Despite overwhelming evidence cataloguing the harms of institutional care for children, an estimated 5.4 million children worldwide live in orphanages and other institutions. While many assume that orphanages are home to children who have no living parents, research consistently demonstrates that this is not the case for over 80 per cent of children living in orphanages globally.2

In many countries, only a small proportion of children’s institutions are registered with the government, which leaves many children invisible to necessary oversight and protections, and hinders data collection efforts.3 The institutionalised population, including children in orphanages, are underrepresented in the prevalence estimates within this Global Slavery Index for this reason.

While the case for global care reform is not new, more recent evidence from governments and civil society organisations highlights the multifaceted relationship between children’s institutions and human trafficking — revealing a complex web of factors that position orphanages as both a driver and an outcome of exploitation.4 In 2019, the links between institutions and child trafficking were recognised by the United Nations General Assembly (UNGA). For the first time, member states collectively expressed their concern over the harm that institutions can cause to children and called for them to be progressively phased out. In its historic Resolution on the Rights of the Child, the UNGA set out the political and human rights case for transforming care systems and made some groundbreaking recommendations. Governments and civil society now have an opportunity to implement these recommendations.

A residential care institution is any residential setting where children are isolated from the wider community and are compelled to live with other children to whom they are not related. These children, and their families, do not have control over their lives or involvement in the decisions that affect them. Crucially, an institutional culture prevails, meaning that the requirements of the organisation tend to take precedence over the children’s individual needs. This Spotlight uses the terms “institution” and “orphanage” interchangeably.

Trafficking into orphanages

Child trafficking into institutions, also referred to as orphanage trafficking, is described as “the recruitment of children into residential care institutions for the purpose of profit and exploitation.”5 This practice is linked to the funding of orphanages through private donations, volunteer tourism, mission trips, and other forms of fundraising.6 It is estimated that US Christian organisations alone donate approximately US$3.3 billion to residential care each year.7 The popular practice of orphanage volunteering — people from high-income countries traveling abroad to help children living in orphanages — also serves to provide a continual income for the orphanage, as well as reduced labour costs for the care of the children.8 However, there is a grim downside to all of this. Although often well-intentioned, these sources of financial and in-kind support undermine national efforts to support broader child protection and social welfare systems by creating a parallel system without official oversight and accountability. They also create a marketplace that can incentivise the expansion of existing orphanages and the establishment of new ones, with the supply of funding and resources into orphanages increasing the demand for children to be in them.9 There is evidence of children being deliberately recruited from vulnerable families to fill spaces in orphanages, under the guise of better care and access to education.10 Once trafficked into orphanages, children are vulnerable to neglect, abuse, and exploitation. Orphanages that are run for profit have been found to operate under extremely poor conditions to drive down care costs, with evidence also pointing to children being kept deliberately malnourished to encourage further donations,11 forced to interact with and perform for visitors, or forced to beg for financial donations.12

The popularity of orphanage “volunteering” has seen a rise in orphanages built in tourist hotspots to fulfil demand and capitalise on the financial potential.13 In Cambodia, for example, there was a 75 per cent increase in the number of residential care institutions in a five-year period, despite no correlating increase in the number of children losing both parents.14 In Uganda, the number of children in institutions increased from just over one thousand in the late 1990s to 55,000 in 2018, despite large...
decreases in the number of orphans. The presence of volunteers also places children at increased risk of sexual abuse. There have been numerous documented cases of perpetrators posing as well-intentioned orphanage volunteers to gain access to vulnerable children, taking advantage of often unregulated, unvetted, and unsupervised access.

**Australian Modern Slavery Act addressing orphanage trafficking**

The Australian Modern Slavery Act (2018) defines and recognises orphanage trafficking as a form of modern slavery under the Act’s definition. As such, reporting entities with orphanages in their structures, supply chains, funding models, or operations must assess for and report on risks of modern slavery in these contexts. Additionally, the Commonwealth Modern Slavery Act Guidance Material includes information on orphanage trafficking and the exploitation of children in orphanages, identifying orphanage volunteering and tourism as a related risk factor. Guidance has been developed by civil society organisations to assist entities reporting under the Australian legislation to understand its implications.

**Trafficking out of orphanages**

Traffickers and organised criminal groups are known to target institutions where they can exploit weak or absent child protection mechanisms. Evidence shows children in orphanages are groomed, coerced, and deceived into leaving facilities and are trafficked into sexual exploitation, forced labour, forced criminality, and other forms of modern slavery. In some cases, orphanages have been criminally or actively involved in the trafficking and exploitation of children within their care. Demand for adoption among childless families – often from high-income countries – also drives trafficking as that is a popular response for overseas audiences wanting to contribute to relief efforts. Orphanages is a popular response for overseas audiences wanting to contribute to relief efforts. Orphanages are also home to children who are already vulnerable. Addressing this requires a multi-faceted response.

