MODERN SLAVERY & HUMAN RIGHTS | POLICY & EVIDENCE CENTRE

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Impacts of mandatory human rights and environmental due diligence and forced labour trade ban laws on rightsholders

Research Report

October 2026

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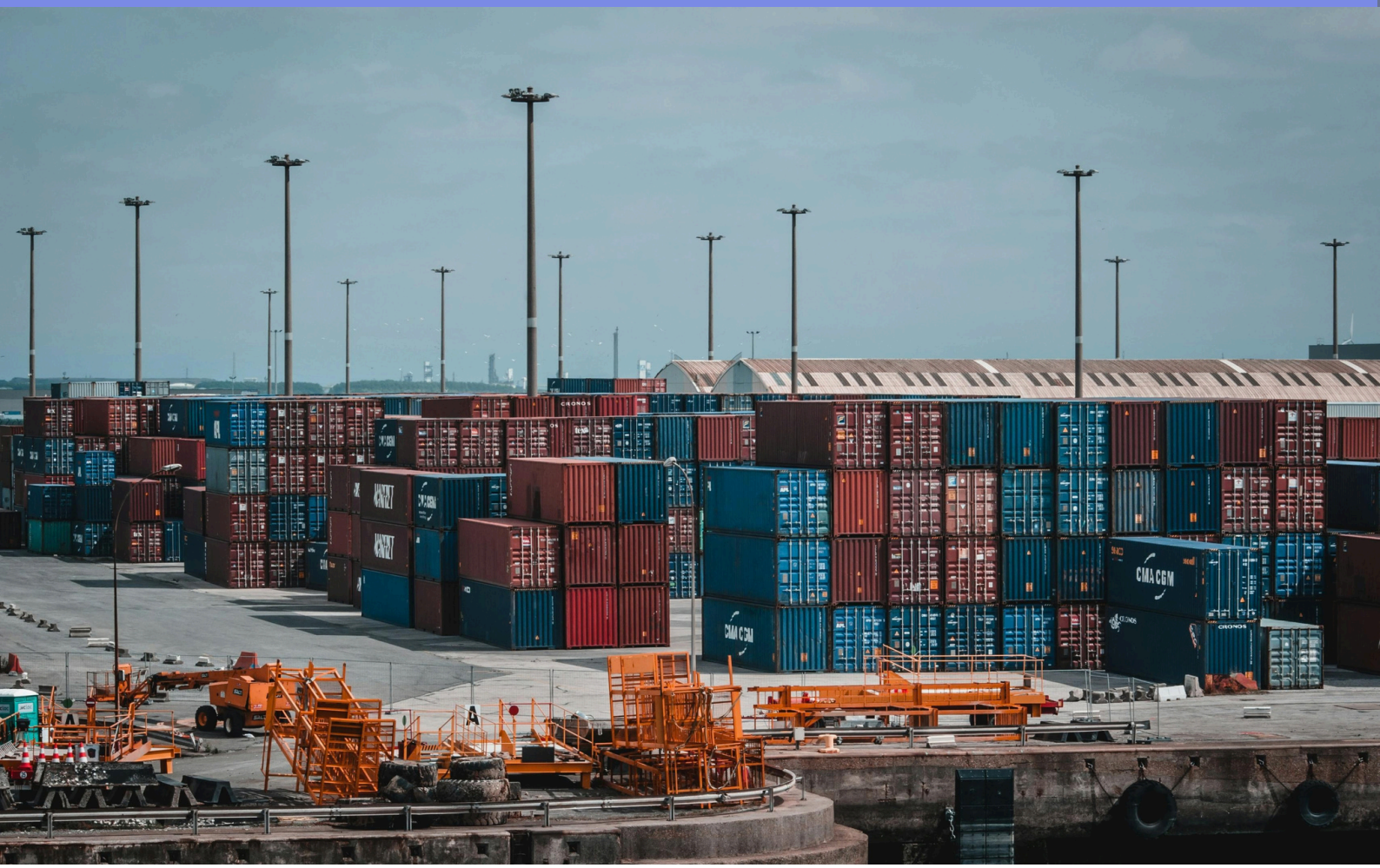

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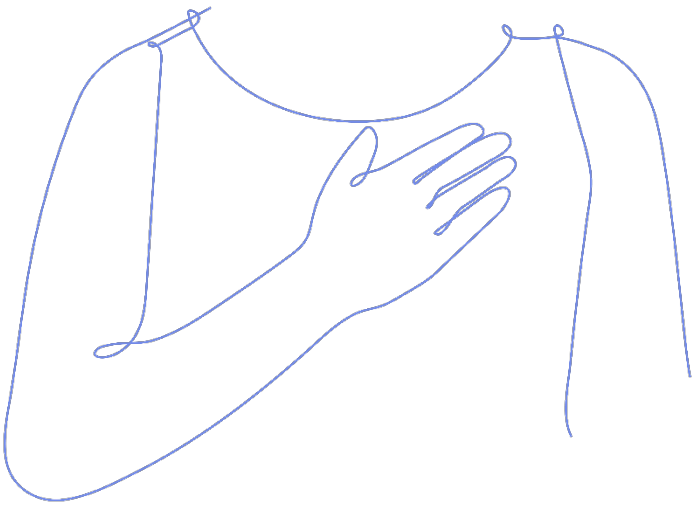


Foreword

Putting people at the heart of action on forced labour

Modern slavery inflicts a devastating human cost. on millions of people across the world. It deprives people of their freedom, dignity and control over their own lives, often through coercion, debt, threats, withheld wages and abuse, with lasting consequences. Its effects often reach far beyond the individual, placing families under severe financial and emotional pressure and leaving lasting harm across communities. Yet this exploitation is not remote from our daily lives: it can be embedded in the food we eat, the clothes we wear, the technology we use and the services on which we rely.

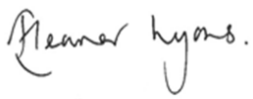
An estimated 27 million adults and children are trapped in forced labour worldwide. Goods linked to exploitation continue to pass through complex and often opaque supply chains, including into the UK market, where around £20 billion of imports each year are estimated to be at risk of being produced with forced labour. Tackling this abuse is both a moral and economic imperative: exploitation harms workers, undercuts responsible businesses and distorts fair competition.

The UK once led international efforts through the Modern Slavery Act 2015, but transparency alone has not driven the change required. We need clear and enforceable laws that require businesses to identify and prevent exploitation, provide effective remedy when abuse occurs, and stop goods made with forced labour from entering our market. Stronger action would protect workers, support responsible businesses and help ensure that economic growth is not built on exploitation. That is why I have called for the Government to implement my Forced Labour and Human Rights Legislative Framework. This would require businesses to prevent serious human rights harms in their operations and value chains, introduce consequences where they fail to take reasonable steps, and give the UK powers to stop goods made with forced labour from entering our market.

This report makes a timely contribution to the calls for effective forced labour legislation. It finds that mandatory human rights and environmental due diligence and forced labour trade bans can improve people's lives, including through repayment of recruitment fees and wages, compensation and better working conditions. However, there is scope to improve and the benefits remain uneven and too often only remedy harm after it has occurred rather than preventing

exploitation. I support the report's calls for effective enforcement, meaningful access to remedy and greater transparency about outcomes for rightsholders.

Above all, laws intended to protect people must be designed and implemented with them. Workers and people with lived experience understand how exploitation operates, where safeguards fail and what meaningful remedy requires. They should be treated not as passive beneficiaries or consulted only after decisions have been made, but as partners in shaping, monitoring and evaluating the laws intended to protect their rights. I welcome this report and urge governments and businesses to act on its recommendations so that progress is judged by the freedom, safety and dignity secured for rightsholders.



Eleanor Lyons
Independent Anti-Slavery Commissioner

1. Executive Summary

Countries around the world are increasingly developing mandatory human rights and environmental due diligence (mHREDD) and forced labour trade ban (FLTB) laws. While it is expected that these have positive impacts on rightsholders, [1] there are also concerns about their potential to do so. This report explores and compares the actual impacts on rightsholders of mHREDD and FLTB laws. It does so by synthesising and building the evidence base on the effectiveness of these regulatory measures on rightsholders through desk-based and empirical research. In particular, this report draws from interviews and roundtables with multiple stakeholders, including thirty-two interviews with people with lived experience [2] of forced labour and labour exploitation across regions and sectors and focus groups with thirty-four workers in palm oil plantations in Malaysia targeted by a FLTB enforcement action.

By providing evidence of what has worked and what challenges persist in ensuring that mHREDD and FLTB laws work for rightsholders, this report aims to influence a better design, enforcement, implementation and evaluation of laws that aim to tackle forced labour and human rights abuses in global supply chains. The report is valuable to governments and policymakers considering developing mHREDD and FLTB laws or already designing or enforcing them and to civil society organisations (CSOs) and trade unions, as well as businesses, all of which play a key role in ensuring these laws work for rightsholders.

[1] While all individuals are rightsholders under the Universal Declaration of Human Rights, this report understands rightsholders in line with the OECD guidance for meaningful stakeholder engagement as individuals whose human rights are or can be put at risk or negatively impacted by business' operations, products, or services, including through business relationships. This includes groups such as Indigenous Peoples who have collective rights. See OECD, *OECD Due Diligence Guidance for Meaningful Stakeholder Engagement in the Extractive Sector* (OECD, 2017), https://doi.org/10.1787/9789264252462-en.

[2] Rightsholders that have personal, first-hand knowledge and experience of an issue, in this case human rights violations including forced labour and labour exploitation. There is no single term universally preferred by people who have these experiences but the term "people with lived experience" has been found to be the most neutral, inclusive and adaptable across regions and contexts. See Modern Slavery PEC (2022) Engagement of Lived Experience Makes Policies More Effective https://www.modernslaverypec.org/latest/lived-experience-more-effective

2. Key Findings

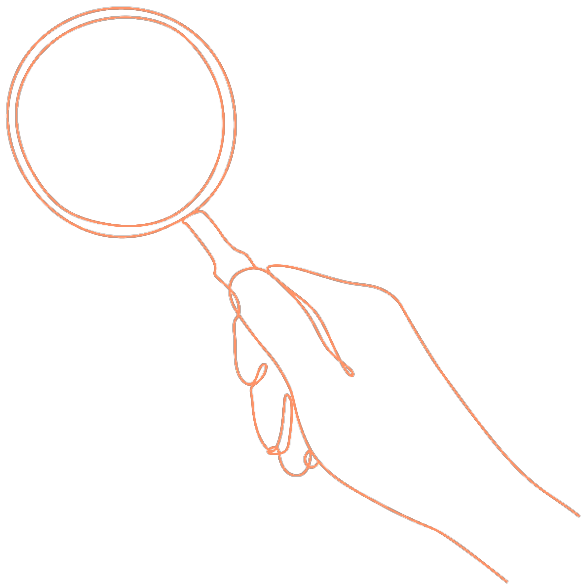
- mHREDD and FLTB laws have played a key role in the delivery of some remedies to rightsholders, including migrants and non-migrant workers. However, there is little to no evidence of these laws reaching workers in the informal economy, or of reaching Indigenous Peoples[3] or ethnic minorities. The lack of evidence may be related to the lack of research focused on these groups (in some cases due to access limitations) but also partially to the design of these laws including in relation to their scope and unclear or high evidentiary thresholds.
- So far, these impacts have mostly been in the form of remedy for past harm rather than preventative forms of remedy. As a result, remedy has mostly been delivered on a one-to-one basis rather than addressing systemic issues and root causes. It is likely that because these laws have been implemented relatively recently, remedies for past harm are easier to observe as they may be easier to implement in the first place and take less time to materialise than preventative ones, but the evidence also suggests that, so far, under both regimes preventative forms of remedy have not been explicitly required by the laws or by enforcement authorities.
- Trade unions and CSOs play a key role by leveraging these laws and working towards preventative forms of remedy for rightsholders. However, these actors also depend on the effective enforcement of these laws and face critical resource and capacity constraints.
- Rightsholders have largely been excluded from the design, enforcement, monitoring and evaluation of both types of laws. Workers and people with lived experience interviewed for this study have little knowledge of these laws partially due to a lack of access to policy spaces. The existing evidence as well as the interviews with rightsholders show that when remedy has been delivered it has not been designed in collaboration with those affected partially due to the laws and enforcement authorities not requiring companies to do so.
- Most human rights reporting by businesses remains focused on processes with little to no reporting on outcomes of human rights due diligence, including remedies. This is partially related to the laws lack of

[3] There is no legal definition of Indigenous Peoples in international law, but Indigenous Peoples have in common a historical continuity with a given region prior to colonization and a strong link to their lands. They maintain, at least in part, distinct social, economic and political systems. They have distinct languages, cultures, beliefs and knowledge systems. They are determined to maintain and develop their identity and distinct institutions, and they form a non-dominant sector of society. See https://www.un.org/en/fight-racism/vulnerable-groups/indigenous-peoples#:~:text=Indigenous%20peoples%20have%20in%20common,cultures%2C%20beliefs%20and%20knowledge%20systems

clarity and specificity regarding remediation obligations and outcome-oriented reporting requirements.

- Interviews with rightsholders, CSOs and trade unions suggest that both types of laws may be associated with different negative unintended consequences on rightsholders such as increased surveillance in the workplace, a reduction in recruitment of certain migrant workers, as well as safety issues when using grievance mechanisms. Yet, the evidence suggests these could be prevented and mitigated through an appropriate design and enforcement of these laws.

- The enforcement of both types of laws contribute to a greater number of instances and range of remediation to a broader scope of rightsholders compared to the enforcement of only one type of law. However, because these two regimes have not been implemented in tandem yet, it remains unclear how they would complement each other in practice, especially in relation to ensuring, amplifying and improving remedies for rightsholders and preventing potential unintended consequences.



