

Federal Department of Economic Affairs, Education and Research EAER State Secretariat for Economic Affairs SECO

Swiss Confederation

WEBINAR | MAY 11, 2023 | 13:30

Webinar Series: Part 1

Understanding child labour risks and impacts in companies value chains



The Ten Principles of the UN Global Compact

Corporate sustainability starts with a company's value system. By incorporating the Ten Principles into strategies, policies and procedures, and establishing a culture of integrity, companies are not only upholding their basic responsibilities to people and planet, but also setting the stage for long-term success.

Companies operate responsibly



1. Businesses should support and respect the protection of internationally proclaimed human rights; and

HUMAN RIGHTS 2. make sure that they are not complicit in human rights abuses.



- 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4. the elimination of all forms of forced and compulsory labour;
- 5. the effective abolition of child labour; and
- 6. the elimination of discrimination in respect of employment and occupation.



- 7. Businesses should support a precautionary approach to environmental challenges;
- 8. undertake initiatives to promote greater environmental responsibility; and 9. encourage the development and diffusion of environmentally friendly

technologies.

Companies contribute to progress









































10. Businesses should work against corruption in all its forms, including extortion and bribery.



4-part webinar series





Understanding child labour risks and impacts in companies value chains



Develop a policy commitment & identify child labour risks and impacts



Take action to cease, prevent or mitigate child labour risks and impacts



Establish effective grievance mechanisms, remediate impacts & communicate



State Secretariat for Economic Affairs SECO

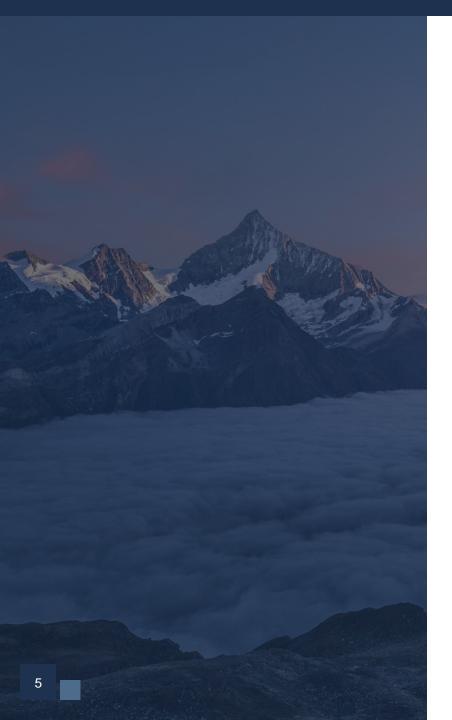
Agenda



- Child labour the Swiss context
 - Valérie Berset-Bircher, Ambassador, Head of International Labour Affairs, State Secretariat for Economic Affairs (SECO)
- Definition, trends & root causes of child labour
 Sophie de Coninck, Chief of operations, Fundamental Principles and Rights at Work Branch, International Labour
 Organisation (ILO)
- Development of the ILO/IOE Child Labour Guidance Tool
 Rita Yip, Senior Adviser, International Organization of Employers (IOE)
- Companies' role and responsibility in preventing or worsening child labour risks Sandra Groth, Sustainable Supply Chains Manager, Save the Children Switzerland
- Case studies and examples from the ground
 Ines Kaempfer, Chief Executive Officer, the Centre for Child Rights and Business









Webinar: Housekeeping

- The session is recorded.
- Slides & recording will be made available by UN Global Compact Network Switzerland & Liechtenstein after the webinar.
- Please write your questions in the chat.

you make an intervention.

Audio ein Video starten

Teilnehmer Chat Bildschirm freigeben Aufnehmen Reaktionen

Verlassen

Make sure you are muted during the webinar. Unmute yourself if you wish to speak.

Activate the video before

Use the chat function to type in your questions or make a comment.

