



VERITÉ®

A Verité Assessment of

# Recruitment Practices and Migrant Labor Conditions in Nestlé's Thai Shrimp Supply Chain

An Examination of Forced Labor and other Human Rights Risks Endemic to the Thai Seafood Sector





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## I. Executive Summary

### A. Background

Seeking to better understand the risks of forced labor and human trafficking in the Thai seafood industry, Nestlé contracted Verité to conduct a focused investigation of six production sites in Thailand—three shrimp farms (one in Mahachai and two in Surat Thani), two ports of origin (Ranong Fish Port and Mahachai Fish Port), and one docked fishing boat (in Ranong Fish Port). These sites were identified by a third-party supply chain mapping consultant as being linked with the fishmeal (or fish feed) used as feed input in farms producing whole prawns for Nestlé. Verité assessed these and a number of other worksites in the same supply chain. The three-month assessment focused on forced labor and trafficking risks in the recruitment, hiring, employment and living conditions of foreign migrant workers in the targeted vessel-to-marketplace shrimp and fishmeal supply chain of one of Nestlé's key suppliers.

The findings of this assessment are largely consistent with those of Verité's prior research and other assessment work in the Thai seafood sector, as well as with reporting done by media and other organizations.

### B. Key Findings

Verité found indicators of forced labor, trafficking, and child labor to be present among sea-based and land-based workers engaged in the production sites covered by the assessment.

- Workers interviewed by Verité had been subjected to deceptive recruitment practices that started in their home countries, transported to Thailand under inhumane

conditions, charged excessive fees leading to debt bondage in some cases, exposed to exploitative and hazardous working conditions, and, at the time of assessment, were living under sub-par to degrading conditions.

- Workers reported that they were not provided with adequate information about the terms of their work at the point of their recruitment and, often, the actual conditions of the work were severe, including excessive overtime, no days off, and few protections against working hazards. A few workers reported having been 'sold' to a boat captain or being transported by a broker to a port, with the only alternative to joining the crew being to buy back the contract.
- Verité found few and typically inadequate mechanisms for age-verification of workers, and identified underage workers engaged in sea-based work.
- Grievance mechanisms for sea-based workers and most land-based workers were largely absent, with little to no communication available to fishers while at sea.
- Compounding these issues, workers often lacked appropriate documentation, which would have lent them some level of protection against threats of detention, deportation, and denunciation to the authorities. Even when workers did have appropriate documentation, withholding of passports and personal documents by employers was found to be a common practice.
- Pay practices for sea-based workers often resulted in employers withholding workers' total pay. Workers had no means of verifying if they were receiving the wages owed them, and could not leave their employment without potentially facing financial penalties.
- Workers also reported intimidation, harassment, and verbal and physical abuse. Freedom of movement was restricted for

fishers even when not at sea. Land-based workers reported constant surveillance and intimidation by the local authorities.

- Verité found the use of an illegal substance among workers on fishing boats to be rampant; supervisors/crew leaders were fully aware but did not restrict use, as the substance kept workers awake and able to perform long work hours.

## C. Context

Many of the problems reported by workers are systemic in nature and tied to the general vulnerabilities of migrant workers in Thailand; to recruitment, hiring and employment practices widely observed in the seafood sector; as well as to the health of the Thai fishing sector. Sector wide, low fish stock as a result of overfishing has forced boats to stay farther out and longer at sea. As a result, the vessels elude regulatory oversight for longer periods of time, workers are vulnerable to more risks and hazards such as additional work load and shorter rest periods, among others. Larger fishing boats go as far as Malaysian and Indonesian waters and stay out for a year, with smaller boats used to ferry supplies and return with transhipped catch back to port. Further, these jobs are less appealing to local workers, increasing the sector's dependence on migrant workers to fill a dire labor shortage.<sup>1</sup>

<sup>1</sup> Due to the Thai military government's requirement for boats to obtain a fishing permit to leave the port and to continue fishing operations, some fishing boats have been indefinitely docked, resulting in workers' loss of income. Some workers reported that they were unsure of when their vessel would resume operations. They were being provided some allowances/cash advance for food and basic supplies. However, they were unsure of whether these would be charged against their pay once work resumed. In a recent development, new Thai regulations are now requiring boats to be docked for a certain number of days between trips.

*Many of the problems reported by workers are systemic in nature and tied to the general vulnerabilities of migrant workers in Thailand; to recruitment, hiring and employment practices widely observed in the seafood sector.*

Simultaneously, a burgeoning regional migrant crisis in Southeast Asia has made global headlines, as migrants from poorer neighboring countries including Burma, Cambodia and Laos seek to enter Thailand, enabled by networks of smugglers and brokers willing to help migrants exploit the country's relatively open borders.<sup>2</sup> These migrant workers, then, are left with both irregular migration status as well as financial vulnerability from debt incurred during their migration and fees from their employment search.



*Vessel workers in port loading “trash fish” onto a waiting truck that will take the product directly to facilities that process them into aquaculture feed or feed ingredients.*

<sup>2</sup> <http://www.theguardian.com/world/2015/may/14/migrant-crisis-south-east-asia-rohingya-malaysia-thailand>

The combination of these forces has led to a chaotic Thai immigration landscape where trafficking and abuse of migrants can flourish in the seafood sector, as well as in other sectors with migrant-heavy workforces.<sup>3</sup> Verité's research found that much of the vulnerability experienced by workers interviewed was tied to these structural forces. Beyond the specific characteristics of the Thai seafood sector, it should also be noted that human rights abuses, particularly of migrant workers, have been documented in the seafood sector globally. In fact, the 2015 U.S. Department of State Trafficking in Persons report notes human trafficking in seafood sectors in over 40 countries. Workers on vessels are inherently isolated, and vessels on the high-seas operate free from clear legal jurisdiction due to the use of flags of convenience. The use of transshipment at sea allows vessels to remain at sea for months at a time, where workers are constantly under surveillance of the captain and without means to communicate with the outside world. Seafood supply chains are also often inherently non-transparent, with product co-mingling at many points along the supply chain, and involvement of a complex web of middlemen. Particularly for companies without vertically integrated supply chains, this can make tracing product to its original origins and holding all suppliers accountable to social and environmental sustainability standards challenging.<sup>4</sup>

<sup>3</sup> According to a 2010 Human Rights Watch report, approximately 5-10 percent of the workforce in Thailand are migrants from neighboring countries. Human Rights Watch. From Tiger to Crocodile: Abuse of Migrant Workers in Thailand. 2010. [https://www.hrw.org/sites/default/files/reports/thailand0210webwcover\\_0.pdf](https://www.hrw.org/sites/default/files/reports/thailand0210webwcover_0.pdf)

<sup>4</sup> For more information on human rights risk in the global seafood sector, see: <http://www.verite.org/research/promoting-responsible-labor-practices-fishing>

## D. Summary Recommendations

These findings of severe labor and human rights abuses present an urgent challenge to any company sourcing seafood. Verité recognizes the complex and entrenched nature of these issues, the challenges of finding leverage points to effect change, and the practical difficulty of cascading accountability into a non-vertical supply chain with limited visibility. All companies that source seafood must also take into account the transnational nature of these issues as well as limitations of legal jurisdictions.

