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Understanding Forced Labour & Modern Slavery Regulations: A Comparative Global Overview

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01. About The Author



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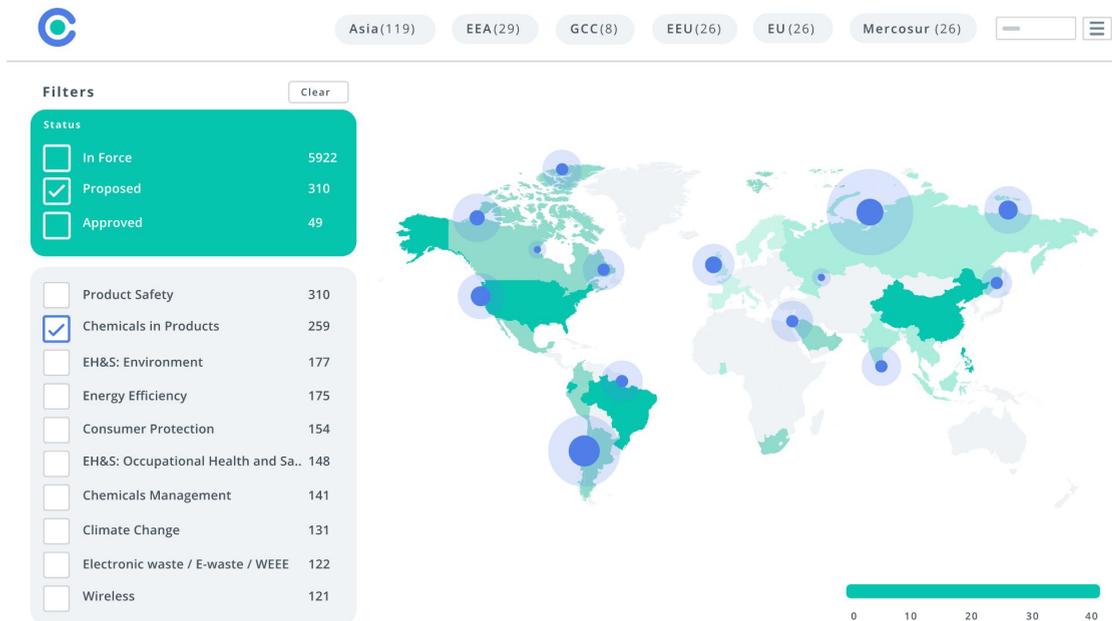
Cristian is a Regulatory Compliance Specialist with over nine years of experience in environmental compliance and human rights, focusing on ESG Human Rights, Human Trafficking and Slavery, Supply Chain Due Diligence, WEEE, Circular Economy, Ecodesign, Energy Efficiency, and Sustainable Resource Use.

Cristian is a qualified Mexican lawyer who joined Compliance and Risks in 2024, following a career that included work in law firms, human rights and environmental agencies, and an EPR Scheme.

He holds a law degree from the National Autonomous University of Mexico and two LLM master's degrees: one in Human Rights from the University of Alcalá in Spain and another in Environmental and Natural Resources Law from the University College Cork in Ireland.

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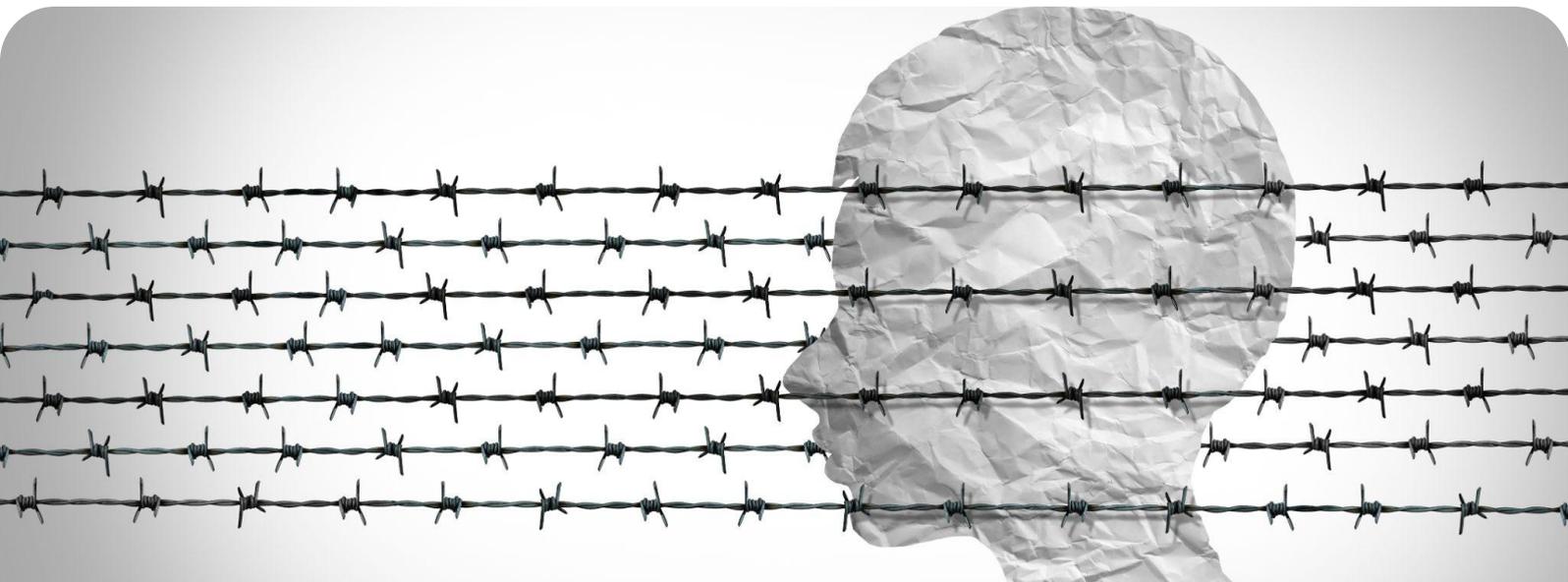
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03. Introduction

Modern Slavery refers to *"situations of exploitation that a person cannot refuse or cannot leave because of threats, violence, deception, [abuse of power or other forms of coercion](#)"* and can include a range of different or related forms, including:

- [Forced labour](#);
- [Human Trafficking](#).

