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2. Current opportunities

For its first round of grants, GFEMS is soliciting concept notes from potential partners to address the following identified opportunities in support of the Fund’s overall Theory of Change, and expects to award up to $15 million across programs through this inaugural solicitation. Addressing these specific opportunities will support GFEMS’ broader strategy by:

- Demonstrating effective approaches that can be scaled or replicated;
- Strengthening relationships with key stakeholders as a foundation for budgeted action plans; and
- Illustrating new ways for the private sector to combat modern slavery.

We recognize that most individual partner organizations will not have expertise in all three of GFEMS’ funding themes (rule of law, business engagement and sustaining freedom). Thus, for each of the opportunities listed below, we anticipate funding multiple interventions such that a series of complementary efforts is happening simultaneously across the three themes.

We will play an active role to facilitate collaboration between our partners, including during a period of co-creation between GFEMS and partners following initial concept note solicitation. As such, we are most interested in concept notes that demonstrate insightful analysis of problems and solutions – and partner ability to deliver on the ground – as opposed to fully-crafted project work plans.

Concept notes will be evaluated against criteria elaborated in our Funding Principles, with a particular emphasis on fit with the GFEMS Theory of Change and how well they align with our prevalence-reduction ROI (PROI) approach. Concept Notes for these particular opportunities will be accepted until April 1, 2018.

**Selected opportunities**

| Migrant labor | • Reducing trafficking of overseas domestic workers from the Philippines by (1) supporting government labor migration reforms and (2) leveraging industry demand to generate alternative employment and migration opportunities  
• Collaborating with government and private sector to improve the protection of Vietnamese migrants in recruitment to key destination industries |
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| Sex trafficking | • Creating new solutions to combat online-enabled sex trafficking in Maharashtra, India and replicating demonstrated successes in other geographies  
• Partnering with law enforcement, private sector and NGOs to target sex trafficking of Vietnamese women and girls to key regional destinations |
| Apparel and footwear | • Building the business case for preventing and ending forced labor in the global apparel supply chain by quantifying prevalence and identifying win-win solutions for businesses and workers (multiple countries; applicants proposing work in Vietnam and India are especially encouraged) |
| Construction | • Building the business case that eliminating forced labor in supply chains will increase the efficiency and effectiveness of operations, including through investment in worker skilling, safe migration, and ethical recruitment (multiple countries; applicants proposing work in India are especially encouraged) |
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US funding is possible for the following opportunities: migrant labor in the Philippines and Vietnam, sex trafficking in India and Vietnam, apparel and footwear in Vietnam, and construction in India and the Philippines.

See below for Problem and Opportunity statements for each opportunity, which should drive the rationale for interventions proposed in applicants’ concept notes. Concept note template; evaluation criteria; and other guidance can be found within this document, and is also available at www.gfems.org. Please review all materials noted here before preparing your concept note.

2.1 MIGRANT LABOR

2.1.1 Reducing trafficking of overseas domestic workers from the Philippines by (1) supporting government labor migration reforms and (2) leveraging industry demand to generate alternative employment and migration opportunities

Problem
Approximately 300,000 documented domestic workers left the Philippines in 2017 and conservative estimates on the ground indicate that 10-20% of all domestic workers leaving the Philippines will likely end up in a situation of forced labor or sexual exploitation (30k - 60k of documented workers each year). The number of undocumented workers at risk is unknown but also expected to be high – for Abu Dhabi alone, for example, the Department of Foreign Affairs notes 19,000 undocumented workers in 2017.

The Government of the Philippines has demonstrated strong commitment to addressing exploitation of its overseas workers, but the challenges of addressing exploitative practices by recruiting agencies and aiding return migrants are considerable. The continued high demand for migrant workers from the Philippines and the limited local availability of jobs for women will continue to drive the profitability of exploitative recruitment.

