



**“The Global Fund to End Slavery”
Address to The International Labour Organization
ILO, Geneva
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Thank you, Greg, for that very warm and generous introduction.

Good evening, everyone! It is a great honor to be here. What an opportunity to share the vision for a Global Fund to End Slavery with a group that has as its purpose “promoting social justice and internationally recognized human and labor rights” ...and accomplishes that purpose through a tripartite process involving 185 countries. This is truly a special place.

For the past 35 years, I have had the opportunity to work in the private sector all around the world. In my last position as Vice President, Global Procurement, with ExxonMobil, I had world wide responsibility for all procurement, strategic sourcing, supply chain management, warehousing and accounts payables. Because we operated in close to 190 countries, I had the good fortune to work with most of the ILO member States and was responsible for running operations in the vast majority of the countries represented in this room, doing business in almost 50 different languages.

What I came to understand from this experience is the incredible value of global experiences and diverse perspectives. Both are essential to understanding the complexity

of problems and the challenges of any “one size fits all” solution. But, in this room, we have that diversity, that global vantage point, as well as extraordinary human talent all represented in one single place.

My purpose here today is to start a dialogue about how to truly end modern slavery. What I am about to present is a **concept**. I’m hopeful that, together, we can define the details and generate the will to take action.

I fully expect this **concept** to be shaped and improved through the involvement of partner States. I encourage you to provide me with your direct feedback, whatever its form, so we can create an organization and process that respects and builds on the expertise and experience in this room.

To that end, tonight I want to discuss three things:

- 1) Why we need a Global Fund to End Slavery;
- 2) How such a Fund might work; and
- 3) Who needs to engage to make it happen.

But, first, let me provide some context...**how big is the problem of slavery today?**

And, what does it look like?

The ILO estimates there are at least 21 million people living in modern slavery. That’s nearly equal to the populations of countries such as Australia, Cameroon, or Sri Lanka.

Over one-quarter of all victims of forced labour around the world are children. That is more than five million children subjected to forced labour, sex trafficking, domestic servitude, and other abuses. Five million children— the entire population of primary school students in the United Kingdom. Children as young as 5 have been trafficked and

sold. **This is an unacceptable reality.** The fact that child slaves are spread around the globe makes this crime a shared responsibility to end. NOW!!!!

The co-winner of this year's Nobel Prize Kailash Satyarthi has worked tirelessly against child slavery and captured the global dimension of the problem well when he said: "I'm not being given this award for my work in India alone. I work in 144 countries. I work in Africa with equal passion, in Latin America with equal passion. I've worked in Pakistan with equal passion. So it is a global fight." Having spent time with Kailash this past year in India, I know, first hand, how committed he is to the global fight!!

As delegates to this organisation know, only too well, slavery is literally in every country on earth. In my own country, the United States, potential modern slavery cases were reported in every single state in 2013. There were victims identified in domestic work, home healthcare, the food services industry, construction, agriculture, nursing, factories, garment manufacturing, beauty salons, janitorial services, and sales crews, among others. In each of your countries, there is slavery as well.

Slavery is also big business: the ILO estimates forced labor generates \$150+ billion in profits every year, making it the second largest source of profits for international organized crime behind only drugs. And we have begun to understand that there's a high correlation between the crime of slavery and other crimes.

Multiple international conventions have been created to define and eradicate slavery, from the 1956 UN Convention on Slavery, to the Palermo Protocol on Trafficking in Persons, which was drafted only just over a decade ago, to ILO Convention No. 29 on Forced Labor, updated with Protocol 29 this very year. But, it is not about public pledges or

commitments to protocols (they, of course, have their place). Now, it's about **action** and **resources**.

While the name and legal definition sometimes varies, I use the term “modern slavery” here as an umbrella term that relates to all forced labor, debt bondage, trafficking in persons, forced or servile marriage, and sale and exploitation of children. It involves the systematic deprivation of a person’s liberty for the purpose of personal or commercial exploitation.

Of course, slavery is not a new phenomenon. The Constitution of this very organization affirms in its fundamental principles that: “labour is not a commodity”. As then-Executive Director, now Director-General Guy Ryder put it in 2011: “Trafficking for labour exploitation is the exact negation of that fundamental principle. It reduces labour to a commodity. It dehumanizes it. It lays it open to the cruellest of abuse.”

While slavery is not new, there are certain factors that are exacerbating it in our modern era.

There is the increasing transnational movement of workers, many of them highly vulnerable to exploitation. There is the challenge of ensuring employment in the face of rising populations and the greatest economic upheaval since the Great Depression. There is the growth of transnational organized crime, facilitated through new technologies. These and other factors are driving the resurgence of a crime that this organization, in its founding principles, refuses to tolerate.