Global estimates indicate that around 50 million people are living in modern slavery, of which around 28 million are involved in forced labour generating [\\$236 billion USD](#) in illegal profits each year.

According to the International Labour Organisation (ILO), Asia and the Pacific host 15.1 million in forced labour, followed by Europe and Central Asia with 4.1 million, the Americas with 3.6 million, and the Arab States [with 0.9 million](#). Notably, 63 per cent of forced labour cases [occur within the private economy](#).

In response, many countries have introduced legislation to address modern slavery and forced labour in corporate supply chains and the production or consumption of goods. Some frameworks focus on corporate transparency, requiring companies to disclose how they identify and mitigate modern slavery risks, while others restrict trade in products linked to forced labour.

Against this background, this whitepaper analyses and compares only key modern slavery and forced labour regulatory frameworks in the European Union, the United Kingdom, Australia, the United States, Canada, and Mexico, highlighting their core features and obligations, main actors, and enforcement mechanisms, leaving out those regarding [human rights due diligence](#).

This whitepaper covers:

- International Response to Forced Labour
- Corporate Reporting Requirements
 - The United Kingdom, Australia and Canada
 - New Zealand
 - United States of America
- Border Control Frameworks - Import Ban
 - United States of America
 - Canada and Mexico
 - European Union
- Comparative chart
- Regulations Factsheets

04. International Response to Forced Labour

The 1930 ILO [Forced Labour Convention](#) and the 1957 ILO [Abolition of Forced Labour Convention](#) require States to adopt national legislation to abolish forced labour and to take appropriate measures to suppress it.

In 2014, these obligations were expanded through the [Protocol to the Forced Labour Convention](#), which introduced duties to prevent forced or compulsory labour, protect victims, and provide access to remedies, including in cases of trafficking for labour exploitation. The accompanying [2014 Forced Labour Recommendation](#) further guides States in supporting businesses to identify, prevent, mitigate, and report risks of forced labour within their operations and supply chains.

The [UN Sustainable Development Goals](#) reinforce these commitments, with target 8.7 calling for the eradication of forced labour, the end of modern slavery, and the combating of human trafficking.

Together with regional human rights instruments - such as the EU Charter of Fundamental Rights and the American Convention on Human Rights - these international instruments establish a clear framework requiring States to respond to forced labour through legal, regulatory, and policy measures focused on prevention, enforcement, and victim protection, to which most States have enacted legislation criminalising forced labour, human trafficking, and child exploitation.

05. Corporate Reporting Requirements

In addition, a growing number of jurisdictions have adopted corporate reporting obligations requiring businesses to disclose how they manage modern slavery risks in their supply chains. The United Kingdom, Australia, and Canada are notable examples. Other jurisdictions have taken, or are considering, steps toward [mandatory human rights due diligence](#).

These reporting regimes typically require companies operating within the relevant jurisdiction to publish annual statements outlining the modern slavery or forced labour risks in their supply chains. Companies must describe their due diligence policies and activities to prevent, identify, monitor, and remediate abuses.

This may include risk management systems, employee training, and/or mechanisms that enable third parties to raise concerns about modern slavery.

Enforcement of these laws varies. Some jurisdictions impose only administrative fines for failure to publish required reports, while others empower government agencies to initiate judicial proceedings against non-compliant companies.



5.1 The United Kingdom, Australia and Canada

The UK Modern Slavery Act 2015 was widely regarded as a landmark transparency measure and was followed by the Australian Modern Slavery Act in 2018 and the Canadian Forced and Child Labour in Supply Chains Act in 2023.

Although their scope and specific obligations differ slightly, each framework requires businesses to report annually on the steps they have taken to address modern slavery risks in their operations and supply chains.

5.1.1 Scope of Application

In the United Kingdom, the Act applies to commercial organisations with an annual turnover of at least £36 million that supply goods or services in the UK and conduct any part of their business there.

The Australian Act applies to large entities operating in Australia with an annual revenue of at least AUD 100 million. Meanwhile, the Canadian Act applies to entities that produce goods in Canada or abroad, import foreign goods into Canada, or control another entity engaged in production or importation activities, meeting at least two of the following conditions:

- Assets exceeding CAD 20 million;
- Revenue exceeding CAD 40 million;
- An average workforce of more than 250 employees.

5.1.2 Content of Modern Slavery Statements

While the specific requirements differ slightly across jurisdictions, they generally include:

- A description of the organisation's structure, operations, activities and supply chains;
- The entity's policies relating to modern slavery;
- Due diligence processes;
- Risk management processes for assessing and addressing modern slavery risks in the supply chains;
- Employee training (required in the UK and Canada);
- Methods for assessing the effectiveness of actions taken;
- Any other relevant information (required in Australia).

5.1.3 Enforcement Mechanisms

Enforcement approaches vary considerably. Canada imposes administrative penalties for non-compliance. The UK may initiate civil proceedings to compel compliance, while the Australian Government currently employs transparency measures, such as publishing a list of entities that fail to report.

5.1.4 Revision of Legal Requirements?

None of the Acts requires companies to have due diligence systems in place, although they encourage doing so. This is why there have been reports recommending revisions to regulatory requirements to introduce stricter reporting requirements, penalties for non-compliance, and mandatory due diligence procedures.

