



INITIATIVE 2 – SUPPLY CHAIN TRANSPARENCY

KEY OUTCOME: Agree best practice standards regarding supply chain transparency and a model law for annual reporting by large organisations doing business within the Indo-Pacific on steps taken to eradicate modern slavery within their own organisations and supply chains

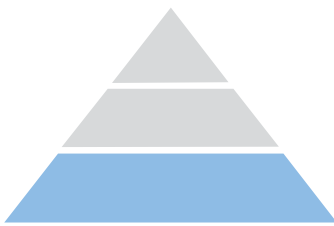
INSIGHTS FROM BUSINESS CONSULTATION

During the consultation session on “Supply Chain Transparency” with business representatives and government observers, the following key insights were captured:

- Information and data sharing on risks in supply chains is crucial between government, business and civil society to ensure a complete “picture” of information is accessible by all stakeholders to level the playing field, improve transparency, and improve the impact of existing efforts
- The need for consistent standards and laws are essential to level the playing field across the region and improve transparency across multi-tiered supply chains
- Businesses supported reporting on their supply chains but requested a standardised reporting template to minimise the number of reports to be prepared, especially where businesses were operating across multiple countries and jurisdictions
- Industry wide collaboration would encourage businesses to treat these issues on a pre-competitive basis, create shared responsible processes and procedures; this would assist in raising the bar generally across all suppliers
- To increase business engagement, any legislation or reporting requirements needs to encourage communication and reporting of the issue rather than drive fear or punitive responses; companies must be able to confidently investigate their supply chains, and report on findings without fear of retribution.

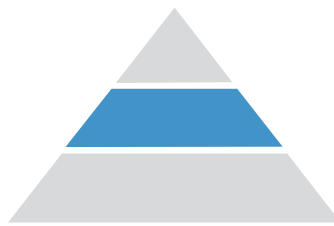
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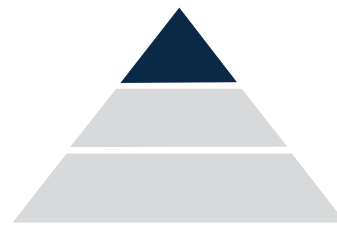
FOUNDATIONAL

- Collaboration and sharing between business and business, business to government, and with civil society on supply chain risks of modern slavery, ethical audit results and best practices



STRONG

- Voluntary standards for opt-in reporting by businesses



AMBITIOUS

- Compulsory reporting laws for large businesses to disclose transparency measures in place for supply chains
- Compulsory due diligence laws for large businesses operating in high risk areas



INITIATIVE 3 – INCENTIVES

KEY OUTCOME: Develop regional incentives which encourage and reward ethical business behaviour

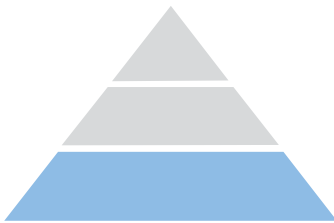
INSIGHTS FROM BUSINESS CONSULTATION

During the consultation session on “Incentives” with business representatives and government observers, the following key insights were captured:

- To drive forward progress in the region, incentives are needed to encourage change in corporate culture, reward those organisations operating to high ethical standards, and encourage reporting
- Reframing discussions away from punishing business to developing and rewarding responsible business practices is important
- The need for a “champions” from the private sector to drive forward change, inspire leadership and create a “race to the top” will drive up standards
- “Safe Harbour Reporting” encouraging businesses to share data from their supply chains without fear of penalty

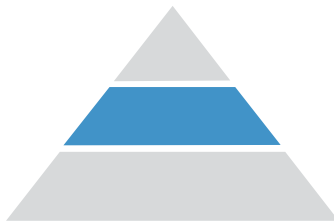
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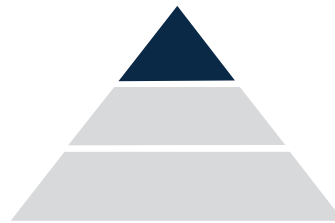
FOUNDATIONAL

- National awards program for top-performing companies
- Regional awards program for top-performing companies ethical migrant worker recruitment systems (eg. Vietnamese rating system) (linked to Initiative 4)



