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& RELIEF

ORPHANAGE TRAFFICKING

What does the growing recognition of
'orphanage trafficking' mean for Australian
charities and churches?

The Australian government introduced a Modern Slavery Bill into parliament in July, which is expected to be passed before the end of 2018. The Bill recognises orphanage trafficking and exploitation of children in institutions within the scope of the definition of modern slavery, making Australia the first country in the world to recognise this form of modern slavery in legislation.

The proposed legislation and the growing recognition of orphanage trafficking and orphanage tourism as a form of child exploitation could have implications for a range of Australian organisations and businesses, including Australian charities and churches who currently fund overseas orphanages (or other forms of residential care) and/or facilitate volunteering and voluntourism (including short-term mission trips) to orphanages.

As such, this briefing note has been written to give Australian charities and churches currently engaging with overseas residential care institutions an overview of the issue and an understanding of how to ensure any overseas funding and volunteering supports the best interests of children in line with national and international legal frameworks.

GROWING RECOGNITION OF 'ORPHANAGE TRAFFICKING'

In 2017, the Joint Standing Committee on Foreign Affairs, Defence and Trade launched an inquiry into establishing a Modern Slavery Act in Australia. Orphanage trafficking and orphanage tourism were amongst the range of modern slavery related issues considered by the committee in the course of the inquiry.

The evidence presented during the inquiry showed that Australia, as a key donor and volunteer sending country, is unintentionally driving the demand for orphanage trafficking. As such the committee concluded that Australia has an obligation to combat orphanage trafficking by addressing the demand side drivers of funding and orphanage volunteering.

The inquiry led to the release of the report, *Hidden in Plain Sight*¹, which included a chapter dedicated to orphanage trafficking. The report included eleven recommendations covering legislative, regulatory, awareness raising and other measures that could form a multi-tiered strategy to combat orphanage trafficking and orphanage tourism as a form of child exploitation.

Since the report was released, the Australian government has taken steps to combat orphanage trafficking, including discouraging Australian's involvement in orphanage tourism, through the

launch of the Department of Foreign Affairs and Trade (DFAT) Smart Volunteering Campaign. New charity sector regulation is also under consideration, which if introduced, will require Australia charities to take steps to ensure compliance with Australia's trafficking and slavery laws as well as enhance the protection of vulnerable persons, including children in alternative care.

Globally, the awareness of orphanage trafficking is increasing and it has been recognised in the US State Department's Trafficking in Persons (TIP) Report in 2017 and 2018 and more recently has been included in the scope of the review of the UK Modern Slavery Act.

DEFINING AN 'ORPHANAGE'

An 'orphanage,' for the purposes of this briefing paper, includes all forms of residential care for children, including those referred to as:

- Children's Homes
- Children's Villages
- Residential Care Centres
- Institutions
- Compound Foster Care
- Shelters
- Rescue Homes
- Boarding Houses (in instances where they operate as RCI's but for education purposes)

All the above listed types of facilities are classified as residential care institutions (**RCIs**).

1. Parliament of Australia, 2017 *Hidden in Plain Sight: An inquiry into establishing a Modern Slavery Act in Australia*.

“Orphanage trafficking is defined as the active recruitment of children from families and communities into residential care institutions (hereby called RCI's) in overseas countries for the purpose of foreign funding and voluntourism”



EXPLANATION OF ORPHANAGE TRAFFICKING

As with all types of trafficking, orphanage trafficking is driven by demand, which must be met with a ready supply. The demand is for 'orphans in orphanages' who can be marketed to overseas donor communities as 'alone', 'abandoned' and 'in need of care' thus creating a perceived need for funding and volunteers to support the RCIs. However, as the number of orphanages (and amount of available funding for them) well exceeds the legitimate demand for residential care in many countries, children who don't legitimately require care are trafficked into care to meet the deficit in 'supply'. The traffickers who connect the demand and the supply are those who actively recruit the children from their families and broker their placement into an RCI. These traffickers are sometimes orphanage directors or staff of RCIs, or in other cases they are 'middle men' who scout for children in largely poor and rural communities and receive a fee from the RCIs for each child placed, or receive payment from the children's families to take them to an RCI to access education or other services.

The trafficking of children into residential care has therefore emerged as a means for individuals and organisations to profit from the gap between the perceived and actual need for residential care in developing country contexts.

THE EXPLOITER AND THE EXPLOITED. WHO IS WHO?

It is important to note that individual donors and volunteers are not the traffickers in this equation, nor do they stand accused of exploiting the children in the residential care institutions they fund or visit. They are largely good people who want to help vulnerable children. Unfortunately, their good intentions and concern for orphaned and vulnerable children are being commodified and exploited by individuals and organisations who have realised that keeping children in residential care is a profitable business, as well as companies who profit from organising voluntourism experiences and placements in residential care institutions. Therefore, whilst the foreign funds and volunteers are fuelling the demand, they are not responsible for creating it.