CHILD LABOUR - THE SWISS CONTEXT

Federal Department of Economic Affairs, Education and Research EAER State Secretariat for Economic Affairs SECO International Labour Affairs

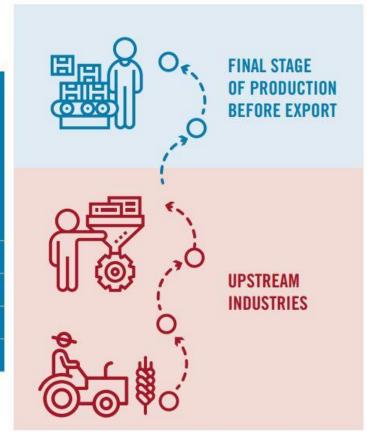
Child Labour – the Swiss Context

Ambassador Valérie Berset, SECO



Child Labour in Global Supply Chains

% OF CHILDREN IN CHILD LABOUR WHO ARE WORKING IN GLOBAL SUPPLY CHAINS	REGIONS	% OF WHOM ARE WORKING IN UPSTREAM INDUSTRIES
26	Eastern and South-Eastern Asia	43
22	Latin America and the Caribbean	40
12	Central and Southern Asia	38
12	Sub-Saharan Africa	31
9	Northern Africa and Western Asia	28



Ending child labour, forced labour and human trafficking in global supply chains: International Labour Organization, Organisation for Economic Co-operation and Development, International Organization for Migration and United Nations Children's Fund, 2019.



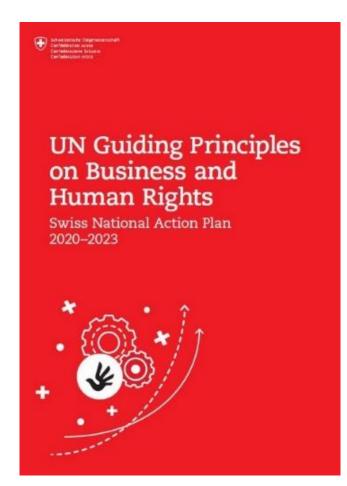
New legal obligations

Popular initiative for responsible businesses was rejected at the popular vote. The Parliament's indirect counterproposal includes:

- Reporting obligation on non-financial issues:
 environmental issues, social issues, personnel issues,
 human rights and anti-corruption.
- ⇒ Due diligence obligation on conflict minerals: minerals or metals from conflict zones or high-risk areas.
- ⇒ Due diligence obligation on child labour: applies to firms that offer goods or services for which there is a wellfounded suspicion of child labour.



National Action Plan on Business & Human Rights (NAP)



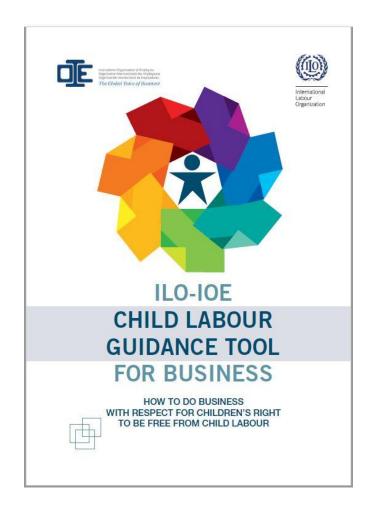
Implementation of the UN Guiding Principles in CH

- 2016: first NAP was adopted on parliamentary request
- Revised NAP 2020-2023
- Creation of support measures (tools, guidelines, etc.)
- Awareness-raising activities for Swiss companies

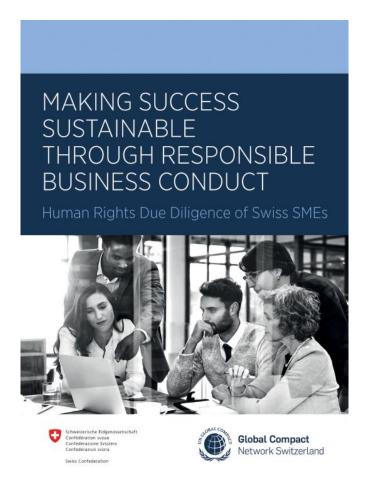
→The NAP is the framework for our support to companies on human rights due diligence



Useful tools









Events

- 18.10.2023: Swiss Forum on Business and Human Rights in Bern. Information will follow on our website (https://www.nap-bhr.admin.ch/) and on our LinkedIn page (SECO International Labour Affairs)
- 29-30.11.2023: Child Labour Platform annual meeting n Geneva. In case of interest, please contact us (info.dain@seco.admin.ch)

DEFINITION, TRENDS & ROOT CAUSES OF CHILD LABOUR



Webinar Series on child labour due diligence – Part 1

Child labour – definitions, trends and root causes



Outline

What is child labour?