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3. Background

Countries around the world are increasingly developing mandatory human rights and environmental due diligence (mHREDD) laws[4] and forced labour trade ban (FLTB) laws[5] that have the potential to address human rights abuses, including forced labour and labour exploitation in global supply chains. In 2024, the European Union (EU) passed both types of laws through the Corporate Sustainability Due Diligence Directive (CSDDD)[6] and the EU Forced Labour Regulation (EUFLR).[7] Over the last decade France,[8] Germany[9] and Norway[10] have implemented mHREDD laws for some years and the US has widely enforced FLTB laws.[11] Because of this and the potential of these regulatory regimes to complement each other,[12] this research explores and compares the impacts on rightsholders of both types of laws.

mHREDD laws and FLTB laws are very different supply chain regulatory measures. They differ in many ways including their aim, design, scope, and enforcement (see Annex 1). FLTB laws require an obligation of result, not effort. They prevent goods made with forced labour from entering (and exiting in the case of the EUFLR) a given market when found or suspected to have been made with forced labour.[13] For businesses this means that forced labour in their value chains can hamper market access and disrupt trade. mHREDD laws are a standard of business conduct based, to varying degrees, on the United Nations Guiding Principles on Business and Human Rights (UNGPs). They impose a duty on companies to undertake human rights due diligence[14] processes to prevent human rights abuses

[4] For example, South Korea, Indonesia, and Thailand are working on developing mHREDD laws.
[5] More than 20 countries have committed or started drafting, introducing or enacting FLTB laws, partially driven by the recent threat of US tariffs. See tracker here https://www.freedomunited.org/forced-labor-import-bans/
[6] The CSDDD entered into force in 2024. Since then, it has been amended by the Omnibus I. On March 18th, 2026, the CSDDD—which all Members States must transpose into national law by 2028—entered into force under the Omnibus I. It will start applying on July 26th, 2029.
[7] The EU passed the EUFLR in 2024 and it will come into full effect at the end of 2027.
[8] The French Duty of Vigilance Act 2017. See Annex 1
[9] The German Supply Chain Act 2021. See Annex 1
[10] The Norwegian Transparency Act 2021. See Annex 1
[11] Including through section 307 of the US Tariff Act of 1930 and the Uyghur Forced Labour Protection Act (UFLPA). See Annex 1. While Canada and Mexico have forced labour import laws since 2020 and 2023 respectively, these have rarely been enforced. See Sofia Gonzalez De Aguinaga, *Effectiveness of Forced Labour Import Bans in Addressing Modern Slavery-Evidence Review Report* (Modern Slavery & Human Rights Policy & Evidence Centre, 2025), https://files.modernslaverypec.org/production/assets/downloads/MSPEC-Import-Bans-Briefing.pdf?dm=1739286324
[12] See Gonzalez De Aguinaga, *Effectiveness of Forced Labour Import Bans in Addressing Modern Slavery-Evidence Review Report*. and Sofia Gonzalez De Aguinaga, *Effectiveness of Mandatory Human Rights and Environmental Due Diligence Legislation in Addressing Modern Slavery in Business Value Chains-Evidence Review* (Modern Slavery & Human Rights Policy & Evidence Centre, 2024), https://modern-slavery.files.svdcdn.com/production/assets/downloads/HRDD-evidence-review.pdf?dm=1711554240
[13] Gonzalez De Aguinaga, *Effectiveness of Forced Labour Import Bans in Addressing Modern Slavery-Evidence Review Report*.
[14] HRDD is a process in which businesses assess actual and potential human rights impacts, integrate and act upon the findings, track responses, communicate how impacts are addressed and where necessary provide or collaborate in remediation measures. OHCHR, *Guiding Principles on Business and Human Rights: Implementing the United Nations "Protect, Respect and Remedy" Framework* (2011), https://www.ohchr.org/en/publications/reference-publications/guiding-principles-business-and-human-rights.

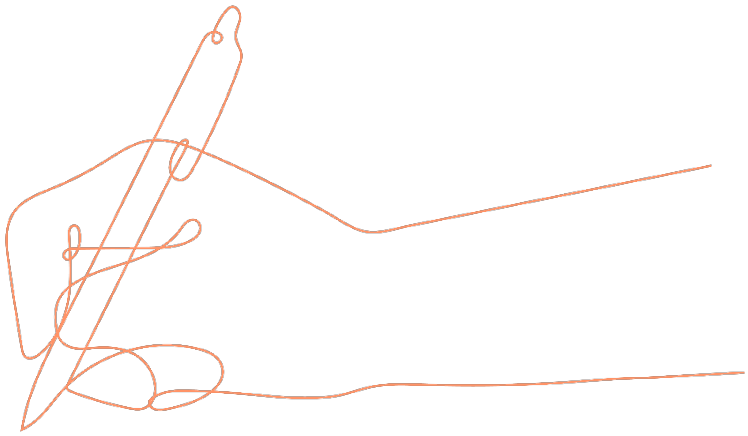
(including, but not limited to, forced labour and, to some extent, those related to the environment), and report on their efforts or face legal consequences for non-compliance liability.[15]

Despite their differences, academics, civil society, and human rights experts expect each of these laws to have positive impacts on rightsholders such as workers, people with lived experience, local communities,[16] and Indigenous Peoples, either preventive (preventing harm or its re-occurrence) and/or remedial (addressing past harm). For instance, mHREDD laws are ideally expected to contribute to achieving human rights remedial outcomes[17] and improved labour outcomes (such as living wages and collective bargaining agreements)[18] and to support worker-led binding and enforceable agreements.[19] Similarly, FLTB laws, especially those targeting privately imposed forced labour[20] are expected to have positive impacts on rightsholders as a result of State and business behavioural changes[21] enacted in an effort to lift[22] or prevent such bans,[23] as well as from advocates' efforts to maximize their impact.[24] Advocates also ideally expect FLTBs to result in the provision of back wages, compensation, systems to prevent future abuses, access to grievance mechanisms, capacity building, and freedom of association.[25] Remedies under FLTB laws are also ideally expected to prevent forced labour or re-exploitation, including through worker organizing, freedom of association, collective bargaining agreements and enforceable brand agreements.[26]

[15] See Gonzalez De Aguinaga (2024)
[16] Local communities are understood as those living adjacent to the activities and operations of a business and it includes those living at a distance but still affected by such operations. See https://tnfd.global/wp-content/uploads/2023/08/Guidance_on_engagement_with_Indigenous_Peoples_Local_Communities_and_affected_stakeholders_v1.pdf?v=1695138220.
[17] Surya Deva, 'Mandatory Human Rights Due Diligence Laws in Europe: A Mirage for Rightsholders?', *Leiden Journal of International Law* 36, no. 2 (2023): 389-414, https://doi.org/10.1017/S0922156522000802.
[18] See Sarosh Kuruvilla and Jason Judd, *Measuring Supply Chain Due Diligence: Labor Outcomes Metrics*, GLI Policy Brief (ILR Global Labour Institute, 2024), https://www.ilr.cornell.edu/global-labor-institute/research-0/measuring-supply-chain-due-diligence.
[19] Marshall, Shelley et al., *Mandatory Human Rights Due Diligence: Risks and Opportunities for Workers and Unions* (RMIT University Business and Human Rights Centre; TraffLab ERC; and Labour, Equality and Human Rights (LEAH) research group, Monash Business School, 2023).
[20] State-imposed forced labour is intractable and the aim of FLTB laws in such cases is mostly to protect citizens from complicity while applying economic pressure to contribute to government changes.
[21] For evidence of corporate change and government change as a response to FLTB laws see Gonzalez De Aguinaga (2025).
[22] Forced labour trade bans developed so far require evidence demonstrating that the subject merchandise is no longer produced, manufactured, or mined using forced labour in order to lift a ban.
[23] See Gonzalez De Aguinaga (2025)
[24] See Jennifer Gordon, 'The U.S. Forced Labor Import Ban: A Tool for Raising Labor Standards in Supply Chains?', *UC Law Journal* 76, no. 4 (2025): 1025.
[25] The Remedy Project, *Putting Things Right: Remediation of Forced Labour under the Tariff Act 1930* (The Remedy Project, 2023), https://static1.squarespace.com/static/5f846df102b20606387c6274/t/644b403dcced135fba5c64c2/1682653306884/TRP+-+CBP+Report+-+Final+-+20230428.pdf.
[26] Jennifer Gordon, 'Worker Organising as a Remedy for Forced Labour', Business & Human Rights Resource Centre, 2024, https://www.business-humanrights.org/en/blog/worker-organizing-as-a-remedy-for-forced-labor/.

Because of their differences, these regulatory models are also expected to complement each other [27] and work in tandem to deliver positive impacts on rightsholders. [28] At the same time there are concerns that mHREDD laws may have unintended consequences including a reduction of international trade between European countries and high-risk countries[29], and that FLTB laws could lead to job loses linked to companies cutting ties with suppliers to respond to or avoid a ban relating private-sector imposed forced labour. [30]

Previous PEC research found that the evidence base on the actual impacts (positive or negative) of both types of laws on rightsholders was limited and recommended future empirical work that centred on rightsholders. [31] Therefore, this research explores and compares the effectiveness of these regulatory measures on rightsholders and asks whether the expectations (and concerns) of advocates and scholars have materialised in practice. To the author's knowledge, this is the first attempt to synthesise and build primary evidence on actual impacts on rightsholders across both regulatory models simultaneously – with new interviews with people with lived experience and a primary worker case study.



[27] For example, while FLTBs do not explicitly mention HRDD, experts argue that evolving practice and government-issued guidance counsels that the best way for companies to avoid violating existing FLTBs is to carry out HRDD. See Keeney Nana Chavi et al., *Forced Labor Trade Bans and HRDD: Why Responsible Contracting Matters* (n.d.), accessed 17 February 2026, https://www.responsiblecontracting.org/_files/ugd/fcee10_89b520a461e848e186e2a94617da7230.pdf.

[28] With some human rights groups calling them "game-changers" for delivering outcomes for rightsholders. See Anasuya Syam and Martina Vandenberg, 'Import bans are vital to the fight against forced labour', openDemocracy, 7 August 2025, https://www.opendemocracy.net/en/beyond-trafficking-and-slavery/no-market-for-abuse-how-import-bans-fight-back-against-forced-labour/?ref=newsletter.freedomcollaborative.org.

[29] Wolfmayr, Y. / E. Christen / H. Mahlkow / B. Meyer / M. Pfaffermayr, 2023, Trade and Welfare Effects of New Trade Policy Instruments, WIFO, Vienna as cited in Kolev-Schaefer 2024

[30] See for example who uses evidence reported directly by CBP. Judy Fudge, 'Do Forced Labour Bans Protect Workers in Supply Chains?', openDemocracy, 2025, https://www.opendemocracy.net/en/beyond-trafficking-and-slavery/do-forced-labour-bans-protect-workers-in-supply-chains-human-trafficking/.

[31] See Gonzalez De Aguinaga, *Effectiveness of Mandatory Human Rights and Environmental Due Diligence Legislation in Addressing Modern Slavery in Business Value Chains-Evidence Review*. And Gonzalez De Aguinaga, *Effectiveness of Forced Labour Import Bans in Addressing Modern Slavery-Evidence Review Report*.

4. Methodology

This research was undertaken between January 2026 and August 2026 in collaboration with two lived experience consultants and a regional consultant. It used a mix of desk-based research and qualitative empirical research methods. Primary and secondary information was analysed iteratively following a thematic analysis technique triangulating across sources. Only mHREDD and FLTB laws that have been implemented widely were in scope.[32] Namely, the French Duty of Vigilance law (FDVL), the German Corporate Due Diligence in Supply Chains law (LkSG)[33], Norway's Transparency Act, section 307 of the US Tariff Act of 1930 and the US Uyghur Forced Labour Protection Act (UFLPA) (see Annex 1).

Research questions

This research aimed to answer the following questions:

1. What are rightsholders' **perceptions** and **expectations** of these laws?
2. What is the evidence regarding actual **impacts** of mandatory human rights due diligence laws and forced labour trade bans on rightsholders?
3. What factors **facilitate** or **hinder** these impacts?

Research methods

1. **Desk-based research:**
    a. **Rapid evidence review:** Systematic collation, review, and synthesis of publicly available academic and non-academic evidence on the impacts of these laws on rightsholders.[34] The review did not consider information on impacts on rightsholders not explicitly associated with either of the laws in scope of this study. Ten cases of remedy to rightsholders across laws that resulted from this desk-based review were selected for discussion in this report as they also emerged during interviews and roundtable discussions with various stakeholders. These cases cover both types of laws and a range of countries and sectors (see Annex 2).

[32] The EU CSDDD and the EU FLR were not included in this study as they are not yet being implemented. The Mexican and Canadian forced labour laws were also excluded due to their limited implementation. For example, in June 2026, the U.S. Trade Representative (USTR) determined that Canada had failed to effectively enforce its prohibition on the importation of goods produced using forced labour, and that such failure is "unreasonable". See https://www.legal500.com/intelligence/canada/international-law/ustr-finds-canadas-forced-labour-enforcement-insufficient-key-considerations-for-canadian-businesses

[33] Abbreviation based on the law's name in German: Lieferkettensorgfaltspflichtengesetz

[34] See definition of rightsholders use for this study in Footnote 2. While all individuals are rightsholders, the study did not explore impacts on human rights defenders or consumers.

2. **Qualitative empirical methods:**

   a. **Interviews with people with lived experience:** Collection and analysis of new empirical data through 1-1 online semi-structured interviews[35] with thirty-two individuals with lived experience of forced labour and labour exploitation, representing experiences in both the formal and informal economy, and a variety of geographies, sectors, and conditions of exploitation,[36] to understand their perceptions and expectations of these laws (See Table 1). Written informed consent was obtained from all participants prior to the interviews and participants were compensated appropriately for their time and expertise.[37]

Table 1: Interviews with people with lived experience

Total individuals	Sex (male/female)	Geography of lived experience	Sector of lived experience[38]
32	50% female; 50% male	Africa (59%), UK (31.2%) and the Middle East (9.3%)	construction (28.1%), domestic servitude (21.8%), hospitality (12.5%), retail (9.3%), agriculture (9.3%) mining (12.5%), cleaning (6.25%), and a mix of others (12.5%).

   b. **Key informant interviews**: Eighteen interviews[39] with twenty-one representatives from multiple stakeholder groups including trade unions, CSOs, businesses and investors across regions to collect empirical data and inform the project. Verbal consent was obtained from all participants.

[35] A semi-structure interview guide was developed in collaboration with the PEC's LEAP, and the two lived experience consultants. The lived experience consultants led most of the interviews. The PI led a minority of them and attended most of them to provide support.
[36] Individuals were selected based on their lived experience of forced labour and labour exploitation and reached out through existing networks of the PI and the lived experience consultants. Lived experiences of participants included forced labour, human trafficking, labour exploitation, sexual exploitation, child labour, and violation of land rights.
[37] Appropriate compensation amounts were based on the PEC's LEAP guidance.
[38] Some interviewees had lived experience in more than one sector. As a result, the sum does not equal 100%.
[39] A mix of semi-structured and unstructured interviews.

Table 2: Key informant interviews with multiple stakeholders

Total individuals	Representatives per type of organisation (CSO/trade union/business/multi-stakeholder)	Location of headquarters of organisation
21	Trade unions (33.3%); CSOs (42.9%); business and investors (19%); multi-stakeholder network (4.8%)	Europe (44.4%); US (27.8%); UK (22.2%); Latin America (5.6%)

c. **Case study focus groups:** Selection of SD Guthrie (formerly Sime Darby Plantation Berhad) in Malaysia as a case study[40] to collect new empirical data on the impacts of FLTB laws on workers. Seven focus group discussions were undertaken with thirty-four current workers[41] across two palm oil plantations.[42] Verbal informed consent was obtained from all participants prior to the focus groups.[43] All participants were compensated appropriately according to local standards, and their travel and food costs were covered as relevant.

d. **Roundtable discussions:** A hybrid roundtable discussion with twenty-two trade union representatives and CSO experts from across countries,[44] and a hybrid roundtable discussion with eleven senior-level representatives of UK-based multinationals[45] to validate preliminary research findings and collect additional information. Both roundtables were undertaken under the Chatham House Rule.

e. **Validation workshops:** A close-door online discussion of preliminary findings with PEC's Lived Experience Advisory Panel (LEAP) and two with UK policymakers.

