



# Child Labor: A Strategic Guide for a Path Forward



# Foreword

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After decades of progress, there has been a huge increase in child labour in the last seven years, particularly in Africa. An average of 10,000 young African children every day have become child laborers since 2016. In the same seven years the world's GDP increased by \$12 trillion. How rich do we have to be before we end child labor?

This is a crisis that needs all stakeholders to act. Child labor in the supply chain is increasingly damaging to brands but most importantly we are, yet again, breaking our promises to our children. As long as girls and boys are working in fields, mines, shops and homes, they are not in schools. They are forced to work in place of millions of adults, thus prolonging intergenerational cycles of poverty and inequality.

The good news is that there is a powerful and proven solution—direct social protection for children. We know it works as seen through the examples of Bolsa Familia in Brazil, mid-day meals in India, and cash transfers in Ghana and Uganda. Universal social protection systems, such as pension programmes in Kenya and Tanzania, and social protection floors can support and strengthen families. Social protection eliminates extreme poverty and inequality which drives millions into child labour. It is supported by the International Organisation of Employers and many major companies.

Until every child is free, none of us are free. Please stand with the children, youth, citizens and leaders of the world to fight for our shared vision and responsibility to give every child a free, safe, healthy and educated childhood. It is time for justice for all children.

**KAILASH SATYARTHI**

Founder

Kailash Satyarthi Children's Foundation

# Overview

152 million or more children worldwide are working in fields, factories and other locations

The agricultural sector accounts for the largest share of child labour – 71 percent

A multidimensional strategy is needed to address child labor

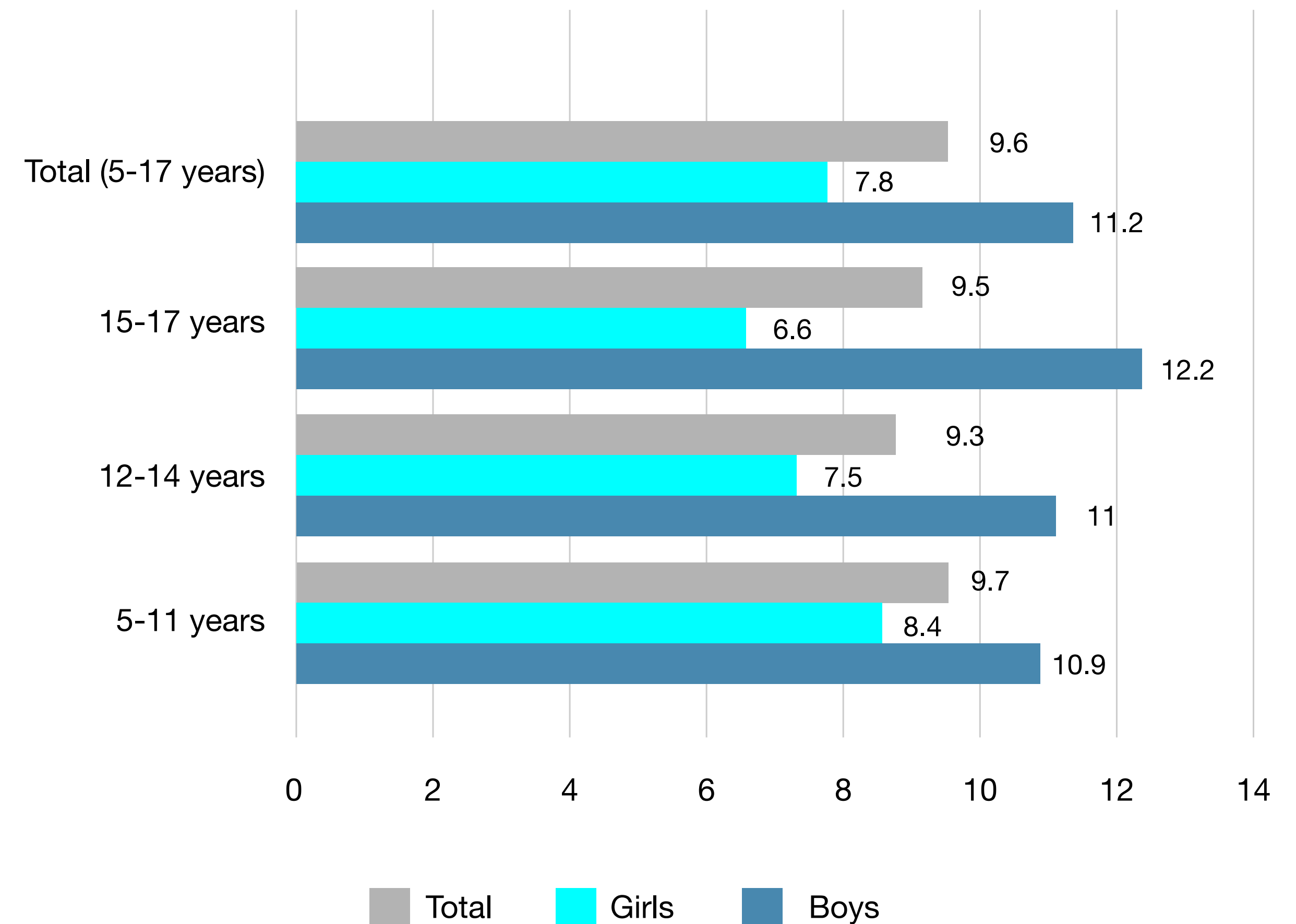
Governments, international organizations, civil society, and the corporate sector must all work together to achieve it<sup>1</sup>