HOW IS DEMAND CREATED?

Companies, charities and NGO's (herein referred to as 'organisations') are producing marketing and promotion materials that are essentially creating the demand. Through promoting stories which perpetuate an 'orphan myth' or 'myth of an orphan crisis', these organisations are appealing to donors and volunteers to help orphans by donating their time and money to RCI's.

In numerous cases, the children's identities have been falsified, either through false documents such as parent's death certificates and, in other cases, in the profiles sent to potential donors. These children are called 'paper orphans'. In fact, 80% of children in care have parents and families who are often erased from the children's stories and lives.

Sometimes organisations don't go to the extremes of producing falsified documents, but falsify stories about the children's histories and reasons for entry into residential care in donor communications.

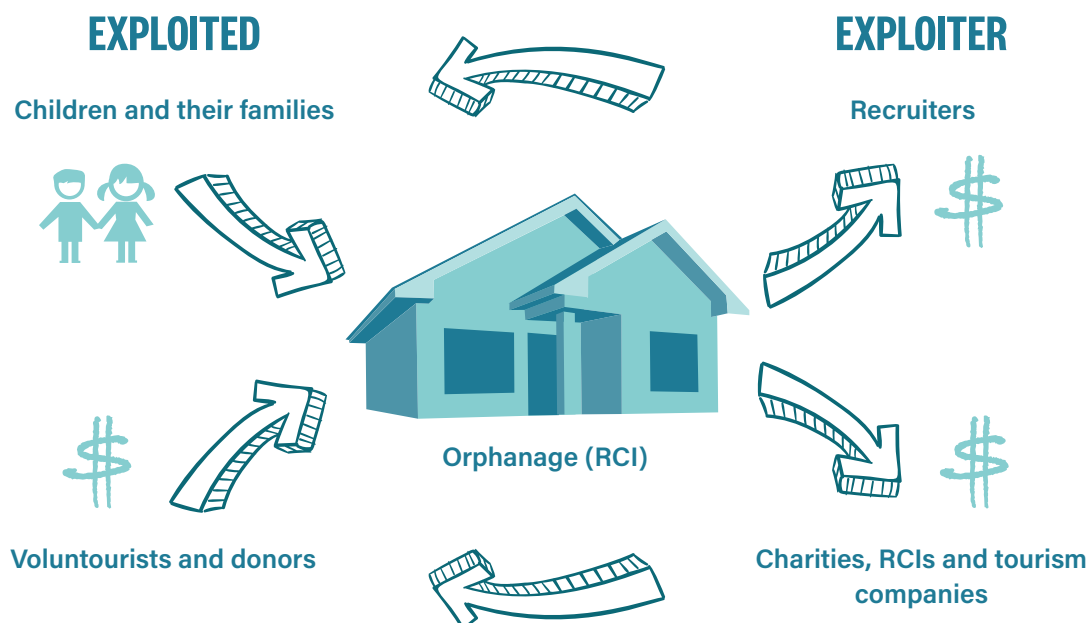
This is done to create a perception of need, desperation and dependence on the organisation – once again in pursuit of funding. The most common are false claims of abandonment, orphanhood, claims of being rescued from trafficking or found at significant risk of being trafficked. Where fabricated stories are used to legitimise keeping a child in residential care for the purpose of seeking foreign funding, then exploitation of both child and donor is at play and these children may in fact have been trafficked into the RCI.

Demand is created in another way too – through keeping children in slave like conditions in RCI's to elicit the sympathy of foreign visitors and volunteers. There is ample evidence of situations where children have been kept intentionally undernourished, and in substandard or dangerous living conditions in RCI's because foreign volunteers witnessing this situation are much more likely to give finances to rectify it. Unfortunately, those funds don't always get used to better the children's lives. Goods donated often kept locked in cupboards out of the children's reach and the sights of subsequent volunteers, or sold at local markets profiting the RCI directors. This act of harbouring children in unsafe conditions within RCI's and/or denying them their basic needs and rights for financial gain constitutes modern slavery.

In countries like Cambodia, children themselves are used to stir demand. They are sent into tourist districts to invite tourists to 'orphan shows' at the RCI's where they will dance and sing for donations. They are kept out of school to be available to perform on demand for visitors and volunteers. Needless to say, this practice is highly exploitative and unethical.

SUMMARY OF THE SUPPLY CHAIN IN THE ORPHANAGE INDUSTRY

In summary, the supply chain associated with the trafficking of children into RCIs looks like this:



HOW ARE AUSTRALIAN CHARITIES INVOLVED IN THIS?

