



July 2024

HUMAN TRAFFICKING

Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts

GAO Highlights

Highlights of [GAO-24-106973](#), a report to congressional committees

Why GAO Did This Study

U.S. laws prohibit federal contractors, subcontractors, grantees, and subgrantees from engaging in severe forms of human trafficking and trafficking-related activities.

Congress included a provision in statute for GAO to assess federal oversight of efforts to prevent trafficking for federally funded awards and to report violations. This report examines the extent to which DHS, DOD, State, and USAID (1) used a systematic approach to managing trafficking risks in contracting, and (2) communicated and met federal anti-trafficking requirements, as well as (3) how many referrals agency suspension and debarment officials received.

GAO reviewed a nongeneralizable sample of 12 contracts awarded in fiscal years 2022 and 2023 by the four agencies identified by OMB as having significant contract spending or heightened risk of trafficking. GAO reviewed the contract files for documentation related to federal and agency anti-trafficking requirements. GAO also reviewed relevant statutes, federal and agency regulations, guidance, and training, and interviewed OMB and agency officials.

What GAO Recommends

GAO is making nine recommendations, including that the four agencies should each take continued actions to manage trafficking risks in government procurements, and review contracting officials' compliance with federal anti-trafficking requirements in contracts. The four agencies concurred with the recommendations.

View [GAO-24-106973](#). For more information, contact Mona Sehgal at (202) 512-4841 or sehgal@gao.gov, or Latesha Love-Grayer at (202) 512-4409 or lovegrayerl@gao.gov.

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What GAO Found

Since 2000, Congress has increased requirements to prevent trafficking in federal contracting, but related trafficking allegations continue.

In response to a 2019 memorandum from the Office of Management and Budget (OMB), three of the four agencies in GAO's review—the Departments of Homeland Security (DHS), Defense (DOD), and State—have taken initial steps to identify trafficking risks in their contract spending. The U.S. Agency for International Development (USAID) did not conduct the analysis that OMB recommended. Further, none have taken a systematic approach to managing trafficking risks in contracting. This approach would include identifying and analyzing, developing responses to, and communicating the risks to contracting officials. Such an approach would better position agencies to support the U.S. policy of zero-tolerance for human trafficking.

Systematic Approach to Managing Trafficking Risks in Contracts



Source: GAO; Ainul/stock.adobe.com (illustration). | GAO-24-106973

All four agencies communicated federal anti-trafficking requirements to contracting officials through training and guidance. Most contracting officials GAO spoke with had completed the training and were aware of how they should report trafficking violations. However, compliance with requirements was inconsistent. Nine of the 12 contracts in GAO's review did not meet one or more of the anti-trafficking requirements, such as obtaining a required anti-trafficking certification from contractors.

Further, agencies require certain contractors to develop an anti-trafficking compliance plan, but contracting officials are not required to request the plans. GAO found that four of the six plans provided by contractors did not meet all federal requirements for what must be included in a compliance plan. Reviewing implementation of, and compliance with, federal anti-trafficking requirements in contracts would help to assure agencies that contracting officials and contractors are fulfilling their responsibilities to prevent trafficking in federal contracts.

Suspension and debarment offices at all four agencies said they received no referrals of Inspector General-investigated trafficking allegations against recipients of contracts, grants, and cooperative agreements for fiscal years 2022 and 2023. The DOD Inspector General reported conducting investigations into trafficking allegations during this time. Contractors also reported taking actions against subcontractors that violated their anti-trafficking policies.

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Abbreviations

CTIP	Combating Trafficking in Persons
DHS	Department of Homeland Security
DOD	Department of Defense
ERM	Enterprise Risk Management
FAC	Federal Acquisition Certification
FAR	Federal Acquisition Regulation
ILO	International Labour Organization
OMB	Office of Management and Budget
USAID	U.S. Agency for International Development

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July 30, 2024

Congressional Committees

The U.S. has a zero-tolerance policy regarding human trafficking by government and contractor personnel.¹ Consistent with this policy, U.S. law prohibits federal contractors, subcontractors, grantees, and subgrantees from engaging in severe forms of human trafficking—also known as trafficking in persons—and trafficking-related activities.² Severe forms of human trafficking generally involve the exploitation of a person for compelled labor, services, or commercial sex acts using force, fraud, or coercion. Trafficking-related activities include using misleading recruitment strategies, charging recruitment fees, confiscating identity or immigration documents, and providing unsafe housing.³ As we have previously reported, low-wage and migrant workers face riskier employment conditions, including restricted movement, withheld wages, and increasing debts, which are indicators of trafficking.⁴

Since 2000, Congress has established and increased requirements in federal contracting to prevent trafficking and for reporting and remedying violations. However, allegations of trafficking continue. According to the White House’s 2021 National Action Plan to Combat Human Trafficking, as understanding of trafficking has grown, the U.S. has found it to be more pervasive than previously understood.⁵ The International Labour Organization estimated in 2022 that 27.6 million people worldwide are

¹Exec. Order No. 13,627, 3 C.F.R., 2015 Comp., p. 309.

²22 U.S.C. § 7104(g).

³For the purposes of this report, we refer to severe forms of human trafficking, trafficking-related activities, and procurement of commercial sex acts during the period of performance of a contract as trafficking. Activities constituting prohibited trafficking are further defined in 22 U.S.C. §§ 7102(11) and 7104(g) and Federal Acquisition Regulation (FAR) Subpart 22.17.

⁴GAO, *Human Trafficking: Oversight of Contractors’ Use of Foreign Workers in High-Risk Environments Needs to Be Strengthened*, GAO-15-102 (Washington, D.C.: Nov. 18, 2014).

⁵The White House, “The National Action Plan to Combat Human Trafficking,” (Washington, D.C.: December 2021), <https://www.whitehouse.gov/wp-content/uploads/2021/12/National-Action-Plan-to-Combat-Human-Trafficking.pdf>.

subjected to trafficking, and in 2024 illegal profits from underpayment of this labor in the private economy are estimated at \$236 billion per year.⁶

The Trafficking Victims Prevention and Protection Reauthorization Act of 2022 includes a provision for us to assess federal oversight in federal contracts related to the prevention of trafficking and reporting to suspension and debarment officials of trafficking allegations against recipients of federal contracts, grants, or cooperative agreements.⁷ This report examines the extent to which the Departments of Homeland Security (DHS), Defense (DOD), and State, and the U.S. Agency for International Development (USAID) (1) took a systematic approach to managing trafficking risks in contracting, and (2) communicated Federal Acquisition Regulation (FAR) anti-trafficking requirements to contracting officials and met those requirements,⁸ as well as (3) the number of substantiated trafficking allegations on contracts, grants, or cooperative agreements that were referred to agency suspension and debarment officials. It focuses on the most recent 2 full fiscal years at the time of our review, fiscal years 2022 and 2023. We selected these agencies because the 2021 National Action Plan identified them as having significant spending or heightened risk of trafficking on contracts.

To determine the extent to which the four agencies took a systematic approach to managing trafficking risks in contracts, we obtained information from agency trafficking and procurement policy officials, including through semi-structured interviews. We identified actions the agencies have taken in response to the Office of Management and Budget's (OMB) 2019 *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*.⁹ We also compared these actions against selected components of OMB's Enterprise Risk Management guidance,

⁶International Labour Organization (ILO), Walk Free, and International Organization for Migration, *Global Estimates of Modern Slavery: Forced Labour and Forced Marriage* (Geneva, Switzerland: September 2022). ILO, *Profits and poverty: The Economics of Forced Labour*, Second edition (Geneva, Switzerland: International Labour Office, 2024). © ILO.

⁷Trafficking Victims Prevention and Protection Reauthorization Act of 2022, Pub. L. No. 117-348, § 121 (2023). Suspension and debarment officials can determine whether individuals and entities that have engaged in serious misconduct are disqualified from government contracting or non-procurement awards, including temporarily.

⁸FAR 22.17, Combating Trafficking in Persons, FAR 52.222-50, FAR 52.222-56.

⁹Office of Management and Budget, *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*, M-20-01 (Washington, D.C.: Oct. 21, 2019).

our *Standards for Internal Control in the Federal Government*, and essential elements of our *Enterprise Risk Management framework*.¹⁰

To assess the extent to which agencies communicated FAR requirements to combat trafficking and the contracting officers met those requirements, we selected a nongeneralizable sample of 12 contracts—three from each agency—using agency and government-wide contract data.¹¹ Our criteria for selection included (1) contracts with overseas performance and estimated value of over \$550,000 (indicators that the FAR is likely to require contractors to have an anti-trafficking compliance plan), and (2) performance in countries or product service codes at risk for trafficking.¹² We generally selected higher dollar value contracts that provided variation in the goods or services purchased and performance locations. We also reviewed agency training and guidance; obtained information through semi-structured interviews conducted with responsible contracting officials, including contracting officers and their representatives; and compared contract documentation and contracting officials' statements against selected FAR provisions and our *Standards for Internal Control in the Federal Government*. In addition, we obtained input from policy officials.

To determine the number of referrals that agencies' suspension and debarment officials received in fiscal years 2022 and 2023, we requested information from the offices responsible for supporting suspension and debarment decisions about referrals they had received, if any, of reports documenting Inspector General investigations that substantiated

¹⁰Office of Management and Budget, *Management's Responsibility for Enterprise Risk Management and Internal Control*, OMB Circular No. A-123 (July 15, 2016). GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 10, 2014); and *Enterprise Risk Management: Selected Agencies' Experiences Illustrate Good Practices in Managing Risk*, [GAO-17-63](#) (Washington, D.C.: Dec. 1, 2016).

¹¹We use "contracts" to describe the awards reviewed, which included contracts and delivery/task orders that can be issued pursuant to certain contracts.

¹²These contracts were for a product service code that agency officials, or OMB's Office of Federal Procurement Policy, identified as being at potential risk or performed in a country that State identified as higher risk of trafficking (see appendix I for more information about State's identification of these countries). Department of State, "Trafficking in Persons Report" (June 2023), accessed August 25, 2023, <https://www.state.gov/reports/2023-trafficking-in-persons-report/>. Product service codes indicate what was bought for each contract action reported in the Federal Procurement Data System. We used the codes included in the Federal Procurement Data System Product and Service Codes Manual April 2022 (last updated February 9, 2023).

trafficking allegations.¹³ We also reviewed the related statute, the FAR, and OMB regulations for grants and agreements and conducted semi-structured interviews with officials from the four selected agencies' suspension and debarment programs.¹⁴

For additional information on our objectives, scope, and methodology, see appendix II.

We conducted this performance audit from July 2023 to July 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

U.S. Laws to Address Trafficking in Federal Grants, Contracts, and Cooperative Agreements

Since 2000, the U.S. government has enacted laws related to preventing trafficking, enhancing accountability and enforcement around trafficking, and preventing federal procurement dollars from funding such activities.¹⁵ These laws address trafficking in grants, contracts, or cooperative agreements to be performed inside or outside the U.S. For example, the Trafficking Victims Protection statute states that the government may terminate, without penalty, any grant, contract, or cooperative agreement if the recipient or subrecipient,

¹³As of October 2022, 22 U.S.C. § 7104b requires agency heads to refer these reports to agency suspension and debarment officials. Pub. L. No. 117-211, § 2 (2022).

¹⁴22 U.S.C. § 7104b(c)(1), FAR Subpart 22.17, and 2 C.F.R. § 175. For the purposes of this report, we use "suspension and debarment" when referring to the agency suspending and debarring officials and the staff in the offices supporting them.

¹⁵See Trafficking Victims Protection Act of 2000, Pub. L. No. 106-386, Div. A (2000); National Defense Authorization Act for Fiscal Year 2013, Pub. L. No. 112-239, Title XVII (2013); End Human Trafficking in Government Contracts Act of 2022, Pub. L. No. 117-211 (2022). In this report, we refer to Title 22, chapter 78 of the U.S. code as the Trafficking Victims Protection statute.

-
- engages in, or uses labor recruiters, brokers, or other agents who engage in severe forms of trafficking;¹⁶
 - procures a commercial sex act during the period of time that the grant, contract, or cooperative agreement is in effect;
 - uses forced labor in the performance of that grant, contract, or cooperative agreement; or
 - commits acts that directly support or advance trafficking.¹⁷

The statute also requires trafficking safeguards in grants, contracts, and cooperative agreements, such as requiring contracting officials to refer credible information of a potential trafficking violation to the agency's Inspector General for investigation.¹⁸ More recently, the End Human Trafficking in Government Contracts Act of 2022 extended anti-trafficking efforts by requiring that agency heads refer Inspector General reports substantiating allegations of trafficking to agency suspension and debarment officials.¹⁹

Federal Acquisition Regulation Anti-Trafficking Requirements

The FAR implements U.S. policy prohibiting trafficking activities in acquisitions through requirements for awareness, compliance, and enforcement to prevent trafficking in or related to government-funded contracts.²⁰ Since 2007, it has required all U.S. government contracts to include a clause prohibiting trafficking. In January 2015, the FAR Council

¹⁶The term "severe forms of trafficking in persons" means—(A) sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or (B) the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery. 22 U.S.C. § 7102(11).

¹⁷Acts that support or advance trafficking include: (A) destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee's identity or immigration documents; (B) failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, other than in certain excepted cases; (C) soliciting a person for the purpose of employment, or offering employment, by means of materially false or fraudulent pretenses, representations, or promises regarding that employment; (D) charging recruited employees placement or recruitment fees, or; (E) providing or arranging housing that fails to meet the host country housing and safety standards. 22 U.S.C. § 7104(g).

¹⁸22 U.S.C. §§ 7101(a), 7104(g), 7104a, 7104b.

¹⁹Pub. L. No. 117-211 (2022).

²⁰FAR Subpart 22.17.

amended the FAR clause to clarify prohibited practices. The FAR now requires prime contractors to establish and adhere to an anti-trafficking compliance plan for certain contracts and ensure that subcontractors and agents do so as well.²¹ An agent is any individual authorized to act on behalf of the organization, including a director, an officer, an employee, or an independent contractor. See appendix III for key anti-trafficking requirements, which include:

- **Anti-trafficking provision and clause, FAR 52.222-50, *Combating Trafficking in Persons*:** All solicitations and contract awards are required to include a clause that informs contractors about the U.S. prohibitions on trafficking and their anti-trafficking obligations, as applicable. These include requirements for anti-trafficking compliance plans and what these plans must include, notifying employees about prohibited trafficking activities, submitting annual certifications to the contracting officer that the contractor is complying with the compliance plan, and reporting trafficking allegations to the contracting officer and agency Inspector General. It also requires contractors (and subcontractors) to include the substance of the anti-trafficking clause in all subcontracts.
- **Certification provision, FAR 52.222-56, *Certification Regarding Trafficking in Persons Compliance Plan*:** Covered solicitations are required to include a provision that apparently successful offerors must certify, prior to award, that they have implemented an anti-trafficking compliance plan.²² These offerors also must certify, among other things, that the offeror has reason to believe there have been no prohibited activities or that appropriate actions have been taken. Covered solicitations include those for contracts for services or products that include non-commercially available off-the-shelf items

²¹The revision implements Exec. Order No. 13,627, 3 C.F.R. p. 309 and Pub. L. No. 112-239, Title XVII. The FAR Council assists in the direction and coordination of federal government-wide procurement policy and procurement regulatory activities. Membership includes DOD, the National Aeronautics and Space Administration, and the General Services Administration. 41 U.S.C. § 1302(a). Under the authority of the FAR Council, revisions to the FAR are coordinated through the Defense Acquisition Regulations Council, directed by DOD, and the Civilian Agency Acquisition Council, of which State, DHS, and USAID are members.

²²22 U.S.C. § 7104a.

with an expectation that a portion of the contract performed outside of the U.S. is valued at least \$550,000.²³

- **Contractor anti-trafficking compliance certifications:** Based on the above provisions and clause, prior to contract award and annually thereafter, covered contractors must certify that (1) they have implemented an anti-trafficking compliance plan that meets FAR minimum requirements, and (2) they have reason to believe there have been no abuses or that appropriate actions have been taken. The requirement flows down, such that prime contractors are to obtain these certifications from each covered subcontractor.²⁴
- **Contractor anti-trafficking compliance plan:** For contracts that include non-commercially available off-the-shelf items or services with an expectation that a portion of the contract performed outside the U.S. is valued at least \$550,000, contractors and covered subcontractors must maintain an anti-trafficking compliance plan during the performance of the contract. The plan must be appropriate to the size and complexity of the contract and the nature and scope of its activities, such as the number of non-U.S. citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking. At a minimum, it must generally include (1) an awareness program to inform contractor employees about the government's policy prohibiting trafficking-related activities, (2) a process for contractor and subcontractor employees to report trafficking activity without fear of retaliation, (3) a recruitment and wage plan, (4) a housing plan if the contractor or subcontractor intends to provide or arrange housing, and (5) procedures to prevent agents and subcontractors from engaging in trafficking and to monitor, detect, and terminate any agents engaged in trafficking-related activities.

²³41 U.S.C. § 1908 requires an inflation adjustment of statutory acquisition-related thresholds every 5 years. As a matter of policy, DOD, the General Services Administration, and the National Aeronautics and Space Administration use the same methodology to adjust non-statutory acquisition-related thresholds in the FAR. On October 1, 2020, the threshold for agencies to include the clause at FAR 52.222-56 in covered contracts increased from \$500,000 to \$550,000.

²⁴A covered subcontractor means any supplier, distributor, vendor, or firm that furnishes supplies or services to or for a prime contractor or another subcontractor.

Office of Management and Budget, and Agency Anti-Trafficking Risk Management

OMB oversees agency performance, procurement, financial management, and information technology. It is also generally responsible for the coordination and review of federal regulations. OMB co-chairs the Senior Policy Operating Group’s Procurement & Supply Chains Committee together with State’s Office to Monitor and Combat Trafficking in Persons and the Department of Labor’s International Labor Affairs Bureau.²⁵ The committee seeks to ensure agencies understand their anti-trafficking responsibilities under the FAR and provides a forum where agencies can work through challenges related to strengthening procurement safeguards and supply chain efforts.

