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## **Multinational Enterprises and child labour: Insights from supply-chain initiatives in different sectors**

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# **Multinational Enterprises and child labour: Insights from supply-chain initiatives in different sectors**

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## **ABSTRACT**

This article explores possible ways in which Multinational Enterprises (MNEs) contribute to eradicating child labour in the lower tiers of their supply chains. After highlighting key insights from academic literature and policymaking on definitions and approaches, we examine several innovative multi-stakeholder partnerships—from the coffee, cocoa, and textile sectors—to show how MNEs promote and implement interventions aiming to address root causes of child labour. Engaging with organizations that are well-rooted in local communities and using common and practical definitions seem crucial. We reflect on implications for day-to-day practice and policymaking and for further research.

**Keywords:** Child labour, multinational enterprises, non-governmental organizations, multi-stakeholder initiatives, partnerships

## **INTRODUCTION**

Much has been written already about the role and responsibilities of Multinational Enterprises (MNEs) in addressing human rights violations in their supply chains, with considerable attention for different ways to help reduce them, including (voluntary) codes of

conduct, multi-stakeholder (certification) standards and due diligence requirements.<sup>1</sup> However, we have only limited knowledge of their impact in lower tiers of supply chains, partly due to the inherently complex and messy nature in which production, trade and sourcing is taking place nowadays, and the many steps/stages in between origin (components, raw materials) to final usage. Consequently, both companies and scholars lack a good understanding of the actors involved and the situations in which worst offenses are taking place and can be addressed.

Most controversial and disconcerting amongst these human rights violations has been child labour. Recently published estimates on its prevalence is 160 million children world-wide, a number that, after 15 years of steady decline, has increased by over 8 million over the past 4 years.<sup>2</sup> Determining how many of these child labourers are directly or indirectly linked to global supply chains is challenging, but recent estimates arrive at 9-26% of child labour as being related to exports.<sup>3</sup> MNEs may not be (or choose not to be) aware of child labour in their supply chains, but societal, consumer and activist pressure have led to bans particularly in the visible and more easily traceable parts of their supply chains. However, as a result of the growing global recognition that child labour is to be avoided, child labour is increasingly taking place beyond the first tier or in further outsourced (hidden) sections of the supply chain (including the informal sector), making it even more difficult to detect and act upon. Recognizing that child labour is a complex problem that is rooted in many different political, economic, and societal causes, companies interested in undertaking action often do not know where to start.

Zooming in on child labour as part of a broader range of human rights violations that can take place in supply chains, this article explores possible ways in which MNEs contribute to eradicating child labour in the lower tiers of their supply chains. After highlighting key insights from academic literature and policymaking on definitions and approaches, we examine several innovative multi-stakeholder partnerships—from the coffee, cocoa, and textile sectors—to show how MNEs promote and implement interventions aiming to address root causes of child labour. The article concludes with reflections on the implications for day-to-day practice and policymaking and for further research.

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<sup>1</sup> See e.g.: Ans Kolk and Rob van Tulder, 'The Effectiveness of Self-Regulation', *European Management Journal* 20, no. 3 (2002): 260–71; Luc Fransen, Ans Kolk, and Miguel Rivera-Santos, 'The Multiplicity of International Corporate Social Responsibility Standards: Implications for Global Value Chain Governance', *Multinational Business Review* 27, no. 4 (9 December 2019): 397–426; Dorothea Baur and Guido Palazzo, 'The Moral Legitimacy of NGOs as Partners of Corporations', *Business Ethics Quarterly* 21, no. 4 (2011); Kenneth W Abbott and Duncan Snidal, 'The Governance Triangle: Regulatory Standards Institutions and The Shadow of the State', in *The Politics of Global Regulation*, ed. Walter Mattli and Ngaire Woods (Princeton: Princeton University Press, 2009), 44–88.

<sup>2</sup> ILO and UNICEF, 'Child Labour: Global Estimates 2020, Trends and the Road Forward.' (New York: International Labour Office and United Nations Children's Fund, 2021), [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---ipec/documents/publication/wcms\\_797515.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_797515.pdf).

<sup>3</sup> Ali Alsamawi et al., 'Measuring Child Labour, Forced Labour and Human Trafficking in Global Supply Chains: A Global Input-Output Approach. Technical Paper' (International Labour Organization, Organisation for Economic Co-operation and Development, International Organization for Migration and United Nations Children's Fund, 2019).

## EXISTING KNOWLEDGE ON CHILD LABOUR

Below we will first briefly discuss definitions of child labour, and subsequently indicate main causes and approaches adopted to reduce its occurrence at national and local levels. The multi-stakeholder partnerships involving business that are presented in the second half of this article will be contextualized and assessed based on this analysis. Notably, existing evidence predominantly stems from programmes targeted at individual/family-levels, sometimes in coherence with state interventions, but do not directly touch upon firms/MNEs, let alone their role in supply chains, a gap we aim to help fill in our work here.

### Defining child labour

To address child labour, clear definitions are necessary—but this is by no means clear-cut. Leading in this realm is the International Labour Organization (ILO), and a commonly used definition involves “work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development.”<sup>4</sup> Some documents complement it with an educational element, by adding (after “development”) “including *by interfering with their education* [emphasis added].”<sup>5</sup> More specific are six categories identified by ILO as relevant (distinguishing children in respectively, light work, employment, household activities, hazardous work, child labour and the worst forms of child labour.<sup>6</sup> However, these categories concern different age ranges and overlap to different extents, as shown in Table 1. The type of activities relative to the age of the child determine whether specific activities are to be considered child labour.

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<sup>4</sup> ILO and Inter-Parliamentary Union, ‘Eliminating the Worst Forms of Child Labour. A Practical Guide to ILO Convention No. 182’ (Geneva: International Labour Organization & Inter-Parliamentary Union, 2002), 16, [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/publication/wcms\\_172685.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---exrel/documents/publication/wcms_172685.pdf).

<sup>5</sup> *How to Do Business with Respect for Children’s Right to Be Free from Child Labour: ILO-IOE Guidance for Employers* (Geneva: ILO, 2015), 15.

<sup>6</sup> ILO, ‘Global Estimates of Child Labour. Results and Trends, 2012 -2016’ (Geneva: International Labour Organization, 2016), [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_575499.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_575499.pdf).

**Table 1: Conceptualizations of child labour <sup>a</sup>**

Age group	Economic activities <sup>b</sup>				Non-economic activities	
	Light work	Regular work	Worst forms of child labour		Hazardous unpaid household services	Other work
			Hazardous work	Worst forms of child labour other than hazardous work		
<i>Children below minimum age specified for light work (e.g., under 11)</i>	Employment and other forms of work	Employment and other forms of work	Work in industries and occupations designated as hazardous, or work for long hours and/or at night in industries and occupations not designated as hazardous	Children trafficked for work; forced and bonded child labour; commercial sexual exploitation of children; use of children for illicit activities and armed conflict	Own-use production of services or volunteer work in household producing services for long hours; involving unsafe equipment or heavy loads; in dangerous locations; etc.	
<i>Children specified in age range for light work (e.g., 12 - 14)</i>						
<i>Children at or above the general minimum working age (e.g., 15 -17 years)</i>						

Note: Dark grey = child labour; Light grey = No child labour

a. Adapted from ILO, 'Resolution to Amend the 18th ICLS Resolution Concerning Statistics of Child Labour' (Geneva: 20th International Conference of Labour Statisticians, 2018), [https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms\\_647347.pdf](https://www.ilo.org/wcmsp5/groups/public/---dgreports/---stat/documents/meetingdocument/wcms_647347.pdf).

b. Economic activity refers to activities categorized under the 2008 United Nations System of National Accounts (SNA) which include employment work, own-use production of goods, unpaid trainee work, volunteer work in market and non-market units and volunteer work in household producing of goods in line with the 19th ICLS Resolution concerning statistics of work, employment, and labour underutilization, 2013.

c. Exact age boundaries may differ slightly per country.

Three main Conventions provide the legal framework for defining child labour: The ILO Convention 138 on the Minimum Age (1973), the UN Convention of the Rights of the Child

(1989) and the ILO Convention on the Worst Forms of Child Labour (1999). The ILO Convention 138 was the first Convention which aimed at providing a universal standard for unacceptable work by children, while at the same time leaving room for countries' diverse economic conditions and specific resource constraints. For example, the Convention included categories of 'light work' permissible for children under the minimum age for education, and 'hazardous work' to indicate non-permissible categories of work for children under 18. Specific definitions of what was to be considered 'light work' or 'hazardous work' were lacking. Furthermore, Convention 138 provided the possibility to exclude certain categories and industries of employment and work (Article 4 and Article 5) from falling under the Convention. This leads to the conclusion that although ILO definitions have been relatively consistent throughout the years, they leave much room for (national) interpretation.

For MNEs this situation poses several challenges. In the first place they have to deal with different (national) categorizations of child labour. Furthermore, indirect forms of child labour—i.e., children not directly employed within the company supply chain but contributing indirectly such as children helping parents picking cotton or trimming clothes—are not covered by Convention 138 but can still be considered child labour (by Convention 182 and/or by popular opinion that provides a reputational risk for MNEs). Consequently, for entities operating at an international level and having to deal with different definitions in different national contexts, the assessment and measurement of child labour is a complex process. Age boundaries differ, in some cases only paid work is included as child labour, and there is no clear consensus about the threshold of acceptable working hours.<sup>7</sup> These inconsistencies make it difficult to conduct meaningful comparisons between studies and build a solid evidence base for effective interventions. Moreover, it is not always clear for companies when something is considered child labour and when not, with important implications for identification and remediation activities. In order to comply with the exact national and international definitions of child labour companies may end up with very long surveys to be able to assess in which exact cases there is child labour (or not), as the identification of child labour entails a combination of type and intensity of work, and the age of the child.<sup>8</sup>

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<sup>7</sup> The latest ILO and UNICEF report on child labour statistics (2021) does explicitly state the thresholds referring to acceptable hours of household chores for children below the minimum working age (maximum of 21 hours per week), and for acceptable hours of employment or non-hazardous occupations (14 hours (ages 12 – 14) and 43 hours (ages 15 -17). However, earlier research by UNICEF or national hazardous activity frameworks use (slightly) different thresholds and definitions. ILO and UNICEF, 'Child Labour: Global Estimates 2020, Trends and the Road Forward.'; UNICEF, ed., *Women and Children: The Double Dividend of Gender Equality*, The State of the World's Children 2007 (New York, NY: UNICEF, 2006); ICI, 'Comparative Analysis of Child Labour Decrees in Cameroon, Cote d'Ivoire and Ghana' (International Cocoa Initiative, n.d.), [https://cocoainitiative.org/wp-content/uploads/2021/05/Comparative-analysis-of-child-labour-decrees-GHA-CIV-CMR\\_26\\_05\\_21.pdf](https://cocoainitiative.org/wp-content/uploads/2021/05/Comparative-analysis-of-child-labour-decrees-GHA-CIV-CMR_26_05_21.pdf).