STRONG

- Preferential treatment in respect of public sector procurement for demonstrated ethical behaviour conduct regarding recruitment and employment



AMBITIOUS

- Formal/regional certification schemes acknowledging ethical practices
- Certification linked to tax breaks and/or tax credits scheme



INITIATIVE 4 – SAFEGUARDS AND REDRESS

KEY OUTCOME: Develop innovative mechanisms (via digital or conventional platforms) to promote regional safeguards for victims and improve access to redress and grievance mechanisms across the region

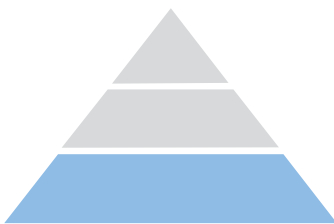
INSIGHTS FROM BUSINESS CONSULTATION

During the consultation session on “Safeguards and Redress” with business representatives and government observers, the following key insights were captured:

- Use the power of technology to promote efficient and smart sharing of information and resources, and to keep track of vital information easily
- Business acknowledged that social media platforms (e.g. Facebook, WeChat, Whatsapp) are easily accessible by workers at all levels and should be used to educate and provide a mechanism for workers to report abuses
- Limitations faced by national governments to monitor, implement and enforce regulation for transnational crimes, therefore business have a role to play in working with government to identify victims and exploitation
- It was widely acknowledged that businesses have a role to work collaboratively with governments on educating employers and workers on what is illegal behaviour i.e. what is “wrong” - as opposed to what is typically accepted as the “norm”. The focus needs to be on the “gateways” to the market (where the abuse happens in remote areas)

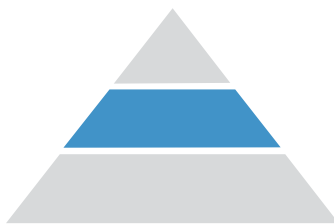
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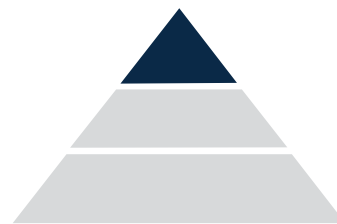
FOUNDATIONAL

- Develop digital or other technology platforms that promote and incentivise ethical migrant worker recruitment systems (linked to Initiative 1)
- Develop mechanisms (e.g. apps, grievance hotlines or other software) to allow victims to contact authorities (without fear of reprimand) about grievances
- Coordinated advocacy strategy such as advertising at airports, media print campaigns, social media etc



STRONG

- Develop regional whistle-blower protection models for modern slavery



AMBITIOUS

- Regional agreement on compensation by criminal perpetrators to victims to recoup lost earnings



PROPOSED INITIAL STEPS AND WORKING GROUPS

INITIATIVE 1 – ETHICAL RECRUITMENT

1. Develop and agree to minimum standards of ethical conduct, which include the following first steps:

- Analyse the business case for ethical recruitment and employment (e.g. impact on workplace productivity, stakeholder relationships, employee engagement, bottom line profits etc)
- Review existing resources and assess impact for workers, recruiters, employers and suppliers
- Gain feedback from workers, former victims and civil society about concerns, issues and gaps
- Analyse migration pathways where supply of local workers is low and demand for migrant workers is high
- Consider existing industry groups/ coalitions such as the Electronic Industry Citizenship Coalition

- Identify and consider existing good principles and practices such as Employer Pays, Dhaka Principles for Migration with Dignity, Fair Hiring Initiative and ILO Better Work Programme for application and/or expansion of initiatives regionally
- Consider effective migration management systems that benefit government, business and workers

2. Draft key elements for a code of conduct for business and code of conduct for recruiters

WORKING GROUP LEAD:

- *Thai Union (Thailand)*
- *Walmart (United States of America)*

INITIATIVE 2 – SUPPLY CHAIN TRANSPARENCY

1. Develop and agree on strategies to share risk assessments across supply chains (sharing information between the public, private and civil sectors) to develop a comprehensive risk assessment profile for the region

2. Review existing supply chain legal frameworks (including the UK Modern Slavery Act, the French Corporate Duty of Diligence Law, US Dodd Frank Act) and

international standards (e.g. ISO20400)