In October 2019, OMB issued a memorandum, *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*, to enhance the effectiveness of anti-trafficking requirements in federal acquisition.²⁶ OMB directed agencies to designate an agency trafficking expert and an agency procurement trafficking point of contact to facilitate collaboration among agency stakeholders on implementing requirements in federal contracts to prevent trafficking. OMB encouraged these officials to analyze their spending to identify procurement areas at risk for trafficking, communicate areas of high-risk to contracting officials, and incorporate contract safeguards to mitigate those risks. See table 1 for these officials at the four agencies in our review.

Table 1: Agency Trafficking Experts and Procurement Trafficking Points of Contact for Selected Agencies

Agency	Agency trafficking expert	Procurement trafficking point of contact
DHS	Section Chief, Countering Human Trafficking, Homeland Security Investigations	Procurement Analyst, Office of the Chief Procurement Officer
DOD	Director, Office to Combat Trafficking in Persons, Office of the Under Secretary of Defense for Personnel and Readiness	Procurement Analyst, Defense Pricing and Contracting, Office of the Under Secretary of Defense for Acquisition and Sustainment
State	Senior Supply Chains Advisor, Office to Monitor and Combat Trafficking in Persons	Procurement Analyst, Office of the Procurement Executive/ Policy Division
USAID	Counter-Trafficking in Persons Team Lead, Justice, Rights, and Security; Bureau for Democracy, Human Rights, and Governance	Deputy Director, Office of Acquisition and Assistance, Bureau for Management

²⁵The Senior Policy Operating Group coordinates activities of federal departments and agencies regarding policies involving international trafficking in persons and implementation of the Trafficking Victims Protection statute. 22 U.S.C. § 7103; see 22 U.S.C. Ch. 78. The group has five standing committees to advance its work, such as Procurement & Supply Chains, and ad hoc working groups formed to accomplish specific goals, such the Rights and Protections of Temporary Workers.

²⁶OMB, M-20-01.

To assist with agencies' analysis of their trafficking risks in procurements, OMB, as a co-chair of the Procurement & Supply Chains Committee, provided agencies with a template that highlighted products and services at risk of trafficking and agency contract data for contracts performed in countries in which trafficking is a concern. Specifically, the template included:

- **Contract obligation data.** OMB shared 5 years of agency contract obligation data downloaded from the System for Award Management—a publicly available source for agency contract award data.
- **At-risk product and service categories.** OMB, working with State anti-trafficking officials, identified more than 50 procurement categories at risk of trafficking.²⁷ These categories were gleaned from Department of Labor reports of items known to be produced with forced or child labor and the Responsible Sourcing Tool, which identifies the types of jobs and products that are at risk of trafficking.²⁸ These include construction and guard services and products such as personal protective equipment.
- **Countries in which trafficking is a concern.** OMB, using State's annual Trafficking in Persons report, identified countries whose governments have not taken actions to prevent or prosecute trafficking.²⁹ Services performed in, or items obtained from, countries

²⁷Categories refer to product service codes that indicate what was bought for each contract action.

²⁸Department of Labor, "List of Goods Produced by Child Labor or Forced Labor and List of Products Produced by Forced Labor or Indentured Child Labor," <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>. The Department of Labor also offers Business Tools for Labor Compliance in Global Supply Chains, such as its Comply Chain tool found at <https://www.dol.gov/agencies/ilab/comply-chain>. The Responsible Sourcing Tool is the result of a collaboration between Verité, an independent civil society organization and State. It provides free information and tools to help companies, federal contractors, contracting professionals, and others understand and prevent the risks of human trafficking in supply chains. See <https://www.responsiblesourcingtool.org/>.

²⁹The Procurement & Supply Chains Committee template highlighted Tier 3 countries. As previously mentioned, see appendix I for more information about the countries that State identified as in Tier 3.

that have not taken actions to prevent or prosecute trafficking may be at higher risk.

Implementation of anti-trafficking requirements is a shared responsibility involving multiple agency offices and officials. DHS, DOD, State, and USAID have offices with experts that support agency anti-trafficking efforts and promote anti-trafficking resources on their websites (appendix IV).³⁰ In addition, agency procurement executives are responsible for providing guidance and establishing policies and procedures for their agency's respective contracting actions, including anti-trafficking responsibilities (see table 2).

Table 2: Agency Procurement Executives and Their Anti-Trafficking Responsibilities

Agency	Official	Examples of Anti-Trafficking Responsibilities
DHS	Chief Procurement Officer	Serves as the Senior Accountable Official responsible for preventing trafficking in agency contracting actions through the implementation of anti-trafficking rules and practices.
DOD	Under Secretary of Defense for Acquisition and Sustainment	Advises and assists with Federal Acquisition Regulation and Defense Federal Acquisition Regulation Supplement cases related to government-wide and DOD anti-trafficking programs, including implementing anti-trafficking policy requirements for defense contractors.
State	Deputy Assistant Secretary and Senior Procurement Executive	Evaluates and monitors procurement system performance in accordance with applicable laws and regulations, such as anti- trafficking regulations.
USAID	Senior Procurement Executive	Ensures anti-trafficking clauses are included in contracting actions and responds to potential violations.

Source: GAO summary of Departments of Homeland Security (DHS), Defense (DOD), and State; U.S. Agency for International Development (USAID); and Office of Management and Budget information. | GAO-24-106973

Generally, agencies' suspension and debarment programs serve in the public interest to protect the federal government from potential harm posed by individuals or entities whose conduct, such as engaging in trafficking, constitutes cause for exclusion from being eligible for federal contracts. Agencies can conduct an administrative proceeding, which may result in government action to suspend, debar, or require contractors to take steps to prevent future harm. After a final determination is made that the allegations are substantiated, information is recorded in the Federal Awardee Performance and Integrity Information System and is subsequently available in the government-wide System for Award

³⁰For example, State publishes information about agencies' anti-trafficking resources and tools for raising public awareness about the risks and signs of trafficking. See <https://www.state.gov/humantrafficking-public-awareness-training/>.

Management.³¹ Contracting officials are required to review the information contained in this system before deciding to make an award to an entity or person above the simplified acquisition threshold.³²

Enterprise Risk Management

Agencies should implement a forward-looking risk management process to identify challenges early, bring them to the attention of agency leadership, and develop solutions, according to OMB. OMB's *Management's Responsibility for Enterprise Risk Management and Internal Control* requires agencies to use Enterprise Risk Management as a decision-making tool.³³ Enterprise Risk Management allows management to understand an agency's portfolio of top risk-exposure to identify and analyze threats and opportunities that could affect the agency's success in meeting its goal. According to OMB, Enterprise Risk Management should be used in coordination with our *Standards for Internal Control in the Federal Government*, which maintains that agencies should identify, analyze, and respond to risks related to achieving their defined objectives.³⁴

In alignment with these standards and guidance, we previously identified essential elements that together form a continuous process for agencies to use for managing enterprise risks. These elements include identifying,

³¹The Federal Awardee Performance and Integrity Information System is a module in the government's contractor performance assessment record system. Certain information, such as a record documenting a trafficking violation, is then made publicly available in the System for Award Management, which contains contractor responsibility and qualification information, exclusions, and entity and contract data. We have ongoing work assessing the quality of the data in this system.

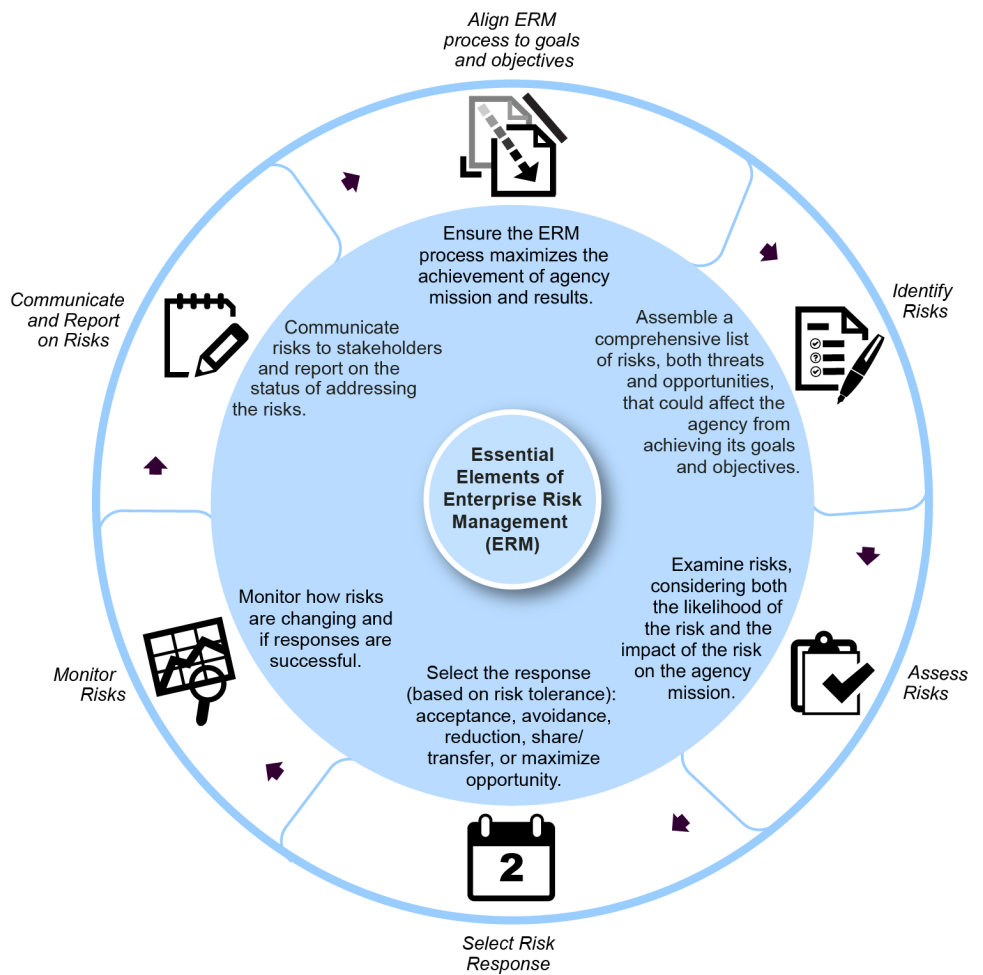
³²The simplified acquisition threshold is generally \$250,000. See exceptions in FAR 2.101.

³³OMB Circular A-123.

³⁴In the context of this report, "identify" includes systematically identifying the sources of risk as they relate to achieving the U.S. policy for zero tolerance of trafficking in contracting and is done by examining contributing internal and external factors. "Analyze" includes examining risks—considering both the likelihood of the risk and the impact of the risk to achieving the U.S. policy—to help prioritize risk response. It is important to use the best information available to make the risk assessment as realistic as possible. "Respond" includes management's review of its prioritized list of risks from its analysis and selection of the most appropriate treatment strategy to manage the risk. This may include acceptance, avoidance, reduction, sharing, or transfer of risks. See [GAO-14-704G](#).

assessing, monitoring, and communicating and reporting risks (see fig. 1).³⁵

Figure 1: Essential Elements of Federal Government Enterprise Risk Management



Source: GAO risk management criteria (GAO-17-63); GAO (icons). | GAO-24-106973

Related GAO Reports and Agency Responses

Over the last decade, we have reported on federal agency anti-trafficking efforts in government contracting and found gaps that could impede these

³⁵The essential elements fit together in a continuous process: (1) align the process to goals and objectives, (2) identify risks, (3) assess risks, (4) select risk response, (5) monitor risks, and (6) communicate and report on risks. See [GAO-17-63](#).

efforts.³⁶ For example, in 2014, we reported that DOD, State, and USAID acquisition officials responsible for contracting and procurement oversight were not always aware of, or fulfilling, their anti-trafficking responsibilities.³⁷ In 2021, we also reported similar findings for DOD.³⁸ In response to a number of recommendations that we made to improve the awareness and execution of anti-trafficking efforts, agencies have taken steps to improve oversight of contracts. For example, agencies required acquisition-specific anti-trafficking training and improved resources to assist contracting officials in monitoring for trafficking, and FAR Subpart 22.17 was updated to define recruitment fees. The FAR prohibits contractors from charging employees or potential employees recruitment fees, which are currently defined as fees of any type, including charges, costs, assessments, or other financial obligations, that are associated with the recruiting process, regardless of the time, manner, or location of imposition or collection of the fee. Examples of fees are described in the FAR anti-trafficking provision and clause (52.222-50).

Agencies Have Taken Initial Steps but Have Not Taken a Systematic Approach to Manage Trafficking Risks in Government Contracting

While the four agencies in our review have taken some steps, none have taken a systematic approach to managing trafficking risks, which would help agencies support the U.S. policy of zero tolerance for trafficking. OMB's *Management's Responsibility for Enterprise Risk Management and Internal Control* and our *Standards for Internal Control in the Federal Government* state that managers should identify, analyze, and respond to risks related to achieving the defined objectives.³⁹ Our standards also state that management should internally communicate the necessary quality information to achieve the entity's objectives. As previously mentioned, we identified essential elements for managing enterprise risks that align with OMB guidance and our standards. Together, the OMB guidance, our standards, and essential elements can provide a helpful framework for a systematic approach that agencies can use to manage specific risks, such as trafficking risks in their contracts.

Components of a systematic approach to managing trafficking risks in contracting would include identifying and analyzing the type and level of

³⁶GAO, *Human Trafficking: U.S. Agencies' International Efforts to Fight a Global Problem*, [GAO-22-106029](#) (Washington, D.C.: Sept. 1, 2022).

³⁷[GAO-15-102](#).

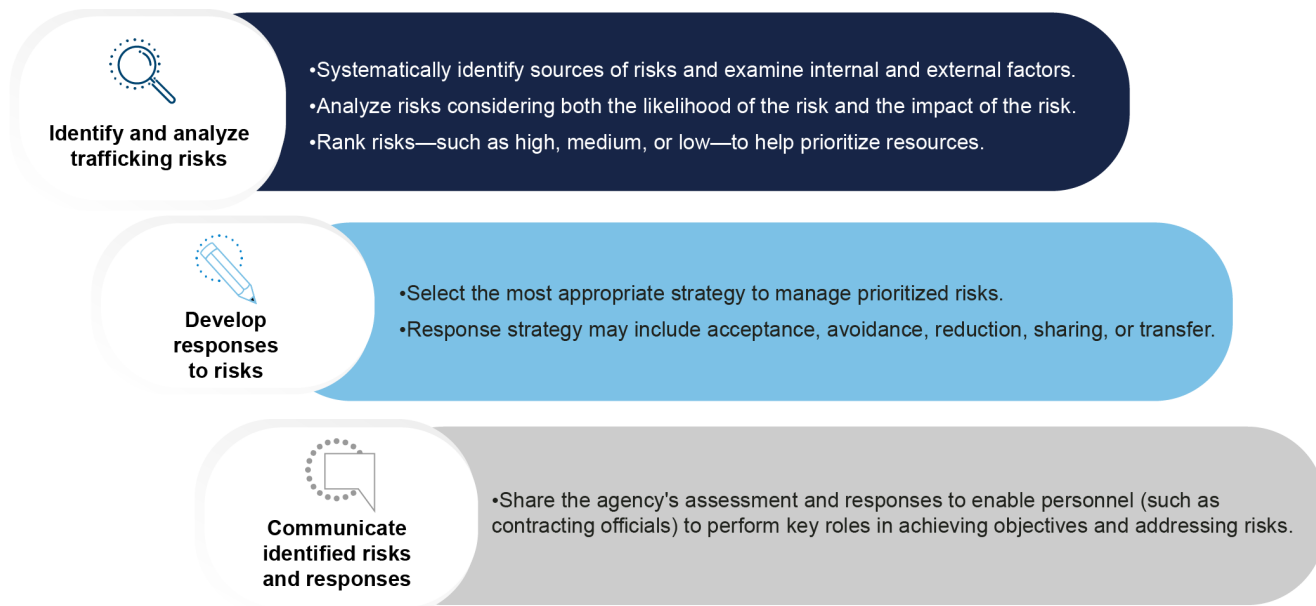
³⁸GAO, *Human Trafficking: DOD Should Address Weaknesses in Oversight of Contractors and Reporting of Investigations Related to Contracts*, [GAO-21-546](#) (Washington, D.C.: Aug. 4, 2021).

³⁹OMB Circular A-123. [GAO-14-704G](#).

risks for trafficking, developing responses to these risks, and communicating this information to contracting officials. For example, as part of risk identification and analysis, agencies could rank their trafficking risks, which can better position contracting officials to apply limited resources to address higher-ranked risks. An agency developed response for higher-risk contracts could include obtaining contractor anti-trafficking compliance plans—a FAR safeguard—and verifying contractor implementation of requirements. Agencies can communicate mitigating procedures for what, if any, steps contracting officials should take based on the identified level of risk. Without taking steps to (a) identify and analyze trafficking risks, (b) develop responses, and (c) communicate trafficking risks and responses, agencies cannot then regularly monitor whether their trafficking risks have changed and the effectiveness of responses—another integral component of a risk management process. See figure 2.

Figure 2: Selected Components of a Systematic Approach to Manage Trafficking Risks in Contracting

A systematic approach enables agencies to address trafficking risks to help achieve the U.S. policy of zero-tolerance of trafficking in contracting.



Source: GAO and Office of Management and Budget information; Ainul/stock.adobe.com (illustration). | GAO-24-106973

In response to OMB’s 2019 *Anti-Trafficking Risk Management Best Practices* memorandum or a subsequent request from the Senior Policy Operating Group’s Procurement & Supply Chains Committee, DHS, DOD,

and State took initial steps to analyze contract spending to identify trafficking risks. However, we found that the agencies' efforts to identify trafficking risks in contracting—the first step in a systematic approach—varied and had limitations. Further, while USAID analyzed part of its supply chain, it did not complete the analysis that OMB and the committee encouraged, even though USAID's Administrator has emphasized in public remarks the need to counter trafficking overseas.

The following sections provide information on each of the agency's approaches.

DHS Efforts to Identify and Analyze, Develop Responses, and Communicate Agency Trafficking Risks in Contracting

DHS identified, analyzed, and communicated some trafficking risks in contracting. However, DHS did not use a systematic approach to manage its trafficking risks.

Identify and analyze trafficking risks. DHS took steps to identify and analyze some trafficking risks in its contracts. Specifically, in May 2022, DHS procurement officials used the template to examine 5 years of contract data to identify spending in certain countries and in product and service categories identified as being at higher risk for trafficking.