<sup>8</sup> See for an example the detailed activity framework on Hazardous child labour in Ghana: [https://cocoainitiative.org/wp-content/uploads/2018/12/Hazardous-Activity-Framework\\_2016-002.pdf](https://cocoainitiative.org/wp-content/uploads/2018/12/Hazardous-Activity-Framework_2016-002.pdf)

## Existing research on causes and policy solutions

To assess the best possible entry points for MNEs to meaningfully contribute to the eradication of child labour, knowing more about key reasons for its occurrence is important. Research shows that child labour has a wide range of different causes, of which poverty is an important, but not the only, one. To the dominant literature from around the turn of the century that focused mainly on poverty and credit constraints as main drivers of child labour,<sup>9</sup> later studies added a variety of other influential variables, such as the influence of parental education, attitudes (social norms) towards child labour, lack of access to quality education and poor enforcement of existing (child) labour laws.<sup>10</sup> Overall, the existing body of work has paid more attention to the so-called ‘supply side’ (i.e., which factors push children into child labour, see the next paras below) than to the ‘demand side’ (i.e. which variables create conducive circumstances for child labour to take place). Demand-side variables include business conduct that creates risks for child labour and other human rights violations in supply chains, including lack of awareness, capacity and policy commitment to respect human rights (including child labour), as well as economic and commercial pressures leading to practices such as outsourcing of production and production quotas that have been associated with the use of child labour.<sup>11</sup> In some cases also (supposed) technical requirements that some work is best carried out by children (what has been

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<sup>9</sup> See influential work from key scholars such as: Kaushik Basu and Pham Huang Van, ‘The Economics of Child Labor’, *The American Economic Review* 88, no. 3 (1998): 412–27; Christiaan Grootaert and Harry Anthony Patrinos, ‘A Four-Country Comparative Study of Child Labor’ (Economics of Child Labour, World Bank, 2002), 41; Eric V. Edmonds, ‘Does Child Labor Decline with Improving Economic Status?’, *National Bureau of Economic Research Working Paper*, no. 10134 (2003); Ranjan Ray, ‘Child Labor, Child Schooling, and Their Interaction with Adult Labor: Empirical Evidence for Peru and Pakistan’, *The World Bank Economic Review* 14, no. 2 (2000): 347–67; Jean-Marie Baland and James A. Robinson, ‘Is Child Labor Inefficient?’, *Journal of Political Economy* 108, no. 4 (2000): 663–79; Priya Ranjan, ‘Credit Constraints and the Phenomenon of Child Labor’, *Journal of Development Economics* 64, no. 1 (2001): 81–102.

<sup>10</sup> See for example: Patrick M. Emerson and André Portela Souza, ‘Is There a Child Labor Trap? Intergenerational Persistence of Child Labor in Brazil’, *Economic Development and Cultural Change* 51, no. 2 (2003): 375–98; Ranjan Ray, ‘Analysis of Child Labour in Peru and Pakistan: A Comparative Study’, *Journal of Population Economics* 13, no. 1 (2000): 3–19; Saqib Jafarey and Sajal Lahiri, ‘Will Trade Sanctions Reduce Child Labour?’, *Journal of Development Economics* 68, no. 1 (2002): 137–56; Ozge Sensoy Bahar, ‘Should They Work or Should They Not? Low-Income Kurdish Migrant Mothers’ Beliefs and Attitudes About Child Labor’, *Global Social Welfare* 1, no. 1 (March 2014): 37–52; Emily Delap, ‘Child Housework in Urban Bangladesh: An Exploration of Intra-Household Labour Deployment’, *Journal of International Development* 12, no. 5 (July 2000): 723; Martin Ravallion and Quentin Wodon, ‘Does Child Labour Displace Schooling? Evidence on Behavioural Responses to an Enrollment Subsidy’, *The Economic Journal* 110, no. 462 (2000): C158–75; Daron Acemoglu and Joshua Angrist, ‘How Large Are Human-Capital Externalities? Evidence from Compulsory Schooling Laws’, *NBER Macroeconomics Annual* 15 (2000): 9–59.

<sup>11</sup> ILO et al., ‘Ending Child Labour, Forced Labour and Human Trafficking in Global Supply Chains’ (Geneva: International Labour Organization, Organisation for Economic Co-operation and Development, International Organization for Migration and United Nations Children’s Fund, 2019), [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---ipecc/documents/publication/wcms\\_716930.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipecc/documents/publication/wcms_716930.pdf).

called the ‘nimble finger myth’) can play a role.<sup>12</sup> We also note that most studies tend to focus on the national or local levels, and interventions from actors other than companies. Although the interaction between the responsibility of the state (adequate legislation and enforcement), socio-economic pressures facing individuals and business conduct is often acknowledged as contributing factors, (academic) research related to child labour seems primarily focused on the first two.

In looking at existing empirical research, there is a wealth of evidence that reports on the effectiveness of (both conditional and unconditional) cash transfers in reducing child labour.<sup>13</sup> In an overview of 23 evaluations of conditional cash transfer schemes, De Hoop and Rosati<sup>14</sup> conclude that both conditional as well as unconditional cash transfers reduce child labour and the number of hours that children work. Transfers mitigate the shocks that may induce households to resort to child labour. Their review shows that boys experience significant decreases in economic work while girls experience decreases in household chores. In more recent studies, Dammert et al. and the International Cocoa Initiative provide useful overviews of the literature on the effectiveness of conditional and unconditional cash transfers showing a solid evidence base for the mostly positive results.<sup>15</sup> Although the evaluated cash transfer programmes have mainly been part of government-funded programmes, some companies are also experimenting with including cash transfers as a remediation tool to address child labour in their supply chains.<sup>16</sup>

Regarding interventions to increase employment opportunities the results are more ambiguous. For increased self-employment opportunities by creating access to loans, in-kind assets and/or business training, the empirical evidence does not point in one specific direction.

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<sup>12</sup> ILO, ‘Child Labour in Cotton: A Briefing’ (Geneva: International Labour Organization, 2016).

<sup>13</sup> Eric V Edmonds and Norbert Schady, ‘Poverty Alleviation and Child Labor’, *American Economic Journal: Economic Policy* 4, no. 4 (2012): 100–124; Sebastian Galiani and Patrick J. McEwan, ‘The Heterogeneous Impact of Conditional Cash Transfers’, *Journal of Public Economics* 103 (2013): 85–96; Eric V. Edmonds, ‘Child Labor and Schooling Responses to Anticipated Income in South Africa’, *Journal of Development Economics* 81, no. 2 (2006): 386–414; Emmanuel Skoufias et al., ‘Conditional Cash Transfers and Their Impact on Child Work and Schooling: Evidence from the PROGRESA Program in Mexico [with Comments]’, *Economía* 2, no. 1 (2001): 45–96; Norbert Schady et al., ‘Cash Transfers, Conditions, and School Enrollment in Ecuador [with Comments]’, *Economía* 8, no. 2 (2008): 43–77; Ana C. Dammert, ‘Heterogeneous Impacts of Conditional Cash Transfers: Evidence from Nicaragua’, *Economic Development & Cultural Change* 58, no. 1 (2009): 53–83; Eric V. Edmonds and Maheshwor Shrestha, ‘You Get What You Pay for: Schooling Incentives and Child Labor’, *Journal of Development Economics* 111 (2014): 196–211.

<sup>14</sup> Jacobus de Hoop and Furio C. Rosati, ‘Cash Transfers and Child Labor’, *The World Bank Research Observer* 29, no. 2 (2014): 202–34.

<sup>15</sup> ICI, ‘The Effects of Income Changes on Child Labour. A Review of Evidence from Smallholder Agriculture’ (Geneva: International Cocoa Initiative, 2020), [https://cocoainitiative.org/wp-content/uploads/2020/04/ICI\\_Lit\\_Review\\_Income\\_ChildLabour.pdf](https://cocoainitiative.org/wp-content/uploads/2020/04/ICI_Lit_Review_Income_ChildLabour.pdf); Ana C. Dammert et al., ‘Effects of Public Policy on Child Labor: Current Knowledge, Gaps, and Implications for Program Design’, *World Development* 110 (2018): 104–23.

<sup>16</sup> Tony Chocolonely, ‘Chocolonely Foundation’, Tony’s Chocolonely, accessed 15 June 2021, <https://tonyschocolonely.com/nl/en/other-stuff/chocolonely-foundation>; ICI, ‘ICI Annual Report 2020’ (Geneva: International Cocoa Initiative, 2021), [https://cocoainitiative.org/wp-content/uploads/2021/05/ICI-Annual-Report-2020\\_ENGLISH.pdf](https://cocoainitiative.org/wp-content/uploads/2021/05/ICI-Annual-Report-2020_ENGLISH.pdf).