3. Consult nationally with businesses regarding support for supply chain legal frameworks

WORKING GROUP LEAD:

- *Sunrice (Papua New Guinea)*
- *LVK Group of Companies (Brunei)*
- *Icebreaker (New Zealand)*



INITIATIVE 3 – INCENTIVES

1. Develop a proposal from business to recommend to government incentive programmes that would encourage behavioural change, involving the following first steps:

- Review best-performing government incentive programs globally to promote ethical activity for adaption and application in the Indo-Pacific region
- Consult with businesses across regions and supply chains for applicability and interest

2. Test new incentives with businesses for applicability and impact

WORKING GROUP LEAD:

- *Minderoo Group (Australia)*
- *Wesfarmers (Department Stores) (Australia)*

INITIATIVE 4 – SAFEGUARDS AND REDRESS

1. Develop a proposal for an innovative technology platform as a regional solution, which includes the following first steps:

- Review and assess existing digital apps and/or other technology platforms, that address safeguards and grievance mechanisms for worker engagement
- Consult with workers, former victims and civil society regarding ability to access and use safeguards and grievance mechanisms

2. Partner with strategic technology organisations to develop and build innovative agreed technology platform (e.g. hackathons, crowd sourcing etc.)

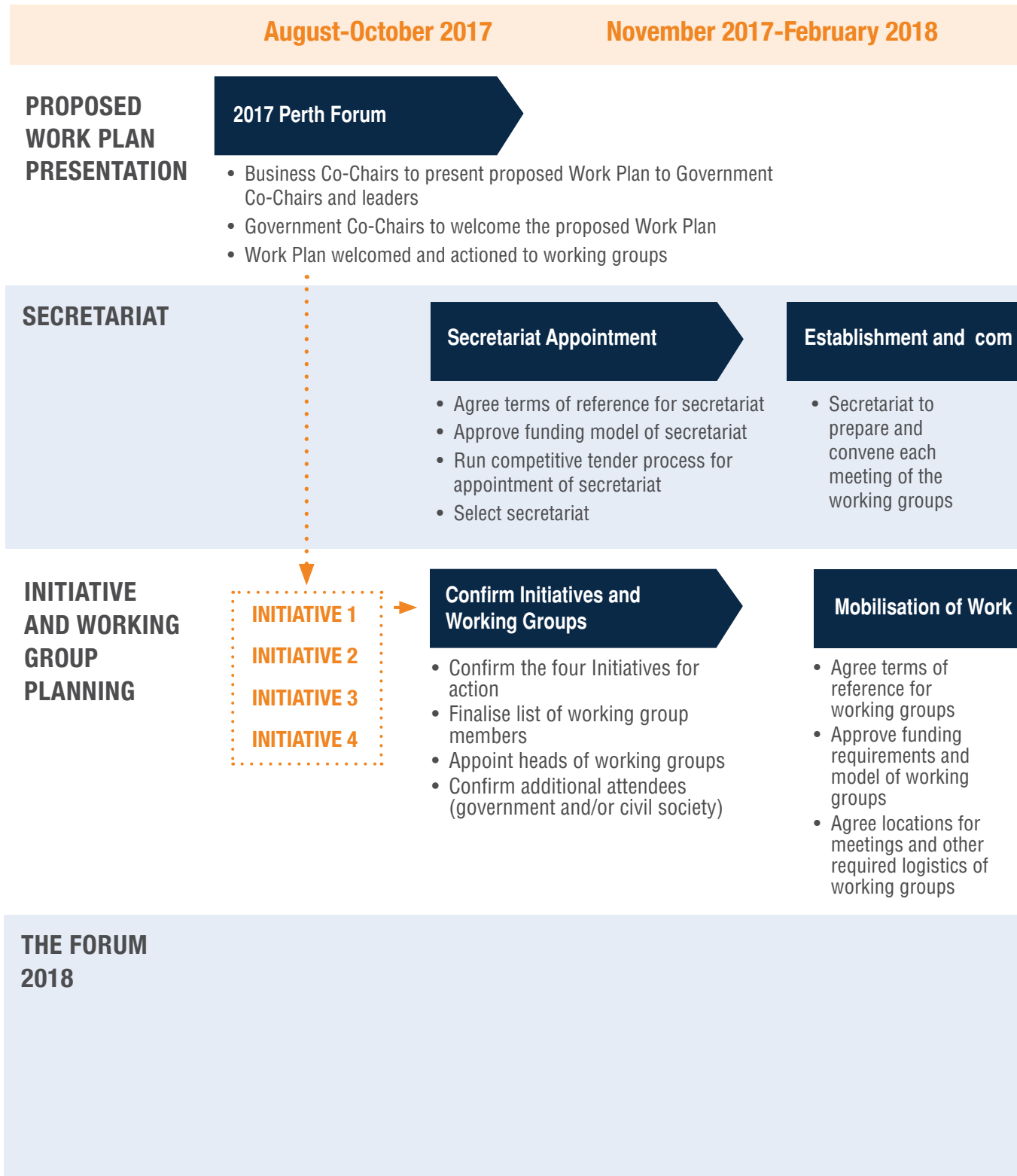
WORKING GROUP LEAD:

