













Procedure file

Basic information	
<p>COD - Ordinary legislative procedure (ex-codecision procedure) Regulation</p> <p>2022/0269(COD)</p>	Awaiting Council's 1st reading position
<p>Prohibiting products made with forced labour on the Union market</p> <p>Subject</p> <p>1.10 Fundamental rights in the EU, Charter</p> <p>3.45.01 Company law</p> <p>4.10.03 Child protection, children's rights</p> <p>4.15.12 Workers protection and rights, labour law</p> <p>6.10.08 Fundamental freedoms, human rights, democracy in general</p> <p>6.10.09 Human rights situation in the world</p> <p>6.20.02 Export/import control, trade defence, trade barriers</p> <p>Legislative priorities</p> <p>Joint Declaration 2023-24</p>	

Key players			
European Parliament	Joint Committee Responsible	Rapporteur	Appointed
	 Internal Market and Consumer Protection		15/12/2022
	International Trade	 LEITÃO-MARQUES Maria-Manuel	15/12/2022
		 RAFAELA Samira	
		Shadow rapporteur	
		 SCHWAB Andreas	
		 WARBORN Jörgen	
		 GLUCKSMANN Raphaël	
		 HAHN Svenja	
		 BRICMONT Saskia	
		 CAVAZZINI Anna	
		 BASSO Alessandra	
		 HOOGEVEEN Michiel	
		 ZŁOTOWSKI Kosma	


[PELLETIER](#)
Anne-Sophie



[SCHOLZ](#) Helmut

IMCO [Internal Market and Consumer Protection](#)

[International Trade](#)

Committee for opinion
AFET [Foreign Affairs](#)
(Associated committee)

Rapporteur for opinion Appointed
29/09/2022


[YENBOU](#) Salima

DEVE [Development](#)

26/10/2022


[DE BASSO](#) Ilan

EMPL [Employment and Social Affairs](#)
(Associated committee)

30/11/2022


[SATOURI](#) Mounir

PECH [Fisheries](#)

09/01/2023


[D'AMATO](#) Rosa

JURI [Legal Affairs](#)

Chair on behalf of committee 23/01/2023


[VÁZQUEZ LÁZARA](#)
Adrián

Council of the European Union
European Commission

Commission DG

Commissioner

[Trade](#)

BRETON Thierry

European Economic and
Social Committee

Key events

14/09/2022	Legislative proposal published	COM(2022)0453	Summary
06/10/2022	Committee referral announced in Parliament, 1st reading		
16/03/2023	Referral to associated committees announced in Parliament		
16/03/2023	Referral to joint committee announced in Parliament		
16/10/2023	Vote in committee, 1st reading		
16/10/2023	Committee decision to open interinstitutional negotiations with report adopted in committee		
26/10/2023	Committee report tabled for plenary, 1st	A9-0306/2023	Summary

	reading		
08/11/2023	Committee decision to enter into interinstitutional negotiations announced in plenary (Rule 71)		
09/11/2023	Committee decision to enter into interinstitutional negotiations confirmed by plenary (Rule 71)		
20/03/2024	Approval in committee of the text agreed at 1st reading interinstitutional negotiations	PE759.952 GEDA/A/(2024)001487	
22/04/2024	Debate in Parliament		
23/04/2024	Decision by Parliament, 1st reading	T9-0309/2024	

Technical information

Procedure reference	2022/0269(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Regulation
Legal basis	Treaty on the Functioning of the EU TFEU 114; Rules of Procedure EP 58; Rules of Procedure EP 57; Treaty on the Functioning of the EU TFEU 207
Mandatory consultation of other institutions	European Economic and Social Committee
Stage reached in procedure	Awaiting Council's 1st reading position
Committee dossier	CJ33/9/11493