There are two common hypotheses in this regard. The first is that in a household where it becomes more attractive for children to work due to new income opportunities, children may increase their working hours and reduce school attendance. The other is that with adults gaining new income opportunities, children may be ‘used’ to substitute their parents in the activities they previously conducted. Although three different studies from Pakistan (business training and microcredit), Bangladesh (business and vocational training) and India (public employment) indeed show empirical evidence for these hypotheses<sup>17</sup>, many others paint a different picture with either mixed effects, no effects, or the intended positive effects of these interventions.<sup>18</sup>

Interventions that focus on increasing school attendance through schooling subsidies, school constructions or direct incentives (such as food for education transfers) appear to both increase school attendance and reduce child labour, although the effects on the former appear to be much larger.<sup>19</sup> However, there are also indications that these interventions risk to increase child labour, as improving access to schooling may free up time that children spend on working, thus increasing school attendance as well as participation in paid work and/or household activities.<sup>20</sup>

Scientific evidence on the effects of awareness-raising activities/programmes in reducing child labour is limited. Awareness-raising activities are often combined with other interventions making it difficult to single out specific effects. Moreover, awareness-raising is in itself more difficult to measure, especially using rigorous research methods such as randomized control trials. In their research on the impact of microcredit, Banerjee et al. also looked at the impact of an education campaign on social issues, in which they saw no significant changes in attitudes and

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<sup>17</sup> Oriana Bandiera et al., ‘Can Basic Entrepreneurship Transform the Economic Lives of the Poor?’, IZA Discussion Paper, 2013, <https://ssrn.com/abstract=2266813>; Xavier Giné and Ghazala Mansuri, *Money or Ideas? A Field Experiment on Constraints to Entrepreneurship in Rural Pakistan*, Policy Research Working Papers (The World Bank, 2014), <https://doi.org/10.1596/1813-9450-6959>; Manisha Shah and Bryce Millett Steinberg, ‘Workfare and Human Capital Investment: Evidence from India’ (Cambridge, MA: National Bureau of Economic Research, 2015), <https://doi.org/10.3386/w21543>.

<sup>18</sup> Orazio Attanasio et al., ‘The Impacts of Microfinance: Evidence from Joint-Liability Lending in Mongolia’, *American Economic Journal: Applied Economics* 7, no. 1 (2015): 90–122; Abhijit Banerjee et al., ‘The Miracle of Microfinance? Evidence from a Randomized Evaluation’, *American Economic Journal: Applied Economics* 7, no. 1 (2015): 22–53; Yonatan Dinku, ‘The Impact of Public Works Programme on Child Labour in Ethiopia’, *South African Journal of Economics* 87, no. 3 (2019): 283–301; Randall Juras, ‘The Effect of Public Employment on Children’s Work and School Attendance: Evidence from a Social Protection Program in Argentina’, *IZA Journal of Labor & Development* 3, no. 1 (2014): 14; Nina Rosas and Shwetlena Sabarwal, *Public Works as a Productive Safety Net in a Post-Conflict Setting: Evidence from a Randomized Evaluation in Sierra Leone* (World Bank, Washington, DC, 2016), <https://doi.org/10.1596/1813-9450-7580>.

<sup>19</sup> Joshua Angrist et al., ‘Vouchers for Private Schooling in Colombia: Evidence from a Randomized Natural Experiment’, *The American Economic Review* 92, no. 5 (2002): 37; Harounan Kazianga et al., ‘The Effects of “Girl-Friendly” Schools: Evidence from the BRIGHT School Construction Program in Burkina Faso’, *American Economic Journal: Applied Economics* 5, no. 3 (2013): 41–62; Sebastian Martinez and Sophie Naudeau, ‘The Promise of Preschool in Africa’: Ravallion and Wodon, ‘Does Child Labour Displace Schooling?’

<sup>20</sup> Jacobus de Hoop and Furio C. Rosati, ‘Does Promoting School Attendance Reduce Child Labor? Evidence from Burkina Faso’s BRIGHT Project’, *Economics of Education Review* 39 (2014): 78–96, <https://doi.org/10.1016/j.econedurev.2013.11.001>.

knowledge with regard to the legal age for marriage and the role of mothers in fertility decisions; knowledge and attitudes on child labour were not measured though.<sup>21</sup> Two independent research institutes evaluated programmes of the Stop Child Labour Coalition, in which social norm change is a key element in combatting child labour (in combination with broader interventions such as improving financial resilience of parents and access to quality education, and engaging policy-makers at different levels).<sup>22</sup> They concluded that areas where the programmes were implemented saw substantive changes in social norms regarding child labour and education, with the number of children in child labour dropping significantly.<sup>23</sup> However, in both cases it was not possible to disentangle the effects of changing social norms and of the other interventions taking place simultaneously. Recent research carried out in the cocoa sector in Ghana and Cote d'Ivoire also assessed the impact of awareness-raising campaigns and concluded that although knowledge on child labour had increased among respondents, awareness-raising alone seemed not sufficient to change practices around working children. They further noted that interventions focusing on the health consequences of working children seemed more effective than awareness-campaigns addressing child labour from a legislative perspective.<sup>24</sup>

## CHILD LABOUR IN MULTINATIONALS' SUPPLY CHAINS

As noted, the above-mentioned causes and solutions are primarily focused on interventions at the national and local level. For the international picture, MNEs, which by definition operate across borders, are important, especially in the absence of binding global legislation. As such, child labour occurs frequently in (parts of) MNEs' supply chains, in a large variety of sectors; the latest overview of the US Department of Labour includes 155 goods from 77 countries that are produced with child labour and/or forced labour.<sup>25</sup> Thus far, MNEs have dealt with human rights issues in their supply chains in three main ways: (1) (voluntary) corporate codes; (2) multi-stakeholder (certification) standards; (3) due diligence requirements. These approaches, briefly discussed below, are not mutually exclusive; certification standards may for example include aspects related to due diligence (such as the establishment of policies addressing human rights issues).

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<sup>21</sup> Abhijit Banerjee et al., 'Targeting the Hard-Core Poor: An Impact Assessment', 2011.

<sup>22</sup> <https://stopchildlabour.org/child-labour-free-zones/>

<sup>23</sup> Aidenvironment, 'Stop Child Labour - Out of Work Programme - End Term Evaluation.' (Amsterdam, 2017), [https://www.stopchildlabour.org/assets/Final-report-Hivos-child-labour-programme-evaluation-2017\\_ZN.pdf](https://www.stopchildlabour.org/assets/Final-report-Hivos-child-labour-programme-evaluation-2017_ZN.pdf); Adante, 'Is the End of Child Labour in Sight? A Critical Review of a Vision and a Journey. Synthesis Report.' (The Hague: Stop Child Labour, 2015), [https://cocoainitiative.org/wp-content/uploads/2017/10/8\\_HIVOS.pdf](https://cocoainitiative.org/wp-content/uploads/2017/10/8_HIVOS.pdf).

<sup>24</sup> NORC, 'Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d'Ivoire and Ghana. NORC Final Report.' (Chicago: National Opinion Research Center. University of Chicago, 2020).

<sup>25</sup> ILAB, '2020 List of Goods Produced by Child Labor or Forced Labor' (US Department of Labour Bureau of International Labor Affairs (ILAB), 2020).

## Corporate codes

Voluntary corporate codes of conduct to govern and promote responsible business behaviour have been around for many decades already.<sup>26</sup> Embraced by firms as a way of being able to gain control over the way in which to shape corporate social responsibility (CSR) as opposed to being bound to government legislation on how international operations should take place,<sup>27</sup> this type of self-regulation became increasingly popular, adopted by both firms themselves and by their business associations. The way in which these voluntary codes are formulated varies in their commitment to address human rights violations (including child labour).<sup>28</sup> Some can be assessed as largely symbolic while others seem to make a significant effort to address violations in their supply chains.<sup>29</sup> Early research on corporate codes of conduct in the garment industry showed that these voluntary commitments might be effective instruments in raising awareness about ways to address child labour, including for example the importance of monitoring and compliance systems.<sup>30</sup>

However, issues with even the most advanced approaches abound, and there continue to be attempts at guidance for firms. For example, recently guidelines were developed for companies under the Dutch Agreement on Garment and Textile on (a long list of) aspects considered key in the development of a child labour code and/or policy. They include definitions of child labour; the relationship with other issues (gender, discrimination, forced labour) and related policies to address them; collaboration with other actors; risk assessments on child rights risks and how to address issues and underlying causes; assessment of buying practices in relation to child labour risks; and the inclusion of concrete indicators to implement and monitor commitments to addressing child labour.<sup>31</sup>

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<sup>26</sup> See e.g.: Ans Kolk and Rob van Tulder, 'Setting new global rules? TNCs and codes of conduct', *Transnational Corporations* 14, no. 3 (2005): 1-27; Ans Kolk, Rob van Tulder and Carlijn Welters, 'International codes of conduct and corporate social responsibility: can TNCs regulate themselves?' *Transnational Corporations*, 8, no. 1, (1999): 143-180.

<sup>27</sup> See also Ian Maitland, 'The Limits of Business Self-Regulation', *California Management Review* 27, no. 3 (1985): 132-47.

<sup>28</sup> Ans Kolk and Rob van Tulder, 'Setting new global rules?'; Ans Kolk and Rob van Tulder, 'Ethics in international business: multinational approaches to child labour', *Journal of World Business* 39, no. 1 (2004): 49-60.

<sup>29</sup> Bindu Arya and Jane E. Salk, 'Cross-Sector Alliance Learning and Effectiveness of Voluntary Codes of Corporate Social Responsibility', *Business Ethics Quarterly* 16, no. 2 (2006): 211-34.

<sup>30</sup> Kolk and van Tulder, 'The Effectiveness of Self-Regulation'.

<sup>31</sup> FLA, 'Guidelines for Improving Policies and Practices on Child Labour and Forced Labour' (Fair Labor Association, IRBC Agreements, Social and Economic Council (SER)), accessed 14 June 2021, <https://www.imvoconvenanten.nl/-/media/imvo/files/kleding/child-labour/d-child-labour-forced-labour.pdf?la=en&hash=6CF83B91EA8BEBEB72C4979B08B5E6>.

## Multi-stakeholder (certification) standards

Besides the existence of business codes, such guidelines for responsible behaviour have over time also been developed and governed by multi-stakeholder initiatives; sometimes accompanied by standards for certification.<sup>32</sup> They provide a way for companies to show to what extent their activities respect environmental issues and human rights, but in contrast to business codes described above, these social standards are developed by a wider group of actors. While initially praised by some as potentially more effective alternatives to trade bans for products with child labour and others raising doubts,<sup>33</sup> the jury is still out given the tremendous multiplicity of standards that has emerged over the years. There are general and more specific certifications and standards that firms can adhere to, with different sectoral or geographic scopes/issues coverage, degrees of formalization, number and types of stakeholders involved, and strictness of auditing and compliance.<sup>34</sup>

Sections on child labour within these standards are usually based on definitions as determined by the ILO Conventions, but as mentioned earlier these are quite broad, resulting in a large variety of ways in which companies are expected to report on or deal with child labour. For example, the Global Reporting Initiative section on child labour refers only to three different elements (information on risks of child labour and youth exposed to hazardous work and measures taken to contribute to ‘effective abolition of child labour’)<sup>35</sup>, whereas other standards such as Rugmark/Goodweave or UTZ/Rainforest Alliance have far more elaborate sections, including specifics on how child labour monitoring and remediation should be included in company policy and indicators on progressive improvement of the situation.<sup>36</sup> Interestingly, some certification bodies have started to adapt their standards from a ‘prohibiting’ approach to a more ‘step-by-step’ approach, which places more emphasis on the identification and monitoring

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<sup>32</sup> For an early overview of their emergence and characteristics, see Luc Fransen and Ans Kolk, ‘Global rule-setting for business: A critical analysis of multi-stakeholder standards’, *Organization* 14, no. 5 (2007): 667-684.

