



# **THE LEADERSHIP GROUP FOR RESPONSIBLE RECRUITMENT**

REVIEW OF PROGRESS

Action Groups - Year 1 / 2022



# The Leadership Group for Responsible Recruitment

## Action Groups Report 2022

February 2023

This document contains information about the Leadership Group for Responsible Recruitment. For more information, please contact Stephanie Bratnick, Leadership Group for Responsible Recruitment Manager & North America Regional Coordinator of the Migrant Workers Programme, IHRB ([stephanie.bratnick@ihrb.org](mailto:stephanie.bratnick@ihrb.org)).



Leadership  
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Responsible  
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# Table of Contents

<b>1. Introduction &amp; Background</b>	<b>4</b>
1.1 Leadership	4
<b>2. Action Groups</b>	<b>6</b>
2.1 Government Engagement Action Group	7
2.2 Women Migrant Workers Action Group	9
2.3 Global Recruitment Industry Action Group	11
<b>3. Concluding Summary</b>	<b>12</b>

# Introduction & Background

Led by The Institute for Human Rights and Business (IHRB), The Leadership Group for Responsible Recruitment (LGRR) is a collaboration between leading companies and expert organisations to drive positive change in the way migrant workers are recruited. The LGRR provides a vehicle for advocacy on policy and practice with business and government.

The Leadership Group's mission is:

**To use the collective leverage of brands to drive change in the way that migrant workers are recruited.**

The Leadership Group for Responsible Recruitment (LGRR) was established by IHRB in 2016 as a ten-year endeavour with the vision of achieving a global prohibition of worker paid recruitment fees by 2026. The Leadership Group is a focused collective action initiative involving international companies, intergovernmental organizations, civil society and government representatives aimed at building leverage to stimulate demand for responsible recruitment, increase supply and ensure the protection of vulnerable workers.

The first phase of the initiative focused on advocating for the “**Employer Pays Principle**”, which affirms that no worker should pay for a job. The costs of recruitment should be borne not by the worker but by the employer. This report relates to the work undertaken in 2022, the middle phase of the initiative, when the initiative adds a guardianship role to that of advocacy, ensuring that the Employer Pays Principle is rigorously and effectively applied in the supply chains of member companies and in the operations of others.

## 1.1 Leadership

The LGRR defines leadership as stewardship and promotion of the Employer Pays Principle (EPP) through action, advocacy, and transparency. Each member company strives to end the practice of recruitment fees paid by workers within their own supply chain and with external business.

The work of the Leadership Group rests on three pillars:

- **Pillar 1.** Create Demand for Responsible Recruitment: Leadership Group members develop leading systems and processes and work with suppliers and other stakeholders to ensure best practices consistent with international human rights and labour standards. Through advocacy and collaboration, more companies are encouraged to align their own recruitment processes with the *Employer Pays Principle*.
- **Pillar 2.** Increase Supply of Ethical Recruitment Options: Create an enabling environment for ethical and professional recruitment agencies or government institutions to service increased business demand for responsible recruitment.
- **Pillar 3.** Improve Protections for Migrant Workers and for Responsible Business: Governments develop and enforce appropriate regulations for recruiters in both countries of origin and



destination. Visa and other government processes are simplified and made more accountable and transparent. Government to government agreements ensure best practice and protections for law abiding business and for the rights of migrant workers.



# Action Groups

# 2

The primary activities undertaken by the group in 2022 focused on three key initiatives mobilised through structured action groups. The initiatives, launched in 2022, are based on the 3 Pillars, and focused on moving the LGRR fully into the guardianship role, working to ensure the Employer Pays Principle is implemented worldwide.

## The three 2022 Action Groups are:



### Government Engagement

Company leverage used to advocate with a specific government to design stronger protective policies for migrant worker recruitment.



### Women Migrant Workers and Recruitment Fees

Address the specific and unique risks faced by women migrant workers during the recruitment process, and develop recommendations to ensure women migrant workers are not paying recruitment fees.



### Global Recruitment Industry Engagement

Company leverage used to encourage The World Employment Confederation and their big 7 corporate members to strengthen engagement with supply chains in the Global South.

