

Child Labour Resource Guide

Appendix 3 – Trade Associations: responding to child labour



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Appendix 3

Trade associations: responding to child labour

This appendix describes action on child labour which has been taken in relation to four categories of export product. In three of the four cases, the initiatives were instigated by importers or retailers based in industrialised countries, either working together formally in a trade association or cooperating informally.

These examples illustrate how companies that usually compete against each other in the market have been able to cooperate in agreeing both minimum labour standards and processes for reducing the number of children involved in manufacturing exports, either gradually or completely. However, they also illustrate how such companies have difficulty in distinguishing between their own interests and the interests of children in developing countries.

As a result, one of the major observations emanating from this section is that companies or trade associations which are considering taking action to stop child labour should automatically appoint an independent person with the specific and sole responsibility of advocating the best interests of the working children involved and any other children likely to be affected by such initiatives.

The four categories of export product examined:

- 1 the garment or apparel industry;
- 2 the sporting goods industry (with a specific focus on footballs);
- 3 hand-knotted carpets;
- 4 the cultivation of cocoa.

The first three examples mainly concern working children in South Asia, the last example concerns children in West Africa.

All four examples demonstrate the power of companies based in Europe and North America to specify how their suppliers should behave and what minimum labour standards they should observe. It also highlights the fear that companies in industrialised countries have of consumer boycotts or other popular reactions which would damage their sales. In three of the four cases, it was bad publicity that spurred companies into action; in the first case described, it was fear of losing sales that drove manufacturers selling to Western companies into dismissing children.

Best practice?

It is difficult to conclude that any of the four examples represent “best practice” in which the best interests of the children concerned have been the main point of reference in decisions about what should be done – either by companies in the West, by locally based companies producing for export, or the various NGOs and trade unions that have organised campaigns to protest at the involvement of children in the production of exports. Large amounts of money have been spent organising meetings to decide what should be done. Generally, local people (whether workers, employers or the children involved) have been excluded or given a minor role.

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The difficulties experienced in changing things for the better confirm the obvious: companies do not have the right expertise to design and engineer social change, even if they do have a responsibility to ensure that their activities do not result in violations of human rights.

These examples also reveal a gradual realisation in Western businesses that child labour cannot and should not be made to vanish overnight, and that it may be appropriate for them to tolerate children working, even below the internationally agreed minimum age for employment, as long as the children are not involved in the “worst forms of child labour”. However, in each case companies importing products into the West have focused their interventions on child labour in the sectors of developing economies that supply them with a specific product, leaving it to the governments of the countries concerned and to the inter-governmental organisations they work with (such as UNICEF and the ILO) to try and spread any benefits to the wider economy.

The cases also illustrate that a narrow approach, such as focusing only on child labour and excluding other human rights issues, or focusing only on child labour involved in the production of one agricultural product, rather than in commercial agriculture as a whole, is more likely to result in unintended side-effects for children and others.

1. The garment industry

There have been numerous initiatives since the end of the 1980s to set minimum labour standards and ban child labour in the garment industry, in developing and industrialised countries. Complaints that child labour was being used in the production of clothes and shoes were made from the late 1980s onwards, as the number of employees working in the garment industry in industrialised countries declined. Schemes to address these complaints by establishing minimum standards for working conditions have been initiated by concerned groups and trade unions based in Europe and North America, by the US and other governments, by businesses, and by groups representing a combination of these different groups.

Bangladesh

In the Bangladesh case, it was not the introduction of a code of minimum labour standards by either a single company or US importers working together which precipitated a crisis, but rather the rumour among Bangladeshi garment manufacturers that a law was being adopted (or had already been adopted) in the US to ban their products if child workers were suspected of participating in their production. In 1993, garment employers reportedly dismissed an estimated 50,000 children from their factories, approximately 75 per cent of all children in the industry.

After two years of negotiations, a formal Memorandum of Understanding (MOU) was signed in 1995 by the Bangladesh Garment Manufacturers and Exporters Association (BGMEA), and the UNICEF and ILO offices in Bangladesh. The resulting programme was to be funded by these three organisations. BGMEA alone committed about US\$1 million towards the implementation of the MOU.

