





CHILDREN'S RIGHTS & BUSINESS PRINCIPLES INITIATIVE

EXECUTIVE SUMMARY OF MAPPING OF LINKS BETWEEN BUSINESS AND CHILDREN'S RIGHTS

21 April 2011

1. BACKGROUND

1.1 Introduction

This document was prepared in order to frame the development of the Children's Rights and Business Principles. It aims to clarify the links between business and child rights and to provide evidence for the view that children are a natural stakeholder for business. It was the outcome of extensive analysis of literature from academia, child and development focussed civil society, Corporate Responsibility (CR) organisations and initiatives, human rights watchdog organisations, investors, the private sector, media and international human rights bodies¹. It includes feedback from the CR&BPI Expert Reference Group and from UNICEF's Internal Reference Group.

It should be emphasised that the focus of this document, and of the research behind it, was on identifying the links between business and child rights rather than on giving detailed guidance on what business can do to respect and support children's rights. This topic will be addressed later in the process of developing the Children's Rights and Business Principles.

This document first provides an outline of key aspects of children's rights and then explores the scope of business responsibility towards children. This focusses on both the 'minimum' standards for business in terms of ensuring that no child is harmed by their actions, but also looks at actions which go beyond this minimum which can help to create value for children, communities and business. It then examines critical points where business and children's rights interact organised by the following seven themes:

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¹The research was led by a Save the Children consultant under the direction of the Steering Committee of the Children's Rights and Business Principles Initiative over a four-month period via desk research, interviews, input from technical specialists at each of the partner organizations and a consultation with business representatives from the UNGC's local network in Zambia in December 2010. A list of sources consulted is available on request.

- Children's rights and corporate governance;
- Workplace;
- Supply chain;
- Products and services;
- Environment and resources;
- Community investment; and
- Engaging with governments, children and other stakeholders.

1.2 What are Children's Rights?

The UN Convention on the Rights of the Child (CRC) came into force in 1990 and articulates the basic, non-negotiable human rights that all children have. It is the most widely ratified human rights instrument in the world and is a core human rights treaty within the international human rights system². It recognises children as all those under 18 and represents a strong consensus and a shared agenda on children's rights across different cultures, and legal and political systems. As such it offers business an ideal framework to use in order to understand and analyse its impact upon children.

The CRC is complemented by two additional Optional Protocols covering the involvement of children in armed conflict and the sale of children, child prostitution and child pornography. Other key building blocks for understanding business and children's rights are ILO Convention No. 138, Concerning Minimum Age for Admission to Employment, and No. 182, Concerning the Worst Forms of Child Labour as well as the African Charter on the Rights and Welfare of the Child which is the only regional human rights instrument specifically for children and complements the CRC by placing children's rights into an African context.³ The UN Study on Violence against Children (2006) and the follow up process associated with this Study provides us with a comprehensive, global overview of all forms of violence against children in many different settings including the workplace.

All children have rights, everywhere and at all times. All children's rights are equally important and interrelated. The guiding principles of the CRC include the right to non-discrimination; the right to have the best interests of the child as a primary consideration in all matters affecting children; the right to survival and to develop to the fullest; and to participate fully in family, cultural and social life. These are the underlying requirements for the CRC to become a reality for children.

The right to survival and development

Survival and development rights are the rights to the resources, skills and contributions necessary for the survival and full development of the child. These include rights to adequate food, shelter, clean water, formal education, play, health care, leisure and recreation, cultural activities and information about their rights. Specific articles in the CRC address the needs of certain groups of children such as child refugees, children with disabilities and children of minority or indigenous groups.

² The United States and Somalia are the only countries in the world not to have ratified the CRC although both have signed it.

³ The African Charter on the Rights and Welfare of the Child has been ratified by nearly all Member States of the African Union.

Children have particular survival and developmental rights that differ from those of adults as a result of their rapid physical and psychological development. Childhood is a crucial time and deprivations of food, clean water, shelter, play, healthcare and education can have an irreversible impact that can last for the rest of their lives; for example, inadequate nutrition can stunt mental and physical development irreparably; lack of education and child labour can dramatically reduce a child's opportunities as an adult. Furthermore, the impact on children of pollution in the environment can be more serious and long-lasting than on adults.