Child labor is more prevalent among boys than girls at every age<sup>2</sup> - however, girls shoulder the responsibility of household chores which is not considered in child labour estimates

<sup>1</sup>“Child Labour Global Estimates 2020, Trends & The Road Forward”, UNICEF, 2020 | <https://data.unicef.org/resources/child-labour-2020-global-estimates-trends-and-the-road-forward/>

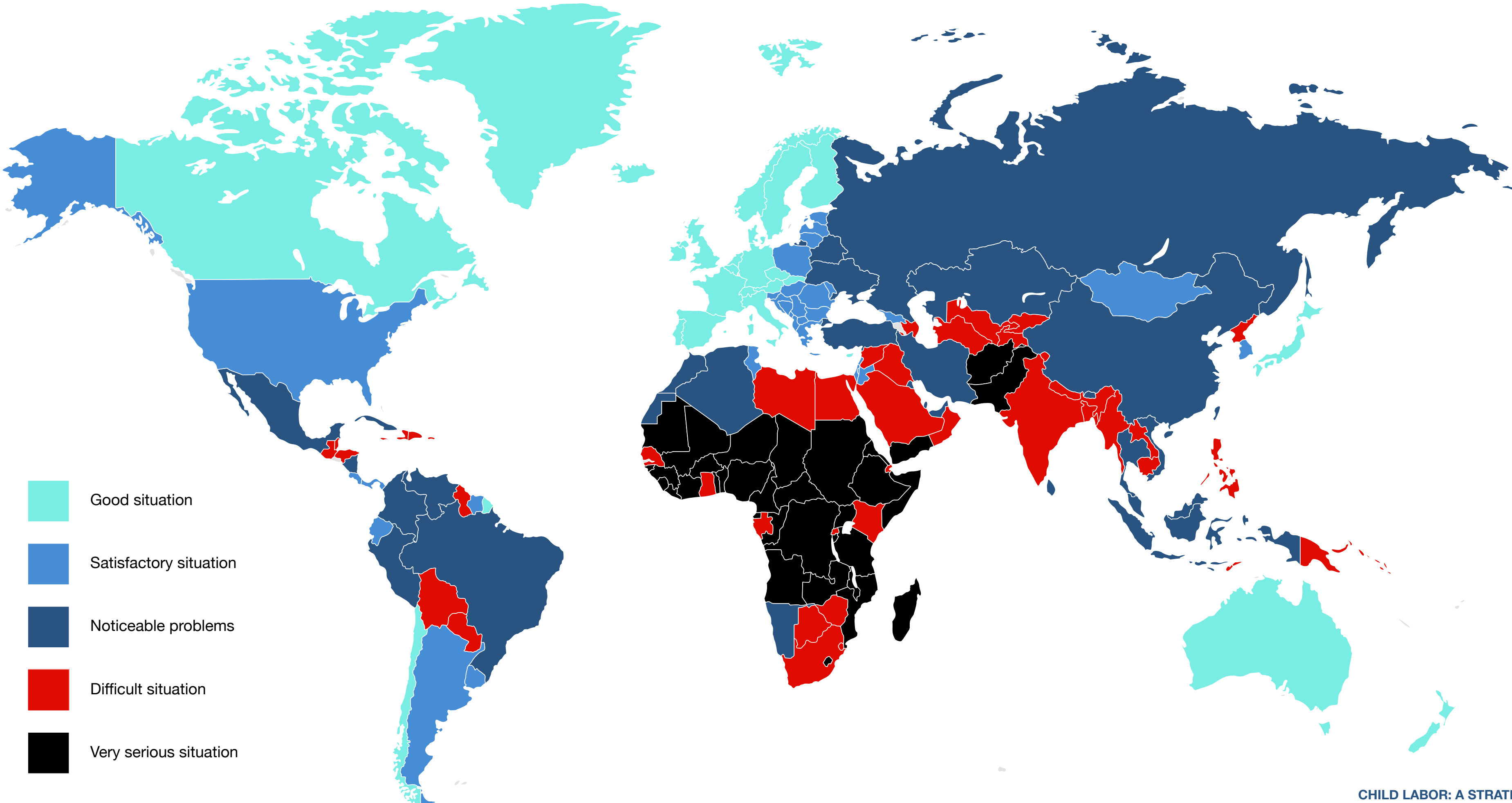
<sup>2</sup>“Impact of Unpaid Household Services on the Measurement of Child Labour”, UNICEF, 2013 | <https://data.unicef.org/resources/impact-unpaid-household-services-measurement-child-labour/>  
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Percentage of children aged 5 to 17 years in child labor, by age & sex (2021)



# Prevalence of Child Labor in the World

Asia and the Pacific, Latin America and the Caribbean have seen steady progress on child labor since 2008. Sub-Saharan Africa has not made similar headway and remains the region with the highest number of child laborers.



# Child Labor and Risk Factors

Child labor is a complex topic with several potential risk factors, such as:



Poverty



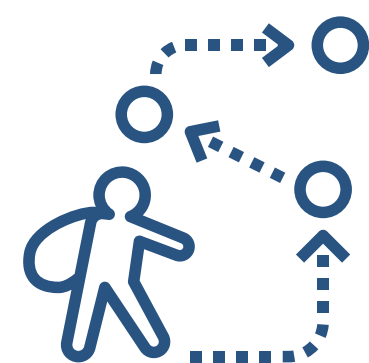
Lack of access to education



Cultural practices



Discrimination



Migration





Violence and Disasters



Weak implementation of child protection laws and lack of legal protection

# Legislation is increasingly pushing corporations to conduct human rights due diligence across their supply chains

- Countries across the globe have increasingly been passing legislation that **requires corporations to take action to prevent the violation of human rights across their own operations and across their supply chains**
- Some of the most recent legislation is listed below. Certain key features are consistent such as require the **publishing of a statement, conducting due diligence and risk mapping, taking action where risks are identified and publishing reports**

