

Child labour policy



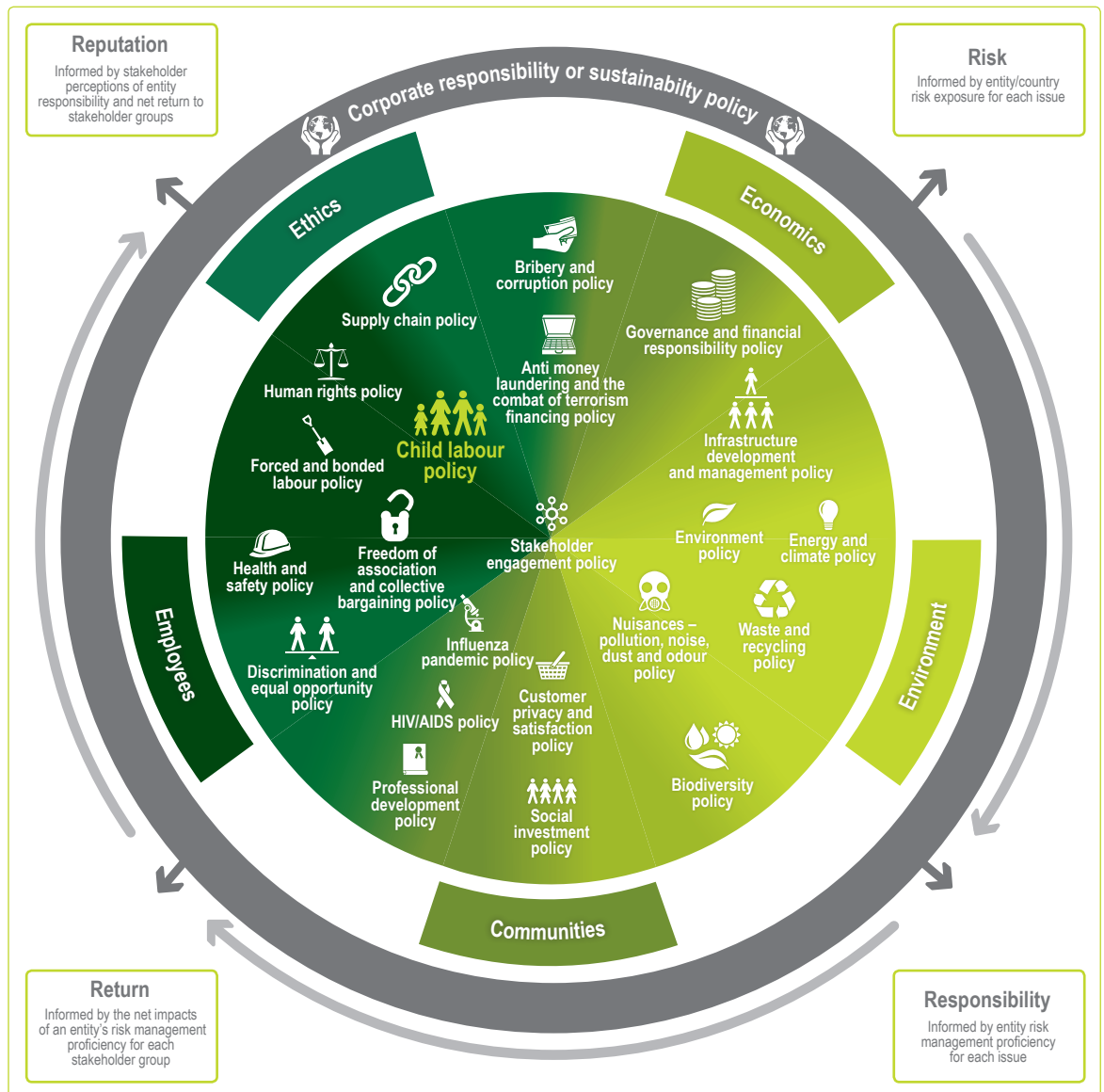
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For further information see www.global-risks.com



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Figure 1: Our policy categorisation continuum

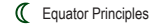
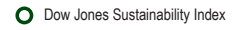
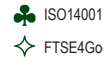
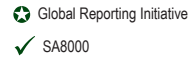


Within the policy categorisation continuum a corporate responsibility or sustainability policy forms the top-level commitment statement for an entity. Underlying this, there are issue specific policies that can be located within the categories of ethics, economics, environment, communities and employees, or as issues that cut across more than one category. Implementation of policy supports risk, responsibility, return and reputation:

- an entity's risk arises from the risk exposure of that entity and the country in which it operates to issues
- proficiency at managing these risks is indicative of the responsibility of the entity
- the responsibility of the entity at managing risks proficiently for stakeholder groups provides a return in the form of contribution to society
- the perceived responsibility of the entity and its contribution to society influences the reputation of that entity.