<sup>33</sup> For early assessments see Jean-Marie Baland and Cédric Duprez, ‘Are Labels Effective against Child Labor?’, *Journal of Public Economics* 93, no. 11–12 (2009): 1125–30; Arnab K. Basu, Nancy H. Chau, and Ulrike Grote, ‘Guaranteed Manufactured without Child Labor: The Economics of Consumer Boycotts, Social Labeling and Trade Sanctions’, *Review of Development Economics* 10, no. 3 (2006): 466–91; Sayan Chakrabarty and Ulrike Grote, ‘Child Labor in Carpet Weaving: Impact of Social Labeling in India and Nepal’, *World Development* 37, no. 10 (October 2009): 1683–93.

<sup>34</sup> For a comprehensive overview of different types of CSR standards and certifications, see Fransen, Kolk, and Rivera-Santos, ‘The Multiplicity of International Corporate Social Responsibility Standards’.

<sup>35</sup> GRI 408: Child Labor 2016. Accessible at: <https://www.globalreporting.org/how-to-use-the-gri-standards/gri-standards-english-language/>

<sup>36</sup> Rainforest Alliance, ‘Rainforest Alliance Sustainable Agriculture Standard. Farm Requirements. Version 1.1.’, 2020, [https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/2020-Sustainable-Agriculture-Standard\\_Farm-Requirements\\_Rainforest-Alliance.pdf](https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/2020-Sustainable-Agriculture-Standard_Farm-Requirements_Rainforest-Alliance.pdf); Rainforest Alliance, ‘Rainforest Alliance Sustainable Agriculture Standard. Supply Chain Requirements. Version 1.1.’, 2020, [https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/Rainforest-Alliance-2020-Sustainable-Agriculture-Standard\\_Supply-Chain-Requirements.pdf](https://www.rainforest-alliance.org/business/wp-content/uploads/2020/06/Rainforest-Alliance-2020-Sustainable-Agriculture-Standard_Supply-Chain-Requirements.pdf).

of the necessary steps towards addressing the problem.<sup>37</sup> In the cocoa sector, leading chocolate manufacturers are moving away from their aim at full certification (by external bodies) toward ‘own standardization’, referring to company responsible sourcing programmes that they regard as more comprehensive and effective in tackling child labour.<sup>38</sup> Driven to some extent by complex layering of requirements from different (constellations of) actors, this ‘de-standardization’—while part of a broader trend occurring in more industries—is viewed with concern given the potential for being used as excuse to escape strict external scrutiny.<sup>39</sup> The growing use of intermediaries by big brands (e.g. importers in clothing production) has also increased opacity in terms of traceability and adequate (multiple) standard compliance.<sup>40</sup>

### Due diligence requirements

The process of due diligence is guided by the OECD Guidelines for Multinational Enterprises and the United Nations Guiding Principles on Business and Human Rights (UNGPs),<sup>41</sup> which are both voluntary mechanisms identifying actions for both state and private actors. A thorough due diligence process for MNEs covers 6 different steps: (1) to embed Responsible Business Conduct into the enterprise’s policies and management systems; to undertake due diligence by (2) identifying actual or potential adverse impacts on Responsible Business Conduct issues; (3) ceasing, preventing or mitigating them; (4) tracking implementation and results; (5) communicating how impacts are addressed; and (6) to enable remediation when appropriate.<sup>42</sup> The ILO-IOE Child Labour Guidance Tool for Business provides further specifications on what is expected from MNEs under the UNGPs with regard to child labour.<sup>43</sup> Although the OECD Guidelines and the UNGPs are voluntary, a growing number of countries

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<sup>37</sup> See for an example the recently adopted ‘Assess and Address’ approach by the Rainforest Alliance <https://www.rainforest-alliance.org/business/resource-item/whats-in-our-2020-certification-program-assess-and-address/>

<sup>38</sup> See the 2018 Cocoa for Generations sustainability strategy of Mars Wrigley (<https://www.mars.com/news-and-stories/press-releases/cocoa-sustainability-strategy>); and the Cocoa Life programme of Mondelez: <https://www.cocoalife.org/>

<sup>39</sup> Fransen, Kolk, and Rivera-Santos, ‘The Multiplicity of International Corporate Social Responsibility Standards’.

<sup>40</sup> Merel Serdijn, Ans Kolk and Luc Fransen, ‘Uncovering missing links in Global Value Chain research – and implications for Corporate Social Responsibility and International Business’, *Critical Perspectives on International Business*, 2021, doi: <https://doi.org/10.1108/cpoib-01-2020-0002>.

<sup>41</sup> OECD, *OECD Guidelines for Multinational Enterprises, 2011 Edition* (OECD, 2011), <https://doi.org/10.1787/9789264115415-en>; United Nations, ‘United Nations Guiding Principles on Business and Human Rights; Implementing the United Nations “Protect, Respect and Remedy” Framework’, 2011, [https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](https://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf).

<sup>42</sup> OECD, ‘OECD Due Diligence Guidance for Responsible Business Conduct’, 2018, 21, <http://mneguidelines.oecd.org/OECD-Due-Diligence-Guidance-for-Responsible-Business-Conduct.pdf>.

<sup>43</sup> ILO and International Organization of Employers, *How to Do Business with Respect for Children’s Right to Be Free from Child Labour*.

are setting up or have implemented (partial) due diligence laws that provide national legislative frameworks requiring MNEs to undertake due diligence.<sup>44</sup> A case in point is the 2019 Child Labour Due Diligence Act in the Netherlands stipulating due diligence by MNEs to ensure products and services offered in the country have not used child labour.<sup>45</sup>

Supply chain transparency and due diligence laws are still a relatively new phenomenon, so there is not much data available on their effectiveness in addressing child labour. However, first studies on the effectiveness of the Modern Slavery Act in the United Kingdom show limited results in terms of the effectiveness on the occurrence of child labour. It fails to drive concrete action in the lower tiers in the supply chain, and there are even indications that it only leads to pushing child labour further down the supply chain.<sup>46</sup> This adds to broader concerns about this recent wave of regulation, which is characterized as mostly weak in nature, often focused on reporting rather than actual compliance, and predominantly applicable to large (international) firms.<sup>47</sup> An in-depth study of the UK Modern Slavery Act showed how the private sector actively helped the adoption of the least stringent, business-driven approaches.<sup>48</sup>

### **Multi-stakeholder ‘pathways in action’ to tackle child labour**

To implement thorough due diligence, or interventions related to corporate codes or as part of multi-stakeholder (certification) standards, MNEs have engaged in all sorts of partnerships—projects specifically focused on child labour or on child labour as part of a broader attempt to tackle human rights violations in supply chains. Collaboration can be with other firms, governments and/or non-governmental organisations (NGOs). Although there are examples of industry-only and public-private partnerships that address human rights issues (including child labour),<sup>49</sup> NGO-business collaborations and multi-stakeholder partnerships (including public sector and/or other actors as well) are most common in being specifically devoted to tackling child labour. Some are part of the direct due diligence cycle, others are collective projects that address child labour risks further upstream without being able (yet) to link the specific locations

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<sup>44</sup> For a most recent update on countries where human rights due diligence has been translated in to legislation see the website: <http://www.bhrinlaw.org/>

<sup>45</sup> <https://zoek.officielebekendmakingen.nl/stb-2019-401.html>

<sup>46</sup> Professor Alex Balch, Dr Samantha Currie, and Dr Jennifer Johns, ‘Clothes, Chocolate and Children: Realising the Transparency Dividend’, *University of Liverpool*, n.d., 40.

<sup>47</sup> Genevieve LeBaron & Andreas Rühmkorf, ‘The Domestic Politics of Corporate Accountability Legislation: Struggles Over the 2015 Modern Slavery Act.’ *Socio-Economic Review* 17, no 3, 709-743; (2019); Nicola Phillips, Genevieve LeBaron & Sara Wallin, *Mapping and Measuring the Effectiveness of Labour-Related Disclosure Requirements for Global Supply Chains*. International Labour Organization Working Paper No 32 (2018).

<sup>48</sup> Genevieve LeBaron & Andreas Rühmkorf, ‘The Domestic Politics of Corporate Accountability Legislation: Struggles Over the 2015 Modern Slavery Act’.

<sup>49</sup> See for example the World Cocoa Foundation ([www.worldcocoafoundation.org](http://www.worldcocoafoundation.org)) for an example of an industry partnership to address social and environmental issues in the cocoa sector.

to the company supply chain.<sup>50</sup> Although there is much research on NGO-business collaborations and multi-stakeholder partnerships and factors contributing to their success or failure,<sup>51</sup> the scientific and grey literature is particularly thin on the effectiveness of these partnerships in tackling child labour.<sup>52</sup> The next section will further elaborate on a selection of these partnerships, including an overview of available literature on the effectiveness of them.