DHS did not document in its analysis or convey to us how it concluded that the categories officials identified were considered at-risk for trafficking. DHS officials said they identified housekeeping and custodial services, personal protective equipment, grounds maintenance, and construction as trafficking risks in contracting. However, some of these categories did not appear in the department's risk analysis. For example, custodial services and grounds maintenance were not listed in the analysis DHS provided us. Additionally, some of the categories listed in the analysis, such as construction, had no associated obligations during the 5-year period.

DHS's analysis also did not include a consideration of the likelihood and impact of the identified trafficking risks in contracting. For example, DHS did not rank the identified trafficking risks—such as high, medium, and low—associated with the types of products and services it procures through contracts, as recommended in risk management practices. Doing so would better position DHS to prioritize and focus agency resources on the highest-risk areas for trafficking. DHS officials noted that their initial analysis, which focused on foreign countries, had limited usefulness due to the agency's mostly domestic mission.

Subsequently, DHS conducted a second analysis of its domestic spending focused on one service category, housekeeping, which officials said is at heightened risk for trafficking. DHS's analysis identified that over \$300 million was obligated for housekeeping services between December 1, 2010, and November 30, 2022. However, it was unclear from DHS's initial analysis how it determined that this service category was higher risk. DHS officials said the intent of this second analysis was to establish procedures to identify and share information about acquisitions at risk for trafficking across the agency. However, officials said they have not yet shared this analysis agencywide.

Develop responses to identified trafficking risks. DHS did not establish specific responses for the trafficking risks it identified in its initial analysis or subsequent analysis of housekeeping services. In keeping with risk management practices, risk responses would include procedures for what actions, if any, contracting officials should take based on agency-identified ranking of their trafficking risks in contracts. However, DHS procurement officials said they had not made changes to agency contracting policy, procedures, or oversight based on their assessment.

Communicate identified trafficking risks and responses. DHS communicated information about some trafficking risks through a flyer and general trafficking information on its website as part of the agency's public awareness campaign.⁴⁰ A DHS official said the agency has not published the findings of the identified risk areas or formally shared them. However, DHS officials said the agency is looking to identify methods for communicating this type of information.

DHS trafficking experts and procurement officials said they are trying to find a meaningful way to identify areas at risk for human trafficking and create actionable steps for contracting officials. They said this is an ongoing effort and they may identify trafficking risks through other means, such as working with victim services groups. As previously mentioned, risk responses could inform actions, if any, contracting officials should take based on agency-identified ranking of trafficking risks in contracts. In addition, the agency should communicate identified risks and corresponding responses, if applicable, to contracting officials. According to DHS officials, the agency aims to have a better understanding of its procurement trafficking risks prior to considering or implementing

⁴⁰According to DHS's website, the agency's Blue Campaign is a public awareness program to educate the public, law enforcement, and other industry partners to recognize and respond to potential instances of trafficking. See <https://www.dhs.gov/blue-campaign>.

additional contractor requirements and safeguards. However, when asked, they did not specify a time frame or outline their plans.

DOD Efforts to Identify and Analyze, Develop Responses, and Communicate Agency Trafficking Risks in Contracting

DOD took steps to analyze and communicate agency spending in a few known areas, such as trafficking risks in Iraq and Afghanistan. However, the agency did not take a systematic approach to manage its trafficking risks in contracting such as identifying its current higher-risk product and service categories.

Identify and analyze trafficking risks. DOD took steps to identify and analyze some trafficking risks in its contracts. In December 2021, DOD’s trafficking expert sponsored a postgraduate student group’s analysis that examined 3 years of contract spending in countries, including Tier 2 Watch List and Tier 3 countries, for personal protective equipment, construction, and food and food services. The group analyzed spending in a few, known at-risk categories and did not analyze the range of potential relevant spending to identify trafficking risks. Specifically, the group analyzed construction and food-related services based on trafficking that occurred during operations in Iraq and Afghanistan.⁴¹ The group found that DOD obligated about \$351 million in these categories in these countries and about \$13.1 billion overall in these countries.

DOD has not updated this analysis and no additional analysis is underway, according to a DOD official. DOD trafficking experts also said the categories evaluated may not reflect the department’s current higher-risk categories. Further, DOD’s analysis did not rank trafficking risks—such as high, medium, and low—associated with the types of products and services it procures through contracts. Doing so would better position DOD to prioritize and focus agency resources on the higher-risk areas for trafficking. DOD trafficking experts said they are a small office with limited capacity, and identified DOD’s Office of the Under Secretary for Acquisition and Sustainment and contracting experts as better positioned to complete a procurement spending analysis to identify current trafficking risks. A DOD procurement official did not see a gap in the agency’s approach to managing its contracting-related trafficking risks. The official also noted that the office responsible for contract policy is small and,

⁴¹Naval Postgraduate School, Acquisition Research Program, *The Price of Slavery: An Analysis of Human Trafficking Policy and Spending in Department of Defense Procurement*, NPS-AM-22-016 (Monterey, Calif.: December 2021). The analysis also included special case countries, which are listed in appendix I.

currently, one person is responsible for DOD anti-trafficking contracting policy as well as other policy areas.

DOD trafficking experts said they are considering conducting analyses based on components' self-reporting of past trafficking allegations to help identify the agency's trafficking risks. However, when asked, they did not specify a time frame or outline their plans.

Develop responses to identified trafficking risks. A DOD procurement official did not describe establishing specific responses for the trafficking risks identified in the analysis. As previously mentioned, risk responses would include procedures for what actions, if any, contracting officials should take based on agency-identified ranking of their trafficking risks in contracts.

Communicate identified trafficking risks and responses. DOD's trafficking expert communicated the results of the department's initial assessment on DOD's public website, which the agency cites as a resource in DOD's required anti-trafficking training. In addition, DOD officials said the analysis was briefed to OMB, the Procurement & Supply Chains Committee, and DOD Exchanges and Commissaries.⁴² However, DOD did not communicate specific responses contracting officers could take based on trafficking risk identification and analysis. In keeping with risk management practices, the agency should communicate identified trafficking risks and corresponding responses, if applicable, to contracting officials.

State Efforts to Identify and Analyze, Develop Responses, and Communicate Agency Trafficking Risks in Contracting

State conducted limited initial analysis to identify and analyze its trafficking risks. Nevertheless, State updated its policies with additional steps that contracting officials should take for all covered contracts and conducted workshops for contracting officials to communicate information about aspects of trafficking risks and their responsibilities.

⁴²We previously reported that DOD Commissaries and Exchanges have taken a fragmented approach to prevent the resale of goods produced through forced labor. DOD concurred with our recommendations that it establish an overarching policy and consistent processes to better prevent the availability of goods produced by forced labor, and establish an oversight mechanism to monitor implementation. DOD identified the Combating Trafficking in Persons Program Manager as responsible for collecting and sharing available federal information to identify risks. GAO, *Forced Labor: Actions Needed to Better Prevent the Availability of At-Risk Goods in DOD's Commissaries and Exchanges*, [GAO-22-105056](#) (Washington, D.C.: Feb. 3, 2022).

Identify and analyze trafficking risks. State took steps to identify and analyze some trafficking risks in its contracts. In early 2022, State anti-trafficking experts used the template to examine spending in certain countries and product and service categories of concern in 5 years of contract data.⁴³ Using this information, State officials said they identified certain categories—construction, private security, and facilities administration (i.e., housekeeping, landscaping, and cafeteria services)—as being at higher risk for trafficking and areas of high spending. However, State officials told us that this analysis was an introductory step to considering trafficking risks in the agency’s spending.

State did not document in its analysis or convey to us how it concluded that the categories officials identified were considered at-risk for trafficking. For example, it did not summarize spending by construction, private security, and facilities administration. The analysis also did not include a consideration of the likelihood and impact of the identified trafficking risks in contracts. For example, State did not rank trafficking risks it identified—such as high, medium, and low—associated with the types of products and services it procures through contracts, as recommended in risk management practices. Doing so would better position State to prioritize and focus agency resources on the higher-risk areas for trafficking. State trafficking experts explained that they conducted a limited spend analysis because spending data are not the only means for identifying trafficking risks. These officials said there would be value in conducting a more robust analysis to obtain more insight into supplier relationships, but did not have the resources to do so. They said a more robust analysis would help them to put in place extra compliance efforts targeted at the most dollars at-risk.

Develop responses to identified trafficking risks. As of March 2023, State was in the process of developing a risk response for construction—one of the agency’s identified contracting categories at higher risk of trafficking. State’s Trafficking in Persons office began working in late 2022 with Verité, a supply chain management and labor rights nongovernmental organization, to pilot a new risk mapping process. According to officials, acquisition personnel can use the process to assess and prevent human trafficking risks during the planning, solicitation, and monitoring of high-risk, high-volume contracts. The pilot focuses on State’s construction contracts and officials said that the tool

⁴³As previously stated, OMB, working with State anti-trafficking officials, identified more than 50 procurement categories at risk of trafficking using Department of Labor reports of items known to be produced with forced or child labor and the Responsible Sourcing Tool.

has the potential to be adapted for other trafficking risks. While State did not establish responses for its other agency-identified trafficking risks, the Trafficking in Persons office, through its contract with Verité, expanded the Responsible Sourcing Tool with tailored due diligence toolsets, including for the private security and facilities services sectors. Additionally, State updated its policies in May 2023 with additional steps that contracting officials should take for all covered State solicitations and contracts, not just those considered to be at higher risk for trafficking.⁴⁴ As previously mentioned, covered solicitations and contracts include those that require contractor anti-trafficking compliance plans. Responses include encouraging contracting officials to use the Responsible Sourcing Tool to identify trafficking risks and providing checklists to help them review contractor documents for compliance with agency and federal anti-trafficking requirements. State officials are unsure of the extent to which contracting officials are currently using the Responsible Sourcing tool, but are conducting contract file reviews that will determine whether contracting officials are using the checklists.

Communicate identified trafficking risks and responses. State communicated information through workshops for contracting officials about aspects of trafficking risks and their responsibilities. Officials said almost two-thirds of the acquisition workforce has participated in these workshops over the past 2 years. The workshops describe risk factors for trafficking, such as recruitment of low-wage labor and employment of third country nationals. These workshops also provide information about the scope of government contracts, contracting officials' FAR responsibilities, and actions these officials should take if there is a higher risk of trafficking in planned acquisitions. State has also communicated through updated guidance the responses that contracting officials should take for covered solicitations and contracts. However, a State official said that they have not informed contracting officials about the spend analysis.

State procurement officials said they are beginning to assess the effectiveness of their general anti-trafficking responses through reviews of contract compliance with federal and State anti-trafficking requirements, which started in March 2024. While State identification and analysis of trafficking risks was not clear, the agency has taken a broader approach and has developed responses and communicated expectations to its contracting officials for all covered solicitations and contracts. State is

⁴⁴State procurement officials said they updated their policies following an audit by the Office of Inspector General. We discuss this audit further in the next objective.

well-positioned to take the next step in a risk management approach to monitor the effectiveness of its risk responses and reassess whether the agency needs to revisit its identification and analysis of trafficking risks.

USAID Efforts to Identify and Analyze, Develop Responses, and Communicate Agency Trafficking Risks in Contracting

USAID examined trafficking risks in one region for suppliers of its information and communications technology products. However, USAID did not use a systematic approach to identify and analyze, develop responses, and communicate its trafficking risks in contracting.

Identify and analyze trafficking risks. USAID officials said that as part of addressing the agency's supply chain risks identified through its Enterprise Risk Management process, they conducted a pilot program. The pilot examined whether any of the agency's information and communications technology suppliers procure goods or components from companies in the Xinjiang Uyghur Autonomous Region of the People's Republic of China. According to USAID, suppliers' location in the Xinjiang Uyghur Autonomous Region is a proxy indicator for forced labor and warrants further investigation to determine if companies should be added to various lists the U.S. government maintains of companies that use forced labor.⁴⁵ USAID is coordinating follow-up efforts on its pilot with OMB and the Department of Labor's International Labor Affairs Bureau.

USAID did not analyze its spending to identify procurement areas at risk for trafficking as recommended by OMB's October 2019 memorandum to agencies. Officials questioned the usefulness of analyzing procurement data to identify trafficking risks, but did not say what other methods they thought would be better. Further, officials said they did not have the resources to conduct a spending analysis.

In January 2024, USAID trafficking experts and procurement officials said the agency does not have specific processes to identify trafficking risks in contracts. However, officials described conducting analyses that may have a link to trafficking. For example, officials from USAID's Responsibility, Safeguarding, and Compliance Division conducted analyses for past violations focused on sexual exploitation and abuse. They said that they plan to do more analyses in the next 6 to 12 months but have not outlined their plans for more thorough trend analysis.

⁴⁵USAID performed this analysis in response to a 2021 law, referred to as the Uyghur Forced Labor Prevention Act, and associated entity list. See Pub. L. No. 117-78.

Develop responses to identified trafficking risks. Officials said they consider trafficking risks as part of their Enterprise Risk Management and have developed tools for contracting officials with information about general trafficking risks in contracting and FAR anti-trafficking requirements. In keeping with risk management practices, developing responses to identified trafficking risks would include procedures for what, if anything, contracting officials should do based on agency-identified risk ranking. As previously mentioned, the agency has not fully identified trafficking risks related to its contracting, which is a key step before developing responses.

Communicate identified trafficking risks and responses. USAID has communicated information about some trafficking risks to contracting officials through training and other resources. USAID has identified resources, such as technical experts, and several anti-trafficking guidance documents, such as the Counter-Trafficking in Persons Field Guide. The technical experts largely focus on implementing the agency's development projects rather than USAID's contracting actions, which made up less than 18 percent of the agency's obligations in fiscal year 2023. The January 2023 Field Guide is a reference tool to help officials design anti-trafficking programs using a survivor-centered approach. However, in keeping with risk management practices, management should communicate procedures that contracting officials should take for contracts based on agency-identified trafficking risk ranking specific to contracts.

Overall, the four agencies can take additional actions to implement systematic risk management approaches that align with the U.S. policy of zero tolerance for trafficking. A first step in such an approach is to identify and analyze procurements, including considering known potential trafficking risks in the categories of products or services being acquired and the country in which they are being implemented, as well as other information such as past trafficking allegations and violations, to determine those that have the highest risk for trafficking. Such identification and analysis would enable agencies to have the most current and relevant information when developing responses to address trafficking risks systematically. Doing so could provide better assurance to agency officials that their efforts to mitigate trafficking risks are responsive to the likelihood or impact of the risk. Further, communicating high-risk categories and appropriate risk prevention and mitigation responses to contracting officials could better position agencies to help achieve the U.S. policy of zero-tolerance of trafficking.

Agencies Communicated, but Contracting Officials Inconsistently Met, Federal Procurement Anti-Trafficking Requirements

To address trafficking risks in overseas contracting, DHS, DOD, State, and USAID have communicated FAR anti-trafficking requirements to contracting officials through acquisition training and guidance. Most contracting officials we spoke with completed the training and were generally aware of how they should report trafficking violations. However, we found that contracting officials across the four agencies inconsistently met one or more of the anti-trafficking requirements in nine of the 12 contract files we reviewed. In addition, these contracts required a contractor anti-trafficking compliance plan that provides additional safeguards. However, contracting officials considered the contracts low risk and took limited steps to monitor contractor compliance with FAR anti-trafficking requirements. We found that four of the six contractor anti-trafficking compliance plans that contracting officials provided did not meet all minimum requirements.

Agencies Have Communicated Federal Requirements in Acquisition Training and Guidance

To address trafficking risks in contracts, the four agencies have communicated FAR anti-trafficking requirements to contracting officials through acquisition training. Most contracting officials we interviewed had taken the required anti-trafficking training.⁴⁶ Currently, DHS, DOD, and State require contracting officials to regularly take anti-trafficking acquisition training. USAID recently required federal anti-trafficking training for acquisition personnel to maintain their certification, aligning with OMB's October 2023 policy update, but that is a one-time training requirement. OMB's update notified agencies that all civilian acquisition personnel must take the anti-trafficking acquisition training no later than June 2024 to maintain their Federal Acquisition Certifications in

⁴⁶Of the 27 contracting officials we spoke with or requested documentation from, 22 took the acquisition-specific training. Ten of these officials said they were prompted by our request for interviews and questions about acquisition training to take the training or took the training after our initial interactions with them. The remaining five contracting officials have not taken the training—two at State and one each at DHS, DOD (Navy), and USAID. For the Navy official, the anti-trafficking training did not appear on the list of required trainings and the individual said they had not been aware of the requirement. State and USAID contracting officials took other, non-acquisition, anti-trafficking training. The Navy is updating its anti-trafficking guidance to establish processes to ensure training completion in response to a 2022 Navy Inspector General recommendation.

Contracting.⁴⁷ Officials from all four agencies said they are monitoring contracting officials' training completion statuses, and DHS and State officials also said they plan to follow up with those who did not complete the training.

