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## INVESTORS WELCOME INITIATIVE TO PROHIBIT PAYMENT OF RECRUITMENT FEES BY WORKERS

*Leadership Group for Responsible Recruitment is established, setting a new standard for ethical recruitment in global supply chains*

NEW YORK, NY – WEDNESDAY, MAY 4<sup>TH</sup>, 2016 – An important new initiative, The Leadership Group for Responsible Recruitment (LGRR), established to counter worker exploitation through unethical recruitment, was launched at an event in London today.

The LGRR, a collaboration between the Coca Cola Company, HP Inc., Hewlett Packard Enterprise, IKEA and Unilever with the support of human rights and responsible investor groups, was founded on the “Employer Pays Principle” which obligates employers to cover recruitment costs and prohibits the paying of recruitment fees by workers seeking employment. Migrant workers in particular are often victimized by unethical recruiters who may lure them across borders with the promise of jobs for exorbitant upfront fees workers take on as a debt. Once employed, wages and travel documents may be withheld, leaving workers in a forced or indentured labor situation as repayment of these fees becomes less and less achievable. For this reason, unethical recruitment is known as a leading gateway to human trafficking and slavery.

According to a [statement](#) issued by the group, *Adoption of this [employer pays] principle across all industries is fundamental to combatting exploitation, forced labor and trafficking of migrant workers in global supply chains and represents an important step in achieving the UN Sustainable Development Goal of decent work for all.*

Said David Schilling, ICCR’s Sr. Program Director, Human Rights and Resources ***“ICCR has joined the steering committee of the Leadership Group for Responsible Recruitment because we believe it builds on our 3-year [“No Fees”](#) campaign based on the principle that workers should never have to pay recruitment fees to obtain employment. ICCR members, who are investors actively engaging the global corporations in their portfolios, have been successful in getting key companies to adopt and implement “No Fees” policies because both corporations and investors see this issue as a major risk for***

***business and workers. Clearly more needs to be done, but the LGRR has the potential to broaden the number of companies committing to ethical recruitment practices and can make a significant contribution to the fight against trafficked and enslaved workers worldwide.”***

Said Valentina Gurney, Program Associate for ICCR’s “No Fees” Initiative, ***“In my conversations with migrant workers around the world - from the tobacco fields of North Carolina to the shrimp farms of Thailand - the path from poorly-managed (or overlooked) recruitment to exploitation, forced labor, trafficking and even violence is clear and well-trodden. By enforcing a supplier code that prohibits the paying of recruitment fees by employees, companies are closing this potential gateway to slavery and operationalizing a critical human rights protection for the world’s growing population of vulnerable migrant workers. As responsible investors and human rights advocates, we applaud the commitment of all parties in establishing this important initiative.”***

#### **About the Interfaith Center on Corporate Responsibility (ICCR)**

Celebrating its 45th year, ICCR is the pioneer coalition of shareholder advocates who view the management of their investments as a catalyst for change. Its 300 member organizations comprise faith communities, socially responsible asset managers, unions, pensions, NGOs and academic institutions representing combined assets of over \$100 billion with a record of corporate engagement that has demonstrated influence on corporate policies that further justice and sustainability. ICCR members engage hundreds of corporations annually in an effort to promote greater corporate accountability on questions such as climate change, corporate water stewardship, sustainable food production, human trafficking and slavery in global supply chains and increased access to both financial and health care services for communities in need. [www.iccr.org](http://www.iccr.org)