## MULTI-STAKEHOLDER CHILD LABOUR INITIATIVES: THREE EXAMPLES

This section presents three examples of how MNEs can address child labour in their supply chains. Earlier efforts to tackle child labour were mostly taken by governments, international organisations and/or NGOs, but the past decade has seen a growing number of cases involving MNEs.<sup>53</sup> However, research on these examples is still scarce and concrete initiatives that go beyond risk mitigation of child labour in first tiers of supply chains are limited. The information on the cases below is based upon publicly available documentation, as well as the first author's practitioner experience in the NGO sector working with companies aiming to address child labour in their supply chains.<sup>54</sup>

With access to sufficient information as crucial factor, we also aimed to cover: (1) sectors and regions in which child labour is highly present; (2) distinct approaches with different types

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<sup>50</sup> An example of the latter is the Gold Partnership that was established between Fairphone, Royal Phillips, UNICEF, Hivos/Stop Child Labour, Solidaridad, Fairtrade Foundation and the Impact Facility, under the Dutch Responsible Gold Agreement: <https://www.solidaridadnetwork.org/news/striving-for-impact-in-tackling-child-labour-and-creating-a-fair-gold-supply-chain-in-ugandan-mines/>

<sup>51</sup> E.g. Nicolas M. Dahan et al., 'Corporate-NGO Collaboration: Co-Creating New Business Models for Developing Markets', *Long Range Planning* 43, nos. 2–3 (2010): 326–42; Sébastien Mena and Guido Palazzo, 'Input and Output Legitimacy of Multi-Stakeholder Initiatives', *Business Ethics Quarterly* 22, no. 3 (2012): 527–56; Martijn Boersma, 'Between Norms and Practice: Civil Society Perspectives on the Legitimacy of Multistakeholder Initiatives to Eliminate Child Labor', *Business Strategy and the Environment* 27, no. 5 (2018): 612–20.

<sup>52</sup> See for a few exceptions: Elliot J. Schrage and Anthony P. Ewing, 'The Cocoa Industry and Child Labour', *Journal of Corporate Citizenship* 2005, no. 18 (2005): 99–112; Tugce Bulut and Christel Lane, 'The Private Regulation of Labour Standards and Rights in the Global Clothing Industry: An Evaluation of Its Effectiveness in Two Developing Countries', *New Political Economy* 16, no. 1 (1 February 2011): 41–71. More recent literature is most often focused on modern slavery and/or labour rights more broadly, including child labour, but not treating their effectiveness separately. This also applies to technology projects, e.g. those using blockchain and stipulating its potential to help increase traceability, see Gabriella M. Hastig and ManMohan S. Sodhi, 'Blockchain for supply chain traceability: Business requirements and critical success factors', *Production and Operations Management* 29 no 4, 935-954 (2020).

<sup>53</sup> See most notably for example an overview of the projects funded by the Bureau of International Labor Affairs of the U.S. Department of Labour to address child labour, forced labour and human trafficking in global supply chains: <https://www.dol.gov/agencies/ilab/projects>

<sup>54</sup> From September 2014 to March 2020, Jolijn Engelbertink worked as a Monitoring and Evaluation specialist for both the Stop Child Labour Coalition ([www.stopchildlabour.org/](http://www.stopchildlabour.org/)) and the Work: No Child's Business Alliance ([www.wncb.org](http://www.wncb.org)). Since then, she has worked as an independent advisor and researcher on child labour and responsible business conduct.

of engagement; and (3) initiatives in which MNEs have a leading responsibility and that can thus help shed light on possible ways in which they may make a contribution. This led to three illustrative examples from the cocoa, coffee, and textile sectors, with each specific opportunities and challenges, and different characteristics, as shown in Table 2 and explained further below. There are also interesting cross-cutting lessons, which we discuss after the three cases.



**Table 2: Overview of key elements of the three partnerships to combat child labour**

	CLFZ	CLMRS	Workers' committees
Country	Uganda	Cote d'Ivoire & Ghana	India
Sector	Coffee	Cocoa	Textile/garment
Companies involved	Kyagalanyi Coffee Ltd.	Nestlé	Prénatal, O'Neill, WE Fashion and the FNG Group
Other actors involved	Hivos/Stop Child Labour, CEFORD, UNATU, UTZ/ Rainforest Alliance	ICI, Farmer cooperatives	Hivos, Arisa, Social & Economic Council (AGT secretariat), SAVE, READ, Fair Labor Association
Tier involved	Tier 2 (coffee producers)	Tier 2/3 (cocoa producers/cooperatives)	Tier 2 (spinning mills and garment factories)
Timespan	2015-2017	Since 2012	2017-2020
Funding & Funding source	Project funding (± EUR 80,000) from Dutch MOFA, excluding input from KCL, UNATU and UTZ <sup>a</sup>	Nestlé funding: EUR 17.6 million for the period 2012-2018 <sup>b</sup>	Project funding for max. EUR 475,000 from Dutch Netherlands Enterprise Agency (RVO/FBK); 30% own funding required <sup>c</sup>
Coverage	13 villages (± 2,000 households)	1751 communities (73,248 farmers)	20 garment factories and spinning mills
Scope	Inside & outside direct supply chain	Inside & outside direct supply chain	Inside supply chain

a. Aidenvironment, 'Stop Child Labour - Out of Work Programme - End Term Evaluation.' (Amsterdam, 2017), [https://www.stopchildlabour.org/assets/Final-report-Hivos-child-labour-programme-evaluation-2017\\_ZN.pdf](https://www.stopchildlabour.org/assets/Final-report-Hivos-child-labour-programme-evaluation-2017_ZN.pdf).

b. Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report', 2019, 13, <https://www.nestlecocoaplan.com/themes/custom/cocoa/dist/assets/nestle-tackling-child-labor-2019.pdf>.

c. Fond Bestrijding Kinderarbeid: <https://www.rvo.nl/subsidie-en-financieringswijzer/fonds-bestrijding-kinderarbeid#:~:text=FBK%20is%20een%205%2Djarig,een%20maximumbedrag%20van%20%E2%82%AC%20475.000.>

### **Coffee: Area-based approach towards tackling child labour in Uganda**

Child labour in the agricultural sector (including coffee and cocoa) comprises over 70% of the total number of child labourers world-wide.<sup>55</sup> Furthermore, the latest data on child labour

<sup>55</sup> ILO and UNICEF, 'Child Labour: Global Estimates 2020, Trends and the Road Forward.'

show that there are more children in child labour in Sub-Saharan Africa than in the rest of the world combined.<sup>56</sup> The production of coffee is associated with child labour in no less than 17 countries worldwide.<sup>57</sup> With an annual production of 255,000 metric tons of coffee per year, Uganda features at the 10<sup>th</sup> place of coffee-producing countries.<sup>58</sup> Within Africa, Uganda is the second largest producer and the largest exporter of coffee (only 5% of the coffee is consumed domestically).<sup>59</sup> Child labour is common in Uganda: approximately 2 million children (15% of the total number of children) from 5 to 17 years are estimated to be in child labour.<sup>60</sup> Of child labour in the age category 5 to 14 years, 95% is estimated to take place within agriculture.<sup>61</sup>

In 2014 the Ugandan company Kyagalanyi Coffee Ltd. (part of the international Volcafé group; hereafter referred to as KCL) started a sustainable coffee scheme in the West Nile area to assist households to improve coffee production and certify the purchased volumes under the international UTZ standard. Company field staff had identified that 50–60% of their coffee supplying households in the area were facing child labour issues.<sup>62</sup> To help address them, a project was initiated together with the Dutch NGO Hivos (as part of the Stop Child Labour Coalition), CEFORD (a regional NGO) and UNATU (teachers union) to create a so-called Child Labour Free Zone (CLFZ) in 13 villages (approximately 2,000 households).<sup>63</sup> The key notion of a CLFZ is that all actors (teachers, employers, parents, children, local authorities) collaborate to ensure that all the children are supported out of work and go to school, focusing on all children in that specific area and not limited to specific supply chains.<sup>64</sup> The NGO CEFORD was responsible for building community relations and mobilization and for setting up village

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<sup>56</sup> ILO and UNICEF.

<sup>57</sup> ILAB, '2020 List of Goods Produced by Child Labor or Forced Labor'.

<sup>58</sup> <https://elevencoffees.com/top-coffee-producing-countries/>

<sup>59</sup> International Coffee Organization, 'The Value of Coffee. Sustainability, Inclusiveness, and Resilience of the Coffee Global Value Chain. 2020 Coffee Development Report' (International Coffee Organization, 2020), 89, [https://5aa6088a-da13-41c1-b8ad-b2244f737dfa.filesusr.com/ugd/38d76b\\_4fc7b54a15f14a548b2f4a208c2eae6d.pdf](https://5aa6088a-da13-41c1-b8ad-b2244f737dfa.filesusr.com/ugd/38d76b_4fc7b54a15f14a548b2f4a208c2eae6d.pdf).

<sup>60</sup> Colville UBOS, 'National Labour Force Survey 2016/17. Main Report' (Kampala, Uganda: Uganda Bureau of Statistics, 2018).

<sup>61</sup> USDOL, '2019 Findings on the Worst Forms of Child Labor: Uganda' (U.S. Department of Labour, 2019), [https://www.dol.gov/sites/dolgov/files/ILAB/child\\_labor\\_reports/tda2019/Uganda.pdf](https://www.dol.gov/sites/dolgov/files/ILAB/child_labor_reports/tda2019/Uganda.pdf).

<sup>62</sup> Aidenvironment, 'Results and Insights from the Child Labor Free Zone Program in West Nile Uganda. Baseline Study, Endline Study and Comparison. Final Report' (Amsterdam: Aidenvironment, 2021), <https://www.rainforest-alliance.org/resource-item/results-insights-child-labor-free-zone-uganda-white-paper/>.

<sup>63</sup> Aidenvironment, 'Stop Child Labour - Out of Work Programme - End Term Evaluation.', 34.