But, I believe now, more than ever, that we can achieve an “**inflection point**” in the fight to eradicate slavery..... because I believe there is rare **universal agreement** that slavery is wrong and that it needs to be stopped.

NGO's, governments and civil society have made progress but a key lesson learned is that **businesses** and **governments** must engage to create a major and sustainable change. Businesses must commit to cleaning up and certifying their supply chains and governments must commit resources and political will.

How we make this happen brings us to the question: **why do we need a Global Fund to End Slavery?**

First, spending by governments and NGOs to fight human trafficking and forced labor is in the millions...it is a drop in the bucket compared to the \$150+ billion in criminal profits. It is simply not a fair fight. One benchmarking exercise recently conducted found that OECD countries spent an average of \$124 million per annum over the last decade on overseas development assistance related to modern slavery. If we are to counteract the incentive of \$150+B in tax free dollars, we must fund comprehensive solutions that defeat the systems of slavery.

Second, proactive business engagement in the fight against slavery has been limited. While businesses, no doubt, understand the morale imperative of the fight, the length and opacity of today's global supply chains directly limit the "line of sight" to slavery. Developing an understanding of the economic "cost of slavery" as well as tools to assess the risk of slavery in supply chains is key to gaining private sector partnership in this fight.

Third, while each individual country has a unique set of challenges and will require a unique approach to eliminate slavery from within its borders, slavery is a global problem that often crosses international borders.

So, consequently, while country-by-country approaches are necessary, we will need to address cross border migration of slavery. This will require coordination and multilateral commitments.

Fourth, there are limited examples of **proven practices** in the fight to end slavery and those we do understand have not been scaled to an impactful level. We need to work to identify and share these practices. Compounding the problem, organizations have not been able to agree on robust **monitoring and evaluation systems** to sort through what works and doesn't work.

So, given these factors, **a Global Fund to End Slavery must:**

- 1) Escalate the resources available for this fight. We must go from millions to billions of government and private sector spending.
- 2) Engage businesses to match the government efforts both in terms of direct contributions to the fight and by cleaning up their supply chains.
- 3) Ensure global coordination to avoid fragmented interventions and migration of the problem from one location to another...this includes providing a mechanism to sustain freedom for victims. And,
- 4) Establish robust monitoring and impact evaluation efforts to ensure we share and scale only the most effective practices and programs.

Because we see the Fund as a **public-private partnership**, let me make a few more comments about the role of business before focusing in on the role of governments and how the fund might operate. I see three key areas where business needs to be involved:

First, businesses must engage on the **demand side**. With combined global purchasing power over \$80T, businesses have the power to have significant impact. They “buy” raw materials, things, services and that buying power talks.

Goods produced using forced labour feed into supply chains that now span the globe. These supply chains are long and opaque. Whether it is the shirt on our backs or the phone in our pockets, the evidence suggests we are all inadvertently supporting slavery. Several businesses have begun to lead the way in changing this reality by carefully examining and rooting out slave labor in their supply chains. But we need this to become mainstream. If we are truly going to end modern slavery we need businesses to continue this leadership and bring these early efforts to scale.

Second, the private sector has an important role to play in eradicating modern slavery through the adaptation of business practices and tools. Longstanding private sector interventions like the application of microfinance can be important in building local economies and skills that disrupt the **supply** of people to the slave market. In addition, we are already exploring a wide range of new technology-based business tools that offer promising solutions, such as proximate data collection, geospatial imagery, and mobile direct pay of wages.

Third, the private sector has a critical role to play in funding anti-slavery efforts. Eradicating slavery is an urgent humanitarian issue but it also makes business sense. As we know all too well, forced labour is not productive labour. It distorts the market, creates costly business risks, and stifles human potential.

No serious business wants slave labour in its supply chain...which makes business a natural ally in developing a Global Fund to End Slavery. I truly believe the Fund should set a new benchmark for public-private cooperation.

This brings me to my second point: **how a Global Fund to End Slavery might work.**

The Global Fund to End Slavery must catalyze and coordinate a global strategy, with the outcome that slavery is no longer a sustainable element of society. It is based on several overarching principles that have been informed by the experience of others, particularly the health-focused funds here in Geneva. The following lessons are clear:

- Country-led programs have worked best;
- The Fund and each country must establish a collaborative and dynamic relationship;
- We must respect the sovereign prerogative of States while ensuring maximum flexibility; and
- We must strive for inclusivity, recognizing the global landscape is evolving.

This inclusivity is key.