 <p>European Commission Proposed Human Rights and Environmental Due Diligence Directive</p>	<ul style="list-style-type: none"> <li>• If passed, the Directive would require EU Member States to adopt legislation requiring companies to conduct human rights and environment impact involving subject their own operations, their subsidiary operations and their value chains</li> <li>• Once the Directive is adopted, Member States would have two years to transpose it into law and Group 1 companies would be required to comply within two years, while Group 2 companies would have an additional two years (current estimates predict 2024-2025 for Group 1 compliance and 2026-2027 for Group 2)</li> </ul>	<p><b>PENDING</b></p>
 <p>Dutch Child Labor Due Diligence Law</p>	<ul style="list-style-type: none"> <li>• Requires all companies that supply goods or services to Dutch consumers – regardless of base location or size – to investigate whether they are utilizing any child labor and devise a plan to prevent child labor in their supply chains if they find any reasonable suspicion of its use</li> <li>• Companies must submit a declaration affirming that they exercised the appropriate level of due diligence</li> </ul>	<p><b>ADOPTED IN 2022</b></p>
 <p>German Supply Chain Act (LkSG)</p>	<ul style="list-style-type: none"> <li>• Requires all companies with at least 3,000 employees in Germany make reasonable efforts to ensure that there are no violations of human rights in their own operations and their supply chain</li> <li>• Measures required include risk management and analysis, publishing a policy statement, taking preventative and remedial measures, establishing a complaints procedure and reporting</li> </ul>	<p><b>ADOPTED IN 2023</b></p>

Norway also has an existing law on transparency, and the Netherlands, Austria and Belgium have broad due diligence proposals with Parliament

# Latest news articles on child labor

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**Alone and Exploited, Migrant Children  
Work Brutal Jobs Across the U.S.**

[READ HERE](#)

**McDonald's franchisees fined after 305 minors,  
including 10-year-olds, found working illegally**

[READ HERE](#)

**The Dangerous Race to Put More  
Children to Work**

[READ HERE](#)

**Work-related injuries among 5 –  
17 years-old working children in  
Egypt: findings from a national  
child labor survey**

[READ HERE](#)


**With Workers Scarce, Some  
States Seek to Loosen Child  
Labor Laws**

[READ HERE](#)



# CASE STUDIES



A young child, likely a boy, is shown in profile, wearing a camouflage-patterned hat and a striped long-sleeved shirt. He is focused on handling a large, light-colored sack, possibly containing raw material like cotton or wool. The background is filled with more sacks, suggesting a busy industrial or mining environment. The entire image is overlaid with a semi-transparent blue filter.

**Sadly, there are many examples of child labor around the world that have gone unchecked. The following are stories of underage workers foregoing an education and enduring dangerous conditions to help support their families.**

# Champa Kumari, Jharkhand

“The economic status of my family was pretty bad ... we did not have enough to eat so we used to work in a mica mine - my mother, father, and brother.”

Champa Kumari was 12 years old when she was rescued from child labor in a mica mine in Giridih district of Jharkhand, India, by Bachpan Bachao Andolan.

After starting school, she understood that she had been a victim of child labor, and soon began to take action to prevent other forms of exploitation happening to children, particularly child marriage. She joined meetings of her local Bal Mitra Gram (Child Friendly Village), led campaigns and rallies, and helped stop two child marriages.

In 2017, she was elected the Vice President of the National Level Bal Panchayat (Children’s Parliament), and during her tenure she and her co-members presented the Children’s Charter of Demands to India’s Minister of State for Labour and Employment, and the Children’s Manifesto to make the mica supply chain child labour-free to the British High Commissioner and Parliamentarians. In April 2019, she was awarded the prestigious Diana Award for being a crusader against violence and exploitation of children.





# Kajal Kumari, Jharkhand

Kajal Kumari is a 20-year-old former child laborer from a village in Jharkhand, India. She used to collect mica with her parents to support her family. At the age of 14 she was rescued from mica collection and enrolled in school. Kajal started actively participating in KSCF's Child-Friendly Village program. The children in her village elected her as the President of the Children's Council (the Bal Panchayat). As a child leader, she helped withdraw children from mica collection, enrolled them in school, prevented child marriages, raised awareness in her and surrounding villages and helped the community obtain access to the governments' welfare programs.

