INCLUSIVE LABOR MONITORING ACTION NETWORK

BUSINESS—CIVIL SOCIETY COLLABORATION TACKLING FORCED LABOR & HUMAN TRAFFICKING THROUGH WORKER VOICE, PARTNERSHIP & INNOVATION

COLLABORATION FRAMEWORK
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INCLUSIVE LABOR MONITORING ACTION NETWORK

Collaboration Framework

January 2024
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OVERVIEW

BACKGROUND: THE ISSARA STRATEGIC PARTNERS PROGRAM

Issara Institute has been working with global brands, retailers, and importers and the labor conditions in their supply chains since November 2014, when the Issara Seafood Coalition pilot was launched: 10 seafood buyers (brands, retailers, and importers) from the US, Europe, and UK partnered with what was then called “Project Issara” under a pilot program to collectively tackle labor abuses onshore and offshore in their extended seafood supply chains. At this time, upstream supply chain visibility was murky, audits were not uncovering serious labor abuses, and a new approach was needed. To address these urgent needs, Issara Institute created Inclusive Labor Monitoring (ILM) – an entirely new model combining ongoing worker voice, data, and partnerships between an on-the-ground independent NGO technical partner (Issara) and businesses seeking to advance their responsible sourcing practices. The Issara Strategic Partners Program evolved from the Coalition pilot work in late 2015.

The ILM model, underpinned by worker voice and targeting strengthened supplier remediation and systems change, proved successful at identifying labor risks and violations, as well as at supporting remediation to workers and to business systems improvements. As additional global companies came on board, the initial seafood focus quickly expanded to agriculture, apparel and footwear, electronics, household goods, and other industries – which makes sense because there are many similarities across industries in the recruitment and labor issues faced by foreign migrant workers, and the challenges faced by suppliers.

Since the launch of the ILM model, hundreds of thousands of workers have been assisted, including tens of thousands of workers in forced labor conditions. Hundreds of suppliers and recruiters have been provided with extensive technical assistance to strengthen their systems, address root causes and risks, connect directly to worker voices, and deal with the challenges of complex, dynamic international labor recruitment corridors.¹

Over a dozen civil society organizations (local NGOs and trade unions) have been brought into the ILM ecosystem as well, leveraging their position on the ground and established relationships of trust with workers and communities to help educate and empower workers about their rights, help jobseekers directly apply for the jobs of partner suppliers and recruitment agencies while avoiding illegal and unallowed

fees, support local governments in strengthening intervention against illegal brokers, and safeguard jobseekers and migrants requesting protection and support.

As of 2023, the Inclusive Labor Monitoring (ILM) Action Network spans five countries in South and Southeast Asia (Cambodia, Malaysia, Myanmar, Nepal, and Thailand) and is expanding to Bangladesh, India, Indonesia, Japan, and Vietnam as producing countries, other origin countries of foreign workers in Japan and Malaysia, the Gulf States, Europe – and beyond. The ILM Action Network is comprised of all stakeholder groups in the ecosystem involved in labor recruitment and ensuring safe, fair working conditions for workers – including brands, retailers, importers and buyers, suppliers, recruitment agencies, civil society organizations, and workers and their communities themselves. All actors in the ecosystem are collaborating to improve recruitment and labor conditions across a range of industries and supply chains, united in the notion of building human rights due diligence (HRDD) from the ground up through ongoing engagement with workers, responsiveness to the ongoing feedback of workers, continuous improvement and innovation over time, and shifting focus from reducing risks to business to also reducing risks to workers.

**PURPOSE: TRANSFORMING SUPPLY CHAINS AND THE WIDER ECOSYSTEM**

The laws of many countries in South and Southeast Asia prohibit freedom of association for foreign migrant workers: this has made understanding the true conditions of their recruitment and work difficult for businesses to know. While the last decade of anti-trafficking, worker rights programming, and even investigative journalism have documented a multitude of human and labor rights abuses taking place within global supply chains in Asia, the last decade of audits and multi-stakeholder initiatives (MSIs) have failed to detect many of these labor risks. Business systems clearly need to do better – and indeed in recent years there has been greater acknowledgement from the corporate social responsibility community of the growing body of evidence demonstrating how and why audits fail to adequately address human and labor rights, and why the only credible (and
empowering) way to understand the reality of work is to hear from workers in a safeguarded and ongoing manner.

Based on this, the Inclusive Labor Monitoring (ILM) model and theory of change aims to bring businesses, civil society, and workers together to:

- **Empower jobseekers and workers:** Education, empowerment, and technology to build knowledge about safe and unsafe opportunities, and to connect jobseekers to decent work through transparent, legal channels.

- **Transform supply chains:** Technical assistance to suppliers, recruiters, and industry bodies on remediation and systems strengthening as driven by worker voice and worker validation regarding the quality of remediation and continuous improvement over time.

- **Transform the ecosystem:** Exchange of experiences, good practice, and lessons learned as a basis for building solidarity around what works and what is needed for more ethical supply chains.

THE IMPORTANCE OF INNOVATION, COLLABORATION, AND EVALUATION

The Inclusive Labor Monitoring Action Network was born in Asia. Asia is strategically important to many global brands and retailers for the sourcing of a wide range of products, and it is exciting that the region is highly digitally connected as well, including into rural areas and communities with modest means of living. Most jobseekers and workers have smartphones, and smartphones are so ubiquitous that typically it is not feasible for employers to confiscate or take control of the phones of workers except in the smallest of workplaces, for example with domestic workers. That means that across the farms, plantations, factories, and fishing boats of much of Asia, jobseekers and workers typically have phones, and at some points can reach out and can be reached – to inform and educate, to assist, and to empower.