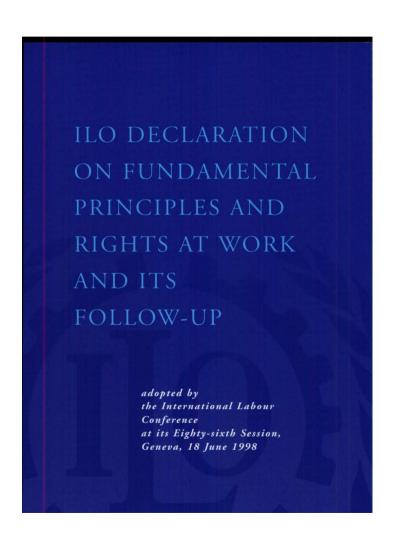
What do the figures tell us?

What is driving child labour?



What is child labour `

Fundamental principles and rights at work



- freedom of association and the effective recognition of the right to collective bargaining,
- the elimination of forced or compulsory labour,
- the abolition of child labour,
- the elimination of discrimination in respect of employment and occupation
- a safe and healthy working environment





The principle of the effective abolition of child labour requires that every child, girl or boy, be given the opportunity to develop his or her full physical and mental potential.

The objective is to prevent children from doing some work that is detrimental to their education and development

- Minimum Age Convention, 1973 (No. 138)
- Worst Forms of Child Labour Convention, 1999 (No. 182)

What is child labour?

Work by children below the official minimum age for employment for a given type of work:

- In general 15 years or the age of completion of compulsory schooling, if higher (or 14)
- 18 years for <u>hazardous work</u>
- 13 years for <u>light work</u> (or 12)

What is hazardous work?

Work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children

=> Hazardous work is defined at national level by the competent authority in consultation with employers and workers organizations



Guidance for governments on some hazardous work activities which should be prohibited is given by Article 3 of ILO Recommendation No. 190:

- work which exposes children to physical, psychological or sexual abuse;
- work underground, under water, at dangerous heights or in confined spaces;
- work with dangerous machinery, equipment and tools, or which involves the manual handling or transport of heavy loads;
- work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health;
- work under particularly difficult conditions such as work for long hours or during the night or work where the child is unreasonably confined to the premises of the employer.

What is light work?

Work which is:

- (a) not likely to be harmful to their health or development; and
- (b) not such as to prejudice their attendance at school, their participation in vocational orientation or training programmes

=> Light work is defined at national level by the competent authority in consultation with employers and workers organizations



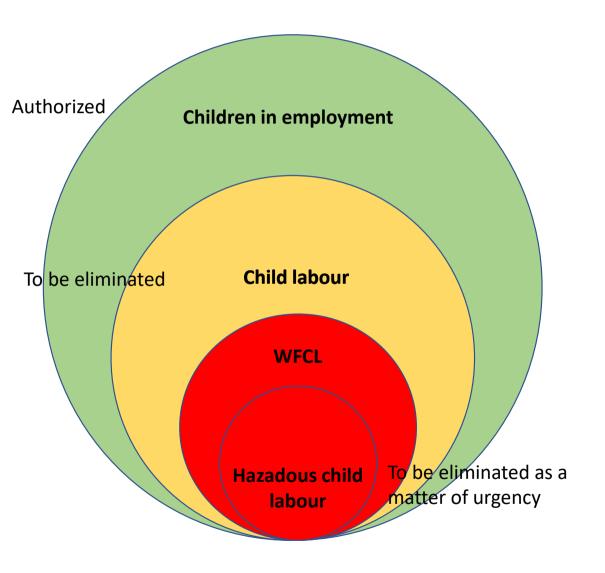
Back

What are the worst forms of child labour?

- all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict;
- the use, procuring or offering of a child for **prostitution**, for the production of **pornography** or for pornographic performances;
- the use, procuring or offering of a child for **illicit activities**, in particular for the production and trafficking of drugs as defined in the relevant international treaties;
- work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (hazardous work)

So what do we want to eliminate?

18	Between the minimum age and 18			
14/15/16 Minimum age	Between 12/13 and			
	the minimum age			
12/13	Less than 12/13			
		Light work	Regular work	Hazardous work and other WFCL



Between the minimum age and 18			
Between 12/13 and the minimum age			
Less than 12/13			
	Light work	Regular work	Hazardous work and other WFCL

Whether or not particular forms of "work" can be called "child labour" **depends** on the child's age, the type and hours of work performed, the conditions under which it is performed and the objectives pursued by individual countries. The answer varies from country to country.

- => Information on ratification and comments from the ILO supervisory bodies can be found on NORMLEX
- => Information on the national legislation can be found on NATLEX



What is child labour?