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Under the terms of the agreement, four key provisions were formulated:

- 1 the removal of all under age workers – those below 14 – within a period of four months;
- 2 no further hiring of under age children;
- 3 the placement of those children removed from the garment factories in appropriate educational programmes with a monthly stipend;
- 4 the offer of the children's jobs to qualified adult family members.

The MOU explicitly directed factory owners, in the best interests of these children, not to dismiss any child workers until a factory survey was completed and alternative arrangements could be made for the children.

With the benefit of hindsight, it is reasonable to observe that the 1995 MOU was far from ideal, but it did put some safeguards in place to protect children from serious abuse. For example, while Bangladeshi employers came to an agreement with two international organisations, no other stakeholders were directly involved (such as representatives of either the adult workforce or the communities whose children were at work in garment factories).

It is not only in Bangladesh that children have been reported to be working in large numbers in making clothes or assembling footwear and other leather products. There have been a number of significant agreements in other areas to halt the involvement of young children in garment production.

While the Bangladesh example was an initiative taken in the actual country where large numbers of children were working, subsequent initiatives were based in industrialised countries. This underlines the preoccupation of organisations in Europe and North America with the loss of jobs in the garment sector in their countries.

Campaigners in Europe

In Europe, protests against abuses in the garment industry in developing countries led to a "Clean Clothes Campaign". The leading branch of this campaign was based in the Netherlands. One of its early targets was the Netherlands-based company, C&A, which responded by introducing a code of conduct and its own special unit for verifying that the code was respected by its suppliers (see Appendix 4).

Working with Dutch trade unions and NGOs, the Clean Clothes Campaign developed a "Fair Wear Charter for Clothing" in 1994 and a "Code of Labour Practices for the Apparel Industry Including Sportswear" in 1998, based on the "Basic Code of Conduct covering Labour Practices" prepared by the International Confederation of Free Trade Unions (ICFTU).¹

In March 1999 a "Fair Wear Charter Foundation" was launched to monitor efforts to ensure that garments imported into the Netherlands

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were not manufactured either by young children or in other conditions which contravened international standards.

The partnership approach in the US

While the process in Europe was propelled by organisations working closely with the international trade union movement, in North America there was a process involving representatives of business and government more closely. In response to protests in the mid 1990s at the use of sweatshops in the US itself, President Clinton intervened to bring producers, protesters and representatives of trade unions together. He convened an “Apparel Industry Partnership” to agree acceptable minimum standards for work in the US garment industry. The task force included garment manufacturers and retailers, trade unions, and human rights, consumer and religious organisations.

In 1997, the Partnership issued the “White House Apparel Industry Workplace Code of Conduct” which defined minimum standards for working conditions in the garment industry, and was intended to be applied in the US and elsewhere. The code was accompanied by a further document, “Principles of Monitoring”.

The “Workplace Code of Conduct” set minimum standards on a range of labour issues. On child labour it stipulated:

No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

Discussions about the most appropriate ways of monitoring whether the code of conduct was being respected proved divisive. Backed by the White House, a “Fair Labor Association” (see Appendix 2) was established to monitor compliance with the code. However, the trade unions protested that the FLA standards would not guarantee a living wage to workers and that the FLA’s system of monitoring would not be effective. They eventually broke away from the Apparel Industry Partnership and established a separate organisation, the Worldwide Responsible Apparel Production (WRAP).

By the end of 2003, 21 companies were reported to be participating in WRAP, 12 of which are based in North or South America.² WRAP adopted its own code of minimum standards, entitled the Worldwide Responsible Apparel Production Principles. In terms of child labour it guarantees that:

Manufacturers of sewn products will not hire any employee under the age of 14, or under the age interfering with compulsory schooling, or under the minimum age established by law, whichever is greater.

The FLA and WRAP offer certification schemes to US companies importing garments into the US. Some of the best-known US-based retailers of garments and sporting goods currently seek certification

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from either the FLA or WRAP and at least one other multi-stakeholder code.