We offer these recommendations based on best practices of similar companies spearheading efforts to develop durable solutions to forced labor and other human rights issues endemic in this sector. While some critical hazards to workers require immediate actions, we urge Nestlé and other industry stakeholders to develop a long-term approach that fully integrates management of forced labor, human trafficking, and other human rights risks into their business decisions and sourcing practices. Such an approach will attend to the risks that can be addressed through business partnerships and the Nestlé supply chain, and also address the policies and social conditions that drive systemic risk into the sector.

As the basis for this approach, we recommend Nestlé develop an integrated anti-trafficking and forced labor strategy with clear measurable objectives (SMART goals). The strategy should:

- I. Prioritize the following Key Result Areas (KRAs):
  - i. vulnerability of sea-based workers (vessel employment and working conditions);
  - ii. migrant legal status in receiving country;
  - iii. recruitment-related fees and exploitation by recruiters; and

- iv. worker access to effective grievance channels.
  2. Leverage opportunities for collaborative multi-stakeholder action that can drive change from the government and inter-governmental levels (e.g., adoption of ILO Recommendation 203-2014: Recommendation on supplementary measures for the effective suppression of forced labor) to producer levels (e.g., fair, safe and legal employment practices).
  3. Ensure verifiable supply chain traceability as the first step in a comprehensive supply chain risk assessment.
  4. Ensure that that suppliers can deliver effective worker protections in the following priority areas by strengthening supplier screening, onboarding, and performance management:
    - i. Mitigation of debt risk by adoption and implementation of a 'No fees' policy for job seekers;
    - ii. Performance management of labor providers (including incentivizing ethical practices and penalizing unethical ones);
    - iii. Legalization of employee immigration status without financial burden;
    - iv. Unrestricted access of workers to their personal documents including passports;
    - v. Transparent, accurate and understandable terms of employment including written contracts;
    - vi. Freedom of movement/freedom to quit without penalty;
    - vii. Prevention of child labor and hazardous juvenile labor;
    - viii. Unfettered and timely access to grievance systems;
    - ix. Fair wages and work hours;
    - x. Protection from harm, prioritizing vessel-based workers; and
    - xi. Humane treatment.
  5. Provide sufficient resources for both internal and supplier communication and capacity building programs, to ensure that the trafficking policy is fully understood and that suppliers, including labor providers, are incentivized or supported through external training to develop internal competencies and business processes for continuously strengthening risk controls and remedies for vulnerable workers.
  6. Provide robust, independent risk-based performance monitoring of supplier management of critical forced labor and human rights abuses. The approach should identify and track forced labor risks (proactively), issues (requiring immediate action), and KPIs of business partners' supply chain risk management systems (resulting in continual improvement).



*In many boats and ports across Thailand, 'young' workers (ages 16 and 17) perform the same work adults do, without protective restrictions on the number of hours or hazardous tasks.*



## II. Assessment Methodology

Verité assessed site conditions based on accepted international standards on forced labor (see *Annex A*) as well as the Nestlé Responsible Sourcing Guidelines (RSG), industry best practice standards, and other international norms on migrant worker protections. Verité leveraged lessons learned from previous research in field and facility assessments conducted in similar sectors and geographies to analyze and illuminate root causes and potential pathways for moving forward.

Verité used qualitative research methods in data gathering and analysis, which involved a legal review, actual worksite observations and inspections, stakeholder consultations, and key respondent interviews. The team conducted interviews with more than 100 respondents, 80% of whom were workers from Myanmar and Cambodia, and the rest were boat owners, shrimp farm owners, site supervisors, management representatives, including staff responsible for directly managing foreign workers, intermediaries involved in the recruitment and transport of workers, and representatives of Nestlé's strategic supplier. The analysis of these interviews illuminated the links between specific forced labor indicators in the targeted supply chain, and the systemic, structural factors that impact the lives of migrant workers employed in this industry in Thailand. These links are consistent with Verité's research not just in Thailand, but also in other countries and sectors that rely heavily on migrant labor as well.

*The analysis of these interviews illuminated the links between specific forced labor indicators in the targeted supply chain, and the systemic, structural factors that impact the lives of migrant workers employed in this industry in Thailand.*

The investigative assessment was carried out in three phases.

1. **Rapid Appraisal.** A preliminary visit to four key provinces in Thailand; Mahachai, Ranong, Surat Thani, and Nakhon Si Thammarat, was conducted in order to verify the addresses of sites provided by Nestlé's third-party supply chain mapping consultant. These visits were also used to determine access and feasibility of a deep-dive assessment of the sites, including risks and challenges that need to be considered in the development of tools and over the course of the investigation. Interviews and consultation sessions were held with relevant NGOs, the ILO office in Thailand, and some government and labor offices. A review of the legal and regulatory framework pertinent to recruitment and hiring of foreign workers in Thailand was also conducted.
2. **Onsite investigation.** Based on the findings of the rapid appraisal, the scope of the formal investigation was expanded beyond the six sites initially identified by Nestlé, as Verité found at-risk workers in the following



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*A typical fishing boat manned by a crew of 12 to 15. On the upper deck with the three windows are the sleeping quarters; below that is the food preparation area. There are no toilets.*

additional locations and origins of fish or shrimp products, and worksites linked to the same supply chain: (1) Khanom fish port; (2) Ranong fishmeal processing and packing facilities; (3) Ranong private fish ports; (4) Surat Thani fish port; (5) Nakhon Si Thammarat fish port; (6) Satun Shrimp Farm; and (7) additional docked fishing boats in Ranong, Khanom, and Surat Thani.

The following activities were conducted as part of the investigation:

- i. In-depth interviews (one-on-one and small group) with migrant workers from various work sites (fishing boats, fish-and-shrimp markets, fish ports, shrimp farms, seafood processing facilities, packing facilities), under varying employment arrangements (regular, outsourced, seasonal/contractual), hired through different recruitment processes (legal and irregular channels);
  - ii. Interviews with site supervisors, employers/management representatives (including staff responsible for the recruitment of workers);
  - iii. Interviews with migrant worker support groups and local NGOs;
  - iv. Interviews with intermediaries at the Ranong port and border control;
  - v. Close observation of work processes and transactions, and physical inspection of foreign workers' accommodations;
  - vi. Review of available documentation related to the hiring, employment, and management of foreign contract workers.
3. **Processing and analysis of information, reporting, and recommendations.** This report discusses in detail and makes recommendations relating to findings of risks and actionable nonconformance with ILO core conventions, the UN Trafficking in Persons (TIP) protocols, Nestlé' RSG and

other relevant requirements, pertaining to the following sea-based and land-based worker categories:

- i. Fishers or boat workers;
- ii. Fish port workers;
- iii. Shrimp market workers;
- iv. Shrimp farm workers; and
- v. Seafood processing and packing facility workers.