**Child survivors of modern slavery and unaccompanied migrant children being placed in orphanages**

Children who have been trafficked are often placed in institutions, either as a mechanism intended to provide them with protection and support or as a law enforcement response because the child is not being treated as a victim of a crime. Government responses fall short of providing child-centric safeguards; for example, only 55 per cent of government assessed in the Global Slavery Index were found to have special support for child victims of modern slavery. In some cases, children identified as children are returned to the orphanage from which they were trafficked and are re-exposed to the risks that led to their initial exploitation. Without the protection provided by parents and guardians, unaccompanied migrant and refugee children are at greater risk of trafficking and exploitation, both in transit and on arrival in their destination country. Often, these children are either placed in reception facilities akin to orphanages or they enter the institutional care system. The institutionalisation of trafficked children and unaccompanied migrant and refugee children increases their vulnerability to exploitation on account of entering a high-risk and insecure system.

**Modern slavery risks experienced by care leavers**

Children who have grown up in institutional settings are more vulnerable to trafficking and exploitation once they have aged out of the system or if they have run away from the facilities. This is linked to the impact of having had fewer opportunities to develop the social skills and networks needed to live successfully and independently in the community.

This vulnerability is increased where there are limited services and support available for reintegration into society. Further, care leavers are particularly vulnerable to sexual exploitation. Girls in Moldova who grew up in orphanages, for example, were found to be 10 times more likely to be trafficked for sexual exploitation than their peers raised in families. International analysis highlights similar disadvantages among care leaver populations globally, including higher rates of homelessness, unemployment, isolation, poverty, and mental health issues compared to peers raised in families.

Globally, orphanages and other institutional settings for children are hubs where child exploitation and modern slavery can thrive, as they are often hidden from official oversight, operate with weak child protection systems, attract a continuous flow of large and unmonitored donations, and are home to children who are already vulnerable. Addressing this requires a multi-faceted response.

**Times of crisis and children in care**

More than 5 million children have lost a parent or caregiver as a result of COVID-19 and the number of children being separated from their parents and at risk of subsequent exploitation is expected to increase in some parts of the world. COVID-19 has reportedly led to family reunification. For example, authorities in Nepal, India and Kenya instructed orphanages to reintegrate children with their family during the national lockdown. In Nepal, this resulted in nearly 10 per cent of the country’s institutionalised children returning to their communities in the early stages of the pandemic. While this shows that not all children in orphanages lack family-based alternatives, there are concerns that children may have been sent home without the necessary assessment, preparation, and support. Additionally, experts warn that inadequate records of where children have been placed, as well as those who remain institutionalised, could lead to more children falling through the gaps and becoming unaccounted for.

For many orphanages around the world, lockdown and social distancing measures mean that the child-to-caregiver ratio has decreased due to reductions in staff and access to facilities, raising concerns over declines in quality of care. Social distancing restrictions have hampered orphanage inspections in some countries. Encouragingly, one study on the impacts of the COVID-19 pandemic on children’s institutions globally found that the vast majority of founders, funders, and directors of orphanages participating in the research (95 per cent) stated that to some degree the pandemic catalysed reflection and created an opportunity to consider or implement changes or adaptations to the orphanage model of care. This included a greater focus on sustainability and a renewed belief in the ability for institutionalised children to be reunited with their families and communities.

Much can be learned from the impact of previous international crises on children in institutional care. In the wake of disaster, support for orphans is a popular response for overseas audiences wanting to contribute to relief efforts. Following the devastating 2015 earthquake in Nepal, an increase in child trafficking and of children being placed in institutions led to immediate child safeguarding concerns. Officials recorded cases of traffickers posing as either aid workers or religious representatives, coercing poor and vulnerable families to give up their children for placement into orphanages for the purposes of financial exploitation. Similar conclusions have been drawn from post-disaster analysis in Haiti and Indonesia. It is vital that there be close monitoring of COVID-19’s impact on children in institutions and on those from families and communities whose vulnerabilities have increased due to the pandemic.

**Recommendations for governments**

1. Recognise the link between children in orphanages and modern slavery. Orphanage trafficking must be criminalised and children in these settings recognised and responded to as being highly vulnerable to exploitation.
2. Curb the proliferation of orphanages by prioritising family and community-based care in all policies relating to the care and protection of children. This includes ensuring adequate funding for family and community services and prioritising long-term, sustainable solutions that enable families and communities to thrive together.
3. Focus international aid on family and community strengthening initiatives, as opposed to being directed towards institutional care for children.
4. Monitor international donations and raise awareness among philanthropic communities of potential risks of funding orphanages.