Innovation, collaboration, and evaluation are three core values of Issara’s work in driving collaboration to operationalize ethical supply chains. All 3 are critical to getting the most out of labor recruitment and workplace improvement efforts:

- **Innovation.** Innovation is needed for breakthroughs in every sector, certainly including human rights. While technological innovation usually gets the most attention, there can also be innovations in how partnerships and multi-stakeholder efforts are structured, for example to address power differentials and to maximize efficiencies, learning, and collective impact.

- **Collaboration.** Collaboration is the key to scale. Collaboration that includes duty bearers (governments and businesses) offers a multiplier effect that
everyone benefits from – solidarity to address persistent challenges in overlapping supply chains and common industries; buying power to drive meaningful changes on the ground, including government legal reform and national industry reform; and shared learning and transparency to shine a light on the risks that all businesses face.

- **Evaluation.** Evaluation requires a solid source of ongoing data, and the technical means to analyze that data objectively to understand what’s working, what’s not, and why. When evaluation efforts are based on credible professional assessments alongside worker feedback and worker voice, the outputs and outcomes can offer great value for the entire ecosystem and community – not just for single firms or single NGOs.

**TRANSFORMING THE ECOSYSTEM: WE ARE ALL IN THIS TOGETHER**

Some ILM Action Network Partners are large, some are small. Business collaborators may be brands, retailers, importers, export-level producers, or upstream suppliers. Partners may be at different starting points with regard to their policies and progress on key areas such as ethical recruitment, and with regard to their understanding of human rights due diligence (HRDD). But while every business will have its own priorities and needs, there is immense value to a collective joining of forces that acknowledges the importance of a shared value system, common roadmaps, shared learning and evidence-based advocacy, and commitments followed by action to operationalizing supply chains in a practical and transparent way.

Corporate efforts go from being transactional to truly transformational when values-aligned businesses apply their buying power and voice collectively to make ethical supply chains a mainstreamed, sustainable reality. The common activities and progress indicators outlined in the following sections offer a practical means for businesses and technical partners to apply Innovation, Collaboration, and Evaluation to operationalizing ethical supply chains, all moving in the same direction and with the same concrete aspirations in a measurable and time-bound way.

**We believe we can transform the lives of millions of workers in global supply chains through worker voice, partnership, and innovation.**
INCLUSIVE LABOR MONITORING: THE SYSTEM & THE ACTION NETWORK

WHAT IS INCLUSIVE LABOR MONITORING (ILM)?

Inclusive Labor Monitoring (ILM) is a worker voice-centered tech system and multi-stakeholder collaboration platform equipping global brands and retailers, suppliers, recruitment agencies, and government with the tools to drive more ethical supply chains and engage meaningfully with workers and civil society.

On the tech side, ILM is a secure, cloud-based case management system for the real-time monitoring of worker-validated labor recruitment and working conditions, spanning origin and destination countries. The ILM Systems Guide goes into more detail on the technical aspects of the software.

On the human side, ILM brings together NGOs, trade unions, recruitment agencies, suppliers, brands and retailers, workers and even the public in a groundbreaking and systematic way to work toward the common objective of identifying and reducing human trafficking and forced labor in global supply chains. This Program Guide goes into detail on the activities and collaboration within the Network.

Inclusive Labor Monitoring is truly inclusive in both the data it tracks, and the rights holders and stakeholders that it engages and brings together.

ILM ACTION NETWORK

- Better Business Intelligence
- Meaningful, Ongoing Worker Engagement
- More Ethical Business Practices
- Better Labor Conditions Across Entire Supply Chains
- Results for Workers, Results for Business
WHO IS IN THE INCLUSIVE LABOR MONITORING ACTION NETWORK?

The Inclusive Labor Monitoring Action Network includes the voices, feedback, action, and validation of:

- **Safeguarded workers** – Prospective migrants and workers call and message the ILM Action Network’s multi-lingual worker voice channels spanning Asia to report labor issues or request information or assistance – raising whatever concerns they choose, when they choose. Worker calls and messages are logged into the ILM system by the NGOs and trade unions receiving the calls.

- **Civil society organizations (CSOs)** – Trusted frontline service providers lead outreach and empowerment efforts in origin and destination communities, and manage the worker voice channels, logging the cases in ILM and safeguarding workers if/when needed. Participating CSOs are committed to empowering approaches to supporting migrants and workers, and collaborating with business to improve labor recruitment and working conditions, with no naming and shaming.

- **Suppliers/employers** – ILM tracks suppliers’ worker-reported issues in their workplaces and upstream supply chains, and how well/quickly these issues are being remediated. Suppliers and industry partners can log in to ILM and/or collaborate with ILM Action Network CSO members to understand and respond to worker-reported issues. In ILM they can also plan and track the progress of open cases, policy and systems strengthening activities, recruitment processes in Golden Dreams, and performance metrics.

- **Recruitment agencies** – These registered businesses operate in both origin and destination countries, managing the international recruitment of workers – typically (though not always) according to the terms, conditions, and requirements set by the employers aiming to recruit the workers. Recruitment agencies in the Network collaborate with civil society organizations in the Network in novel ways to educate and empower jobseekers, detect and intervene illicit brokers putting migrants and their recruitment process at risk, and match the best fit, qualified candidates. Both recruitment agencies and suppliers can post job vacancies to recruit workers, either domestically or internationally, on the Golden Dreams Marketplace – a transparent, multi-lingual, fee-free platform for advertising job vacancies especially for low skilled workers in global supply chains.

- **Brands, retailers, importers, and global buyers** – These Issara Strategic Partners have dashboards to monitor the worker-reported issues in their
supply chains, and how their suppliers are responding to them. This is a
great entry point for ongoing worker voice engagement and supplier
assessment in the spirit of human rights due diligence (HRDD). Worker-
reported issues needing closer attention are escalated to the brand/retailer,
with Issara-managed opportunities to engage in both individual and
collective remediation efforts.