*Boats like this come to shore 2 to 3 days out of a month. Fishers are required to perform work on the boat while it's docked. Thailand has implemented new rules requiring boats to dock more frequently to avoid overfishing. Moreover, with the "Port In – Port Out" (PIPO) system, information on each vessel - including the types of equipment and caught fish; vessel name, registration and fishery permit; and identity of each crew member (including immigrant workers) - are recorded and reported to officials within 24 hours prior to sailing in and out of the port.*



## III. Detailed Findings

Verité was guided in this research by the definition of forced labor used by the International Labor Organization in Article 2 of ILO Convention 29 as, *all work or service which is exacted from any person under the menace of any penalty and for which said person has not offered himself [or herself] voluntarily.* The ILO has developed a methodology for identifying forced labor in practice through documentation of a range of indicators of forced labor status.<sup>5</sup> Verité has organized the findings here in terms of individual or clustered ILO indicators. For more information about this analytic approach see [Annex A](#).

### A. Indicators of Forced Labor: Sea-based Workers

**Abusive Working and Living Conditions, Physical Violence, Intimidation and Threats:** A group of Cambodian workers interviewed in Khanom fish port described their work and life on the boat as *“horrible and dangerous,”* while Burmese/Myanmar workers reported the *“rough treatment on the job”* and the risks they were exposed to. Most of them also said that they had no choice but to accept the conditions, and would not recommend this kind of work to their family or friends.

Workers were chronically sleep deprived. Workers said that they did not have control over when they could rest or sleep, as they had to follow the schedule enforced by the “boss,” and worked almost continuously. Verité noted that typical sleeping areas inside the fishing boats did not allow for privacy or comfort. Workers had to sleep very close to each other in cramped

<sup>5</sup> International Labor Organization. 2012. *Hard to See, Harder to Count: Survey guidelines to estimate forced labour of adults and children.* [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_182096.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_182096.pdf).

*“Sometimes, the net is too heavy and workers get pulled in to the water and just disappear. When someone dies, he gets thrown into the water. Some have fallen overboard. I had an accident on board. A pulley came loose and fell on me, I almost broke my arm.”*

*-Burmese worker who had escaped a vessel*

spaces, and did not have lockers for their personal effects. Some workers reported that this was just the normal living conditions on boats, and that they got by since they did not all sleep at the same time. Workers reported and management confirmed that the crew members are not provided sleeping accommodations when on land, or while the boats are docked. They reported that only the senior workers are provided accommodations. These accommodations consisted of a walled cubicle, (on an elevated section over the area where fish are landed and sorted) without any furniture or sleeping mattresses. The senior workers said that they could purchase beds or mattresses if they wanted, but that management did not provide these for them. Management said that workers were sometimes allowed to sleep on the floor of the fish port, or stay with their relatives, otherwise, they slept inside the boat.



*The worker living quarters pictured here, accommodating about 15 fishers who sleep in shifts, provide more headspace than is typical.*

*Workers reported and management confirmed that if workers left without notice or without the approval of the “boss,” they forfeit their pay and those who have original documents withheld by management are not able to get them back.*

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Workers reported that there was limited supply of potable water to drink, shower in, or cook with. They also complained of the unsanitary conditions of the living spaces on the boat.

Workers and management reported that on the fishing boat, there were limited medical resources for fishermen to use in case of injury. They reported that if a fisherman required serious medical attention, an express boat could be called to bring him to shore. Management reported that workers were provided all of their basic needs every time they went out to sea. Workers, however, reported that the cost of these supplies was deducted from their pay.

Workers reported, and management confirmed, that fishers are at sea for almost the entire duration of their employment, except for the two or three days when they dock to land fish, mend boats, and replenish supplies and fishing materials.

Workers described numerous hazards while at sea. They reported incidents of fishermen being pulled overboard and not being recovered, especially at nighttime.

A Burmese worker who had escaped a vessel reported, “Sometimes, the net is too heavy and workers get pulled in to the water and just disappear. ... There was a lot of fighting. People are tired, and easily get angry. They would kill each other. When someone dies, he gets thrown into the water. Some have fallen overboard. I had an accident on board. A pulley came loose and fell on me, I almost broke my arm.”

Senior boat workers, also known as boat leaders, and boat captains interviewed confirmed that injuries and violence among workers sometimes occurred, but that it was not common. One boat leader and one boat captain said that this happened when workers got drunk, which is why they tried to prohibit drinking as much as possible. Another boat leader said that when workers were overworked they were prone to losing their temper and fighting. He confirmed worker reports that in a few cases, these fights had resulted in death and that when a person died while at sea, the body was thrown into the water. According to the captain, this was to avoid the risk of contamination.

**Withholding of Wages:** Common pay practices for sea-based workers include withholding of workers’ total pay, not providing workers means to verify if they are receiving what they are owed, nor the ability for workers to leave employment without incurring monetary loss and other adverse consequences.

The total pay due to workers assigned to fishing boats are withheld for many months. Some workers reported not getting their full pay for 10 – 19 months. During this period, workers are provided cash “advances” to cover their basic needs. Workers reported that if they



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Workers in shrimp market in Ranong sort the shrimps on the floor. They are not provided gloves or seating.

*“The basis for the pay is not very clear, even to me. I have been working on this boat for ten years. I have no savings. I am barely surviving, to think that I do not have a family to support. Life is very difficult here.”*

*-Interviewed boat leader*

wanted to get their full pay, they had to stay with the employer until their pay was due for release. Reflecting the uncertainty many workers experience about wages, data about wages for at-sea workers was difficult to obtain, but average wages appear to be quite low. Wages reported to Verité for sea-based workers averaged less than 10 USD per day for junior boat crewmembers. Senior boat leaders reported slightly higher wages but still experienced significant financial insecurity.