The right to protection from harmful acts and practices

Children are particularly vulnerable to violence, exploitation and abuse; for example, they are more vulnerable to exploitation and discrimination in the work place, they are subject to commercial sexual exploitation and child labour and can be more susceptible than adults to exposure to violent media content as well as irresponsible marketing. Protection from violence, harmful influences, exploitation and abuse is essential to ensuring children's rights to survival, development and wellbeing.

The right to participation in decisions affecting their lives

Children are entitled to the freedom to express opinions and to have a say in matters affecting them. Children can be agents of change and can and do actively contribute to household, community and society: they are not simply a vulnerable group but should be empowered to have a voice in decisions which affect them, rather than being the passive objects of choices made on their behalf. Although children's rights are frequently directly affected by business activity, children themselves are usually dependent on adults to influence company or government decisions.

1.3 States' duty to protect children

As we have noted, the primary obligation for respecting, protecting and fulfilling children's rights, lies with the State. The UN Committee on the Rights of the Child is the body charged with monitoring how States implement the CRC and it also requires States: 'to protect against third party interference with rights, including by business enterprises⁴.' According to the Committee, State responsibilities to regulate business activities include: legislation to prevent and punish corporate abuse; monitoring of violations; administrative measures such as proper departmental coordination; promotion of the CRC amongst the private sector; and the provision of effective remedy for rights violations (both judicial and non-judicial measures and including adequate reparation and physical and psychological recovery and social reintegration). This concept is also a central plank of the John Ruggie Policy Framework which asserts that States have a duty to protect against human rights abuses by third parties, including business, through appropriate policies, regulation, and adjudication.

1.4 Business has a responsibility to respect children's rights

Regardless of the obligations or capacity of states, business everywhere has a responsibility to respect children's rights and to avoid complicity in children's rights abuses. The term 'corporate

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⁴ SRSG on business and human rights (2007) State Responsibilities to Regulate and Adjudicate Corporate Activities under the United Nations' core Human Rights Treaties - Individual Report on the United Nations Convention on the Rights of the Child and its Optional Protocols Report No. 6 OHCHR Special Procedures of the UN Human Rights Council

responsibility to respect human rights' has been defined by the Special Representative of the Secretary-Global on Business and Human Rights as 'avoiding the infringement of the rights of others and addressing adverse impacts that may occur.' It demands that companies 'undertake human rights due diligence to become aware of, prevent and address adverse human rights impacts.⁵⁷ This is the common expectation of all companies in all situations.

Business responsibility to respect human rights has been widely accepted by governments, civil society and the business community itself. It is reinforced in the three-part framework –'Protect, Respect, Remedy'- of the Special Representative of the Secretary-General on Business and Human Rights, which has been welcomed by the UN Human Rights Council. It is also recognized by nearly every voluntary business initiative and is stipulated in soft law instruments such as the ILO Tripartite Declaration, the OECD Guidelines and the UN Global Compact.

In short business has a responsibility to ensure that no child is worse off in terms of his or her rights because of their actions. This requires proactive efforts on the part of business to identify and address its potential and actual impacts on boys and girls. This responsibility applies to a business' own activities and throughout its relationships connected to those activities.

1.5 There are many benefits for business in supporting children's rights⁶

Above and beyond the minimum expectation that business respects children's rights, meaning that it actively identify and address its impact on children's rights, there are also additional activities which companies may undertake to support children whether through strategic core business activity, community investment programmes, philanthropy or otherwise. This is not a responsibility or obligation as such but business increasingly realizes that supporting children's rights in many different areas is necessary to ensure the growth and sustainability of their own operations. The following are some examples of how supporting children's rights can benefit business.

- a. Contributing to a stable and sustainable future: It is in no-one's interests to do business in an environment where the potential of future generations of workers and consumers is compromised by child rights violations such as poverty, violence and abuse, a lack of access to health and education and inadequate participation in society. Future sustainability relies in large part on nurturing healthy, skilled, well-educated and creative workers and consumers. Business activity that complies with both national and international laws relating to children's rights helps to promote the rule of law. It also helps to build strong, stable, non-violent, healthy, well-educated communities and durable economic structures.
- **b.** *Improving recruitment, retention, and motivation of work-force*: Providing a family-friendly environment for employees with responsibility for children can improve recruitment, retention and

⁵ Report of the Special Representative of the Secretary-General on the issue of human rights and transnational corporations and other business enterprises, John Ruggie: Business and Human Rights: Further steps toward the operationalization of the "protect, respect and remedy" framework A/HRC/14/27, April 2010.

http://www2.ohchr.org/english/bodies/hrcouncil/docs/11session/A.HRC.11.13.pdf

⁶ Many of these ideas are explored in more detail in UNICEF's Workbook: "Children's Rights for the Private Sector" which will be released in 2011.

loyalty. Adopting and implementing explicit child rights policies sends a strong and tangible signal internally and externally about what the company stands for; as such it can be a proxy for good overall management of risk which will help in motivating the work-force.