The process in the US demonstrates the complex tensions which occur between different stakeholders involved in initiatives concerning labour rights. Furthermore, there is a danger that the specific interests and voices of children are not taken into account during negotiations between businesses and trade unions and politicians, or given only a low level of priority in comparison to other stakeholders.

In addition to codes of conduct, the US Government has also backed numerous other initiatives to eliminate child labour and ensure a minimum standard for working conditions in the garment industry. For example, in 1999 the US Government entered into a three-year Trade Agreement on Textile and Apparel with the Kingdom of Cambodia. This set an export quota for garments from Cambodia to the US and introduced an incentive (of an annual increase in Cambodia's export entitlements to the US) for improvements in working conditions and respect for workers' basic rights in Cambodia's garment sector.

The minimum age for wage employment was eventually set at 15 years and the minimum age for hazardous jobs at 18. Children from 12 to 15 years of age could be hired to do light work provided that it was "not hazardous to their health or mental and physical development and the work will not affect their regular school attendance or their participation in guidance programs or vocational training approved by a competent authority".³

Monitors inspected between 20 and 60 factories on a regular basis and occasionally came across workers whom they estimated to be under 15. The remedial action reported in one case provides an example of how a child found at work in a potentially harmful situation can be supported in a satisfactory way:⁴

An initial agreement with the factory management was secured by the delegation and further details of the agreement were finalised between factory management and the ILO.

Under the agreement the worker, who worked in the finishing section, has ceased working in the factory and has been placed in a sewing training course at the Provincial Training Centre. The factory agreed to pay the US\$100 placement fee. Although the delegation requested the factory to also pay the monthly minimum wage of US\$45 to the worker until she turns 15, the factory did not agree, arguing that she did not work and could therefore not be given wages. Instead, the factory offered to pay her a monthly food allowance of US\$15. GMAC [Garment Manufacturers' Association in Cambodia] agreed to make up the difference and pay the worker an additional US\$30 a month.

The factory did agree to re-employ the worker once she has turned 15. The ILO will undertake monthly follow-up visits to ensure that the worker is attending the training course and receives relevant payments.

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2. The sporting goods industry: footballs

The industry's attempts to come to terms with child labour have involved elements of the Bangladesh experience and of initiatives taken by trade associations based in the industrialised world. Businesses importing sporting goods into industrialised countries were involved in initiatives to set minimum labour standards in the garment and footwear sectors in the mid 1990s. Many attended a conference held in Switzerland in 1995 to review what they could do to ensure minimum labour standards in the production of goods they were importing. Just a few months later, they were obliged to respond to high profile allegations that the sporting goods industry was exploiting child labour in the manufacture of footballs (soccer balls in the US).

Footballs manufactured in Pakistan

In April 1996, in the run up to that year's 1996 European Football Cup, publicity about children involved in making footballs in Pakistan persuaded importers in Europe and North America and Football's international regulating body, FIFA (Fédération Internationale de Football Association) to lend their support to efforts to end the involvement of children in the manufacture of footballs.

The main international grouping of trade unions, the ICFTU, complained that FIFA was allowing its brand label to appear on footballs stitched by children.

In June 1996, the "Foul Ball" campaign was launched in the US to ensure that footballs were not stitched by under age children. The campaign was particularly significant in the US, as the popularity of football was growing after the US hosted the 1994 World Cup.

The 1996 publicity focused on children assembling footballs by stitching pieces of leather together, in particular in Sialkot, an industrial town in Pakistan's Punjab province. An ILO study in the Sialkot region in 1996 estimated that more than 7,000 Pakistani children between the ages of 5 and 14 were stitching balls on a regular, full-time basis. As recently as 2003, FIFA estimated that 75 per cent of the leather footballs marketed around the world were manufactured in Sialkot.

UNICEF, the ILO and international NGOs such as Save the Children (UK) became involved in initiatives focusing on Sialkot, and the following year there was more publicity about similar cases of children stitching footballs across the border around the Indian town of Jalandhar.