In July 2025, the Australian Government launched a consultation to enhance the reporting framework, simplify and improve reporting, and target non-compliance. To implement a mandatory due diligence system, the Australian government will progress this through targeted consultations with relevant specialists.

On the other hand, in July 2025, the UK Joint Committee on Human Rights concluded in a Report that new legislation is required mainly regarding:

- Transparency reporting and mandatory human rights due diligence;
- An import ban on goods linked to forced labour; and
- Civil liability for companies failing to address forced labour.

On this, the UK government acknowledged the committee's recommendations and announced a new Responsible Business Conduct Review to analyse policy options and changes.

Finally, in December 2024, the Canadian Government released its Fall Economic Statement, announcing, among other plans, the introduction of a new supply chain due diligence regime, requiring government entities and businesses to scrutinise their international supply chains for risks.

5.2 New Zealand

New Zealand appeared to be moving toward implementing modern slavery legislation, with a public consultation in 2022 and a government plan announced in 2023. However, progress stalled in 2024.

Notwithstanding this, two private members' bills - one by Greg Fleming on 22 May and another by Camilla Belich on 17 July - briefly reignited efforts to introduce modern slavery legislation.

The drafts aimed to address all forms of modern slavery by imposing disclosure and due diligence requirements on companies operating in New Zealand, whether local or overseas, with annual revenues exceeding NZD 50 million.

Similar to legislation in the UK and Australia, the Bills would have required in-scope entities to prepare and publish a modern slavery statement outlining their due diligence processes, associated risks, and mitigation measures.

They also proposed establishing an anti-slavery commissioner and imposing economic penalties of up to NZD 200,000 for non-compliance.

Unfortunately, neither bill was formally introduced, as they did not receive the required level of support from non-executive members.

5.3 The United States of America

In the United States, there is currently no comprehensive federal law that makes mandatory modern slavery due diligence, nor that requires businesses to report annually on the measures taken to address modern slavery risks in their operations and supply chains.

5.3.1 Transaction and Sourcing Knowledge Bill

Notwithstanding the above, on April 8, 2025, the U.S. Senate introduced Bill 1358, known as the Transaction and Sourcing Knowledge [TASK] Bill, which would require the Securities and Exchange Commission (SEC) to mandate disclosures related to sourcing and due diligence activities for companies whose supply chains involve products imported into the United States that are directly linked to forced labour in Xinjiang, China.

As part of its evaluation of potential ESG reporting guidance for publicly traded companies, the Bill proposes that the SEC require disclosure of:

- Sourcing and due diligence activities relating to supply chains of products imported into the United States that are directly connected to the use of forced labour in Xinjiang, China;

- Transactions with companies that have been:
- Placed on the Department of Commerce Entity List; or
- Designated by the Department of the Treasury as Chinese Military-Industrial Complex Companies; and
- For publicly traded U.S. companies with operations in China, annual reporting on:
- Whether a Chinese Communist Party committee exists within the company's operations; and
- A summary of any actions or corporate decisions in which such a committee participated.

The Bill is currently still in the Senate Committee on Banking, Housing, and Urban Affairs for discussion.

5.3.2 California

California is currently the only U.S. state with a law requiring corporate disclosures related only to forced labour. The California Transparency in Supply Chains Act obliges large retailers and manufacturers doing business in the state to disclose, on their websites, the steps they take to eliminate slavery and human trafficking from their direct supply chains.

The Act, similar to the legislation in the UK, Canada and Australia, targets companies above certain thresholds. In particular, it applies to retail sellers or manufacturers in California with annual worldwide gross receipts exceeding \$100 million.

Covered businesses must report on five specific areas: verification, audits, certification, internal accountability, and training.

Importantly, the Act does not require companies to implement new measures to ensure that their supply chains are free from trafficking or slavery. Instead, it mandates only that companies publicly disclose their practices - even if they take minimal or no action to safeguard their supply chains.

Regarding the enforcement measures, the Attorney General has exclusive authority to enforce the Transparency in Supply Chains Act and may file a civil action for injunctive relief.

06. Border Control Frameworks - Import Ban

Trade-based measures are becoming more common as countries move to enforce import bans on goods linked to high-risk geographies or supply chains associated with forced labour. Notable examples of these are the United States, Mexico, Canada and the European Union.

6.1 United States of America

6.1.1 Uyghur Forced Labor Prevention Act

The United States first prohibited the import of goods produced by forced labour under the 1930 Tariff Act (19 U.S.C. 1307), later reinforced by the Trade Facilitation and Trade Enforcement Act of 2015.

More recently, the Uyghur Forced Labor Prevention Act (UFLPA) expanded the Tariff Act by establishing a rebuttable presumption that all goods mined, produced, or manufactured wholly or in part in the Xinjiang Uyghur Autonomous Region of China involve forced labour. The burden of proof rests on importers, who must provide credible, detailed documentation demonstrating that their products are not linked to forced labour. Non-compliance can result in shipment detention, exclusion, or destruction.

Among the information that the U.S. Customs and Border Protection may require to rebut the presumption are:

- The importer's due diligence system;
- Supply chain tracing and management; and
- Evidence demonstrating that the goods are not linked to the Xinjiang Uyghur Autonomous Region or to forced labour, such as worker recruitment information, audits, and supply chain maps.

Although the UFLPA does not legally mandate due diligence, importers are strongly encouraged to conduct it to mitigate enforcement risk. Companies are advised to consult the UFLPA Strategy for guidance on importer requirements, high-priority sectors, and entities linked to forced-labour activities.

6.1.2 Cobalt Supply Chain Bill

House Bill 2310, proposed in March 2025, would establish a rebuttable presumption that any imported goods that use or contain cobalt refined in China are produced with child or forced labour, thereby strengthening enforcement under Section 1307 of the Tariff Act.

