



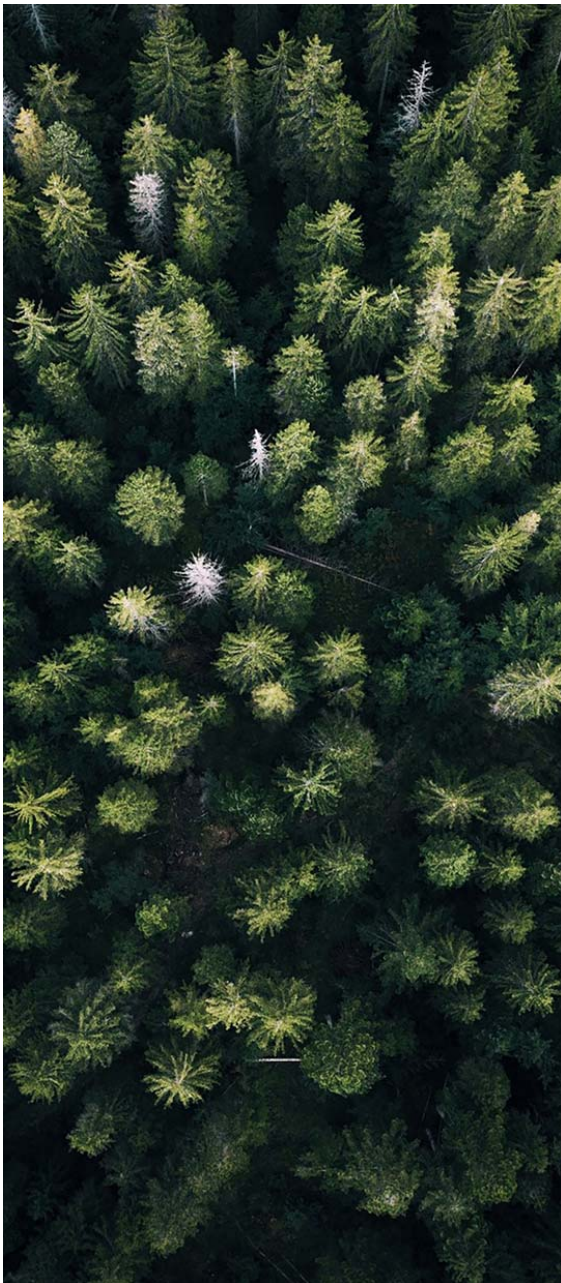
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# EU bans products made with forced labor

Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 prohibits products made with forced labor on the European Union market.

## European Union - Legal Flash

December 27, 2024



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### Key aspects

- The Corporate Sustainability Due Diligence Directive (“**CS3D**”) introduces corporate human rights and environmental due diligence obligations.
- Although these obligations apply only to companies meeting high employee and turnover thresholds, other European Union (“**EU**”) legislation refers to this standard of business conduct.
- In this context, the EU recently published Regulation (EU) 2024/3015 of the European Parliament and of the Council of 27 November 2024 on prohibiting products made with forced labor (“**Regulation**” or “**Forced Labor Regulation**”). The Regulation extends the due diligence obligation to companies that place or make available on the EU market—or export from the EU—products made with forced labor.
- The Regulation also establishes an absolute prohibition on making these products available on the EU market.
- The Regulation will generally apply from 2027.



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## Introduction

The [Forced Labor Regulation](#), published in the Official Journal of the European Union (“OJEU”) on December 12, 2024, requires companies to **establish due diligence systems to identify, prevent, mitigate and eliminate the use of forced labor** in their operations and supply chains.

Unlike the [CS3D](#), which has a **limited scope** and applies only to large companies (see [Legal Flash | The EU’s corporate Sustainability Due Diligence has been published](#)), the Regulation will directly apply to **any natural or legal person** who, in carrying out a commercial activity, **places, makes available on or exports certain products from the EU market**.

In addition to the **absolute prohibition** on making products made with forced labor available on the EU market, any company that manufactures, imports, trades or exports activities in the EU must implement a **due diligence system**, regardless of its size or turnover (see our [Legal Flash | Deforestation and forced labor due diligence](#)).

The Regulation will generally apply from **December 14, 2027**. However, certain provisions are applicable from **December 13, 2024**.