Australian charities which raise funds from individual donors and partner with/fund RCI's overseas can be on either side of the exploiter-exploited equation. In many cases, they are being exploited by their overseas partners and duped into on-telling the falsified stories to their individual donor base to raise money. In other cases, Australian charities are knowingly complicit in creating the false narratives and in doing so are party to the commodification of children.

In some instances, the Australian charities' financial viability is tied to having children reside long-term in overseas RCI. Organisations can fuel orphanage trafficking when they require a minimum number of children to be kept in care to maintain a sufficient level of donations- regardless of whether there are legitimately children in need of the residential services provided. Using child sponsorship programs to fund RCI's intensifies this risk. Some organisations are aware that children are being recruited to maintain the numbers, however may not have understood that this can equate to trafficking. This is common when the organisation believes there is a legitimate rationale for bringing the child into care – even if it is for reasons other than lack of parental caregivers. Poverty and education are common reasons cited, however poverty alone is not a sufficient reason for children to be institutionalised². Issues such as poverty and education should be addressed within the context of the family and community.

Other charities may have begun funding RCI's overseas with all the right intentions. However, the growing awareness of the harmful effects of residential care on children's development has placed them at a cross roads. Some charities have responded positively by transforming their overseas programs or shifting their funding to better alternatives. Others have decided not to make a change out of fear that it will result in a significant loss of individual donors (or loss of face), and threaten the viability of their organisation. In this latter scenario, organisational concerns are trumping children's best interests and this constitutes a form of exploitation.

Keeping a child in an RCI for financial reasons with full knowledge that it is not in their best interests can also constitute modern slavery due to the loss of rights, liberty and poor outcomes associated with residential care and a form of economic exploitation.



HOW ARE AUSTRALIAN CHURCHES INVOLVED IN THIS?

A 2017 study conducted in Australia revealed that 51% of church attendees across 14 denominations in Australia donated to overseas orphanages. 14% of all church attendees who volunteered overseas volunteered in an overseas orphanage.³ This demonstrates that the Australian church is a key supporter of overseas orphanages.

The significant amount of support for overseas residential care institutions emanating from the church makes perfect sense. As the church, we care for vulnerable children; in fact, we are Biblically mandated to do so. We care about children's safety and wellbeing and our faith requires us to act on our love and concern. Two of the primary ways we can do this is by giving of our finances, and by either going overseas to volunteer or go on short-term mission trips. These trips often, as the research shows us, include visiting children in residential care institutions, or serving them in some capacity.

This love and concern, which is widely recognised within and outside of the faith-based sector, makes the church and believers key targets for those wishing to financially profit from programs purporting to 'assist vulnerable children.' Our willingness to help is in some settings being commodified and we are being exploited financially. This exploitation happens through our giving and our going, and in fact these two acts are integrally connected.

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2. UN General Assembly, 2010 *Guidelines for the Alternative Care for Children*.
 3. Pepper, M 2017 NCLS Commissioned Research Summary Report, ACCI.

'GOING' - SHORT TERM MISSION TRIPS

Inviting short-term teams to visit an orphanage whilst overseas is another key way RCI's connect with potential donors, maintain existing donors, or receive one off donations and goods from visitors. They know as well as we do, that when we send teams go to visit these children, team members develop an emotional connection with them, and that connection is much more likely to result in a financial contribution, one off or long-term, than a newsletter or website will ever do. Again, when people can see there is a demand for short-term mission teams to visit children in RCI's and

that this leads to one off or ongoing support, then they may take advantage of this and children are at risk of being exploited. Even when the RCI a given team visits is not exploiting the children in their centre, visiting or volunteering in any RCI contributes to the overall perception of demand and therefore still plays a role in fuelling the orphanage industry itself.

There are other reasons why short-term mission teams visiting an orphanage is not a good idea. These include the impacts a revolving door of volunteers can have on children's psychological development and the risk of exacerbating attachment issues. It also exposes children to greater child protection risks as opening the doors to visitors provides an avenue for those with intent to abuse the children to gain access to them.

Check out ACCI's Ethical Short-Term Missions and Volunteering online training and toolkit for more information:
<https://ethicalmissionstrips.org/>.

WHAT ABOUT SKILLED VOLUNTEERS?

Whilst we believe there is no place for orphanage tourism or voluntourists in orphanages (including STM teams), there can be a role for longer term skilled volunteers who can provide specific technical skills to support RCI's to transition as a part of care reform. Skilled volunteering in orphanages that does not contribute to care reform in some way will in most cases contribute to the ongoing inappropriate use of RCI's and therefore is a part of the problem not the solution. This is not something we recommend.

