

Worker Informed Forced Labor Risk Assessment: Improving Detection

A brief on Innovative Practices to Combat Forced Labor as part of the Best Practice Series

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This document provides practical guidance for companies and organizations to collect and assess relevant information about forced labor risk from workers. This approach can support companies seeking to improve due diligence on forced labor in their supply chains working with NGOs and civil society organizations, trade unions, and other stakeholders working to protect workers in high-risk sectors and regions.

GoodWeave has developed an innovative approach to improve forced labor detection at all supply chain levels. This approach increases the efficiency and effectiveness of forced labor detection in social audits by using input, gathered from people with lived experience in their communities, to avoid interference from their employers, to determine what the actual risks of forced labor are in a given sector, locality, and even a production site or factory. This best practice brief explains how to determine which indicators are the most critical while filtering out the less relevant ones to improve forced labor detection with risk-based audits that are both more effective and less time consuming.



Figure 1. *Assessing forced labor risk is one step in a multi-faceted methodology to detect and address forced labor in supply chains.*

1. What is forced labor?

The International Labour Organization (ILO) defines forced labor as, “all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily.” In other words, forced labor is work or working conditions that a worker has not agreed to and cannot leave without facing negative consequences. It touches our lives in what we eat, what we wear, and the products we bring into our homes. In the garment industry for example, forced labor can exist from raw materials processing to textile production and garment manufacturing.

By recent measures, nearly 28 million people globally are in forced labor. Forced labor is pervasive in agricultural production, manufacturing, as well as service industries like food service, health care and domestic work. According to the U.S. Department of Labor, there are 204 goods from 82 countries produced with child labor or forced labor, including garment, textiles, and carpet production.

2. Forced labor is difficult to detect

Addressing forced labor, granting remedy to victims, and preventing recurrences start with the identification that it is happening. Though the prevalence is high, forced labor is difficult to detect and often hidden from formal oversight, often occurring at the lower tiers of the supply chain¹.

Social audits are an important tool and one of the best ways for businesses to understand working conditions in their supply chains, providing a general understanding of the risks to workers at worksites. However, this approach often fails to engage with workers in a safe environment to properly understand the reality of their working conditions. Additionally, most audits focus on tier 1 manufacturing sites, often unintentionally neglecting lower tiers, especially informal and subcontracted production. This means that traditional social audits are not fully capturing the reality of forced labor in supply chains.

Forced labor is complex. Detecting it often requires looking at multiple indicators together in combination. For example, a supplier may engage in practices that are individually potential indicators of forced labor, such as providing workers with advances or using labor brokers, but these practices in and of themselves may not amount to forced labor. Conventional audit tools may capture a variety of risk factors but may not differentiate between which are the most prevalent and have the highest impact on workers when present.

Furthermore, typical social audits are generally conducted annually and scheduled far in advance, meaning that most of the supply chain is unmonitored for most of any given year. This is even as production locations are added and/or changed, worker turnover is happening, etc. These audits are often insufficient: they are too broad, take a long time, often several days, with checklists that include indicators which are not relevant to the workers' situation. Further, workers may be constrained responding to sensitive questions during work time or on the worksite where their employer may be observing.

Social compliance auditors are often not trained in the nuances of detecting forced labor and lack practical tools for assessing this complex issue. Indicators, guidelines and tools are not tailored to the specific context. Even if well trained, auditors need to evaluate multiple aspects of labor and human rights within a single audit of a limited duration. There is generally no time to conduct thorough supply chain investigations.

¹ Lower tier means suppliers that are two or more levels removed from the end customer, such as sub-contractors or suppliers of raw materials

3. What is a worker-informed risk-based approach?

The worker-informed approach utilizes information collected from people with lived experiences about what risks they face in the workplace to evaluate forced labor indicators for the likelihood of their presence in the workplace and the impact the indicator will have on workers. Collecting worker input through interviews in their homes and safe community spaces is time consuming and should be done by local, trusted people. However, the investment pays long-term dividends. By focusing on the most relevant and critical risks workers actually face in the workplace, audits are made more focused and effective ultimately leading to better solutions that support workers.

Evaluating indicators of forced labor for risk considers both primary and secondary data sources, using the ILO's [11 Indicators of Forced Labour](#) (2012) and the [GoodWeave International Standard and Guidelines](#) as a framework. Forced labor risks are analyzed using a consistent methodology that measures likelihood and impact of the risk occurring at four levels: low, medium, high and extremely high.