**HOW COLLABORATION WORKS**

The activities of participating partners in the ILM Action Network center on
country action plans (CAPs) and business action plans (BAPs), organized around
the activities outlined in the section below. These activities create a practical
means for operationalizing ethical supply chains step by step, and the action plans
can be adjusted mid-stream based on changing company/organizational priorities,
new policies, analysis of worker feedback, etc. This common framework gives all
partners confidence that there is solidarity in numbers, all working toward the
same higher goals at the same standard and using the best field-tested methods.

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<td>Independent worker voice channels, language A</td>
<td>NGO Partner 1</td>
<td>Hotline + Whatsapp, open to all</td>
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<tr>
<td>Worker Voice 1.2</td>
<td>Independent worker voice channels, language B</td>
<td>NGO Partner 2</td>
<td>Hotline + Whatsapp, open to all</td>
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<tr>
<td>Worker Voice 1.5</td>
<td>Ethical grievance mechanisms training, for recruitment agencies</td>
<td>Recruitment Agency Federation + NGO Partner 3</td>
<td>Organizing series of free trainings for all members</td>
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<tr>
<td>Worker Voice 1.6</td>
<td>Outreach and empowerment to prospective women migrants</td>
<td>NGO Partner 1 in provinces A, B, C</td>
<td>Community-based awareness raising + mobilizer development</td>
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<tr>
<td>ER 2.10</td>
<td>Golden Dreams – training and adoption</td>
<td>Recruitment Agency Federation + NGO Partner 1 and 3</td>
<td>Organizing series of free trainings for all members</td>
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Worker voice roll-out helps to strengthen both supplier and recruitment agency
grievance mechanisms, and can be used to refine company systems strengthening
priorities over time. Suppliers and recruitment agencies can track their company’s
workplan priorities, and key metrics will be tracked on the secure Inclusive Labor
Monitoring (ILM) dashboard, housing information on **policy, systems, and capacity building activities** occurring in the supply chain, as well as **remediation**. CSOs partners similarly can track their organization’s progress on their workplan in the ILM system as well.

Participating companies are not expected to tackle and achieve all of the workplan activity options simultaneously and in the exact same way, but rather, are expected to choose priorities that fit their unique company's needs in the region and globally. This is important to point out given the reality that different worksites and different kinds of upstream suppliers will require different kinds of engagement – for example, different attitudes, starting points, opportunities, and challenges are expected in electronics factories versus poultry farms versus palm oil plantations.

With these differences and the diversity within the ILM community, regular **multi-stakeholder sharing and exchange** of experiences and learning at national and global forums can also help to drive iterative improvements at the ecosystem level, strengthen solidarity and advocacy points to governments and global brands and retailers, and ground truth the policy discussions occurring at the global level.

| SAMPLE EXCERPT OF ILM ACTION NETWORK BUSINESS ACTION PLAN (BAP): SUPPLIER COMPANY X, 2024 |
|---------------------------------------------|------------------------|------------------------|-----------------------------------------------|
| ACTIVITY                        | DESCRIPTION                                         | ORGANIZATION           | REMARKS                                      |
| Worker Voice 1.3                | Communications materials and trainings about grievance mechanisms | NGO Partner 1         | In all worker languages                       |
| Worker Voice 1.5                | Grievance mechanism training, for HR and line supervisors (language 1) and interpreters (language 2) | NGO Partner 1 and 2    | Aim for completion by Q2                      |
| ER 2.2                          | Updating Management Service Agreements used with recruitment agencies | NGO Partner 2         | Align with new customer requirements          |
| ER 2.6–7                        | Recruitment systems survey and repayment (if needed)  | NGO Partner 2         | Aim for completion by Q3                      |
| Working Conditions 3.2          | Ongoing remediation/response to worker voice          | Collaborate with any ILM Action Network CSO |                                         |
| Working Conditions 3.5          | Worker Satisfaction Surveys                          | NGO Partner 1         | Aim for every Q4 annually                     |
In summary, this is how **human rights due diligence** and ongoing engagement with local communities and workers are being built from the ground-up. Participating partners are encouraged to think creatively about how their different staff and management may wish to participate in all these activities, and which Network partners they would like to collaborate with over the year. For example, suppliers may wish to consult the CAPs of countries they source workers from to seek out collaborations with Ethical Recruitment Network (ERN) recruitment agencies with experience in zero-fees recruitment (more on ERNs below). Or, they can consult the CAPs in their producing countries to seek out NGO partners with expertise in training for interpreters and line supervisors. Origin-side recruitment agencies may wish to seek out collaborations with ERN community-based organizations in the same origin countries with expertise in empowerment-centered pre-departure training. There are so many options! The annual program cycle is a good time for goal-setting and kicking off strategic partnerships, for which Issara can assist with facilitating introductions and collaboration, and the multi-stakeholder meetings are great places for meeting and networking.

**WHAT ARE ETHICAL RECRUITMENT NETWORKS?**

Ethical Recruitment Networks (ERNs) are collaborations between recruitment agencies, civil society organizations, and local government, primarily in worker origin countries, with the aim of building robust ethical recruitment mechanisms down to the first mile. They are an important part of inclusive Labor Monitoring (iLM) Action Networks, which span origin and destination countries.

ERNs have 3 focus areas:

**EDUCATE & EMPOWER**

To educate and empower prospective migrants, connecting them directly to as broad a range as possible of real, comprehensively and transparently advertised job opportunities (both zero-fees jobs and legal fees jobs), in a non-exploitative manner.

**DETECT & INTERVENE**

To detect illegal and unallowed recruitment fees being charged by informal brokers at the village and community level, and get those fees paid back to jobseekers whenever possible. Violators will be reported to effective reporting mechanisms.

