


SUPPLY CHAIN LAWS AROUND THE WORLD

	Reporting Requirement	Due Diligence Requirement	Enforcement Mechanism	Remedies for Victims	Independent Oversight	Broad Scope	SCORE /6
 California <i>Transparency in Supply Chains Act</i>	✓	✗	⊖	✗	✗	✗	1.5
 United Kingdom <i>Modern Slavery Act</i>	✓	✗	⊖	⊖	⊖	✗	2.5
 France <i>Duty of Vigilance Law</i>	✓	✓	✓	⊖	✓	✓	5.5
 Australia <i>Modern Slavery Act</i>	✓	✗	✗	✗	✗	✗	1
 Netherlands <i>Child Labour Law</i>	✓	✓	✓	✗	✓	✗	4
 Switzerland <i>Swiss Civil & Criminal Code</i>	✓	⊖	⊖	✗	✗	⊖	2.5
 Norway <i>Transparency Act</i>	✓	✓	⊖	✗	✓	✓	4.5
 Germany <i>Supply Chain Due Diligence Act</i>	✓	✓	⊖	⊖	✓	✓	5
 Canada <i>Fighting Against Forced Labour & Child Labour In Supply Chains Act*</i>	✓	✗	⊖	✗	✗	✗	1.5
 Netherlands <i>Responsible & Sustainable International Business Conduct Act*</i>	✓	✓	✓	✓	✓	✓	6
 European Union <i>Directive on Corporate Sustainability Due Diligence*</i>	✓	✓	⊖	✓	✓	✓	6
 IJHRC <i>Transparency in Supply Chains Act*</i>	✓	✓	✓	✓	✓	✓	6



= 1 Point

The law has this feature



= 0.5 Points

The law has this feature but it is limited



= 0 points

The law does not have this feature

SCORE CARD

*Proposed

Elements of A Strong Supply Chain Law

REPORTING REQUIREMENT

A reporting requirement mandates companies to report on steps taken to prevent the risk of forced labour or other human rights violations at any stage in the production of goods and services (the supply chain). Reporting alone, however, does not ensure human rights abuses are prevented – a company can comply with the law by accurately reporting it has *not* taken steps to prevent forced labour.

Due diligence requires companies to take reasonable steps to prevent forced labour or other human rights abuses in their supply chains. The ‘gold standard’ of supply chain laws, France’s *Duty of Vigilance Law*, creates a legally binding obligation on parent companies to prevent adverse human rights impacts in their supply chains. Under Canada’s proposed *Fighting Against Forced Labour and Child Labour in Supply Chains Act*, Bill S-211, corporations are to report on their due diligence measures but the proposed legislation does not require corporations to undertake due diligence processes.

DUE DILIGENCE REQUIREMENT

ENFORCEMENT MECHANISM

Breaching the reporting or due diligence requirements of a supply chain law should have consequences. Laws that rely solely on negative public perceptions of a company to alter corporate behaviour are deficient. More effective enforcement tools include injunctions, fines, civil liability – and even imprisonment, as in the Dutch law.

Preventing forced labour is only one pillar of a strong supply chain law. The law must also provide remedies for individuals whose human rights have been violated by corporate activities. Victims should have a means of bringing their grievances about a company to a judicial or administrative body and receiving redress if a violation is found.

REMEDIES FOR VICTIMS

INDEPENDENT OVERSIGHT

Supply chain laws in other countries have established a commissioner or ombudsperson or have designated the judiciary to oversee and enforce the law. Independence from the executive branch of government is crucial for effective implementation in this area. Canada could increase the independence of oversight by legislating for its supply chain law to be administered by the Canadian Ombudsperson for Responsible Enterprise, if granted additional powers to compel documents and witnesses, or the judiciary.

A strong supply chain law is not limited to labour-related transgressions. *No* violation of human rights by a Canadian company or its subsidiaries, suppliers and contractors should be tolerated. France’s *Duty of Vigilance Law* penalizes a wide array of human rights violations *as well as* environmental damage.

BROAD SCOPE