EXPLANATORY MEMORANDUM FOR EUROPEAN UNION LEGISLATION WITHIN THE SCOPE OF THE UK/EU WITHDRAWAL AGREEMENT AND WINDSOR FRAMEWORK

Decision of the Joint Committee established by the Agreement on the Withdrawal of the United Kingdom of Great Britain and Northern Ireland from the European Union and the European Atomic Energy Community to add the following EU legislation to the Windsor Framework

Unnumbered EM

Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 on prohibiting products made with forced labour on the Union market and amending Directive (EU) 2019/1937

Submitted by the Department for Business, Innovation, Science and Trade, on 4 November 2026

SUMMARY

1. The following explanatory memorandum relates to the above Regulation (the Forced Labour Regulation), whereby the EU has established an EU-wide prohibition on economic operators placing or making available on the Union market, or exporting from the Union market, products made with forced labour. The EU has requested that the UK agrees to add the EU Forced Labour Regulation to the Windsor Framework, via the Article 13(4) procedure at the next Withdrawal Agreement Joint Committee on 10 November 2026. This would mean that these rules would apply in Northern Ireland from 14 December 2027, subject to the democratic scrutiny safeguards set out in Schedule 6B of the Northern Ireland Act 1998.

2. The Government has in tandem set out a decisive strategy to address human rights abuses and help ensure that goods linked to forced labour do not reach UK consumers. This will include a targeted power to withdraw goods from the market in Great Britain where they are made with forced labour and a business has failed to meet the required standard of due diligence. The Government will work closely with businesses and other stakeholders on the design and implementation of these measures, with a view to their application no earlier than December 2027.

3. The UK and EU have a shared aim to remove forced labour from our supply chains. The UK approach is designed to deliver an equivalent effect in practice on goods made from forced labour as the EU's Forced Labour Regulation. As such, the UK intends to add the Forced Labour Regulation to the Windsor Framework at the Withdrawal Agreement Joint Committee on 10 November on the basis that the approach being taken minimises UK internal market divergence while also supporting Northern Ireland's vital dual market access to the EU market and the rest of the UK market.

SUBJECT MATTER

4. The EU has notified the UK that the Regulation (except for Article 36) should apply in Northern Ireland under the provisions in Article 13(4) of the Windsor Framework. The Regulation would apply in Northern Ireland from the EU date of application, subject to the relevant provisions and implementation arrangements. The Regulation was published in the Official Journal of the European Union on 12 December 2024 and applies from 14 December 2027, except for Articles 5(3), 7, 8, 9(2), 11, 33, 35 and 37(3), which applied from 13 December 2024.

5. The Regulation establishes a prohibition on products made with forced labour being placed or made available on the Union market or exported from the Union market. 'Forced labour' means forced or compulsory labour as defined in Article 2 of ILO Convention No 29, including forced child labour. The Regulation is intended to improve the functioning of the EU internal market while contributing to efforts to tackle forced labour globally.

6. The Regulation creates an enforcement framework under which the relevant competent authorities identify and investigate suspected breaches, adopt decisions prohibiting the placing, making available or export of products made with forced labour, and require withdrawal and disposal of products where a breach is established. The European Commission leads investigations where the suspected forced labour occurs outside the EU, while Member State competent authorities lead cases concerning suspected forced labour within their own jurisdictions.

7. The Regulation applies to any product that can be valued in money and is capable of being the subject of commercial transactions, whether extracted, harvested, produced or manufactured. It applies irrespective of the sector, origin of the product, or whether the product is imported, produced

domestically, made available through distance sales (e-commerce trading), or exported. It does not create additional due diligence obligations for economic operators beyond those already provided for in Union or national law.

8. The core legal prohibition is set out in Article 3 of the Regulation. Economic operators must not place or make available on the Union market products made with forced labour, nor export such products. Products offered for sale online or through other distance sales are deemed to be made available on the market where the offer is targeted at end users in the Union.

9. The Regulation mandates that the European Commission develops a Forced Labour Single Portal consolidating all relevant information and resources including guidance, a database of forced labour risks, a single information submission point for petitioners to submit information on alleged forced labour products and a Union Network Against Forced Labour Products to support coordinated and proportionate implementation.