**BEST-FIT MATCHING**

To ensure zero fees recruitment down to the first mile for employers with EPP policies; placing qualified jobseekers confirmed to have paid no fees into EPP jobs, and, placing jobseekers unable to avoid legal first-mile fees into legal fees jobs.
WORKPLANNING: ETHICAL SUPPLY CHAINS & HUMAN RIGHTS DUE DILIGENCE FROM THE GROUND UP

WORK AREAS

The Issara team will work with each business partner to assess their company’s progress, priorities, and needs in each of the 3 work areas – worker voice, labor recruitment, and (particularly for suppliers) working and living conditions – focusing on how their company addresses these categories of labor issues and risks in their supply chain. Annual workplanning meetings will be interspersed with mid-year check-ins to map and discuss progress of companies against these priorities and make adjustments if desired. Company partners can monitor their progress and activities in the ILM Dashboard, as well as open and closed worker-reported issues. At the same time, civil society partners will collaborate at the country level to develop CAPs, which business partners and partners in other countries will be able to refer to.

ACTIVITIES AND PROGRESS INDICATORS

Once baseline priorities and needs are established for each partner, activities can be planned and scheduled. Company progress on self-selected targets are tracked in the ILM Dashboard, with progress updating in real-time, which companies can check at any time. There are 5 types of activities within each work area:

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<thead>
<tr>
<th>TYPES OF ACTIVITIES WITHIN EACH WORK AREA</th>
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<tbody>
<tr>
<td>POLICY</td>
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<td>OPERATIONAL SYSTEMS &amp; PROCEDURES</td>
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<tr>
<td>EFFECTIVE COMMUNICATIONS</td>
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<td>REMEDIATION &amp; REPAYMENT</td>
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<td>SYSTEMS STRENGTHENING</td>
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- **Ensure company policies meet international standards for ethical recruitment and workplace management.**
- **Ensure operational systems and procedures, including staffing, inter-departmental coordination, and escalation procedures, operationalize and incentivize good practice in line with international standards.**
- **Effective communication regarding policies and systems for worker voice, grievance mechanisms, labor recruitment, and management of working and living conditions.**
- **Repayment and remediation of worker-reported issues, with worker validation of quality of remediation.**
- **Strengthened human resource, production, and management systems.**
POLICIES & PROCEDURES: ENSURING A STRONG FOUNDATION

The Issara team meets business partners where they are at, helping to build stronger and cleaner supply chains over time as validated by workers. Doing so requires baseline assessments on policies, operational systems and procedures, and what has been communicated to workers as well as contracted agencies and customers. The most effective and realistic action plans for strengthening policies and procedures can be developed after a preliminary sharing by the partner company about the following aspects of their human resources and sourcing standards, policies, and operations, as available:

☑ Updated supply chain information, if engaging upstream sites
☑ Relevant company labor–related policies, such as human rights policies, migrant worker policies, recruitment policies, and standards for suppliers
☑ Primary focal points for worker–reported labor and recruitment feedback (i.e., Human Resources Director) and for escalation of more serious issues (i.e., Managing Director)
☑ Description of current company grievance mechanism process
☑ Other company programs or initiatives that Issara’s work might support or help to validate

STRENGTHENING SYSTEMS & COMMUNICATIONS: PROGRESS DRIVEN AND VALIDATED BY WORKER VOICE AND POSITIVE RESULTS

Systems strengthening activities help to deepen the trust and relationship between the business and non–business members of the ILM Action Network, which is vital for building HRDD from the ground up. Business partners will find that most of the training and capacity building that Issara and civil society partners do with and for them is not “in the classroom” (though we do run classroom–based trainings) but rather ongoing technical advice and collaboration – for example, after observing pre-departure trainings, new worker orientation sessions, or how the business communicates with workers in person, on notice boards and leaflets, and over Facebook. Worker surveys (primarily worker satisfaction surveys and recruitment surveys) provide insights on trends within the workplace and recruitment processes.

Progress will be driven by practical work within these annual workplans, on activities prioritized by each company. Some of this work will be undertaken in collaboration with the Issara team, some may be undertaken with other ILM Action Network partners. Some may be undertaken by suppliers or recruiters themselves, and some may be undertaken in collaboration with other development partners.

The main point is that no matter who is undertaking each particular activity, ongoing collaboration with Issara and the ILM Action Network is always there to ensure safeguards for workers and to verify the effectiveness of the intervention through worker voice channels – just let us know what is happening and when.
Reporting and technical support from Issara Institute and the ILM Action Network provides credibility and assurances to businesses that standards and safeguards are being uniformly and systematically upheld – and the contributions of other technical partners in the human rights space are welcome as well, particularly non-profit partners that uphold human rights standards and understand local context. The ILM Action Network can use worker feedback and validation as well as its ongoing relationships with both the leadership and working level staff of suppliers and recruitment agencies to understand how those trainings and activities did or did not translate to improved labor recruitment or management.

No matter who the implementing partner, it is important to remember that complete and truthful information about recruitment and working conditions in the supply chain, as experienced by workers, is only disclosed by workers when they are safeguarded from reprisal, trust the parties involved, and understand what their rights are to begin with.

**HOW TO MEASURE ETHICAL CORPORATE BEHAVIOR?**

*Ethical behavior is good.* Continuous improvement in the spirit of human rights due diligence is **good**. So why is so much of the conversation regarding ethical sourcing and ethical recruitment focused on **bad**?

In examining the standards and codes of most certification and audit–compliance schemes, they clearly focus on identifying business risk – which is not the same as identifying ethical behavior or continuous improvement. In the labor sections of these certifications and standards you will find language such as “forced labor/working hours exceeding XX hours per week/discrimination are not permitted” and “workers shall not be required to pay employers’ agents or sub-agents’ recruitment fees or other related fees for their employment” – essentially, conditions that brands, retailers, and industry associations want to identify and keep out of their supply chains.