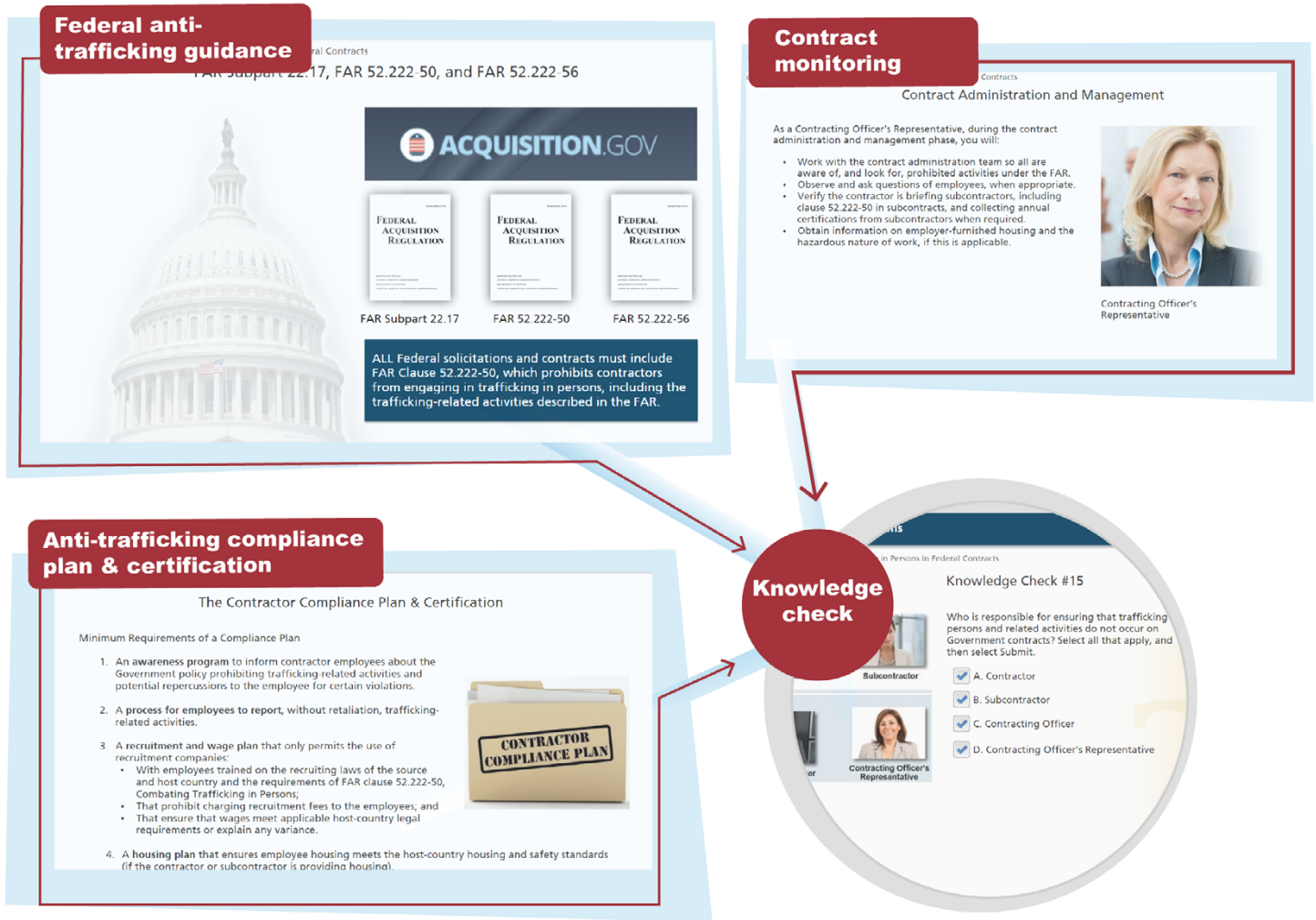
The Federal Acquisition Institute has developed anti-trafficking acquisition training, available to all federal personnel including at DHS, State, and USAID, and DOD has a similar training for its contracting officials.⁴⁸ Anti-trafficking acquisition training is intended to inform contracting officials about indicators of trafficking, types of procurements that may be at risk of trafficking, the FAR anti-trafficking requirements, and their anti-trafficking responsibilities for contracts.⁴⁹ Figure 3 shows excerpts from the Federal Acquisition Institute's anti-trafficking training course.

⁴⁷Office of Federal Procurement Policy, Office of Management and Budget, *Acquisition Flash 2024-1: FY24 Assignment of Mandatory Training for Civilian Agency FAC-C (Professional), FAC-COR, and FAC-P/PM Holders* (October 19, 2023). In fiscal year 2024, the Office of Federal Procurement Policy also issued a memorandum of understanding with DOD to recognize the parity and reciprocity between the Federal Acquisition Certification in Contracting and DOD's Contracting Professional Certification. DOD shares a common set of certification standards for its defense acquisition personnel (in terms of education, training, certification exams, and experience).

⁴⁸DOD has developed multiple Combating Trafficking in Persons training courses including those geared toward military and contracting officials. The anti-trafficking acquisition (including contracting, grants, and cooperative agreements) training is designed for DOD personnel with job responsibilities that require daily contact with DOD contractors, grant and cooperative agreement recipients, or foreign national personnel. USAID also requires all personnel to complete its Countering Trafficking in Persons Code of Conduct training. This 45-minute online training educates agency personnel about what trafficking is and their responsibilities under the code to help combat it. USAID personnel can access this training via the agency's learning management system—USAID University.

⁴⁹Federal Acquisition Institute, "Federal Acquisition Certification - Combating Trafficking in Persons Training (FAC-022)," Department of Defense, "Combating Trafficking in Persons (CTIP) for Acquisition and Contracting Professionals Course," DOD CTIP-AP-US012.

Figure 3: Topics Covered in the Federal Acquisition Institute’s “Federal Acquisition Certification - Combating Trafficking in Persons” Training



Source: GAO summary of Federal Acquisition Institute’s Federal Acquisition Certification-Combating Trafficking in Persons Training (FAC-022). | GAO-24-106973

The agencies have established and shared guidance for implementing FAR anti-trafficking provisions, and some provide additional anti-trafficking guidance. See appendix V for a list of agencies’ anti-trafficking guidance and resources. The agencies have shared this information with contracting officials through a variety of methods, such as guidance, web resources, newsletters, and workshops, as well as through the anti-trafficking training mentioned above. For example, DHS, State, and USAID issued alerts to remind contracting officials about FAR anti-

trafficking requirements. DHS, DOD, State, and USAID also have links to anti-trafficking information for contracting officials such as agency policies, codes of conduct, guidebooks, and trainings on publicly available websites. State officials also said that State's Office to Monitor and Combat Trafficking in Persons leads a session at a biannual workshop for contracting officer's representatives. The session covers information on prohibited activities, human trafficking indicators, FAR requirements, and monitoring for trafficking.

Contracting Officials Were Generally Aware of Their Trafficking Reporting Responsibilities

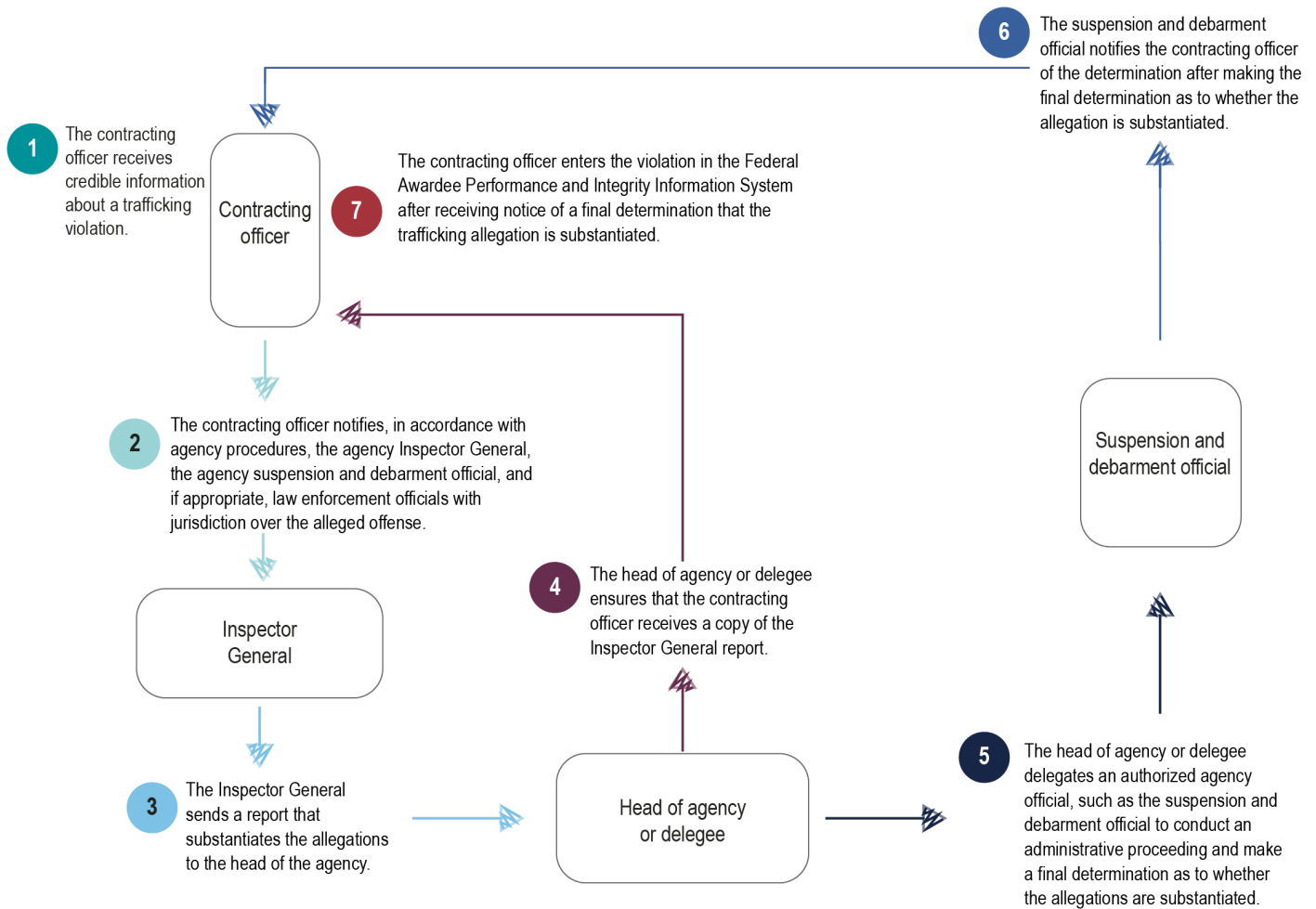
Contracting officials told us that none of the contracts we reviewed had allegations of trafficking and that they were aware that they must report such allegations. Agencies rely, in part, on contractors to self-report, but anyone can report potential trafficking violations through trafficking hotlines or to Inspectors General and contracting officials. For example, if contractors were to receive credible information about a trafficking allegation such as through monitoring or reporting,⁵⁰ the FAR anti-trafficking clause requires that they notify the contracting officer and Inspector General.⁵¹ Contracting officers are also required to notify the Inspector General if they receive credible information of a violation, such as from the contracting officer's representative. Contracting officials we spoke with at each of the four agencies knew to elevate allegations, such as reporting directly to the agency Inspector General, consulting their legal department, or reviewing the FAR to ensure proper reporting. Several contracting officials said they would also report to other entities including criminal investigation divisions, immediate supervisors or branch chiefs, and regional security officers. See figure 4 for a notional example of FAR reporting requirements.

⁵⁰FAR 22.1704 does not define credible information. The Trafficking Victims Protection Reauthorization Act of 2017 defined credible information for the purpose of Chapter 78 of Title 22 of the U.S. Code, and includes, for example, information from survivors of human trafficking, vulnerable persons, and whistleblowers, as well as all relevant media and academic reports that, in light of reason and common sense, are worthy of belief. Pub. L. No. 115-427, § 2 (2019), codified at 22 U.S.C. § 7102(6).

⁵¹DOD and USAID also have additional requirements for reporting trafficking allegations. For example, USAID guidance requires contracting officers to consult with the USAID Labor Compliance Advisor about credible trafficking allegations. USAID, Procurement Executive, *Procurement Executive Bulletin No. 2019-03 Reissuance* (Nov. 15, 2022).

Figure 4: Notional Example of FAR Reporting Requirements for Trafficking Allegations and Violations Substantiated by an Inspector General Investigation

Steps in the reporting process for credible information that was received by a contracting officer, substantiated by an Inspector General investigation, and submitted to an agency suspension and debarment official.^a



Source: GAO summary of the Federal Acquisition Regulation (FAR) Subpart 22.17 and 22 U.S.C. § 7104b. | GAO-24-106973

^aContracting officers can receive credible information from a variety of sources, including their representatives, contractors, subcontractors, and contractor employees. If a contractor receives credible information of a trafficking violation, the FAR anti-trafficking clause requires them to report it to the contracting officer and to the Inspector General. Contracting officers can also direct the contractor to take specific steps to address the alleged violation or enforce the requirements of its anti-trafficking compliance plan. For more information about remedies, see appendix III.

Contracting Officials Did Not Consistently Take Action to Ensure Compliance with Federal Procurement Anti-trafficking Requirements

We determined that contracting officials at each of the four agencies did not take action to ensure compliance with one or more FAR anti-trafficking requirements in the 12 contract files we reviewed. Contracting officials at the four agencies met the FAR requirement to include the anti-trafficking clause in each of their solicitations and contracts, but generally did not include the certification provision or obtain contractors' anti-trafficking certifications. Table 3 summarizes our findings.

Table 3: DHS, DOD, State, and USAID Implementation of Key FAR Anti-Trafficking Requirements in 12 Selected Contracts

FAR anti-trafficking requirements	Agency implementation (number of contracts)			
	DHS	DOD	State	USAID
Insert anti-trafficking provision and clause in all solicitations and contracts (52.222-50)	3 of 3	3 of 3	3 of 3	3 of 3
Insert certification provision in applicable solicitations (52.222-56)	1 of 3	2 of 3	2 of 3	2 of 3
Obtain contractor anti-trafficking compliance certification prior to award and annually thereafter (52.222-56 and 52.222-50) ^a	1 of 3	2 of 3	1 of 3	0 of 3

Source: GAO analysis of Federal Acquisition Regulation (FAR) Subpart 22.17, and selected Department of Homeland Security (DHS), Department of Defense (DOD), Department of State, and U.S. Agency for International Development (USAID) contract files. | GAO-24-106973

Note: Implementation is based on GAO's review of a nongeneralizable sample of 12 contracts—three from each agency—awarded in fiscal years 2022 and 2023. All 12 contracts were required to have the two provisions, the clause, and, at a minimum, the certification prior to award. These requirements apply if any portion of a contract or subcontract is for supplies other than commercially available off-the-shelf items, to be acquired outside the United States, or services to be performed outside the United States; and has an estimated value that exceeds \$550,000.

^aGAO reviewed the contract file for annual certifications if the contract period of performance was greater than 1 year and the certification was due during its review.

Nine of the 12 contracts in our sample were missing one or more of the FAR anti-trafficking requirements. Overall, we found:

Certification Provision

The anti-trafficking certification provision, 52.222-56, is included in solicitations—requests to submit offers or quotations—and informs contractors that for certain larger contracts requiring performance overseas or for products obtained overseas, they must certify that they will comply with the FAR requirement to maintain an anti-trafficking compliance plan appropriate to the size and complexity of the contract and the nature and scope of its activities.

Source: GAO summary of Federal Acquisition Regulation (FAR) Subpart 22.17. | GAO-24-106973

- **Contracting officers included the anti-trafficking provision and clause.** Contracting officers included the anti-trafficking provision and the clause in all 12 solicitations and contracts.
- **Contracting officers did not consistently include the certification provision in the solicitation.** For five of the 12 contract files, contracting officers did not include the certification provision in the solicitation—with at least one contract for DHS, DOD, State, and USAID missing this provision. By omitting the certification provision, agencies did not notify the offerors in advance through the solicitation that if they were awarded the contract, they must maintain an anti-trafficking compliance plan and submit certification of compliance with that plan prior to award.

FAR Anti-trafficking Compliance Certifications

The FAR requires contractors and covered subcontractors to certify, prior to award and annually thereafter, that they have implemented an anti-trafficking compliance plan for certain large, overseas contracts and that they have reason to believe there have been no abuses or that appropriate actions have been taken.

This certification is required for contracts for services or products that include non-commercially available off-the-shelf items with an expectation that a portion of the contract performed outside the U.S. is valued at least \$550,000.

Source: GAO summary of Federal Acquisition Regulation (FAR) Subpart 22.17. | GAO-24-106973

- **Contracting officials did not consistently obtain required anti-trafficking compliance certifications.** For eight of the 12 contracts, contracting officials did not obtain at least one of the required compliance certifications—prior to award or annually thereafter—or they obtained the initial certification after awarding the contract.

The FAR states that prior to award, contractors must certify and that annually thereafter contractors must submit certification to the contracting officer. According to OMB documentation, these certifications are specific to a contract, and therefore contractors must provide an individual certification for each contract.⁵² An OMB official said that the contractors’ certifications of Representations and Certifications within SAM.gov were not sufficient to satisfy the FAR requirement. However, agencies’ officials expressed different views on how contractors can fulfill the anti-trafficking compliance certification requirements. For example, DOD and State officials said that the contractors’ Representations and Certifications in SAM.gov were sufficient to fulfill the anti-trafficking compliance certification prior to award.⁵³ See table 4 for agency officials’ responses.

Table 4: Officials’ Responses as to Whether SAM.gov Representations and Certifications Fulfill FAR Contractor Anti-trafficking Certification Requirements

Contractor anti-trafficking certifications	Agency officials’ statements			
	DHS	DOD	State	USAID
Anti-Trafficking Provision and Clause (52.222-50) – due annually after award	No	Yes	No	No
Certification Provision (52.222-56) – due prior to award	No	Yes	Yes ^a	— ^b

Source: GAO analysis of Federal Acquisition Regulation (FAR) Subpart 22.17, and Department of Homeland Security (DHS), Department of Defense (DOD), Department of State, and U.S. Agency for International Development (USAID) interviews. | GAO-24-106973

Note: These requirements apply if any portion of a contract or subcontract is for supplies other than commercially available off-the-shelf items, to be acquired outside the United States, or services to be performed outside the United States; and has an estimated value that exceeds \$550,000.

^aState officials said that the Representations and Certifications in SAM.gov were sufficient to fulfill the certification prior to award because the certification provision language was included.

⁵²OMB M-20-01, Attachment D.

⁵³We reviewed DOD and State contractors’ information in SAM.gov and confirmed that for two of each agency’s contracts, timely information was available. For the other contract at each agency, the contractors were eligible for exemptions from registering in SAM.gov. For one of those contracts, the State contracting officer had documented the contractor’s certification. The DOD contracting officer did not document contractor certification for one contract, which has since ended.

^bUSAID officials did not offer their view of whether SAM.gov Representations and Certifications fulfilled the certification prior to award and deferred to the Office of Management and Budget.

When we raised this variation in agency interpretation with OMB, OMB officials reiterated the existing FAR language. Without having clear guidance, contracting officials may be applying different standards across agencies. *Standards for Internal Control in the Federal Government* state that management should document responsibilities through policies.⁵⁴ Clear guidance and direction from OMB to agencies on the expectations would help to ensure that all agencies are appropriately addressing these requirements.

