How updating modern slavery legislation and using technology to combat slavery can improve lives and protect vulnerable people

techUK is the trade association for the technology sector in the UK. Our over-1000 members, the majority of which are UK-based SMEs, are based around the United Kingdom. They employ 1.1 million people across the UK, with a turnover of £329bn in 2023 and an estimated annual growth rate of 10%.

We have prepared this briefing to help MPs and their teams understand key tech issues in the UK. This briefing focuses on the need to update UK’s modern slavery legislation and focus on human rights due diligence.

This briefing draws upon:

- Our [UK Tech Plan: How the next Government can use technology to build a better Britain](#)
- The [Seven Tech Priorities for the next Government and polling of 250 tech industry leaders in February 2023](#).

More briefings, both from ourselves and techUK’s members, can be found on our [online briefing hub](#).

What is the problem?

The Modern Slavery Act 2015 has significantly transformed corporate human rights reporting. As the global community increasingly moves towards mandatory human rights and environmental due diligence, the UK can take pride in initiating this momentum. The Act has served as a model for other jurisdictions, and through discussions with international stakeholders from both the private sector and governments, it is evident that the UK has led the way.

However, the Modern Slavery Act 2015 is no longer suited to address the current needs and challenges, rendering it inefficient for its intended purpose. The Act passed over a decade ago has not kept pace with significant advancements in technology, the evolving geopolitical landscape and legislative developments in other jurisdictions. The Act has also failed to meet the needs of an increasingly prevalent culture of corporate transparency, ethical practices and responsible sourcing. This culture is one where alignment with consumers’ values and investor expectations are becoming more and more relevant.

The failure to update legislation since 2015 has caused the formerly leading UK to fall behind. The EU has established itself as a frontrunner in human rights (including addressing modern slavery risks) through various regulations, including the Corporate Sustainability Due Diligence Directive (CSDDD/CS3D), the Corporate
Sustainability Reporting Directive (CSRD), Conflict Minerals Regulation, as well as the Forced Labour Regulation. Other countries, notably Canada, Australia and New Zealand, have also introduced laws on modern slavery. Although the UK initially had a first-mover advantage, the delayed implementation in these other countries has provided them with the opportunity to evaluate what has and has not worked with the UK Modern Slavery Act and to build upon it.

If the UK does not review its modern slavery legislation, it is at risk of becoming a destination for products made with forced labor. UK companies will also incur costs associated with the need to comply with diverging regulatory regimes. Furthermore, with funds being redirected from the Modern Slavery Innovation Fund, the UK is missing out on the opportunity to showcase technology that can combat human rights abuses. This is of great relevance to tech as technology sector stands out for its complex business structures and supply chains, particularly ICT and consumer electronics manufacturers.

Meanwhile, despite the fact that tech can play a significant role in facilitating supply chain transparency tools across various industries, the adoption of digital tools has been slow and public sector bodies have lacked the resources and knowledge to implement and use the tech, even when it has been made available.

How can this problem be tackled?

Complex supply chains and human rights issues are global problems, and there needs to be a harmonised approach to due diligence and modern slavery across borders to amplify action. Regulatory enhancements should align with global standards, enabling companies to implement the most appropriate actions to address specific risks as needed.

Firstly, the Modern Slavery Act 2015 must to be updated to ensure the highest possible level of protection for vulnerable individuals and a fair and equitable playing field for all businesses, while ensuring that companies have no excuses for not treating due diligence with the attention it deserves.

In view of the above, we recommend the following revisions to the Modern Slavery Act 2015:

- Review of the Modern Slavery Act 2015 that promotes pragmatic, proportional and flexible approaches that will reflect differing company types and accommodate the variations in supply chains.
- Removal of Section 54(4)(b) in the Modern Slavery Act 2015 which allows companies to report they have taken no steps to address modern slavery in their supply chains.
- Requirement for businesses to embed modern slavery due diligence into internal policies and risk management systems to prevent it from being a once-a-year activity.
- Requirement for businesses to explicitly state the time frame to which their modern slavery statement applies. That said, companies should have the flexibility to choose their preferred reporting timelines to ensure this does not become a tick-box exercise.
- Phased-in approach to enforcement and financial penalties for companies, while excluding directors from civil liability.
- Alignment with laws in other jurisdictions to ensure the UK does not become a destination for products made with forced labour.
- Integration of tech tools designed to detect human rights violations and support victims in government systems (e.g. customs checks).

Technology tools must be recognised as part of the solution, as they can play a significant role in facilitating supply chain transparency tools across various industries. It is essential for the next Government to acknowledge the potential technology has for monitoring supply chains and ensuring transparency in business operations. Emerging technologies, such as AI, can assist firms in delving deeper into their supply chain partners through sub-tier mapping, assessing suppliers against compliance databases, and determining whether they pose a high risk.

The Government could also streamline its own operations and achieve better outcomes by actively championing the integration of tools designed to detect human rights violations. Designated organisations such as local authorities and the police could benefit greatly from improved utilisation of technology to pursue offenders, protect victims and support reintegration. Technologies like translation services, predictive analytics for anticipating where and when offenses may occur, and case management systems as victims move through the National Referral Mechanism (NRM) and interact with charities, should be more properly implemented. Similarly, tech tools could efficiently point to items that were likely produced with forced labour during customs checks.

What are the benefits?

Updating the UK's modern slavery legislation would yield significant benefits for wider society. By aligning with international standards and cooperating with other nations, the UK can help create a more unified and effective approach to combating modern slavery, thus protecting vulnerable populations worldwide. A robust legal
framework would also empower consumers with greater transparency, enabling them to make more informed choices and support companies that adhere to ethical practices.

For businesses, updating modern slavery legislation would lead to lower costs and increased efficiency. Harmonising UK laws with international standards would reduce the complexity and financial burden of complying with multiple regulatory regimes. Companies operating across borders would benefit from streamlined processes and a clearer understanding of their obligations, leading to decreased administrative costs and reduced risk of non-compliance. In the long-run, this alignment would foster a level playing field, encouraging fair competition and rewarding businesses that prioritise ethical practices.

Updated modern slavery legislation would also serve as a catalyst for innovation within the tech sector and beyond, especially as many tech companies are already pro-actively developing tools to combat unethical practices. More stringent legislation would further motivate these firms to innovate and create technology-driven solutions for more effective supply chain monitoring and tracking, particularly if public funding is made available. These solutions could then be adapted for use in other sectors and the government.

How can I learn more?

If you would like to know more about the importance of getting our incentives for innovation right, you can read our UK Tech Plan and Seven Tech Priorities.

techUK can also arrange a call with yourself and our policy managers so we can brief you on this topic in more detail. If this would be of benefit to you, please contact archie.breare@techuk.org and alice.campbell@techuk.org.

techUK is also able to arrange a meeting between yourself and a member company of ours who has premises in your constituency if possible. This would provide you with a photo opportunity and allow you to discuss the importance of this issue further with a company operating in your constituency.