ILO Forced Labor Indicators

- Abuse of vulnerability
- Deception
- Restriction of movement
- Isolation
- Physical and sexual violence
- Intimidation and threats
- Retention of identify documents
- Withholding of wages
- Debt bondage
- Abusive working and living conditions
- Excessive overtime

4. Applying the methodology: Assessing forced labor risk

This section breaks down the elements of the risk assessment approach in three steps: 1) collecting and reviewing data; 2) assessing risk and 3) developing a tailored audit tool with guidance. GoodWeave has created an approach that is transferable to other systems, geographies, and sectors through standardized core elements including: the risk assessment framework, risk matrix, and checklist tool and guidance, detailed below.

Figure 2. Steps to assess forced labor risks



Step 1. Collecting and reviewing data

Country and sector data. This is readily available through desk research and will give a broad picture of working conditions and risks worker face depending on where and in what industry they work. Not all ILO 11 indicators are necessarily prevalent everywhere. There are numerous resources that provide relevant analyses, these include: The ILO's [Data and research on forced labor](#); [Walk Free Global Slavery Index](#); and the [US Department of Labor List of Goods Produced by Child Labor or Forced Labor](#).

Primary data from workers. Best practice is for interviews to be conducted by locally trained company staff, an NGO with longstanding local ties, or another trusted group that is sensitive to the issues workers may face in the workplace. Interviewers should not be affiliated with employers.

Knowledgeable local workers' rights organizations or staff will be able to identify the location where the workers live in proximity to the key production areas relevant to the risk assessment. Workers can be interviewed in their homes or in another trusted location, such as a community hall or private space as long as it is a safe environment away from the workplace where workers do not feel threatened and cannot be identified by their employer. Individual or group interviews can be documented through simple or complex data collection tools by computer/tablet or by hand.

Interviews should be conducted at times convenient for workers that will not interfere with their work, for example GoodWeave interviewed garment workers in the evenings and on local days of rest, in order to reach workers when they were not working in factories. Data collection should be avoided during national and festival holidays, when many workers return to their home regions, making them less accessible for interviews. With consideration to social norms, a gender balanced interview team should be trained to conduct the interviews.

Survey questions to elicit information about forced labor should be reflective of the ILO indicators. Examples include the following:

- Household and demographic information and list of household members
- The nature of the work performed
- Details about recruitment (terms and fees) and potential human trafficking
- Conditions of employment, threats or harassment
- Debt bondage to the employer or recruiter
- School attendance for young workers (a group often subject to lower pay and limited access to protections)

In GoodWeave's research methodology and recommended practice, the survey should seek answers to questions on the presence of risk of forced labor and/or exploitation among respondents. An additional open-ended section for remarks can enable interviewers to capture additional qualitative insights, including their observations and participants' personal experience related to their work in the sector and general daily life.

Prior to asking any questions, it is important that survey participants are asked for consent to the interview and an option to opt out at any time.

Primary audit data. If available, review all forced labor non-compliance data from worksite social audits in your current system for at least 2 years. This can be collected by third-party auditing bodies, company compliance and monitoring staff, etc. The results can be sorted from the most frequent non-conformity to the least.

Secondary data. Best practice recommends validating results of primary data through desk-based research and a review of published studies conducted by governments, academic institutions and non-government organizations, as well as trade data and journal/news articles.

Step 2. Assessing Risk

The ILO indicators are based on the definition of forced labor specified in the Forced Labor Convention, 1930 (N.29) and reflect practical and theoretical experience. This is the framework against which the primary and secondary data is assessed for risk.

The presence of one indicator alone may or may not imply forced labor. The assessment examines multiple criteria within each indicator, based on country and sector risk. These are considered alongside primary data gathered from worker communities in proximity to worksites and compliance information from available audits as well as secondary data sources.

Risk matrix

To assess risks against the framework indicators, GoodWeave developed a risk matrix (see Table 1) that scores likelihood and impact of occurrence to determine the rating of low, medium, high and extremely high using primary and secondary data. This method includes details on how to clearly and consistently stratify and weight the 11 indicators in each context.