The agencies we spoke with varied in explanations provided for why all the FAR requirements presented in table 3 were not fully met. DHS officials suggested that contracting officials' workload could be a contributing factor and said they will follow up with contracting officials to address missing information in the contract files we reviewed. DOD and State officials did not explain, when we asked, why these FAR requirements were not fully implemented on the contracts we reviewed. USAID officials said their contract writing system includes the anti-trafficking provision and clause in all solicitations and contracts, but the certification provision is only included when applicable based on contract amount and place of performance. USAID officials said the additional step may contribute to the provision's omission and attributed the missing certifications to human error.

All four agencies have reported taking or planning to take steps to review their compliance with FAR anti-trafficking requirements in solicitations and contracts, and some have taken steps to address deficiencies previously identified. However, the planned reviews do not explicitly include checking for contractor certifications.

- **DHS reviews have not included checking for anti-trafficking compliance certifications in contract files.** DHS officials said they conduct periodic reviews of compliance with contract requirements, which include checking for compliance with FAR anti-trafficking requirements in solicitations and contracts. However, those reviews do not include verifying that contracting officials have obtained compliance certifications. In addition, while DHS officials said they plan to coordinate a DHS-wide effort to review contracts, when asked, they did not specify whether this effort will verify that certifications

⁵⁴[GAO-14-704G](#).

have been obtained. Ensuring components conduct additional reviews of whether contracting officials included the certification provision in covered solicitations and obtained contractor anti-trafficking compliance certifications would help DHS comply with the FAR requirements.

- **DOD reviews may not check for all anti-trafficking requirements.** DOD procurement policy officials said they conduct reviews prior to award to check for compliance with FAR anti-trafficking requirements in covered solicitations and contracts, and periodic reviews of their contracts more broadly for compliance with the FAR. An official said these periodic reviews do not include checking for the certification provision, and officials did not specify whether reviews would include contractor certifications.⁵⁵ DOD procurement policy officials also said that components have internal review procedures that DOD does not oversee. Ensuring components conduct reviews of contracting officials' implementation of anti-trafficking requirements—such as the inclusion of the certification provision regarding contractors' compliance certifications—in covered solicitations and contracts, and verifying that officials obtained contractor anti-trafficking compliance certifications, would help DOD comply with the FAR requirements.
- **State reviews include most anti-trafficking requirements.** State procurement policy officials said they began a review in March 2024 of contracting officials' compliance with FAR and agency anti-trafficking requirements, including in solicitations and contracts and the initial anti-trafficking compliance certification.⁵⁶ They said that based on the findings of the review, they will determine whether there is a need to revise internal policy and provide additional targeted training or guidance, or further develop existing tools available to

⁵⁵Recent DOD Inspector General audits have focused on issues other than the inclusion of the certification provision or contractors' compliance certifications in contracts. However, DOD's Inspector General found, among other things, that Air Force and Army officials did not include a version of the anti-trafficking clause that addressed Kuwaiti labor law. The Inspector General recommended that the Air Force and Army verify those 46 contracts had been updated. Department of Defense, Office of Inspector General, *Followup Evaluation of Report No. DODIG-2019-088, "Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait," June 11, 2019, DODIG-2022-082* (Washington, D.C.: April 2022).

⁵⁶State officials said the review was developed to determine whether officials are complying with FAR and agency anti-trafficking policies. They explained that they updated the policies as part of the agency's response to findings in a 2022 Office of Inspector General report, which we discuss later. U.S. Department of State, Office of Inspector General, *Audit of Department of State Actions to Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts, AUD-MERO-22-28* (May 2022).

contracting officials. As State implements its reviews, also determining whether contracting officials obtained contractors' annual anti-trafficking compliance certifications in its reviews would help State comply with that FAR requirement.

- **USAID reviews do not include anti-trafficking compliance certifications.** USAID officials said they conduct periodic reviews of their contracts, which include checking for compliance with FAR anti-trafficking requirements in solicitations and contracts, but they did not identify checking for certifications as part of this process. Including whether contracting officials obtained contractor anti-trafficking compliance certifications in its reviews would help USAID comply with the FAR requirement.

In September 2023, the USAID Inspector General found that that seven out of 27 awards reviewed for the Asia region did not include the correct anti-trafficking clause in the solicitation, award, or both. In addition, 18 out of the 27 awards did not have all the required anti-trafficking compliance certifications on file.⁵⁷ The Inspector General recommended that the regions responsible for the specific contracts develop and implement an action plan to ensure each USAID mission's monitoring and enforcement practices comply with anti-trafficking regulations, policies, and procedures.⁵⁸ In response, the relevant USAID entities in the Asia region are developing standard operating procedures to review existing awards and taking corrective measures to notify implementers that they must comply.⁵⁹ The missions expect to complete these actions in summer 2024. The Inspector General also recommended that USAID develop and implement an action plan to clarify guidance and improve training for agency officials on their roles and responsibilities for monitoring and enforcing compliance with trafficking requirements. In response, USAID officials told us they shared existing guidance broadly with

⁵⁷USAID, Office of Inspector General, *Counter Trafficking in Persons: Improved Guidance and Training Can Strengthen USAID's C-TIP Efforts in Asia*, Audit Report 5-000-23-001-P (Bangkok, Thailand: Sept. 11, 2023). The USAID contracts in our review were not performed in the Asia region, but we also found that USAID contracting officers did not consistently include the certification provision or obtain contractor anti-trafficking certifications.

⁵⁸USAID missions are offices in countries around the world that are executing USAID's organizational mission.

⁵⁹The term "implementer" refers to the contractor or grant or cooperative agreement recipient.

agency officials and addressed the training recommendation through the recent OMB training requirement.

The FAR requires agencies to include the appropriate anti-trafficking provisions in their covered solicitations and ensure that covered contractors provide required certifications. Further, *Standards for Internal Control in the Federal Government* states that management should periodically review its policies, procedures, and related control activities for continued relevance and effectiveness in achieving the organization's objectives.⁶⁰ Agencies conducting reviews of whether contracting officials are including relevant provisions and the clause in solicitations and contracts, and obtaining contractor compliance certifications, would help them to better understand the extent to which officials are meeting FAR anti-trafficking requirements. In addition, such reviews would provide valuable information that agencies could use when assessing whether safeguards to respond to high-risk contracts are effective as part of a systematic approach to managing trafficking risks.

Contracting Officials Varied in Their Monitoring of Contractor Anti-trafficking Efforts

The contracts in our sample met the threshold for an additional trafficking safeguard requiring contractors to maintain an anti-trafficking compliance plan due to their dollar amounts and overseas contract performance. However, contracting officials generally viewed the contracts as low risk for trafficking and conducted limited monitoring of contractor anti-trafficking efforts. Further, we found that four of the six anti-trafficking compliance plans that contractors provided did not meet all the FAR minimum requirements that applied.

Contracting Officials' Monitoring Efforts

Contracting officers are generally responsible for ensuring contractors' compliance with the terms of a contract, including anti-trafficking requirements. Although not required, contracting officers can request and review the contractor's anti-trafficking compliance plan.⁶¹ Contracting officers can also delegate monitoring activities to their representatives. Federal anti-trafficking training suggests examples of monitoring activities, such as interviewing workers to ensure passports or visas are not being withheld by contractors and that housing conditions are adequate, as well as discussing FAR anti-trafficking requirements with

⁶⁰[GAO-14-704G](#).

⁶¹State guidance requires contracting officers to obtain an anti-trafficking compliance plan from all offerors during the proposal process. Contracting officers or contracting officer's representatives then evaluate those plans using a checklist to ensure the plans meet applicable FAR and agency requirements.

contractors.⁶² For example, contracting officials may discuss with contractors their anti-trafficking responsibilities during a post-award briefing.

We found that contracting officials' implementation of monitoring activities varied across, and within, agencies. Table 5 summarizes whether contracting officials documented or reported taking these monitoring steps for the 12 contract files that we reviewed.

Table 5: Agency Anti-trafficking Monitoring Activities for 12 Selected Contracts

Example of possible monitoring activity	Activity documented in contract file or reported by contracting officials			
	DHS	DOD	State	USAID
Requested contractor's anti-trafficking compliance plan	0 of 3	0 of 3	1 of 3	0 of 3
Delegated monitoring responsibilities to contracting officer's representatives	0 of 3	2 of 3	1 of 3	0 of 3
Other activities, such as interviewing workers and observing work sites	0 of 3	3 of 3	2 of 3	2 of 3
Discussed anti-trafficking requirements with contractor	0 of 3	2 of 3	2 of 3	1 of 3

Source: GAO analysis of selected Department of Homeland Security (DHS), Department of Defense (DOD), Department of State (State), and U.S. Agency for International Development (USAID) contract files and officials' statements. | GAO-24-106973

Note: GAO reviewed three contracts from each agency.

Contracting officials said they are not aware of trafficking concerns on the 12 contracts. Although these contracts met the threshold for an additional safeguard—the anti-trafficking compliance plan—at least one contracting official for each contract said that the risk for trafficking was low. Some of the reasons contracting officials determined trafficking risk was low included (1) employees completed background checks or possessed security clearances, (2) employees are American citizens, (3) employees are local citizens rather than third country nationals,⁶³ and (4) contract activities occurred on a secure compound or military installation overseas with limited access. However, we have previously reported that trafficking can occur on military bases overseas.⁶⁴ For example, military criminal

⁶²After being notified about our review, one USAID contracting officer sent 40 shipping contractors with whom they work a reminder about the U.S. anti-trafficking policy and information about the FAR requirements for anti-trafficking compliance plans and the potential consequences if a plan is not furnished upon request.

⁶³A third country national is a person working for a contractor who is neither a citizen of the U.S. nor the host country.

⁶⁴[GAO-21-546](#).

investigators substantiated that a DOD contractor providing food services on military installations in Kuwait from 2015 through 2017 failed to pay employees a full salary, withheld employee passports, charged excessive recruitment fees, and housed employees in substandard living conditions.⁶⁵

Contracting officials at DOD, State, and USAID generally acknowledged the potential risk for trafficking on construction contracts.⁶⁶ They reported taking additional steps to monitor for potential trafficking activity on these contracts, such as visiting work sites and interviewing workers. However, contracting officials on three of the seven construction contracts we reviewed said they experienced challenges with monitoring due to local security situations and restrictions on movement, preventing them from visiting the construction sites and conducting monitoring more regularly. The FAR Council indicated that obtaining the contractor's anti-trafficking compliance plan could be useful in similar situations.⁶⁷ OMB's 2019 memo also suggests that, when an acquisition involves high risk for trafficking, contractors should provide the contracting officer with a copy of their anti-trafficking compliance plan. OMB officials said that agencies are in the best position to determine what is high risk based on their circumstances. However, contracting officials from all four agencies said they did not know whether their agencies had identified any procurement categories as at-risk for trafficking, and as previously mentioned, we

⁶⁵Department of Defense, Office of Inspector General, *Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait*, DODIG-2019-088 (June 11, 2019).

⁶⁶According to the Responsible Sourcing Tool, construction is one of the most physically hazardous industries for workers as well as one of the primary sectors in which workers are highly vulnerable to forced labor. Migrant workers make up a significant proportion of the workforce on most construction sites and are particularly vulnerable to labor exploitation and forced labor. Migrant workers often work informally and they suffer from the risks that many low-skilled migrant workers face, including low wages and the lack of social or legal protections.

⁶⁷The 2015 final rule amending Subpart 22.17 included links to agency guidance on monitoring. The rule made a comment that the prime contractor's monitoring efforts will vary based on the risk of trafficking related to the product or service being acquired and whether or not the contractor has direct access to a work site. Where a prime contractor has direct access, the prime contractor would be expected to look for signs of trafficking at the workplace, and if housing is provided, inspect the housing conditions. For cases where the employees and subcontractors are distant, or for lower-tier subcontractors, the prime contractor must review the plans and certifications of its subcontractors to ensure they include adequate monitoring procedures, and to compare this information to public audits and other trafficking data available. Federal Acquisition Regulation; Ending Trafficking in Persons, 80 Fed. Reg. 4967 (Jan. 29, 2015).

Contractor Anti-trafficking Compliance Plans

found that three of the four agencies had not communicated the results of their risk analysis to acquisition personnel.

While not required, contracting officials from each of the four agencies identified benefits that would come from having the contractor's anti-trafficking compliance plan. For example, they said that requesting the plan early in the contracting process would ensure the contractor is aware of and understands its anti-trafficking responsibilities. In addition, having the plan would better position them to monitor and hold the contractor accountable to actions the contractor said it would take to prevent or mitigate trafficking. However, contracting officials on six contracts also said that requesting contractors' anti-trafficking compliance plans before award could be a deterrent to bidders or an additional burden on the contracting officials that may slow down the award process.

Six contractors provided anti-trafficking compliance plans, according to contracting officials—two from DHS, one from DOD, two from State, and one from USAID. We found that four of these six plans did not meet all the minimum requirements of the anti-trafficking provision and clause. Contracting officials on the other six contracts did not request anti-trafficking compliance plans from the contractors and did not provide it in response to our requests.

- For one USAID contract, contracting officials said they received the contractor's plan as part of an agency-required gender plan.⁶⁸ We found that the anti-trafficking section of the gender plan did not include any of the minimum requirements and instead included the contractor's anti-trafficking compliance certification.
- Three plans did not meet all the anti-trafficking provision and clause minimum requirements because they omitted one or more requirements, such as the recruitment and wage plan and procedures to prevent agents and subcontractors from engaging in trafficking. One of these plans was a subcontractor's anti-trafficking compliance plan, which the contracting officer said they had reviewed and determined that it met all the requirements.

⁶⁸USAID policy states that a Gender Plan of Action should outline how the contractor will integrate attention to gender equality into the work plan. USAID, *ADS Chapter 205: Integrating Gender Equality and Women's Empowerment in USAID's Program Cycle* (Apr. 26, 2023).

Anti-trafficking Compliance Plan Minimum Requirements

The FAR anti-trafficking provision and clause require covered contractors to have a compliance plan that is appropriate to the size and complexity of the contract and to the nature and scope of the activities. At a minimum, the plan must generally include:

- an awareness program to inform contractor employees about the government's policy prohibiting trafficking-related activities,
- a process for employees to report trafficking activity without fear of retaliation,
- a recruitment and wage plan,
- a housing plan if the contractor or subcontractor intends to provide or arrange housing, and,
- procedures to prevent agents and subcontractors from engaging in trafficking and to monitor, detect, and terminate any agents engaged in trafficking-related activities.

Source: GAO summary of Federal Acquisition Regulation (FAR) 52.222-50. | GAO-24-106973

- One of the two anti-trafficking compliance plans that met all the minimum requirements was for the contractor's parent company, according to a State official. It did not include any contract-specific information. However, according to OMB, contractors do not have to develop a plan specifically for each contract if the plan is suitable to address the nature and scope of activities to be performed and the size and complexity of its contract work.⁶⁹

State and USAID Inspectors General have identified a lack of oversight of contractors' anti-trafficking compliance plans and their compliance with anti-trafficking provision and clause minimum requirements in the awards they reviewed.

- In May 2022, the State Inspector General reported that contracting officials did not always request or review anti-trafficking compliance plans and none of the 13 plans they reviewed met all of the selected criteria. The Inspector General recommended that contracting officials obtain and review these plans.⁷⁰ In response, State established a requirement that, when applicable, bidders must provide anti-trafficking compliance plans with their proposals.⁷¹ This guidance applied to one contract in our sample, but the contracting officer did not obtain the contractor's plan at proposal. The solicitation included the plan as a deliverable due 30 days after award, but contracting officials did not request the plan at that time because of project delays. They received the plan about 7 months after award. According to State officials, their new quality assurance reviews are to examine whether contractors' anti-trafficking compliance plans are in the contract file and assess whether contracting officials evaluated contractors' compliance plans against minimum requirements.
- The September 2023 USAID Inspector General report previously mentioned also found that of the 27 awards reviewed in Asia, 10 implementers did not have a compliance plan and none of the 17 plans reviewed included all the minimum requirements.⁷² As discussed in the previous section, the Inspector General made

⁶⁹OMB, M-20-01.

⁷⁰U.S. Department of State, Office of Inspector General, AUD-MERO-22-28.

⁷¹U.S. Department of State, Office of the Procurement Executive, *Combating Trafficking in Persons Requirements*, Acquisition Alert 23-18 (May 19, 2023). This alert was replaced in October 2023 by the Department of State Acquisition Manual, which contains the same requirement.

⁷²The awards reviewed included contracts and assistance awards. USAID, Office of Inspector General, Audit Report 5-000-23-001-P.

recommendations aimed at improving compliance with anti-trafficking regulations, policies, and procedures, which the relevant USAID missions are addressing.

As previously mentioned, agencies have plans to review whether they have met some anti-trafficking requirements, but the information DHS, DOD, and USAID officials provided does not include whether they will review contractors' anti-trafficking compliance plans. Contracting officers are responsible for ensuring compliance with anti-trafficking requirements, which is an important step for achieving the U.S. policy of zero human trafficking, including in the performance of contracts. *Standards for Internal Control in the Federal Government* state that management should periodically review its policies, procedures, and related control activities for continued relevance and effectiveness in achieving organizational objectives like this one. While the FAR does not require contracting officials to conduct specific monitoring activities, verifying contractor compliance with anti-trafficking compliance plan minimum requirements—especially for agency-identified higher risk contracts—would help to assure agencies that contractors are fulfilling their responsibilities and could be part of a systematic approach to managing trafficking risks. Furthermore, we previously identified that underreporting is a known issue due to the clandestine nature of trafficking.⁷³ This further underscores the importance of contracting officials and contractors explaining to contractor employees their rights and reporting mechanisms and ensuring they can access the means of reporting, such as by phone.

Suspension and Debarment Offices Reported Receiving Information but No Referrals of Trafficking Allegations for Fiscal Years 2022 and 2023

We found that none of the four agencies' suspension and debarment offices reported receiving referrals of Inspector General-substantiated reports of trafficking allegations related to contracts, grants, or cooperative agreements recipients in fiscal years 2022 and 2023. As of October 2022, U.S. law requires that an agency head refer to suspension and debarment officials any reports of Inspector General investigations that substantiate trafficking allegations.⁷⁴ A referral is typically a written request prepared in accordance with agency procedures and guidelines and supported by documentary evidence. Referrals are presented to the suspension and debarment offices for issuance of a notice of suspension

⁷³GAO, *Human Trafficking: Better Data, Strategy, and Reporting Needed to Enhance U.S. Antitrafficking Efforts Abroad*, [GAO-06-825](#) (Washington, D.C.: July 18, 2006).