Similar to the UFLPA, the bill would require the development of a comprehensive enforcement strategy that includes monitoring covered goods, identifying third-party supply-chain routes, designating high-risk entities, and coordinating with Mexico and Canada to prevent the rerouting of such products into the United States.

6.2 Canada and Mexico

Canada and Mexico had established their respective bans on the import of goods made with forced labour in accordance with the United States - Mexico - Canada Agreement.

Canada has done this since July 1, 2020, under the Customs Tariff. This prohibition was later expanded to include goods produced with child labour under the Fighting Against Forced Labour and Child Labour in Supply Chains Act. The Canada Border Services Agency, opposite to the rebuttable presumption established by the UFLPA, applies a risk-based approach when assessing goods suspected of being produced with forced labour.

If the goods are classified as such, importers may appeal the decision, re-export the goods or abandon them.

Mexico, on the other hand, published its Agreement for Prohibiting the Import of Products Made with Forced Labor in February 2023. The Ministry of Labor and Social Welfare may initiate investigations - either on its own or at the request of a private applicant - to determine whether goods were produced using forced or compulsory labour. Where forced labour is confirmed, the MLSW issues a resolution and publishes its findings on its website, leading to an import prohibition on the specific goods.

6.3 The European Union

The EU Forced Labour Regulation (EU) 2024/3015 represents a significant milestone in combating forced labour. It entered into force on 13 December 2024 and will generally apply from 14 December 2027 with a few exceptions.

The Regulation applies to all businesses operating in the EU market, regardless of size, location, or sector. The ban applies to all goods, irrespective of their region of origin, covering also products offered for sale online if the offer targets end-users in the Union.

The Regulation does not introduce new due diligence or reporting obligations beyond those already established under EU and national law, but it strongly encourages due diligence by considering the guidelines to be published by 14 June 2026.

In addition, the EU Commission and National Authorities – to be designated by 14 December 2025 – as applicable, will have the power to investigate and, if necessary, detain, seize, or order the withdrawal or disposal of a product made with forced labour, as well as to apply the corresponding penalties.

Similar to Canada and Mexico, when assessing the likelihood of violation of the law, the competent authorities must follow a risk-based approach, taking into consideration:

- The scale and severity of the suspected forced labour;
- The quantity or volume of products placed or made available in the EU;
- The share of the parts of the product likely to be made with forced labour in the final product and;
- The proximity of economic operators to the suspected forced labour risks in their supply chain.

Finally, the Regulation creates the Union Network and Database on Forced Labour to facilitate information exchange between the EU Commission, national authorities, third countries, international organisations, and other relevant stakeholders.

The Database - to be established by 14 June 2026 - will include information on:

- Competent authorities' details,
- Guidelines,
- Database related to risks in specific areas concerning specific products,
- Single information submission point,
- Decisions on the banned products, withdrawals, and review procedures.

07. Comparative Chart

Key Features of Forced Labor Frameworks

Law	Size Threshold	Refer to Business Supply Chain	Reporting Obligation	Mandatory Due Diligence	Market Ban	Either Any Type of Enforcement Mechanism or Penalties for Non-Compliance	Entry into Force
EU <i>Forced Labor Regulation</i>	No	Yes	No	No	Yes	Yes	2024 [Applies from 14 December 2027]
UK <i>Modern Slavery Act</i>	Yes	Yes	Yes	No	No	Yes	2015
Australia <i>Modern Slavery Act</i>	Yes	Yes	Yes	No	No	Yes	2019
Canada <i>Forced Labor in Supply Chains Act</i>	Yes	Yes	Yes	No	Yes	Yes	2024
California (USA) <i>Transparency in Supply Chain Act</i>	Yes	Yes	Yes	No	No	Yes	2012
Mexico <i>Agreement on Forced Labour</i>	No	No	No	No	Yes	Yes	2023
USA <i>Uyghur Forced Labor Prevention Act</i>	No	Yes	No	No	Yes	Yes	2022
USA <i>The Cobalt Supply Chain Bill</i>	No	Yes	No	No	Yes	Yes	Proposed on 24 March 2025
USA <i>TASK Bill</i>	Yes	Yes	Yes	No	No	No	Proposed on 8 April 2025

Notes:

- Size threshold: If the legislation applies to companies above a specific size threshold (e.g., number of employees or revenue).
- Refer to business supply chain: If the legislation refers to any part of the supply chain (e.g., direct or indirect suppliers, all stages of the supply chain).
- Reporting obligation: If the legislation requires companies to report on how they address modern slavery/forced labour risks. This does not take into account whether the company is required to provide information as part of an investigation.
- Mandatory due diligence: If the regulation requires mandatory due diligence. This does not take into account whether the company is encouraged rather than obliged to do so.
- Market Ban: If the legislation bans products made with forced labour.
- Enforcement mechanisms or penalties for non-compliance: This includes whether the legislation imposes administrative penalties, such as fines or seizure of goods, or includes companies or products in non-compliance lists, etc., or authorises judicial enforcement of its obligations.