Unlike the Bangladeshi clothes factories, the leather pieces being stitched into footballs were being assembled in many different places. Some were made on factory premises, but most were stitched by people working in their own homes. By the mid 1990s, the issue of homeworking was high on the international agenda, with a new convention on the rights of such workers under consideration by the ILO.

While many homeworkers were exploited, notably working on a sub-contracting basis rather than as employees, they also had some advantages. In Sialkot, it was much more acceptable for women to earn

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money working in their own homes, for example, rather than going out to work in a factory. Indeed, as soon as some companies created special football stitching factories (in which it would be relatively easy to check that young children were not working), it became obvious that women were losing out and that most jobs were being taken by men.

The business response – the Atlanta Agreement (1997)

Individual companies importing footballs into the US initially responded in a piecemeal way. Reebok established an adult-only factory unit in Sialkot. Reebok and a number of other companies importing footballs into the US also began putting a label on individual balls, guaranteeing that its manufacture had not involved child labour – although the World Federation of the Sporting Goods Industry objected at the time to this practice, considering that it was unnecessary and that a retailing company's own logo should be a sufficient guarantee that conditions were satisfactory in the manufacturing process.⁵

In February 1997, a Partners' Agreement between the Sialkot Chamber of Commerce and Industry, the ILO and UNICEF was signed in Atlanta, USA to eliminate child labour in Sialkot's football manufacturing industry by the end of 1998. Child labour was defined as situations "where children under age 14 are working in conditions that interfere with schooling, or that are hazardous or otherwise injurious to their physical, mental, social or moral well-being."

This standard meant in principle that children attending school could continue earning money by stitching footballs, as long as it did not affect their schooling. The Sialkot initiative was initially expected to cost some US\$4.7 million to implement.⁶

In this case, ILO-IPEC was given the role of monitoring whether children were still involved in stitching footballs. UNICEF was involved in addressing the infrastructure for schools, both to increase the number of places for children in schools and the quality of education available. Save the Children UK was given the role of collecting information and working with families and children in order to increase school attendance and reduce the involvement of children in stitching footballs in a "sustainable" way.

More than 70 businesses based in Sialkot eventually joined a partnership with Save the Children UK to achieve the Atlanta Agreement's objectives. It was soon apparent however, that child labour (as defined by the agreement) would not stop by the end of 1998, and that however well resourced the monitors were, they would not get access to all the private homes in the areas where footballs were being assembled.

The scheme was initially expected to be completed by March 1999. However, by that date only 39 of the 69 companies producing and exporting footballs had joined it.⁷

Counter-productive side effects

Various unintended side effects emerged as a result of the action taken

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to end child labour in the Sialkot area. Already in 1996, concern was expressed that “child labour free” football stitching centres would have the effect of excluding adult women workers, thereby negatively affecting women’s status; in particular their economic independence.

A report published in January 2004 lists the following unintended consequences:⁸

- the Project, as originally designed and launched, eliminated a source of income for women;
- family income for families with members stitching soccer balls declined;
- child stitchers entered other occupations;
- the project resulted in the further segregation of soccer ball manufacturers in Sialkot;
- Sialkot soccer ball manufacturers have become less competitive in global markets as soccer ball production has shifted elsewhere.

India

In 1998, the British NGO Christian Aid published a report about children involved in manufacturing sporting goods for export in India, estimating that 25,000 to 30,000 children were involved. A subsequent report commissioned by India’s National Labour Institute made a lower estimate of 10,000, and more detailed research suggested that many of the children involved were also attending school. It also estimated that between 1,000 and 1,500 of school age were working without attending school.

Following the model developed in Pakistan, India-based companies formed the Sports Goods Foundation of India (SGFI), and developed plans with the World Federation of the Sporting Goods Industry to involve Save the Children UK in a programme to assist working children, and ILO-IPEC to carry out checks on whether child labour was still occurring.

The Government of India objected to ILO-IPEC’s involvement, with the result that SGFI decided to develop its own monitoring system. A Programme of the Sports Goods Foundation of India, funded by FIFA, began on 1 January 2000.