<sup>64</sup> The Child Labour Free Zone (CLFZ) is an approach originating in India and further scaled up through the Stop Child Labour Coalition. Over the past 15 years CLFZs have been currently rolled out in over 112 communities in 14 countries worldwide. Suzanne Hoeksema, 'Celebrating 15 Years of Stop Child Labour. A Journey Full of Highlights and Lessons' (The Hague: Stop Child Labour, 2019).

committees to monitor and remediate child labour, and Village Saving and Loan Associations, while the teachers union UNATU did interventions to improve the quality of the schools in the area.<sup>65</sup> As part of the measures that KCL takes for their member producers to comply with the UTZ and 4C coffee certification standards, the company staff visit all their member households (over 5,000) to train them on good agricultural, environmental and social practices. As part of these trainings, any non-compliances and/or possible improvements are written up in a Household Improvement Plan, which includes sections on child labour. Within the West Nile project, the company team paid specific attention to identifying child labour and the underlying causes, and finding a fitting solution in each case. The team further linked the households to the NGO staff and the teachers union for follow-up support. Moreover, specifically in the project area the company carried out coffee school clubs (to learn skills to children on coffee growing) and trained youth (14-17 years old) on good practices for becoming a coffee producer.<sup>66</sup>

In 2017, the project was evaluated as part of a larger programme evaluation. The evaluation concluded that the partnership had been very successful in getting many children (back) into school. Other positive results reported were increased school retention, decline in child labour and greater awareness of child rights and child labour among children.<sup>67</sup> Furthermore, evidence was found on aspects such as improved safety and security (less theft), better health of children, increased women empowerment, and behavioural change among adults (less alcoholism and child neglect).<sup>68</sup> Several factors were mentioned as contributing to the success of the project: first, the importance of different stakeholders all promulgating the same message (children should be in school); second, the complementarity of an economic, social as well as educational approach; and finally, the involvement of a certification company to ensure continued support and follow-up even after the project ended.<sup>69</sup> Despite the positive results there were concerns about the intensity of the approach in terms of the time and effort required as part of the approach. Moreover, the company saw similar reductions of child labour (within coffee-producing households) outside of the project area, making it difficult to assess the added value of the multi-stakeholder approach as opposed to the interventions carried out only by the company.<sup>70</sup>

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<sup>65</sup> Aidenvironment, 'Stop Child Labour - Out of Work Programme - End Term Evaluation.'; Stop Child Labour, 'Cooperating with the Private Sector in Child Labour Free Zones in Africa' (The Hague, 2017), <https://www.stopkinderarbeid.nl/assets/Hi-17-06-SKA-CSR-guidelines-Afrika.pdf>.

<sup>66</sup> Aidenvironment, 'Stop Child Labour - Out of Work Programme - End Term Evaluation.'

<sup>67</sup> Aidenvironment.

<sup>68</sup> Impacts identified were mainly based on qualitative information. Aidenvironment, 40.

<sup>69</sup> Stop Child Labour, 'Cooperating with the Private Sector in Child Labour Free Zones in Africa'.

<sup>70</sup> Interestingly, the company did not experience negative impacts from the reduction of child labour on coffee production—yields were reported to have grown, most likely as a result of related trainings; but this is something that would deserved targeted study.

However, recent research comparing the (cost) effectiveness of different approaches—(1) the full CLFZ approach; (2) CLFZ elements primarily targeted to KCL members; (3) only elements required by UTZ certification programme at the time—has shown that the CLFZ approach, compared to the other approaches, not only created the strongest and most extensive reduction in child labour and child labour risks but also resulted in the strongest government and community buy-in and a shift in social norms with regard to child labour and the importance of education.<sup>71</sup> The research also compared the effectiveness of interventions across the different areas in addressing root causes of child labour. Results referring to addressing poverty/increased income (through increased yields as a result of improved agricultural practices, certification premiums or crop diversification), changing social-cultural norms on child labour and quality of education were found to be much stronger in the CLFZ areas than in the other areas.

### **Cocoa: Child labour monitoring and remediation systems in Cote d’Ivoire and Ghana**

Child labour is highly prevalent in cocoa producing countries. Evidence of child labour in cocoa production is found in Ghana, Cote d’Ivoire, Nigeria, Guinea, Sierra Leone, Brazil, and Cameroon; and in Cote d’Ivoire and Nigeria also incidences of forced labour.<sup>72</sup> In Cote d’Ivoire and Ghana (which account for 60% of the total cocoa production worldwide), 1.56 million children are estimated to be in child labour, of which approximately 790,000 children in Cote d’Ivoire and 770,000 in Ghana.<sup>73</sup> Despite significant efforts taken to decrease child labour in the cocoa sector in these two countries, recent NORC research reports that the prevalence of child labour in cocoa production among agricultural households in Cote d’Ivoire and Ghana has instead increased by 14 percentage points in the past decade.<sup>74</sup> In 2018/2019 45% of the children (aged 5-17) living in cocoa growing areas in Cote d’Ivoire and Ghana were engaged in child labour, nearly all of them also in hazardous work.<sup>75</sup>

In 2012, Nestlé launched the Child Labour Monitoring and Remediation system (hereafter: CLMRS) together with the International Cocoa Initiative (ICI), a non-profit multi-stakeholder initiative based in Geneva.<sup>76</sup> In the last years an increasing number of companies

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<sup>71</sup> Aidenvironment, ‘Results and Insights from the Child Labor Free Zone Program in West Nile Uganda. Baseline Study, Endline Study and Comparison. Final Report’.

<sup>72</sup> ILAB, ‘2020 List of Goods Produced by Child Labor or Forced Labor’.

<sup>73</sup> NORC, ‘Assessing Progress in Reducing Child Labor in Cocoa Production in Cocoa Growing Areas of Côte d’Ivoire and Ghana. NORC Final Report.’

<sup>74</sup> NORC.

<sup>75</sup> NORC.

<sup>76</sup> <https://www.nestlecocoaplan.com/tacklingchildlabor>

operating in the cocoa sector have adopted (similar versions of) this approach.<sup>77</sup> ICI estimates that in Cote d'Ivoire and Ghana 25% of the cocoa supply chain is currently covered by CLMRS or similar systems.<sup>78</sup> CLMRS works according to a six-step approach: (1) conducting home visits to raise awareness; (2) identification of children at risk of child labour; (3) data entry in database; (4) follow-up visits to explain child labour (laws and risks); (5) remediation; (6) measuring effectiveness.<sup>79</sup> Locally recruited child labour agents and community liaison people based in the farmer cooperatives are responsible for collecting household level information and implementing follow-up and remediation activities together with local partners and ICI. ICI is responsible for the overall implementation of the CLMRS, supports the recruitment and training of these child labour agents and community liaison officers, and aggregates and analyses collected data in the CLMRS database to identify trends.<sup>80</sup>

Remediation activities are aimed both at preventing children from engaging in child labour and helping children in child labour to stop. Examples of remediation activities include the provision of school kits, arranging birth certificates, bridging classes to 'mainstream' out-of-school children into school, parental literacy trainings, income generating activities for adults to diversify sources of income, and the creation of community service groups that train adults to be able to undertake specific tasks and provide labour support to fellow group members when needed (reducing the need to rely on child labour for these tasks).<sup>81</sup> Specific attention is given to existing gender dynamics, for example in assessing which remediation activities may be more effective for girls than for boys (and vice versa).<sup>82</sup> Through these multiple intervention areas, Nestlé aims at tackling both direct and indirect causes of child labour. The approach also acknowledges the importance of seeking solutions that go beyond the direct scope of the company's own supply chain, for example through enabling educational support to all children in a certain community (not only those working within connected cocoa producing farmer households).<sup>83</sup>

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<sup>77</sup> In 2020, the International Cocoa Initiative assists 8 companies in implementing CLMRS systems, covering 194 farmer cooperatives and targeting over 160,000 cocoa farming households. <https://cocoainitiative.org/our-work/our-work/supply-chain/> (accessed 6 June 2021)

<sup>78</sup> ICI, 'ICI Annual Report 2020'.

<sup>79</sup> Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report', 2019, <https://www.nestlecocoaplan.com/themes/custom/cocoa/dist/assets/nestle-tackling-child-labor-2019.pdf>.

<sup>80</sup> Fair Labor Association, 'Is Nestlé's CLMRS Contributing to the Reduction of Child Labor in Its Cocoa Supply Chain in Cote d'Ivoire?' (Geneva: FLA, 2020), [https://www.fairlabor.org/sites/default/files/documents/reports/addressing-child-labor-cocoa-cote-divoire-oct\\_2020.pdf](https://www.fairlabor.org/sites/default/files/documents/reports/addressing-child-labor-cocoa-cote-divoire-oct_2020.pdf).

<sup>81</sup> Fair Labor Association, 25–26; Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report'.

<sup>82</sup> Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report', 20.

<sup>83</sup> Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report'.

In 2019, Nestlé identified through its CLMRS approach 18,283 children (23% of all children monitored) as being in child labour in Cote d'Ivoire and Ghana.<sup>84</sup> Of these children 15,740 (86%) received at least one form of remediation (e.g., school kits, birth certificates, access to bridge schooling). 55% of the children identified as being in child labour were no longer doing hazardous work during the most recent follow-up visit. However, after a second follow-up visit, only 29% of the children is reported not to be involved in child labour during both visits, showing the difficulty of ensuring long-term impact especially as children get older and it becomes more likely that they will be engaged in hazardous activities.<sup>85</sup>

In 2020 the Fair Labor Association conducted an evaluation of Nestlé's CLMRS approach in Cote d'Ivoire. It concluded that CLMRS appeared successful in raising the level of awareness regarding child labour in communities, especially concerning the legal minimum age for work and (local) legal definitions of child labour. However, knowledge on definitions and examples on hazardous and light work were still not very clear among respondents.<sup>86</sup> The fact that the effectiveness of the interventions to combat child labour drops significantly after a second follow-up visit furthermore emphasizes the importance of interventions that address root causes. Some interventions may lead to short-term positive effects but not result in sustainable change in the long term. The evaluation also identified possible effects on increased school enrolment and attendance, with 14% of the producers stating that Nestlé's support to education was crucial for them to be able to send their children to school. In addition, a reduction in children working in cocoa production activities was registered among community members who were part of community service groups, self-help groups or income-generating activities.<sup>87</sup>

Broader research carried out by NORC zooming in on industry interventions in the cocoa sector (including CLMRS) in Ghana and Cote d'Ivoire showed that communities that had had significant exposure (at least four types of interventions over the past three years) to industry interventions were less likely to have children engaged in hazardous work in their communities. For the CLMRS system it is expected that after two years of support through ICI (funded through Nestlé), the cooperatives are able to fund the child labour agents and liaison officers who are responsible for collecting data and implementing remediation activities themselves.<sup>88</sup> However, of the four cooperatives that were evaluated by the Fair Labor Association in 2020, only one had developed its ability to carry out the monitoring and remediation activities without continued

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<sup>84</sup> Nestlé uses children in hazardous labour as a proxy for children in child labour, based on research by the Tulane University stating that there is a 97% overlap between child labour and children involved in hazardous work in the cocoa sector (Fair Labor Association, 5.)

<sup>85</sup> Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report'.

<sup>86</sup> Fair Labor Association, 'Is Nestlé's CLMRS Contributing to the Reduction of Child Labor in Its Cocoa Supply Chain in Cote d'Ivoire?', 18.