Specifics of the above are detailed in each Regulation Fact Sheet

08. Regulations Factsheets

8.1 European Union

Prohibiting Products Made With Forced Labor on the Union Market Regulation (EU) 2024/3015 In force since 13 December 2024 Apply from 14 December 2027	
Scope	<p>The Regulation applies to all businesses operating in the EU market (regardless of size, location or sector), prohibiting them from selling, importing and exporting products made with forced labour.</p> <p>This includes goods - and their components - where forced labour occurs at any stage of a product's lifecycle, across all tiers of the supply chain, including extraction, harvesting, production, and manufacturing.</p> <p>The ban applies to all goods, regardless of their region of origin, covering also products offered for sale online if the offer targets end-users in the Union.</p>
Other Relevant Actors	<p>National competent authorities, customs and the Commission are responsible for enforcement. If the suspected forced labour is taking place outside the European Union, the Commission shall act as the lead competent authority; if it is taking place in the territory of a Member State, the respective competent national authority shall act.</p>
Obligations and Other Specific Actions	<p>While the Regulation does not impose additional due diligence obligations, it encourages businesses to implement robust due diligence practices, and explicitly includes consideration of the appropriateness of due diligence processes in the investigation process.</p> <p>The EU Commission will issue guidance for businesses on due diligence regarding forced labour, as well as best practices for ending and remediating various forms of forced labour.</p> <p>The Regulation imposes a ban on the import and export of products made with forced labour.</p>
Enforcement and Penalties	<p>During an investigation, the competent authority may require companies to provide documentation, supply chain information and evidence of due diligence.</p> <p>In exceptional circumstances, the authority may also carry out on-site inspections or audits. If an investigation confirms the use of forced labour, the authority must issue a decision to:</p> <ul style="list-style-type: none">• Prohibit the product from being placed on or made available in the EU market, or from being exported;• Require the company to withdraw products already on the market or remove online references to them;• Order the disposal of the product, or, if only specific parts are affected, require the replacement or disposal of those parts. <p>In some cases, customs authorities may detain goods at the border or within the EU market following a decision that they were produced with forced labour.</p> <p>Member States are required to impose penalties on businesses that fail to comply with a decision prohibiting the sale of a product or ordering its disposal.</p>
Guidance Documents	<p>To be published by 14 June 2026.</p>
Other Notes	<p>Adopted on 13 December 2024 and will take effect on 14 December 2027.</p> <p>Member States must designate the competent authorities to oversee the implementation of the Regulation by 14 December 2025</p> <p>The EU Commission will publish the Guidelines and establish the Database on Forced Labor by 14 June 2026.</p>

8.2 The United Kingdom

Modern Slavery Act 2015 Section 54 has been in force since 29 October 2015	
Scope	Commercial organisations that supply goods and services that carry out (part of) their business in the United Kingdom, with a total turnover of at least GBP 36 million. The Act refers to commercial organisations' own business and any of their supply chains.
Other Relevant Actors	Creation of an Independent Anti-slavery Commissioner, whose responsibilities include, among others, to encourage good practice and cooperate with private and public entities in preventing and investigating modern slavery practices.
Obligations and Other Specific Actions	Companies must publish a slavery and human trafficking statement on their website every year covering their supply chains and own business. This statement may contain, among others, the company's policies and due diligence processes in relation to slavery and human trafficking in its business and supply chains, and the steps it has taken to assess and manage the risk of slavery and human trafficking. Does not oblige businesses to conduct due diligence.
Enforcement and Penalties	The Act establishes penalties for acts of slavery, servitude, forced or compulsory labour and human trafficking. Although no specific penalties are provided for those who fail to submit a Modern Slavery Statement, the Secretary of State may bring civil proceedings to require an organisation to comply.
Guidance Documents	Statutory Guidance . Advice on how organisations can produce high-quality modern slavery statements. International Reporting Template for Modern Slavery, Forced Labour, and Child Labour reports. This international reporting template, jointly developed by the UK, Australia, and Canada, serves as an optional guide to help organisations implement good practices when complying with forced labour legislation across the three jurisdictions, reducing duplication and administrative burdens.
Other Notes	In July 2025, the UK Joint Committee on Human Rights published its report , highlighting that the Act has been ineffective in preventing goods with high levels of forced labour, especially electronics, garments, fish, timber, and textiles, from entering the UK market. Therefore, the Committee concluded the need for new legislation, mainly regarding: <ul style="list-style-type: none"> • Transparency reporting and mandatory human rights due diligence; • An import ban on goods linked to forced labour, and • Civil liability for companies failing to address forced labour. In September 2025 , the government acknowledged the committee's recommendations and announced a new Responsible Business Conduct Review to analyse policy options and changes, ensuring these are consistent with the Prime Minister's pledge to reduce compliance burdens by 25%.

8.3 Australia

Modern Slavery Act 2018 In force since 1 January 2019	
Scope	<p>The Act applies to entities operating in Australia with annual consolidated revenue of at least AUD 100 million.</p> <p>The Act covers both an entity's own operations and its supply chains, including those of any entities it owns or controls.</p>
Other Relevant Actors	An Independent Anti-Slavery Commissioner, whose responsibilities include promoting compliance with the Act and supporting entities in implementing effective practices to identify and address modern slavery risks.
Obligations and Other Specific Actions	<p>Entities must prepare and submit an annual Modern Slavery Statement to the Australian Government. Each statement must describe the entity's operations and supply chains, including any controlled entities, and outline the actions taken to assess and address modern slavery risks.</p> <p>A Modern Slavery Statement may include information on, among other things:</p> <ul style="list-style-type: none"> • Due diligence and remediation processes undertaken to address modern slavery risks; • Any actions implemented to identify, mitigate, or prevent modern slavery in operations or supply chains; • A description of how the entity assesses the effectiveness of those actions. <p>Does not oblige businesses to conduct due diligence.</p>
Enforcement and Penalties	The government may publish a list of entities failing to comply. Beyond this, the Act does not create additional mechanisms for enforcing possible rights violations, nor does it establish penalties for those who fail to submit a Modern Slavery Statement.
Guidance Documents	<p>Guidance for Reporting Entities. Provides step-by-step instructions about how to comply with the Modern Slavery Act 2018.</p> <p>International Reporting Template for Modern Slavery, Forced Labour, and Child Labour reports.</p> <p>This international reporting template, jointly developed by the UK, Australia, and Canada, serves as an optional guide to help organisations implement good practices when complying with forced labour legislation across the three jurisdictions, reducing duplication and administrative burdens.</p>
Other Notes	<p>In July 2025, the Australian government launched a consultation with the aim of strengthening the Modern Slavery Act 2018 by:</p> <ul style="list-style-type: none"> • Introducing penalties for non-compliance; • Amending reporting requirements (eg, corporate group reporting, grievance mechanisms, company internal governance processes, staff training and stakeholder engagement); • Voluntary reporting and notice requirements. <p>Regarding the introduction of mandatory due diligence and written declaration for high-risk matters, the Australian government will progress through targeted consultations with relevant specialists.</p>