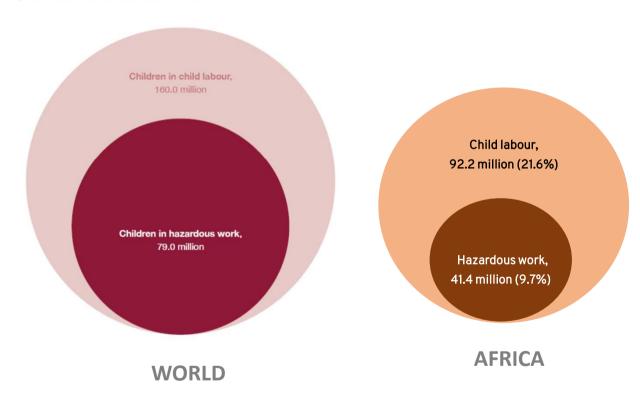
What do the figures tell us?

ILO/UNICEF Global Estimates on Child Labour, 2020 (pre-COVID)



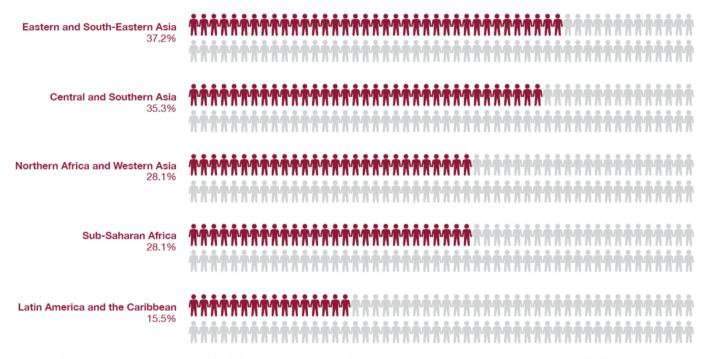
Worldwide, 160 million children are engaged in child labour; 79 million of them are performing hazardous work

Fig 1. Number of children aged 5 to 17 years in child labour and hazardous work



Across all regions, significant shares of children in child labour are out of school

Fig 28. Percentage of children aged 5 to 14 years in child labour not attending school, by region

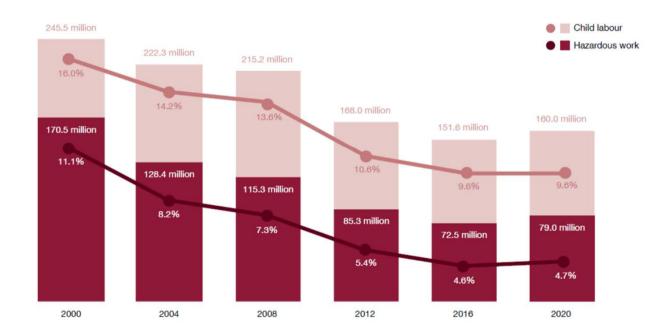


Notes: The figure shows regional groupings used for SDG reporting. The region of Oceania is omitted because of low data coverage. The region of Europe and Northern America is omitted because of the low levels of children in child labour and out of school.

Global trends

Global progress against child labour has stalled since 2016

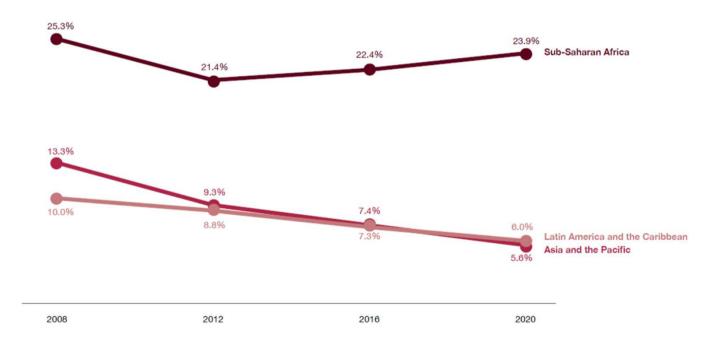
Fig 3. Percentage and number of children aged 5 to 17 years in child labour and hazardous work



Regional trends (%)

Asia and the Pacific and Latin America and the Caribbean have seen steady progress on child labour since 2008; similar progress has eluded sub-Saharan Africa