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Policies are statements that oblige and guide a company (entity) and its employees to behave in a particular way and that demonstrate to stakeholders the commitments the company has made. In our suite of policies, each document consists of two chapters.

The first chapter is the adoptable policy itself. This includes best practice policy elements in the following areas:

- An introduction section that outlines the scope, aims and objectives of the policy.
- An implementation section that includes:
 - » a statement of high-level company commitments relating to the subject of the policy
 - » specific content requirements to ensure complete attainment of the above high-level commitments
 - » monitoring and reporting requirements for evaluating the impact and effectiveness of the policy
- » communication and awareness mechanisms to ensure relevant stakeholders understand the policy and the business implications of not adhering to it
- » management requirements to ensure policy implementation, integration into business practice, auditing and policy review.
- A responsibilities section that details where responsibility for implementing the policy rests within the company, including the signature of the Chief Executive as a sign of top level commitment to the issue.

The second chapter provides guidance, background resources and insight into effective policy implementation. This includes:

- Information on how to implement the policy as part of a management system and details of other Maplecroft tools available to assist in this process.
- Policy development and adoption information.
- Resources, including links to key websites, example policies of other businesses and definitions of key terms.

Policy contents

Adoptable policy	3
1 Introduction	3
2 Implementation	4
2.1 Commitments	4
2.2 Child labour presence	4
2.3 Education and vocational work	4
2.4 Monitoring and reporting	4
2.5 Communication	5
2.6 Management	5
3 Responsibilities	5
Guidance	6
Policy development and adoption	6
Best practice	7
Example policies.....	7
Key terms	7

Throughout the policy, elements that reflect the requirements of recognised standards and principles are indicated using icons. A key to these icons can be found within the guidance section.



Child labour policy

Global Reporting Initiative

SA8000

ISO14001

FTSE4Good




Dow Jones Sustainability Index

Equator Principles

OHSAS18001

1 Introduction

Child labour can limit or damage the physical, mental, social or psychological development of children and undermine a child's right to childhood, development and education. "The entity" recognises its responsibility to take an effective role in reducing child labour.

"The entity" is firmly committed to creating strong business growth, which is not achieved at the expense of the environment, quality of life or social equity.   

The aim of this policy is to ensure that "the entity" is taking appropriate steps with regards child labour issues, enriching the communities in which we operate, thus contributing to the well being of our stakeholders and enhancing the organisation's relations and protecting reputation.

The objective of the policy is to set out the ways in which "the entity" will:

- prevent child labour within its operations and supply chain
- approach incidences where child labour is identified
- support education and vocational work for children.

This policy encourages the development and implementation of responsible business practice.   



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2 Implementation

2.1 Commitments

Illustrating a clear commitment to reducing child labour “the entity” will:

- Comply with national law on child labour and minimum age.
- Comply with the Convention on the Rights of the Child (CRC, 1989).
- Not use or support the use of child labour as defined in ILO Convention 138.
- Prohibit and seek to eliminate the worst forms of child labour in accordance with ILO Convention 182.
- Not work with those who use child labour – unless an elimination plan is in place.
- Base decisions about child labour on expert advice about the options available to children in the local context, and the best interests of the children affected.

2.2 Child labour presence

Recognising the incidences where child labour may be present within the workforce “the entity” will:

- Identify operations as having a significant risk for incidents of child labour. 🌱[HR6]
- Work to prohibit and put in place immediate action for the elimination of child labour in all cases where the worst forms of child labour are identified as present.
- Work towards eliminating child labour, with transition arrangements applied where appropriate in cases where children are present in the labour force. ✓
- Not expose children that are present in the labour force to workplace situations that are hazardous, unsafe or unhealthy.
- Meet the following conditions, where ‘light’ work is allowed for 13-15-year-old children due to national laws and regulations:
 - » it is not likely to harm their health or development ✓
 - » it does not have an impact on their attendance, (i.e. is not during school hours) and ability to benefit from school, careers or training programmes ✓
 - » adequate support is provided for their educational development ✓
 - » they are not working after daylight hours. ✓