⁷⁴22 U.S.C. § 7104b(c)(1).

or proposed debarment.⁷⁵ Inspectors General can also provide information to suspension and debarment officials without making a formal report to agency heads or providing information as part of a formal referral.

The law includes a responsibility for agency heads to refer Inspector General reports that substantiate trafficking allegations. USAID guidance identifies the Director, Office of Acquisition and Assistance with the Bureau for Management as the responsible official. DHS officials said they are in the process of designating the responsible official, and DOD and State officials said they are in the process of updating their guidance to reflect the October 2022 requirement. DHS, DOD, State, and USAID officials told us there has not been any confusion about the process for referring Inspector General reports.

Other allegations may arise that are not investigated and substantiated by Inspectors General and therefore are not covered by the amended statute's reporting requirement. Nevertheless, suspension and debarment offices can learn about trafficking allegations that are (1) reported by contractors or implementers, (2) shared by agency investigative divisions, or (3) published in media reports. For example, suspension and debarment officials at DOD reported considering or taking actions during fiscal years 2022 and 2023 based on information disclosed by contractors. The contractors reported the information to the Inspector General, which shared the information with the suspension and debarment offices but did not separately investigate the incidents.

- **The Army is considering actions for an allegation received during fiscal year 2023.** The Army suspension and debarment office reported reviewing one allegation for potential action it received through the DOD Inspector General via the contractor mandatory disclosures in September 2023. The prime contractor reported its subcontractor failed to process work permits and withheld employees' passports. However, the action is not being considered based on receipt of a DOD Inspector General investigation or formal referral from the agency head.
- **Two DOD services took action during fiscal years 2022 and 2023.** According to a Navy official, the Navy suspension and debarment office has been monitoring a trafficking-related suspension, pending a

⁷⁵Interagency Suspension and Debarment Committee Section 873 Report to Congress, Fiscal Years 2021 and 2022. See FAR Subpart 9.6; 2 C.F.R. part 180.

final court decision, to determine whether additional action is needed. The Navy suspended an individual in fiscal year 2021 after the contractor notified the DOD Inspector General about a trafficking allegation. The contractor learned of the employee's arraignment for trafficking a minor in media reports. However, the action was not taken based on formal referral from the DOD Inspector General or the agency head.

In fiscal year 2022, the Army debarred an individual for a trafficking incident that occurred in fiscal year 2021, according to Army officials. The contractor reported a violation of its anti-trafficking policy to the Inspector General and terminated an employee after learning that the employee procured commercial sex.

Neither of the actions are identified as trafficking records in the government's system containing contractor responsibility and qualification information—the Federal Awardee Performance and Integrity Information System. Contracting officers are required by the FAR to record trafficking-related final determinations for contractors in this system. As previously mentioned, officials said these actions were not taken against the contractors, but individual employees that the contractors fired.

We also learned of other trafficking allegations received during this time that have not resulted in referrals or suspension and debarment action, and were reported as handled by the contractors. For example, allegations were reported to but not investigated by the DOD Inspector General for two contracts. The allegations related to these two contracts were identified through U.S. Army Corps of Engineers surveys of workers or were reported by the contractor. The alleged violations, according to the Army Corps, included subcontractors withholding pay, not paying sick leave per local labor law, withholding a passport, and not providing transportation for the subcontractor's employee to return to their home country or country where they were recruited. For these allegations, Army Corps officials said the prime contractors followed up on the allegations made against subcontractors and remediated the situation through corrective actions or by terminating the subcontractor. Army Corps officials notified the Inspector General and Army criminal investigative division, both of which declined to investigate the allegations, stating that the prime contractors were handling the incidents. Army Corps officials confirmed that one of the contractors took corrective actions and that the other is in the process of taking corrective actions. However, the Army Corps continues to receive new information through its worker surveys about potential violations for one contractor. The Army Corps has been

following up with the contractor, and an Army Corps official said that the contractor has been responsive to the issues raised.

In addition, we learned about trafficking allegations that the DOD Inspector General received during fiscal year 2023 and was in the process of investigating. DOD and USAID Inspectors General also reported that some allegations received in fiscal year 2023 were missing sufficient information to corroborate and substantiate the allegations.⁷⁶

Conclusions

Human trafficking is an abhorrent act that affects millions of people worldwide. Since 2000, Congress has taken action to increase protections in federal contracts against trafficking, but allegations of trafficking persist. While three of the four agencies we reviewed took initial steps to analyze their contract spending for trafficking risks, none have plans to implement a systematic approach to managing their trafficking risks in contracting. Identifying and analyzing the types of procurements that are higher-risk for trafficking, ensuring that safeguards are in place to respond to risks, and communicating higher-risk categories to contracting officials could better position agencies and contracting officials to help achieve the U.S. policy of zero tolerance for human trafficking. Moreover, agencies would better position contracting officials to implement trafficking risk management responses by ensuring contracting officials are aware of procurements that are at heightened risk of trafficking and the mitigating actions the agency expects. For example, responses to agency-identified higher-risk contracts may include verifying whether contractors' anti-trafficking compliance plans meet requirements. Sharing timely information with contracting officials about contracting-related risks could also help officials focus their limited resources.

We also found that contracting officials did not consistently implement some FAR requirements to combat trafficking, and their monitoring of contractor compliance was limited for the contracts we reviewed. Conducting regular reviews of contracting officials' implementation of anti-trafficking requirements—particularly for contracts that agencies determine to be higher risk—can help ensure that agencies put appropriate safeguards in place to prevent and mitigate trafficking. Furthermore, monitoring contractor compliance can help ensure that contractors understand their responsibilities to establish and maintain anti-trafficking programs. Doing so could reduce the likelihood of, or help

⁷⁶Information reported by the USAID Office of the Inspector General, April 16, 2024. Department of Defense, Office of the Inspector General, *2023 Combating Trafficking in Persons Annual Self-Assessment Report* (Nov. 16, 2023).

to quickly identify and address, trafficking in contracting. Finally, clarifications from OMB can help with more consistency in agencies' interpretation of FAR requirements regarding documentation from contractors.

Recommendations for Executive Action

We are making a total of nine recommendations, including two each to DHS, DOD, State, and USAID; and one to OMB. Specifically:

The Secretary of Homeland Security should ensure that the Chief Procurement Official, in consultation with agency trafficking experts, establishes a timeline for and implements a systematic approach to managing trafficking risks in procurements. This approach should include

- identifying and analyzing agency procurement-related trafficking risks for their level of trafficking risk,
- developing responses to address their highest risks, such as obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements, and
- communicating this information to contracting officials.
(Recommendation 1)

The Secretary of Defense should ensure that the Under Secretary of Defense for Acquisition and Sustainment, in consultation with agency trafficking experts, prioritizes developing and implementing a systematic approach to managing trafficking risks in procurements. This approach should include

- identifying the agency's current trafficking risks and analyzing at-risk procurements for their level of risk,
- developing responses to address those risks, such as obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements, and
- communicating this information to contracting officials.
(Recommendation 2)

The Secretary of State should ensure that the Deputy Assistant Secretary and Senior Procurement Executive, in consultation with agency trafficking experts, identifies a time frame to reevaluate whether the agency's responses to contracting-related trafficking risks are working and if the agency needs to do a broader risk assessment. (Recommendation 3)

The Administrator of USAID should ensure that the Senior Procurement Executive, in consultation with agency trafficking experts, develops and implements a systematic approach to managing trafficking risks in procurements. This approach should include

- identifying and analyzing procurements for their level of trafficking risk,
- developing responses to address those risks, such as obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements, and
- communicating this information to contracting officials.
(Recommendation 4)

The Secretary of Homeland Security should ensure that the Chief Procurement Officer ensures components conduct reviews of a subset of contracts to determine whether contracting officials implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter. (Recommendation 5)

The Secretary of Defense should ensure that the Under Secretary of Defense for Acquisition and Sustainment ensures components conduct reviews of a subset of contracts to determine whether contracting officials have implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter. (Recommendation 6)

The Secretary of State should ensure that the Deputy Assistant Secretary and Senior Procurement Executive assesses whether contracting officials obtained applicable annual contractor anti-trafficking certifications as part of the agency's review of its awarded contracts. (Recommendation 7)

The Administrator of USAID should ensure that the Senior Procurement Executive reviews a subset of contracts to determine whether contracting officials have implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter. (Recommendation 8)

The Director of OMB, in coordination with other agencies as appropriate, should clarify to agencies whether an entity's annual Representations and

Certifications in SAM.gov are sufficient to document contractor certifications related to combating trafficking in persons and determine whether there are any changes needed to SAM.gov. (Recommendation 9)

Agency Comments and Our Evaluation

We provided a draft of this report to DHS, DOD, State, USAID, and OMB for review and comment. DHS, DOD, State, USAID, and OMB provided technical comments, which we incorporated as appropriate.

DHS, DOD, State, and USAID concurred with our recommendations and provided written comments that are reprinted in appendixes VI, VII, VIII, and IX, respectively. In their comments, agencies highlighted plans to address the recommendations with varying levels of detail. For example, DOD did not provide specific details of how it will address the recommendations we made to it, whereas DHS identified specific actions and the time frame in which those actions will be completed. In addition, some agencies elaborated on actions they have taken since receiving our draft report. For example, as of June 2024, USAID officials examined their procurement spending and determined that the agency's highest trafficking risk contracts have a place of performance in Tier 3 countries and developed responses that its contracting officials should take.

In an email, OMB staff provided comments on the recommendation we made to that agency. For recommendation 9, OMB suggested that we recommend that OMB, working with GSA, should ensure SAM.gov's entity annual representations and certifications match those required under the Federal Acquisition Regulation. We agree that removing the anti-trafficking language from SAM.gov's entity annual representations and certifications would help to avoid confusion and is one way to address our recommendation. However, we maintain the original phrasing of our recommendation to allow for flexibility in agency response.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of State, the Administrator of USAID, the Director of OMB, and other interested parties. In addition, the report is available at no charge on the GAO website at <https://www.gao.gov>.

If you or your staff have any questions about this report, please contact Mona Sehgal at (202) 512-4841 or sehgal@gao.gov or Latesha Love-Grayer at (202) 512-4409 or lovegrayerl@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix X.



Mona Sehgal
Director, Contracting and National Security Acquisitions



Latesha Love-Grayer
Director, International Affairs and Trade

List of Committees

The Honorable Patty Murray
Chair
The Honorable Susan M. Collins
Ranking Member
Committee on Appropriations
United States Senate

The Honorable Jack Reed
Chairman
The Honorable Roger F. Wicker
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Gary C. Peters
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The Honorable Rand Paul, M.D.
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Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Tom Cole
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The Honorable Rosa DeLauro
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Committee on Appropriations
House of Representatives

The Honorable Mike Rogers
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable James Comer
Chairman
The Honorable Jamie Raskin
Ranking Member
Committee on Oversight and Accountability
House of Representatives

Appendix I: Department of State Trafficking in Persons Report Tiered Country List

The Department of State places countries into one of four tiers—Tier 1, Tier 2, Tier 2 Watch List, Tier 3—based on the extent of their government’s efforts to meet the minimum standards for the elimination of trafficking of the Trafficking Victims Protection Act of 2000, as amended.¹ Tier 1 is the highest ranking, for governments that fully meet the act’s minimum standards for the elimination of trafficking. Tier 2 ranking indicates countries whose governments do not fully meet the act’s minimum standards but are making significant efforts to bring themselves into compliance with those standards. A Tier 2 Watch List ranking indicates that while a country’s government is making significant efforts similar to Tier 2, the estimated number of victims of severe forms of trafficking is very significant or is significantly increasing, and the country’s efforts to bring themselves into compliance with the act’s minimum standards do not include proportional actions or there is a failure to provide evidence of increasing efforts. A Tier 3 ranking indicates a country whose government does not meet the act’s minimum standards and is not making significant efforts to do so. In addition, State identified special case countries in which there are conflict, insecurity, and humanitarian crises. Table 6 lists countries at higher risk of trafficking according to State’s June 2023 annual trafficking report.²

Table 6: Department of State Tier 2 Watch List, Tier 3, and Special Case Rankings as of June 2023

Ranking	Countries
Tier 2 Watch List	Bolivia
	Botswana
	Brunei
	Bulgaria
	Republic of the Congo
	Dominican Republic
	Egypt
	El Salvador
	Eswatini
	Gabon
	Haiti
	Iraq
Kuwait	
Lebanon	
Madagascar	
Malaysia	
Marshall Islands	
Mauritius	
Montenegro	
Mozambique	
Serbia	
Solomon Islands	
South Africa	
Trinidad and Tobago	
Vanuatu	
Vietnam	

¹See 22 U.S.C. § 7106.

²Department of State, “Trafficking in Persons Report” (June 2023), accessed August 25, 2023, <https://www.state.gov/reports/2023-trafficking-in-persons-report/>.

**Appendix I: Department of State Trafficking in
Persons Report Tiered Country List**

Ranking	Countries
Tier 3	Afghanistan
	Algeria
	Belarus
	Burma
	Cambodia
	Chad
	People’s Republic of China
	Cuba
	Curaçao
	Djibouti
Tier 3	Equatorial Guinea
	Eritrea
	Guinea-Bissau
	Iran
	Democratic People’s Republic of Korea
	Macau S.A.R.
	Nicaragua
	Papua New Guinea
	Russia
	Sint Maarten
Special Case	South Sudan
	Syria
	Turkmenistan
Special Case	Venezuela
	Libya
	Somalia
	Yemen

Source: Department of State Trafficking in Persons Report, June 2023. | GAO-24-106973

Note: The Department of State ranks countries based on their efforts to meet the minimum standards from the Trafficking Victims Protection Act of 2000, as amended, for the elimination of trafficking. A Tier 2 Watch List ranking indicates a government that is making significant efforts to meet the act's minimum standards but additional factors are present such as the country's failure to take proportional concrete actions to address a very significant estimated number of victims. A Tier 3 ranking indicates a government that does not meet the act's minimum standards and is not making significant efforts to do so. Special case countries face conflict, insecurity, and humanitarian crises.

Appendix II: Objectives, Scope, and Methodology

The Trafficking Victims Prevention and Protection Reauthorization Act of 2022 included a provision for us to assess federal oversight in federal contracts related to the prevention of trafficking and reporting to suspension and debarment officials of trafficking allegations against recipients of federal contracts, grants, or cooperative agreements (Pub. L. No. 117-348, § 121 (2023)).¹ We examined: (1) the extent to which the Departments of Homeland Security (DHS), Defense (DOD), and State, and the U.S. Agency for International Development (USAID) took a systematic approach to managing and analyzing trafficking risks in contracts, (2) the extent to which these selected agencies communicated and met Federal Acquisition Regulation (FAR) anti-trafficking requirements, and (3) the number of substantiated trafficking allegations on contracts, grants, or cooperative agreements that were referred to agency suspension and debarment officials. We focused on the most recent 2 full fiscal years completed at the time of our review, fiscal years 2022 and 2023. We selected DHS, DOD, State, and USAID because the 2021 National Action Plan to Combat Human Trafficking identified these agencies as having significant spending or heightened risk of trafficking on contracts.

To determine the extent to which the four agencies took a systematic approach to managing trafficking risks in contracts, we reviewed the actions the agencies took to identify risks in response to the Office of Management and Budget's (OMB) *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*.² We then compared these actions against OMB's Enterprise Risk Management guidance, our *Standards for Internal Control in the Federal Government*, and the Enterprise Risk Management essential elements that we identified in our

¹For the purposes of this report, we refer to severe forms of human trafficking, trafficking-related activities, and procurement of commercial sex acts during the period of performance of a contract as trafficking. Activities constituting prohibited trafficking are further defined in 22 U.S.C. §§ 7102(11) and 7104(g) and Federal Acquisition Regulation Subpart 22.17.

²Office of Management and Budget, *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*, M-20-01 (Washington, D.C.: Oct. 21, 2019).

prior work.³ We reviewed agencies' spending analyses, where applicable, either in response to the OMB memo, *Anti-Trafficking Risk Management Best Practices & Mitigation Considerations*, or at the request of the Senior Policy Operating Group's Procurement & Supply Chains Committee to identify agency contracting trafficking risks.⁴ As part of our assessment, we described agencies' methodologies for initially identifying trafficking risks in contracts and subsequent plans to identify risks. We also conducted semi-structured interviews with representatives from each of the agencies' trafficking experts and procurement points of contact, as defined by OMB.

To assess the extent to which agencies communicated, and contracting officials met, FAR requirements to combat trafficking, we reviewed applicable sections of the FAR, agency guidance, acquisition-specific anti-trafficking training, and a nongeneralizable sample of 12 contracts.⁵ We also conducted semi-structured interviews with contracting officials. In addition, we obtained input from policy officials.

FAR. We reviewed relevant sections and clauses of the FAR, such as FAR Subpart 22.17, *Combating Trafficking in Persons*, the compliance plan certification provision, FAR 52.222-56, Certification Regarding Trafficking in Persons Compliance Plan, and the anti-trafficking provision and clause, FAR 52.222-50, *Combating Trafficking in Persons*. We identified several requirements for contracting officials and contractors as well as optional activities (see appendix III).

³Office of Management and Budget, *Management's Responsibility for Enterprise Risk Management and Internal Control*, OMB Circular No. A-123 (July 15, 2016). GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 10, 2014). Principle 7 of our standards states that management should identify, analyze, and respond to risks related to achieving the defined objectives. Principle 14 states management should internally communicate the necessary quality information to achieve the entity's objectives. Our *Enterprise Risk Management* essential elements include (1) aligning enterprise risk management processes to goals and objectives, (2) identifying risks, (3) assessing risks, (4) selecting risk responses, (5) monitoring risks, and (6) communicating and reporting on risks. GAO, *Enterprise Risk Management: Selected Agencies' Experiences Illustrate Good Practices in Managing Risk*, [GAO-17-63](#) (Washington, D.C.: Dec. 1, 2016).