- **c. Attracting investment**: For investors, a failure to respect and support children's rights and complicity in child rights abuses can indicate a failure of corporate governance and lack of ability to respond to risk in general. Respecting and supporting children's rights on the other hand can build confidence amongst investors that a business is working actively to mitigate risk. It can also attract investment from the growing socially responsible investment market.
- **d. Reputational risk:** A company's reputation is a magnet to attract consumers, investors, employees, suppliers and other business partners. If a business is hit by a scandal which involves violations of any human rights then this can jeopardise reputation. However, the expectations regarding avoiding complicity in abuse of children's rights are extremely high and are intensified because children can be voiceless and more vulnerable to abuse and exploitation than adults. Experience shows that stakeholders will reward companies that 'get it right' regarding children and punish those who get it wrong.
- e. Building good will: A strong record on child rights builds confidence among vital stakeholders upon whom a company's legal and social licence to operate and future performance may depend. This can include local children, community groups as well as local and international civil society. It also appeals to governments who view responsible business practice as a measure of suitability to operate in their territory. The intangible benefits of nurturing good will can include increased understanding of and sensitivity to local needs and concerns as well as increased security and competitive advantage.
- f. Creating value for consumers: Children are important stakeholders for business as customers and future customers, users of products and employees. As such they have significant purchasing power and the ability and skills to assess when business is not acting in their best interests. There is also an increasing consumer demand for ethically produced goods. Enterprises that conduct due diligence regarding the impact of their activities on children's rights, and show that they take every reasonable step to avoid negative impacts, will be more responsive to the demands of such consumers.

2. THEMATIC OVERVIEW

Based upon the research undertaken to date, we have categorized the critical points where business interacts with children into seven thematic areas which are explored below:

- Children's rights and corporate governance;
- Workplace;
- Supply chain;
- Products and services;
- Environment and resources;
- Community investment; and
- Engaging with governments, children and other stakeholders

2.1 Children's Rights and Corporate Governance

Compliance with national and international law and standards regarding children's rights

There are numerous national and international legal provisions regarding children's rights and many States have incorporated the CRC into domestic law. It is an elementary principle of corporate good governance that companies should always comply with the national law of the State where it operates, as well as any relevant legislation of the State where it is domiciled. This is particularly the case regarding the payment of fair taxes to generate revenues for economic growth and poverty reduction and regarding compliance with laws on corruption since corrupt business practices can have a very negative impact on children. Business should also refrain from any conduct that may encourage a State to act in a way that is inconsistent with its obligations to children's rights arising from national and international human rights law.

Adopting and implementing policies on children's rights

Business can ensure that it is respecting children's rights in every aspect of its strategies and operations by undertaking a gap analysis to see how existing policies and processes take into account children's rights. It can follow up on the results by revising policies and processes or adopting new ones to address risks and opportunities relevant to children. Children's rights policies should include a child protection policy that applies to all employees and others associated with operations.

Implementation will include assessing the impact, direct and indirect, of a company's operations on children's rights and tracking performance, communicating performance and establishing viable grievance mechanisms which are accessible for children. The CRC provides the ideal framework for companies to understand, analyze and respond to how they impact on children's rights. It should be noted that the impact of business practices on boys and girls should be reassessed during emergencies, such as armed conflicts and natural disasters, which can significantly increase the risk of violations of children's rights.

Establishing effective grievance mechanisms

Grievance mechanisms include those at company level, non-judicial mechanisms such as Ombudspersons or National Human Rights Institutions, judicial remedies, international human rights bodies, and complaints mechanisms which are part of voluntary initiatives. There are various challenges which children face in seeking redress for violations by companies including lack of resources; low levels of knowledge about grievance mechanisms; geographical, linguistic and economic inaccessibility of mechanisms and lack of faith in their value. Business can overcome some of these challenges by ensuring mechanisms are know about, providing children with multiple points of entry, including face-to-face meetings, written complaints, telephone conversations, or e-mail.

