



# Roundtable Session A

## Supply Chain Impacts of MNCs

### Measurement and Challenges

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# Case Study

## Forced Labour in the prawn industry

# About the industry

- Rapid growth
- Labour shortages, migrant workers
- International waters
- Widespread corruption and limited rule of law
- Evidence for systematic issues goes back to 2009



# Consequences

- Worst forms of human rights abuses
- Associated risks
  - Reputational
  - Financial
  - Regulatory

# Disclosure and preparedness

	CP Foods 	Carrefour 	Costco 	Tesco 	Wal-Mart 	Wm. Morrison 
Standards	Relatively broad	Very broad	Very broad	Very broad	Very broad	Very broad
Monitoring Programme	NA	Of first tier suppliers	NA	Of first tier suppliers	Of first tier suppliers	Of first tier suppliers
Auditing	72% of suppliers audited; Results not disclosed	For own brands; No irregularities CP Foods	Reserves the right to audit; no results disclosed	Annually for high risk first tier suppliers; Conducts SC impact assessments in Thailand	Conducts third party audits	Conducts third party audits
Response	Admits forced labour; 2015 certified	Suspended sourcing	NA	NA	NA	NA

# Conclusions

- Industry preparedness low
- Supply chain management focusing on first tier suppliers
- Audit schemes inadequate
- Thailand's outlook neutral
- Continued risk for aquaculture producers

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