Ongoing complaints about the use of child labour

In the Sialkot case, Save the Children UK ended its involvement in 2001, while ILO-IPEC continues to be involved in monitoring. By 2002, the ILO was reported to be monitoring 142 centres where footballs were assembled in and around Sialkot, and 105 villages in the area. By August 2001, UNICEF concluded that all children in the Sialkot area who were between five and seven years of age were attending school.

Nevertheless, reports that child labour is still common in the Sialkot

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area continue to be published, provoked in part by the notoriety of the issue and in part in order to assess whether the initiatives taken so far have been really effective.

In May 2002, an international NGO based in New Delhi, the Global March Against Child Labour, reported that child labour was involved in the stitching of Coca Cola and Adidas balls, which it reported were both sponsors of the FIFA 2002 World Cup. One of the two companies named, Adidas-Salomon, responded by claiming that the footballs with the Adidas label were counterfeit.

The May 2002 report observed that leather pieces for footballs were being taken outside the zone covered by child labour initiatives in Sialkot itself, and were being stitched in a village situated some 250 kilometres away.

This unsurprising observation underlines that both economic and social realities make it virtually impossible to eliminate all cases of child labour; efforts in one area are quite likely to displace the use of child labour into another, neighbouring area. Consequently, the effectiveness of schemes to reduce child labour has to be assessed on the basis of the benefits to the children who are working in unacceptable circumstances.

While it is reasonable to expect a marked decrease in the numbers of children involved, it would be unreasonable (and unrealistic) to expect there to be no cases at all.

WFSGI Code of Conduct

Four years after publicity first focused on children stitching football, the World Federation of the Sporting Goods Industry adopted a code of conduct in August 2000 for its members to observe. On the specific issue of child labour, it states:

No person shall be employed at an age younger than 15 (or 14 where the law of the country of manufacture allows) or younger than the age for completing compulsory education in the country of manufacture where such age is higher than 15.

On the issues of monitoring and verification, the code notes that:

Members are encouraged to establish their own internal management systems to monitor the standards outlined in their own code of conduct and to implement action plans for continuous improvements in factory working conditions in their own operations and those who supply them. Members are also encouraged to have factories monitored by appropriately qualified external third party organizations.⁹

3. Hand-knotted carpets

During the early 1990s, the large numbers of children involved in making hand-knotted carpets in India for export received adverse publicity, particularly in Germany, the largest single importer of such

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carpets. The situation was particularly dire in parts of northern India, particularly Uttar Pradesh state where a significant proportion of the children were bonded. These are child victims of forced labour, as well as being below the legal minimum age for employment. Similar patterns of abuse were reported in neighbouring Nepal and Pakistan.

The protests, in India and abroad, against the exploitation of children in the carpet industry, gave rise to numerous initiatives from the 1980s onwards. These initiatives were made difficult by the fact that carpets were reported to be made on an estimated 300,000 looms, involving a labour force of about 1.5 million people.¹⁰ The looms were not situated in factories, but in houses and small units, many of them in villages, in an area of about 200,000 square kilometres.

The initiative which has received most attention involved a “social label”. This is a label attached to each individual carpet which was sold in India by a company whose actual manufacturing units were inspected periodically and found not to be using child labour. The label offers a guarantee to purchasers that “illegal child labour” was not involved. Operated by “Rugmark”, it was developed by NGOs in India and Europe, supported by German funding. Rugmark now also operates in Pakistan and Nepal.

India's Carpet Export Promotion Council set up a rival scheme (Kaleen), thereby creating some confusion about which label signified what. In addition, there have been several initiatives by Europe-based importers, working with exporters in India (and eventually in other countries as well) to monitor and verify that child labour was not used in the manufacturing process, one started in Germany (Care & Fair) and the other in Switzerland (the STEP Foundation).

The four schemes overlap and compete. They involve different numbers of exporters. A report published in 2000 noted that Rugmark was working with 215 exporters, Kaleen with 252, Care & Fair with 138 and the STEP Foundation with 22.¹¹ In many cases, it was reported that a single exporter was working with several schemes, and consequently exported a carpet bearing two different labels, one from Rugmark and the other from Kaleen.