Audits – which are point-in-time data scans commissioned by businesses – are employed to identify risks, and entire sub-industries have formed to provide services to suppliers and recruitment agencies to prepare policies and documents to help ensure passing audits. Pressure gets passed down from global buyer to supplier leadership to supplier management to working level staff, leading to line supervisors pressuring interpreters to coach workers in how to act and respond during audits. And for all the effort and cost that suppliers and recruitment agencies invest into preparing for audits or proving that identified red flag risks have been eliminated, it does not necessarily lead to workers receiving remediation, or human rights conditions improving in the longer term.

In environments such as what exists in most of the producing countries of Asia – where zero fees recruitment is not the law, where brokers and illegal agents have
evaded enforcement for many years, where xenophobia and racism stemming from historical wars and rivalries has existed for centuries, and where caste and some cultural traditions continue to challenge the rights and empowerment of girls and women – it takes a considerable amount of ongoing effort and investment to work toward and achieve international standards of ethical corporate behavior.

Our approach is (a) to focus on acknowledging, tracking, and learning what works to overcome these entrenched challenges on the part of the suppliers and recruitment agencies operating in these environments, and (b) ensuring there is worker validation of remediation and improvements over time. There is forced labor eluding audits and certifications almost everywhere in the world including in the US, UK, and other countries in the global north, so these lessons and emerging models should be transferable and of global interest.

**ETHICAL PERFORMANCE SCORES**

The ILM Action Network aims to **acknowledge good and to measure and understand what it takes to really achieve continuous improvement toward more ethical supply chains on the ground** – which is more in line with the principles behind human rights due diligence (HRDD) than audit–compliance focus on measuring and mitigating risk. One of the main ways that we measure good and track continuous change (hopefully improvement) over time is through the Ethical Performance Scores.

**ETHICAL PERFORMANCE SCORES & CASCADING ETHICS**

How can ethical corporate behavior best be measured? What are the best data sources that exist, what are the data sources may not exist but that we should be proactively cultivating, and what can be done in our community with such data – including with the latest AI techniques – to help acknowledge and inspire more ethical corporate behavior?

If you like science, technology, and math and are interested in discussing these sorts of questions in a creative space with like-minded people, consider joining the Cascading Ethics Working Group! More details to come in early 2024!

After Issara engages with a business regarding worker-reported issues, a remediation process is initiated. How the company responds to the worker-reported grievances, to workers, and to CSO partners can vary depending on company policies, attitudes, capacity, the nature of the issues being addressed, and if remediation steps involve financial reimbursement to workers.

Business performance and improvement over time are assessed on an ongoing basis using a standardized Likert scale (1–5) against 3 key axes where 1 = poor performance and 5 = excellent performance. The scores for the 3 axes are computed as an average of the scores for each, as detailed in the following table – with n/a scores
being excluded from the calculus of the mean (since not all these indicators are relevant in every case). **Note the centrality of worker validation and the ability to track company improvement over time.**

### CORPORATE ETHICAL PERFORMANCE SCORES

1. **Quality of Response to Worker-Reported Issues**
   - Level of satisfaction of workers with the company's response to their issues
   - Level of satisfaction of workers with recruitment and workplace management
   - Issara technical assessment of quality of response: HR department/social
   - Issara technical assessment of quality of response: Production/commercial
   - Issara technical assessment of quality of response: Senior management

2. **Timeliness of Response to Worker-Reported Issues**
   - Duration of time taken to respond
   - Duration of time taken to revert on action plan items
   - Duration of time taken to resolve worker grievances

3. **Openness to Reform**
   - Level of cooperation with worker voice, outreach, surveys, etc.
   - Business attitude toward discussion of issues and suggested remediation
   - Business attitude toward capacity and systems development related to identified issues and risks
   - Business attitude toward promoting worker voice in their industry and upstream supply chain
   - Business attitude toward and treatment of workers
   - Business attitude toward and treatment of Issara and ILM Action Network team members

### PROGRESS, REACH & IMPACT INDICATORS

In reviewing the action plan activities and options in the following sections, there are 3 different levels of measurement:

- **Business progress indicators** capture the efforts of a company toward the continuous improvement of their policies, processes, communications, and remediation – and ultimately toward their human rights impact. These essentially track activities and level of effort, and this effort may or may not translate to change in the well-being of workers. The progress indicators for each of the 3 activity areas are listed within each activity area section (worker voice, labor recruitment, and working and living conditions).
• **Impact indicators** aim to capture real change in the lives and well-being of workers brought about by corporate behavior. Ongoing effort across all 3 activity areas of worker voice, labor recruitment, and working and living conditions will all translate to measurable impact as verified by workers. For some companies, only a small amount of activity may be needed to generate high impact, while for other companies a higher level of effort may be needed. Impact indicator metrics for brand and retailer partners are an aggregate of the impact indicators of the suppliers and recruitment agencies in their supply chain.

• **Reach indicators** measure the reach of the collective ILM Action Network.

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<th>IMPACT INDICATORS FOR ILM ACTION NETWORK BUSINESS PARTNERS</th>
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**THE COLLECTIVE REACH AND IMPACT OF THE ILM ACTION NETWORK IS TRACKED & PUBLICLY SHARED IN REAL-TIME AT WWW.WORKEROICES.ORG. CHECK IT OUT!**
ACTION PLAN AREA 1: WORKER VOICE

**BUSINESS PROGRESS INDICATORS FOR AREA 1—WORKER VOICE**

<table>
<thead>
<tr>
<th>NOT YET INITIATED</th>
<th>PARTIAL PROGRESS</th>
<th>COMPLETED/ONGOING</th>
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<tbody>
<tr>
<td>WV INDICATOR 1</td>
<td>Worker voice roll-out and ongoing engagement</td>
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<tr>
<td>WV INDICATOR 2</td>
<td>Policy &amp; procedures review: Ethical grievance mechanisms</td>
<td></td>
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<tr>
<td>WV INDICATOR 3</td>
<td>Institutional capacity building: Ethical grievance mechanisms</td>
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**ACTIVITIES FOR AREA 1—WORKER VOICE**

1.1 **WORKER VOICE / ETHICAL GRIEVANCE MECHANISMS POLICY.** Establish, review, and/or strengthen ethical grievance policies, requirements, and mechanisms, including zero tolerance of retaliation against workers. For brands retailers this may be a roadmap plan for roll-out of worker voice systems across supply chains.