Opportunity
The Government of the Philippines has expressed a commitment to ensuring safe migration and increased employment for Filipino workers. The goal of safe migration is linked to the goal of increased employment: domestic workers at risk of forced labor often lack access to alternative employment or migration options. There are a number of global and local trends that can support development of alternative pathways for domestic workers that lead through ethical recruitment into safe and productive employment. Globally, these include the need for elder-care workers for aging populations and demand for skilled labor in the international hospitality industry. Locally, these include the Philippine government’s domestic priorities around infrastructure investment, captured in the President’s 8.4 trillion peso “Build, Build, Build” plan, which will require skilled construction workers.

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2 Senior officials at the Philippine Overseas Employment Administration informed GFEMS that it estimates approximately 19,000 Filipino workers in the Abu Dhabi area of the UAE are undocumented and facing difficulties either returning to the Philippines or finding good work in the UAE, on the basis of recent assessment.
Preparing and placing workers to meet these new demands for labor provides an opportunity to generate ethical recruitment from the ground up and reduce the supply of domestic workers to illegal recruiters by redirecting them into safer options. These efforts require public and private sector collaboration focused on skilling or re-skilling domestic workers for new types of jobs, placing them safely in positions through ethical recruiters, and providing workers with tools to share learning with others in the community. For example, this could be facilitated by development of a skilling database and a safe online job portal.

GFEMS is interested in funding activities to take advantage of the above opportunities and generate safe employment and migration options. GFEMS is also interested, by way of building on the government’s commitment to labor migration reform, in activities that support improvements to the migrant labor complaint and referral process that would lead to an increase in exits from trafficking and successfully prosecuted criminal and civil cases. These activities will need to be matched with effective advocacy and other services for victims and new approaches to provide services to ensure sustainable recovery.

2.1.2 Collaborating with government and private sector to improve the protection of Vietnamese migrants in recruitment to key destination industries

Problem
Many of the over one million Vietnamese migrants working overseas find themselves in situations of severe exploitation, including debt bondage and forced labor, in industries ranging from electronics to construction to agriculture. Migration is an important contributor to Vietnam’s economy, with remittances standing at 6% of Vietnam’s GDP, and the number of migrants leaving each year has been growing. It took only 9 months in 2015 for Vietnam to achieve its national target for the year of 90,000 sending guest workers. When Vietnamese migrants are exploited, it harms workers and their families. Additionally, it is economically damaging to the country as it reduces the amount of remittances migrants send home. Exploitative recruiting practices are a key component of the problem, and it is estimated that unlicensed recruiting agencies in Vietnam vastly outnumber licensed ones.

Opportunity
The Government of Vietnam has a strong interest in protecting its citizens deployed overseas and has recently passed a new law on forced labor that could be employed to prosecute exploitative recruiting agencies in cases of forced labor of overseas migrants. Meanwhile, associations of businesses that operate in destination countries for Vietnamese migrants (for example, international electronics businesses with manufacturing in Asia) can help coordinate member actions to ensure adherence to an employer-paid recruitment model.

These actions can help drive reform throughout the recruitment sector in Vietnam, supporting the scale up of ethical recruitment models in both formal and informal sectors of the country. Such reform will require a public-private partnership, involving cooperation between government, international businesses and

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3 Ishizuka 2013, MOLISA via Asianmigrantcentre.org; note that migration totals are likely missing many undocumented workers
4 WDI 2016
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associations, and licensed recruitment agencies. There is also a potential role for impact investors, who can deploy capital to ethical recruitment agencies to accelerate this consolidation. In parallel, providers, including NGOs, will need to increase the scale and effectiveness of victim identification and victim services. Vietnam’s migrant resource centers (MRCs) can expand support for victim re-integration, compensation, and successful re-migration through ethical agencies where appropriate.

GFEMS is looking to fund organizations that can work with one or more of the stakeholders mentioned above to facilitate the coordinated action required to ensure ethical recruiting of overseas migrants prevails.

2.2. SEX TRAFFICKING

2.2.1 Creating new solutions to combat online-enabled sex trafficking in Maharashtra, India and replicating demonstrated successes in other geographies

Problem
The state of Maharashtra is identified as one of the leading destination states for sex trafficking. The vast majority are Indian girls and women from other states in India, as well as from Nepal and Bangladesh. A significant number of sex trafficking victims from Africa, Central Asia, and East Asia have been noted in recent years.