According to one boat leader: *“My pay is about 11,000 ThB (300 USD) per month and then I have to apportion the pay to the rest of my crew. But food and drinking water are provided while workers are out at sea. The basis for the pay is not very clear, even to me. I have been working on this boat for ten years. I have no savings. I am barely surviving, to think that I do not have a family to support. Life is very difficult here.”*

Management of a fishing boat supplying directly to Nestlé’s strategic supplier (boat owner and one cashier/accounting staff) confirmed that the workers’ total pay was calculated after a year, or a year and a half, depending on the agreement. They said that this is common practice because workers’ pay is based on productivity or catch, and not on hours. Management said that, in the interim, workers were provided all their basic needs while on the boat, and some cash, which is then deducted from the total pay due to them. Workers, however, reported that they are not aware of how their pay, based on catch, is calculated, as they were not witness to weighing of the catch, and just received their share from the boat leader or the “boss.”

Workers reported and management confirmed that if workers left without notice or without the approval of the “boss,” they forfeit their pay and those who have original documents withheld by management are not able to get them back.

**Forced Overtime:** Work hours are excessive, workers cannot refuse to work overtime, and financial penalties and additional work is imposed for breaching discipline and work requirements. According to interviews, workers on vessels worked an average of 16 hours in a day, and had to meet a quota; otherwise they were subjected to verbal and sometimes physical abuse, as well as reduction in pay. When docked, the workers have to work for at least eight hours per day, unloading fish, mending nets, repairing or cleaning the boats.

Workers said that depending on the boat captain, they could request transport to land for an emergency, but otherwise the typical period of work at sea for most medium-sized (15 crew members) fishing boats was close to a full month, with a two-day maximum docking period. A boat owner, two boat captains, and two senior boat workers interviewed confirmed that this was the case for most boats.

A boat owner also reported that in his operations, the optimum number of workers per boat was five, with a crew of 10 workers managing two boats. When one boat was filled with fish, it had to be transported immediately so fish could be landed; in this way workers had to work double time and make sure that one boat was always filled and ready for transport and landing of fish on schedule.

One boat captain shared that some boats, depending on the size, could have as many as 30 workers, while in some operations, crews comprised 10-12 workers managing two boats, and had to work almost non-stop. The boat captain said that this work was very difficult and



demanding. One of the workers interviewed reported: “We do not have time to relax because we have to throw and pull trawl net into water at least five times per day. We work even harder than the machine.”

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*“The passport control is very lax. Many workers have no passports, no documents. No one verifies age or where workers come from, how they get here.”*

*-Interviewed boat leader*

**Vulnerability Due to Documentation Status:** Most of the sea-based workers interviewed were undocumented, or improperly documented. Most were also unaware of the legal requirements on documentation. This lack of documentation leaves workers vulnerable to threats of detention and deportation by police and immigration authorities.

According to a boat leader: “The process of getting a job here is very informal. There are no documents required, no verification or background check done. You can just walk in. One senior worker can bring in other workers. The senior worker is the one under contract with the “boss”, and essentially hires the other workers and apportions the pay to them. The passport control is very lax. Many workers have no passports, no documents. No one verifies age or where workers come from, how they get here. Many workers also come on their own. They pay someone in Kawthaung [Myanmar border town] to take them to Ranong, to find them a job, or they walk in, since there are many places where they can work here.”

Some workers said that they were aware of the risks of not having documents, but that they had gotten by, thus far, without them by paying off or hiding from inspectors or police. They said that they had been instructed by their broker or friends that, when caught or asked by immigrations or police about their passports, to

pay a certain amount and they would be allowed to go. Undocumented workers also reported that while on the boat, they were generally safe from authorities, but they were aware that anyone could report them anytime, and they would either be detained and then repatriated, or have to pay large fines. One Burmese boat leader reported that, on occasion, an immigration patrol inspects boats and that the fishermen just hide. Another reported that, while workers do not have the proper papers yet, he makes an effort to keep the workers secure and hide them from the authorities.

**Debt Bondage:** Workers reported varying amounts paid to various parties. Initial transport and facilitation fees were commonly paid in Myanmar and additional fees then paid in Thailand. The fees paid for transporting or facilitating passage through Myanmar and Thai borders were separate from the fees paid to brokers who linked workers to the job or employer, and to those who facilitate in processing or securing documents.

Most workers paid a broker or intermediary to smuggle them into Thailand, and, or, to find them a job. They paid the brokers what they called a ‘job fee’ if they asked the brokers to look for jobs for them, otherwise, they found jobs through their own personal networks. Some workers reported paying fees upfront (3,000 – 6,500 ThB or 80 – 180 USD), and if they were to get documented, they would be deducted a monthly amount (totaling 9,000 – 14,000 ThB or 250 – 390 USD). Other workers reported that they were charged 8,000-10,000 ThB (220 - 280 USD) by their employer for passport and visa the first time (in 2008) and had to pay 6,000 ThB (170 USD) for renewal. One worker in Surat Thani reported that he had paid an agent 21,000 ThB (585 USD) for documents, but he never got the documents and had not seen the agent since.

A Burmese boat leader interviewed said that he

himself lent money to his fellow workers in order to get the proper documents for them, since the owner or the “boss” would not do this for the workers. He said that the pay is recovered when the workers start earning their wages.

Workers reported, and an intermediary at the Ranong port confirmed, that if undocumented Burmese workers wished to return home for a brief visit, fees (about 18,000 ThB or 500 USD) have to be paid in order for them to have a “safe passage,” meaning not be blacklisted from returning to resume their job or any other work in Thailand. The intermediary (or fixer) said that the fees for these transactions were standardized:

- 200 USD for the Thai agent
- 100 USD for the Myanmar agent
- 200 USD for the boat checker/inspector

**Retention of Identity Documents:** Workers who had paid or were charged for documents reported that their original passport and, or, identification cards were kept by the “boss” until the deduction of the amount paid for these documents was completed.

A fishing boat owner supplying Nestlé’s strategic supplier reported that previously, the Burmese workers on her boats were not documented, and that she was fined by the authorities. She said that since then, she had made an effort to document and register all her workers. However, she said she kept the workers’ documents so that they would not run away.

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*“Usually in the beginning of the year is when the raids and arrests happen...They know that we are foreigners. Even if you have a passport and you just left it at the factory and you tell them this, they charge you for carelessness or whatever they can think of.”*

*-Fish processing worker*



*In a market in Ranong, workers improvise and use baskets for seating while they sort eating fish, for sale to local buyers, and “trash fish,” which is bought in bulk and brought to feed mills/processing facilities.*

**Deception:** Deception in recruitment and contracting of migrants by brokers is common throughout the Thai seafood sector, especially among workers who end up on vessels. As per industry practice, written contracts or pay slips are not issued to sea-based workers, and no formal training or orientation on the job is conducted. Agreements are only verbal or spoken, and are subject to change depending on the demands of the job, or at the discretion of the “boss.”

Workers’ vulnerability is greatly compounded by the need for fishing boats to be further out and for longer periods of time, due to low fish stock in Thai waters. Workers reported that they were not always informed of where the boat was destined, and where or when it would dock. Some workers reported being arbitrarily transferred from one boat to another bearing a different flag.