8.4 Canada

Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023

In force since 1 January 2024

<p>Scope</p>	<p>The Act applies to entities that produce goods in Canada or abroad, import foreign goods into Canada, or control another entity engaged in production or importation activities. An “entity” includes a corporation, trust, partnership, or unincorporated organisation that is listed on a Canadian stock exchange or has a place of business, conducts business, or holds assets in Canada, and meets at least two of the following conditions in one of its two most recent financial years:</p> <ul style="list-style-type: none"> • Assets exceeding CAD 20 million; • Revenue exceeding CAD 40 million; • An average workforce of more than 250 employees.
<p>Other Relevant Actors</p>	<p>The Act also provides for the establishment of an Independent Anti-Slavery Commissioner whose responsibilities include promoting compliance and supporting entities in adopting effective practices to address modern slavery risks.</p>
<p>Obligations and Other Specific Actions</p>	<p>Entities must prepare and submit an annual modern slavery report describing the steps taken during the previous financial year to prevent and reduce the risk of forced labour or child labour at any stage of:</p> <ul style="list-style-type: none"> • The production of goods in Canada or elsewhere by the entity; and • The production of goods imported into Canada. <p>Each report must address the following:</p> <ul style="list-style-type: none"> • The entity's structure, activities, and supply chains; • Policies and due diligence processes related to forced labour and child labour; • Areas of the business and supply chain that carry a risk of forced or child labour, and the steps taken to assess and manage those risks; • Measures taken to remediate any identified forced or child labour; • Measures taken to remedy any loss of income by vulnerable families resulting from efforts to eliminate forced or child labour; • Training provided to employees on forced labour and child labour; • How the entity assesses the effectiveness of its actions to prevent the use of forced or child labour in its operations and supply chains. <p>Reports must be made publicly accessible, including on the entity's website.</p> <p>The Act defines supply chains broadly to include suppliers of goods and services that contribute to an entity's business activities, from sourcing raw materials to final production. This includes both direct and indirect suppliers and service providers, whether located in Canada or abroad.</p> <p>The Act amends the Canadian Tariff Act to prohibit the importation of goods produced using forced or child labour. The Canada Border Services Agency (CBSA) applies a risk-based approach when assessing goods suspected of being produced with forced labour. If goods are classified as such, importers may appeal the decision, re-export the goods, or abandon them.</p>

8.4 Canada

Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023

In force since 1 January 2024

<p>Enforcement and Penalties</p>	<p>Entities may commit an offence by failing to report, failing to make the report publicly available, failing to cooperate with investigations, or knowingly making or providing false or misleading statements or information. Individuals and entities found guilty are liable to fines of up to CAD 250,000.</p> <p>For enforcement purposes, the government may designate individuals with authority to enter any place where there are reasonable grounds to believe the Act applies or where relevant documents may be found. Designated persons may:</p> <ul style="list-style-type: none"> • Examine any item or document on the premises; • Use the site's communication systems; • Prepare documents based on available data; • Take photographs, recordings, or sketches; • Restrict access to any part of the premises or to specific items; • Remove items for further examination. <p>These powers support the effective administration and enforcement of the Act. Under the Customs Tariff Act, CBSA is authorised to inspect goods, determine whether they are suspected of being made with forced labour, and prohibit their entry into Canada.</p>
<p>Guidance Documents</p>	<p>Guidance regarding reporting obligations. Provides an overview of who needs to report and the timelines.</p> <p>Guidance for Entities. A general guidance on the application of the Act, reporting requirements and examples of compliant reports.</p> <p>International Reporting Template for Modern Slavery, Forced Labour, and Child Labour reports.</p> <p>This international reporting template, jointly developed by the UK, Australia, and Canada, serves as an optional guide to help organisations implement good practices when complying with forced labour legislation across the three jurisdictions, reducing duplication and administrative burdens.</p>
<p>Other Notes</p>	<p>In July 2020, Canada implemented an import ban under the Customs Tariff, making it illegal to import goods produced wholly or in part with forced labour. This measure implemented Canada's commitments under the United States-Mexico-Canada Agreement.</p> <p>In 2024, with the Fighting Against Forced Labour and Child Labour in Supply Chains Act, the ban was expanded to include goods made using child labour.</p> <p>In October 2024, the government launched a public consultation to strengthen Canada's forced-labour import ban. The consultation examined several potential measures, including:</p> <ul style="list-style-type: none"> • Publication of a list of goods at higher risk of forced labour; • Creation of a minimum supply chain traceability process; • Revisions to the cost-recovery model requiring importers of goods linked to forced labour to cover all costs associated with detention, removal, abandonment, forfeiture, transport, storage, or disposal; • Development of a streamlined mechanism to resolve disputes between importers and the government over import restrictions. <p>In December 2024, the Canadian Government released its Fall Economic Statement, announcing plans to introduce mandatory supply chain due diligence legislation and to amend the existing import ban.</p>