⁴Office of Management and Budget, M-20-01. OMB's memo stated that to understand their trafficking risk profiles, agencies should review their contract spending and ensure necessary safeguards and reviews are in place for high-risk areas.

⁵We use "contracts" to describe the awards reviewed, which included contracts and delivery/task orders that can be issued pursuant to certain contracts.

Agency guidance. We identified relevant guidance by requesting that agency officials provide us with policies and procedures that outline anti-trafficking activities and responsibilities in contracts. We also identified additional documents through our background research and analysis of the documents provided. We then searched for instructions to contracting officials about implementing FAR requirements and any additional guidance for anti-trafficking efforts during contract performance.

Anti-trafficking training. We reviewed the Federal Acquisition Institute's Federal Acquisition Certification (FAC-022) *Combating Trafficking in Persons* training. We also reviewed DOD's *Combating Trafficking in Persons* training. Additionally, we obtained acquisition-specific anti-trafficking training certifications from contracting officials associated with our sample of selected contracts. We compared contracting officials' training certification dates with training requirements described in agency and OMB guidance.

We reviewed contract documentation and contracting officials' actions for a nongeneralizable sample of 12 contracts—three from each agency. We selected these contracts using agency and government-wide contract data for fiscal years 2022 and 2023. Our criteria for selection included (1) contracts with overseas performance and estimated value of over \$550,000 (indicators that the FAR is likely to require contractors to have an anti-trafficking compliance plan), and (2) performance in countries or product service codes at risk for trafficking.⁶ Our selected contracts ranged from about \$637,000 to \$590 million. We selected contracts that provided variation in the goods or services purchased and performance locations and that generally were higher dollar value.

To determine the extent to which contracting officials met FAR anti-trafficking requirements, we requested and reviewed contract files for the sample to identify whether officials included the required provisions and clause and obtained contractor anti-trafficking compliance certifications prior to award and annually thereafter. For contractor certifications, we reviewed the files received and requested the required certifications from

⁶These contracts were for a product service code that agency officials, or OMB's Office of Federal Procurement Policy, identified at potential risk or performed in a country that State identified as higher risk of trafficking. Department of State, "Trafficking in Persons Report" (June 2023), accessed August 25, 2023, <https://www.state.gov/reports/2023-trafficking-in-persons-report/>. Product service codes indicate what was bought for each contract action reported in the Federal Procurement Data System. We used the codes included in the Federal Procurement Data System Product and Service Codes Manual April 2022 (last updated February 9, 2023).

agency officials, if not included. We reviewed the available certifications for the appropriate language and dates reflecting their submission either prior to award of the associated contract or 1 year from the contract's award date, as required.⁷ We also reviewed the agency documentation for implementation of agency specific anti-trafficking guidance for contracting officials.

To determine the extent to which contracting officials monitored for contractor compliance with anti-trafficking requirements, we reviewed the contract files for delegation of monitoring responsibilities in contracting officer's representative's designation letters, documentation of discussions with contractors about the U.S. anti-trafficking policy, plans for or documentation of monitoring activities conducted, and contractor anti-trafficking compliance plans.

We requested to speak with the contracting officers and their representatives for each of the 12 contracts in our sample. For two of the 12 contracts, we did not speak to the contracting officer's representative because one had limited involvement in the contract performance, and the other had not been assigned at the time of our interviews. For some contracts, we also spoke to contracting officials that had been previously involved in the contract.

We conducted semi-structured interviews with the contracting officers and their representatives, as available. We discussed their roles and responsibilities, such as including the required FAR clause and provisions and obtaining contractors' anti-trafficking certifications. We also discussed officials' monitoring activities, whether they requested and reviewed anti-trafficking compliance plans, and how they would report trafficking allegations. In addition, we discussed their views on anti-trafficking training, trafficking risks generally and for the selected contracts, experience with trafficking in contracts, and any challenges experienced implementing FAR requirements and meeting agency guidance. Our analysis of the interviews did not examine overall contract oversight or extent of challenges. Instead, it highlighted anti-trafficking-related oversight in the selected contracts.

⁷In addition, we conducted a separate analysis of contractors' Representations and Certifications available in SAM.gov because some officials viewed these as sufficient for documenting required contractor anti-trafficking compliance certifications. The System for Award Management is the government-wide authoritative source for information about contractor responsibility and qualifications, exclusions, and entity and contract data.

To determine the extent to which selected contractor compliance plans met the FAR minimum requirements for an anti-trafficking compliance plan, we reviewed the contract files provided and contracting officials' responses to determine if an anti-trafficking compliance plan was included in the contract file.⁸ We compared each of the plans against the minimum requirements established in the FAR. For each minimum requirement, we identified indicators that the compliance plan addressed the requirement and used that to review the compliance plans.

We compared contract documentation and contracting officials' statements against selected FAR provisions and the *Standards for Internal Control in the Federal Government* Principle 12. This principle states that management should periodically review its policies, procedures, and related control activities for continued relevance and effectiveness in achieving the organization's objectives. The results of this analysis are not generalizable beyond the sample of contracts and uses in this report.

We shared our findings with agency officials responsible for procurement policy to clarify statements that contracting officials made about System for Award Management Representations and Certifications documenting contractor compliance with FAR anti-trafficking certifications, and to notify them about the solicitations missing required provisions. We obtained information about agency contract compliance reviews and whether agencies have reviewed or have plans to review contracts for compliance with FAR anti-trafficking requirements and agency anti-trafficking guidance. We also reviewed recent Inspector General reports from DOD, State, and USAID.⁹

To determine the number of referrals that agencies' suspension and debarment officials received in fiscal years 2022 and 2023, we requested information from the offices responsible for supporting suspension and debarment decisions about referrals they had received, if any, of reports

⁸FAR Subpart 22.17.

⁹Department of Defense, Office of Inspector General, *Followup Evaluation of Report No. DODIG-2019-088, "Evaluation of DoD Efforts to Combat Trafficking in Persons in Kuwait," June 11, 2019*, DODIG-2022-082 (Washington, D.C.: April 2022). U.S. Department of State, Office of Inspector General, *Audit of Department of State Actions to Prevent Unlawful Trafficking in Persons Practices When Executing Security, Construction, and Facility and Household Services Contracts at Overseas Posts*, AUD-MERO-22-28 (May 2022). USAID, Office of Inspector General, *Counter Trafficking in Persons: Improved Guidance and Training Can Strengthen USAID's C-TIP Efforts in Asia*, Audit Report 5-000-23-001-P (Bangkok, Thailand: Sept. 11, 2023).

documenting Inspector General investigations that substantiated trafficking allegations.¹⁰ We also obtained corroborating information from procurement officials that there have been no referrals. We reviewed the related statute, FAR and a pending case, and OMB regulations for grants and agreements.¹¹ In addition, we conducted semi-structured interviews with officials from the four agencies' suspension and debarment programs to discuss allegations received on the part of contractors or grant or cooperative agreement recipients, how they receive information about trafficking allegations, and their processes for addressing such allegations, including any actions taken or considered.

We conducted this performance audit from July 2023 to July 2024 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

¹⁰As of October 2022, 22 U.S.C. § 7104b requires agency heads to refer these reports to agency suspension and debarment officials. Pub. L. No. 117-211, § 2 (2022).

¹¹22 U.S.C. § 7104b(c)(1), FAR Subpart 22.17 and FAR Case 2024-004 to implement Pub. L. No. 117-211, § 2 (2022), and 2 C.F.R. § 175. For the purposes of this report, we use "suspension and debarment" when referring to the agency suspending and debarring officials and the staff in the offices supporting them.

Appendix III: Key Federal Acquisition Regulation (FAR) Requirements

- **Anti-trafficking provision and clause, FAR 52.222-50, *Combating Trafficking in Persons*:** The anti-trafficking provision and clause is required in all solicitations and contract awards. It informs contractors about the U.S. prohibitions on trafficking and their anti-trafficking obligations, as applicable, such as requirements for anti-trafficking compliance plans and what the plans must include, notifying employees about prohibited trafficking activities, submitting annual certifications that the contractor is complying with the compliance plan, and reporting trafficking allegations. It also requires contractors (and subcontractors) to include the substance of the anti-trafficking clause in all subcontracts.
- **Certification provision, FAR 52.222-56, *Certification Regarding Trafficking in Persons Compliance Plan*:** The certification provision is required in solicitations for contracts for services or products that include non-commercially available off-the-shelf items and with an expectation that the portion of the contract performed outside the U.S. is valued at least \$550,000. It requires apparently successful offerors to submit a certification, prior to award, that, among other things, they have implemented an anti-trafficking compliance plan and that the offeror has reason to believe there have been no prohibited activities or that appropriate actions have been taken.
- **Contractor anti-trafficking compliance certifications:** Based on the above provisions and clause, covered contractors must certify that (1) they have implemented an anti-trafficking compliance plan that meets minimum requirements outlined in the anti-trafficking provision and clause, and (2) they have reason to believe there have been no abuses or that appropriate actions have been taken. The certification provision requires this certification prior to award and the anti-trafficking clause requires this certification annually thereafter. In addition, the requirement flows down—prime contractors are similarly to obtain these certifications from each covered subcontractor.
- **Contractor anti-trafficking compliance plan:** For contracts that include non-commercially available off-the-shelf items or services with an expectation that a portion of the contract performed outside the U.S. is valued at least \$550,000, contractors and covered subcontractors must maintain an anti-trafficking compliance plan during the performance of the contract. The plan must be appropriate to the size and complexity of the contract and the nature and scope of its activities, including the number of non-

U.S. citizens expected to be employed and the risk that the contract or subcontract will involve services or supplies susceptible to trafficking. At a minimum, it must generally include (1) an awareness program to inform contractor employees about the government's policy prohibiting trafficking-related activities, (2) a process for employees to report trafficking activity without fear of retaliation, (3) a recruitment and wage plan, (4) a housing plan if the contractor or subcontractor intends to provide or arrange housing, and, (5) procedures to prevent agents and subcontractors from engaging in trafficking and to monitor, detect, and terminate any agents engaged in trafficking-related activities.

- **Violations:** It is a violation of the FAR anti-trafficking Subpart if— (1) the contractor, contractor employee, subcontractor, subcontractor employee, or agent engages in severe forms of trafficking during the period of performance of the contract; (2) the contractor, contractor employee, subcontractor, subcontractor employee, or agent procures a commercial sex act during the period of performance of the contract; (3) the contractor, contractor employee, subcontractor, subcontractor employee, or agent uses forced labor in the performance of the contract; or (4) the contractor fails to comply with the requirements of the clause at 52.222-50, Combating Trafficking in Persons.
- **Reporting:** Upon receipt of credible information regarding a defined trafficking violation, the contracting officer—(1) shall promptly notify, in accordance with agency procedures, the agency Inspector General, the agency debarring and suspending official, and if appropriate, law enforcement officials with jurisdiction over the alleged offense; and (2) may direct the contractor to take specific steps to abate the alleged violation or enforce the requirements of its compliance plan. Contractors are required to notify the contracting officer and agency Inspector General immediately of any credible information it receives from any source that alleges a contractor employee, subcontractor, subcontractor employee, or their agent has engaged in conduct that violates the anti-trafficking prohibitions in the anti-trafficking clause. Contractors must also disclose any actions taken against contractor employee, subcontractor, subcontractor employee, or their agent pursuant to this clause.
- **Remedies:** Based on receipt of credible information or substantiated allegations, the suspension and debarment official may use the suspension and debarment procedures to suspend, propose for debarment, or debar the contractor, if appropriate,

also considering mitigating and aggravating factors.¹ Mitigating factors include whether the contractor had an anti-trafficking compliance plan or awareness program at the time of the violation, was in compliance with the plan at the time of the violation, and has taken appropriate remedial actions for the violations, that may include reparation to victims for such violations. Aggravating factors include whether the contractor failed to abate an alleged violation or enforce the requirements of a compliance plan, when directed by a contracting officer to do so.

After a final determination has been made as to whether the allegations are substantiated, the contracting officer may also consider mitigating and aggravating factors when considering taking additional remedies.

- **Recording:** After a final determination has been made as to whether the allegations are substantiated, the contracting officer must record it in the Federal Awardee Performance and Integrity Information System.²

¹Suspension and debarment procedures are provided in FAR Subpart 9.4.

²The Federal Awardee Performance and Integrity Information System is a module in the government's contractor performance assessment record system. Certain information, such as a record of trafficking, is then made publicly available in the System for Award Management, which contains contractor responsibility and qualification information, exclusions, and entity and contract data. We have ongoing work assessing this system.

Appendix IV: Agency Anti-trafficking Offices

Table 7: DHS, DOD, State, and USAID Anti-trafficking Offices

Agency	Office	Anti-trafficking activities
DHS	Center for Countering Human Trafficking	Coordinating the agency's cross-department efforts related to countering sex trafficking, forced labor, and importation of goods produced with forced labor; identifying and reporting incidents of human trafficking; and training.
DOD	Combating Trafficking in Persons Program Management Office	Facilitating DOD's efforts to prevent trafficking; developing DOD's anti-trafficking guidance, training, and anti-trafficking awareness materials; coordinating inter- or intra-agency anti-trafficking efforts; and collecting data from components' annual self-assessments of their efforts to combat trafficking. ^a
State	Office to Monitor and Combat Trafficking in Persons	Leading the department's global efforts to combat human trafficking overseas and preparing and issuing the annual Trafficking in Persons Report to Congress, which assesses the anti-trafficking efforts of all countries, assigns them tier rankings based on those efforts, and guides the department's engagement with foreign governments on human trafficking issues.
USAID	Office for Justice, Rights, and Security Responsibility, Safeguarding, and Compliance Division	Oversees the agency's anti-trafficking efforts; interagency coordination and reporting, data collection, and evaluation for related research; and providing technical assistance and training. Overseeing the agency's safeguarding efforts to prevent and respond to trafficking.

Source: GAO summary of Departments of Homeland Security (DHS), Defense (DOD), and State, and U.S. Agency for International Development (USAID) information. | GAO-24-106973

^aDOD components submit annual self-assessments that include information on their methods for tracking training, suspected or confirmed trafficking incidents, and efforts to ensure contractors do not engage in trafficking.

Appendix V: Agency Anti-trafficking Regulations, Guidance, and Resources

Table 8 includes a non-exhaustive list of regulations, guidance, and resources with specific sections and application to anti-trafficking efforts.

Table 8: Government-wide and Selected Agencies' Anti-Trafficking Regulations, Guidance, and Resources

Agency	Guidance Document or Resource
Government-wide	Federal Acquisition Regulation Subpart 22.17, Combating Trafficking in Persons
	2 C.F.R. § 175, Award Term for Trafficking in Persons
	Office of Management and Budget, <i>Anti-trafficking Risk Management Best Practices & Mitigation Considerations</i> , M-20-01 (Washington, D.C.: Oct. 21, 2019).
	Office of Management and Budget, Office of Federal Procurement Policy, Acquisition Flash 2024-1: FY24 Assignment of Mandatory <i>Training for Civilian Agency FAC-C (Professional), FAC-COR, and FAC-P/PM Holders</i> (Oct. 19, 2023).
	Office of Management and Budget, Office of Federal Procurement Policy, Acquisition Flash 2024-2: <i>Training and Development of Civilian Agency Acquisition Professionals</i> (Mar. 19, 2024).
	Federal Acquisition Institute, "Federal Acquisition Certification - Combating Trafficking in Persons Training (FAC-022)," https://login.fai.gov/sites/fai/files/FAC_022-Combating_Trafficking_in_Persons/story.html .
	U.S. Department of Labor, "Better Trade Tool," dol.gov/BetterTradeTool .
	U.S. Department of Labor, "Comply Chain," https://www.dol.gov/agencies/ilab/comply-chain
	U.S. Department of State, Trafficking in Persons reports, https://www.state.gov/trafficking-in-persons-report/ Verité and Department of State, "Responsible Sourcing Tool," https://www.responsiblesourcingtool.org/
Department of Homeland Security (DHS)	DHS, <i>Department of Homeland Security Acquisition Manual</i> , 3042.302-71 (July 2023).
	DHS, Chief Procurement Officer, Acquisition Workforce Mandatory Training – <i>Combating Trafficking in Persons</i> , Acquisition Alert 22-15, Memorandum for the DHS Acquisition Workforce (July 26, 2022).
	DHS, <i>Contracting Officer Representative Guidebook</i> (May 2023).
	DHS, "DHS Center for Countering Human Trafficking," accessed April 8, 2024, https://www.dhs.gov/dhs-center-countering-human-trafficking .
Department of Defense (DOD)	DOD, Defense Federal Acquisition Regulation Supplement Procedures, Guidance, and Instruction 222.17.
	DOD, <i>Combating Trafficking in Persons</i> , DOD Instruction 2200.01 (Arlington, Va.: June 21, 2019).
	DOD, <i>DOD Standard for Contracting Officer's Representative Certification</i> , DOD Instruction 5000.72 (Mar. 26, 2015)(incorporating change 2, Nov. 6, 2020).
	DOD, <i>Contracting Officer's Representatives Guidebook</i> (October 2022).
DOD, "Combating Trafficking in Persons," accessed April 5, 2024, https://ctip.defense.gov/ .	
Department of State	Department of State, Foreign Affairs Manual and Handbook, Monitoring Contractor Performance, 14 FAH-2-520 (April 19, 2019).
	Department of State, <i>Department of State Acquisition Manual</i> (October 2023).
	Department of State, Overseas Buildings Operations Office of Construction Management Construction Alert A-2023-10 (Nov. 29, 2023).
	Department of State, "Office to Monitor and Combat Trafficking in Persons," accessed April 5, 2024, https://www.state.gov/bureaus-offices/under-secretary-for-civilian-security-democracy-and-human-rights/office-to-monitor-and-combat-trafficking-in-persons/ .

**Appendix V: Agency Anti-trafficking
Regulations, Guidance, and Resources**

Agency	Guidance Document or Resource
U.S. Agency for International Development (USAID)	USAID, <i>Procurement Executive Bulletin No. 2019-03 Reissuance</i> (Nov. 15, 2022).
	USAID, <i>Counter-Trafficking in Persons Field Guide</i> (January 2023).
	USAID, <i>Counter-Trafficking in Persons Code of Conduct Guidance</i> (Sept. 17, 2015).
	USAID, <i>Counter-Trafficking in Persons and Contractor/Recipient Compliance: Agency-Wide Standard Operating Procedure</i> (June 2012).
	USAID, "Countering Trafficking in Persons," accessed April 5, 2024, https://www.usaid.gov/trafficking .

