



ENGAGING BUSINESS: ADDRESSING CHILD LABOR

**February 25, 2009
Atlanta, Georgia**

Summary of Key Themes & Table Discussions

On February 25, 2009, a one-day international business forum on "Engaging Business - Addressing Child Labor" was held in Atlanta, Georgia to bring together child labor experts from government, business, civil society and international organizations to share concrete experiences dealing with child labor in all its forms.

The forum was sponsored by the U.S. Council for International Business, the U.S. Chamber of Commerce and the International Organization of Employers, and the International Labor Organization (ILO), and was hosted by The Coca-Cola Company.

Participants learned about the growing business risks resulting from child labor in supply chains, how companies can strengthen efforts to address child labor, and about partners and tools that can help. What follows below are the key findings of the meeting and the input developed through facilitated table discussions during the meeting.

I. KEY THEMES:

Following are five key themes that were identified during the Child Labor Conference discussion, including dialogue and reports from the Table Exercises:

1. Addressing child labor requires the engagement of all stakeholders:

- Ongoing dialogue and engagement of all stakeholders is essential to address the issue of child labor. This will ensure that views are represented at all levels (local, national and international) in planning as well as implementation.
- Stakeholders include governments, the ILO, employers (both large and small), employer organizations, NGOs, socially responsible investors, unions and other interested members of civil society.

2. Further awareness and data accuracy are required at all levels:

- While progress has been made by the ILO, governments, NGOs, and some industries in raising awareness of the issue, it is critical to continue to build awareness of the prevalence of child labor in supply chains, especially hazardous child labor.
- Stakeholders at all levels have a role to play in building awareness, which will also build alignment and mobilize stakeholders in addressing the issue.
- Improvements are needed in data accuracy and reporting, including baseline reporting of child labor as well as accuracy in measuring the impact of initiatives to address child labor.
- Data accuracy will help to prevent distortions of the issue and ensure appropriate allocation of resources.

3. Need to leverage local good practice and holistic solutions:

- Experiences in cocoa, cotton and sugar reinforce the need for holistic solutions to address the issue of child labor. It is important to continue to share good practices as well as programs generating a positive impact, e.g., the Telefónica program in Latin America.
- Solutions require a holistic understanding of the issues of poverty, including quality education and other basic social services.
- Governments are key to addressing the issue as a national priority, and ensuring coordination among national labor, finance, education and other ministries.

4. Tools and Resources to Address Child Labor are available:

- The tools and resources developed by ILO, IOE, U.S. Dept. of Labor, CARE and others are valuable; however, there is a need to promote these tools and resources more broadly.
- All stakeholders have a role to play in ensuring that tools and resources are widely shared and used.
- Developers of the tools should share success stories regarding how the tools are used.

5. Industry-wide and supply chain perspectives are important:

- Industry-wide approaches to address child labor should be explored, as child labor is typically found in multiple entities within an industry.
- Stakeholders at all levels need to recognize that supply chains are often diverse and complex, and clarity of roles and responsibilities is required within the supply chain.
- It is critical to communicate expectations, assess against expectations, hold members of the supply chain accountable where appropriate, and take corrective action to address issues or terminate supplier relationships, where child labor standards are violated.

II. SUMMARY OF TABLE DISCUSSIONS AND KEY COMMENTS:

The meeting participants divided into facilitated discussion groups and were asked to answer the following questions:

- Of all the ideas you have heard today, which ones do you believe are most feasible in combating the issue of Child Labor at national/international levels? Which ones do you believe should be undertaken in 2009 – 2010?
- What roles should be played in implementing these ideas by companies, employers or business organizations, the ILO, governments, NGOs and others?