In 2016 in the state of Maharashtra, over 1,000 victims of sexual exploitation were identified and reported by the national government. In the city of Mumbai, a recent prevalence study pointed to an ongoing trend of decreased sex trafficking of children in public brothels, but a concomitant increase of sex trafficking (both adults and children) in private spaces, often facilitated online. This trend of sex trafficking displacement to private spaces using online tools is a global phenomenon that local law enforcement are struggling to address. In particular, there are few tested solutions that address sex trafficking through online media and limited success in trafficker convictions.

Additionally, once victims are removed from sex trafficking situations, there are limited and inadequate resources to meet their needs. Victim care - including shelter, food, physical and psychosocial care, education, life skills, job training to meet market-driven employment, and other needs - are often expensive, incomplete, unsustainable, and isolated from other initiatives. NGOs efforts to partner with large companies for the successful placement of survivors in sustainable employment, while laudable, have been at a modest scale so far.

Opportunity
The Maharashtra State government has indicated a desire to increase the effectiveness of its response to sex trafficking in private spaces enabled through online channels. Helping develop a comprehensive and proactive response to sex trafficking in alignment with the Maharashtra State Plan of Action – especially creating and testing tools such as chatbots to address trafficking via online media – could yield valuable insights and an effective model for replication in other geographies.
Alongside tools to disrupt trafficking online, building a more efficient, trauma-informed, and victim-centered criminal justice system response will be crucial to effective rule of law and increased convictions. Identifying key risk factors for victimization and perpetration can inform early intervention and prevention of human trafficking. Lastly, the sector could greatly benefit from demonstrations of innovative and financially sustainable approaches to victim recovery, care, and reintegration into society with the goal of increased survivor independence, healthy social connections, and employment. Needs also exist for stigma reduction as survivors are reintegrated into communities.

Note: Within Maharashtra, in addition to Mumbai, GFEMS is also interested in work targeting the secondary urban centers of Pune, Sangli, and Nagpur.

2.2.2 Partnering with law enforcement, private sector and NGOs to target sex trafficking of Vietnamese women and girls to key regional destinations

Problem
A significant area of human trafficking in Vietnam is the transnational trafficking of Vietnamese citizens – largely girls and women – for commercial sexual exploitation in other countries, sometimes through the guise of marriages to foreign spouses. Trafficking routes move from repeated source communities in Vietnam to a number of key regional target areas. Traffickers often make use of online channels such as social media to facilitate their fraudulent practices. Aftercare capacity has been limited to date, including legal aid (e.g., to secure compensation for victims), psychosocial support, and vocational training.

Opportunity
GFEMS is looking to fund partners that can capitalize on opportunities for the public and private sectors to increase their efforts and collaboration to address sex trafficking:

The Government of Vietnam is strongly motivated to engage on this issue, recently demonstrating increased communication across law enforcement units and potential interest in a dedicated anti-trafficking investigative unit, with a national jurisdiction, to address commercial sexual exploitation.

Concentration of the crime in known/predictable communities in geographies suitable for regional trafficking provides an opportunity for targeted, community-level prevention efforts and prevalence measurement. Such prevention efforts can include awareness raising about risks to trafficking and about resources available to victims and survivors. The efforts can draw on the government’s mass market communication capabilities.

Given the key role of social media in enabling traffickers to both reach their victims and advertise their sex trafficking schemes, social media companies can be engaged to help support both prosecutions and prevention efforts. More broadly, the private sector may be a key part of efforts to train and provide alternative livelihood options to survivors.
2.3 APPAREL AND FOOTWEAR

2.3.1 Building the business case for preventing and ending forced labor in the global apparel and footwear supply chain by quantifying prevalence and identifying win-win solutions for businesses and workers (multiple countries; applicants proposing work in Vietnam and India are especially encouraged)