2.3 Education and vocational work

Supporting education and vocational work for children “the entity” will:

- Promote education for children covered under ILO Recommendation 146 and young workers attending school or of school age.
 - » work is carried out as required by the relevant authority (for example, a government department) and after consultation with the employers and workers concerned ✓
- Accept work that forms part of vocational training framework if:
 - » the worker is at least 14 ✓
 - » it is a fundamental part of an approved education or training course or one designed to help in career choice or training. ✓

2.4 Monitoring and reporting

Continually evaluating our performance and progress the entity” will:

- Identify key performance indicators to measure progress with child labour issues.
- Report on progress with child labour issues including measures taken to contribute to the elimination of child labour and progress with key performance indicators through an annual publicly available report. 🌱[HR6]



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Global Reporting Initiative	ISO14001	Dow Jones Sustainability Index
SA8000	FTSE4Good	Equator Principles
		OHSAS18001

2.5 Communication

Supporting stakeholder collaboration as part of successful implementation “the entity” will:

- Effectively communicate the policy and associated guidance and procedures to personnel and other interested parties. ✓
- Provide all new employees with a copy of the policy, and provide formal training on the policy, either as part of the employee induction process or as part of an apprenticeship scheme. ✓
- Provide employees with regular training and awareness building covering the issues in this policy in order to foster an awareness of shared responsibility and accountability. ✓
- Seek to make existing employees aware of the issues covered in this policy. ✓
- State clearly how this policy relates to other policies in “the entity”. ✓
- Display the policy publicly and prominently. ✓
- Have a programme in place to identify and engage with community stakeholders. ✓ [S01]
- Engage and work with local communities, NGOs, governments and other stakeholders in order to understand child labour issues and develop shared responses. ✓

2.6 Management

Managing the provisions of this policy to work towards successful implementation “the entity” will:

- View this policy and associated guidance as ‘living documents’ to be reviewed by the Board on an annual basis, drawing from ongoing stakeholder consultation. ✓
- Ensure all elements of this policy are managed as integral parts of its business and planning. This will include ensuring that estimates of the costs of present and expected actions are included in the preparation of investment plans, risk reviews and annual accounts. ✓
- Maintain a management system that aims to integrate child labour issues into its decision-making and risks review processes. ✓
- Develop procedures and guidelines to facilitate policy implementation and empower management to ensure policy aims are met. ✓ [HR6]
- Put in place a monitoring system to gauge performance against the implementation requirements of this policy and conduct regular audits to evaluate compliance with and the effectiveness of this policy. ✓
- Have in place a procedure for responding to cases in which the policy has not been followed or has been breached. ✓
- Report the outcomes of audits, including details of corrective action plans annually to its supervisory board or governing body to promote continuous improvement. ✓
- Where relevant, attain external verification of the audit process against SA8000 as the foundation from which to improve. ✓

3 Responsibilities

- A senior member of “the entity” will be responsible for the effective implementation of this policy across all operations owned or managed by “the entity”. The senior member will also be responsible for reporting to the Board and external stakeholders about performance with respect to policy implementation. ✓
- All employees have an important role in assisting “the entity” in successful implementation of the principles of this policy.

Chief Executive’s Signature _____



Guidance

Policy development and adoption

This generic adoptable policy is rooted in international and national law and the best practice policies of global companies. Throughout the policy, elements that reflect the requirements

of recognised standards, instruments and international best practice principles are indicated using the following icons:

Key



The **Global Reporting Initiative** (GRI – G3 indicators version 3) are marked with a star '★' and identified with the relevant indicator numbers of the Sustainability Reporting Guidelines. They will therefore help entities prepare for reporting in conformance with GRI.



The **SA8000** Social Accountability standard are marked with a tick '✓'. These policy elements are reflective of those one would expect a professionally trained SA8000 auditor to inquire into during the audit/certification process. They will therefore help entities prepare for conformance with SA8000.



The **ISO14001** Environmental Management System (EMS) standard are marked with a club '♣'. These policy elements are reflective of those one would expect a professionally trained ISO14001 auditor to inquire into during the audit/certification process. They will therefore help entities prepare for conformance with ISO14001.



The **FTSE4Good** Index Series inclusion criteria are marked with a diamond '◇'. Addressing and capturing data against these issues will help entities prepare the EIRIS questionnaire and further chances of inclusion in the FTSE4Good Index.