[40] Sime Darby was selected as a case study because the company was targeted by US forced labour enforcement actions (a Withhold Release Order in 2020 and a Finding in 2022) which were modified in 2023 after evidence of remediation to workers. The regional consultant had previously conducted interviews with workers on affected plantations owned by this company in 2023. Therefore, the consultant had existing access to workers in these plantations, and it was possible to collect new empirical data on longer-term impacts that could be compared to the data collected three years prior. The case study report is published separately as a stand-alone report. https://www.biicl.org/publications/impacts-of-mandatory-human-rights-and-environmental-due-diligence-and-forced-labour-trade-ban-laws-on-rightsholders

[41] The interviews were conducted by the regional consultant. None of these workers participated in the 1-1 interviews conducted with people with lived experience mentioned above.

[42] Selangor and Temerloh, Pahang, Malaysia.

[43] The focus groups were guided by a semi-structured guide developed by the PI and adapted in practice as needed by the regional consultant.

[44] US, Europe, UK.

[45] With a mix of companies falling in scope of mHREDD laws and companies outside of their scope.

Research ethics

The research went through BIICL's Research Ethics Committee. All collected information and quotes have been anonymised to safeguard participants. No identifiable information has been provided in the report to protect their anonymity. Interviews with people with lived experience were undertaken by lived experience consultants following a trauma-informed approach and taking safeguarding measures including breaks, and signposting to support organisations.

Research limitations

This report's findings should be read as indicative rather than conclusive considering the following caveats:

- Only publicly available and English language sources were consulted for the desk-based review.
- Empirical evidence from rightsholders was only collected from two groups: people with lived experience of forced labour and labour exploitation in the formal and informal economy, and workers in Malaysia. The study does not claim that these represent all rightsholders. For example, no interviews were undertaken with Indigenous Peoples and ethnic minorities.
- The sample size and range of research participants is small due to resource, time and access limitations. The sample is therefore not representative of all members of such stakeholder groups. For example, the voices of trade unions and CSOs in the Global South have not been represented to the same extent as those in the Global North.
- The findings from SD Guthrie case are the report's primary worker-impact evidence of FLTB laws but they should not be generalised or extrapolated.
- The report's analysis of impact of FLTB laws relies heavily on evidence of FLTB laws targeting privately imposed forced labour, as there is little to no evidence of impacts on rightsholders affected by state-imposed forced labour. This does not mean that FLTB laws have not had positive impacts on rightsholders affected by state-imposed forced labour. Rather, it is more difficult (and in some cases impossible) to access such rightsholders.
- It is difficult to attribute outcomes for rightsholders to a single specific law, given other factors are also likely to play a role. Therefore, the findings discussed here do not claim that the impacts on rightsholders identified are solely and directly the result of the implementation of the laws examined, but that the laws played a role.
- Deterrence effects are difficult to observe and measure.

- Ripple effects related to specific government and industry policies were not assessed beyond what the evidence review showed.
- Both types of laws are relatively recent, so this report can only discuss impacts identifiable within this short period of time. Because impacts on rightsholders are likely to take considerable time to materialise, this report does not claim to reflect longer-term impacts.

5. Rightsholders perceptions of mHREDD and FLTB laws

No individual with lived experience of forced labour and labour exploitation interviewed for this study reported perceiving any direct or indirect positive or negative impacts from mHREDD or FLTB laws. The majority were not aware of either type of law, albeit some were familiar with the principles of human rights, labour rights, business responsibility and supply-chain accountability. Likewise, most of the workers in Malaysia that participated in the focus groups did not link their experiences of remediation with efforts to lift a forced labour ban. Despite the plantations they work on were impacted by a forced labour ban enforcement measure, workers in the focus groups had not heard of Withhold Release Orders (WROs),[46] forced labour laws, or trade restrictions.

"I had never heard of these laws until today."
Individual with lived experience

"No one ever explained these laws to us."
Individual with lived experience

"If there is such a law [FLTB law], it is good, but it does not impact us."
Worker at SD Guthrie plantation

After being given a brief description of these laws, people with lived experience interviewed for this study generally expressed a positive attitude towards them, albeit they were cautious about their effectiveness. Most people with lived experience interviewed associated mHREDD laws with prevention, continuous improvement, transparency and responsibility before harm occurs; and they saw FLTB laws as a tool to put economic pressure on companies profiting from forced

[46] An enforcement action of sec. 307 of the US Tariff Act of 1930. See Annex 1.

labour. Similarly, several interviewed workers in Malaysia expressed that FLTB laws could be a good tool to protect workers and lead to better working conditions.

"I think a law like that [FLTB] is good because the company cannot do anything they like."
Worker at SD Guthrie plantation

"I think the law helps workers feel safer and ensures that labour rights are better protected."
Worker at SD Guthrie plantation

Most people with lived experience interviewed said that they expected these laws to have preventative and remedial impacts on people and saw both types of impact as equally important. Those individuals with experiences of exploitation related to migration placed stronger emphasis on removing recruitment fees, eliminating deception, debt, and dependence on labour brokers, and facilitating access to remedy. Some people with lived experience also perceived that together these laws could work better for people.

"These laws should change people's lives, not just company policies."
Individual with lived experience

"Trade bans should lead to remediation and support, not punishment alone."
Individual with lived experience

"It is not enough to stop it from happening to the next person. What about those who have already suffered?"
Individual with lived experience

"There can be stronger prevention when HRDD and trade bans work together [….] they should work together like two legs."
Individual with lived experience

However, most people with lived experience interviewed for this study feared these laws would only reach large visible companies and questioned their capacity to reach people in informal work, undocumented migrants, subcontracted workers, and those hidden in the bottom tiers of supply chains, where many of them had their lived experience from.

In particular, people with lived experience highlighted difficulties to hold companies accountable when working informally due to a lack of formal contracts. One individual raised the specific difficulty of tracing companies due to a lack of supply chain transparency.

"They [the laws] have currently limited impact because they are not reaching the victims."
Individual with lived experience

"If the laws do not reach hidden labour chains, the impact remains limited for the most vulnerable."
Individual with lived experience

"There are no official contracts, so, there is no evidence that you were working for these companies. So, you wouldn't be able to complain or report it to anybody then."
Individual with lived experience

"Local people can't be expected to know what legislation a company that is registered in a different part of the world is accountable for."
Individual with lived experience

People with lived experience interviewed also feared these laws, especially FLTB laws, could lead to negative impacts on people. Several of them associated FLTB laws with strong economic pressure, but also with a higher risk of unintended harm to workers and communities due to business withdrawal from high-risk regions without safeguards or alternative livelihood support for workers, which could push workers and communities into further exploitation and financial stress. Similarly, interviewed workers in Malaysia perceived that FLTB laws could potentially threaten jobs, overtime opportunities and income, but did not mention this happening in practice to them or former co-workers.

"I worry that some companies will leave high-risk countries instead of improving working conditions."
Individual with lived experience

"Trade bans or closures may harm workers if no alternatives exist."
Individual with lived experience

"Trade bans may pressure companies but need safeguards."
Individual with lived experience

The majority of people with lived experience interviewed highlighted that the effectiveness of these laws required grassroots, community and worker-led monitoring and grievance mechanisms, as well as meaningful engagement with people with lived experience into the design, implementation and enforcement of the laws. Especially as some individuals expressed concern over their safety and fear of retaliation if they used official channels for raising grievances.

"Companies may hide abuse or abandon their suppliers if workers are excluded."
Individual with lived experience

"[We] should hold positions of power in policy decision making and treated equally as any other senior person, instead of being othered and tokenised."
Individual with lived experience

"The laws can have a positive change if workers are part of the monitoring."
Individual with lived experience

"Trade bans may raise accountability in cocoa and agriculture if linked to community grievance mechanisms."
Individual with lived experience

Most people with lived experience acknowledged that mHREDD and FLTB laws were insufficient alone to prevent forced labour and labour exploitation. Most thought that they should be part of a broader social, economic and policy response to target root causes of exploitation such as poverty, corruption, unsafe migration, weak governance, and unemployment. To prevent re-exploitation some people with lived experience mentioned the need for these laws to address long-term recovery, livelihood support, psychosocial care, and re-integration.

"As long as people have no alternatives, exploitation will continue to find new forms."
Individual with lived experience

"People need opportunities after exploitation. If nothing changes in their lives, they remain vulnerable to being exploited again."
Individual with lived experience

"Exploitation cannot be solved only by targeting large companies or banning products. The full chain must be addressed, including workers' awareness, supplier behaviour, consumer conscience, community poverty."
Individual with lived experience

6. Impacts of mHREDD laws on rightsholders

In a nutshell: There is evidence of mHREDD laws having some positive impacts on rightsholders, mostly in the form of remedy for past harm. Impacts on rightsholders include the implementation of collective bargaining agreements, financial compensation for damages, payment of missing/back wages, and improvements of working conditions. These have benefited migrant and non-migrant workers in companies covered by the laws, their subsidiaries in the Global North, and their supply chains in the Global South. However, there is no evidence of these laws positively impacting workers in the informal economy or those who are not unionised or attempting to unionise.

There is also little evidence of these laws having positive impacts on Indigenous Peoples and ethnic minorities. This is partially related to the design of the laws as some omit[47] Indigenous Peoples' rights from scope and do not extend due diligence obligations throughout the value chain leaving informal and seasonal workers outside of scope.[48] Lack of research on and access to these groups as well as to the difficulty of gathering the necessary evidence to access remedy under these laws may also explain the lack of evidence of impact on these groups of rightsholders.

So far, State-based judicial and non-judicial mechanisms, namely courts and state-based grievance/allegation mechanisms respectively, have mostly failed at delivering outcomes for rightsholders, either because they do not have a civil liability provision or because the laws have only been implemented for less than a decade and legal processes are lengthy and tend to move slowly. Non-State based grievance mechanisms and threats to use legal means seem to move faster and have resulted in outcomes for rightsholders largely enabled by transnational networks of trade unions and CSOs. However, challenges remain, especially as CSOs and trade unions lack sufficient resources and because their leverage power largely depends on the effective enforcement of these laws. Other key challenges include reducing power imbalances between companies and workers, moving towards full remediation, and reaching those most at risk in subcontracting

[47] The German Supply Chain Act omits the Indigenous and Tribal People's Convention No. 169 (1989) in the list of human rights covered under the laws. See Fatimazahra Dehbi & Olga Martin-Ortega, 'An integrated approach to corporate due diligence from a human rights, environmental, and TWAIL perspective' (2023) 17 Regulation and Governance, 927 https://onlinelibrary.wiley.com/doi/full/10.1111/rego.12538.

[48] The French Duty of Vigilance Law only covers 'established business relations' defined as those 'stable, regular commercial relationship, taking place with or without a contract, with a certain volume of business, and under a reasonable expectation that the relationship will last'. The LkSG only obliges companies to include direct contractual partners in their risk analysis, unless there is 'substantiated knowledge' of a human rights-related violation by an indirect supplier. See section 9 of the LkSG.

arrangements and the informal economy. While there is anecdotal evidence of negative consequences, the overall evidence remains limited.

Quality of the evidence: The evidence base remains low. Most evidence comes from documented legal cases and research studies. It is likely that there are more examples of impact, especially related to the laws acting as deterrence, or of broader spillover effects, but these have not been documented or are not yet available in the English language.

6.1 The failure of State-based mechanisms

One of the main strengths of mHREDD laws is that unlike voluntary or transparency frameworks they establish corporate liability for non-compliance (See Annex 1). However, enforcement through State-based mechanisms, namely State-based judicial mechanisms (e.g., courts) and State-based non-judicial grievance mechanisms (i.e., grievance or allegation mechanisms of supervisory/enforcement authorities) has so far largely failed at providing outcomes for rightsholders under mHREDD laws.[49]

The French Duty of Vigilance Law (FDVL) relies on three enforcement mechanisms: a formal notice to comply, injunctive relief orders, and a civil liability mechanism when non-compliance results in damages. Between 2017 and 2024, 30 formal notices and 13 lawsuits in relation to environmental and human rights harms were publicly filed under the FDVL[50] across different sectors such as supermarkets[51], finance[52], and retail,[53] but most have either been dismissed or remain ongoing.[54] The burden of proof, contestations over what constitutes valid evidence and establishing a causal link between harms and business practices have been the main obstacles facing claimants in the Global South trying to establish legal liability for multinational companies under the FDVL.[55]

In 2023 La Poste was the first case in which an injunction was issued on the merits of the law. La Poste was ordered to rewrite its vigilance plan, but the case did not

[49] In the absence of mHREDD laws, case law has shown positive impacts on rightsholders (e.g., Migrant workers V. Dyson in the UK and Akmad v. Bumble Bee Foods in the US) but this is outside of the scope of this study.
[50] See https://vigilance-plan.org/duty-of-vigilance-enduring-corporate-opacity-and-companies-still-without-a-plan/ and https://globalrightscompliance.org/eight-years-of-the-duty-of-vigilance-law-lessons-learned-from-french-courts/ See also tracker https://www.simmons-simmons.com/en/publications/clomu1rfn01pmu6x4dz5enms5/french-duty-of-vigilance-litigation-tracker
[51] For example, Casino Group lawsuit in 2021, which involves illegal deforestation and the violation of Indigenous Peoples' land rights. See https://www.business-humanrights.org/en/latest-news/casino-lawsuit-re-deforestation-in-the-amazon-filed-in-france/
[52] For example, BNP Paribas lawsuit in 2022 which relates to preventing deforestation and human rights violations. https://www.business-humanrights.org/en/latest-news/bnp-paribas-lawsuit-re-fossil-fuel-investment-filed-in-france/
[53] For example, formal notice against McDonalds. See https://vigilance-plan.org/cases-formal-notices/
[54] See https://www.simmons-simmons.com/en/publications/clomu1rfn01pmu6x4dz5enms5/french-duty-of-vigilance-litigation-tracker
[55] Almut Schilling-Vacaflor, 'Putting the French Duty of Vigilance Law in Context: Towards Corporate Accountability for Human Rights Violations in the Global South?' (2021) Hum Rights Rev 22, 109–127. https://doi.org/10.1007/s12142-020-00607-9

concern civil liability and therefore the Paris Court did not order remedy to rightsholders. [56] So far, there is also no evidence of the impact of those changes on rightsholders.

More recently, for the first time in almost 10 years, the FDVL resulted in financial compensation for workers. In 2026 Yves Rocher was the first company under the FDVL to be held civilly liable by the Paris Judicial Court for harms to workers that occurred in its subsidiary in Turkey between 2018 and 2019 that were linked to insufficiencies in the Groups' vigilance plan (see case study 1). [57] While this is the only case since 2017 that has led to outcomes for rightsholders after four years since proceedings were brought, it suggests that in the future more companies may be held liable under the FDVL for harms that could have been prevented through adequate human rights due diligence processes.

Nonetheless, barriers to full remediation persist as 72 of the workers who were dismissed by Yves Rocher's subsidiary were not compensated. Their claims for compensation were deemed inadmissible due to a settlement agreement signed with the subsidiary in 2019. However, testimonies show the agreement was signed under unequal power relations whereby workers were forced to accept the agreement. [58]

The German Supply Chain Act (LkSG) does not introduce new civil liability provisions. [59] The main avenue for redress for rightsholders is the formal complaints procedure established by the Federal Office for Economic Affairs and Export Control (BAFA), which is the LkSG's responsible enforcement authority. [60]

Out of the 30 complaints received in 2023, which involved 40 companies, most were dismissed because they fell outside the scope of the act. [61] Those that were not dismissed remain ongoing. [62] So far there has been only one public case in which BAFA has been associated with facilitating the remedy that claimants were

[56] For details on La Poste case see Navacelle, 'La Poste case: first decision on the substance of the duty of diligence' (2023) https://navacelle.law/la-poste-case-first-decision-on-the-substance-of-the-duty-of-diligence/

[57] For a comprehensive legal account of this case see Claire Bright and Céline Da Graça Pires, *The Yves Rocher Judgment: Key Lessons for Corporate Vigilance and Civil Liability - Beyond Human Rights Compliance*, 28 July 2026, https://beyondhumanrightscompliance.co.uk/the-yves-rocher-judgment-key-lessons-for-corporate-vigilance-and-civil-liability.