2.2 Workplace

Family-friendly policies for employees

Business can support employees who care for children with family-friendly policies. Parents and care-givers that have good working conditions and benefits, including access to good quality health-care, will in turn be better able to care for their children. A living wage should mean that families

can survive without depending on child labour. Specific areas requiring focus include protecting the health of pregnant employees, enabling breast-feeding and supporting migrant and seasonal workers in 'distance parenting'.

Training for employees who have direct contact with children

Security staff, outreach workers, educators, child-care providers, and many other company-related operational staff may enter into direct contact with children. Businesses should have stringent recruitment processes for these employees and ensure they have adequate knowledge and ongoing training regarding children's rights. Specific areas requiring focus include ensuring that adequate grievance mechanisms are in place for children to bring complaints against employees where there are grounds to do so.

Considering the needs of working children

Business can play an important role in promoting youth employment by introducing children who have reached the minimum working age into decent work. Where children are employed legally, decisions about working hours, health and safety, education and the way that children are treated all affect whether or not work violates children's rights. Companies should prevent children and their parents from being excluded from the workplace and treated badly within the workplace as a result of direct and indirect discrimination owing to their ethnicity, gender, disability, HIV status, age or other status. Specific areas requiring focus include: protecting working children from violence including corporal punishment and sexual abuse by supervisors and co-workers; and consulting with children regarding issues that affect them⁷.

Preventing and responding to child labour

The basic rules under international standards distinguish what constitutes acceptable or unacceptable work for children at different ages and stages of their development. UNICEF estimates that 150 million children aged 5–14 years old worldwide are engaged in child labour and 115 million children aged 5–17 years old in the worst forms of child labour such as handling chemicals, heavy loads or enduring long hours. 60% of child labour is in agriculture, 7% in industry, and 26% in services. The complexity of the issue of child labour means that companies need to address the issue sensitively, and must not take action which may force working children into more exploitative forms of work. Steps must also be taken to ensure that child labour is not be used by subcontractors, suppliers and other business affiliates.

Preventing and responding to the trafficking of children

According to the ILO some of the sectors in which human trafficking have been identified as a significant problem, include: Agriculture and horticulture; Construction; Garments and textiles; Travel and tourism; Hospitality and catering; Mining and logging; Food processing and packaging; Transportation; Domestic service and other care and cleaning work and the Sex industry and prostitution. Business can contribute to the prevention of child trafficking by implementing

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⁷ Many of these ideas are explored in more detail in UNICEF's Workbook: "Children's Rights for the Private Sector" which will be released in 2011.

mechanisms to detect child trafficking in all its operations. They can ensure that supply chain monitoring mechanisms prevent the transport and use of trafficked children. They can disseminate information and create awareness among the workforce (and within the supply chain) so that they can identify and report suspicious signs of abuse or exploitation of children.

Preventing and responding to the commercial sexual exploitation of children

There are three primary and interrelated forms of commercial sexual exploitation of children: prostitution; pornography; and trafficking for sexual purposes. Four industries are particularly at risk of involvement: Tourism and travel; Financial services; Media; and New technologies. Business can implement mechanisms to detect exploitation in all its operations. It can ensure that supply chain monitoring mechanisms preclude the commercial sexual exploitation of children. It can disseminate information and create awareness among the workforce so that they can identify and report suspicious signs of sexual abuse or exploitation of children, particularly in sectors such as transport or hospitality.

2.3 Supply Chain

The scope of business responsibility to respect children's rights extends to its relationship with other parties. There is great potential for business to ensure that children's rights are fully integrated and implemented in the supply chain through the use of dialogue, contract conditions, self-assessment, audit or capacity building to encourage suppliers to comply with their responsibilities towards children. Business should ensure that it does not put pressures on suppliers that are likely to result in abuses of children's rights; for example, excessively low margins for suppliers may encourage use of harmful child labour and failure to provide suppliers with good forecasting of demand may result in excessive overtime and other pressures on workers to meet deadlines. They should develop stable relationships with suppliers and build their capacity to respect children's rights.

2.4 Products and Services

Product Safety and Research

Children are vulnerable to products that are unsafe: these could be products intended for children such as toys or those they use incidentally such as household cleaning products. Business should ensure that product safety and research and testing policies take children's rights into account.