Burmese workers interviewed in Surat Thani reported that their lives as fishermen were very hard, conditions were very harsh, and definitely not what they had been promised. A few Burmese workers reported being “sold” by a broker to a boat. These workers reported that they had not

applied for work on a boat, but had paid to get into Thailand. Upon arriving in Thailand, they were brought to a fishing boat, without their consent. They later found out that the “boss” on the boat had paid the broker to bring them to the boat for work, and that they had to pay back this cost if they wanted to leave.

According to one of these workers, he came to Thailand initially from Myawaddy, and was transported to Ranong without knowing where he was going. He said that he was very distressed as he did not know his status - whether or not he was on the boat legally. He said that he had been working for three months already but had not yet received his pay, except for the 2,800 ThB (78 USD) he had been given initially as an advance. He has lost contact with the person who brought him to Ranong and had not been informed of the employment arrangements by the “boss.” He said that he wanted to run away the next time the boat docked if he still did not get paid, but that he was not sure how he would get back to Myanmar safely.



**Isolation and Restriction of Movement:** The inherently isolated nature of sea-based work limits worker movement and contributes to the vulnerabilities inherent to isolation. Workers reported that vessels returned to port only rarely, providing little opportunity to escape. Communication mechanisms while at sea are limited, so workers are often completely cut off from the “outside world” and any support systems.

#### B. Indicators of Forced Labor: Land-based Workers

**Isolation and Restriction of Movement:** Workers on farms inspected were provided with basic amenities and humane working and living conditions. However, they also faced isolation due to the remoteness of the sites, a lack of formal procedures for ensuring they had legal documentation, restrictions on their freedom of movement, and threats of denunciation to authorities.

Some workers who were employed in one of the manufacturing facilities owned by the Nestlé supplier were not free to leave and enter their housing facility, and were subjected to police intimidation and disciplinary action for breach of housing regulations.

A curfew of 8:30PM was imposed on Cambodian workers residing in a hostel building which the company, through an agent, secured for them. Based on interviews with the workers and the hostel supervisor, the workers could not leave nor enter the premises after 8:30PM without permission from a supervisor. Workers who stayed out later were forced to sleep elsewhere, or outside the hostel premises. The police were stationed around the premises every night, and management reported that this was done to keep workers safe. Workers were wary of the police,



and felt their presence was meant to control their movement.

**Vulnerability Due to Documentation Status and Retention of Documents:** Reflecting a chronic issue among migrants in Thailand, Verité found undocumented workers in the fish port and shrimp markets, shrimp farms and seafood processing facilities. Burmese workers in a fish-packing facility supplying scrap fish for use in one of the fishmeal processing plants also reported that: *“Workers with no work permits are the usual subject of poor treatment from the boss, and from the police, that’s why we all want to have papers. Work permits take so long to issue. There is a six months waiting time.”*

The owner of a shrimp farm supplying shrimp directly to Nestlé’s strategic supplier, and sourcing fishmeal from the same company, reported that not all the workers in his farm possess the proper legal documents. He said that he procures documents for workers only after a certain period of time, and that costs are partially covered by management. He reported that most of his workers are from Myanmar and Laos, and were recruited through personal contacts and referrals from former workers.

Workers in a processing facility in Ranong described police harassment and security issues linked to lack of documentation. According to one worker: *“Usually in the beginning of the year is when the raids and arrests happen. The police charge us 3000 [Tbt] [80 USD] per person. We’ve had encounters many times. Sometimes they go undercover, but others are just pretending to be the police. They know that we are foreigners. Even if you have a passport and you just left it at the factory and you tell them this, they charge you for carelessness or whatever they can think of.”*

Workers with documentation often had their documents withheld, and not all workers had the proper, legal immigration and labor documents or legal status, thus hampering their freedom of

movement, and making them vulnerable to threats of denunciation to the authorities or harassment and abuse.

**Deception, Intimidation and Threats:** Some workers in a facility owned by the Nestlé supplier reported that they were assigned to clean toilet rooms or perform janitorial tasks in the factory, although this was not in their contract, and that they were verbally abused if they refused any task assigned by the supervisor.

Workers employed in manufacturing facilities said they had been verbally abused and threatened with termination of their contract if they did not meet their quotas or made mistakes. One worker reported: *“I have to finish 13 kilo quota assignment per hour. If I cannot finish the task, I will be insulted by the line supervisors. As a result, I do not even have time to go to toilet.”*

**Excessive Overtime:** Two workers who work in a freezing and packing facility in Ranong, which supplies scrap fish to Nestlé’s fishmeal facilities, reported that there were no set limits on their workhours and that they had to work continuously for as long as there was fish to pack.

**Debt Bondage, Withholding of Wages:** As is common across the sector, and a major factor in the risk of debt bondage, workers are charged the cost of recruitment and hiring, and have unexplained deductions from their salary. Workers interviewed by Verité in on-land facilities reported earning an average of about 10 USD per day before fees and deductions. Cambodian workers in the facility owned by the Nestlé supplier reported to Verité paying 14,000 – 18,000 ThB (400 – 500 USD) for their job. The workers also had to deposit seven days salary with the factory; they were told that for the first seven days, wages would be kept to guarantee they continued in the job. The workers said this practice was pointed out as a violation in an audit and was stopped for some time, but

was resumed. Burmese workers employed in a packing and fish trading facility that also supplied fish scrap to the fishmeal facilities reported that they paid 12,000 ThB (330 USD) for passport, visa, health-card, and a document that workers need to renew every 90 days. Workers also reported having to pay significant wage deductions for their accommodations. The rental fees in one facility were: a) 1,700 ThB (47 USD) per month for those who lived alone, b) 1,500 ThB (42 USD) for those who lived with a roommate, and c) 1,200 ThB (33 USD) for those who lived with more than two people.

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*“If I cannot finish the task, I will be insulted by the line supervisors. As a result, I do not even have time to go to toilet.”*

*-Fish processing worker*

### C. Worker Vulnerability Specifically Tied to Existing Systems of Recruitment, Hiring, and Management of Migrant Workers

The current migration systems in Thailand are a significant contributing factor to migrant worker vulnerability.

Many of the workers interviewed by Verité were hired via informal referrals, agents, or as walk-in applicants. The latter group generally lacked regularized migration status and documentation, leaving them unable to access official Thai grievance mechanisms and vulnerable to threats of detention and deportation by authorities should they make complaints. A smaller number were recruited and hired through legal mechanisms, either in the sending country or in Thailand, after acquiring legal status through a formal government process. However, even for those with official migration status, most workers interviewed by Verité reported that they were required to

pay all fees to secure their job in Thailand. The amounts varied depending on the recruitment channel used, the type of work and location, and on the employment arrangement. These fees contribute to situations of indebtedness and can bind workers to their jobs even if conditions are untenable.