[58] Sherpa (2026): 'Workers' rights: the Yves Rocher Group found liable for failing in its duty of vigilance in Türkiye': https://www.asso-sherpa.org/verdict-yves-rocher-turkiye

[59] Albeit existing German tort law (e.g., in the Civil Code) can be used to hold companies liable for negligence. There is however no evidence of using this to achieve outcomes for rightsholders.

[60] BAFA's responsibilities include controlling whether companies comply with their due diligence obligations (including through an overall assessment of the appropriateness regarding the risk management and the appropriate implementation of the requirements of the Act), carrying out investigations, identifying, eliminating and preventing violations, imposing financial penalties and administrative fines. https://www.bafa.de/EN/Supply_Chain_Act/Overview/overview_node.html

[61] Jasmin Hansohm (2024), 'BAFA published 2023 activity report on German Supply Chain Act' in *Due Diligence Design.* https://duediligence.design/bafa-published-2023-activity-report-on-german-supply-chain-act/

[62] For example a complaint against Amazon and IKEA regarding occupational health and safety and labour issues in Bangladesh and a complaint against VW, BMW and Mercedes Benz in relation to forced labour in Xinjiang. See ECCHR, *Two Years of the German Supply Chain Act An Interim Assessment* (2025), https://www.ecchr.eu/fileadmin/Publikationen/ECCHR_2Y_LKSG_WEB_EN.pdf.

seeking, namely payment of back wages (see case study 4), but it remains unclear if BAFA ordered the remedial measure.[63]

Where complaints have not been dismissed it has generally not been possible to assess whether the measured adopted by businesses actually provided remedy to rightsholders and if this was aligned to their needs, largely due to the lack of transparency from BAFA on the outcome of the complaint's procedure.[64] Perceptions of lack of transparency and inefficiency of BAFA were expressed by some trade unions interviewed for this study.

"BAFA is a surprise box... you do not know what will come out of it."
Global trade union representative

"From people who have tried to file complaints at BAFA only heard nothing ever came out of it."
Local trade union representative

The Norwegian law does not establish civil liability either. During the first year of the Act the Consumer Authority received 17 complaints.[65] All have been dismissed except for three which have not led to enforcement actions.[66] In September 2024, the first infringement penalty (NOK 450,000) was issued against a retail company for failing to respond to information requests, although this was later overturned in early 2025 by the Market Council.[67] There is no evidence that the law through its enforcement mechanism has contributed to actual remedies to rightsholders.

6.2 The role of trade unions and CSOs

There is evidence that trade unions have used the LkSG to enable outcomes for rightsholders in Germany (see case study 3) and outside Germany. These outcomes include collective bargaining agreements (see case study 2), financial compensation for damages (see case study 5), improvements in working conditions, (see case study 6), and payment of back wages (see case study 3), benefiting migrant, albeit mostly non-migrant workers.

[63] ECCHR, *Two Years of the German Supply Chain Act An Interim Assessment*.
[64] ECCHR, *Two Years of the German Supply Chain Act An Interim Assessment*.
[65] Emily Bucknell (2023), 'The Norwegian government will start monitoring compliance with the Transparency Act,' in *Due Diligence Design*. https://duediligence.design/the-norwegian-government-will-start-monitoring-compliance-with-the-transparency-act/
[66] Ingrid Landau and Shelley Marshall, 'Will Remedy Remain Rare? The Potential of Mandatory Human Rights Due Diligence to Redress Modern Slavery', in *Modern Slavery and the Governance of Global Value Chains*, 1st edn, ed. Hila Shamir et al. (Cambridge University Press, 2025), https://doi.org/10.1017/9781009591102.006.
[67] Elise Johansen, Kirstin Nordland Brattli, Tonje Haden Geiran, Mads K. Haugse, Lene Marita Berg Hermann (2025), 'EU Omnibus package proposes significant simplifications, which the first Transparency Act penalty is overturned' in *Wikborg Rein:* https://www.wr.no/en/news/eu-omnibus-package-proposes-significant-simplifications-while-the-first-transparency-act-penalty-is-overturned

Mostly the evidence shows outcomes were achieved for rightsholders outside of Germany, either in the subsidiaries in the Global North of German companies falling under the LkSG or in their supply chains in the Global South. In such cases transnational networks of trade unions, supported by CSOs allies, were key for local trade unions to learn about the LkSG, how to use it and to collaboratively leverage it. Joining a transnational network (see case study 6), holding meetings with global trade unions (see case study 2), and forming alliances with CSOs in the Global North (see case study 5) have enabled local trade unions to gain knowledge, legitimise their claims, and increase their leverage power by collaboratively using the laws.

"The links to [name of CSO in the Global North], [name of trade union in the Global North] and [name of regional body] were key to leverage the law [LkSG]."
Trade union representative in the Global South

One way in which the LkSG was used by trade unions and CSOs was to enable dialogue negotiations with companies covered by the LkSG (or companies in their supply chain), in many cases after the companies where the alleged violations occurred had previously refused to engage in dialogue (see case study 2 and 6). Seeking dialogue has always been done, but according to the interviewees, mHREDD laws provide trade unions with an extra lever. Especially for those in the Global South, these laws can help them overcome weaknesses in their domestic systems and in some cases the use of these laws has had ripple effects on government policy. For example, the Costa Rican government set up the country's first ever Banana Forum, a social dialogue platform which helps local actors to raise complaints, shortly after remedies were achieved to rightsholders through the LkSG. [68]

"We see them [mHREDD laws] as tools to engage with companies."
Trade union representative

"Legislation [mHREDD] is probably the strongest in the toolbox."
Global trade union representative

"Domestic conflict resolution mechanisms are inexistent here."
Trade union representative in the Global South

The LkSG facilitated this dialogue partially because the law allows complaints to be submitted directly to companies. Establishing an internal operational level

[68] Demetrios Matheou, 'Central American Plantation Workers Are Growing in Power – with UNISON's Help', *Magazine*, 25 March 2026, https://magazine.unison.org.uk/2026/03/25/central-american-plantation-workers-are-growing-in-power-with-unisons-help/.

grievance mechanism (OLGM) is a requirement for businesses covered by the LkSG[69] and this has enabled trade unions to use these internal mechanisms to raise complaints directly with lead companies. Most trade union representatives interviewed for this study mentioned they choose to submit formal complaints to BAFA as a last resort, only after complaints to company's OLGM do not progress.[70] "Going up the ladder" was mentioned as the preferred and usual approach for negotiating outcomes for rightsholders.

"We had the complaint ready to go to BAFA, but we never submitted it, we are always looking for direct dialogue processes [with companies] first."
Trade union representative in the Global South

"When the complaint comes to BAFA many things have happened before, including the treat of legal action."
CSO representative

"You only go public once you have exhausted all the internal routes."
Global trade union representative

"We will complain to BAFA for the first time because we have not received an answer in three months. I will now report to BAFA that this company did not reply."
Local trade union representative

In many cases, in addition to submitting complaints to the OLGM, trade unions also threatened to use legal means (see case study 5). In other cases, the threat was sufficient to trigger changes at the company in the supply chain (see case study 6). However, interviewees noted that the threat of using legal means is only effective when businesses perceive that the enforcement of the law is effective.

"When the law passed in Germany, businesses were scared, the supermarkets were scared but after some time businesses saw that is "pura paja" [a smoke screen].
Trade union representative in the Global South

"It does not matter which tool you use if there is not effective enforcement."
CSO representative

[69] Section 8 of the LkSG
[70] For example, a complaint to BAFA was submitted by Oxfam after initial attempts from banana workers and their representatives to negotiate with Edeka and Rewe failed. https://www.bananalink.org.uk/news/oxfam-germany-files-complaint-under-new-supply-chain-law/

As suggested by many trade unions and CSOs representatives that participated in this study, it is likely that there are more examples like this where the LkSG (and other mHREDD laws) facilitated dialogue and outcomes for rightsholders,[71] but these may not be documented or not yet in the English language. Likewise, there may be cases in which the law acted as deterrence, but this remains unclear[72] as this is difficult to observe and measure.

"A lot of the work that we do is invisible to the naked eye."
Trade union representative

"Trade unions and CSOs work with the law, but not always publicly, it would defeat the purpose."
CSO representative

"My gut feeling is that for every case that is talked about, there are probably 10 cases where [the law] has acted as a deterrence."
Global Trade Union Representative

However, even when dialogue has been established, trade unions interviewed mentioned they still faced unequal power relations that hamper the achievement of the desired outcomes. Similarly, in some sectors, achieving impacts to all workers supplying a set of buyers is challenging as some buyers may provide remedy but not others.

"The dialogue is not equal…we remain tied from hands and feet receiving only selected information, not complete, real information and the proposed agenda has shrunk […] the opportunity for dialogue is one step in the ladder, but we need to advance to the next step."
Trade union representative in the Global South

"The laws do not establish the degree of responsibility for each business involved."
Trade union representative in the Global South

[71] Electronics watch together with national and global trade unions, engaged in dialogue with automotive companies through their OLGM to address labour rights violations identified at SK On Hundary in Komarom. Yet, so far, there is no evidence of actual outcomes for rightsholders resulting from this. Electronics Watch, *Impact Story: Grievance Mechanisms Drive Stakeholder Engagement in the Auto Sector* (2026), https://electronicswatch.org/impact-story-sk-on-hungary_2690843.pdf.

[72] For instance, a complaint submitted in 2024 by Brazilian and German CSOs under the LkSG to the OLGM of a German state-own railway company, Deutsche Bahn AG, regarding a possible involvement in a port and rail project in Brazil that posed human rights and environmental risks to Indigenous People may have contributed to the company's decision to not participate in the project. However, this is unclear and the evidence suggests that lack of funding for the project among other factors are likely to have played a major role. See ECCHR, *Two Years of the German Supply Chain Act An Interim Assessment*.

Moreover, trade unions and CSOs interviewed reported facing important challenges, including lack of resources (partially related to US aid cuts), lack of transparency and traceability mechanisms to establish links between specific labour violations and specific companies, and a shrinking civic space. [73] All of which constrain their capacity to leverage these laws for rightsholders.

"Limited funding is real. Engagement [with businesses] is welcome on one hand. But will not be manageable if there is no resources for it."

Trade union representative

6.3 Lack of business reporting on outcomes for rightsholders

The evidence base on the impacts of these laws on rightsholders from businesses implementation of HRDD processes, including remedy from operational level grievance mechanisms (OLGM), is not only self-reported but also largely limited. mHREDD laws have a disclosure requirement for businesses falling in scope to self-report on the implementation of human rights due diligence measures (see Annex 1). However, none explicitly requires companies to report on outcomes for rightsholders, including from their OGMs in relation to remedy.

As a result, most business human rights disclosure to date focuses on policies and processes rather than on outcomes [74] for rightsholders. For example, a 2026 study of companies falling under the German, Norwegian and French due diligence laws found that most companies report having remediation processes, but do not report on the outcomes for people of such remedy processes and when they do, they do not mention if this was adequate from the workers' perspectives. [75]

Furthermore, a 2024 assessment [76] of the impact of the Norway's Transparency Act on companies found that most companies that participated in a survey perceived the duty to remedy as the least clear of their HRDD obligations which was reflected on the lack of company descriptions of specific remediation cases. Only

[73] These challenges have also already been reported publicly by some organisations. See https://swedwatch.org/publication/article/a-decision-that-reaches-far-beyond-one-organisation/

[74] Human rights experts and scholars are increasingly referring to 'outcomes' as the positive effects of mHREDD laws on rightsholders (including workers) that can be associated with the practices and behaviours of companies under such laws, as well as to external factors. See for example Kuruvilla and Judd, *Measuring Supply Chain Due Diligence: Labor Outcomes Metrics*. And Shift, *Indicator Design Tool: A People-Centred Approach to Measuring the Progress and Effectiveness of Human Rights Initiatives and Programmes* (Shift, n.d.), accessed 8 September 2025, https://shiftproject.org/what-we-do/valuing-respect/indicator-design-tool/.

[75] See Walk Free and Wikirate International, *Beyond Compliance: Mandatory Human Rights Due Diligence Laws* (2026), https://www.walkfree.org/reports/beyond-compliance-mandatory-human-rights-due-diligence/.

[76] The evaluation is based on data from a document review, analysis of due diligence accounts under the Transparency Act, a survey, several dialogue meetings and group interviews with stakeholders, as well as a virtual workshop with key stakeholders. KPMG, *Review of the Effects of the Norwegian Transparency Act* (The Royal Norwegian Ministry of Children and Families, 2024), https://www.regjeringen.no/contentassets/4d85a42174994d23a9580c478dacea06/review-of-the-norwegian-transparency-act-kpmg.pdf.

a minority self-reported on actual impacts on rightsholders such as contributions to positive wage adjustments for workers in their supply chains and improvements for vulnerable groups such as mediation with Indigenous Peoples on rights and discontinuation of projects involving adverse impacts, including one case involving land restitution.[77]

Similarly, a recent evaluation of the impact of the LkSG[78] found that a minority of companies' self-report on the outcome of specific resolutions from detected violations such as payment of back wages or reimbursement of recruitment fees by direct suppliers, albeit the adequacy of the remedy provided from the perspective of affected workers is unknown as it is not reported by companies. However, both evaluations lack sufficient clarity and detail on what companies report as outcomes for rightsholders. They also both focus on the impact of the laws on companies, not on rightsholders.

While it remains unclear when and how procedural compliance with mHREDD laws translates into outcomes for rightsholders, this reporting on outcomes may be partially related to the laws' explicit requirements and aims. For example, the Norwegian law has explicit provisions on living wages as part of its definition of decent working conditions[79] and the LkSG requires companies to report on incidents identified through their OLGMs and how these have been addressed.[80] even though it does not require remediation to rightsholders.[81]

Some business representatives interviewed for this study mentioned the challenges of measuring outcomes for rightsholders including the lack of clarity and specificity of the laws in relation to outcomes, as well as the physical distance and lack of visibility of workers deep in their supply chains. Preventative measures in the form of living wages were mentioned by all business representatives interviewed for this study as a key outcome for rightsholders that they are working on.

"We are too far away to be able to assess the impact on workers down our supply chain tiers."
Business representative

[77] KPMG, *Review of the Effects of the Norwegian Transparency Act*.
[78] The evaluation assessed the reports of 254 companies in scope of the LkSG from 2023 to 2024. See Global Compact Germany, *A Logic Model Analysis of Corporate Disclosure* (2026), https://www.globalcompact.de/mediathek/publikationen/publikation/logic-model-of-corporate-disclosure.
[79] Section 3 (c). Moreover, the full name of the Act is "Act relating to enterprises' transparency and work on fundamental human rights and decent working conditions (The Transparency Act)".
[80] Section 10 of the LkSG.
[81] Section 3 and 7 of the LkSG. 'Remedial action' in the German law appears to refer solely to action taken by the company to address its role in the rights violation(s). It does not entail compensation or other forms of remediation for workers affected by a company's actions or omissions. Landau and Marshall, 'Will Remedy Remain Rare?'