Fig 4. Percentage of children aged 5 to 17 years in child labour, by region

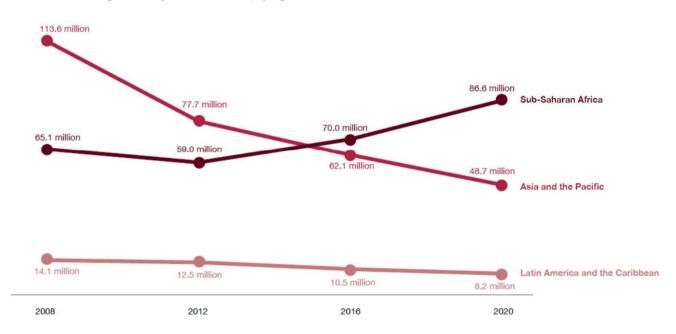


Notes: The figure shows regional groupings used for ILO reporting. Comparable historical data prior to 2016 were not available for other regions.

Regional trends (millions)

The number of children in child labour has increased in sub-Saharan Africa, while it has declined in other parts of the world

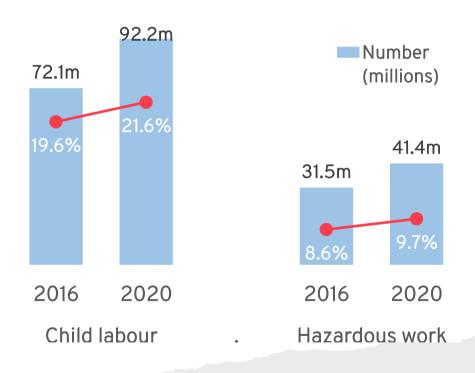
Fig 5. Number of children aged 5 to 17 years in child labour, by region



Notes: The figure shows regional groupings used for ILO reporting. Comparable historical data prior to 2016 were not available for other regions.

Trends in Africa

No. and per cent of children in child labour and hazardous work, 2016 and 2020, Africa



Africa has a fast growing population

If the prevalence of child labour remains unchanged we should expect 105 million children in child labour in 2025



What is child labour?

What do the figures tell us?

What is driving child labour?

Factors underlying child labour

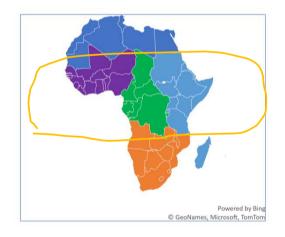
The high concentration of child labour in rural areas in agriculture and in family or own-account production units underscores its close link with poverty and related factors such as informal employment.

The major root causes of child labour include:

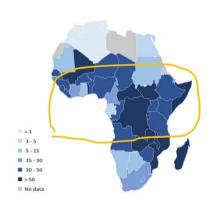
- Widespread poverty linked to the predominance of subsistence farming and the informal economy - Lack of living wage / income
- Poor access to social services such as quality education and health care;
- Vulnerability to external shocks in the absence of adequate social protection and social safety nets;
- Functional dependency to child labour;
- Socio-cultural factors such as gender roles and gender inequality, practices such as child fostering, and lack of awareness of child labour and the risks faced by child labourers;
- Lack of freedom of association, discrimination
- Additional risk factors such as precarious migration, conflict and disruptions linked to climate change; and
- Institutional factors such as inadequate laws and weak law enforcement, weak labour relations

Child labour in relation with broader development challenges The case of Africa

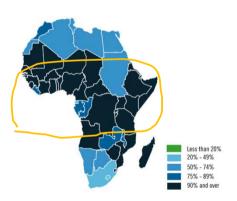
African sub regions most affected by child labour



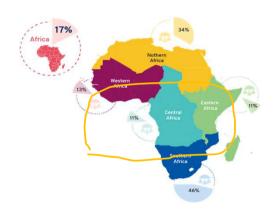
Percentage of the population below the poverty line



Proportion of informal employment in total employment



Population receiving at least one social protection benefit



Thank you

▶ Sophie De Coninck

Chief of operations
Fundamental Principles and Rights at Work Branch

E: deconinck@ilo.org



DEVELOPMENT OF THE ILO/IOE CHILD LABOUR GUIDANCE TOOL

ILO/ IOE Child Labour Guidance Tool

Rita Yip, IOE Senior Adviser

Thursday 11 May 2023



International Organisation of Employers (IOE)

- Largest global private sector network, representing 50 million businesses through 150 national employers' organisations, in nearly 150 countries.
- Sole representative of business in social and employment policy debates taking place in the ILO, across the UN, G20 and other emerging forums.