The **Dow Jones Sustainability Index** criteria (DJSI World) are marked with a ring '◉'. Addressing and capturing data against these issues will help entities prepare for completion of the SAM questionnaire and further chances of inclusion in the DJSI.



The **Equator Principles** are marked with a half moon '☾'. Working in conformance with these issues will assist entities in complying with the environmental and social project finance conditions of banks that have signed up to the Equator Principles.



The **OHSAS18001** Occupational Health and Safety Management System standard are marked with a '●'. These policy elements are reflective of those one would expect a professionally trained OHSAS18001 auditor to inquire into during the audit/certification process. They will therefore help entities prepare for conformance with OHSAS18001.

Sector specific supplements to this policy are available that will take into account sector best practice standards. Any entity wishing to adopt this policy should review the immediate relevance of policy content to the entity, its core business and impacts. The entity may wish to omit certain clauses as being less relevant. The entity should also refer to its own management framework, business processes and approach to splitting management functions in order to ensure integration of the policy with its own strategy and culture.



Guidance

Best practice and legal requirements

American Convention on Human Rights (ACHR, 1969) (accessed 2009). Article 15. <http://www1.umn.edu>

Code of Conduct for Law Enforcement Officials (1979) (accessed 2009). Articles 3 and 6. <http://www.unhchr.ch/>

Convention on the Rights of the Child (CRC, 1989) (accessed 2009). Articles 28, 29 and 32. <http://www.unhchr.ch>

ILO Convention 138 on Minimum Age (1974) (accessed 2009). <http://www.ilo.org>

ILO Convention 182 on the Worst Forms of Child Labour (1999) (accessed 2009). <http://www1.umn.edu>

International Covenant on Civil and Political Rights (ICCPR, 1966) (accessed 2009). Article 24. <http://www.hrweb.org>

International Covenant on Economic, Social and Cultural Rights (ICESCR, 1966) (accessed 2009). Article 10. <http://www.unhchr.ch>

Universal Declaration of Human Rights (UDHR, 1948) (accessed 2009). Article 4. <http://www.un.org>

Example policies

ABB (accessed 2009). Social Policy. <http://www.abb.com>

BP (accessed 2009). Code of Conduct. <http://www.bp.com>

British American Tobacco (accessed 2009). Child Labour Policy. <http://www.bat.com>

Dupont (accessed 2009). Principles on Child and Forced Labour. <http://www2.dupont.com>

Kraft Foods (accessed 2009). Child and Forced Labour Policy. <http://www.kraftfoodscompany.com>

National Grid (accessed 2009). Human Rights Policies. <http://www.nationalgrid.com>

Shell (accessed 2009). Business and Human Rights. <http://www.shell.com>

Tesco (accessed 2009). Suppliers and Ethical Trading. <http://www.tescopl.com>

The Coca-Cola Company (accessed 2009). Workplace Rights Policy. <http://www.thecoca-colacompany.com>

Key terms

Child labour

Child labour is generally accepted as being 'work done by children under the age of 15 that limits or damages their physical, mental, social or psychological development'. The International Labour Organisation's Minimum Age Convention does also allow 'light work' at 13 years, but prohibits 'hazardous work' until the age of 18. The UN Convention on the Rights of the Child (1989) emphasises a child's rights to childhood, development and education, which are undermined by child labour.

Child labour can take the form of employment in the manufacturing sector or in agriculture or work in the home. It can also take the form of slavery, prostitution or involvement in illegal activities such as drug trafficking. Among the underlying causes, poverty and economic disparities are critical factors.

Dealing with child labour, where it is found, needs to be done carefully because by firing children, these children may be forced into more dangerous circumstances, such as child prostitution.

Business can also play an important role in supporting programmes that address the multiple structural and social issues that combine in maintaining child labour.

Ending child labour is important because it better enables the breaking of the poverty cycle by investing children with the skills and education they need for a better future. To be addressed successfully factors such as the reasons for children working in the first place and the real opportunities that exist for such children to leave work and integrate into school also need to be taken into account.

Employers realise that, apart from obvious humanitarian and social concerns, combating child labour makes good business sense. Children who are left uneducated or are damaged physically or emotionally by early and hazardous work have little chance of becoming productive adult workers. They realise increasingly, too, that public exposure to the use of child labour can cause immeasurable reputational damage to the company.