6.4 Unintended consequences for rightsholders

It cannot be ruled out that mHREDD laws may have negative impacts for workers in some sectors, but the evidence is not conclusive. Trade data-based studies have found that there has been a reduction in trade between countries with the laws, namely Germany[82] and France, [83] and supplier countries in the apparel and agriculture sectors respectively, associated with the introduction of the laws. However, the data does not reveal what the impacts have been on rightsholders themselves. Moreover, while negative consequences on workers of closures and relocations of companies' supply chains from countries like China driven by de-risking strategies have been documented in the electronics and apparel sectors, a 2024 report did not identify mHREDD laws as key drivers for this, rather as a tool to prevent such negative consequences if enforced well by requiring companies to undertake adequate HRDD to assess and address the impact on workers of disengagement decisions. [84]

CSOs and trade unions that participated in a roundtable discussion for this study mentioned having anecdotal evidence of workers' facing retaliation for raising grievances. However, they noted this has been the case when companies establish poor grievance mechanisms that do not build proper safeguards to protect workers' safety. Therefore, suggesting that negative consequences on workers may come from inadequate implementation of HRDD rather than from mHREDD laws per se.

"Bad grievance mechanisms are worse than none."
CSO representative

"Some people have been dismissed from submitting grievances [...] and there have been reprisals related to using the grievance mechanisms."
Trade union representative

"It is a big warning flag to have grievance mechanisms running without union involvement."
Trade union representative

[82] Trade data showing a decline of 20% in German apparel imports from Bangladesh and Pakistan, two of the largest importers of apparel products in Germany in 2022, since the introduction of the German law. Galina Kolev-Schaefer and Adriana Neligan, *Data-Based Results on the Effects of the German Supply Chain Act* (Institut Der Deutschen Wirtshaft, 2024).
[83] Trade data showing decrease in trade between France and developing countries, especially in the agriculture sector. Kolev, Galina / Neligan, Adriana, 2021b, Working paper, presented at the Research Conference on Sustainability of Global Value Chains, 7 December 2021 as cited in Kolev-Schaefer 2024
[84] SOMO and China Labour Bulletin, *Chain of Consequences: How Chinese Workers Pay for Supply Chain de-Risking* (2024), https://www.business-humanrights.org/en/latest-news/china-factory-workers-paying-for-international-brands-supply-chain-de-risking-as-protests-over-wages-factory-closures-increase-tenfold/.

7. Impacts of FLTB laws on rightsholders

In a nutshell: There is evidence of FLTB laws having positive impacts on rightsholders, especially on migrant workers in the Global South, and relating to remedy of past harm. Most impacts on rightsholders are associated with addressing specific forced labour indicators.[85] For example, workers have been reimbursed recruitment fees, experienced some improvements in working and living conditions, and regained access to their passports.[86]

However, workers have rarely been involved in the process of remediation and issues of worker concern such as health and safety, wages, and adequate grievance mechanisms, which are likely to fall outside of forced labour indicators, are likely to remain unaddressed. The evidence shows that trade unions and CSOs can facilitate future-looking (preventative) remediation for rightsholders which can be used as evidence for lifting a ban, but there is no evidence that such outcomes have been achieved triggered by FLTB laws. There is also little to no evidence of positive impacts on ethnic minorities, partially related to the fact that these are generally the target of State-imposed forced labour in authoritarian countries. In such cases, remedy is not possible to achieve through FLTB laws only.

These impacts on rightsholders are largely the result of companies' responses to a ban or a potential ban and aimed at addressing the forced labour indicators identified by the enforcement authorities. Other ripple effects such as government policy changes are likely to amplify these impacts on rightsholders but these are likely to take considerably longer to materialise and need further investigation. The focus groups with workers in SD Guthrie's palm oil plantations in Malaysia undertaken for this study, suggest FLTB laws may be associated with negative consequences on workers such as a reduction in recruitment of some migrant workers and surveillance and privacy concerns.

Quality of the evidence: The evidence base is low. Mostly based on incomplete and inconsistent reporting from the US Customs and Border Protection (CBP), the enforcement authority of forced labour bans in the US. This section draws heavily from the SD Guthrie focus groups undertaken for this study. The evidence on impacts on rightsholders affected by state-imposed forced labour is particularly low, to a large extent due to lack of access to rightsholders.

[85] ILO 11 forced labour 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 over time. ILO, *ILO Indicators of Forced Labour - 2025 Revised Edition* (2025), https://www.ilo.org/publications/ilo-indicators-forced-labour-1.

[86] Trueba, Mei L., and Ffion Staniland. 2023. "Effectiveness of Forced Labour Import Bans: The Case of the US Ban on Malaysia's Rubber Gloves". 8th Conference of the Regulating for Decent Work Network, 10–12 July 2023. ILO. https://www.ilo.org/research-and-publications/regulating-decent-work-network/8th-regulating-decent-work-conference

7.1 Impacts on rightsholders at the recruitment stage

While sec. 307 of the US Tariff Act of 1930 does not explicitly include a requirement for remediation to rightsholders in order to lift a ban, the enforcement of this law has led in some cases, to remedies to those harmed. So far, the reimbursement of recruitment fees to migrant workers has been the most common form of remedy to rightsholders publicly reported under FLTB laws (see case study 7, 8 and 9). For instance, CBP reports that over the last six years, companies have paid over $85 million in withheld wages and recruitment fees back to workers. [87]

It is not only companies targeted by an enforcement action that have reimbursed recruitment fees; FLTB laws have had a ripple effect and companies not affected by an enforcement action have also done so, likely in an effort to avoid a potential ban. For example, it was not only Top Glove (see case study 7), Supermax and other glove manufacturers directly targeted by WROs in the US that repaid recruitment fees, but also other leading glove manufacturers in Malaysia such as Kossan and Hartalegam, who in total repaid more than USD 100 million by September 2021. [88]

Similarly in Taiwan's bicycle sector, Giant, Merida and Maxxis have reimbursed an estimated $10 million to migrant workers by early 2026. Only Giant was covered by a WRO (See case study 9) but Merida and Maxxis were covered in independent investigations into Taiwan's bicycle industry [89] and there was a WRO petition on Merida, which is no longer active. [90] Moreover, while there are no enforcement actions against textile companies in Taiwan, companies have reimbursed more than $10 million on recruitment fees at least partially influenced by an independent investigation into forced labour and other labour abuses in the industry, [91] which CBP may use as evidence of forced labour. [92] This may be another ripple effect.

Many of these companies also established responsible recruitment measures alongside reimbursement of recruitment fees (see case studies 7, 8 and 9) which would contribute to preventing future workers from paying recruitment fees. For instance, a recent study showed that Top Glove (and other Malaysian medical gloves manufacturers) also adopted the Employer Pays Principle and wider

[87] *U.S. Customs and Border Protection* (2026): Forced Labour Leveling the Playing Field: https://www.cbp.gov/trade/forced-labor/leveling-playing-field

[88] See Bergsten (2021) https://thediplomat.com/2021/09/debt-bondage-payouts-flow-to-workers-in-malaysias-glove-industry/ See also James A. Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations* (2026), https://www.modernslaverypec.org/resources/modern-slavery-in-malaysian-medical-gloves-factories.

[89] See https://mondediplo.com/2025/02/11bikes

[90] Peter Bengtsen, *Speeding Up: Addressing Forced Labour Risks in Taiwan's Bicycle Industry* (2026), https://static1.squarespace.com/static/52fcd025e4b0649c39e0c15a/t/6a17e5045c35616d44e82f60/1779950852451/Bengtsen+2026+Speeding+Up.pdf.

[91] Transparentem investigation https://transparentem.org/report/taiwan-following-the-thread/

[92] For example, it is believed that CBP used Peter Bergsten's reporting for Le Monde diplomatique as evidence for issuing the WRO against Giant. See Bengtsen, *Speeding Up: Addressing Forced Labour Risks in Taiwan's Bicycle Industry*. See also https://duediligence.design/developments-on-giant-wro-case/

responsible recruitment efforts which led to a significant reduction in workers paying recruitment fees and a decline in debt bondage.[93] Similarly, three years after the lifting of the WRO, none of the migrant workers in SD Guthrie interviewed for this study, some of which were recently recruited, reported having paid recruitment fees. However, challenges remain such as how far back companies should reimburse recruitment fees and how to reach former workers that may be difficult to locate. [94]

Most importantly, in most cases there is no evidence of workers having been involved in determining the reimbursement amount or even the form of remedy that would suffice. [95] For example, while SD Guthrie reimbursed MYR 82 million, workers interviewed for this study mentioned that they had only been asked what recruitment fee they had paid but had not been consulted beyond this including in relation to what remedy might be appropriate.

"They asked us what we paid, not what we wanted."
Worker at SD Guthrie plantation

7.2 Working and living conditions

While in some cases rightsholders are still waiting for improvements in their working and living conditions after a WRO has been issued,[96] many companies affected by FLTB enforcement actions, including those that reimbursed recruitment fees, also improved living and working conditions to workers, as self-reported by the companies and independently verified (See case study 7, 8 and 9).

One such improvement has been the access to grievance mechanisms for rightsholders to submit complaints and the support from local NGOs to use them. For example, following the WRO, SD Guthrie reported undertaking efforts to enhance availability and awareness of grievance mechanisms among workers.[97] In a 2023 study, workers reported they experienced improvements in grievance mechanisms[98] and three years later, interviews with workers undertaken for this study suggest that these improvements have been sustained over time. In

[93] Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations*.
[94] For example in Taiwan Merida reimbursed former migrant workers who left the company since July 15th 2025 while Giant did so for workers who left after September 2023. Bengtsen, *Speeding Up: Addressing Forced Labour Risks in Taiwan's Bicycle Industry*. These practical challenges have also been noted in a Transparentem report. See https://transparentem.org/report/on-the-mend-how-taiwans-textile-industry-can-achieve-ethical-employment-with-support-from-the-global-apparel-sector/
[95] The Remedy Project, *Putting Things Right: Remediation of Forced Labour under the Tariff Act 1930*.
[96] For example, Asli Maydi in Somaliland where while the community is no longer under the abuse of this company and his owner Barkhad Hassan, they have not yet received remedy for harms and the WRO is still active. https://dignityandrights.org/2025/11/i-want-my-justice-how-much-longer-must-doterras-former-frankincense-communities-wait/
[97] Sime Darby Plantation, Sime Darby Plantation's Responsible Labour Practices and the USCBP, 15 Dec. 2020.
[98] The Remedy Project, *Putting Things Right: Remediation of Forced Labour under the Tariff Act 1930*.

particular, interviewees reported greater confidence in reporting abuses and increased trust that complaints would be addressed. Workers attributed their increased confidence in reporting abuses and confidence in their resolution to the rights awareness training and support provided by a local CSO. For example, workers described instances in which intervention by the CSO helped resolve cases of harassment, sexual harassment, bullying and retaliation.

However, some workers reported having concerns over retaliation. This is likely due to the lack of worker involvement in the operationalisation and monitoring of the grievance mechanism. Indeed, a recent study found that trust in grievance mechanisms in the Malaysia rubber glove sector remains a key issue of concern within the industry with most workers reporting feeling uncomfortable raising grievances, which could be addressed through worker-driven monitoring. [99]

"Now we know our rights and we are brave."
Worker at SD Guthrie plantation

"Now we can make reports, so they are afraid."
Worker at SD Guthrie plantation

"[Local CSO] wrote a letter to the company, the company investigated my complaint and found out that it was true."
Worker at SD Guthrie plantation

There is also evidence that improvements in living and working conditions have not gone as far to reduce vulnerability and prevent exploitative conditions. For example, while workers at SD Guthrie confirmed that access to healthcare had improved since the WRO imposition in 2023, [100] three years later the interviews conducted for this study suggest that healthcare concerns remain. Interviewed workers at both plantation sites complained about inadequate healthcare access and limited social protection, which all contribute to worker vulnerability. This is especially important when work is hazardous as suggested by most harvesters interviewed who complained about chemical exposure from distributing fertilizer and using pesticides, and resulting injuries to their skin, without appropriate protection or medical assistance.

"Our skin, our whole body will have rashes, it will peel and it will hurt [...] Nothing is done about it. You still have to do the work that you are assigned to do."
Worker at SD Guthrie plantation

[99] Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations*.
[100] The Remedy Project, Putting Thing Rights: Remediation of Forced Labour under Tariff Act 1930, 28 Apr.2023.

Similarly, there is limited evidence that improvements in working conditions associated with FLTB laws have included improvements in wages. For instance, workers in Malaysia interviewed for this study prioritised concerns about wage structures that leave workers vulnerable to income loss during poor weather. Harvesters, who are paid on a piece-rate basis/by tonnage, complained that their earning capacity was heavily weather dependent, as they are unable to work if it rains, and will not be paid for their time. Many local workers stated that they rarely receive their basic monthly wage of 1,700 MYR as a result, more frequently receiving closer to 1,300 MYR which is lower than the legal minimum wage.

7.3 Towards worker-led remediation

There is limited evidence of worker-led remediation associated to FLTB laws. The evidence from Natchi (see case study 10) shows that efforts from trade unions and CSOs are key in enabling this type of remediation which addresses not only past harm but also future harm and that it can result in the lifting of a WRO. However, the outcomes from this case were not the result of FLTB laws.

The legally binding supply chain agreements signed between suppliers, buyers, trade unions and CSO allies (i.e., the Dindigul Agreement) at Natchi in 2022 protect 5,000 workers and their rights to form and join unions and prohibit caste- and migration status-based discrimination. The Dindigul Agreement also establishes a union-led program, which includes training for workers and supervisors, shop floor monitoring and remediation, and effective and impartial investigations of workers' complaints, including the strengthening of India's mandatory Gender-Based Violence and Harassment (GBVH) Committees or Internal Complaints Committees and establishment of an independent grievance mechanism overseen by third-party experts. A recent evaluation found that the Dindigul Agreement worked in practice and that freedom of association was a key element in combating GBVH. [101]

For example, workers reported being unafraid to file complaints through the grievance mechanism regarding GBVH and other issues and that grievances were resolved quickly thanks to collaborative relationship between the local trade union and the management of the factory.