MINISTERIAL RESPONSIBILITY

10. The Secretary of State for Business, Innovation, Science and Trade has ministerial responsibility for policy relating to import and export controls policy, and the implications of the EU Regulation for goods regulation and trade.

11. The Secretary of State for the Home Department, through Border Force and Border Security Command, and the Financial Secretary to the Treasury through His Majesty's Revenue and Customs (HMRC), have relevant responsibilities in relation to customs processes and the treatment of goods moving across the border.

12. Responsibility for the Windsor Framework implementation is shared across Government, including with the Cabinet Office and the Northern Ireland Office.

INTEREST OF THE DEVOLVED GOVERNMENTS

13. The application of the Regulation in Northern Ireland would arise through the Windsor Framework. The Government will continue to engage relevant departments and the Northern Ireland Executive, the Welsh Government, and the Scottish Government as appropriate, on implementation and operational issues.

14. Import and export controls are reserved matters. Consumer safety (in Northern Ireland) and product safety (in Scotland and Wales) including any market surveillance and enforcement of safety requirements is also reserved, meaning that legislation made in Westminster will usually extend to all devolved governments of the UK.

LEGAL AND PROCEDURAL ISSUES

15. Legal base

    The Regulation is based on Articles 114 and 207 of the Treaty on the Functioning of the European Union. Article 114 relates to the functioning of the internal market, while Article 207 relates to the common commercial policy.

16. Voting procedure

    The Regulation was adopted under the ordinary legislative procedure.

17. Timetable for adoption and implementation

    The Regulation was adopted on 27 November 2024 and published in the Official Journal on 12 December 2024. It applies from 14 December 2027. Certain provisions, including those concerning designation of competent authorities, information and communication systems, the risk database, guidelines, committee procedure and notification of penalties, applied from 13 December 2024.

POLICY IMPLICATIONS

Potential impact of Regulation (EU) 2024/3015 (apart from Article 36) on Northern Ireland

Overview of provisions

18. The UK will implement the Regulation in Northen Ireland as it is implemented across Member States. This is to minimise risk of divergence between the regimes.

19. The Regulation consists of the following main provisions:

a. Articles 1-5 set out the subject matter, scope, definitions, the core prohibition and the treatment of distance sales (e-commerce platforms). These articles set out that the prohibition applies to products made with forced labour, including forced child labour, and to forced labour imposed by state authorities. It covers placing and making available products on the Union market and exporting such products.
b. Articles 6-13 establish governance processes and support mechanisms. These articles set out requirements for Member States to designate competent authorities, and for the establishment of a Union Network Against Forced Labour Products as part of implementation efforts. These articles also set out the details on the following areas to support enforcement and compliance with the Regulation: information systems, the EU database of forced labour risks, a single information submission point, SME-specific support measures, additional guidance for: businesses, customs agencies, making a submission in relation to non-compliance with the Regulation and to Member States, the Forced Labour Single Portal website and a framework for international cooperation.
c. Articles 14-19 set out the investigation process following an allegation of forced labour in EU supply chains. The articles set out that the European Commission and competent authorities must follow a risk-based approach, using factual and verifiable information to assess the likelihood of a breach. The articles also set out the focus areas for competent authorities, with the European Commission the lead competent authority where the suspected forced labour originates outside the European Union, and a Member State competent authority where the suspected forced labour takes place within that Member State.
d. Articles 20-22 sets out the obligations and processes relating to decisions where a breach to the Regulation has been established. A decision may prohibit placing, making available or exporting the product, require withdrawal from the market, and require disposal of the product or relevant parts. The articles permit economic operators to request a review of decisions where they provide new substantial information demonstrating compliance.
e. Articles 23-25 set out the obligations competent authorities have to enforce decisions, including on the withdrawal and disposal of products. Non-perishable products should be recycled or, where that is not possible, rendered inoperable. Perishable products should be donated for charitable or public interest purposes or, where that is not possible, rendered inoperable.

f. Articles 26-31 set out the role of customs authorities in enforcing the Regulation. Customs authorities rely on decisions communicated by the lead competent authority to identify products that may breach the prohibition. They will then have powers to suspend the release of goods for free circulation or export and must refuse release or export where competent authorities confirm that the product is covered by a decision.
g. Articles 32-39 contain final provisions on confidentiality and information handling, how delegated and implementing acts will be exercised and it delegates penalties for enforcement to the Member States, who must set out effective, proportionate and dissuasive penalties for non-compliance with competent authorities' decisions ordering a withdrawal of the product. It also sets out in Article 36 (which would not apply in Northern Ireland under the Windsor Framework) the amendment of the whistleblowing directive (2019/1937), penalties, evaluation and review, and entry into force and application. Article 38 sets out an evaluation and review process to evaluate the enforcement and implementation of the Regulation every five years. Article 39 sets out the entry into force and taking effect dates of the enforcement framework.