1.2 **SYSTEMS & PROCEDURES FOR WORKER VOICE & ETHICAL GRIEVANCE MECHANISMS.** Roll-out and ongoing engagement with independent worker voice channels alongside company grievance mechanisms. Development/strengthening of procedures for remediating and escalating grievances from any channel, including safeguarded case management protocols.

1.3 **COMMUNICATIONS REGARDING WORKER VOICE CHANNELS, GRIEVANCE MECHANISMS & WORKER SURVEYS.** Effective, language-appropriate communication to workers about ethical grievance channels and how to access them. Communication to workers about worker satisfaction surveys, including their purpose, safeguards, and how the results will drive continuous business improvement.

1.4 **COMMUNICATIONS BETWEEN GLOBAL BUYERS & SUPPLIERS.** Communication regarding worker voice requirements, including expectations for supplier compliance and transparency, and communication of incentives and disincentives. Effectiveness will be assessed with feedback from suppliers regarding the clarity of communication of the value and need for worker voice, and the clarity and fairness of incentivizes and disincentivizes.
CAPACITY BUILDING: ETHICAL GRIEVANCE MECHANISMS. Issara Academy training on ethical grievance mechanisms are available in both online and in-person formats, centered on the 8 key components of ethical grievance mechanisms.

EDUCATION & EMPOWERMENT. Outreach and empowerment to jobseekers and workers to increase knowledge about rights, access to rights and justice, practical information about migration processes and costs, and ability to mobilize and empower others.

Worker-reported recruitment and working conditions over time, as reported via worker voice channels, can be tracked by business partners in their secure Inclusive Labor Monitoring Dashboard.

The worker voice data and feedback received by CSOs in the ILM Action Network is also securely aggregated and transparently shared in near-real-time for public learning on www.workervoices.org.
# Action Plan Area 2: Labor Recruitment

## Business Progress Indicators for Area 2 – Labor Recruitment

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Description</th>
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<tbody>
<tr>
<td>1</td>
<td>Policy &amp; procedures review: Ethical recruitment / migrant recruitment laws and policies</td>
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<tr>
<td>2</td>
<td>Policy &amp; procedures review: Ethical recruitment diagnostic evaluation</td>
</tr>
<tr>
<td>3</td>
<td>Policy &amp; procedures review: Review of Management Service Agreements (MSAs) between employers and recruitment agencies</td>
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<tr>
<td>4</td>
<td>Communications: Disclosure of recruitment agencies used</td>
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<tr>
<td>5</td>
<td>First-mile Ethical Recruitment Network (ERN) collaboration</td>
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<tr>
<td>6</td>
<td>Recruitment fees surveys</td>
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<tr>
<td>7</td>
<td>Institutional capacity building: Ethical recruitment trainings</td>
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</tbody>
</table>

## Activities for Area 2 – Labor Recruitment

### 2.1 Ethical/Responsible Recruitment Policy

**Policy**

Establish, review, assess, and/or strengthen national and sub-national laws and policies (government) / partner company policies (business) for more ethical recruitment.

### 2.2 Systems & Procedures for Ethical Recruitment

**Operational Systems & Procedures**

Development, review, and/or strengthening of procedures and contracts underpinning labor recruitment to ensure compliance with ethical recruitment policies, including comprehensive hiring criteria and job advertisements, clear agency vetting criteria, ethical management service agreements (MSAs), and ethical employment contracts with workers.
<table>
<thead>
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<th>Section</th>
<th>Title</th>
<th>Description</th>
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<tr>
<td>2.3</td>
<td>DISCLOSURE OF RECRUITMENT AGENCIES &amp; POLICIES TO CUSTOMERS.</td>
<td>Disclosure by suppliers to global buyer customers of all recruitment agencies and current employer–recruiter management service agreement (MSA) contracts, ensuring that the terms and conditions of recruitment are compliant with ethical recruitment policies.</td>
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<td>2.4</td>
<td>COMMUNICATION OF RECRUITMENT POLICIES &amp; REQUIREMENTS.</td>
<td>Direct communication between global buyers and suppliers/employers regarding ethical recruitment requirements, and between employers and all involved recruitment agencies regarding ethical recruitment policies and requirements, including all key dates and timelines, terms and conditions of payment, and requirements for worker voice throughout the entire process.</td>
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<tr>
<td>2.5</td>
<td>COMMUNICATION OF RECRUITMENT POLICIES TO JOB CANDIDATES &amp; WORKERS.</td>
<td>Effective, language-appropriate communication to job candidates and workers about ethical recruitment company policies and what job candidates and workers should expect in terms of timeframes, costs, terms and conditions of employment, and channels for questions and concerns.</td>
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<tr>
<td>2.6</td>
<td>RECRUITMENT SURVEYS.</td>
<td>Recruitment surveys conducted at supplier sites examine the various kinds of recruitment fees that may have been paid by workers, and identify systems weaknesses and recommendations for strengthening.</td>
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<td>2.7</td>
<td>RECRUITMENT FEES PAYMENT.</td>
<td>Timely repayment of recruitment fees to eligible workers, including current and former workers. Responsible businesses should share responsibility for ensuring workers are paid back what they are owed, as verified by workers.</td>
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<td>2.8</td>
<td>CAPACITY BUILDING: ETHICAL RECRUITMENT TRAININGS.</td>
<td>Issara Academy training for managers and working-level staff on ethical recruitment (introductory and advanced) are available in both online and in-person formats, centered on real, updated case studies and practical business tools.</td>
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</table>
ETHICAL RECRUITMENT NETWORK (ERN) COLLABORATION. Partnership and collaboration between employers, origin-side recruitment agencies, and CSOs to reach and empower jobseekers at the first mile (community level) and connect them directly to real jobs and safe, transparent ways to apply for those jobs at no cost. For details see ERN figure (p. 11).