CBP has encouraged this type of remediation as "an example to others looking to do business with the United States." [102] However, this has not been illustrated in

[101] Pauline Jerrentrup and Sarosh Kuruvilla, Dindigul Agreement to Eliminate Gender-Based Violence and Harassment - Year 2 Progress Report (Cornell University, 2025). https://www.ilr.cornell.edu/sites/default/files-d8/2024-09/Dindigul%20Year%202%20Final%209-4-24.pdf

[102] See: https://www.cbp.gov/newsroom/national-media-release/cbp-modifies-withhold-release-order-natchi-apparel-p-ltd CBP also publicly stated that the WRO modification represented a "swift and successful collaboration between civil society and worker rights organizations, Natchi Apparel (P) Ltd. and its parent company Eastman Exports, and CBP"

practice through CBP enforcement. For example, a WRO was issued in 2022 against the company Central Romana,[103] a major sugar supplier in the Dominican Republic. In early 2023 and as an attempt to have the WRO lifted, the company engaged with CBP, a CSO, and other actors to discuss a potential legally binding agreement between the company, workers, an independent democratic union, and CSOs to remediate forced labour at the company, but in mid-2023 Central Romana stopped negotiations.[104] In 2025 the WRO was lifted without evidence of remedy to rightsholders.[105]

Therefore, there is no evidence of FLTB laws leading to this type of remedy in practice. The Dindigul Agreement has not been framed by CSOs as a result of or being influenced by FLTB laws as CBP issued the WRO against Natchi after the Agreement had already been signed,[106] and in fact the WRO threatened to undermine the Agreement.[107] Indeed, the Agreement was possible largely due to very localised conditions and years of worker organising against GBVH at the factory supported by a local trade union,[108] not unlike many other worker-led remedy agreements that have been achieved without FLTB laws.[109] Therefore, the model may not be replicable even within the same sector due to very specific conditions that were present in the case of Natchi.[110]

Nonetheless, there is anecdotal evidence that the possibility of a ban being issued against companies can increase the negotiating power of labour unions and CSOs aiming at obtaining remediation for workers. For example, it has been reported that CSOs, engaged in facilitating negotiations, believed that the implication of a potential forced labour ban enforcement action was important in leading to the repayment of millions of dollars in back wages owed to South Asian migrant workers by a Jordanian garment supplier.[111] CSOs interviewed for this study did not provide any further information or examples of this type of leverage. However, it

signalling endorsement for this type of remediation under FLTB laws. See https://www.cbp.gov/newsroom/national-media-release/cbp-modifies-withhold-release-order-natchi-apparel-p-ltd

[103] CBP issued a WRO against Central Romana in November 2022 https://www.cbp.gov/newsroom/national-media-release/cbp-issues-withhold-release-order-central-romana-corporation

[104] Jennifer Gordon, 'The US Forced Labor Import Ban as a Tool to Raise Labor Standards in Supply Chain Contexts: Strategic Approaches to Advocacy', *SSRN Electronic Journal*, ahead of print, 2024, https://doi.org/10.2139/ssrn.4756721.

[105] See https://www.business-humanrights.org/en/latest-news/dominican-republic-us-govt-lifts-ban-on-sugar-co-central-romana-over-forced-labour-despite-alleged-failure-to-improve-conditions-incl-co-comment/

[106] See: https://www.workersrights.org/our-work/issues/gender-inequity/gender-based-violence-and-harassment/the-dindigul-agreement-to-eliminate-gender-based-violence-and-harassment-natchi-apparel-and-eastman-spinning-mills/ See also Judy Fudge and Genevieve LeBaron, *Impact of Import Bans on Workers* (Re:Structure Lab, 2024), https://static1.squarespace.com/static/6055c0601c885456ba8c962a/t/67aaa63c3dda3222b4a16ee7/1739236925837/ReStructureLab_ImpactOfImportBansOnWorkers_Dec24+JB.pdf.

[107] Fudge and LeBaron, *Impact of Import Bans on Workers*.

[108] Pauline Jerrentrup and Sarosh Kuruvilla, Dindigul Agreement to Eliminate Gender-Based Violence and Harassment - Year 2 Progress Report: https://www.ilr.cornell.edu/sites/default/files-d8/2024-09/Dindigul%20Year%202%20Final%209-4-24.pdf

[109] For example, the Bangladesh Accord, the Agreements to Prevent and Combat Gender-Based Violence and Harassment in Lesotho, the Fair Food Programme, and Milk with Dignity. See https://wsr-network.org/

[110] Pauline Jerrentrup and Sarosh Kuruvilla, Dindigul Agreement to Eliminate Gender-Based Violence and Harassment - Year 2 Progress Report

[111] Jennifer Gordon, 'Worker Organising as a Remedy for Forced Labour', *Business & Human Rights Resource Centre*, 5 June 2024, https://www.business-humanrights.org/en/blog/worker-organizing-as-a-remedy-for-forced-labor/.

cannot be concluded that there are not more examples where dialogue has been enabled at least partially by the possibility of a ban. Especially as scholars suggests that CSOs and trade unions could in fact use FLTB laws to seek dialogue with companies by preparing, albeit not filing, a petition for a WRO.[112]

7.4 The role of government policy changes

There is evidence that FLTB enforcement actions have, at least partially, influenced government policy changes including labour reforms in countries affected by or under the threat of a ban.[113] These policy changes can contribute to an enabling environment that facilitates and amplifies outcomes for rightsholders and addresses systemic issues. However, their actual effects on rightsholders are likely to take longer to materialise.[114] In many cases, it is too early to assess the effect of these policy changes in enabling impacts on rightsholders as they are relatively recent.[115]

It will also take a long time for authoritarian governments imposing forced labour to make policy changes (and will likely necessitate broader pressures beyond FLTB laws). Nonetheless, there is emerging evidence of some change from the Chinese government for example that has been associated with positive impacts of FLTB laws on rightsholders. While forced labour in the Uyghur region has not reduced,[116] the Chinese government has allegedly reduced the number of people in detention, removed some surveillance equipment and checkpoints that Uyghurs encounter while traveling, and granted a few Uyghurs permission to leave the country.[117] However, the government has invested heavily on propaganda to hide these issues and while short visits to the region reveal a reduction in visible surveillance and police checkpoints, surveillance infrastructure in the region has been transformed to be less visible and intrusive.[118] Unfortunately, in this case (as in many others

[112] Gordon, 'The U.S. Forced Labor Import Ban: A Tool for Raising Labor Standards in Supply Chains?'
[113] For example, Taiwan government changes in fisheries and bicycles. On May 10th, 2022, the Taiwan Government implemented an official Action Plan for Fisheries and Human Rights. This state-level policy plan encompasses a range of improvement measures, including an increase in the monthly minimum wage for distant water fishing workers and the improving of living and working conditions and in recruitment policies. See Gonzalez De Aguinaga, *Effectiveness of Forced Labour Import Bans in Addressing Modern Slavery-Evidence Review Report*.
[114] For example, Taiwan's government committed to prohibit recruitment fees under the new trade agreement, but the implementation time is 3 years, and no legislation has been adopted yet. Also the government watchdog Control Yuan has reviewed the government actions and concluded that there is scope for improvement within the ministries. Bengtsen, *Speeding Up: Addressing Forced Labour Risks in Taiwan's Bicycle Industry*.
[115] For example, in February 2026 Taiwan's government committed to prohibiting worker-borne recruitment fees under their bilateral agreement with the US, the Ministry of labour established a centre where employers can hire workers directly without labour brokers and the Taiwan Bicycle Association launched an industry-wide Supply Chain Due Diligence Initiative but there is not yet evidence of their impact. Bengtsen, *Speeding Up: Addressing Forced Labour Risks in Taiwan's Bicycle Industry*.
[116] Adrian Zenz, 'Forced Labor in the Xinjiang Uyghur Autonomous Region: Assessing the Continuation of Coercive Labor Transfers in 2023 and Early 2024', *Jamestown*, 14 February 2024. https://jamestown.org/forced-labor-in-the-xinjiang-uyghur-autonomous-region-assessing-the-continuation-of-coercive-labor-transfers-in-2023-and-early-2024/
[117] Laura T. Murphy and Charlotte Tate, *Assessing the Impact of the Uyghur Forced Labor Prevention Act After Three Years* (Centre for Strategic and international studies, 2025).
[118] Rian Thum, *Eight Years on, China's Repression of the Uyghurs Remains Dire* (The Simon-Skjodt Center for the Prevention of Genocide, 2025), https://vault.ushmm.org/adaptivemedia/rendition/id_f36afdaa9fbc0c6c7443b2a5c71025f8b51f459d .

relating state-imposed forced labour) it is almost impossible to measure the impacts directly on those affected because of the difficulties of accessing these groups.

7.5 Unintended consequences for rightsholders

There is trade data showing a decrease in imports from countries targeted by a ban[119] or a specific trade restriction[120] to the country that enforced it. However, it cannot be inferred from this macroeconomic data only that workers were negatively impacted, especially as research has shown that companies across sectors targeted by a ban have redirected their products to other markets,[121] and that trade disruptions can continue despite improvements in workers' living and working conditions.[122] Without qualitative data, including reports from workers themselves, their representatives, or diaspora, it cannot be concluded by trade data only that workers have been negatively affected.

Given that FLTB laws in force do not require consultation with workers prior to issuing or lifting enforcement actions, it cannot be ruled out that in some cases these may negatively affect workers, but there is no evidence of this in practice. In the case of Natchi, CSOs acted quickly to prevent any potential negative impacts of the WRO by submitting evidence to CBP demonstrating that the identified forced labour had been remediated by the Dindigul Agreement.[123] In the case of Top Glove, the company announced a temporary suspension of operations after the financial consequences of the WRO on the business, but shareholders quickly channelled emergency funding to remediate the recruitment fees owed to workers.[124]

Moreover, advocates have self-reported that they carefully assess the potential for unintended consequences of forced labour enforcement actions and invest resources to develop strategies that prevent these, such as filing cases in collaboration with local partners to minimise adverse impacts or deciding not to petition for a ban after assessing risks to workers.[125] Guidance for CSOs also

[119] For example, a decrease of cotton apparel imports from China, Vietnam and Bangladesh to the US associated with the implementation of the UFLPA. See Sheng Lu and Emilie Delaye, 'How Has the Uyghur Forced Labor Prevention Act (UFLPA) Affected U.S. Apparel Import?', *International Textile and Apparel Association Annual Conference Proceedings* 81, no. 1 (2025), https://doi.org/10.31274/itaa.18466.

[120] See for example reductions in Malaysia's share of UK gloves imports from 63% to 29% between 2018 and 2025 in Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations*.

[121] For example, gloves from Top Glove, solar panel components from China, cotton from Turkmenistan. See also Elijah Pockell-Wilson, 'Redirected Risk: Uyghur Forced Labor and the Enforcement Gap in Australia and Japan', *Uyghur Human Rights Project*, n.d., accessed 2 July 2026, https://uhrp.org/report/redirected-risk-uyghur-forced-labor-and-the-enforcement-gap-in-australia-and-japan/.

[122] See Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations*.

[123] Jennifer Gordon, 'The US Forced Labor Import Ban as a Tool to Raise Labor Standards in Supply Chain Contexts: Strategic Approaches to Advocacy', SSRN Scholarly Paper no. 4756721, Rochester, NY, 4 March 2024, https://doi.org/10.2139/ssrn.4756721.

[124] *Malaysiakini* (2020), Glovemaker WRP get emergency funds to pay workers, https://www.malaysiakini.com/news/505695

[125] Syam and Vandenberg, 'Import bans are vital to the fight against forced labour'.

recommends petitioners to have a remediation or contingency plan to prevent potential harm to workers.[126] Trade unions interviewed also confirmed that they intentionally choose to use specific "tools" or laws as appropriate depending on the case.

However, there is indication of some even if not direct negative impacts on rightsholders. For instance, a recent study found that the extensive implementation of the Employer Pays Principle (EPP) in the Malaysian gloves sector — which has been attributed at least partially to forced labour ban enforcement actions in the country and sector — was associated with a reduction of recruitment of some migrant workers. The study found that Bangladeshi workers were not being recruited into the medical gloves sector in Malaysia after the implementation of responsible recruitment measures (potentially leaving them outside sectors with responsible recruitment coverage) due to high fees being charged by a small number of authorised recruitment agencies in the Bangladesh-Malaysia corridor and the Malaysian government reforms involving the freezing of quota applications for hiring new foreign workers, among other factors.[127] Thus, suggesting that differences in institutional factors such as market structures of recruitment agencies in specific corridors and government policy reforms can lead to different impacts to different workers,[128] but not that these effects are directly linked to responsible recruitment measures or FLTB laws.

The focus groups conducted for this study with palm oil workers in Malaysia showed similar findings. A few workers mentioned that recruitment from Nepal and India had stopped since the pandemic, which is consistent with reports of a freeze on recruitment of foreign migrant workers, especially Nepalese, after the pandemic. [129]

> *"There haven't been new migrants from Nepal and India for many years now […] I have friends who want to come to work, and I asked the manager if they wanted more workers, but they said they are not hiring from Nepal and India. Only Indonesian workers are coming now. After Covid, they stopped hiring from Nepal and India."*
>
> **Worker at SD Guthrie plantation**

[126] Anasuya Syam and Meg Roggensack, *Importing Freedom: Using the US Tariff Act to Combat Forced Labor in Supply Chains* (The human Trafficking Legal Center, 2020), https://htlegalcenter.org/wp-content/uploads/Importing-Freedom-Using-the-U.S.-Tariff-Act-to-Combat-Forced-Labor-in-Supply-Chains_FINAL.pdf.
[127] Brown et al., *Responsible Recruitment in the Malaysian Medical Gloves Industry: Impacts, Challenges and Recommendations*.
[128] ibid
[129] Malay Mail, Cabinet Agrees to Extend Freeze on Hiring of Foreign Workers says Home Minister, 31 Jan. 2024, https://www.malaymail.com/news/malaysia/2024/01/31/cabinet-agrees-to-extend-freeze-on-hiring-of-foreign-workers-says-home-minister/115620; New Business Age, Concerns in Nepal as Malaysia Freezes Foreign Workers Hiring, 16 May 2024, https://newbusinessage.com/news/39923/concerns-in-nepal-as-malaysia-freezes-foreign-workers-hiring/.

Some palm oil workers also reported increased surveillance and reduced privacy in recent years, which they associated with enhanced company monitoring and audits. While the workers did not directly attribute this to FLTB laws, audits are the main mechanism for companies to demonstrate to CBP that there is no forced labour in their operations. Several female workers expressed particular concern about supervisors photographing them regularly throughout the working day, citing discomfort and uncertainty about how the images were used, but feared complaining about this. Fears of negative consequences from raising concerns such as retaliation or conflict were also raised by other workers.

"We don't like it. You don't know who ends up having those photos, how they are distributed."
Worker at SD Guthrie plantation

"Of course, we are embarrassed about these photos. We are not comfortable with it. Sometimes, you lift your shirt to wipe your sweat, they take a photo. When you bend over to pick up something, they take your photo from behind. Do we like it? We don't think about feelings when it comes to these things. It's just what you have to go through. What can we do? Everyone has to do it. If we complain, they will only report our non-cooperation to their bosses."
Worker at SD Guthrie plantation

The interviews with workers in Malaysia also suggest that improvements have been experienced unevenly between migrant and non-migrant workers, which could raise conflict between the groups.

"Only migrant workers get a ride into work."
Worker at SD Guthrie plantation

"Even for those who have worked here for 13 years, the mattress is never replaced."
Local worker at SD Guthrie plantation

"They [the company management] generally will repair what is broken."
Migrant Worker at SD Guthrie plantation

8. Comparative analysis

The findings on rightsholders' perceptions and expectations of mHREDD and FLTB laws and the evidence discussed in the previous two chapters of the actual impacts on rightsholders associated to each type of law show that while concerns and challenges remain, both types of laws are having a range of positive impacts on different rightsholder groups. The analysis also shows the actors and mechanisms through which achieving impact has been possible, as well as the challenges that remain. Seven cross-cutting themes emerge from the analysis which are discussed below.