8.5 Mexico

Agreement Establishing the goods whose importation is subject to regulation by the Ministry of Labor and Social Welfare <i>[Agreement prohibiting the import of goods made with forced labor]</i> In force since 18 May 2023	
Scope	<p>The Agreement prohibits the importation into Mexico of goods produced wholly or in part with forced or child labour.</p> <p>It applies to any importer of goods subject to tariffs under Article 1 of the Law on General Import and Export Taxes, which covers most products.</p>
Other Relevant Actors	Ministry of Labor and Social Welfare (MLSW).
Obligations and Other Specific Actions	<p>The MLSW may initiate an investigation - either on its own initiative or at the request of any person - under Article 23.6 of the United States-Mexico-Canada Agreement. If the MLSW determines that there is sufficient evidence to begin an investigation, it may request cooperation from domestic or foreign authorities to verify abroad whether the goods were produced using forced or child labour, or it may notify the importer of the suspected goods of the investigation's initiation.</p> <p>If the MLSW concludes that forced or child labour was used in the production of certain goods, it will add those goods to a public list on its website, allowing importers to identify tariff items prohibited from importation. The MLSW will also inform the Mexican National Customs Agency, which will implement the corresponding import restrictions.</p> <p>Any person, national or foreign, may request that goods be removed from the list if the use of forced or child labour in their production has ceased.</p> <p>The Agreement does not impose formal due diligence obligations on businesses nor reporting obligations. However, during an investigation, the MLSW may request documentation demonstrating the importer's or manufacturer's due diligence.</p>
Enforcement and Penalties	<p>During an investigation, the authority may require companies to provide documentation to demonstrate due diligence on behalf of the importer or manufacturer.</p> <p>If the MLSW considers that forced or child labour is used in the production of goods, these will be added to a list published on its website for this purpose, so that importers are aware of the tariff items prohibited from importation.</p>
Guidance Documents	<p>Resource Guidance. This guide sets out the procedure for processing and receiving review requests, as well as the stages and timelines of the investigation phase, the criteria for determining the existence or absence of forced labour in the production of imported goods and the mechanisms for ordering restrictions on the import of goods where the use of forced labour is confirmed.</p>
Other Notes	<p>On 29 October 2025, the Mexican Government amended the Agreement to update the requirements for submitting investigation applications regarding products made with forced labour.</p> <p>Under the new rules, the requests can be submitted anonymously and will only need to comply with the following mandatory requirements:</p> <ul style="list-style-type: none"> • A description of the evidentiary elements; • A detailed description of the goods allegedly produced with forced labour, including the characteristics and elements that allow their identification; • The business name or individuals allegedly involved in the production of such goods using forced labour; and • The region, country, or countries of origin of the goods allegedly produced with forced labour.

8.6 United States of America

Uyghur Forced Labor Prevention Act In force since 1 January 2012	
Scope	<p>The Act establishes a rebuttable presumption that the importation of goods mined, produced, or manufactured wholly or in part in the PRC's Xinjiang, as well as goods produced by certain entities identified in the UFLPA Strategy on the UFLPA Entity List, are prohibited for import into the United States.</p> <p>It applies to any importer of such goods into the United States.</p>
Other Relevant Actors	<p>The US Customs and Border Protection (CBP) must prevent the entry of products made with forced labour into the US market by investigating and acting upon allegations of forced labour in supply chains.</p>
Obligations and Other Specific Actions	<p>The Act strengthens the prohibition on importing goods produced wholly or in part with forced labour by establishing a rebuttable presumption that all goods mined, produced, or manufactured in the Xinjiang Uyghur Autonomous Region are barred from entering the United States.</p> <p>To enforce this presumption, CBP identifies and tracks goods linked to the Region as they enter U.S. ports. It maintains lists of entities in Xinjiang that mine, produce, or manufacture goods using forced labour, as well as entities that collaborate with the regional government to recruit, transport, transfer, harbour, or receive forced labour or members of persecuted groups such as Uyghurs, Kazakhs, and Kyrgyz.</p> <p>Although the Act does not legally require businesses to conduct due diligence, it strongly encourages them to do so to ensure that no goods produced with forced labour enter the United States. Additionally, when an importer seeks an exception to the UFLPA's presumption, CBP may require evidence of an effective due diligence system.</p>
Enforcement and Penalties	<p>Goods are detained by CBP, after which the importer has three months to provide evidence demonstrating that no forced labour was used. If the importer fails to do so, CBP may seize and destroy the goods.</p>
Guidance Documents	<p>Operational Guidance for Importers provides transparency into CBP's operational approach to implementing the UFLPA.</p> <p>Frequently Asked Questions.</p>
Other Notes	<p>The UFLPA presumption applies unless CBP determines that the importer has rebutted it by meeting specific conditions and providing clear and convincing evidence that the goods were not mined, produced, or manufactured wholly or in part with forced labour. An importer may rebut the presumption if it has:</p> <ul style="list-style-type: none"> • Fully complied with CBP's operational guidance for importers; • Responded to all CBP inquiries; and • Provided clear and convincing evidence that the goods were not mined, produced, or manufactured with forced labour. <p>Importers may request an exception to the rebuttable presumption during a detention, after an exclusion, or during the seizure process. During these proceedings, CBP may request information related to:</p> <ul style="list-style-type: none"> • The importer's due diligence system; • Supply chain tracing (eg, information regarding the merchandise, miners, producers, or manufacturers) and management (e.g., internal controls); and • Evidence demonstrating that the goods are not linked to the Xinjiang Uyghur Autonomous Region or to forced labour (e.g., worker recruitment information, audits, supply chain map, wage payment information).