The Action Groups saw a successful and promising start to the first year of collective action. Out of 13 projected outcomes for 2022, the Action Groups completed or began work on 11 of the outcomes. Each group solidified its respective agenda and strategy. Initial action was taken on gathering data and research on each issue, and building partnerships with external stakeholders and other multi-stakeholder groups. Through continued and increased involvement from group members, Year 2 will be spent elevating the work to create tangible global change and stewardship of the *Employer Pays Principle*.





## 2.1 Government Engagement Action Group

### Members:

IKEA, HPE, Tesco, Mars, Walmart, Unilever, HP, Target, VFC, Coca-Cola, IOM

### Long Term Goal:

Utilising the third pillar that underpins the LGRR's work (Improving Protection), the Action Group advocates with specific governments to recognise and utilise the Employer Pays Principle and to design stronger protective policies for migrant worker recruitment. As legislative models used by different states can contradict each other, the Group provides critical reviews for gaps and lack of enforcement mechanisms and recommendations for better alignment of policies between recruitment corridors.

Low-skilled and migrant workers across Asia are often unaware of their own rights or how to exercise them. Workers cannot be expected to participate effectively in due diligence and stakeholder engagement unless they are supported. The Action Group highlights that it is crucial that governments and businesses focus on empowering workers, and that processes become more inclusive of workers. Worker-centric initiatives, investments in peer-to-peer learning, and bottom-up initiatives must be supported and prioritised.

### Outcomes for Year 1:

The Action Group met in June 2022 and September 2022 with a total of 19 brand members joining the meetings. During the initial meetings members collectively agreed to prioritise efforts on Malaysia, due to member capacity and other ongoing projects within the country. Following that decision, a briefing was conducted on relevant legislation and National Action Plans on protection and recruitment of migrant workers.

The Action Group Chair, Guna Subramaniam, and the IHRB South Asia Coordinator, Rakesh Ranjan, conducted in-person meetings with key stakeholders and potential partners in Malaysia and key sending country Bangladesh, ensuring local support for constructive dialogue. A number of CSOs, coalitions and consultants agreed to support the Leadership Group for advocacy with the Malaysian government.

To build the profile of LGRR members' operations and sourcing in the countries of focus, a survey was prepared to gather data from all LGRR brand members. LGRR members were requested to provide data and figures on their companies' operations and business partners that government will need/appreciate (eg. how many suppliers and workers in the country), and other initiatives individual member companies are involved in to advance responsible recruitment and the *Employer Pays Principle*. This data helps the Action Group assess where they can best deploy leverage with governments.

## Projected Objectives for Year 2:

The Action Group members will continue to help contribute their operations data and work collectively for strategic engagement with the Malaysian government. Consultations will continue with other multi-stakeholder coalitions working on similar agendas for responsible recruitment and business in Malaysia (eg. the Responsible Business Alliance (RBA), Consumer Goods Forum (CGF), the Palm Oil Coalition Group (POCG), etc.) and regional business partners, trade associations, recruitment agencies, CSOs, etc., to address key recommendations to the government of Malaysia.

Following consultation with key stakeholders or in collaboration with them, the Group will draft a recommendation paper and present/engage in dialogue with relevant Malaysian government ministries and officials.







## 2.2 Women Migrant Workers Action Group

### **Members:**

Tesco, Mars, Nike, PepsiCo, Unilever, Target, Coca-Cola, M&S, VFC, MFA, and ICCR

### **Long-Term Goals**

In four years, the Leadership Group can fully understand the specific experience and risks faced by migrant women workers during recruitment, and implement mitigation steps based on data and evidence-based practices in protecting and ending exploitation of women during the recruitment process.

### **Outcomes for Year 1:**

The group met twice during 2022, in June and October. The first meeting focused on overall long-term and short-term strategy, as well as current internal policies and gaps within current business and human rights initiatives. The October meeting was dedicated to designing the LGRR member survey for suppliers to gather data on the experience of women during recruitment. As certain data is currently gathered during auditing, group members also felt that an initial survey for LGRR brand members would be the strongest starting point. The Action Group Chair, Stephanie Bratnick (IHRB), designed two data surveys geared to each group – LGRR and suppliers. The drafts were submitted to Action Group members for feedback.