8.1 Exclusion of rightsholders

Across both laws, the evidence shows that rightsholders have been excluded from the laws' processes. The interviews with people with lived experience and workers in SD Guthrie, show a significant lack of awareness about these laws. The evidence also suggests that rightsholders' representatives, namely local trade unions in many parts of the world have little knowledge of these laws and how to use them. Moreover, as discussed in the previous sections, when remedy has been delivered it has not been designed in collaboration with rightsholders themselves. As a result, there is a significant distance and disconnection between the laws and rightsholders which has significant consequences if such laws are to work for rightsholders.

8.2 Remedial impacts over preventative impacts

Across both regimes, the evidence so far shows that impacts on rightsholders are mostly in relation to remediating past harm rather than preventing it. Under mHREDD laws, most outcomes that materialised such as financial compensation for damages and payment of back wages remediated past harm. Similarly, under FLTB laws, the most common impact has been the reimbursement of recruitment fees. While impacts from both regimes materialise after harm has occurred, that does not necessarily mean that the only form of remedy for rightsholders is backward looking.

This is illustrated by two cases associated with each type of law (see case study 2 and 10) whereby enforceable bargaining agreements were signed, showing evidence of increasing worker power. Moreover, while under both regimes there is evidence of improvements in working conditions, mostly these do not focus on

addressing vulnerabilities such as inadequate wages or lack of access to healthcare. Both types of impact, remedial and preventative, are important from rightsholders' perspectives and both types of laws have been associated with them.

It is likely that because these laws have been implemented relatively recently, remedial impacts are easier to observe as they may be easier to implement by companies and take less time to materialise than preventative ones, but the evidence also suggests that preventative forms of remedy have not been required by the laws or incentivised by enforcement authorities.

8.3 The key role of trade unions and CSOs

Under both types of laws, the role of trade unions and CSOs has been key to deliver remedy to rightsholders, especially forward-looking (preventative) remedy. Under the mHREDD laws, State-based mechanisms have largely failed to deliver outcomes for rightsholders, and so outcomes have mostly been enabled by trade unions and CSOs using the laws as leverage. Under the FLTB regime, the only example associated with preventative remedy was itself the product of years of local organising rather than of the enforcement of the ban but the work of CSOs and trade unions in doing so also triggered endorsement from enforcement authorities for this type of remedy under FLTB laws.

Both types of laws are therefore a tool for advocates to facilitate outcomes for rightsholders. However, in general, the impacts of these laws largely depend on the resources, capacities and capabilities of trade unions and CSOs, who largely face important challenges including access to resources and a rapidly shrinking civic space. CSOs and trade unions also depend on the effective enforcement of these laws. If the laws are not seen as being enforced effectively, the threat of legal action that trade unions and CSOs have leveraged will no longer support their efforts.

8.4 Uneven distribution of impacts on rightsholders

Under both regimes, migrant as well as non-migrant workers have benefited from remediation, even if to different degrees (FTLB laws have mostly benefited migrants while mHREDD laws have mostly benefited non-migrants). However, the impacts have mostly been in relation to workers that are visible, formally employed and organised, or attempting to organise. There is little to no evidence of positive impacts for workers in the informal economy, unorganised subcontracted workers in the lower tiers of supply chains, or Indigenous Peoples and ethnic minorities.

Partially, this is related to the design of these laws including in relation to their human rights scope and unclear or high evidentiary thresholds. People with lived experience interviewed for this study were particularly concerned about this possible gap in the laws' potential to benefit rightsholders and the evidence confirms these are legitimate concerns that need to be addressed.

8.5 Ripple effects and the deterrence effect

The impacts of these laws are not confined to the companies directly subject to them. Under the FLTB regime, enforcement actions have prompted firms not directly targeted to reimburse recruitment fees and adopt responsible-recruitment measures as seen across the Malaysian gloves sector and Taiwan's bicycle industry and have contributed to government policy change. Under the mHREDD regime, the establishment of Costa Rica's first social-dialogue Banana Forum shortly after remedies were achieved through the LkSG points to a similar dynamic. These ripple effects are potentially the most significant channel through which the laws could address systemic rather than firm-level harm, but they are also the least documented, are likely to take longer to materialise, and are harder to attribute to the laws. Similarly, it is highly likely that both laws have deterrence effects, yet by their nature, these are more difficult to observe and attribute to the laws as it requires measuring the extent to which something that might otherwise have happened has been prevented.

8.6 Negative impacts are not conclusive

Concerns about unintended consequences from both types of laws is widespread among rightsholders and advocates, and there is emerging evidence of unintended consequences under both regimes. Yet, these seem to be related to inadequate HRDD processes established by companies or poor responses from governments, suggesting that the laws can incorporate safeguards to prevent and mitigate them. For example, to avoid surveillance in the workplace, FLTB laws should not rely on audits but on engagement with rightsholders and their representatives such as trade unions and CSOs. Similarly, to avoid safeguarding risks, mHREDD laws should mandate companies to design grievance mechanisms in collaboration with rightsholders and their representatives. Moreover, the evidence is not yet conclusive and further research that links quantitative macroeconomic data with qualitative data from businesses and especially rightsholder's experiences is needed to build the evidence base.

8.7 Complementarity between law regimes

Both advocates and rightsholders widely believe that these two types of laws should work together to address forced labour and labour exploitation in business supply chains, especially as no single law is perceived as capable of doing so on its own. Each regime's ability to reach some groups of rightsholders more than others and address specific issues suggest that this could be one way in which they complement each other. For example, mHREDD laws have influenced remedy to rightsholders within and outside of the countries with the laws (including in the Global South), while FLTB laws have resulted in remedies for rightsholders outside of the countries with the laws. Moreover, mHREDD laws have provided remedy for harms beyond forced labour while FLTB laws only in relation to forced labour indicators. Because countries with both laws in force (such as the EU) have not yet enforced them in tandem, there is not yet evidence of their interaction in practice and how they can be mobilised together or in a staggered fashion by trade unions and CSOs and how this may contribute to ensuring, amplifying and improving remedies for rightsholders and preventing potential unintended consequences.

9. Recommendations

9.1 For governments designing or enforcing mHREDD laws and FLTB laws

- **Meaningfully engage with rightsholders (or their representatives when needed) when designing, enforcing, monitoring and evaluating mHREDD and FLTB laws:** Both types of laws have generally not been designed in collaboration with rightsholders and there is a significant distance and disconnection between these and rightsholders as illustrated by the lack of awareness and knowledge of these laws from the rightsholders interviewed for this study. To facilitate these engagements, create policy spaces and establish formal mechanisms such as Lived Experience Advisory Groups and rightsholder-led monitoring mechanisms. FLTB laws for example should mandate that enforcement authorities engage with rightsholders (or their representatives) before imposing and lifting a ban to prevent unintended consequences and ensure remedy is sufficient from the rightsholders' perspectives.

"[We] are best positioned to explain the realities of exploitation and identify gaps within legal systems."
Individual with lived experience

- **Require companies to design and implement remedial measures in collaboration with affected rightsholders and incentivise forward-looking (preventative) forms of remedy under both mHREDD and FLTB laws.** Across both regimes, impacts on rightsholders are mostly in relation to remediating past harm rather than preventing it and when remedy has been delivered it has not included the needs and priorities of those affected. The interviews with rightsholders undertaken for this study show that both types of remedy are important from the rightsholders' perspectives. Rightsholder-centred approaches to remediation should be required by enforcement authorities, not least because they are likely to lead to more forward-looking (preventative remedy). In the case of FLTB laws for example, enforcement authorities should require companies to remediate harm and meaningfully engage with workers in the remediation processes (except in cases of State-imposed forced labour where remediation is not possible).

- **Require authorities responsible for enforcing mHREDD and FLTB laws as well as businesses falling in scope of mHREDD laws to publicly and regularly report on outcomes for rightsholders resulting from complaint mechanisms and enforcement actions.** There is a lack of transparency

from enforcement authorities under both regimes and from businesses on outcomes for rightsholders. Enforcement authorities and businesses should report (in anonymised form as appropriate) on what remedy was provided to rightsholders that submitted complaints to allegation/grievance mechanisms and how its adequacy was assessed. For this, authorities responsible for enforcement should also ensure that State-based allegation mechanisms are open to everyone and establish feedback loops with CSOs, trade unions and rightsholders involved.

- **Design mHREDD laws that are aligned with the UNGPs and that establish corporate civil liability for damages arising from the failure to prevent human rights adverse impacts.** There is little evidence of remedies to rightsholders from State-based judicial mechanisms under mHREDD laws. Where mHREDD laws establish a civil liability mechanism, high evidentiary thresholds, information asymmetries and challenges in establishing causality remain important barriers to access to justice. Moreover, some rightsholders such as informal workers are excluded from the scope of these laws restricting who can seek remedy. mHREDD laws that cover all internationally recognised human rights, cover all the value chain and that establish strict liability for harms are more likely to result in remedies. Under a failure to prevent model a company will automatically be liable for damages unless it can prove reasonable HRDD processes. What constitutes reasonable should be clarified in guidance. This model is compatible with the UNGPs and has been found legally feasible by the British Institute of International and Comparative Law.[130]

- **Clarify the interoperability of the two regimes:** People with lived experience and advocates interviewed for this study believe that these two types of laws should work together to address forced labour and labour exploitation as no single law is perceived as capable of doing so on its own. Either through legislation or guidance, clarify how mHREDD laws would interact with FLTB laws, including in cases of State-imposed forced labour, and how enforcement will be coordinated across both regimes including in relation to information sharing. Guidance should also clarify how information on corporate implementation of HRDD processes would be used in the enforcement of FLTB laws.

9.2 For businesses

- **Build safe and effective grievance mechanisms:** As part of your HRDD obligations, ensure that internal grievance mechanisms comply with the

[130] See standalone case study: https://www.biicl.org/publications/impacts-of-mandatory-human-rights-and-environmental-due-diligence-and-forced-labour-trade-ban-laws-on-rightsholders

UNGP's effectiveness criteria, including that these are designed in collaboration with rightsholders themselves. Establish feedback loops with those that report grievances and ensure their safeguarding. These mechanisms work as early prevention tools to prevent escalation as well as enablers for remediation.

"People become silent because survival feels more important than speaking up."
Individual with lived experience

- **Engage meaningfully with rightsholders to deliver both backward-looking and forward-looking remedy:** Make an effective use of resources by not only remediating specific instances of past harm but also by putting in place measures that can prevent future harm and increase business resilience. For example, work with suppliers to improve working conditions (including those that address underlying vulnerabilities), ensure workers in your operations and your supply chains have collective bargaining agreements that guarantees them adequate wages, freedom of association and representation from independent trade unions, and use worker-centred models for remediation such as that developed by Electronics Watch.[131]

- **Publicly and regularly report on outcomes for rightsholders:** Track and publicly report on the remedy outcomes of your grievance mechanisms and their adequacy from the rightsholders perspectives. Consider developing a Theory of Change to connect your HRDD processes to outcomes. A Theory of Change follows an "if/then" logic that goes from corporate inputs, to outputs, and outcomes. [132] It outlines the causal pathway through which inputs and activities are expected to translate into outcomes for people. Ensure your reports include both, processes and outcomes.

- **Engage in good faith with trade unions and CSOs:** To address issues proactively before issues escalate to legal enforcement actions, engage in dialogue and negotiation processes with trade unions and CSOs. Where possible, do so in collaboration with relevant business partners in your value chain as appropriate.

- **Collaborate with competitors to address systemic risks:** To address systemic risks in your industry, work in pre-competitive collaboration with

[131] Electronics Watch "Principles for Worker-Driven Remedy" 2023. https://electronicswatch.org/en/worker-driven-remediation_2694955
[132] Shift, *Indicator Design Tool: A People-Centred Approach to Measuring the Progress and Effectiveness of Human Rights Initiatives and Programmes*.

competitors to develop and implement collaborative sector-wide solutions and remedies.

9.3 For civil society organisations and trade unions

- **Continue raising rightsholders' awareness of these laws and advocating with governments for the effective design and enforcement of these laws:** Continue raising awareness of these laws among different groups of rightsholders including those in informal working arrangements, migrant workers and undocumented workers. And continue advocating with governments to design and enforce these laws in collaboration with rightsholders.

"Awareness is itself a form of protection"
Individual with lived experience

- **Provide capacity building to affiliates (for international and national trade union bodies):** Increase awareness and build capacity of local trade unions on these types of laws and how to use them. Look to establish transnational networks of allies and connect local trade unions and CSOs in the Global South with those in the Global North.

- **Use mHREDD and FLTB laws as a source of leverage:** CSOs and trade unions can use these laws as leverage to achieve outcomes for rightsholders and broader impacts. Follow and build on existing guidance developed by CSOs and trade unions on how to do so.

- **Participate in confidential research that documents impact:** Participate in confidential research to build the evidence base on the impacts achieved through leveraging these laws, and how these laws are used in practice, including possible interactions in specific cases.

- **Design new approaches to facilitate protection to migrant workers (for trade unions):** Design systemic approaches to facilitate the organising of migrant workers and informal workers, including local communities, who are under-represented.

9.4 For funders and donors

- **Fund qualitative rightsholder-centred research:** Prioritise funding empirical research (including longitudinal studies) that puts rightsholders' voices at the centre to better understand the impact of these laws on

rightsholders, especially in relation to less visible and harder to reach rightsholder groups such as informal workers and Indigenous Peoples.

- **Support trade unions and CSOs:** Channel resources towards building the capacity of trade unions and CSOs to leverage these laws for rightsholders and to build transnational connections (especially between the Global North and the Global South). While their role is key in raising awareness and achieving outcomes for rightsholders, CSOs and trade unions are increasingly facing shortages of funding, partially related to US aid cuts.

> *"Resource constraint is huge…at the same time as CSDDD coming into force. We need more funding"*
>
> **CSO representative**

- **Support lived experience leaders and advocates:** Channel resources towards building the capacity of lived experience leaders and advocates to raise awareness of these laws among people with lived experience and how to leverage them in collaboration with trade unions and CSOs.

Annexes

Annex 1: mHREDD and FLTB laws in scope of this study

Table 1: mHREDD laws in scope[1]

mHREDD law	Country	Entered into force	Human rights in scope	HRDD remedy requirement[2]	Companies in scope	Enforcement	Corporate Liability	Disclosure requirement	Fines and penalties
French Duty of Vigilance Law 2017	France	2017	Human rights, health and safety and the environment.	No remediation of harm as element of the corporate duty of vigilance.	Large companies registered in France with more than 5,000 employees in France or more than 10,000 worldwide, or foreign companies with French subsidiaries with at least 5,000 employees in France.	Judicial oversight.	Formal notices, injunctions and Civil liability for damages.	Publish a Vigilance Plan.	A court may impose a penalty for each day of noncompliance.
German Due Diligence in Supply Chain Act 2021	Germany	January 1st 2023	International human rights, labour rights and the environment.	Requires remedial action when discovering a violation but not in relation to providing remediation for harms to rightsholders.	Large companies with central administration, headquarters, or registered office (or branch office) in Germany with at least 1,000 employees.	State-based administrative oversight by the German Federal Office for Economic Affairs and Export Control (BAFA).	No new civil or criminal liability.	Publish annual reports on the fulfilment of the due diligence obligations company's website and submit them to the competent authority.	Financial penalty and administrative fines. Companies can also be excluded from public procurement for up to three years if an administrative fine is imposed above a certain minimum level.
Norwegian Transparency Act 2021	Norway	1 July 2022	Fundamental human rights, decent work (including health and safety and living wages) and partially environmental harms.	Requires provision for or cooperation in remediation and compensation where required.	Large companies that are resident in Norway or offer goods and services in Norway (and are liable for Norwegian tax).	The Norwegian Consumer Authority.	No express provisions for civil or criminal liability.	Report digitally on the company's website.	Financial Penalties.