Table 1. Risk matrix

		Impact			
		low	medium	high	extremely high
Likelihood	low	low	low	medium	ex-high
	medium	low	medium	high	ex-high
	high	medium	high	high	ex-high
	extremely high	ex-high	ex-high	ex-high	ex-high

The following definitions are used to determine the likelihood and impact of a risk:

- A. Likelihood is the chance that a particular risk will occur:
 - *Low likelihood*: risks that are unlikely to happen.
 - *Medium likelihood*: risks that may happen but are not regular occurrences.
 - *High likelihood*: risks that are ongoing or are almost certainly going to occur without proper controls.
 - *Extremely high likelihood*: Risks that are happening currently and systemically with actual examples.
- B. Impact is how the risk can influence the wellbeing of the worker:
 - *Low impact*: risk has negligible impact on worker’s wellbeing.
 - *Medium impact*: risk has some impact on worker’s wellbeing but can be managed by employers with strong and transparent management systems that are third-party verified.
 - *High impact*: risks to the wellbeing of the worker are significant.
 - *Extremely high impact*: risks to the worker are so high that their safety and livelihood are in danger.

Based on worker interviews and secondary data research, data is evaluated within the context of each forced labor indicator.

Step 3. Approach to refined / focused assessments, creating a checklist and guidance

While tier 1 worksites constitute a critical part of supply chains and their facilities should be continuously monitored and improved, their management systems are generally relatively stronger and present lower risk of forced labor. Meanwhile lower tiers, which generally comprise of raw material suppliers, subcontractors and minor component/processes suppliers, are often not monitored and consist of a more vulnerable workforce and are ultimately at higher risk of being victims of forced labor.

GoodWeave strongly recommends that all sites along the supply chain are assessed using this focused approach, replacing traditional forced labor audit tools with selected criteria rated as *high* and *extremely high*. Particular attention should be paid to:

- Tier 1 sites that are likely to conduct high risk subcontracting, are smaller and/or have no or few certifications.
- Tier 2 sites that conduct high risk processes: (for instance in textile production washing, dyeing, printing, and embroidery and production of minor components like elastic, drawstrings, packaging, etc.). These types of suppliers are more likely to be informal in business registration and type, require manual production processes, and lack extensive oversight.

Checklist and guidance

A checklist can then be created based on the risk ratings against the forced labor indicators specific to the location and sector where data was collected². Companies and organizations with existing standards and audit tools are encouraged to compare the indicators ranked *high* and *extremely high* based on the risk assessment to what they currently use. This results in a shorter, more focused, revised audit tool to be used instead. This will ensure that auditors pay attention to the risks that are actually present in the supply chains and increase the probability of detecting forced labor.

To ensure consistency, guidance should be included in any checklist, particularly in two areas:

- General guidance for each indicator on what types of questions to ask and what types of evidence to look for.
- Specific guidance and insights from the data from the risk assessment to help the assessment approach and inform what to highlight during questioning.

5. Why is this important to you and your company?

Forced labor is rarely detected in supply chains, despite the hundreds of thousands of audits conducted annually to uncover it. That is because the audits are too broad, looking at all possible forced labor indicators and often hundreds of criteria in one audit. Missing the signs of forced labor poses a reputational risk to companies as well as a legal risk considering global mandatory due diligence legislation.

² A sample checklist, that includes guidance for auditors, developed using GoodWeave's risk assessment in the RMG sector in Bangladesh is available on request.

GoodWeave’s approach to assessing forced labor risks to revise audit tools that are focused on the highest risk indicators informed by workers themselves allows companies to better detect forced labor and address it with their suppliers. Focused audits are more efficient, take less time, and are less costly to conduct because indicators that are rarely present are filtered out, leaving more time to explore real risk for forced labor.

Any company’s resources to detect forced labor are finite. Focusing efforts on highest risk indicators will be more effective than a “one-size-fits-all” approach.

Ready to get started?

GoodWeave can support your company with a context specific supply chain risk assessment. Our team can provide detailed guidance on how to collect data in the communities where you work and what kind of data to collect relevant to your supply chain. Our experts are available to support you throughout the process, including developing or revising your current checklist with focused, high-risk indicators applicable to your supply chain. We also offer recommendations for remediating risks and how to work with suppliers to ensure that workers are protected and risks are satisfactorily mitigated.

For more information contact: info@GoodWeave.org

About GoodWeave. GoodWeave is a nonprofit organization founded in 1994 by Nobel Peace Prize laureate Kailash Satyarthi— is the leading international institution working to stop child and forced labor in global supply chains through a market-based system and holistic approach. GoodWeave partners with companies and local producer communities to bring visibility to hidden supply chains; protect workers’ rights; provide assurance that products are free of child, forced and bonded labor; prevent exploitation; and restore childhoods. Look for the GoodWeave® certification label on rug and home textile products. Learn more at goodweave.org.

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