IHRB conducted a literature review of existing reports and research on women migrant workers and recruitment regarding how women are recruited for formal and informal labour, specific forms of discrimination impacting the charging of recruitment fees, prevalence of women paying fees, and barriers to women receiving remediation from employers. The literature review revealed the large gap in the current understanding of migrant women's experience in recruitment, while accumulating data and findings on the challenges faced by women migrant workers during employment. These challenges may be exacerbated by exploitative recruitment practices. The findings from the literature review and the survey data will form the backbone of the Business Briefing paper to be drafted in Year 2.

### **Projected outcomes for Year 2:**

The Action Group will build on the data, research, and dialogue undertaken within the first year by drafting a Business Briefing paper on Women Migrant Workers and Recruitment Fees. This paper will be published within Quarter 3. During the drafting process, the Chair and group members will engage with key stakeholders and multi-stakeholder groups, who are addressing issues relating to migrant women and recruitment fees, to discuss successful projects and programmes.

As the third year of the Action Group is focused on the publication and promotion of a practical toolkit for business to address recruitment fees and migrant women, the fourth quarter of Year 2 will be dedicated to initial drafting and review of the toolkit. The toolkit will pull from the data submitted by members, the literature review findings, best practices and successful pilot projects, and information

provided by multi-stakeholders. The toolkit will serve as a guidance tool for businesses seeking to better protect migrant women as they undertake employment within the global supply chain.







## 2.3 Global Recruitment Industry Action Group

### **Members:**

HPE, Coca-Cola, VINCI, Nestle, PepsiCo, Unilever, HP, VFC, and Verite

### **Long Term Goals:**

The Action Group is focused on improving recruitment practice by agencies in Nepal, Bangladesh, India, and Malaysia. It will seek to secure greater understanding and promotion of ethical standards from both individual recruitment agencies and the national associations of which they are members. In particular, the Group will consider the role that the largest international Employment and Recruitment Agencies might play in helping promote professional practice within key recruitment corridors for low wage workers and how National Associations in the region may be supported to align their codes of practice and activities with international standards.

### **Outcomes for Year 1:**

Action Group Chair, Neill Wilkins (IHRB), designed a data survey to elicit information regarding LGRR brand members and their involvement with the members of the World Employment Confederation (WEC), the international body that represents the Employment and Recruitment Industry. The results of the member survey showed a broad and varied range of engagement levels with the Big 7 Corporate members of WEC which tended to be organised on a local, per need basis rather than national arrangements. LGRR members have also been trying to promote recruitment agency training and capacity building in Nepal and Malaysia as a condition of doing business.

### **Projected Objectives for Year 2:**

The Action Group will arrange an initial meeting with group members and the World Employment Confederation to discuss cooperation in the target regions, as well as build constructive dialogue and open pathways of communication between the parties. Following the larger meeting, bilateral discussions with Big 7 Agencies and Action Group companies will be held to discuss recruitment and engagement in the target regions. WEC will also be invited to participate in the Global Forum for Responsible Recruitment 2023 to further increase partnership and visibility.

# Concluding Summary

# 3

Adoption of the Employer Pays Principle across all industries is fundamental to combating exploitation, forced labour, and trafficking of migrant workers in global supply chains, and represents an important step in achieving the UN Sustainable Development Goal of decent work for all. The LGRR Action Groups continue to drive this momentum through supporting improved government oversight of the industry, promoting best practices by the recruitment industry and encouraging new ethical agencies, and the development of tools and guidance to support the implementation of Employer Pays policies.

Year 1 of the Action Groups focused on understanding the current state of play within the three thematic areas through dialogue, data collection, and partnership building in order to develop strategies to guide the final years of the LGRR. Year 2 will build on these foundations to deliver tangible outputs including: targeted outreach to the World Employment Confederation, the publication of a Business Briefing paper on Women Migrant Workers and Recruitment Fees, and recommendations to promote the Employer Pays Principle with the Malaysian government.







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**Making human rights part of everyday business.**

Launched in May 2016, the Leadership Group for Responsible Recruitment is a collaboration between leading companies and expert organisations to drive positive change in the way that migrant workers are recruited.