**Modes of Recruitment and Hiring:** According to the Alien Employment Act, foreign migrant workers may legally work in Thailand through the following channels: (a) Direct Hiring through a Memorandum of Understanding (MOU); (b) Migrant Registration System: ToR ROR 38/I (2009); and (c) National Verification (NV) Process (2004; 2012). (See *Annex B* for details)

Verité identified two main systems of recruitment and hiring in the Thai seafood industry:

- Legal recruitment and hiring channels, as per the Alien Employment Act; hired either in the sending country, or in-country, after the workers have acquired legal status through a government process
- Irregular hiring through informal referrals, agents, or as walk-in applicants, without going through the legal immigration and labor procedures.

Most of the workers Verité interviewed were migrants hired through informal channels, and did not possess the required, legal documentation for foreign workers in Thailand. Most made their way to Thailand through an intermediary

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*The workers hired through informal channels reported inhumane conditions during transport: overcrowded vehicles, sometimes as many as 150 in a truck, such that people were “piled,” sleeping or sitting on top of each other. Upon arrival in Thailand, the workers were gathered in one place, then distributed to different provinces and worksites.*

who facilitated their transport and entry to the country for a fee. Some also paid intermediaries who linked them with employers when the workers reached Thailand. Most of the workers who used these informal channels entered Thailand through Ranong, Nakhon Si Thammarat, or Mae Sot. Some Cambodian workers reported going through unguarded borders; in the words of one: “cross over the stream, run in the plantation or forest, or take motor taxi driver to Thai territory,” where brokers are always ready to assist in transporting people from the border to their final destination.

The workers hired through informal channels reported inhumane conditions during transport; overcrowded vehicles, sometimes as many as 150 in a truck, such that people were “piled,” sleeping or sitting on top of each other. Upon arrival in Thailand, the workers were gathered in one place, then distributed to different provinces and worksites. Some were eventually registered at One Stop Service Centers (OSSC) for a Non-Thai Identification Card, or applied for National Verification, with the help of their employers, but usually at the workers’ cost.

The workers hired through legal channels tended to be employed in the manufacturing or processing facilities, and in shrimp farms. Some of these workers were recruited through subcontractors or agencies in Thailand, and their Work Permits also reflected the agencies as the employer, while others were directly employed by the facility or farm. A few were hired by the facility

*Only a few workers interviewed possessed the appropriate documents. They reported that the facility facilitated the procurement of their documents, but the cost was charged to the workers in the form of salary deductions. The costs of passport and permit renewal are charged to the workers as well.*

in the home country through the MOU channel. Many of the workers who now have a legal status and are currently employed in these facilities, also went through irregular channels to enter Thailand, and were brought or introduced to the facility or farm by brokers or agents, or workers’ personal contacts – friends or relatives already working in the facility.

Based on interviews, Verité noted that manufacturing facilities, including those of the Nestlé’s supplier, hire most of their workers through referrals and direct walk-in application processes, but do not have mechanisms in place to screen out forced labor or trafficking risks. There are no procedures to ensure that workers were brought into Thailand and to their facility through legal and humane means, or any formal due diligence processes to screen out labor broker or agent practices that could constitute trafficking or result in forced labor.

**Recruitment-related Fees:** Section 11 of the Thai Alien Employment Act mandates employers who want to hire migrant workers to submit the applications for permits and pay the fees on behalf of such migrants. Based on the Alien Registration law, the fees payable in connection with the hiring of migrant workers are as follows.

**Table I. Rate of Fees**

Transaction	Fees (in Baht/USD)
Application form	1,000 ThB/28 USD
Work permit	20,000 ThB/560 USD
Renewal or extension of permit	20,000 ThB/560 USD
Permission to change work, conditions, locality or place of work	5,000 ThB/140 USD
Permission to employ a foreign unskilled worker or non-specialist	10,000 ThB/280 USD
Substitution of work permit	3,000 ThB/84 USD



In most cases, regardless of whether workers were hired through formal or informal channels, Verité found that fees were borne by the workers themselves. In a few cases, the supplier-facility covered all the official recruitment-related expenses, and no additional charges are imposed on workers; however, workers were still charged other fees by brokers in the sending country.

The actual fees paid by workers to secure a job in Thailand varied depending on the recruitment channel used, the type of work and location, and on the employment arrangement. Workers who secured jobs on their own paid fees to immigration officers, transport boat operators, intermediaries or fixers, and to their employers. For workers hired by facilities or farms, recruitment service fees and related expenses are often paid in advance by the employer or facility to the agents contracted to provide manpower to the facility, but amounts paid to recruiters or agents are eventually deducted from workers' wages. Additional service and related charges are also imposed separately by subcontractors and agents to workers.

**Documentation and Immigration Status:** Thai laws require workers who apply for a work permit to reside in Thailand or to have been permitted entry into Thailand temporarily. Applicants may not be tourists, in transit, or otherwise disqualified or prohibited from working under the regulations. Under section 21, a work permit is valid for 2 years from date of issuance. Prior to the expiration of a work permit, the application for renewal should be submitted. The renewal is allowed for a period of 2 years each time but the total length of time permitted to work shall not be over a period of 4 consecutive years, unless otherwise prescribed by the Council of Ministers. It is the duty of the work permit holder to keep it with him or her or at his or her workplace during working hours or on his or her person to show it to officials when required to do so.

A migrant from any of Thailand's neighboring

countries may work in certain categories or nature of work on a temporary basis during the prescribed periods or seasons provided, within a local area nearby or near the border. Such foreigners must apply for a temporary work permit by producing their travel documents, other than a passport, and paying the fees as specified. The work permit will indicate the location where they are permitted to work, duration, type of work and the employer for whom such worker will be working.

Verité noted that some of the workers' work permits and immigration cards were either expired, or about to expire and scheduled for renewal at the time of the interview, or were fake. Workers reported being able to secure a passport and registration papers without providing any supporting documents. When asked for their age during interviews, for example, workers often said: "*passport age or real age?*" Many of the workers procured their documents through intermediaries or fixers who charged them fees for the service provided. Workers were not capable of verifying if the documents provided to them were authentic or appropriate.

Only a few workers interviewed possessed the appropriate documents. They reported that the facility facilitated the procurement of their documents, but the cost was charged to the workers in the form of salary deductions. The costs of passport and permit renewal are charged to the workers as well.

Verité noted that workers who procured their passports and secured their work permits under the Nationality Verification process in 2009 may also be at risk of falling out of legal status. Some workers who procured their passports and work permits in line with the Nationality Verification process expressed uncertainty over their status, and reported that they were not aware and had not been informed of the process for the renewal of their documents.