Source: GAO summary of DHS, DOD, State, USAID, and Office of Management and Budget information. | GAO-24-106973

Appendix VI: Comments from the Department of Homeland Security

U.S. Department of Homeland Security
Washington, DC 20528



**Homeland
Security**

June 24, 2024

Mona Seghal
Director, Contracting and National Security Acquisitions
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548-0001

Re: Management Response to Draft Report GAO-24-106973, "HUMAN TRAFFICKING: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts"

Dear Ms. Seghal:

Thank you for the opportunity to comment on this draft report. The U.S. Department of Homeland Security (DHS, or the Department) appreciates the U.S. Government Accountability Office's (GAO) work in planning and conducting its review and issuing this report.

DHS leadership is pleased to note GAO's recognition that the Department has taken initial steps to identify and analyze trafficking risks in contracting spending, such as DHS procurement officials using the Office of Management and Budget's template to examine five years of contract data to identify spending in certain countries and in product and service categories identified as being at higher risk for trafficking. DHS will continue its efforts to educate the DHS acquisition workforce regarding human trafficking, to include continuing ongoing efforts communicating Federal Acquisition Regulation (FAR) anti-trafficking requirements to contracting officials through training and guidance. On January 17-18, 2024, for example, the DHS Center for Countering Human Trafficking hosted a two-day Virtual Human Trafficking Seminar, which presented DHS's counter-human trafficking efforts guided by the strategic goals of Prevention, Protection, Prosecution, Partnership and Enabling. This seminar, joined by nearly 700 attendees, increased the knowledge of DHS's counter-human trafficking efforts, as well as how the victim-centered and survivor-informed approach is used across all DHS Components.

The Department remains committed to identifying, analyzing, and communicating trafficking risks in contracting by taking a systematic approach to managing its trafficking risks, and developing actionable steps for DHS contracting officials. This will

**Appendix VI: Comments from the Department
of Homeland Security**

focus on the DHS Office of the Chief Procurement Officer (OCPO) ensuring that the FAR anti-trafficking requirements are consistently met in all solicitations and contracts where required. These requirements will include, but are not limited to, obtaining anti-trafficking compliance plans and annual certifications thereafter, and engaging in other monitoring activities where appropriate.

The draft report contained nine recommendations, including two for DHS with which the Department concurs. Enclosed find our detailed response to each recommendation. DHS previously submitted technical comments addressing several accuracy, contextual, and other issues under a separate cover for GAO's consideration, as appropriate.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Sincerely,

JIM H
CRUMPACKER

 Digitally signed by JIM H
CRUMPACKER
Date: 2024.06.24 15:37:15 -04'00'

JIM H. CRUMPACKER
Director
Departmental GAO-OIG Liaison Office

Enclosure

**Enclosure: Management Response to Recommendations
Contained in GAO-24-106973**

GAO recommended that Secretary of Homeland Security:

Recommendation 1: Ensure that the Chief Procurement Official, in consultation with agency trafficking experts, establishes a timeline for and implements a systematic approach to managing trafficking risks in procurements. This approach should include:

- identifying and analyzing agency procurement-related trafficking risks for their level of trafficking risk,
- developing responses to address their highest risks, such as obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements, and
- communicating this information to contracting officials.

Response: Concur. The DHS OCPO, in consultation with Department trafficking experts, will develop a systematic approach to managing trafficking risks in procurements. Specifically, on June 7, 2024, DHS initiated a discovery period to identify, analyze, and communicate trafficking risks in contracting. Once complete, OCPO will use the results of the discovery to inform development of a complete implementation plan that will ensure: compliance plans and annual certifications are obtained; contractor implementation of requirements are verified; and contracting officers and contract administration teams understand their role in combatting human trafficking by Federal contractors. Estimated Completion Date (ECD): June 30, 2025.

Recommendation 5: Ensure that the Chief Procurement Official ensures components conduct reviews of a subset of contracts to determine whether contracting officials implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter.

Response: Concur. DHS OCPO currently reviews Contracting Activities' contract files on a periodic basis. As part of those reviews, OCPO assesses whether the covered solicitations and contracts include FAR clause 52.222-50.¹ DHS OCPO will revise the review checklist, for Fiscal Year (FY) 2025 reviews, to include all contractor anti-trafficking clauses and certifications required prior to award. OCPO will also conduct a special review in FY 2025 to verify that contracting officers continue to receive certifications and implemented Federal anti-trafficking requirements throughout the life of each covered contract. ECD: September 30, 2025.

¹ "Combating Trafficking in Persons," dated May 2024; <https://www.acquisition.gov/far/52.222-50>

Appendix VII: Comments from the Department of Defense



ACQUISITION
AND SUSTAINMENT

OFFICE OF THE UNDER SECRETARY OF DEFENSE

3000 DEFENSE PENTAGON
WASHINGTON, DC 20301-3000

Ms. Mona Sehgal
Director, Contracting and National Security Acquisitions
U.S. Government Accountability Office
441 G Street, NW
Washington DC 20548

Dear Ms. Sehgal,

This is the Department of Defense (DoD) response to the GAO Draft Report GAO-24-106973, "HUMAN TRAFFICKING: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts," dated May 31, 2024 (GAO Code 106973). Please find the enclosed responses to the DoD recommendations.

My point of contact for this report is Mr. Larry McLaury, who may be reached at osd.pentagon.ousd-a-s.mbx.asda-dp-c-contractpolicy@mail.mil.

Sincerely,

TENAGLIA. Digitally signed by
JOHN.M.11 TENAGLIA, JOHN.M.
54945926 1154945926
Date: 2024.07.01
10:51:26 -04'00'

John M. Tenaglia
Principal Director,
Defense Pricing, Contracting, and
Acquisition Policy

Enclosure:
As stated

GAO DRAFT REPORT DATED MAY 31, 2024
GAO-24-106973 (GAO CODE 106973)

“HUMAN TRAFFICKING: AGENCIES NEED TO ADOPT A SYSTEMATIC
APPROACH TO MANAGE RISKS IN CONTRACTS”

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATION

RECOMMENDATION 2: The GAO recommends that the Secretary of Defense should ensure that the Under Secretary of Defense for Acquisition and Sustainment, in consultation with agency trafficking experts, prioritizes developing and implementing a systematic approach to managing trafficking risks in procurements. This approach should include:

- identifying the agency’s current trafficking risks and analyzing at-risk procurements for their level of risk,
- developing responses to address those risks, such obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements, and
- communicating this information to contracting officials.

DoD RESPONSE: Concur. We will review the criteria and processes described in the report to develop a systematic approach that identifies the level of risk for trafficking in person in procurements. The information will be communicated to contracting officials to help identify and develop responses for procurements with high risk of trafficking, and where appropriate, verify that contractor compliance plans are in place in response to the risk for the contract.

RECOMMENDATION 6: The GAO recommends that the Secretary of Defense should ensure that the Under Secretary of Defense for Acquisition and Sustainment ensures components conduct reviews of a subset of contracts to determine whether contracting officials have implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter.

DoD RESPONSE: Concur. We will provide information to component contracting officials to review a subset of high risk trafficking in persons contracts to ensure contracting officials include the certification provision in covered solicitations. Consistent with policy at Federal Acquisition Regulation (FAR) 22.1703, the information will direct the components to obtain the contractor’s certification and compliance plans prior to award and annually thereafter to ensure the contractor has implemented anti-trafficking requirements.

Appendix VIII: Comments from the Department of State



United States Department of State
Comptroller
Washington, DC 20520

JUL - 2 2024

Kimberly Gianopoulos
Managing Director
International Affairs and Trade
Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548-0001

Dear Ms. Gianopoulos:

We appreciate the opportunity to review your draft report, "HUMAN TRAFFICKING: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts." GAO Job Code 106973.

The enclosed Department of State comments are provided for incorporation with this letter as an appendix to the final report.

Sincerely,

A handwritten signature in black ink, appearing to read "J. Walsh".

James A. Walsh

Enclosure:
As stated

cc: GAO – Mona Sehgal
OIG - Norman Brown

Department of State Response to GAO Draft Report
HUMAN TRAFFICKING: Agencies Need to Adopt a Systematic Approach to
Manage Risks in Contracts
(GAO-24-106973, GAO Code 106973)

Thank you for the opportunity to provide comments to GAO draft report, *“Human Trafficking: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts.”*

The Bureau of Administration, Office of the Procurement Executive (A/OPE) recognizes the importance of managing human trafficking risks in the State Department’s procurement activity. We are pleased that GAO recognizes State’s ongoing work in this area and assessed State as well-positioned to continue the agency’s risk management approach. We also acknowledge improvements can be made in systematically identifying and analyzing, developing responses to, and communicating human trafficking risks to contracting officials and federal contractors. To that end, we support GAO’s recommendations for State.

Recommendation 3: The Secretary of State should ensure that the Deputy Assistant Secretary and Senior Procurement Executive, in consultation with agency trafficking experts, identify a timeframe to reevaluate whether the agency’s responses to contracting-related trafficking risks are working and if the agency needs to do a broader risk assessment.

State concurs with GAO’s recommendation. As outlined in the report, State is piloting a new risk mapping process for acquisition personnel to assess and prevent human trafficking risks during the design, solicitation, and monitoring of construction contracts. We anticipate that lessons learned from this pilot will be adapted to other high-risk, high-volume contracts. Communicating the information to the acquisition workforce, including our Contracting Officer Representatives, through better communication tools and forums will help State further expand our approach in this area. When the Human Trafficking Risk Mapping pilot is complete, we will review the outcomes

together with State's procurement policies, operations, and training to determine whether a broader risk assessment would be beneficial.

Recommendation 7: The Secretary of State should ensure that the Deputy Assistant Secretary and Senior Procurement Executive assess whether contracting officials obtained applicable annual contractor anti-trafficking certifications as part of the agency's review of its awarded contracts.

State concurs with GAO's recommendation. Compliance with current regulatory requirements is a key success factor. GAO found agencies were interpreting compliance provisions differently and has recommended that OMB provide agencies with greater clarity. State has instituted some internal control measures regarding compliance.

During interviews, State shared with GAO that the A/OPE Collaborative Business Review is in its pilot phase. This initial review will assess whether contracting officers reviewed contractor compliance plans prior to award and also confirm whether they obtained copies of the certification for the award file. Should these reviews determine certifications were not appropriately obtained, additional clarification of requirements will be provided to the workforce, as will training tools, to improve compliance.

Over the last several years, contracting policy modifications, tools development, and quality assurance programs have addressed previous programmatic omissions and misunderstandings. State anticipates that as these methodologies mature and communications to the procurement workforce increase, State's management of human trafficking risks in contract spending will be a model across government.

Appendix IX: Comments from the U.S. Agency for International Development



Mona Sehgal
Director, Contracting and National Security Acquisitions
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

June 26, 2024

Re: Human Trafficking: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts (GAO-24 -106973)

Dear Ms. Sehgal:

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) to the draft report produced by the U.S. Government Accountability Office (GAO) titled, "Human Trafficking: Agencies Need to Adopt a Systematic Approach to Manage Risks in Contracts" (GAO-24 - 106973). The report has two recommendations for USAID.

USAID concurs with both recommendations. GAO's first recommendation (Recommendation #4) was to develop and implement a systematic approach to managing trafficking risks in procurements. USAID has reviewed high risk product service codes previously provided by the Senior Policy Operating Group (SPOG) as well as risk in the Tier 3 countries where we operate. USAID will instruct Contracting Officers (COs) to explicitly request the contractor submit the anti-trafficking compliance plan and the delegated COR to review the plan for adequacy. GAO's second recommendation (Recommendation #8) was to review a subset of contracts to determine whether contracting officials have implemented federal anti-trafficking requirements. USAID will pursue an automated means of reviewing a sample of contract files in our Agency Secure Image and Storage Tracking System (ASIST) for certain key documents, to include required anti-trafficking certifications. More detailed information on both recommendations is included in the attached response.

I am transmitting this letter and the enclosed comments from USAID for inclusion in the GAO's final report. Thank you for the opportunity to respond to the draft report, and for the courtesies extended by your staff while conducting this engagement. We appreciate the opportunity to participate in the complete and thorough evaluation of our approaches to manage counter-trafficking of persons in contracts.

Sincerely,

Colleen R. Allen

Colleen Allen
Assistant Administrator

**Appendix IX: Comments from the U.S. Agency
for International Development**

**COMMENTS BY USAID ON THE DRAFT REPORT PRODUCED BY THE GAO,
*Human Trafficking Agencies Need to Adopt a Systematic
Approach to Manage Risks in Contracts* (GAO-24-106973)**

The U.S. Agency for International Development (USAID) would like to thank the U.S. Government Accountability Office (GAO) for the opportunity to respond to this draft report. We appreciate the extensive work of the GAO engagement team, and the specific findings that will help USAID develop a more systematic approach to manage trafficking risk in our contracting, more effectively communicate federal anti-trafficking requirements to staff, and evaluate compliance with these requirements. USAID will use this valuable feedback to align our staffing to achieve greater effectiveness toward achieving our global mission while increasing awareness of anti-trafficking requirements, fraud risk assessment, and training.

USAID would like to offer some additional insights, context and suggestions to this report to the two recommendations for action on the Agency's behalf:

Recommendation: The Administrator of USAID should ensure that the Senior Procurement Executive, in consultation with agency trafficking experts, develop and implement a systematic approach to managing trafficking risks in procurements. This approach should include:

- identifying and analyzing procurements for their level of trafficking risk;
- developing responses to address those risks, such as obtaining contractor anti-trafficking compliance plans and verifying contractor implementation of requirements; and
- communicating this information to contracting officials.

USAID Response: USAID concurs with this recommendation.

USAID has reviewed high risk product service codes previously provided by the Senior Policy Operating Group (SPOG). In the previous five fiscal years (FY 2019-2023), USAID awarded 1,215 contracts covered by CTIP clauses and provisions (greater than \$550K, work performed overseas, not commercially available off-the-shelf items). Of this number, over 70 percent were for professional services and these contracts often imbed other activities that are not captured with product service codes. As such, USAID has determined that relying on product service codes to identify high risk procurements may not accurately reflect underlying activities.

USAID has also reviewed risk in the countries where we operate. USAID has identified Tier 3 countries as high risk. This includes Afghanistan, Algeria, Belarus, Burma, Cambodia, Chad, China (People's Republic of), Cuba, Curacao, Djibouti, Equatorial Guinea, Eritrea, Guinea-Bissau, Iran, Korea (Democratic People's Republic of), Macau, Nicaragua, Papua New Guinea, Russia, Sint Maarten, South Sudan, Syria, Turkmenistan, and Venezuela. This list will be reviewed and updated annually based upon the Department of State's Trafficking in Persons Report.

**Appendix IX: Comments from the U.S. Agency
for International Development**

M/OAA will instruct Contracting Officers (COs) to explicitly request the contractor submit the anti-trafficking compliance plan to the CO and delegated Contracting Officer's Representative (COR) for contracts identified as high risk:

- For existing contracts, the CO will be instructed to request the plan, in accordance with the existing contract clause.
- For new contracts, in addition to relying on the contract clause, the CO should include the compliance plan as a contract deliverable to the CO and COR in Section F.

The delegated COR is responsible for reviewing the plan for adequacy, i.e., it meets the minimum requirements of FAR 52.222-50, and for monitoring the contractor's compliance with the plan.

M/OAA will communicate these changes to COs by revising operational policy in the ADS and/or revising existing guidance found in the trafficking Procurement Executive Bulletin (PEB). M/OAA will work with our training division and the Bureau for Planning Learning and Resource Management (PLR) to ensure that CORs are aware of their CTIP-related responsibilities.

Additionally, M/OAA will explore the ability of our contract writing and filing systems, to identify contracts with a place of performance in a high risk country and identify additional compliance plan reporting requirements. M/OAA anticipates that this recommendation will be completed by the end of FY 2025.

Recommendation: The Administrator of USAID should ensure that the Senior Procurement Executive reviews a subset of contracts to determine whether contracting officials have implemented federal anti-trafficking requirements, including incorporating the certification provision in covered solicitations and obtaining contractor anti-trafficking certifications prior to award and annually thereafter.

USAID Response: USAID concurs with this recommendation.

The Federal Acquisition Regulation (FAR) contains a clear prescription for the inclusion of the countering trafficking in persons (CTIP) clause and provision in our solicitations and resulting contracts. M/OAA will reinforce existing regulations by reminding COs of the requirements to insert the required and applicable clause and provision in applicable contract and solicitations. M/OAA will remind COs to review their contract files annually to ensure that they are receiving the annual certification and ensure that they received the initial certification from the apparent successful offeror as a condition of award.

M/OAA will pursue an automated means of reviewing a sample of contract files in our Agency Secure Image and Storage Tracking System (ASIST) for certain key documents, to include required anti-trafficking certifications. M/OAA will also include the annual anti-trafficking certifications as part of our missing documents report to better monitor contractor compliance. M/OAA anticipates that this recommendation can be completed by the end of FY 2026.

Appendix X: GAO Contact and Staff Acknowledgments

GAO Contact

Mona Sehgal, (202) 512-4841 or sehgalm@gao.gov

Latesha Love-Grayer, (202) 512-4409 or lovegrayerl@gao.gov

Staff Acknowledgments

In addition to the individuals named above, Angie Nichols-Friedman (Assistant Director), Cheryl Goodman (Assistant Director), Leslie Ashton (Analyst-in-Charge), Naina Azimov, Bonnie Binggeli, Laura Greifner, Bridget Jackson, Anne Louise Taylor, and Robin Wilson made key contributions to this report. John Armstrong, Carole J. Cimitile, Gergana Danailova-Trainor, Jeffrey Fiore, Christopher Hayes, Helena Johnson, Jessica Karnis, Jean McSween, Gabriel Nelson, Andrew Powell, Scott Purdy, Jillena Stevens, and Tanya Waller also contributed.

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