Problem
Forced labor, especially of women and girls, has been reported in both domestic and global apparel and footwear supply chains worldwide. Lack of concrete data on prevalence is a key challenge but one study (for example) estimated forced labor in the hundreds of thousands for a single region within a producing country. Global clothing brands increasingly express willingness to tackle this issue alongside of their work to address environmental and worker safety concerns. However, forced labor typically is not found in the Tier 1 garment manufacturers that sell directly to international brands and retailers. It is more often found in two categories of manufacturers:

- Tier 2 and 3 manufacturers of final garments who may be sub-contracted by Tier 1 manufacturers, sometimes informally and often under time pressure due to demand seasonality. Reports of forced or child labor have arisen in countries that specialize in cut, make and trim (CMT) operations, like Bangladesh and Vietnam.
- Producers of raw materials (e.g., cotton, rubber) and manufactured inputs (e.g., yarn, fabric) at earlier stages of the garment or footwear supply chain. Bonded labor has been reported in cotton production and spinning mills in India.

Global brands find it difficult to address labor practices in companies that are not direct suppliers, but some leading buyers are now publishing their primary suppliers (to increase transparency) and then attempting to map their supply chains further upstream. Industry consolidation pressure can also lead to better monitoring of labor standards. For example, some brands are (1) seeking deeper engagement with fewer suppliers, (2) working more with vertically-integrated suppliers, or (3) banning the use of CMT sub-contracts, all of which facilitate improved labor practices within their supply chains.

Nevertheless, the global supply chain for apparel and footwear is still long and opaque. Global brands have much less influence when they are only a minority buyer of an input that might be largely sold on the open market or used domestically, as in the case of spinning mills producing yarn. The growing trend of “smaller brands” and “fast fashion” is decreasing the buying power of any one given brand, with some movement in supply chains catering to smaller orders. Government enforcement of labor laws is critical to end forced labor in the apparel and footwear sector, but fierce global competition in the apparel sector may provide a disincentive to investigate practices or enforce laws that might raise costs for manufacturers. On top of this, very few quantitative estimates exist of the extent of forced labor in specific segments and geographies, which makes it difficult to motivate and direct the necessary efforts of industry and law enforcement.

Opportunity
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Despite these challenges, there are opportunities to build the business case for ending forced labor in the apparel and footwear sector by better measuring prevalence to understand the costs of forced labor, analyzing value that can be created, and improving industry capability to respond to fluctuations in demand (to reduce the incentive for forced labor, particularly that which is driven by outsourcing / subcontracting). This business case, made specific to individual countries, can be a basis for partnerships between government and industry to prevent and eliminate forced labor in a way that is consistent with national goals of growth in productivity and exports. Efforts to address industry-level prevalence of forced labor at scale will need to be paired with effective services for victims. Presently, GFEMS is interested in:

- Supporting the use of new data collection technologies and analytical methodologies to detect and quantify the prevalence of forced labor in garment production in places like Bangladesh and Vietnam.
- Helping to quantify the business case for win-win solutions (inclusive of governments, businesses, and civil society) strengthening overall supply chain efficiency as a result of eliminating forced and child labor. Examples of this include (1) utilizing data from spinning or weaving operations (e.g., in India) to estimate the value of eliminating forced labor in terms of workforce productivity, recruitment costs, and access to international markets, and (2) analyzing opportunities for manufacturers to improve operational efficiency and better manage demand uncertainty, to reduce the need for informal sub-contracting.
- Efforts to bring government, international buyers, local industry, and investors together to develop incentives (e.g., access to finance or technical assistance) that spur the growth and productivity of ethical operations in apparel and footwear supply chains.

2.4 CONSTRUCTION

2.4.1 Building the business case that eliminating forced labor in supply chains will increase the efficiency and effectiveness of operations, including through investment in worker skilling, safe migration, and ethical recruitment (multiple countries; applicants proposing work in India are especially encouraged)

Problem
$10 trillion is spent globally on construction, equivalent to 13% of GDP, and the industry is forecast to grow to $14 trillion by 2025. This growth expectation, in combination with a global labor shortage (56% of markets reporting a deficit in 2017), creates a strong market pull for large scale migration (both cross-border and internally within-country).

