

EU Regulation on prohibiting products made with forced labour on the EU market

December 2024

On November 19th 2024, the Council of the European Union (EU) adopted the [EU Regulation on prohibiting products made with forced labour on the EU market](#). It has been published in the EU's Official Journal on December 12th 2024, which marks its enforcement. It will apply from December 14th 2027.

The text introduces a ban on placing and making available on the Union market or exporting from the Union market products made with forced labour.

A proposal for such legislation was first introduced by the European Commission on September 14th 2022 (see [ICI's summary](#)). The final compromise text has been adopted by the European Parliament on April 23rd 2024 (see ICI's [summary](#)).

This ICI briefing provides an overview of the main elements of the legislation.

Main elements of the regulation

EU Regulation	
Objective	<ul style="list-style-type: none"> Prohibiting economic operators from placing and making available on the Union market or exporting from the Union market products made with forced labour <p><i>Note: As defined in Article 2, forced labour includes forced child labour.</i></p>
Scope	<ul style="list-style-type: none"> All economic operators, understood as natural or legal persons or associations of persons placing or making available products in the EU or exporting them (small and large companies).
Carrying out obligations	<ul style="list-style-type: none"> Competent authorities designated by each Member State are responsible for carrying out the obligation. The list of all competent authorities will be made publicly available by the European Commission on the Forced Labour Single Portal. Competent authorities shall coordinate closely and exchange information with the relevant national authorities (e.g. labour inspections and judicial law enforcement authorities). Where the suspected forced labour is taking place outside of the EU, the European Commission shall act as the lead competent authority. <p><i>Note: As defined in Article 2, 'lead competent authority' means assessing submissions of information, conducting investigations, and making decisions.</i></p>
Investigations	<ul style="list-style-type: none"> Preliminary phase: <ul style="list-style-type: none"> Before initiating an investigation, the lead competent authority shall request information from the economic operators under assessment (and, where relevant, other product suppliers) on the relevant actions taken in order to identify,

	<p>prevent, mitigate and bring to an end or remediate risks of forced labour in their operations and supply chains.</p> <ul style="list-style-type: none"> • Economic operators shall respond to the request within 30 working days. They may provide any other information they may deem useful. • Competent authorities shall conclude the preliminary investigation phase within 30 working days from receipt of the information submitted by economic operators. The outcome of its assessment shall be communicated through the information and communication system. <ul style="list-style-type: none"> • Assessing the likelihood of the violation <ul style="list-style-type: none"> • based on the following criteria: a) the scale and severity of the suspected forced labour; b) the quantity or volume of products placed or made available; c) the share of the part of the product suspected to have been made with forced labour in the final product. • Based on all information that is relevant, factual and verifiable. • Investigation in case of a substantiated concern: <ul style="list-style-type: none"> • When the competent authority determines that there is a substantiated case of forced labour, it shall initiate an investigation into the products and economic operators concerned within 3 days of the date of the decision. The initiation of such an investigation shall be communicated through the information and communication system. • Where requested by the lead competent authority, economic operators under investigation shall submit any information that is relevant and necessary for the investigation, within at least 30 working days and no longer than 60 working days. • The lead competent authority may collect information from or interview any relevant natural or legal person who consents to do so to collect information. • Field inspections can be foreseen in exceptional circumstances where the lead competent authority deems it necessary. • Risk-based approach to be followed throughout the investigation process, focusing on the economic operators, and where relevant product suppliers, involved in the steps of the supply chain as close as possible to where the forced labour is likely occurring. • Coordination and mutual assistance: The European Commission and competent authorities shall cooperate closely with each other and provide each other with mutual assistance.
<p>Decisions</p>	<ul style="list-style-type: none"> • The lead competent authority shall endeavour to adopt its decision within 9 months from the date on which an investigation was initiated. • Where the lead competent authority cannot establish that the products concerned have been placed/made available/exported with forced labour, it shall close the investigation and inform the economic operators. • Where the lead competent authority establishes that the products have been placed/made available/exported with forced labour, it shall without delay adopt a decision regarding: a) the prohibition on the placing/making available/exporting; b) an

	<p>order to withdraw the products that have already been placed/made available; c) an order to dispose of the products or part of the products.</p> <ul style="list-style-type: none"> ● Review of decisions: Can be requested at any time by economic operators
Penalties	<ul style="list-style-type: none"> ● Penalties applicable to economic operators for non-compliance with a decision shall be laid down by Member States. ● They shall be effective, proportionate and dissuasive, and give due regard to: a) the gravity and duration of the non-compliance; b) any relevant previous non-compliance with a decision; c) the degree of cooperation with the competent authorities; any other mitigation or aggravation factor.
Governance	<ul style="list-style-type: none"> ● Establishes a Union Network Against Forced Labour Products (the Network): services as a platform for structured coordination and cooperation between competent authorities ● Establishes a (publicly available) database providing indicative, non-exhaustive, evidence-based, verifiable and regularly updated information on forced labour risks in specific geographic areas or with respect to specific products or product groups. ● Establishes a single information submission point: a centralized mechanism for the submission of information by any natural or legal person or association. ● International cooperation: The European Commission shall, as appropriate, cooperate and exchange information with the authorities of third countries, international organizations, civil society representatives, trade unions, business organizations and other relevant stakeholders.
Accompanying measures & guidelines	<ul style="list-style-type: none"> ● For SMEs: Can include training sessions on forced labour indicators. The appropriate information on those measures shall be made available through the Forced Labour Single Portal. ● Guidance for companies among others on a) due diligence in relation to forced labour; b) on best practices for bringing to an end and remediating different types of forced labour; ● Guidelines for competent authorities among others on a) the practical implementation of the Regulation, incl. assistance on risk-based assessments.

By December 14th 2029, and every 5 years thereafter, the European Commission shall carry out an evaluation of the enforcement and the implementation of the Regulation, including the:

- a) Effectiveness of the mechanism in place
- b) Cooperation between competent authorities, the Network, and other relevant authorities
- c) Effectiveness of international cooperation in contributing to the elimination of forced labour from global supply chains
- d) The impact on businesses, in particular on SMEs
- e) The cost of compliance
- f) The overall cost-benefit and effectiveness of the prohibition