## III. Conclusions and Recommendations

Verité's findings are not unique or limited to the Nestlé supply chain. Virtually all companies sourcing seafood in the Thai seafood sector are exposed to the same risks. Nestlé has chosen to highlight those risks and the connection to their own supply chain. Notwithstanding the complexity of the issues and the findings presented in this report, Nestlé is in a good position to create change and thereby to make a difference in the lives of hundreds of thousands of migrant workers engaged in the seafood sector from which Nestlé sources one of its most popular products.

Nestlé is the biggest food company in the world, it is seen as a leader in the industry, and could have a positive impact on the whole industry by raising the bar on labor protection. Nestlé's contribution can come from helping drive policy and infrastructure developments; complementing government efforts, but also instituting and maintaining independent monitoring and evaluation mechanisms necessary to address macro-systemic gaps.

With similar companies and retailers facing the same challenges in the sector, Nestlé has an opportunity to engage in strategic collaboration with key actors, in strengthening supply chain mapping and traceability efforts, making current monitoring and capacity building initiatives more robust.

### A. Recommendations for Nestlé (applicable to its Strategic Suppliers as well)

To address the grievous issues detailed in this Verité research, Nestlé should adopt an integrated

anti-trafficking and forced labor strategy that is based on clear measurable objectives to reduce migrant vulnerability to forced labor and leverage opportunities for collaborative multi-stakeholder action. This strategy and implementation steps should include:

- Setting immediate-, mid-, and long-term targets for measurable reduction in worker vulnerability to forced labor in collaboration with internal stakeholders, key business partners and other external stakeholders.
- Aligning forced labor and anti-trafficking policies and initiatives with due diligence efforts of leading retailers, brands and MSIs that address forced labor risks beyond the immediate supply chain segment, including, critically, a “no-fees to workers” standard that prohibits the costs of a job being charged or passed on to a worker.
- Assessing opportunities to join existing initiatives or partnerships (e.g., Shrimp Sustainable Task Force) that potentially amplifies customer leverage with common



*Thai shrimp farms are located in remote, isolated areas. This factor can exacerbate conditions for the workers and limits their access to support.*

suppliers and next-tier vendors, as well as business-driven advocacy with government actors.

- Ensuring verifiable supply chain traceability (risk map) as the first step in a comprehensive supply chain risk assessment.
- Strengthening supplier screening, onboarding, and performance management processes to ensure effective worker protections in such priority KRAs as:
  - » Mitigation of debt risk by adoption and implementation of a 'No fees' policy for job seekers;
  - » Performance management of labor providers (including incentivizing ethical practices and penalizing unethical ones);
  - » Legalization of employee immigration status without financial burden;
  - » Unrestricted access of workers to their personal documents including passports;
  - » Transparent, accurate and understandable terms of employment including written contracts;
  - » Freedom of movement/freedom to quit without penalty;
  - » Prevention of child labor and hazardous juvenile labor;
  - » Unfettered and timely access to grievance systems;
  - » Fair wages and work hours;
  - » Protection from harm, prioritizing vessel-based workers; and
  - » Humane treatment.

Strengthening internal processes and systems to meet these standards will require Nestlé to commit to internal training of procurement teams, relationship owners and others tasked

with supplier performance management. Specific recommendations include:

- Implementing a forced-labor focused Supplier Communication and Capacity Building program that ensures that forced labor and trafficking policies are clearly communicated and understood by all suppliers (including labor providers) and competencies for managing these risks are identified and targeted. Effective training programs must be seen and implemented as an element of a change process rather than a series of single events and should be based on clear learning and behavior change outcomes.
- Prioritizing efforts to mitigate migrant vulnerabilities to vessel conditions in particular, including the risk of being 'sold' by brokers to boat captains, excessive work hours, extreme workplace hazards and inhumane and unhealthy living conditions.
- Emphasizing to suppliers and their contractors (as a critical priority) the need to provide all workers legal or protected status and the documentation necessary to ensure labor protections, and to shield them from threats, harassment, and exploitation of their vulnerable status. Employers must ensure that workers have immediate, unfettered and secure access to their identity documents including passports.
- Prioritizing worker access to grievance channels and emergency redress, including independent hotlines, with an urgent focus on the need for sea-based workers to be enabled to communicate forced labor conditions and threat of harm in a timely manner. Support should be given to organizations on the ground that monitor and report or respond to critical conditions for migrants and fishers, and also to initiatives piloting satellite and other technology-based solutions for access to communication channels for vulnerable workers.



- Prioritizing the prevention of child labor and hazardous juvenile labor by establishing clear policies and pragmatic implementation strategies. For example, no worker whose age eligibility is in doubt should be assigned hazardous tasks, no matter what age is claimed verbally or in identity documents.
- Institutionalizing (through audience-specific training) labor protection policies organization-wide, particularly with sourcing teams and supplier relationship-owners in charge of supplier selection and performance management.
- Ensuring that anti-trafficking and human rights performance criteria (or KPIs) on Code conformance are clearly defined and integrated into the screening, contracting, onboarding, and business review cycles of strategic business partners (and ultimately all business partners).
- Establishing clear business consequences for supplier sub-standard performance and incentives for consistent achievement of performance standards against the Nestlé forced labor prevention policy.
- Where formal labor broker certification or accreditation schemes are lacking, adopting the practice of incentivizing ethical behavior of labor suppliers by increasing their business volume at the expense of more exploitive actors that are uncovered through worker interviews and other monitoring techniques. Require that employers take measures and absorb the cost of legalizing migrant work status; a critical factor in giving workers agency to avoid forced labor.
- Requiring suppliers to demonstrate how they similarly manage the performance of their first tier and effectively ‘cascade’ Nestlé standards to second- and third-tier vendors, including labor providers, starting with priority areas such as:
  - » ‘No fees’ to workers policies and legalization of employee status;
  - » Freedom of movement/freedom to quit;
  - » Child and juvenile labor prevention;
  - » Grievance systems;
  - » Fair wages and work hours; and
  - » Protection from harm, prioritizing vessels.
- Independent risk-based performance monitoring of supplier management of critical forced labor and human rights abuses using worker-focused methodologies. The model should identify and track the root causes of force labor risks (proactively), issues (requiring immediate action), and KPIs of business partners’ supply chain risk management systems (continual improvement).

### B. Recommendations to Governments

Because so many of the issues faced by workers in the Nestlé seafood supply chain in Thailand are structural in nature, comprehensive improvements will necessarily also require serious commitment to change on the part of relevant government actors. Toward this end, Verité offers the following recommendations:

- A regional approach should be explored for more long-term, sustainable solutions to these issues, and for ASEAN to have a regional legal framework for the protection of migrant workers. The causes of forced and child labor in the seafood sector are rooted in socio-economic and political factors in the countries involved; high-level dialogue and mutual cooperation are critical to address these issues.
- Governments should create a transparent, open and accountable labor recruitment and

admissions systems based on clear legislative categories and by harmonizing immigration policies with labor laws.