The results of the table discussions are presented below:

1) **Table One:**

- More social dialogue: Child Labor Takes Place In Workplaces
 - Workers
 - Employers
 - NGOs
 - Gov't.s
- Need resources (funds and organizations) on the ground
- Sustainability entails govt. buy-in & implementation
- Some industries/products are not mobile (easy to overestimate leverage)
- Best practices/models: India, Brazil, Telefónica
- Plethora of tools
- Need for a consistent message
- Need to revisit priorities (Africa, Agriculture)
- Sectoral alliances/competitive advantage: Convening power
- Interrelation of issues: e.g. child labor & education
- Do we have the right data, analysis?
 - Displacement
 - Measurement of results (short & long term)

- Reliability of Government statistics
- Bad data = distortions misallocation of resources
- Research gaps
- ILO should do more sectoral work
- Issue for ILO: Political sensitivities among ILO member states
- ILO
 - All institutions have to be involved
 - IPEC work has to be integrated
 - Rel. of child labor to discrimination
- COMPANIES
 - We know what to do
 - Need strategies/action plans
 - Corporate inventories
- DOMESTIC LABOR

2) **Table Two**

- Non-punitive approach not just cutting off contracts
- Need to understand supply chains – diverse, complex
- Consumer groups can be engaged to promote ethical consumption
- Even less so in developing countries
- Subsidy approach limited. Need to increase families ability to boost income.

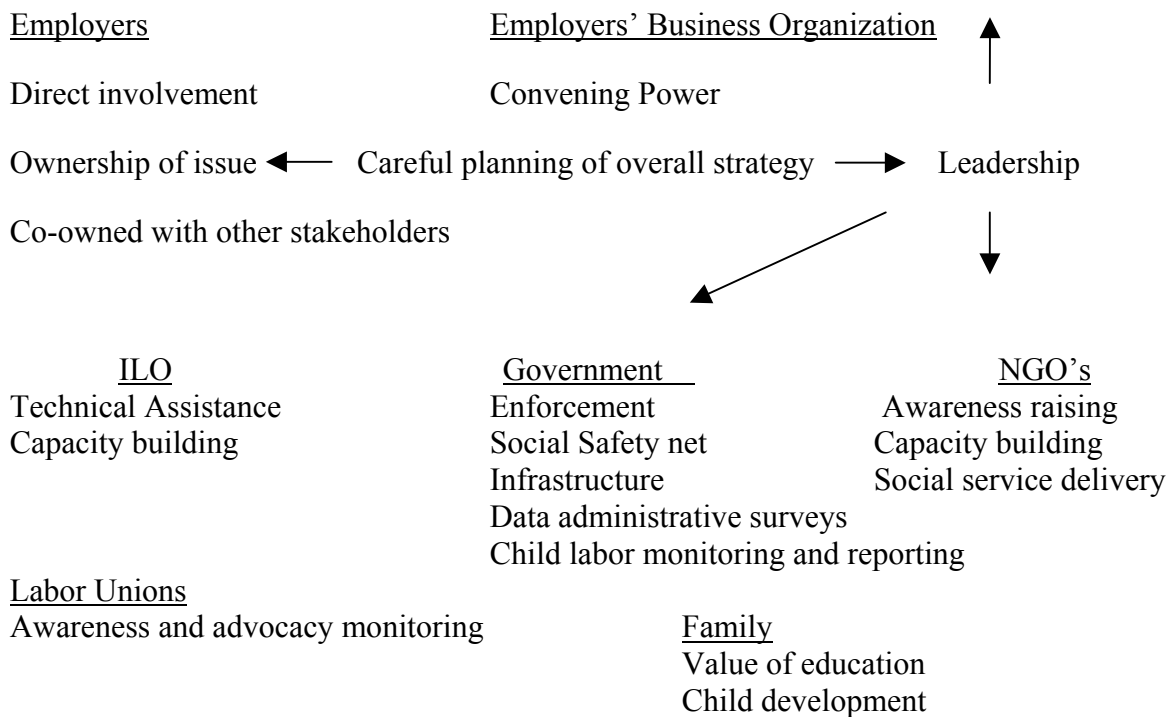
- Lack of organization and leadership in communities. Cocoa example – multi stakeholders support system but communities must be own initiative.
- Need for better coordination among gov't ministries. Consider broader economy and social context.
- Business role in lobbying gov't, esp. Finance ministries.
- Local business don't have enough influence w/gov'ts, need Multinationals support.
- Use national mechanisms national plans national child labor committee.
- Risky for companies to take the lead, expose to take the lead, expose themselves to bad publicity.
- Need for industry – wide approach
- That fits into comprehensive national plan against child labor.
- Leadership vacuum rivalries, corruption
- Smallpox example
- Big company – small company
- VW safety and health program in Mexico w/ILO.
- Cadbury's training for supply chain partners together with other food and beverage companies.
- Telefónica = hard to bring other companies in.
- HIV example – islands of privilege
- Example of Brazil – CL labour inspectorates and social services = sugar industry without major CL problems.