Through her efforts, 35 children escaped mica mining and the marriages of three children were stopped. Kajal helped children in her village continue their education through online classes while schools were closed due to COVID lockdown via phone apps and tutored some students. Kajal is now attending her first year of college in Domchanch, Koderma, India. She is studying geography and hopes to be a Police Inspector one day.

# Amar Lal, Rajasthan

Amar Lal belongs to a Banjara community in Rajasthan, India. He had never imagined going to a school as it was a distant dream. Rather, to support the family's income, Amar worked in a stone quarry with his father at the age of 6. He would often get injuries while breaking stones at the quarry. During a raid conducted at the stone quarry, he was rescued by the Bachpan Bachao Andolan team and brought to Bal Ashram Rehabilitation Centre. Growing up, he had developed a keen interest in legal studies and aspired to work for child rights.

Upon completing high school, Amar pursued Legal Studies in college. Currently, he is working as a Child Rights Lawyer and Activist. He is also appointed as a Trustee 100 Million Campaign and works as a Consultant Lawyer, at Bachpan Bachao Andolan.



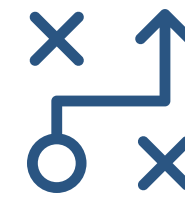
# Success Story:

Global Consumer Company partnered with GEP to develop Responsible Sourcing Policy and Supplier Code of Conduct based on Industry Best Practices



## Background and Objectives

- The client's existing Supplier Code of Conduct did not sufficiently cover all necessary focus areas, was not aligned with corporate ESG objectives and did not have explicitly defined responsible sourcing guiding principles – this was sought to be revised and covered across two documents (Responsible Sourcing Policy and Supplier Code of Conduct) or one combined document
- The firm had an evolving ESG function with Human Rights and Environmental policies under definition – discussion and alignment were therefore key to understanding and agreeing on supplier standards



## Approach

- Conducted in-depth benchmarking of current Supplier Code of Conduct against eight other firms' RSP/ Code of Conduct documents
- Defined the framework, identified key focus areas and an exhaustive list of potential elements of the target RSP and Supplier CoC
- Facilitated an in-person cross-functional 3-day workshop involving Procurement, ESG and Legal teams, to understand material issues, align on the scope of the documents, the guiding principles and requirements for suppliers, and goals for Implementation and Enforcement
- Enabled and assisted with roll-out and implementation strategy of the new policy/ CoC
- Drafted the to-be RSP and Supplier CoC combined document (as agreed during the workshop), incorporating workshop decisions

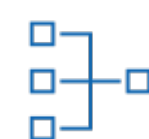


## Outcome

- **A well-structured, client-tailored and comprehensive combined Responsible Sourcing Policy and Supplier Code of Conduct document**
- **Bespoke client objectives and requirements for suppliers**
- **Defined aspirational supplier requirements for future-state versions of the policy**



**Published best in class Responsible Sourcing Policy**



**Framework for assessing Supplier Compliance and Social Impact**



**Future vision developed for Supplier monitoring and enforcement**

# Organizational Awareness

In order to ensure that your organization prioritizes efforts to prevent and reduce incidents of child labor, the first key step is to increase awareness of the issue and how businesses can address it



## Organizational Training

- Develop a curriculum to educate employees about child labor and how it may impact their organization and its supply chain
- Curriculum should address risk factors for child labor



## Internal Policies

- Draft relevant internal policies for employees that address responsibility for child labor
- Roll-out policies and incorporate into training as relevant



## Company Culture

- Integrate awareness of child labor into company culture on ongoing basis
- For example, include child labor-related activities in team building, volunteer work, or speaker series

# What actions can your organization take

Now that a light has been shed on the severity and prevalence of child labor, enterprises need to develop a robust response to the issue.