- *Bayat Group (Afghanistan)*



HIGH-LEVEL WORK PLAN

Key activities and deliverables



March-June 2018	July-August 2018	OUTPUTS/ DELIVERABLES
		<ul style="list-style-type: none"> Proposed Work Plan Work Plan
<p>Commencement of Secretariat</p> <ul style="list-style-type: none"> Secretariat to review and report to Business Co-Chairs on findings after each meeting 	<p>Reporting and planning of 2018 Forum</p> <ul style="list-style-type: none"> Business Co-Chairs to review reports from all meetings of working groups and prepare consolidated list of recommendations Business Co-Chairs to agree on key initiatives and recommendations to present to 2018 Forum delegates 	<ul style="list-style-type: none"> Terms of reference for Secretariat Secretariat templates for reporting
<p>Formulating Working Groups and Initiate work</p> <ul style="list-style-type: none"> For each Initiative: Develop a project plan for key activities and focus areas Determine whether a regional or country-by-country solution Formulate the foundational / strong / ambitious level recommendations Determine which levels apply to which countries 	<p>Prepare Recommendations Report</p> <ul style="list-style-type: none"> Initiative 1: Prepare and finalise report of recommendations Initiative 2: Prepare and finalise report of recommendations Initiative 3: Prepare and finalise report of recommendations Initiative 4: Prepare and finalise report of recommendations 	<ul style="list-style-type: none"> Final list of initiatives and supporting project plans Working group(s) membership Publication of details of working groups, terms of reference and scheduled meeting times Draft reports (four initiatives)
	<p>Planning and reporting</p> <ul style="list-style-type: none"> Present Report to key stakeholders and gather feedback Consolidate feedback and finalise Report Present Recommendations Report to the Forum 2018 	<ul style="list-style-type: none"> Final Recommendations Report from business working groups to government, to be published and presented at the Forum 2018

“It ought to concern every person, because it’s a debasement of our common humanity.

It ought to concern every community, because it tears at the social fabric.

It ought to concern every business, because it distorts markets.

It ought to concern every nation, because it endangers public health and fuels violence and organized crime.

I’m talking about the injustice, the outrage, of human trafficking, which must be called by its true name — modern slavery.”

Barack Obama 44th President of the United States



NEXT FORUM: BALI INDONESIA

2018

The term “modern slavery” is an umbrella term

The International Labour Organization estimates 20.9 million people worldwide are subject to forced labour. Other estimates indicate there may be up to 45.8 million victims of slavery worldwide, including those subject to forced labour (Global Slavery Index, 2016). In both estimates, the majority of victims are in the region encompassed by the Bali Process: the Indo-Pacific.

Modern slavery is a risk for all countries and businesses alike.

The term “modern slavery” is used as an overarching concept to describe a range of criminal offences.

In the business context, it includes all forms of human trafficking, forced labour, debt bondage, and the worst forms of child labour.

Unlike its composite parts, “modern slavery” is not legally defined, but the term is a powerful advocacy tool and one that a range of stakeholders are increasingly familiar with, including business.





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