3) **Table Three:**

- Feasible Issues
- Collaborative, joint action across industries
 - Communication government, internal collaboration NGO's,

- Reviewing available resources
- Education and raising awareness within organization
 - Internal coordination
- Setting priorities & long-term vision/realistic goals
- Building framework and foundation for sustainability
- Learning from others
- Partnership w/NGO's and businesses to be pro-active
- Convening power of businesses

What Roles should be played by various organizations?



4) Table Four:

- Start w/ common definitions (ILO 182,138)

- Fully understand with local culture
- Broaden the stakeholder groups: industry suppliers at country level: governments, NGO's
- Identify what you want to do. Identify issues within your industry (supply chains)
- Do not attack the problem with criticism
 - Bring value added solutions
 - "Do no harm" good alternatives to income problem
- Enlist the family support.

ROLES IN IMPLEMENTING APPROACH:

1. Must establish an association to organize. Set strategy and establish local partnership with government, NGO's, etc.
2. ILO helps set framework/definitions.
3. During implementation, will need to sort out roles, funding, and education alternatives, etc. Including family.

5) **Table Five:**

- Interesting Model
 - ICI
 - Comprehensive approach addressing all levels of supply chain, industry Govt., IGO's and NGO's
 - Utilized, IPEC / ILO/D
 - Addressed CL at home/common level where it was relevant
 - Sustainability/
 - Coca-Cola EL Salvador
 - Laser focus

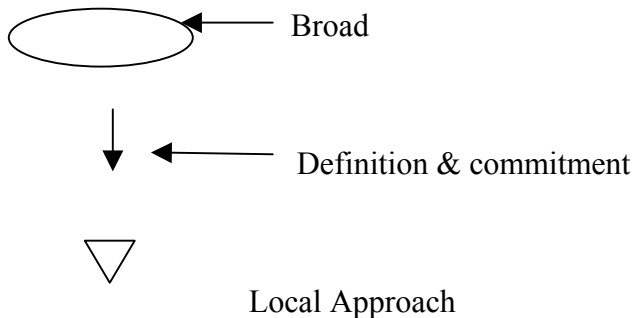
- Right players
 - IPEC
- E-understand supply chain and tracing supply all the way back
 - EG- catalyst role, convening role)IND/GEOG)
 - Comprehensive approach
 - Forum for discussion
- ILO – Global standards
 - Benchmarks
 - Tools, education
 - Tech expertise
- GOV
 - Enforce legislation
 - Support local capacity building
- NGO's- Tech
 - Tech expertise
 - Benchmarking
 - Local relationships
 - Capacity building
 - Local implementation
 - Monitoring & evaluation
 - Convening role
 - Advocacy
 - Brokerage public private partnership

6) Table Six:

LEARNINGS

- Synergies are very important. Who will lead?
- Top leadership commitment is absolutely critical (senior most leadership) “Have to own it”. This empowers: innovators to find and drive solutions.
- Don’t reinvent the wheel. Companies don’t have to start from scratch (Many tools/Many partners)
- Message to Gov’t.s - you know what the issue is - - keep it simple.
- Need clarity around intent transparency, identify roles and responsibilities “Local ownership”
- Very concrete priority. Raise awareness at Corporate and Government entities.
- Holistic thinking is vitally important, Govt. cannot just focus on cocoa
- Governments have to really own and lead. Can’t just check the box. Real commitment (like needed in corporate).
- Broad, matrix – like issue. Have to have a multi-faceted approach

Corp / Gov’t.



Learning – focus on NGO, local trade org. & get focus in the child

ILO – Knowledge sharing & generation must have integrated approach “bring people together”

- Promote the standards
- DONOR Developed Gov’t
 - Promote & support w/foreign Gov’t.s.