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## Forced Labor Regulation scope

### I. Prohibition

#### ➤ Prohibition

The Regulation prohibits any **natural or legal person** from placing and making available on the EU market (or exporting from the EU) products made with **forced or compulsory labor**, including **forced child labor**.

#### ➤ What are products made with forced labor?

**Products made with forced labor** are those for which, at any stage of the supply chain (extraction, harvest, production or manufacture), work or service is exacted from any person “*under the threat of a penalty and for which the person has not offered himself or herself voluntarily,*” as defined in the [International Labour Organization Convention No. 29](#). This prohibition applies to **all product types** and their components, regardless of sector, origin, or whether they are placed on or exported from the EU market.



➤ **Scope of application**

The prohibition applies to any **economic operator**, regardless of its size or turnover, that **imports, exports or trades** products made with forced labor (i.e., supply for distribution, consumption or use).

➤ **Main obligations under the prohibition**

To ensure that no natural or legal person violates the prohibition, the Regulation establishes a **due diligence duty** for operators to implement requirements, guidelines, recommendations and practices to identify, prevent, mitigate, remedy or eliminate the risk of forced labor in their **operations and supply chains**.

The Regulation **does not introduce new due diligence obligations beyond** those already existing under EU law. However, it extends the general due diligence obligation to any person or entity carrying out activities related to certain products, as well as the **absolute ban on forced labor products in the EU**.

## II. Control and sanctions

➤ **Investigations**

The competent authorities (for risks within a Member State) and the Commission (for risks outside the EU) will follow a **risk-based approach** when assessing the likelihood of a violation of the Regulation's prohibition. Before starting an investigation, the competent authorities will request information on the due diligence measures taken by the economic operators.

During investigations, operators must provide any information requested by the authorities. The assessment will consider various criteria, including the scale and severity of the alleged violation, the quantity of products in question, and the amount produced with forced labor.

➤ **Prohibition on making products available on the market**

Based on the information and evidence gathered during the investigation, the competent authorities will be responsible for proving that forced labor has been used at any stage of the production, manufacturing, harvesting, or extraction of a product. If investigations find that a product has been made using forced labor, **selling it on the EU market will not be possible**, and the competent authorities will require the economic operators in question to withdraw the product. In the case of replaceable parts, the authorities will require that the parts in question be disposed of. In collaboration with customs authorities, the authorities will also prohibit the placing or making available of these products.



➤ Penalties

Non-compliance with a decision by the Commission or the competent authorities on the withdrawal or disposal of products or components will be subject to **effective, proportionate and dissuasive penalties**. For this purpose, various factors will be considered, such as the seriousness and duration of the infringement, recidivism or the degree of cooperation with the authorities. **Member States** will be responsible for establishing the **rules on the penalties applicable**.

➤ Databases and guidelines

The Commission will seek external expertise to establish an indicative, non-exhaustive, evidence-based, verifiable and regularly updated database on forced labor risks in **specific geographic areas** or for **specific products**.

The Commission will also issue guidelines to facilitate the implementation of the Regulation by economic operators and competent authorities, including guidance on due diligence and best practices.

### III. Entry into force

The Regulation entered into force on the day after it was published in the OJEU (i.e., December 13, 2024) and will generally apply from **December 14, 2027**.

However, certain provisions are applicable from **December 13, 2024**, specifically those relating to the designation of the competent authorities, information and communication systems, databases of forced labor risk areas or products, single information submission point, and penalties.

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## Relationship with due diligence

As explained, the CS3D applies only to companies meeting high employee and turnover thresholds. However, other legislation, such as the Forced Labor Regulation and [Regulation \(EU\) 2023/1115 of the European Parliament and of the Council of 31 May 2023 \(see \[Legal Flash | Implementation date for Deforestation Regulation extended\]\(#\)\)](#), extends the obligation to establish a due diligence system for specific products and human rights **to all economic operators**, regardless of their size or turnover.

This development reflects the EU's efforts to strengthen corporate sustainability and human rights governance. Consequently, more companies will be required to assume greater responsibilities and transparency in their operations and supply chains.

Therefore, to avoid sanctions and improve their corporate image and sustainability profile, companies should proactively implement robust due diligence systems.



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For further information, please contact our *Knowledge and Innovation Group* lawyers or your regular contact person at Cuatrecasas.

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