Taiwan Textile Federation
紡 拓 會

Statement on Responsible Recruitment and Employment in Taiwan's Textile Mill Industry
December 10, 2025

The Taiwan Textile Federation (TTF) announces the recommendation of the responsible recruitment and employment guidelines for migrant workers who are employed in Taiwan textile mills. These guidelines were formulated with reference to international human rights and business due diligence standards, and the responsible recruitment standards published by the International Labor Organization (ILO). It aims to encourage Taiwanese textile mills to implement responsible recruitment practices. As leaders in our field, we believe that these guideline is critical for the continued success of Taiwan's textile sector as it will create the legal compliance customers look for when purchasing textiles from Taiwan as well as a strong framework for protecting the migrant workers who work in our mills.

The foundation of this guideline is the employer pays principle, which is an employer commitment to ensure no worker pays for a job by covering the full cost of recruiting, hiring, training, and employing its migrant workforce. To improve capacity for responsible recruitment and employment of migrant workers, each mill should adopt its own internal policies and procedures to implement these guidelines. A good internal policy will articulate the standards clearly and will include details on how the policy will be implemented internally and communicated externally.

According to the *General principles and operational guidelines for fair recruitment and Definition of recruitment fees and related costs* of the ILO, "Extra-contractual, undisclosed, inflated, or illicit costs are never legitimate. Anti-bribery and anti-corruption regulations should be complied with at all times and at every stage of the recruitment process. Examples of such illegitimate costs include bribes, tributes, extortion or kickback payments, bonds, illicit cost-recovery fees, and collaterals required by any actor in the recruitment chain."

The Taiwan Textile Federation therefore asserts that it is critical for employer to refuse payment of fees that involve corruption or illegal practices, as paying such fees would encourage corruption and unlawful behavior, contradicting the values of global anti-corruption efforts. This may also place customers at risk of violating the United Nations Convention against Corruption (UNCAC) and the U.S. Foreign Corrupt Practices Act (FCPA). The Taiwan Textile Federation and the Taiwan's textile mill industry are committed to working with brands and international organizations to jointly urge the governments of migrant worker home countries to address the ongoing corruption issues. Through step-by-step collaboration, we aim to promote transparency and support ethical recruitment practices.

As part of deploying this guideline, the Taiwan Textile Federation will collaborate with customers and other organizations to provide training and documentation support to ensure successful implementation of these guidelines. The full set of principles are outlined in the attached document.

The Ministry of Labor of our government is currently referencing relevant indicators from the ILO to develop guidelines for corporate action plans to prevent and eliminate forced labor. These guidelines will encourage companies to conduct self-assessments to help mitigate operational risks and reduce potential costs. The guidelines are expected to be released in January 2026 and will offer more concrete practices for responsible recruitment in Taiwan, providing the industry with a consistent reference framework for hiring migrant workers. The Taiwan Textile Federation will assist Taiwan's textile mills in understanding and complying with these guidelines.

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Guidelines of Responsible Recruitment and Employment in Taiwan's Textile Mill Industry

Attachment

Taiwan Textile Federation, December 10, 2025

Recruitment

The Taiwan Textile Federation strongly encourages all mills to adopt the employer pays principle, with an implementation date of January 1, 2026. The employer pays principle commits the employer to pay all costs of recruiting, hiring, and training its workforce. The cost of recruitment of workers is a normal cost of doing business and should be fully borne by the employer. If an employer is working with a labor broker, the employer should pay the labor broker for all costs associated with bringing that worker to Taiwan and all associated employment expenses. The employer should negotiate with the labor broker to ensure that the labor broker does not charge the employer any fees that are unreasonable or illegal. The worker should not pay for any of the costs associated with bringing that worker to Taiwan or any of the associated employment expenses.

The International Labor Organization (ILO) states, "Extra-contractual, undisclosed, inflated, or illicit costs are never legitimate. Anti-bribery and anti-corruption regulations should be complied with at all times and at every stage of the recruitment process. Examples of such illegitimate costs include bribes, tributes, extortion or kickback payments, bonds, illicit cost-recovery fees, and collaterals required by any actor in the recruitment chain." The Taiwan Textile Federation therefore asserts that it is critical for employer to refuse any fees involving corruption or illegal practices, as paying such fees would encourage corruption and unlawful behavior, contradicting the values of global anti-corruption efforts.

The scope of fees eligible for reimbursement refers to the standards set by the ILO. These fees include:

- Labor broker fees
- Passport and visa fees
- Transportation and lodging during the recruitment process
- Medical exam/clearance expenses
- Training and orientation expenses
- Local labor broker fees (Taiwan)
- Any other fees paid by the worker

Employers shall also ensure that migrant workers are informed, in a language they understand, of the basic terms of their employment (including salary, living accommodations, any deductions, etc.) before leaving their country of origin.

Reimbursement

If a worker at a mill has incurred any fees associated with their recruitment and employment at the mill, then the employer will reimburse the worker. The employer should interview each worker upon arrival to determine whether they paid any fees, and reimburse any fees paid in a timely manner.

Expectations for reimbursement include:

- Reimbursement for all current workers. All current workers should be free of any debt or personal obligation for recruitment expenses. For current workers hired before the mill adopted the no-fees policy, employers should reimburse them as soon as possible and in a timely manner.
- Calculation of reimbursement amount shall be based on interviews with the workers and supported by valid written documentation. In the absence of such documents, reference may be made to the worker's nationality and the prevailing recruitment channel rates. If that is not feasible, best practice is to determine the average amount paid by each worker based on their nationality and the current fee rates for that recruitment corridor, including any applicable interest rates.
- Reimbursement should ideally be completed within the first payroll cycle following the identification of fees being paid, or completed through installments in a timely manner.
- While employers take responsibility for ensuring reimbursement, employers may ask buyers for financial support based on the specific circumstances, their own financial situation, and their relationship with their customers. Buyers should, to the extent possible, share responsibility for reimbursement.

Employment

In addition to adhering to all local labor laws, the employer should also respect the unique risks associated with employment of migrant workers. This includes:

- Ensuring workers retain control of their travel documents and have full freedom of movement (both during the workday and at the dormitory (if accommodation is provided by the employer).
- Ensuring the workers have decent living conditions.
- Ensuring workers are not subject to excessive overtime (over the legal limit) and that all overtime is voluntary.
- Ensuring workers know their rights with respect to forming and participating in a union.
- Ensuring workers have access to an effective grievance mechanism.
- Ensuring workers have access to adequate professional medical care.

End of Contract

Once the contract ends the employer shall:

- Fully fund the cost of returning home, including all transportation costs. If the employment contract is terminated early by the employer, the employer should pay all costs of returning home. If the worker terminates the contract early, then the expected costs should be spelled out in the contract prior to the worker's arrival in country, or mutually agree upon the employer and the worker, if it is not specified in the contract.
- If the employer or worker terminates the contract early, the termination should be handled in accordance with the relevant provisions of Taiwan's Labor Standards Act, such as the required notice period or legally justified grounds for termination of the contract.

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