Marketing and advertising which promotes and strengthens children's rights

Children are a vulnerable consumer group and are exposed to enormous commercial pressures. Aggressive marketing of products in all media (including TV, print, mobile phone and on-line) which are manifestly unhealthy for children such as cigarettes, alcohol and foods and drinks high in saturated fats, trans-fatty acids, free sugars, or salt can violate their right to health, life, survival and development. Another important issue is the sexualisation of children, particularly girls, within advertising at increasingly earlier ages as well as promotion of unrealistic body images. Business can protect children by creating marketing and advertising which promotes children's rights; for example, by promoting healthy life-styles and children's citizenship.

Protecting children from harmful media content

More and more children have access to media diversions of many kinds – on television, via computer gaming, on the Internet, and in mobile telephones. This has created increased potential for children

to access harmful content such as depictions of violence, pornography and discriminatory depictions of girls, women and minorities which is an important issue for companies particularly in the media and ICT sectors. Business can do a great deal to protect children from harmful content whilst at the same time acknowledging their right to information and freedom of expression, such as joining together in industry initiatives to strengthen children's information literacy; teaching responsible behaviour online; enhancing awareness of web-related safety issues; deploying filter software and providing hotlines.

Using technology to further children's rights

Digital interactive technologies, such one-to-one SMS, net and mobile phone-based social networks, have an enormous power and potential to further children's rights. However, they can also encourage children to participate in risky behaviour in the 'real' world and to fall prey to on-line bullying and solicitation of sexual services. Business can work closely with other stakeholders such as law enforcement agencies, teachers and children themselves to protect them and teach them responsible behaviour online.

Private sector provision of critical services

The role of business in the provision of public services such as detention facilities, energy, education, transport or water remains contentious. Children are particularly at risk when services are not delivered in an equitable and universal manner. Poor children are most at risk of not having access to utilities such as water as they often live in areas where establishing infrastructure is physically and financially challenging. Critical services must be provided in compliance with children's rights, and in particular in a manner that is culturally appropriate and in which availability, accessibility and quality are guaranteed for all.

2.5 Environment and resources

Environmental impact

In terms of climate change we know that the actions of business today will determine the future that later generations inherit, on an unprecedented scale which raises the question of violation of rights of future generations of children. Furthermore, children are at greater risk from environmental hazards than adults because of their physical size, immature organs, behaviour, natural curiosity and lack of knowledge. Growing environmental degradation and contamination from deforestation, desertification, soil erosion, over grazing, over-use of fertilisers and pesticides, lack of watershed management and dumping of wastes often compromise household food security and health, especially for children.

Land acquisition

Children are particularly affected by land acquisitions for large industrial, agricultural and mining projects and resulting displacements yet are least likely to be consulted about the impact on their lives either informally within families or communities or formally as part of companies' consultations. Business should take children's rights and in particular the right to education, health and an adequate standard of living into account when considering resettlement and compensation for communities. Both girls and boys and, particularly vulnerable groups of children such as those belonging to an ethnic, religious, indigenous or linguistic minority, should be involved in ongoing engagement and discussions between business and the community regarding land acquisition.

2.6 Community Investment

Children's rights should be core to companies' structures and operation plans not peripheral to them. There are also activities which business can undertake to support child rights whether through strategic core business activity, community investment programmes, philanthropy or otherwise. Such interventions should focus on the best interests of the child and assist boys as well as girls. They must listen to and learn from children, make a long-term commitment and tackle the root causes of child rights' violations so that lasting, sustainable change can be achieved. They should be planned and implemented in close cooperation with government to ensure that they are complementary to government efforts to fulfill children's rights⁸.

2.7 Engaging with governments and other stakeholders

Business can use its considerable influence to encourage and support governments to meet their obligations to realise children's rights. Dialogue with governments and others might include:

- -Speaking out against violations of children's rights
- -Encouraging and supporting investigation of children's rights abuse
- -Supporting specific programmes such as improving standards in education and health
- -Supporting legislation on issues such as environmental protection, health and safety and non-discrimination which takes children's rights into account.

Business should ensure that all lobbying for business interests is mindful and not undermining of children's rights and work with a range of partners to further children's rights including schools, trade unions and civil society. Business has an important role to play in ensuring that children's voices are heard and acted upon in business decisions which affect them, for example by establishing proper channels for children and young workers' representation in the workplace Consultations with children should always be done in a meaningful and ethical manner which takes into account the best interests of the children concerned.

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⁸Many of these ideas are explored in more detail in UNICEF's Workbook: "Children's Rights for the Private Sector" which will be released in 2011.