GOLDEN DREAMS. Manage the labor recruitment process transparently, securely, and electronically with Golden Dreams – including advertising jobs, reviewing and prioritizing applicants, and communicating with applicants, including making job offers.

Employers and/or recruitment agencies can complete comprehensive job advertisements for Golden Dreams in their native language...

...while jobseekers in their home communities can view and apply for the jobs on Golden Dreams in their native language – here, with the support of local, trusted community-based organizations.

Selected job candidates receive empowering pre-departure orientations and trainings by the recruitment agencies in the Network, with support from local civil society partners in the Network.

Workers are connected to worker voice channels throughout their entire migration journey, work experience, and beyond.
ACTION PLAN AREA 3: WORKING & LIVING CONDITIONS

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<thead>
<tr>
<th>BUSINESS PROGRESS INDICATORS FOR AREA 3 – WORKING CONDITIONS</th>
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<tbody>
<tr>
<td>NOT YET INITIATED</td>
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<tr>
<td>WORK INDICATOR 1</td>
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<td>WORK INDICATOR 3</td>
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<table>
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<tr>
<th>ACTIVITIES FOR AREA 3 – WORKING CONDITIONS</th>
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<tbody>
<tr>
<td>3.1 ETHICAL SOURCING POLICY / ROADMAP PLAN.</td>
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<tr>
<td>Establish company policies on ethical working conditions in the company and supplier workplaces, including a zero tolerance issues list, dates and timelines for remediation and compliance requirements, conformance with international standards and definitions, and a requirement for credible worker voice at all sites where available, including all areas where the ILM Action Network operates.</td>
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<td>3.2 ONGOING WORKER VOICE-DRIVEN REMEDIATION.</td>
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<tr>
<td>Remediation of worker-reported working conditions issues on an ongoing basis as they are reported to the worker voice channels and in worker satisfaction surveys.</td>
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<tr>
<td>3.3 COMMUNICATIONS BETWEEN GLOBAL BUYERS &amp; SUPPLIERS.</td>
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<tr>
<td>Communication from buyers to suppliers regarding their ethical working conditions requirements, including expectations for supplier compliance and transparency, and communication of incentives and disincentives. Effectiveness will be assessed with feedback from suppliers regarding the clarity of communication of the policies and zero tolerance issues list, and the clarity and fairness of how compliance has been incentivized (and non-compliance disincentivized).</td>
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Connecting with workers in the canteen...

...and the housing areas.

Incoming data from all worker voice, feedback, and reports of worker-reported issues are aggregated in data visualizations for Strategic Partners that show patterns and trends over time across their complete supply chain.
ANNEX A. GUIDING PRINCIPLES & OPERATIONAL STANDARDS FOR INCLUSIVE LABOR MONITORING (ILM) NETWORK PARTNERS

Issara Institute is a non-profit organization, with clear human rights fundamentals underpinning our work. These Guiding Principles and Operational Standards are a public document of the guidelines for Partners and activities in the Issara Inclusive Labor Monitoring (ILM) Action Network. Examples of Partners could include global buyers, brands, retailers, importers, agents, suppliers, recruitment agencies, financial institutions, trade unions, NGOs, academics, government, and other stakeholders in ethical supply chains.

Issara’s Inclusive Labor Monitoring (ILM) system is at the center of the Inclusive Labor Monitoring Action Network, where worker validation of labor recruitment and working conditions informs and drives remediation and iterative systems strengthening on the part of Partners in the Network. The ILM Action Network aims to provide a framework for collaboration to eliminate labor exploitation across global supply chains, including forced labor and human trafficking, that recognizes empowered worker voice as a central part of the solution.

The Guiding Principles outline the ethos of Issara’s worker voice-centered approach, the primacy of ethics, and the international labor standards underpinning all work. The Operational Standards highlight the expectations of Partners and all members of the Inclusive Labor Monitoring Action Network.

FIVE GUIDING PRINCIPLES

EMPOWERED WORKER VOICE.
Data to verify labor conditions must include empowered worker voice linking safeguarded worker feedback to management response, systems change, and remediation. Remediation and improvements must be verified by workers. Any suppression of workers’ ability to voice their concerns throughout recruitment and employment, through whatever channel they trust, is considered a serious violation of the spirit of Inclusive Labor Monitoring (ILM).

SHARED RESPONSIBILITY.
Management response, systems change, and remediation are shared responsibilities across the supply chain. Downstream buyers benefit from
these and so, as responsible, ethical buyers should actively promote and incentivize worker voice and improvements.

**RIGHT TO REMEDIATION.**
Workers whose rights are violated have the right to access remedy and justice. Business mechanisms for addressing violations and increasing human rights accountability may not be responsive enough within a reasonable timeframe to stop harm, and workers have the right to access alternative channels for remediation, collectively or individually. Workers should not be deterred in any way from accessing alternative channels for remediation by any party to ILM.

**RIGHT TO PROTECTION.**
Workers whose rights are violated have the right to protection. NGOs, trade unions, and individuals may also be subject to retaliation, for which protection may be required as well. All parties of ILM are expected to support safeguards for workers and human rights defenders as needed.

**ETHICS AND HUMAN RIGHTS AT THE FOREFRONT.**
All activities are conducted with professionalism, ethics, and support for universal human rights and labor rights principles. The fundamental ethical principle of Do No Harm will be followed and prioritized in every instance and situation, with no exception.