What we do? Expertise, Advocacy and Service

Policy priorities

- Child Labour
- International Labour Standards
- Human Rights and Responsible Business Conduct
- Industrial Relations
- Employment and Skills
- Labour Migration
- Sustainable Development
- Future of Work
- Occupational Safety and Health
- Diversity and inclusion





Child Labour





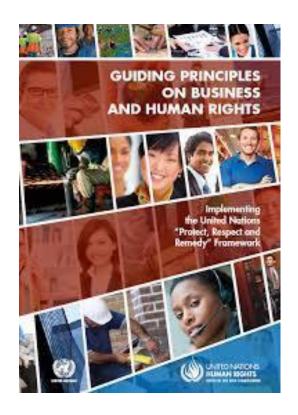






WHY

- <u>UN Guiding Principles on Business</u> and Human Rights (UNGPs)
- An easy one-stop resource for employers





HOW

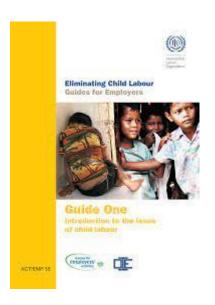
Deep dive of existing resources

Develop a diagnostic protocol

In-depth assessment of five companies

Multistakeholder workshops

360 degree review















International Elimination of Child Labour Changemaker Award

- Criteria:
 - 1. Focus on <u>Durban Call to Action</u>
 - 2. Impactful
 - 3. Sustainable
- Entries open 12 June 2023
- Entries close 12 August 2023
- More information contact Rita Yip <u>yip@ioe-emp.com</u>









A powerful and balanced voice for business

Thank you!

www.ioe-emp.org ioe@ioe-emp.com



COMPANIES' ROLE AND RESPONSIBILITY IN PREVENTING OR WORSENING CHILD LABOUR RISKS



FOR CHILDREN. IN SWITZERLAND AND WORLDWIDE.

- 100+ years of experience in Children's Rights based work
- Global expertise locally anchored
- Collaborating with the private sector to jointly create long-lasting and impactful solutions



SANDRA GROTH

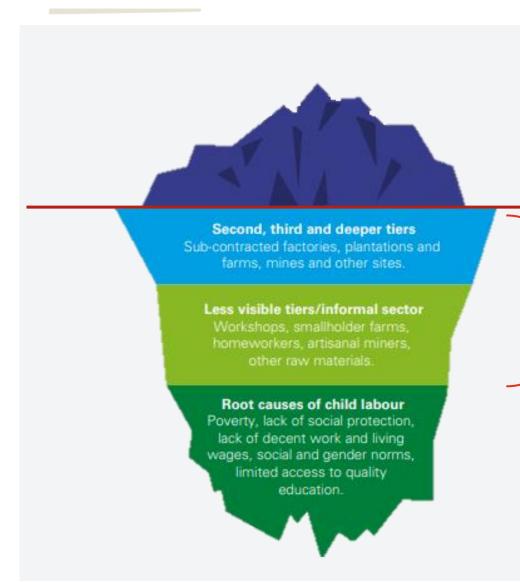
Sustainable Supply Chains Manager with 20 years of experience in the field of Corporate Responsibility

Sandra.Groth@savethechildren.ch

Why children are everyone's business



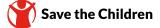
Child Labour is often invisible



What we see...

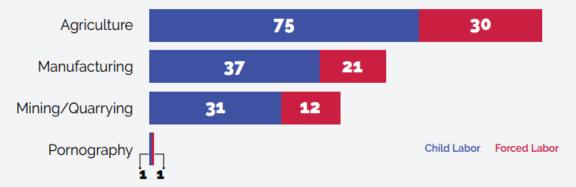
First tier: Direct suppliers, factories, plantations, processing plants of agricultural or extractive commodities

Where we have the most significant risks of child labour...



GOODS PRODUCED GLOBALLY UNDER USAGE OF CHILD LABOUR

Number of Goods Produced Globally by Production Sector, Disaggregated by Child Labor and Forced Labor



Goods with the Most Child Labor Listings by Number of Countries



Source: 2022-TVPRA-List-of-Goods-v3.pdf (dol.gov

TABLE 1.
TOP FIVE EXPORTING INDUSTRIES WITH RISK OF CHILD LABOUR IN THEIR SUPPLY CHAIN, DIRECT AND INDIRECT CONTRIBUTIONS, BY REGION (2015)¹⁵