While this might appear to offer a double guarantee that no child labour was involved, it has also had the effect of muddling importers and consumers in North America and Europe. Indeed, supporters of Rugmark have claimed that this was one of the objectives when a rival label was set up.

Rugmark

Rugmark was the first of the social labelling schemes, started in 1994 with support from the Indo-German Export Promotion Council and a number of NGOs in India and in Europe. For several years a member of UNICEF's staff in New Delhi was on its Board.

To be certified by Rugmark, carpet makers sign an agreement with the following obligations to:

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- produce carpets without employing children under 14 years of age (in the case of traditional family enterprises, children under 14 years helping their parents must attend school regularly¹²);
- pay their workers at least the official minimum wages;
- register all looms and manufacturing units with the Rugmark Foundation;
- allow access to looms/factories for unannounced inspections by Rugmark inspectors.¹³

Exporters register with the Rugmark Foundation, paying a registration fee of some 10,000 Indian Rupees. The Rugmark Foundation is provided with details of each exporter's suppliers, investigates whether the list is complete, and is entitled to inspect any of the production units where looms are located at any time. Exporters pay a percentage of their earnings into a social fund which funds schemes to help children who are found working illegally, and to finance education in the carpet producing area.

By July 2003, Rugmark reported that it had granted labels to 2.9 million carpets exported from India alone.¹⁴ It reported detecting 1,387 cases of illegal child labour. Several hundred of these were bonded children, some of whom were returned to their families and others moved to a Rugmark-run rehabilitation centre.¹⁵

Kaleen

The Kaleen label was an initiative of India's Carpet Export Promotion Council, supported by the government's Ministry of Textiles, in 1995. Kaleen developed a code of conduct based on India's 1986 law on the employment of children. The initiative seems to have been taken primarily as a response to the challenge posed by Rugmark.

The Carpet Export Promotion Council commissioned an independent agency, the Academy of Management Studies (AMS) in Lucknow, to monitor the possible presence of children working looms. The Academy is supposed to check 10 per cent of the looms registered with the Council over a three year period.

In February 2004, Kaleen's website reported that almost 200,000 looms had been registered under the scheme, and just under 80,000 inspected. Among more than 76,000 workers seen during inspections, 2,046 children below the age of 14 had been detected, of whom 694 were categorised as "hired child labour" rather than children of the household. The website identified by name 251 loom owners who had been found by AMS to be employing children under 14 during 2002 (along with the children's names).¹⁶ Kaleen's website advised its members "not to use these looms for production of carpets meant for export."

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Care & Fair

Two further initiatives were started by European carpet importers, Care & Fair in Germany and the STEP Foundation in Switzerland. Care & Fair started as an initiative involving carpet importers in Germany. Like Rugmark, it focused exclusively on India. It has subsequently grown to involve importers in 11 other countries and exporters in four manufacturing countries: Morocco, Nepal and Pakistan (as well as India).

Care & Fair has its own list of standards, which includes an explicit rejection of bonded labour (whether involving adults or children), as well as child labour. It also stipulates that "All employees of producers/exporters/suppliers must receive the minimum wages applicable in the respective country" and an additional requirement that "Children of carpet workers must have the opportunity of regular schooling. Where there are no state schools, producers/exporters/suppliers undertake to support school building and the educational system".¹⁷

Carpet exporters sign a contract agreeing to observe these minimum conditions and agreeing to be monitored by aid organisations and others. However, there is no inspection system, nor any systematic verification that standards are being respected. Like Rugmark, Care & Fair collects contributions from importers and exporters which are used to finance social development projects.

STEP Foundation

The Swiss Association for a Clean Oriental Carpet Trade (IGOT), an importers' association, joined up in 1995 with NGOs based in Switzerland, receiving backing from the Swiss Government's development agency, Swissaid. Technically, this was not a "label scheme", but rather a more conventional certification scheme. However, it was clearly part of the range of overlapping and competing schemes designed to install some confidence in Western consumers that they were not buying products made by children.