<sup>87</sup> Fair Labor Association, *ibid.*

<sup>88</sup> Fair Labor Association, 12.

support from ICI.<sup>89</sup> The report does not further specify the reasons for the other cooperatives not being able to continue without ICI support, which points at an interesting area for further investigation to be able to assess the viability and sustainability of the approach in the long run.

### **Textile: Workers' committee grievance mechanisms to tackle child labour in spinning mills and garment factories in Tamil Nadu, India**

The 2020 ILAB List on Goods produced with child labour or forced labour finds evidence for child labour in garment in 8 countries and for forced labour (including both children and adults) in 7 countries, making it the among the top three of goods reported to be produced with forced labour worldwide.<sup>90</sup> In India, an estimated 45 million people are employed in the textile and garment industry, accounting for around 12% of India's total export revenues.<sup>91</sup> Most recent statistics on child labour in India estimate that there are 10.1 million children (aged 5-14) in child labour.<sup>92</sup> Child labour occurs in different forms in different tiers in the garment supply chain. In cotton seed production, it involves children (boys and girls) helping on family farms, children as hired workers and children of both under and over 14 years of age engaged in hazardous practices.<sup>93</sup> Further downstream in the spinning mills, child labour often concerns an older category of children (14-18 years) and mostly girls, working under hazardous circumstances, long hours, night shifts or to pay back earlier loans and debts.<sup>94</sup>

In 2017, four textile and garment companies (Prénatal, O'Neill, WE Fashion and the FNG Group) joined forces with local and international NGOs to tackle child labour in their supply chain in Tamil Nadu, India.<sup>95</sup> Being part of the broader Dutch Agreement on Sustainable Garment and Textile, these MNEs had committed to preventing human rights violations in their

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<sup>89</sup> Fair Labor Association, 14.

<sup>90</sup> ILAB, '2020 List of Goods Produced by Child Labor or Forced Labor'.

<sup>91</sup> The Ministry of Textiles, Government of India, 'Annual Report 2019-2020': <http://texmin.nic.in/documents/annual-report>

<sup>92</sup> ILO, 'Child Labour in India' (Delhi: International Labour Organization), accessed 14 June 2021, [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-new\\_delhi/documents/publication/wcms\\_557089.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/---sro-new_delhi/documents/publication/wcms_557089.pdf).

<sup>93</sup> ILO, 'Child Labour in Cotton: A Briefing'; Davuluri Venkateswarlu, 'Cotton's Forgotten Children. Child Labour and below Minimum Wages in Hybrid Cottonseed Production in India' (ICN - India Committee of the Netherlands, Stop Child Labour Coalition, 2015), <https://www.stopkinderarbeid.nl/assets/CottonsForgottenChildren2015.pdf>.

<sup>94</sup> Pauline Overeem, Martje Theuws, and Diewertje Heyl, 'Spinning around Workers' Rights' (SOMO - Centre for Research on Multinational Corporations & Arisa, 2021); Annie Delaney and Tim Connor, 'Forced Labour in the Textile and Garment Sector in Tamil Nadu, South India: Strategies for Redress', SSRN Scholarly Paper (Rochester, NY: Social Science Research Network, 2016), <https://papers.ssrn.com/abstract=2889125>; India Committee of the Netherlands, 'Fabric Of Slavery. Large-Scale Forced (Child) Labour in South India's Spinning Mills' (Utrecht: ICN - India Committee of the Netherlands, 2016), <http://www.indianet.nl/pdf/FabricOfSlavery.pdf>.

<sup>95</sup> <https://www.imvoconvenanten.nl/en/garments-textile/tools/child-labour/about>

supply chains.<sup>96</sup> Supported by funding from the Netherlands Enterprise Agency (through their Fund Against Child Labour, FBK), this multi-stakeholder partnership targeted 20 garment factories and spinning mills.<sup>97</sup> The project focused on strengthening policies and practices of suppliers in Tamil Nadu for embedding social standards including on child and forced labour, and on mapping the upstream garment and textile supply chain.<sup>98</sup> The local NGO SAVE was responsible for engaging with the management of factories and mills, in order to establish and/or strengthen workers' internal compliance committees and workers' grievance redressal committees, and to establish functional and transparent policies and procedures to prevent and address child labour and forced labour. Based on the supply chain mapping conducted by the Dutch brands, relevant facilities were identified and invited to the trainings.<sup>99</sup> As the causes of child labour for these adolescents can be mainly categorized under hazardous labour or forced labour, the assumption was that in factories with well-functioning workers' management committees, issues such as extreme working hours and working nightshifts can be addressed. This assumption is grounded in broader research on the effectiveness of social dialogue in addressing working conditions.<sup>100</sup>

The project reports to have increased knowledge of workers about their labour rights and the rights of children. The spinning mills and garment factories introduced child-friendly age verification methods. Furthermore, the functioning of workers' committees was improved, leading to a rise in filed employee complaints. All these issues have been resolved, either through direct dialogue between the committee and factory management, with SAVE support where necessary, or through regional unions or the Dutch brands if additional leverage was needed. Another positive result of project interventions is the fact that over 400 employees have been registered under the Employee State Insurance Act, a social security scheme giving workers access to healthcare, maternity benefits, and sickness and disablement benefits.<sup>101</sup> These results taken together can be expected to reduce the number of child labourers working in the spinning

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<sup>96</sup> <https://www.imvoconvenanten.nl/en/garments-textile>

<sup>97</sup> The broader project also focused on textile factories in Bangladesh; details on that part are not included here. For more information on the full project see SER, 'Results of a Collaborative Project to Combat Child Labour in the Garment Supply Chains' (The Hague: Social And Economic Council, 2020) and the project website: <https://www.imvoconvenanten.nl/en/garments-textile/tools/child-labour/india>

<sup>98</sup> <https://www.imvoconvenanten.nl/en/garments-textile/tools/child-labour/india>

<sup>99</sup> [https://www.imvoconvenanten.nl/-/media/imvo/files/kleding/Flyer\\_Folder-Remedies-Workplace-India.pdf](https://www.imvoconvenanten.nl/-/media/imvo/files/kleding/Flyer_Folder-Remedies-Workplace-India.pdf)

<sup>100</sup> See for example: ILO, 'Progress and Potential: How Better Work Is Improving Garment Workers' Lives and Boosting Factory Competitiveness: A Summary of an Independent Assessment of the Better Work Programme' (Geneva: International Labour Office, 2016), [https://betterwork.org/wp-content/uploads/2016/09/BW-Progress-and-Potential\\_Web-final.pdf](https://betterwork.org/wp-content/uploads/2016/09/BW-Progress-and-Potential_Web-final.pdf); James Lowell Jackson, Anna Burger, and Jason Judd, 'Sustainable Labour Practices in Global Supply Chains. Mapping Social Dialogue in Apparel: Synthesis Report' (Cornell University School of Industrial and Labor Relations & The Strategic Partnership for Garment Supply Chain Transformation, 2021), <https://cornell.app.box.com/s/zzg1c5n43lj0c3atrsnl72jrbnj0gn2q>.

<sup>101</sup> SER, 'Results of a Collaborative Project to Combat Child Labour in the Garment Supply Chains'.



mills, but the extent to which the establishment and functioning has indeed led to a reduction of children working in the spinning mills has not been reported.

At a more downstream level, the project improved relationships between the Dutch brands and their Indian suppliers, which translated during the Covid-19 pandemic in efforts by Dutch brands to support continuous payment of workers, and by suppliers to seek alternatives to continue business operations as much as possible.<sup>102</sup> It must be noted, however, that due to the Covid-19 pandemic many factories shut down, leading to factory workers (including workers' committee members) returning to their home villages. In some factories and spinning mills the training programmes will therefore be implemented again (which is currently planned as part of a follow-up project, also under the Dutch Agreement on Sustainable Garment and Textiles).<sup>103</sup>

### **Cross-cutting insights**

All three cases show a commitment to addressing child labour that goes beyond mere identification and (direct) remediation, combining interventions targeting both direct (e.g., absence of birth certificates or age verification systems) as more indirect causes (e.g., household income, educational opportunities) (see Table 3). There are (first) positive results in tackling a number of these issues, and the CLMRS and CLFZ cases also indicate a positive effect on child labour. The worker committee case is more limited than the other two in terms of addressing the root causes of child labour as factors contributing to young girls working in garment factories in order to pay off family debts are not tackled through this approach. Considering the fact that many workers migrate from different regions<sup>104</sup>, tackling root causes in this case might be beyond the scope of MNEs.

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<sup>102</sup> Corien Lambregste, '5 lessen over de bestrijding van kinderarbeid in de kledingindustrie', *SER Magazine*, 8 December 2020, <https://www.ser.nl/nl/Publicaties/kinderarbeid-in-kledingindustrie>.

<sup>103</sup> <https://www.imvoconvenanten.nl/nl/kleding-en-textiel/nieuws/sociale-themas-india>

<sup>104</sup> Overeem, Theuws, and Heyl, 'Spinning around Workers' Rights'.

**Table 3: Tackling root causes**

	<b>CLFZ</b>	<b>CLMRS</b>	<b>Workers' committees</b>
Poverty/Increased income or wages	X	X	X
Credit constraints	X	X	
Parental education		X	
Access to quality education	X	X	
Attitudes/social norms towards child labour & education	X	X	X
Poor laws and/or law enforcement	X		X

The cocoa and coffee cases explicitly aim at including children and community members that are not directly involved in the respective company's supply chain. These activities can support a broader attitudinal change towards child labour and the importance of education in communities. Widening the scope of interventions beyond the direct supply chain also addresses the risk of child labour moving from more direct to indirect involvement in the supply chain (such as to the informal sector) that would mean shifting instead of addressing the problem. Illustrative is the fact that child labour in cocoa-growing communities in Ghana and Cote d'Ivoire increased over the past decade, while research zooming in on those areas where MNEs have been active showed that child labour had decreased.<sup>105</sup> The importance of looking for durable solutions beyond global supply chains has also been acknowledged in broader studies on child labour and global supply chains.<sup>106</sup> Expanding interventions beyond the direct scope of the supply chains has the potential of being more embedded—and thus more sustainable—than those only connected to the direct supply chains, as research conducted in the coffee sector confirms.<sup>107</sup>

<sup>105</sup> Santadarshan Sadhu et al., 'Assessment of Effectiveness of Cocoa Industry Interventions in Reducing Child Labor in Cocoa Growing Areas of Cote d'Ivoire and Ghana. Final Report.' (National Opinion Research Center. University of Chicago, October 2020).

