

Summary

- The European Commission has proposed a [draft law](#) to prohibit the sale in the EU market of products made with forced labour. If approved by the European Parliament and Member States in the Council, national authorities will be able to investigate the risk of forced labour in production processes and decide about the withdrawal of particular products from the EU market. National customs authorities will facilitate implementation by stopping EU exports and imports made with forced labour at EU borders. A key issue in the future development of these measures to combat forced labour will be how to achieve EU-wide consistency.
- This EU proposal complements recent EU actions to fight modern slavery across global supply chains, such as its draft law on [corporate due diligence](#).
- The European Parliament and Member States in the Council will need to review the Commission's proposal and adopt the final legislation. If approved, the new EU rules will apply two years after they enter into force, suggesting that they will not come into force until late 2025 at the earliest.

Report

On 14 September 2022, the European Commission (the EU's executive body) published a draft law to prohibit the placing on the EU market of products made, extracted or harvested with forced labour. The International Labour Organization (ILO) estimates that over 27 million people around the world were in forced labour in 2021.

The Commission proposal covers all sectors, and will apply to:

- Goods produced in the EU;
- Imports into the EU; and
- Exports from the EU;

It does not target specific companies, industries or countries.

For the purposes of this new measure, the Commission has used the ILO's definition of forced or compulsory labour as "*all work or service which is extracted from any person under threat of a penalty and for which the person has not offered himself or herself voluntarily*". This refers to situations in which persons are coerced to work through the use of violence or intimidation, or by more indirect means such as manipulated debt, retention of identity papers or threats of denunciation to immigration authorities.

However, the draft legislation does not include services performed under duress, which excludes forced prostitution, begging, domestic work and hospitality.

The proposed new rules

EU Member States will designate one or several national authorities who will be responsible for investigating and withdrawing products from the EU market that are alleged to have been made with forced labour.

These national authorities will monitor and assess the suspected risk of forced labour in the production of goods, drawing on independent and verifiable information, such as the ILO, a new EU database on risk areas and products, and the submissions made by governments and civil society. National authorities will request information from companies and carry out checks and inspections, including in countries outside the EU.

If national authorities conclude that a product was made with forced labour, companies will not be able to sell the product in

the EU, nor export it from the EU. Decisions taken by authorities in one Member State will be recognised and enforced by authorities in the other Member States. Businesses will face penalties under national laws if they do not follow the decision of Member States.

National customs authorities will be in charge of enforcement at the EU borders. They will rely on the decisions of the national authorities empowered with this EU law and inspect concerning products to stop EU imports and exports.

If the product is already on the EU market, authorities will require the company to withdraw it and bear the cost of destroying, rendering inoperable or disposing the good.

Guidelines issued by the Commission will facilitate the implementation of the prohibition both by business and by competent authorities of Member States.

This market ban on goods made by forced labour complements recent EU actions to fight modern slavery, such as the proposed EU [due diligence law](#) to ensure companies identify, prevent and mitigate adverse impacts of their activity on human rights and the environment throughout their global value chains. The EU due diligence rules include sanctions for non-complying businesses, but does not require the withdrawal of products from the market. For the EU, the continued existence of forced labour illustrates the need for a mechanism to prohibit concerning products.

The Commission proposal is currently [open for feedback](#) for a minimum period of 8 weeks. Stakeholders from 22 countries on five continents have previously given feedback to the Commission.

Next steps

The Commission has sent the proposed legislation to the European Parliament and the Council for consideration. Once the Parliament and the Council reach their positions on the proposal, they will start informal inter-institutional negotiations to reach an agreement on the final text.

Once agreed by the EU institutions, the legislation will apply two years after its entry into force, giving sufficient time for national authorities to prepare the necessary resources and expertise. This means concrete enactment of the ban would happen in 2025 at the earliest.

A key issue in the future development of these measures to combat forced labour will be how to achieve EU-wide consistency, while leaving it to the competent authorities in EU Member States to decide how to implement them.

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