[1] Simplified version taken from Gonzalez De Aguinaga, *Effectiveness of Mandatory Human Rights and Environmental Due Diligence Legislation in Addressing Modern Slavery in Business Value Chains-Evidence Review*. https://www.modernslaverypec.org/resources/updated-mhredd

[2] Based on Landau and Marshall, 'Will Remedy Remain Rare?'

Table 2: FLTB laws in scope[3]

FLTB law	Country	Entered into force	Coverage of human rights violations	Approach to enforcement	Scope (goods, entities, geography)	Burden of proof	Evidential threshold to establish a ban	Conditions to lift a ban	Remediation as necessary condition to lift a ban	Enforcement authority
Section 307 of the Tariff Act of 1930 (codified 19 U.S.C. § 1307).	U.S.	1932 but largely enforced only since 2016.	Convict labour forced labour and forced child labour.	Self-initiate investigations or follow the submission of allegations on the Allegations Online Trade Violation Reporting System.	All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by forced labour. Bans have been issued to specific producers, categories of goods, and specific regions.	On the authorities.	If the investigation finds reasonable but not conclusive evidence that goods were made by forced labour, CBP can issue a Withhold Release Order (WRO). A Finding is issued when CBP finds conclusive evidence and seizes affected products remaining within its jurisdiction.	CBP can modify the WRO when forced labour indicators are remediated (i.e., removed). CBP can also revoke the WRO indicating that forced labour was not present at the time the WRO was imposed.	No. The term "remediation", is understood and applied as the removal of indicators of forced labour rather than the provision of substantive remedies to people.	Enforcement: US Customs and Border Protection (CBP). Monitoring: The Forced Labor Enforcement Task Force (FLETF).
Uyghur Forced Labor Prevention Act (UFLPA) 2021 under s. 307	U.S.	June 2022	Convict labour, forced labour and forced child labour.	Rebuttable presumption, using an Entity List and a List of Priority sectors for enforcement.	Goods mined, produced, manufactured wholly or in part in Xinjiang or by entities on the UFLPA Entity List.	On the importer.	Entity List and list of products made by certain listed entities. Importers can rebut the presumption by showing "clear and convincing evidence".	Removal from the Entity List.	No.	US Customs and Border Protection (CBP). Monitoring: The Forced Labor Enforcement Task Force (FLETF).

[3] Simplified version taken from Gonzalez De Aguinaga (2025) Effectiveness of forced labour import bans in addressing modern slavery in global supply chains. https://www.modernslaverypec.org/resources/forced-labour-import-bans-2025

Annex 2: Ten selected case studies of impact of mHREDD laws and FLTB laws on rightsholders

Case study 1: Yves Rocher and financial compensation to workers in Turkey under the FDVL

Between 2018 and 2019, a Turkish subsidiary controlled by Yves Rocher Group (a French company in scope of the FDVL) dismissed more than 130 employees for joining the Petrol-Is trade union. Turkish labour authorities characterised this as a form of anti-union repression. In April 2020, Sherpa, ActionAid France and Petrol-Is notified Ives Rocher that the dismissals occurring in their subsidiary was a shortcoming of the Gorups' vigilance obligations. In March 2022 after no remedy agreement was reached, proceedings were brought before the Paris Judicial Court by the two NGOs, the trade union and 81 individual claimants. In March 2026 the Paris Judicial Court ruled against the parent company for failing to identify the risk of serious violations of workers' rights (unfair dismissal and union-busting) in its subsidiary in Turkey and hence to put measures in place to prevent it. In 2026 Yves Rocher paid 8 thousand EUR to six former employees (each) in damages including moral prejudice resulting from the violation of freedom of association and economic prejudice linked to the loss of employment. In addition Petrol-İş was awarded €40,000 and symbolic damages were awarded to Sherpa and ActionAid France.

Case study 2: A German retail company and the signing of a collective bargaining agreement for workers in Turkey under the LkSG

Turkish workers in a subsidiary of a German retail company in Turkey faced low wages and union-busting. Workers were subject to intimidation and surveillance and were threatened to face dismissal if they joined a union. The workers' union Tez Koop-S submitted complaints to the subsidiary using the company's OLGM, but the company refused to engage in dialogue. As a result, Tez Koop-Is, supported by the UNI Global Union and German Union Ver.di reached the company headquarters in Germany and threatened to submit a formal complaint to BAFA. After this, the parent company accepted to negotiate with the union. The negotiations ultimately led to the signing of a collective bargaining agreement that includes better pay for nearly 1,000 current and all future employees of the company in Turkey.[4]

Case study 3: Faire Mobilitat and payment of back wages to migrant truck driver in a subcontracting chain in Germany

A Georgian truck driver transporting goods for German companies within Germany was paid back wages in 2023 after Faire *Mobilität (an* advisory network run by the German Trade Union Confederation (DGB) that supports mobile workers from Central and Eastern European EU member states) used the LkSG to facilitate negotiations between the employee (a Polish transport company employing migrant workers), the contractor (a German transport company) and the client (a DYI company falling under the LkSG). The German transport company initially

[4] Finn Schufft, *The Impact of Due Diligence Legislation. Practical Examples from the Implementation of the German Supply Chain Act (LkSG)* (2026), https://www.germanwatch.org/en/93384.

shifted responsibility to the employee (the Polish transport company) but through the waybills they were able to identify one of the largest clients of the transported goods who while not ultimately responsible for the wages, had the obligation under the LkSG of working conditions of the driver. [5]

Case 4: Payment of outstanding wages to Eastern European truck drivers in Gräfenhausen, Germany.

Between the spring and summer of 2023, several dozen Easter European truck drivers, primarily from Georgia and Uzbekistan, parked their trucks at a motorway service area in Gräfenhausen, Germany, for several weeks to demand unpaid wages from their Polish transport company, who supplied large German companies.[6] Ultimately, the drivers were able to secure payment of outstanding wages in both the spring and summer strikes. [7] In the spring strike, a German company exerted pressure on its supplier, the Polish transport company (Mazur), which led to the employer paying €303,363.36 on outstanding wages, allegedly because the cargo was urgently needed. In the second strike in the summer, BAFA (and the legal pressure from the LkSG) played a clearer role as the president of BAFA visited the service area and BAFA teams examined the shipping documents on site and carried out document reviews confirming that the Polish transport company was violating human and labour rights. [8]

Case study 5: Aldi and financial compensation for damages to workers in Costa Rica under the LkSG

Banana workers in Costa Rica faced labour rights violations on banana plantations supplying to German companies including low-wage payments, aerial spraying of pesticides and discrimination against union members. Local trade unions working together in alliance with global CSOs and trade unions used the operational level grievance mechanism of the buyer companies in Germany, including Aldi, to submit their complaints in 2023, using the LkSG as leverage. [9]After receiving the complaint Aldi engaged in dialogue with its banana supplier, their Costa Rican producers, and the local trade union to address concerns. In August 2025 banana workers received financial compensation from one of their largest buyers, the German Supermarket Aldi. However, negotiations are continuing on other issues such as occupational health and safety. [10]

Case study 6: Wine farm and improvements in working conditions for farmers in South Africa under the LkSG

[5] 'Das LkSG Wirkt - Das Beispiel Straßentransport', accessed 9 April 2026, https://www.faire-mobilitaet.de/fachinformationen/berichte-und-erfolge/das-lksg-wirkt/.
[6] 'Das LkSG Wirkt - Das Beispiel Straßentransport'.
[7] See: https://www.verdi.de/psl/menschenrechte-durchsetzen
[8] See: https://www.verdi.de/psl/menschenrechte-durchsetzen
[9] See: https://www.oxfam.de/blog/aldi-bananen-lieferkettengesetz-wirkt-plantagen-costa-rica
[10] See: https://unison.org.uk/magazine/feature/central-american-plantation-workers-are-growing-power-unisons-help

Through a transnational alliance of local and international trade unions and CSOs (the TieExChains) South African wine farmers threatened the management of a South African wine farm that sells to German supermarkets to escalate human rights violations beyond the local context to buyers and regulators in Europe using the LkSG as leverage, after the farm had previously been unresponsive to workers' complaints. The wine farmers reached dialogue negotiations with South African wine farmers and have reported improvements in working conditions, namely in relation to health and safety such as access to drinking water, buffer zones to protect their homes from toxic pesticides sprayed in the vineyards, among others.[11]

Case study 7: Top Glove in Malaysia

In July 2020, CBP issued a WRO on Top Glove, a Malaysian rubber glove manufacturer, based on reasonable information of forced labour indicators including debt bondage, excessive overtime, abusive working and living conditions and retention of identity documents. On March 29th, 2021, CBP issued a Notice of Finding against the company based on conclusive evidence of forced labour. [12]Top Glove's remediation actions included systemic changes to its recruitment practices, [13] the repayment of recruitment fees (totalling over $36.3 million to 12,676 current and eligible former workers),[14] improvements in worker accommodation, and the implementation of an independent worker helpline.[15] On September 9th, 2021, CBP lifted the ban based on evidence that Top Glove had addressed all of the forced labour indicators identified. [16]

Case study 8: SD Guthrie (Sime Darby) in Malaysia

In December 2020 CBP issued WROs against two of Malaysia's largest palm oil producers, including Sime Darby Plantation based on information that reasonably indicated forced labour indicators[17] including debt bondage and exploitative recruitment practices documented by civil society organisations, workers' organisations, researchers, and government agencies.[18] In January 2022 CBP issued a formal Finding concluding that the business operations exhibited indicators of forced labour. [19] SD Guthrie

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[11] Matthew Alford et al., 'Promise and Pitfalls of Mandatory Due Diligence for Enhancing Worker Power in Global Value Chains: The Case of South African Wine', *Journal of Economic Geography*, 12 January 2026, lbaf048, https://doi.org/10.1093/jeg/lbaf048.

[12] https://www.govinfo.gov/content/pkg/FR-2021-03-29/pdf/2021-06393.pdf

[13] The Remedy Project

[14] https://www.dol.gov/agencies/ilab/sourcingstrong/steps-to-a-social-compliance-system/step-6-remediate-violations/example-in-action-top-glove-wro-and-subsequent-modification

[15] https://impacttlimited.com/insights/impactt-supports-top-glove/

[16] https://www.cbp.gov/newsroom/national-media-release/cbp-modifies-forced-labor-finding-top-glove-corporation-bhd

[17] U.S. Customs and Border Protection, CBP Issues Withhold Release Order on Palm Oil Produced by Forced Labor in Malaysia, 30 Dec. 2020, https://www.cbp.gov/newsroom/national-media-release/cbp-issues-withhold-release-order-palm-oil-produced-forced-labor.

[18] *See for example* International Organization for Migration, The Cost of Hope: Stories of Migrant Workers in Palm Oil Plantations in Malaysia, 2023, https://asiapacific.iom.int/sites/g/files/tmzbdl671/files/documents/The%20Cost%20of%20Hope%20Feb%2019.pdf; U.S. Bureau of International Labor Affairs, The Department of Labor's Exposing Exploitation in Global Supply Chains Series: Palm Oil Storyboard, https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods/supply-chains/palm-oil; World Rainforest Movement, Modern-Day Slavery in Oil Palm Plantations: The Outstanding Cases of Malaysia and Indonesia, 23 Dec. 2013, https://www.wrm.org.uy/bulletin-articles/modern-day-slavery-in-oil-palm-plantations-the-outstanding-cases-of-malaysia-and-indonesia.

[19] Federal Register, Notice of Finding that Certain Palm Oil and Derivative Products Made Wholly or In Part With Palm Oil Produced by the Malaysian Company Sime Darby Plantation Berhad Its Subsidiaries, and Joint Ventures, With the Use of Convict, Forced or Indentured Labor Are Being, or Are Likely To Be, Imported into the United States in Violation of 19 U.S.C.

implemented a remediation programme aimed at addressing the forced labour indicators identified.[20] Remediation measures reported by the company included reimbursement of recruitment fees, reforms to recruitment and employment practices, strengthening of grievance mechanisms, and commitments to responsible recruitment principles.[21] According to SD Guthrie's own reports, it allocated MYR 82 million for reimbursement of recruitment fees to foreign workers, including reaching out to former workers to facilitate reimbursement.[22] This and the strengthening of grievance mechanisms were corroborated by workers in a 2023 study. In that study workers also confirmed that working hours and access to healthcare had improved since the WRO imposition.[23]CBP modified the WRO against Sime Darby Plantation in February 2023.[24]

Case study 9: Giant in Taiwan

On September 24th, 2025, CBP issued a WRO against Giant Manufacturing Co., a manufacturer of bicycles and bicycle parts in Taiwan based on the identification of five of the ILO's forced labour indicators, including abusive working and living conditions, withholding of wages, and debt bondage. [25] Less than a month later, Giant reimbursed some of the recruitment fees paid by current migrant workers who confirm receipt (Vietnamese receive $1,625 and Thai receive $975) and relocated workers to better dorms. By December Giant completed its reimbursement processes to current workers and by February 2026 Giant also reimbursed recruitment fees to former workers. By 2026 Giant introduced a zero-recruitment-fee policy for new migrant workers. Giant also reported the relocation of 400 workers to new dorms is completed and migrant workers confirmed the move out of their previous dormitories which fit up to 32 beds per room.[26] The WRO is still active.[27]

Case study 10: Natchi Apparel in India

On July 29th, 2022 CBP issued a WRO against Natchi Apparel. The Workers Rights Consortium documented abuses to female workers at Natchi in May 2022 including abuse, restriction of movement, gender-based violence and harassment, among

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others. [28] In April 2022 the "Dindigul Agreement"[29], a set of two interlocking sets of legally binding agreements (a collective bargaining agreement and an enforceable brand agreement) covering 5,000 workers employed at Natchi Apparel and Eastman Spinning Mills (both owned by Eastman Exports) was signed to address gender-based violence, harassment and discrimination of women workers at Natchi Apparel and Eastman Spinning Mills in India. PVH Corporation and Gap Inc. (buyers from other units of Eastman Exports) also signed similar agreements later in 2022. [30] The submission to CBP of the documentation that the agreements had remediated the indicators of forced labour at the factory led to the modification of the WRO in less than two months on September 7th, 2022. [31]

[28] https://www.workersrights.org/our-work/factory-investigations/natchi-apparel/ and also covered by the Guardian https://www.theguardian.com/global-development/2022/may/22/murder-rape-and-abuse-in-asia-factories-the-true-price-of-uk-fast-fashion-jeyasre-kathiravel
[29] The Dindigul Agreement to End Gender-Based Violence and Harassment (GBVH)
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