



► Promising practices for fair recruitment

April 2021

Code of Conduct in international supply chains by Responsible Business Alliance

Key points

- The Responsible Business Alliance (RBA) is a globally active group of businesses that developed a comprehensive Code of Conduct (CoC) covering a series of labour rights, including principles of fair recruitment
- Members require their next tier supplier to acknowledge and implement the CoC and its standards
- Compliance to the CoC is monitored through a Validated Assessment Programme
- Over USD 50 million has been reimbursed in settlements to workers who faced abuse
- Close to 90% of RBA's 164 member businesses have committed to the CoC, impacting an estimated 3.5 million workers

Focus

FRI pillar: Promoting fair business practices

Sectors: All

Countries: All

Responsible organization: Responsible Business Alliance (RBA)

Description of the practice

The RBA, which includes 164 companies (as of 1 February 2021) that together employ over 3.5 million workers, holds its members accountable to a common Code of Conduct (CoC) and the accompanying standards, including the requirement (since 2015) of no payment of recruitment fees by (migrant) workers. It also provides a range of related training and assessment tools to support the continuous improvement in implementing responsible recruitment and employment practices of its members and their suppliers.

The RBA approach is aligned with the OECD Due Diligence Guidance for Responsible Business Conduct and includes the following:

- Using RBA standards to provide a harmonized platform for members to embed recruitment fees due diligence policies into company management systems;
- Provision of training and tools to support members to identify and assess risks;
- Provision of a specialized audit that specifically focuses on the risks of forced labour and detection of recruitment fees paid by (migrant) workers;

- RBA membership monitoring of compliance to the CoC through its assessment programs, including the Validated (compliance) Assessment Program (VAP) and the Supplemental Validated Audit Process (SVAP) on Forced Labour (an audit program tailored exclusively to identify the risk of forced labour at an employment site or private recruitment agency);
- Confidential worker interviews (during assessments) with strong non-retaliation protection. In some key geographical areas, these are supplemented through 3rd party helpines;
- Support the implementation of corrective actions including remediation for workers found to have paid recruitment fees;
- Accelerating the adoption and implementation of a recruitment policy where no fees are paid by (migrant) workers;
- Tracking progress and communicating to relevant stakeholders.

Proof of impact/progress

The RBA approaches have resulted in increased transparency of recruitment processes, an overall lowering of recruitment costs, and better protection of workers. They also led to the elimination of excessive recruitment fees paid by (migrant) workers and mitigated risks related to forced labour.

Specific achievements include the following:

- Close to 90% of RBA's 164 members have committed to the RBA CoC and actively pursue conformance to the CoC and its standards, including adopting the RBA Trafficked and Forced Labour – "Definition of Fees" principle which states that a worker shall not be required to pay fees to obtain or retain their employment;
- The CoC is regarded as a total supply chain initiative where at a minimum, an RBA member shall also require its next tier suppliers to acknowledge and implement the CoC and its standards, impacting thousands of companies in over 120 countries;
- In 2019 alone, the RBA conducted more than 1,000 audits in 38 countries regarding adherence to the CoC, including fair recruitment;
- Since 2018, RBAs Validated Assessment Programmes in factories have impacted the lives of 2,151,984 workers positively (i.e. the worker Quality of Life score – which includes metrics on disposable time, disposable income and health – increased by 34% in the period);
- Since 2009, approximately USD 50.5 million was reimbursed to close to 54,000 workers by RBA member companies and their suppliers (as of January 2021).

Other promising features

Gender sensitivity and responsiveness and non-discrimination

The RBA CoC Labour Section covers prohibition on gender-based violence, sexual harassment and sexual abuse. It also stated that "Companies shall not engage in discrimination or harassment based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way."



Ethical Recruitment Training, Jakarta, Indonesia, June 2018. Since 2016, the RBA and its partners have trained close to 200 private recruitment agencies in Taiwan (China), Indonesia, Malaysia, Nepal and Viet Nam, building their capacity to meet the requirements of international ethical recruitment standard.

Participation and representation

The RBA CoC is reviewed and updated every 3 years, with inputs from members and external stakeholders. In addition, the RBA's Responsible Labour Initiative (RLI) on the rights of workers vulnerable to forced labour in global supply chains is governed by a multi-stakeholder steering committee that includes businesses, NGOs, IGOs, academics, socially responsible investor implementing partners and workers organizations.



Worker of PT Toshiba Consumer Products Ind. Assembling and manufacturing of electronic goods, such as television sets. Cikarang, Bekasi. Indonesia. © Mirza A. / ILO

Efficiency

The RBA CoC and its accompanying standards are considered a total supply chain initiative. It is adopted by RBA members and subsequently applied to their supply chains and subcontractors, including providers of labour or recruitment agency. All members are required to have a process in place to communicate the CoC requirements to their suppliers and to monitor their suppliers' compliance to the CoC. Such an approach allows for standardization and optimization of due diligence activities, and in turn improves efficiency and effectiveness while reducing costs.

Resources

[RBA Code of Conduct.](#)

[RBA Trafficked and Forced Labor – “Definition of Fees”.](#)

[RBA Practical Guide to Due Diligence on Recruitment Fees in International Supply Chains.](#)

[RBA Practical Guide to Implementing Responsible Business Conduct Due Diligence in Supply Chains.](#)

[ILO General Principles and Operational Guidelines for Fair Recruitment and Definition of Recruitment Fees and Related Costs \(GPOG\).](#)

Five years of the Fair Recruitment Initiative

- ▶ This promising practice is part of a series, and results from a stocktaking exercise undertaken five years after the launch of the Fair Recruitment Initiative (FRI).
- ▶ The FRI aims to ensure that recruitment practices nationally and across borders are grounded in labour standards, developed through social dialogue, ensure gender equality. Specifically, they:
 1. Are transparent and effectively regulated, monitored, and enforced;
 2. Protect all workers' rights, including fundamental principles and rights at work (FPRW), and prevent human trafficking and forced labour; and
 3. Efficiently inform and respond to employment policies and labour market needs, including for recovery and resilience.

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