- Country laws and regulations relevant to the sector should be thoroughly reviewed for a better understanding of gaps and inconsistencies that enable criminal elements and corrupt practices to flourish. Licensing procedures and requirements, and environmental protection efforts should be complemented with labor protection.
- The seafood sector in Thailand has a need for the labor provided by migrant workers from its neighbors, but the Thai government must step up to its responsibility to drive change and improve the conditions for these vulnerable workers.
  - » The existing government-to-government, or direct-hiring programs should be strengthened with feedback from users or potential users such that they are practical for employers and ethical for workers.
  - » The registration and identity documentation processes for foreign migrant workers in Thailand (as in Myanmar, and Cambodia) should be more transparent, straightforward, and efficient.
  - » Socialization and information campaigns should be conducted in the villages and districts where most workers are recruited from.
  - » The Thai government should build national capacity to manage labor migration by developing national labor migration policies and legislation consistent with overall population policy, and government structures to manage labor migration. The latter can include the creation of focal points within relevant ministries to handle labor migration issues, and establish institutional mechanisms for enhanced co-operation between government authorities, worker organizations and employer associations.

## Annexes

### Annex A: Forced Labor Definition

Verité was guided in this research by the definition of forced labor developed by the International Labor Organization in Article 2 of ILO Convention 29 as, *all work or service which is exacted from any person under the menace of any penalty and for which said person has not offered himself [or herself] voluntarily*. The ILO has broken down the concept of ‘involuntariness’ into three core dimensions, namely, (a) unfree recruitment, (b) life or work under duress, and (c) impossibility of leaving the employer, and each core dimension has been broken down further into strong and medium indicators. It is important to note that to have a finding of forced labor, there must be one indicator of involuntariness and one indicator of associated menace of penalty, and at least one of these indicators has to be strong.<sup>6</sup>

**Table 2. Strong Indicators**

Core Dimensions	Strong Indicators of Involuntariness	Strong Indicators of Penalty
<i>Unfree recruitment</i>	Tradition, birth/ descent into ‘slave’ or bonded status	<ul style="list-style-type: none"> <li>• Denunciation to authorities</li> <li>• Confiscation of identity papers or travel documents</li> <li>• Sexual violence</li> <li>• Physical violence</li> <li>• Other forms of punishment (deprivation of food, water, sleep etc)</li> <li>• Religious retribution</li> <li>• Withholding of assets (cash or other)</li> <li>• Threats against family members</li> <li>• Confiscation of mobile phones</li> <li>• Removal of rights or privileges (including promotion)</li> <li>• Further deterioration in working conditions</li> <li>• Isolation</li> <li>• Locked in workplace or living quarters</li> <li>• Violence against worker in front of other workers</li> <li>• Constant surveillance</li> <li>• Withholding of wages</li> </ul>
	Coercive recruitment (abduction, confinement during the recruitment process)	
	Sale of the worker	
	Recruitment linked to debt (advance or loan)	
	Deception about the nature of the work	
<i>Work and life under duress</i>	Forced overtime (beyond legal limits)	
	Forced to work on call (day and night)	
	Limited freedom of movement and communication	
	Degrading living conditions	
<i>Impossibility of leaving employer</i>	Reduced freedom to terminate labor contract after training or other benefit paid by employer	
	No freedom to resign in accordance with legal requirements	
	Forced to stay longer than agreed while waiting for wages due	
	Forced to work for indeterminate period in order to repay outstanding debt or wage advance	

<sup>6</sup> International Labor Organization. 2012. *Hard to See, Harder to Count: Survey guidelines to estimate forced labour of adults and children*. [http://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---declaration/documents/publication/wcms\\_182096.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_182096.pdf).



Table 3. Medium Indicators

Core Dimensions	Medium Indicators of Involuntariness	Medium Indicators of Penalty
Unfree recruitment	Deceptive recruitment (regarding working conditions, content or legality of employment contract, etc)	<ul style="list-style-type: none"> <li>• Exclusion from future employment</li> <li>• Exclusion from community and social life</li> <li>• Financial penalties</li> <li>• Informing family, community or public about worker's current situation (blackmail)</li> <li>• Dismissal</li> <li>• Extra work for breaching labor discipline</li> </ul>
	Deceptive recruitment through promise of marriage	
Work and life under duress	Forced engagement in illicit activities	
	Forced to work for employer's private home or family	

## Annex B: Legal Channels for Migrant Worker Recruitment and Hiring

**Direct Hiring through the MOU:** Foreign workers intending to work legally in Thailand can enroll in the “MOU importation process” through which they obtain legal work permits, passports, and visas through official channels, as regulated by bilateral MOU agreements between their country of origin and Thailand. This channel is not open for foreign workers who are already in Thailand at the time of application.

**Migrant Registration System:** ToR ROR 38/I (2009): On 26 May 2009, Thailand passed a resolution to reopen migrant worker registration to new workers and to those who had previously registered and dropped out of the system because of job termination or for other reasons. Registration was permitted for work in a limited number of industries requiring unskilled labor -- fishing, agriculture and livestock raising, construction, industries connected to seafood processing, domestic work, and others. The Department of Local Administration (DLA) of the Ministry of Interior is responsible for the formal registration (history, photo, fingerprints etc.) of each migrant and for the issuance of the ToR RoR 38/I document that serves as proof of registration. The DLA then issues ID cards to the migrant worker. After the ID card is issued, the Department of Employment (DOE) of the Ministry of Labor then receives the application from the worker and the prospective employer, and thereafter issues the working permit.

**National Verification (NV) Process (2004; 2012):** Foreign workers can go through the national verification (NV) process to acquire legally documented status by means of the issuance of a temporary passport or other relevant documents, like a Certificate of Identity. To access the process, a foreign worker (a) should have been registered as a migrant worker from Cambodia, Lao PDR or Myanmar, (b) possesses a ToR ROR 38/I, and (c) has a work permit valid until the day of submission to the nationality verification process. Cambodia and Lao PDR authorities came to Thailand to conduct the interviews and verification. Myanmar opted to open centers for nationality verification. After their nationalities have been verified and the corresponding documents are issued [temporary passports for Lao and Myanmar citizens; certificate of identity for Cambodians], they can apply for a two-year Thai visa, which can be extended for an additional two years. Upon completion of nationality verification, migrant workers, in theory, can receive access to health care under the Social Security Scheme, worker's compensation insurance, the right to apply for a motorbike license and freedom of movement within Thailand and to their home countries.