Documentation gateway

Legislative proposal		COM(2022)0453	14/09/2022	EC	Summary
Economic and Social Committee: opinion, report		CES5362/2022	24/01/2023	ESC	
Specific opinion	JURI	PE749.170	30/05/2023	EP	
Committee opinion	DEVE	PE742.681	04/07/2023	EP	
Committee opinion	AFET	PE745.348	18/07/2023	EP	
Committee opinion	EMPL	PE745.486	19/07/2023	EP	
Committee opinion	PECH	PE739.691	19/07/2023	EP	
Committee report tabled for plenary, 1st reading/single reading		A9-0306/2023	26/10/2023	EP	Summary
Coreper letter confirming interinstitutional agreement		GEDA/A/(2024)001487	13/03/2024	CSL	
Text agreed during interinstitutional negotiations		PE759.952	13/03/2024	EP	
Text adopted by Parliament, 1st reading/single reading		T9-0309/2024	23/04/2024	EP	

PURPOSE: to lay down rules prohibiting the placing on the EU market of products made with forced labour, as well as their export from the EU.

PROPOSED ACT: Regulation of the European Parliament and of the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: forced labour, including forced child labour, continues to be a major global issue, with the ILO estimating the global number of people in a situation of forced labour at around 27.6 million in 2021. Vulnerable and marginalised groups in a society are particularly susceptible to be pressured into performing forced labour. Even when it is not state imposed, forced labour is often a consequence of a lack of good governance of certain economic operators.

The eradication of forced labour is a priority for the Union. However, there is no Union legislation that empowers Member States authorities to directly detain, seize, or order the withdrawal of a product on the basis of a finding that it was made, whether in whole or in part, with forced labour.

CONTENT: the objective of this proposal is to effectively prohibit the placing and making available on the EU market and the export from the EU of products made with forced labour, including forced child labour.

The prohibition covers domestically produced and imported products. In order to ensure the effectiveness of the prohibition, such prohibition should apply to products for which forced labour has been used at any stage of their production, manufacture, harvest and extraction, including working or processing related to the products. The prohibition should apply to all products, of any type, including their components, and should apply to products regardless of the sector, the origin, whether they are domestic or imported, or placed or made available on the Union market or exported.

The prohibition will contribute to the international efforts to eradicate forced labour. As for companies, the Regulation will act as an additional incentive to ensure that their supply chains are forced-labour free.

Designated competent authorities

EU Member States will be required to designate competent authorities responsible for implementing and enforcing the Regulation, with the necessary powers and resources. Member States' customs authorities will be in charge of enforcement at the EU borders. They will rely on the decisions by Member States' competent authorities to identify the products concerned and carry out controls for imports and exports.

Investigative process

The proposal puts in place an investigative process which will be carried out in two phases. In the preliminary phase, the authorities assess if there are well-founded reasons to suspect that products have been likely made with forced labour. If they determine that there is a substantiated concern of forced labour, they will proceed to the investigation phase.

Competent authorities will in all phases have to follow a risk-based approach. This means that they should focus their enforcement efforts where they are likely to be most effective, namely on the economic operators involved in the steps of the value chain as close as possible to where the risk of forced labour is likely to occur.

In carrying out investigations, competent authorities will examine all the information available to them. This includes: (i) independent and verifiable information on risks that forced labour has been used in the production process; (ii) information on market surveillance and compliance of products shared by other Member States; (iii) submissions made by third parties including civil society; (iv) information on whether a company carries out forced labour due diligence in its operations and supply chains.

Database and platform

The proposal also provides for the creation of a database of forced labour risk areas or products. Furthermore, a new platform (EU Forced Labour Product Network) will be created to ensure structured coordination and cooperation between competent authorities and the Commission.

Non-compliance and penalties

If the authorities have established that a product was made by forced labour, it cannot be sold in the EU, or exported from the EU. In case the product is already on the market, the company in question will be required to withdraw it from the market. It will also be required to dispose of the products. The economic operator concerned will bear the costs of disposing of the prohibited product. This will provide a strong deterrent and incentive for companies to comply. Furthermore, if a company does not follow the decision of a Member State under this Regulation, they face penalties under national law.

Prohibiting products made with forced labour on the Union market

The Committee on International Trade and the Committee on the Internal Market and Consumer Protection adopted the report by Samira RAFAELA (Renew, NL) and Maria-Manuel LEITÃO-MARQUES (S&D, PT) on the proposal for a regulation of the European Parliament and of the Council on prohibiting products made with forced labour on the Union market.