## Risk Management Framework



- Understand risk and set KPIs
- Establish governance
- Define policies and processes

## Monitoring Mechanism



- Risk prevention through sourcing and SRM processes
- Supplier engagement
- Remedial actions

## Visibility & Reporting



- Documentation and reporting
- Complaints procedure
- Dashboarding

# 1. Risk Management Framework

*Developing understanding of key risks, processes and policies to manage the risk, and centralized governance responsible for tracking compliance across the business*

## Approach



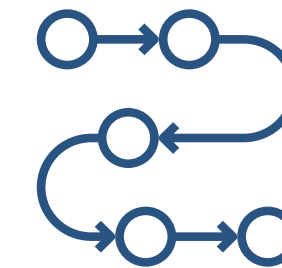
### Identify Critical Risk Areas

- Understand and map child labor risk for your business
- Define key metrics/KPIs to evaluate
- Determine what risks require higher level of monitoring



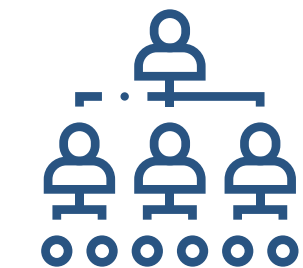
### Enforce Policies

- Draft supplier policies (Supplier Code of Conduct, Responsible Sourcing Policy) that reflect existing and potential risks
- Roll-out policy across existing supply base



### Update Processes

- Determine how to integrate risk management for child labor and tracking into current processes
- Design necessary tools (i.e., questionnaires, scorecards, etc.)



### Implement Governance

- Establish role(s) with accountability for risk management and compliance
- Define roles & responsibilities
- Establish governance across relevant groups



# 2. Monitoring, Assessment & Preventative Measures

*A comprehensive SRM approach will enable your organization to identify high risk suppliers and develop engagement plans*

## Approach



### Segment Suppliers & Set Expectations

- Existing supplier segmentation based on criteria such as risk level, organizational maturity, supplier willingness to partner
- Prioritize suppliers based on segmentation



### Define Engagement Plan

- Define engagement plan for steady state supplier engagement based on segmentation
- Determine best way to work with suppliers and track progress



### Develop Incentive Plan

- Co-develop incentive plan that suits your organization and supplier
- Incentives/penalties updated into contract
- Develop resources/programs to support high-risk suppliers

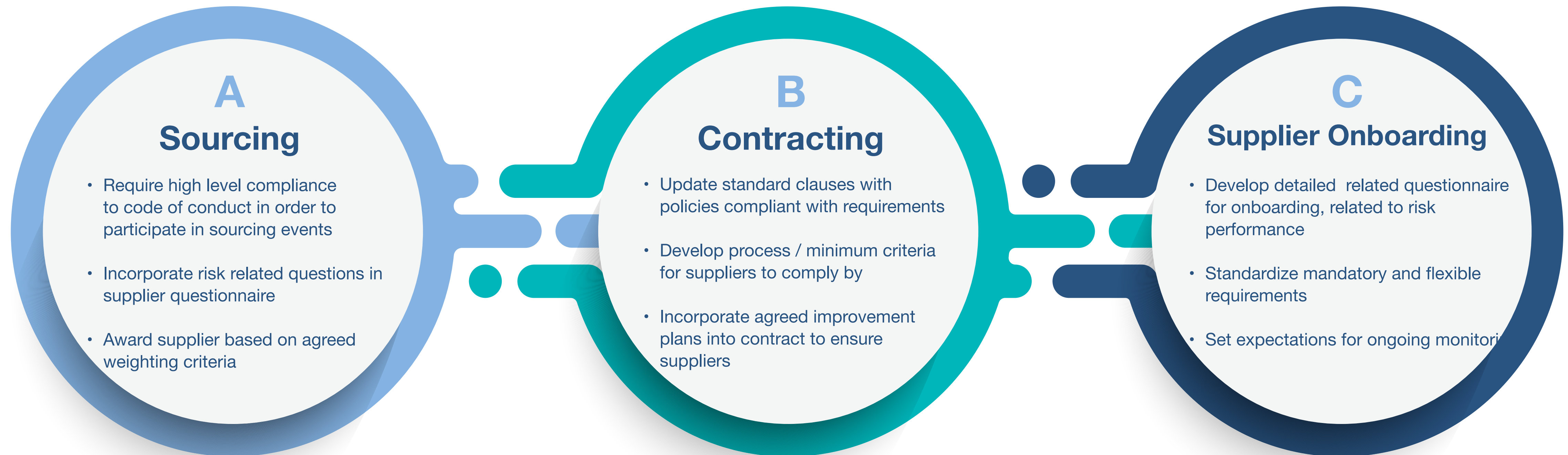


### On-going Assessment

- Annual compliance evaluation
- Report on outliers
- Ad-hoc assessment
- Execution of action plan