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**OPERATIONAL STANDARDS**

**AREA 1. WORKER VOICE, SAFEGUARDS, AND VALIDATION**

**WORKER VOICE.** Worker voice is critical to Issara’s mission, approach, and programmatic activities. Worker voice connected to remediation and with clear safeguards must be supported by Partners. If worker voice is not supported, there is heightened risk to Issara, workers, civil society partners in the Network, and the Partner. Partners must therefore support the ILM Action Network’s independent worker voice channels and Issara’s engagement with workers at Partners’ sites.

**WORKER SAFEGUARDS.** Safeguards may be needed to protect workers communicating grievances against reprisals, power imbalances, and threats from supervisors, interpreters, and others. Partners must support worker safeguards and protection (and not suppression) of worker voice so that workers can raise grievances without fear of reprisal. Issara places worker safety at the forefront, and a “do no harm” philosophy must be prioritized within Partner Programs.
**Worker Validation.** Verification of practices and changes that Partners undertake must be verified with workers and job seekers, as appropriate. Issara does not close out reported labor issues until workers have validated the nature and quality of actions that businesses claim to have made. Worker validation not only provides greater confidence in business’ handling of labor issues, but also helps ensure that those actions have indeed been effective.

**Worker Voice Integration.** True worker voice-driven initiatives, such as Inclusive Labor Monitoring, are very different from traditional audit-compliance approaches or many other business-run feedback tools, and may be new to Partners. Businesses participating in the ILM Action Network must therefore be open to discussing with Issara how worker voice findings and data are being integrated and elevated into their business’ working conditions, recruitment practices, grievance mechanisms, and systems strengthening.

## Area 2. Responsiveness, Responsibility, and Remediation

**Progress and Solutions-Oriented.** Issara Partner Programs are designed for businesses that not only seek increased transparency and accountability about labor issues in their operations and supply chains, but also seek and actively work toward ongoing improvement and solutions by addressing root cause issues and systems strengthening. Partners can view Issara as a professional, independent, technical partner whose mission centers on improving labor conditions for workers, and helping to drive better business practices more generally. And while Issara may develop tools, research, data and technology to help drive solutions, it is the duty bearers (typically buyers, suppliers, recruitment agencies, and government) who are responsible for good working conditions, more ethical recruitment, and clean supply chains. Partners commit to measurable and continuous work toward targets and timelines across three work areas: Worker Voice, Labor Recruitment, and Working and Living Conditions.

**Recognizing Engaged Businesses.** Businesses that embrace worker voice and become more responsive to it will have greater transparency and visibility of risks than those that do not. Understandably, issues may surface that audits or other approaches had not previously been identified. This should be recognized and understood by Partners. Global buyers should consider providing a “safe space” for businesses in their supply chain to address issues raised by worker voice and provide opportunity for suppliers to demonstrate their openness to reforms and quality and timeliness of responses.

**Supply Chain Response.** Issara’s general operational approach is to not “name and shame” or campaign against businesses, but rather to help businesses responsibly use worker voice, data, and technical support to improve workplace conditions and contribute to industry transformation. Partners will work within
their business and industry to cultivate a greater appreciation of worker voice as a valuable tool to help improve business systems and national industry practices.

**OVERSIGHT.** Being solutions-oriented also includes encouraging and supporting well-functioning grievance mechanisms and remedies for workers throughout the supply chain. Partners, as duty bearers, are expected to uphold their own codes of conduct, human rights policies, and migrant worker policies at all times. There must be consequences for non-compliant businesses, which are clearly communicated and understood before issues arise.

**REMEDY AND TIMELINESS.** If labor violations are uncovered, remediation is expected to take place within a reasonable timeframe. Workers must be assured dignity, protection against retaliation, decent working conditions, and access to justice. Workers may pursue other channels to ensure their rights are upheld and should not be suppressed from doing so.

**AREA 3. TRANSFORMING THE ECOSYSTEM**

**MULTI-STAKEHOLDER PARTICIPATION AND COLLABORATION.** Business responsibility efforts go from being transactional to truly transformational when values-aligned businesses apply their buying power and voice collectively to make responsible supply chains a sustainable reality. All Network Partners are encouraged to actively participate and collaborate in multi-stakeholder conversations to help build shared values, commitments, and vision, and transform the ethical supply chains ecosystem. Issara will aim to make participation easy and more accessible through expanding free online and asynchronous collaboration events and resources, arranged at various times for the convenience of colleagues in different time zones.

**SUPPORTING LEARNING AND EVIDENCE-BASED ADVOCACY.** The ILM Action Network Partners Program is underpinned by Issara’s worker voice-centered programming and research, which generates considerable learning and data. Partners should take all opportunities to embrace and promote this learning, to support more thought leadership and more responsible business practices globally.

**TRANSPARENCY.** As a non-profit organization, Issara’s focus on tackling forced labor and improving labor conditions also means sharing information about what is happening on the ground and generating public goods that help practitioners and stakeholders. While details will not be made public about a Partner's specific supply chain without consent, ILM data and trends are anonymized and aggregated to promote public sharing of information, successes, challenges, and lessons learned through [www.workervoice.org](http://www.workervoice.org), toward the goal of broader industry and ecosystem transformation, and broader acceptance and integration of worker voice as a vital necessity for human rights due diligence (HRDD) and ethical supply chains.
EMPOWERMENT AND CIVIL SOCIETY INCLUSION. Issara and the ILM Action Network operate at an international level through global supply chains, and at a grassroots and community level with jobseekers, workers, community leaders, and civil society partners. The Issara business Partners' support broadly contributes to the ILM Action Network's worker voice channels; ongoing education and empowerment of migrants and their communities; ability to support harm prevention, safeguards, and remediation; and, to transforming the ethical supply chains ecosystem to one that is more inclusive, equitable, and fair. Business partners are encouraged to embrace the values-aligned civil society partners in the ILM Action Network, and the diversity of Network partners more generally.