The committee responsible recommended that the European Parliament's position adopted at first reading under the ordinary legislative procedure should amend the proposal as follows:

Extended scope

Members proposed that the packaging, transportation and distribution of goods should be covered by the proposal, given the fact that these activities are an essential part of the goods supply chain and a sector where there is evidence of existence of forced labour.

Remediation

A new article has been included concerning remediation for victims by the economic operator. Remedial measures may include financial and

non-financial compensation.

High-risk products

Members stated that products coming from specific geographical high-risk regions or countries where forced labour practices are systemic and widespread should be presumed to be in violation of the Regulation and should therefore be automatically subject to an investigation. Economic operators have the burden to disprove such presumption.

Guidelines

The amended text stated that the Commission should issue guidelines no later than 12 months (as opposed to 18 months as proposed by the Commission) after the entry into force of this Regulation, which shall cover guidance on:

- due diligence in relation to forced labour, including forced child labour and forced women and girls labour;
- remediation measures;
- meaningful stakeholder engagement;
- requirements that economic operators need to adhere to in order to prove that they have eliminated forced labour from their supply chains and corrective actions adopted to prevent future abuses.

Union Network Against Forced Labour Products

Members specified that the work of the Union Network Against Forced Labour Products should be coordinated by the Commission. The Network should, inter alia, aim to: (i) streamline the practices of the competent authorities within the Union that facilitate the implementation of joint enforcement activities by Member States, including joint investigations; (ii) facilitate capacity building activities, such as the organisation of training programmes for competent authorities and other relevant stakeholders; (iii) promote exchanges of personnel between competent authorities and, where appropriate, with the authorities of partner third countries or with international organisations; (iv) assist in the organisation of information campaigns and voluntary mutual visit programmes between competent authorities, (v) involve and facilitate the diplomatic representations of the Union to assist in the information gathering efforts of this Regulation.

Penalties

In order to ensure that penalties are effective and fair and to prevent a distorted approach to penalties in the internal market, the power to adopt acts in accordance with Article 290 TFEU should be delegated to the Commission. The Commission should define the method for the calculation of financial penalties and the thresholds applicable.

Evaluation and review

By one year after the date of application and every four years thereafter, the Commission should carry out an evaluation of this Regulation taking account of its objectives in particular with regard to reducing the number of products made with forced labour on the Union market, improving cooperation between competent authorities and strengthening the controls on products entering the Union market, while taking into account the impact on business and in particular on SMEs.

The report should also assess whether the scope should be enlarged to include services ancillary to the extraction, harvesting, production or manufacturing of products.

Lastly, the Commission should continuously monitor the impact of this Regulation on victims of forced labour, also paying particular regard to the situation of women and children.

Transparency				
CAVAZZINI Anna	Shadow rapporteur	IMCO	05/03/2024	Tony's Chocolonely
WARBORN Jörgen	Shadow rapporteur	INTA	23/02/2024	European Solar Manufacturing Council
GLUCKSMANN Raphaël	Shadow rapporteur	INTA	19/12/2023	Decathlon SE
CAVAZZINI Anna	Shadow rapporteur	IMCO	13/12/2023	First Solar European Technology Center AB First Solar GmbH
GLUCKSMANN Raphaël	Shadow rapporteur	INTA	12/12/2023	Altana Technologies, Inc.
LEITÃO-MARQUES Maria-Manuel	Rapporteur	IMCO	07/12/2023	Altana Technologies, Inc.
RAFAELA Samira	Rapporteur	INTA	27/11/2023	Österreichischer Gewerkschaftsbund Österreichische Bundesarbeitskammer European Centre for Constitutional and Human Rights

				International Labour Organization
GLUCKSMANN Raphaël	Shadow rapporteur	INTA	21/11/2023	Altana Technologies, Inc.
LEITÃO-MARQUES Maria-Manuel	Rapporteur	IMCO	17/11/2023	DIGITALEUROPE
LEITÃO-MARQUES Maria-Manuel	Rapporteur	IMCO	15/11/2023	Global Counsel Limited
ROTH NEVE?ALOVÁ Katarína	Member	31/05/2023	FEDIOL	
MANDERS Antonius	Member	08/11/2022	Koninklijke Vereniging MKB-Nederland Vereniging VNO-NCW	