<sup>106</sup> ILO et al., 'Ending Child Labour, Forced Labour and Human Trafficking in Global Supply Chains'; Alsamawi et al., 'Measuring Child Labour, Forced Labour and Human Trafficking in Global Supply Chains: A Global Input-Output Approach. Technical Paper'.

<sup>107</sup> Aidenvironment, 'Results and Insights from the Child Labor Free Zone Program in West Nile Uganda. Baseline Study, Endline Study and Comparison. Final Report'.

Another interesting insight is that although all cases build on ILO child labour definitions, the context in which the MNEs work and the specifics concerning child labour in that context informs the development of practical working definitions. As noted, there are different (inter)national definitions determining what exactly is a 'heavy load' or the threshold of 'long working hours' for specific age groups. Furthermore, the specifics (the combinations of the variables age, type of work and working conditions) necessary to establish whether or not a situation can be considered child labour can result in very elaborate questionnaires and extensive data collection. Table 4 shows how all three cases use different working definitions based on the respective contexts, looking for the best balance between data collection and information needed in order to determine action. Differing perspectives of MNEs and NGOs might lead to different definitions, which can be challenging in project implementation.

**Table 4: Working definitions per project**

	<b>Working definition for child labour</b>	
	<i>Under the minimum age for working (14/15/16)</i>	<i>Under 18</i>
<b>CLFZ</b>	<p>Stop Child Labour Coalition: All forms of work done by children up to 15 years of age that deprives them of their right to formal, full-time education.<sup>a</sup></p> <p>In practice: all children who do not attend school full-time are considered as “participating in child labour”</p> <p>Kyagalanyi (UTZ Standard):</p> <ul style="list-style-type: none"> <li>• Children under 14/15 years who are engaged by the cooperative or cooperative members</li> <li>• Children under 14/15 years working during school hours or conducting activities that are harmful to their health and development, interfere with leisure time or are unsupervised by an adult.<sup>c</sup></li> </ul>	<p>Stop Child Labour Coalition: The worst forms of child labour performed by children up to 18 years of age<sup>b</sup></p> <p>Kyagalanyi (UTZ Standard): Children younger than 18 that conduct hazardous work or are engaged in worst forms of child labour<sup>d</sup></p>
<b>CLMRS</b>	CLMRS identifies children in the age group of 5-17 years performing hazardous work as being in child labour. Children engaged in hazardous work is used as a proxy for child labour. <sup>e</sup>	
<b>Workers’ committees</b>	All children employed in non-family enterprises under 14 <sup>f</sup>	Work carried out by children under 18 that is carried out during night-time (7 pm to 8am), for more than 6 hours per day or children working overtime. <sup>g</sup>

a. Stop Child Labour – Out of Work, Into School: Monitoring and Evaluation Framework, June 2015 (unpublished)

b. Stop Child Labour – Out of Work, Into School: Monitoring and Evaluation Framework, June 2015 (unpublished)

c. UTZ Guidance Document Child Labour, Version 1.0, August 2016: <https://s37336.pcdn.co/wp-content/uploads/2015/12/Child-labor-guidance-document-UTZ.pdf> (accessed 3 June 2021)

d. UTZ Guidance Document Child Labour, Version 1.0, August 2016: <https://s37336.pcdn.co/wp-content/uploads/2015/12/Child-labor-guidance-document-UTZ.pdf> (accessed 3 June 2021)

e. Fair Labor Association, ‘Is Nestle’s CLMRS Contributing to the Reduction of Child Labor in Its Cocoa Supply Chain in Cote d’Ivoire?’ (Geneva: FLA, 2020), [https://www.fairlabor.org/sites/default/files/documents/reports/adressing-child-labor-cocoa-cote-divoire-oct\\_2020.pdf](https://www.fairlabor.org/sites/default/files/documents/reports/adressing-child-labor-cocoa-cote-divoire-oct_2020.pdf).

f. As per the 2017 India Child Labour (Prohibition and Regulation) Act prohibiting employment or work by children younger than 14 years in any occupation, before and after school hours, except in family enterprises (Overeem, Theuvs, and Heyl, ‘Spinning around Workers’ Rights’).

In all cases action in local communities to address root causes is not taken by the MNE itself but by NGOs organisations with well-established connections in the area, which can have important benefits for embeddedness and receptiveness in the local context. All three projects envisage interventions to be taken by other actors with or beyond the supply chain at some point. For the CLMRS system, child labour monitoring and remediation tasks are to be fully transferred to the farmer cooperatives, no longer needing ICI/Nestlé direct support. With regard to the worker's grievance committees, union presence and/or access to factories could be a relevant and effective alternative for continuation after funding ends. However, committees and trainings on workers' rights facilitated by NGOs appears to be more acceptable for factory owners than the presence of unions, which is a clear challenge.<sup>108</sup> In Uganda the long-term commitment of different partners in the area positively influenced both the effectiveness and sustainability of interventions by involving a large range of different stakeholders (including the local government).

Finally, as the Nestlé data shows—further corroborated by broader findings from ICI and Aidenvironment—tackling child labour effectively and sustainably takes time and thus significant resources.<sup>109</sup> However, the examples show that while the initial investment may be substantial, costs are expected to decrease over time as government and community buy-in increase and behavioural change becomes embedded in wider social norms. At the same time, behavioural change often takes many years and even more than one generation.

## DISCUSSION AND CONCLUSIONS

Based on the comparison of three different approaches in tackling child labour in MNEs' supply chains, and the cross-cutting insights already offered, we want to highlight the following issues in this final section. The first relates to the importance of **leverage** in addressing child labour. As child labour currently emerges further down the supply chain, in specific locations/products/firms, many MNEs refer to this complex challenge as barrier for addressing child labour. However, the three cases in this article show that it is possible for MNEs to engage with local stakeholders in addressing child labour in the lower tiers of their supply chain. With dedicated time and effort from the MNEs to first identify the relevant actors at those lower tiers and thereafter develop—together with local stakeholders that are well informed of the local context and potential sensitivities—the best possible approaches, important steps towards addressing child labour can be made. Sharing experiences across sectors helps to identify and explore concrete options that MNEs can embark on.

A second point concerns **definitions** of child labour, given the huge variety of conceptualizations (Table 1). It is key to find a right balance between simplifying the definition

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<sup>108</sup> Delaney and Connor, 'Forced Labour in the Textile and Garment Sector in Tamil Nadu, South India'.

<sup>109</sup> Nestlé, 'Cocoa Plan Tackling Child Labor. 2019 Report'; ICI, 'ICI Annual Report 2020'; Aidenvironment, 'Results and Insights from the Child Labor Free Zone Program in West Nile Uganda. Baseline Study, Endline Study and Comparison. Final Report'.

and having enough contextualized data to work towards an adequate ‘solution’ to the problem. This may contrast slightly with the perspective of some scholars who flag the risk of focusing too narrowly on the goal of eradicating child labour and ignoring the potential benefits of child labour.<sup>110</sup> While this is undoubtedly true, the differentiation between worst and less worse forms of child labour has led to an almost incomprehensible list of definitions and standards when it comes to determining what is child labour and what not. The three cases presented above provide practical and actionable examples on how to refrain from aiming to cover all the different elements and aspects of the definition, and to concretize and contextualize the definition to make it relevant and useful in the particular context.

Overall, this article has presented several inspirational initiatives from different sectors and countries. However, although the cases provide interesting insights in ways in which MNEs can collaborate with others to tackle child labour in the lower tiers, **evidence on (long-term) effectiveness is limited**. Evaluations were often not carried out with a counterfactual and/or were limited in scope, making it difficult to formulate solid conclusions. The bulk of the studies on effectiveness of child labour interventions have focused on (conditional and unconditional) cash transfers and public programmes focusing on employment opportunities, but rigorous research on the effects of multi-stakeholder collaborations in addressing child labour remains limited. The medium and long-term effects of interventions also deserve further attention.<sup>111</sup>

Addressing child labour takes time and requires an approach that stretches to different (political, socio-economic, financial, commercial) domains, within and beyond specific supply chains, involving at the minimum an international baseline to do no harm. Our examples illustrate how MNEs can fulfil at least part of this moral obligation and help address (some of) these issues. The Covid-19 pandemic has shown that progress towards eradicating child labour is vulnerable, and we have probably not seen the full effects of the pandemic on child labour yet, also given the likely transformation of supply chain strategies (e.g., reshoring/relocation) and the firms operating within them. With over 1.5 million schools closing in India alone, affecting 247 million children,<sup>112</sup> the impact on child labour may continue for the coming years. Families suffering economic consequences of the pandemic may need to resort to child labour. Furthermore, vulnerable children that are not able to go to school are more likely to start working; and once children have left school and entered paid employment it may be difficult for them to return to school. The recently published ILO-UNICEF global report on child labour predicts an additional increase of child labour of 9 million world-wide by the end of 2022 due to

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<sup>110</sup> <https://www.opendemocracy.net/en/beyond-trafficking-and-slavery/open-letter-change-course-international-year-elimination-child-labour/>

<sup>111</sup> Dammert et al., ‘Effects of Public Policy on Child Labor’; Dinku, ‘The Impact of Public Works Programme on Child Labour in Ethiopia’; Edmonds and Shrestha, ‘You Get What You Pay For’.

<sup>112</sup> ‘COVID-19: Schools for More than 168 Million Children Globally Have Been Completely Closed for Almost a Full Year, Says UNICEF’, accessed 15 June 2021, <https://www.unicef.org/india/press-releases/covid-19-schools-more-168-million-children-globally-have-been-completely-closed>.

the pandemic.<sup>113</sup> This makes current action by all actors involved even more necessary. The examples presented in this article highlight the role of MNEs through building relationships between different actors in the supply chain and adopting a flexible approach that takes into account the reality of child labour in that specific area. We hope this can be inspirational for researchers, managers, policymakers, activists and citizens, and will lead to positive steps for a better situation for children, families and communities.

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<sup>113</sup> ILO and UNICEF, 'Child Labour: Global Estimates 2020, Trends and the Road Forward.' (2021), [https://www.ilo.org/wcmsp5/groups/public/---ed\\_norm/---ipec/documents/publication/wcms\\_797515.pdf](https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---ipec/documents/publication/wcms_797515.pdf)