- Resource for implementing Gov't.s.
- NGOs – Advocacy
 - Implementation
 - (working directly w/communication & beneficiaries)
- Business
 - Promote philanthropy/social responsibility
 - Bus. Associations play key role serving as collective voice for members
 - Provide leadership in interim (short term, w/ govt. long-term)
 - Lobby Gov't.s.
 - Mobilizing industry
- National Govt.
 - Primary responsibility to enforce laws and eradicate child labor
 - Integrate children issues in budget
 - Focus on all child labor not just in specific sectors
 - Establish framework to support anti child labor initiatives (prevent children from engaging in other industries)

What is Feasible?

1. Raise awareness of child labor at corporate, national, and local levels
2. Identify leadership, partners, best practices and appropriate research and technology.
3. Define roles and responsibilities of stakeholders
4. Develop holistic approach consistent with national priorities.
5. Support and promote anti child labor activities within existing govt. initiatives.
6. Carrying out impact assessments of current/past initiatives.

7) **Table Seven**

- Identify biggest problem
 - Agriculture
 - Sector? Region?
 - Engagement of all stakeholders
 - Raise awareness in country/sector

- ERs:
 - Drive effort
 - Ownership/leadership

- ER Assignment:
 - Coordinator
 - Bring ERs to table

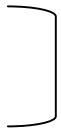
- ILO:
 - Technical expert, framework

- Governments:
 - Need their support US: DOL, State, AG- active participation

- NGO's:
 - Education/awareness
 - Utilize expertise

8) Table Eight:

Barriers:

- Interest
 - Awareness
 - Cultural barriers
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- Clear
 - Lack Education

- Root causes
- Sustainability
- Cost
- Ownership
- Identification
 - Supply chain
 - Suppliers
- Application/consistency
- Lack homogenization

FEASIBLE SOLUTIONS

- Specific goals/priorities
 - ▶ Performance
 - Values at enterprise level
 - Communication
- Education----All Actors
 - Support
 - Transfer knowledge
- Root causes analysis and find solutions
 - Shared by all
- Collaboration/communication
 - All actors

9) **Table Nine:** (no flipchart available)

10) **Table Ten:**

Coalition BU
Including Social info sustainable Dev.

- Empowering local people/NGO's
- Awareness/ operationalize knowledge to action
- Interest in parents/women

11) Table Eleven:

Providing Education:

- Reactive vs. Proactive
- Leader vs. Consensus
- Inclusive vs. Speed
- Initiator vs. Sustainer

EMP.	→	Initiator or supporters Cross-sectional solutions
EMP Assoc	→	Sustainer Stakeholders
NGO's	→	Sustainers Implementers Accountability
GOV	→	What are opportunities for engaging gov? ILO, sustainers, laws, education, safety net
Employers	→	Initiators Supporters
IND Assoc & for	→	Sustainers/ Cross sectional association
NGO's	→	Sustainers Implementers Accountability
ILO	→	Best practices/International inst. influence
GOV	→	(local US) Sustainers, laws, education, safety net

ISSUES

- Reactive vs. proactive
- Leader (speed) vs. by consensus (sustainability/accountability)
- How to empower local government
- Root cause: Identify and address

12) Table Twelve

1. Engage region in partnership in process
 - a. Challenges
 - b. Desired outcome
 - c. Cultural settings

2. Embedding CSD goals into sourcing functions
 - a. Exec. Champion
 - b. Cascade responsibility /standards, work through industry initiatives (complex supply chains)
 - c. Clear communication of expectations
 - d. Screening/approval of suppliers (time line for progress for existing suppliers)
 - e. Routine update: progress, trends, resources, etc.

Roles :

- Employers –(Brands & Suppliers)
 - Motivate government to create and enforce labor laws
 - Convener
 - Implement due diligence/monitor
 - Hold sub-contractor/supplier accountable
 - Issue/problem identification legal or reputational
 - Root cause analysis
 - Communicate intent, progress, challenges, motivation
 - Identify potential solutions
 - Share BPs

ILO

- Provide guidance /tools/resources

- Identify issues
- Interpret labor law
- Collect and disseminate statistical data share BPs

Government

- Monitoring /enforcement
- Ratifying ILO conventions
- Convening & collaborating w/industry
- Infrastructure (schools, roads, etc.)
- Communication of programs, initiatives, laws
- Research (agronomy. Etc.)

NGO's

- Local activation of programs (capacity building, support, implementation)
- Education monitoring (feedback)
- Problem identification
- Solution identification (cultural approach to motivate participation)
- Share BP's