Region	By DIRECT contributions	By INDIRECT contributions
Sub-Saharan Africa	Agriculture Wholesale and retail Transport and storage Textiles and apparel Food products	Food products Mining, non-energy Basic metals Transport and storage Wholesale and retail
Eastern and South-Eastern Asia	Agriculture Textiles and apparel Wholesale and retail Mining, energy Transport and storage	Food products Textiles and apparel Wood Mining, energy ICT and electronics
Central & Southern Asia	Textiles and apparel Agriculture Wholesale and retail Transport and storage Food products	Textiles and apparel Food products Wholesale and retail Transport and storage Other business services
Northern Africa and Western Asia	Agriculture Wholesale and retail Transport and storage Mining, energy Accommodation and food	Food products Mining, energy Textiles and apparel Wholesale and retail Agriculture
Latin America and the Caribbean	Agriculture Wholesale and retail Accommodation and food Transport and storage Textiles and apparel	Food products Motor vehicles Chemicals Basic metals Textiles and apparel

Source: <u>ALLIANCE 8.7 (alliance87.org)</u>



TOC: Companies' role and responsibility

ROOT CAUSES

BUSINESS MULTIPLIERS

Poverty (often linked to migration) Irresponsible purchasing practises: Economic pressure, lack of adequate wages and social security for supply chain workers

Lack of access to childcare, education and opportunities for youth

Limited decent work opportunities for youth

Lack off family-friendly workplaces

Remote workplaces, usage of migrant worker

Insufficient
awareness & lack of
government
enforcement

Insufficient prevention and remediation mechanisms in supply chains

Lack of visibility and monitoring

CHILD LABOUR





APPROACHES TO REDUCE CHILD LABOUR

PREVENTATIVE & REMEDIATIVE MEASURES



Support community-based interventions targeting CL root causes such as poverty alleviation, education and social protection



Assess wages/piece rates, work towards improved wage systems in all supply chain tiers, ensure social security networks, promote formal employment, offer long-term contracts



Create decent work opportunities for youth in own operations and supply chains



Create family-friendly workplaces in supply chains with a focus on child care and access to education

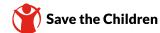


Proactively increase supply chain transparency and monitor risk areas



Set up global CL remediation process, link to national child protection systems

FACTORS CONTRIBUTING TO CHILD LABOUR





CASE STUDIES AND EXAMPLES FROM THE GROUND









Child Labour - Setting the Scene

THE CENTRE FOR CHILD RIGHTS AND BUSINESS

Ines Kämpfer, CEO

CHILD LABOR IS ENDEMIC IN OUR SUPPLY CHAINS.

ANALYSIS OF 20 CHILD RIGHTS RISK ASSESSMENTS ACROSS MANUFACTURING, AGRICULTURE AND MINING IN 4 REGIONS (ASIA, MIDDLE-EAST, AFRICA, SOUTH-AMERICA

GENERAL OBSERVATIONS:



of our assesments provide direct evidence of child labor.



A high risk was identified in eight other supply chains.

(Exception: natural stone in Vietnam and Tier 1 textile suppliers in Ethiopia)



The worst violations (volume and severity) happens on lower levels.

EXAMPLES:

Mining: Cobalt, Democratic Republic of the Congo (DRC)

• 10% of 12-14 year old, 19% of 15-17 year old children in mining communities work in the Artisanal mining (cobalt).

Agriculture: Roses, Türkiye

- All children from the age of seven work with their parents.
- All observed cases are classified as child labor based on age, working hours and/or working conditions.

Production: Global

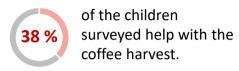
- 800 cases between 2019 2022
- 1st tier 75.5% Lower tiers 24.5%





AGRICULTURE: A SECTOR DEPENDING ON CHILD LABOUR





Children as young as 7 years old work on the farm.

Children of cocoa farmers perform dangerous jobs.



"My father's income was not enough for four children to go to school. So I started working when I was 14 so my two younger brothers could go to school."