8.6 United States of America

The Cobalt Supply Chain House Bill 2310 Proposed 24 March 2025

Scope	<p>The Bill establishes a rebuttable presumption that goods containing or made with cobalt refined in China are sourced using child or forced labour.</p> <p>It would apply to any importer of such goods into the United States.</p>
Other Relevant Actors	<p>The US Customs and Border Protection (CBP) must prevent the entry of products made with cobalt refined in China into the United States.</p>
Obligations and Other Specific Actions	<p>The bill strengthens existing prohibitions (Section 307 of the Tariff Act) on importing goods produced wholly or in part by forced labour by establishing a rebuttable presumption that any goods containing cobalt refined in China are made with forced labour.</p> <p>It requires developing a comprehensive enforcement strategy that includes measures governing covered goods, identifying third-party supply-chain routes, designating high-risk entities, and coordinating with Mexico and Canada to prevent the rerouting of such goods into the United States.</p> <p>Similarly, it will include the measures and the authorities responsible for denying entry to such goods into the United States or for seizing and destroying them.</p> <p>The bill also includes a sunset provision ending these mandates eight years after enactment - or earlier if the President certifies to Congress that child and forced labour in the Democratic Republic of the Congo's mining sector, particularly in artisanal and small-scale operations, has been eliminated.</p>
Enforcement and Penalties	<p>An Enforcement Strategy will be developed to describe the measures and the authorities responsible for seizing and destroying goods, or denying their entry into the United States.</p>
Guidance Documents	<p>N/A.</p>
Other Notes	<p>The Cobalt Act would be broader than the UFLPA, as it is not restricted to the Xinjiang region.</p>

8.6 United States of America

Transaction and Sourcing Knowledge Senate Bill 1358

[TASK Bill]

Proposed 8 April 2025

Scope	Publicly traded companies.
Other Relevant Actors	The Securities and Exchange Commission would require annual reporting to traded companies on the imports and activities linked to the Xianjiang region.
Obligations and Other Specific Actions	<p>Entities would be required to disclose information annually on:</p> <ul style="list-style-type: none"> • Sourcing and due diligence activities involving supply chains of products imported linked to the Xinjiang region. • Transactions with companies that have been included in the UFPLA Entity List or designated by the Department of Treasury as Chinese Military-Industrial Complex Companies. <p>If the company has facilities in China, it would also have to disclose any participation by a Chinese Communist Party Committee in its operations, actions, or corporate decisions.</p>
Enforcement and Penalties	N/A.
Guidance Documents	N/A.
Other Notes	This Bill has been referred to the Senate Committee on Banking, Housing, and Urban Affairs.

8.6 United States of America

California (USA) <i>Transparency in Supply Chains Act</i> In force since 1 January 2012	
Scope	Retail sellers or manufacturers doing business in the State of California with annual worldwide gross receipts exceeding \$100 million U.S. Dollars. The Act refers to direct supply chains for tangible goods offered for sale.
Other Relevant Actors	N/A.
Obligations and Other Specific Actions	Companies must disclose their efforts to eradicate slavery and human trafficking from their direct supply chain for tangible goods offered for sale, if any, regarding: <ul style="list-style-type: none"> • Verification of product supply chains to evaluate and address risks of human trafficking and slavery. • Audits of suppliers to evaluate their compliance with company standards for trafficking and slavery in supply chains. • Certification of direct suppliers to certify that materials incorporated into the product comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business. • Internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and trafficking. • Training for company employees and management who have direct responsibility for supply chain management, including human trafficking and slavery, particularly with respect to mitigating risks within the supply chains of products. <p>The disclosure shall be posted on the seller's or manufacturer's website. Companies without websites must provide a written disclosure within 30 days of receiving a written consumer request.</p> <p>Does not oblige businesses to conduct due diligence.</p>
Enforcement and Penalties	The Attorney General has exclusive authority to enforce the Transparency in Supply Chains Act and may file a civil action for injunctive relief.
Guidance Documents	Resource Guidance provides step-by-step instructions about how to disclose the efforts to address human trafficking and slavery. Frequently Asked Questions .
Other Notes	N/A.



Conclusion

As noted, governments worldwide are taking steps to combat modern slavery in business operations and supply chains by introducing reporting obligations and banning the importation of products made with forced labour. Others, such as Australia and the United Kingdom, are moving toward mandatory due diligence to promote greater transparency and accountability.

These legal developments bring both opportunities and challenges for businesses. On the one hand, failing to address forced labour risks can expose companies to legal, reputational, financial, and operational consequences. On the other hand, taking proactive steps to identify and mitigate modern slavery risks can build consumer trust and strengthen brand value.

For businesses operating across multiple jurisdictions, ensuring consistent compliance is essential. This requires them to familiarise themselves with specific local requirements and guidelines.

All in all, the landscape for ethical and responsible supply chains will continue to evolve, making it a critical area for companies to monitor in the coming months.



References

1. ILO, [Global Estimates of Modern Slavery: Forced Labour and Forced Marriage](#), Report 2022.
2. [ILO Forced Labor Convention, 1930](#), defines it as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily".
3. Defined by the [United Nations](#) as the "the recruitment, transportation, transfer, harbouring or receipt of people through force, fraud or deception, with the aim of exploiting them for profit".
4. ILO, Global Estimates of Modern Slavery: Forced Labour and Forced Marriage, Report 2022.
5. ILO, [Profits and Poverty: The Economics of Forced Labour](#), Report 2024.
6. ILO, [What is Forced Labor?](#), 2025
7. ILO, [Global Business Network in Forced Labor](#), Report 2024.
8. See Compliance and Risks, [From Disclosure to Enforcement: Navigating the World's Emerging Human Rights Due Diligence Regulations](#), October 2025.
9. See Compliance and Risks, [From Disclosure to Enforcement: Navigating the World's Emerging Human Rights Due Diligence Regulations](#), October 2025.

OUR NUMBERS

300+

CUSTOMERS WORLDWIDE

195

COUNTRIES COVERED

100,000

REGULATIONS