## 2. Monitoring, Assessment & Preventative Measures: Responsible Sourcing

*Best practice sourcing process to embed requirements across sourcing process*



# 3. Visibility and Impact Reporting

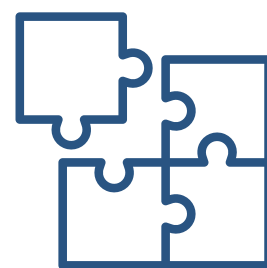
*Regular and methodical data collection and continuous engagement with suppliers will improve visibility and facilitate the reporting process*

## Approach



### Grievance mechanism

- Platform for internal staff and employees within suppliers to report child labor violation and other compliance issues
- Platform and process should protect anonymity and allow organization to take mitigating action



### Create reporting dashboards

- 360-degree view of suppliers to report on compliance
- Overview on supplier risk rating and key KPIs, spend, relationship status (strategic, critical, etc.) and completion status of improvement plan



### Policy statement

- Draft and publish policy statement that reflects company commitment to due diligence
- Regular reviews and updating of policy as needed



### Generate annual report

- Report on child labor and other human rights topics based on data collected
- Outline risk management framework, processes and ongoing efforts to ensure compliance

# Long-term actions that companies can take

- **Assess broader operational factors:** Suppliers may be more likely to engage in unethical labor practices if they are paid low prices, are asked for unrealistic lead times, or not provided fair demand notice. By enhancing ethical practices and work with suppliers, companies can help ensure that they also adhere to ethical norms
- **Address the root causes of child labor:** According to research, removing kids from one workplace won't stop child labor because they can be forced to work somewhere else. Businesses can decide whether to invest in initiatives that improve children's access to school, support the social and economic advancement of women, make up for children's financial losses when parents lose their jobs, or pursue alternative remedies to eradicate child labor entirely.
- **Create partnerships and offer support:** In order to support their efforts to eliminate child labor, businesses can work with suppliers, governments, local authorities, NGOs, trade unions, and other groups. Building relationships with local communities is also critical. This may be necessary to exchange information, important insights, resources, strategies, and combine efforts in order to address the issues, monitor, track, and manage risks.



# Advantages for companies that follow child labor practices

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- **Positive brand perception:** Businesses with stringent anti-child labor policies and practices can improve their standing with customers, shareholders, and other stakeholders. This could improve client retention, draw in new clients, and enhance revenue.
- **Better relationships with stakeholders,** such as local communities, civil society organizations, and labor unions, are possible for businesses that show a commitment to stopping child labor. This can foster a more positive work atmosphere and lower the chances of facing legal trouble or reputational harm.
- **Productivity and quality gains:** Businesses that adopt ethical labor practices, such as laws to restrict child labor, can experience gains in productivity and quality. This is because a workforce that is driven and treated well is more likely to be productive and deliver high-quality goods or services.
- **Reduced costs and risks:** By avoiding child labor, businesses can lower their risk of being sued, having their supply chains disrupted, and suffering reputational harm. As a result, expenditures for product recalls, remediation work, and lost sales may be reduced.

# How to get involved

The Kailash Satyarthi Children's Foundation US funds programmes to free, rehabilitate, and provide access to justice to thousands of survivors of child exploitation each year.

The Foundation increases its impact by using this on-the-ground experience and working in partnership to advocate for the rights of marginalised children everywhere. Our work can be supported at:

<https://satyarthi.salsalabs.org/donate/index.html>

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