20. The Regulation does not require businesses to prove that their supply chains are free from forced labour before placing goods on the market. Instead, it establishes a prohibition on placement enforced through a risk-based and evidence-led process. The burden of establishing whether forced labour has been used rests with the lead competent authority, based on information and evidence gathered during the preliminary phase and any subsequent investigation.

21. The operational process begins with a risk-based assessment. The European Commission or relevant competent authority must assess the likelihood of a breach using relevant, factual and verifiable information, including the EU database of forced labour risks, risk indicators, submissions through the single information submission point, information from other authorities and stakeholder evidence. In prioritising potential cases, authorities must consider the scale and severity of suspected forced labour, the quantity or volume of products concerned, and the share of the product suspected to have been made with forced labour.

22. Before initiating a formal investigation, the lead competent authority must normally conduct a preliminary phase. It may request information from economic operators and relevant product suppliers on actions taken to

identify, prevent, mitigate, end or remediate forced labour risks in relation to the products under assessment. Economic operators have 30 working days to respond. The authority must then decide whether there is a substantiated concern that the prohibition has been breached.

23. A formal investigation is initiated only where the lead competent authority determines that there is a substantiated concern. Economic operators must be informed of the investigation, the products concerned, the reasons for the investigation unless this would jeopardise it, and their right to submit information. The authority may request relevant information, prioritising operators closest to the risk of forced labour and taking account of size, resources, supply chain complexity and whether the operator is an SME.

24. If the lead competent authority cannot establish that the product breaches the prohibition, it must close the investigation. If it establishes a breach, it must adopt a decision prohibiting the placing or making available of the products on the Union market and their export, requiring withdrawal of products already made available, and requiring disposal of the products or relevant parts. The Regulation also allows for withholding rather than disposal of products in certain circumstances to prevent disruption to supply chains of strategic or critical importance, provided the economic operator can demonstrate that forced labour has been eliminated in relation to the product concerned.

25. Decisions must contain the findings of the investigation, the evidence underpinning those findings, reasonable compliance deadlines, product identification information, and information on judicial review. Compliance deadlines for economic operators must normally be at least 30 working days, or at least 10 working days for perishable goods, animals and plants. Economic operators may request review of decisions at any time where they provide new substantial information demonstrating compliance.

26. Under the Regulation, customs authorities are not tasked with acting autonomously to determine whether forced labour has occurred. Their role is to enforce decisions communicated by the lead competent authority. Where customs authorities identify a product that may be covered by a decision, they suspend release for free circulation or export and notify the competent authority. If the competent authority confirms the product is covered, customs must refuse release or export. If the competent authority does not request continued suspension from the single market within the relevant deadline, the product must be released provided all other requirements are met.

27. The Regulation operates under a targeted enforcement model. Controls at the border are triggered by decisions following an investigation, rather than by general documentary checks on all goods. The Regulation also includes safeguards intended to support proportionality, including a risk-based approach, SME support, guidance, the right to be heard, review and judicial review, and express consideration of the size and economic resources of operators.

Potential impacts on Northern Ireland

UK-wide approach to forced labour in supply chains

28. The Government is modernising its approach to address human rights abuses and forced labour in supply chains through a proportionate and effective UK-wide framework. In the 2025 Trade Strategy, the Government set out that trade must not only be free, but also fair, accountable and – insofar as is practical – governed by rules. In light of this, the Government launched a Review of its approach to promoting Responsible Business Conduct, focused on the global supply chains of businesses operating in the UK.

29. The UK has been at the forefront of international efforts to combat modern slavery, including through the implementation of the Modern Slavery Act, but now has decided to renew its approach through strengthened, practical and enforceable action.