- A 17-year-old girl, Sri Lanka 2021: Textile sector

INCREASED CHILD LABOUR RISKS

Smallholders depend on their children to work with them



Long, consecutive harvest periods without school attendance



Collaboration from a young age



dangerous activities



Children of migrant workers are particularly at risk



No early childhood education



Early school dropout



Unhealthy and dangerous housing situation during migration



Growing up without my parents in the care of my extended family in my home town



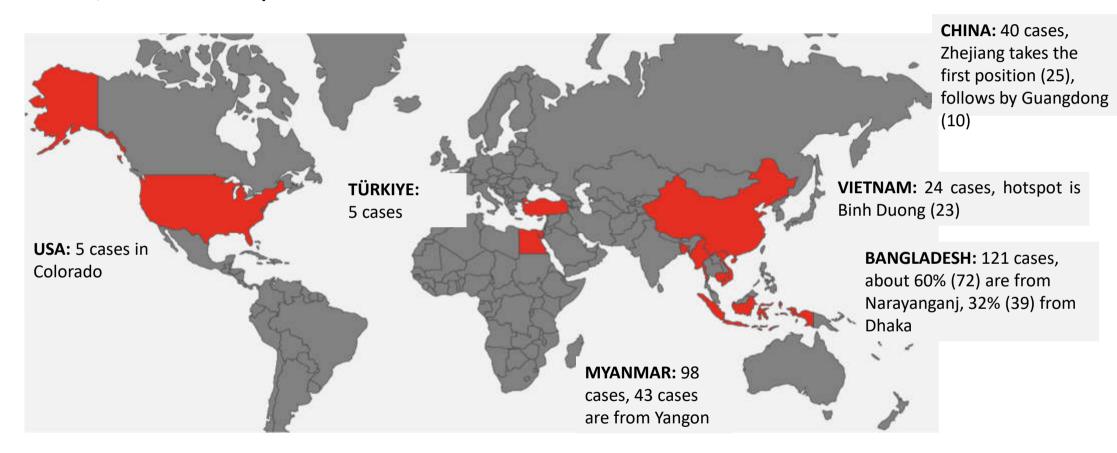
Higher risk of exploitation and human trafficking





CHILD LABOUR DATA FROM THE CENTRE

In 2022, 301 cases were reported to The Centre.



CHILD LABOUR DATA FROM THE CENTRE

OUT OF THE 301 CASES REPORTED TO THE CENTRE IN 2022



Occurred in **small-sized factories**, with less than 500 workers on average.



Half **are underage workers** and, half are young workers engaged in hazardous work.



of the cases happened with **subcontractors**



Of the cases were found in **Tier 1 suppliers** indirectly supply products to brands through importers

Top 3 industries for child labour cases



68%

Garment



8%
Printing

7% Footwear

Top 3 positions for child labour cases







59% Helper 12% Operator 9% Sewing

Children were introduced to work by their...









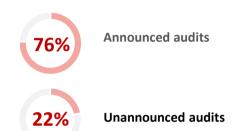


49% 25% 18% Relatives Neighbours Self-applied

d Fri

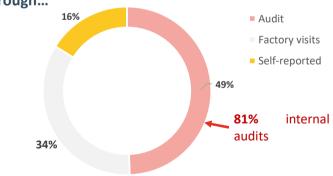
7% 1% Friend Labour Agent

Among the cases where we have information on how they were discovered...



The other 2% were semi-announced and in-house audits.

While child labour cases were identified through...



The remaining 0.3% was identified on suspicions during a project.



CASE STUDY: CHILD LABOUR CASES IN MANUFACTURING -EXAMPLE

GARMENT FACTORY: TEN UNDERAGE WORKERS AND 43 YOUNG WORKERS UNDER 18 YEARS

BACKGROUND

- Ten underage workers and 43
 young workers under 18 years
 with excessive working hours
 and hazardous work positions
 identified during an external
 audit and followed internal
 audit in September and
 October 2022 in Myanmar.
- Aged from 13 to 17, their work involve ironing, chalk drawing, using snap machines and sewing cotton scissors.
- Hazards: excessive working hours, sharp tools, and scald.

ROOT CAUSES

- Poverty worsened due due to Covid-19 / military coup
- Other: family members' health issues
- All have dropped out from school in Grade 4 to 9 in 2020 and 2021.



EDUCATIONAL BACKGROUND

 Factory using daily labourers to cope with unpredictable order volumes





A LACK OF OPPORTUNITIES FOR YOUNG PEOPLE...

...CAUSES CHILD LABOUR

LACK OF EMPLOYMENT OPPORTUNITIES IN THE FORMAL SECTOR



Systematic exclusion



Unintended consequence: crowding out into the informal sector and upstream stages of the supply chain



If employed in the formal sector: lack of security and labor protection

WIDESPREAD EXCLUSION

Ethiopia, Brazil, India, Indonesia, Sri Lanka Vietnam (2021)

- Young workers are systematically excluded from Tier 1 operations.
- Prove other suitable options too costly

DRC (2021)

• 72% of working children aged 15-17 in mining communities work in the informal mining of cobalt