One of the many positive ideas that have come out of our very early discussions on the Fund is the opportunity presented by South-South cooperation. Secretary General Ban Ki-moon recently reaffirmed that pioneering South-South approaches are key to ensuring “shared prosperity, sustainable development, and a life of dignity for all.” We have witnessed successful examples of South-South cooperation in diverse areas ranging from transportation to technology. For the issue of slavery, South-South engagement has potential and I am keen to broaden our discussions in this area.

Now let's turn to **how the Fund might actually work**, starting with what the key elements might look like.

First, the Fund aims to be **country driven**. Strong and focused State leadership is critical to its success. The Fund will support national efforts, but States must be in the driver's seat.

Second, we need to be clear about costs and responsibilities. We cannot go into this endeavor blind. Understandably, all States will want to know the costs involved and who is responsible for what. For this reason we are proposing the development of **Costed National Plans based on proven solutions**.

Third in the context of a Public Private Partnership, private funding could be used to incentivize implementation of the agreed Costed National Plans and also encourage increased government spending above historic levels.

Finally, we need to be focused on **real world impact**. There is a great deal to learn about the precise effectiveness of interventions but it is imperative that the Fund ensure investment decisions are constantly improved and that we deliver real, lasting and measurable impact.

Now let's talk about each of these elements in a bit more detail.

Starting with the Country driven approach and Costed National Plans:

Each country will need to develop its own unique Costed National Plan to end slavery. We assume the starting point will be the country's National Action Plan.

Designated country leaders could be appointed from government, business, and civil society. This "Leadership Council" could work with all relevant stakeholders to craft more detailed anti-slavery plans that include prioritization of proven strategies and actions,

assignment of specific responsibilities, calculation of costs, and timelines for implementation and completion. Each country would have a unique portfolio of strategies and actions.

The cost estimates in these plans will collectively provide us with the first realistic global estimate of the cost of eradicating slavery. This is the first step to actually financing the end of slavery. By detailing specific workstreams and responsibilities, these plans will provide a means to coordinate action between States and the Fund.

Now this is only one means of arriving at these Plans. There are existing examples where States have already developed very detailed plans for eradicating modern slavery that could be used as the basis for discussions between the State and the Fund. There may be other ideas for how this process might operate as well.

Let's now turn to how the incentive payments could work:

Once Costed National Plans are completed, the Fund would work with governments to determine funding sources and prioritize the interventions. The Fund would provide private sector incentive payments for implementing projects outlined in the agreed Costed National Plans. The match rate of these incentive payments would increase with greater government commitments.

The idea is a very light touch approach to financing, where states maintain control over the project at all times but with clear grant administration agreements in place and impact evaluation required.

Now to measurement and data...

There is going to be no end to slavery without a sizeable investment in rigorously evaluating projects and robust measurement. To move forward and bring our work to scale

we need to move away from process measures and focus in on **impact**. For this reason, monitoring and evaluation have to be absolutely core to the Fund's work.

To ensure we fully leverage the lessons of successful programs, implementers would need to agree to regular, standardized reporting and impact evaluations. The results would be available to all Fund members to ensure investment decisions are informed and continually improved.

I want to stress this point because it has been one of the great inhibitors to ending modern slavery. The Fund will transform this situation by directly investing in evaluation. Armed with this information we'll be able to bring interventions to scale with confidence in their outcomes.

Let me now turn to my third point: **who needs to engage to make it all happen?**

The answer is straightforward: **all of us**.

As I stated earlier, I believe that we are now at an inflection point. NGOs, civil society, and governments have made progress ...**but a key lesson learned is that businesses need to be held accountable for slavery in their supply chains and governments need to increase funding and resources and galvanize political will if we are to truly change the arc of ending slavery.** The Fund is here to support and incentivize this change.

The groundwork to establish the Fund is being supported through a large, multi-year contribution from Australian businessman and philanthropist Andrew Forrest and his wife Nicola, who have shown incredible leadership and passion in this space. We now need governments to match this commitment with resources and political will to end slavery.

Finally, I want to say a little about the spirit in which the Fund will be established and run. To achieve its very ambitious goals, and, faced with the reality that resources are finite, the Fund will require an incredible level of discipline. We will need a business-like approach to investments. We will need to provide partners with world leading accountability and we will have to base our investment decisions on an ever more concrete empirical dataset. These are all things I am committed to delivering.

Developing and implementing the Global Fund to End Slavery will be an enormous challenge that demands the input of as many minds with as much experience as possible. The collective insights and experience of the people in this room, along with your colleagues both here and abroad, are the key to designing an effort that will truly end slavery. I want to specifically ask each of you to provide feedback on what we have outlined here. Our goal, together, should be to generate the political will to make the Fund a reality.

Please join me on this journey. I know we can work together to end slavery in our lifetime.

Thank you for your commitment.