30. The Government therefore intends to pursue a mandatory human rights due diligence regime across the UK for services, and in Great Britain only for goods. This will be anchored in international standards, such as the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, which aligns with the approach to due diligence set out in the European Commission's guidance on the Forced Labour Regulation. The regime will be proportionate and effective, applying to only the largest businesses best placed to manage such risks and drawing on existing reporting conducted under the Modern Slavery Act rather than imposing new reporting burdens.

31. Under this regime, where a business places or makes available a product made using forced labour on the GB market, and that business fails to conduct a required standard of due diligence, a designated regulator will hold targeted powers to withdraw, confiscate, or dispose of affected goods.

32. This approach is intended to deliver a similar and complementary effect in addressing goods made with forced labour in Great Britain as under the Forced Labour Regulation in Northern Ireland. The UK regime, applying to services UK-wide and goods on the GB market, will apply to businesses with a global turnover of over £350 million, as well as non-UK businesses with a UK-generated turnover of over £350 million, with a 5-yearly clause to review the appropriateness of the threshold over time. Such an approach will ensure that action is taken by large businesses with the capability and leverage to manage human rights and forced labour risks across supply chains.

Movement of goods between Great Britain and Northern Ireland

33. The EU Forced Labour Regulation has the potential to affect goods moving between Great Britain and Northern Ireland if products made with forced labour are supplied to Northern Ireland from Great Britain.

34. However, the intention is that the regime in Great Britain, together with action expected from British businesses, will help reduce the likelihood of forced labour goods moving from Great Britain to Northern Ireland. The Minister has concluded that the application of the Regulation will not materially divert trade or impair the flow of goods within the UK internal market, preserving Northern Ireland's unique and vital dual market access to the EU and rest of the UK internal market.

35. Goods in free circulation on the NI market will, in all circumstances, continue to benefit from unfettered access into the GB market.

36. The Minister has confirmed that, in the Minister's opinion, adding the Regulation to the Windsor Framework will not create a new regulatory border between Great Britain and Northern Ireland.

CONSULTATION

37. The European Commission published official guidelines to facilitate the implementation of the Regulation on 26 June 2026. These guidelines cover all elements referred to in Article 11 of the Regulation, including: the EU and international legal framework underpinning the Regulation; the scope of the Regulation and the definition of forced labour, including state-imposed forced labour and forced child labour; risk indicators used to identify forced labour; the investigative process, including the risk-based approach to prioritising cases, the preliminary phase, formal investigations, decisions on violations,

reviews and appeals, and coordination between competent authorities; enforcement of decisions and the calculation of financial penalties; guidance for economic operators on voluntary due diligence in relation to forced labour; and the process for submitting information on possible violations of the forced labour ban.

38. The European Commission also published a draft Implementing Regulation concerning the use of the Information and Communication System for Market Surveillance, known as ICSMS, on 27 April 2026. ICSMS is the information technology platform used to facilitate communication between regulators in EU and EFTA countries.

39. On 6 February 2026, the Commission launched a call for evidence to gather stakeholder feedback to inform the preparation of those guidelines. The call for evidence sought views from national authorities, businesses, NGOs, social partners, victims, academia and other relevant stakeholders on issues including the types of evidence that should be considered by the Commission and competent authorities during investigations, the documentation that may be requested from economic operators, best practice for forced labour-related due diligence and remediation, and the support that SMEs may need to prepare for the Regulation. The Commission published stakeholder responses on 27 October 2026.

40. The Commission has been also running a series of webinars and training sessions between September and November 2026 to support stakeholders in preparing for the Regulation.

41. The UK Government engaged extensively with stakeholders during the Responsible Business Conduct review through 2025 and 2026. In addition, separate engagement with Northern Ireland stakeholders took place in Spring 2026 on the Forced Labour Regulation. Such engagement contributed to the Government's decisions on the UK regime and the decision to add the EU Forced Labour Regulation to the Windsor Framework at the upcoming Withdrawal Agreement Joint Committee on 10 November 2026.

FINANCIAL IMPLICATIONS

42. The financial implications for the Government remain under review pending further policy development on the UK regime. There are already existing border and market surveillance functions that carry out targeted, risk-based

controls on goods placed on the market in Northern Ireland, which may limit additional spend. However, the haulage, storage and destructions or disposal of goods selected, detained or seized by the enforcement agency will present additional resource and funding pressures.

43. The Government will provide support to Northern Ireland businesses through targeted guidance, alongside the implementation of the UK due diligence regime.



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