Cross-border and internal migrants working in construction often come from the most vulnerable communities (characterized by being poor, unskilled or semi-skilled, low in literacy, lacking access to social security and the justice system, originating from socially excluded communities, and having limited alternative livelihood options). Migration flows into the construction sector are often mediated by an

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7 International Construction Market Survey 2017 (Turner & Townsend)
elaborate chain of recruiters and brokers, operating largely in the informal sector. Recruiters and brokers promise a better life, only to frequently deceive workers and their families (men, women and children) into situations of forced labor and debt bondage (often overlapping with cases of sexual violence).

Recruiters and brokers are able to systematically exploit migrant workers due to information asymmetry, a low credible threat of prosecution and conviction, and the imbalance of power that they possess due to the lack of viable economic alternatives for workers and for construction companies looking to contract labor. As a result, forced labor in construction is an increasing problem; the ILO estimates that 2.88 million workers in the global construction industry are victims of forced labor.8

Opportunity
Business leadership, working coherently with government and civil society, is required to eliminate the forced labor of migrant workers in construction. Many encouraging actions and initiatives already exist; however, efforts often struggle to achieve transformative scale and are not able to tap into the potential of regulatory and market forces.

To get to transformative scale, a clear and compelling business case is needed. Therefore, GFEMS aims to test the hypothesis that eliminating forced labor in the construction supply chain, will – over the medium and long term – reduce the total system cost of operations, delivering an economic and impact win-win for governments, businesses, employees, and civil society.

This hypothesis of increased profitability and returns from eliminating forced labor is predicated on an assumption of increased productivity, associated with a more empowered, readily available and skilled workforce, reduction in quality risks, reduction in turnover, and improved safety. Productivity in construction has been chronically poor over the past two decades (growing only at 1% vs. 3.6% for manufacturing),9 and there is a clear opportunity for improvement. Increasing productivity would help the entire sector achieve better clearing and enable more projects to be completed reliably, safely, and faster to spec across the entire value chain.

One of the major root causes driving low productivity is the global shortage in skilled labor. Migrant workers fill the labor gap but are often unskilled or semi-skilled. Without developing marketable skills to improve their wage-earning potential, migrants remain highly vulnerable to forced labor and debt bondage. Therefore, there is an opportunity to establish a Public Private Partnership that focuses on increasing the supply of skilled labor through two main initiatives: 1) skilling migrants in marketable trades at scale across the construction value chain to mitigate risk of trafficking; and 2) making labor markets for construction skills more fair, transparent, and efficient by implementing an alternative system to that of deceitful recruiters and brokers in the informal sector. Both of these initiatives could be strengthened considerably with technology to increase transparency and the flow of information to all actors in the ecosystem. Better information flows would create a virtuous cycle; it would help governments better design and deliver social security benefits (for internal, within-country migrants), and

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8 At any given time, an estimated 16 million people around the world are victims of forced labor exploitation in the private sector. 18% of those 16 million are estimated to be in the construction sector. 2017 Global Estimates on Modern Slavery; Alliance 8.7.
it would strengthen the evidence base for prosecutions and convictions to deter and prevent the recruiters and brokers from exploiting workers.

In addition to skilling workers as an important prevention tool for trafficking, ethical recruitment processes must be designed and implemented to address worker-paid recruitment fees, contract switching, confiscation of identity documents, complicated immigration and work processes, government corruption and - at times - complicity.

Therefore, GFEMS is interested in funding the development of this business case and a feasibility assessment of specific public-private partnership investment and operating models. The business case will include a quantitative valuation of the bottom line impact of preventing and eliminating forced labor in construction. We are particularly interested in efforts that focus on internal and overseas migrants from South and Southeast Asia and construction projects both within-country (e.g., creating domestic opportunity in Philippines) and in key corridors such as South and South East Asia to the Middle East. GFEMS is also interested in programs and technology/data-driven initiatives that may be directly related to building the business case, for example, programs/initiatives in areas such as skilling vulnerable populations in construction, ethical recruitment, and safe migration.