Skilled volunteer placements that do contribute to an RCI's transition and care reform more broadly should be able to be facilitated under the structures and guidance of reputable and qualified NGO's who are working with the RCI's for that purpose. Skilled volunteer placements of this nature usually focus on building the capacity of local organisations and social work staff rather than working directly with children. These things are complex and need to be well coordinated.



HOW DOES THIS AFFECT AUSTRALIAN CHARITIES AND CHURCHES?

Once passed, the Modern Slavery Act will establish a supply chain reporting mechanism requiring large entities that meet the threshold to release annual Modern Slavery Statements and take steps to eradicate slavery in their supply chains. This includes vetting supply chains for orphanage trafficking and exploitation in institutions, such as orphanage tourism, where that is a risk. Guidance material will be developed by Home Affairs and made available to support entities to understand and comply with their obligations under the Act.

The Modern Slavery Act Inquiry final report also made recommendations that the Australian Charities and Not For Profit Commission put in place new standards to better regulate Australian charities support of overseas orphanages. The purpose of this recommendation is to ensure charities overseas

activities or funding is not unwittingly driving the demand for orphanage trafficking, child exploitation or unnecessary institutionalisation. This is currently under consideration and new External Conduct Standards are due to be released in 2019.

Australia's decision to combat orphanage trafficking and curtail orphanage tourism represents a pivotal moment for care reform efforts and will set a global precedent for other countries to follow.

RECOMMENDATIONS FOR AUSTRALIAN CHARITIES AND CHURCHES

In light of the growing recognition of orphanage trafficking and orphanage tourism as forms of child exploitation, Australian charities and churches currently engaging with RCI's through funding or volunteering should seriously consider their involvement and ensure that it upholds the best interests of children and their rights to protection.

1. SUPPORT PROGRAMS THAT KEEP CHILDREN IN FAMILIES.

- **Conduct a due diligence check** if you financially support or partner with a RCI and ensure that you are not funding an orphanage that is institutionalising children unnecessarily, operating unlawfully, actively recruiting children into care, falsifying children's stories, or is using care as a long-term option contrary to international child rights law.
 - If the RCI is not measuring up to good practice, we encourage you to be the voice that advocates for that RCI to change. You probably have more power than you realise.
 - If the RCI is unwilling to engage with good practice and change, we recommend you give them notice of your intention to cease funding as this is an indication that they are not putting the best interests of children first.
 - If you are supporting an RCI undergoing transition, then continue to do so. We need Australians to fund RCI's while transitioning to ensure safe reintegrations of children and the transition to non-institutional services. Cutting funds when there is willingness to transition can negatively affect children's outcomes.
 - If you are confident that the RCI is operating in line with child rights law and good practice frameworks (including UN CRC and UN Guidelines on the Alternative Care for Children), then you can feel confident to keep doing so.
- **Support programs that preserve and strengthen families**, such as supporting children to be reintegrated out of RCI's, RCI's to transition to non-institutional programs, family-based care (foster care and kinship care) or community strengthening programs.
- **Avoid establishing new funding partnerships with long-term RCI's** unless it is for the explicit purpose of helping the RCI transition and reintegrate children into families.

See ACCI's Due Diligence Checklist & Orphanage Checklist here:
<https://www.kinnected.org.au/resources>.

2. AVOID VISITING OR VOLUNTEERING IN ORPHANAGES.

- **Don't participate or facilitate visits to orphanages or volunteering in orphanages** including through short-term missions and refuse any offers to visit orphanages during overseas travel.
- **Consider more ethical** alternatives, such as volunteering in community projects, if volunteering remains core to your mandate.

See ACCI's Ethical Short-Term Missions & Volunteering website:

<https://ethicalmissionstrips.org/>.

See DFAT's Smart Volunteering campaign: <https://dfat.gov.au/people-to-people/volunteers/Pages/smart-volunteering.aspx>.

3. ADVOCATE FOR CHILDREN AND FAMILIES.

- **Share your knowledge** with your donors and church congregations. Many individuals visit orphanages (with the right intentions) whilst overseas, or donate to an orphanage independently. Encourage people to keep on caring for vulnerable children, but exercise wisdom and care in the right way.

ACCI Kinnected website:

<https://www.kinnected.org.au/>.

Better Care Network - an online resource library for people working with children who lack adequate family care: <https://www.bettercarenetwork.org>.

ReThink Orphanages - an Australian interagency network advocating for Australians to shift the way they engage with children in overseas aid and development: <https://rethinkorphanages.org>.

4. SEEK ADVICE.

- **Contact ACCI** if you are unsure, need assistance, or for technical support. Please send us an email or call and ask to speak to a member of the projects team to start the conversation.

Email info@acci.org.au or call (03) 8516 9600.



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