According to its website, the STEP Foundation works to improve working and living conditions and fight abusive child labour in the production of manufactured and hand-woven carpets.¹⁸ Companies seeking STEP accreditation must: support socially fair conditions in the production; pay fair prices to ensure fair wages; fight abusive child labour; sustain ecologically harmless production methods; and allow independent verification.

From 1998, the STEP Foundation sub-contracted checking looms to Apt Management Services, a sub-division of the Academy of Management Studies (AMS) that was already monitoring looms for the Kaleen label.

Criticisms of "child labour free" labels

Together with many initiatives taken in the mid 1990s to ensure that child labour was not involved in producing products for export, Rugmark came under sustained criticism. In this case, much of the criticism came from the Indian government and exporters. Both evidently considered the Rugmark initiative to be an infringement of a domain

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over which they felt they had jurisdiction.

Most assurance or accreditation schemes operated by multi-stakeholders or trade associations are themselves monitored and subjected to quality assurance. In the cases of several of the schemes challenging child labour in India's carpet industry, the comments of some researchers carrying out a review in 2000 for ILO-IPEC are interesting. They reported that they had not been given adequate access to information to check these schemes, commenting:¹⁹

The Rugmark Foundation Head Office in New Delhi denied the team a comprehensive list of looms arguing that it would be difficult for the researchers to locate the looms that are spread far and wide and as such it would be of no use to the team. The Carpet Export Promotion Council (Kaleen) did not provide any list either. The team then contacted the Academy of Management Studies (AMS) who is responsible for registration and monitoring of Kaleen looms. AMS (through its subsidiary Apt Management Services) which also oversees operations of STEP exporters, refused to provide a list of the registered looms to the team, stating that it did not have permission from either Kaleen or STEP to give the list.

Commenting more broadly on the pros and cons of labels guaranteeing "no child labour" has been used in manufacturing a product (or guarantees concerning other labour rights), in 2002 the ETI made the following comments:

(T)here are some real risks involved in pursuing ethical labelling of products. In seeking to "get labelled", companies would be discouraged from buying from countries with structural problems such as restrictions on freedom of association or very low wage levels, thus risking putting suppliers out of business and workers out of a job... There is also the risk that smaller companies with narrow profit margins would be penalised because they cannot make the grade as quickly as larger, more capital-intensive companies with higher profit margins. Labelling would reward companies and suppliers who go for the "quick fixes" to labour problems and penalise those who aim for longer-term but more sustainable solutions.²⁰

In addition to these four schemes, other exporters and importers offer a variety of guarantees that the carpets they handle have not been made by child labour. In particular, IKEA buys a significant number of carpets in Uttar Pradesh and provides financial support for projects to bolster education and other services in three districts in India's "carpet belt".²¹

4. Cocoa cultivation

This example shows how importers concerned about children can act in good faith but at the same time undermine local solutions to child labour, by taking the solutions out of their hands. It also provides an example of importers giving clear priority to getting rid of "the worst forms of child labour", rather than trying to stop all children below a minimum age from working, and accepting at the outset that even this

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will take many years.

Concern about trafficked child workers (the child victims of forced labour) employed in cocoa farms in West Africa was voiced in the late 1990s and 2000 in two very different arenas – in West Africa, and in Europe and North America.

The different courses of action that were preferred in the two different regions illustrate some of the dangers of Western-led initiatives that are imposed on other regions, and look like the product of power politics, rather than consultation about what is in the best interests of exploited children.

Research about trafficked children working in Côte d'Ivoire

In the second half of the 1990s, the issue of children being recruited in one West African country to work in another was receiving attention from journalists and NGOs in various West African countries.

In Mali, one of the world's poorest countries, concern was voiced that teenagers and younger children were being recruited to work in Côte d'Ivoire, to the south, in abusive and exploitative conditions. Many teenage boys, it was reported, were trapped in agricultural jobs, where they were expected to work for a full season simply to repay the costs of their original journey from Mali. When the governments of Mali and Côte d'Ivoire signed a bilateral agreement in September 2000 to address the issue, it seemed that local initiatives to end uncontrolled cross-border child trafficking were succeeding.

Quite unknown to local activists, however, Western journalists were also about to report on the problem, and the publicity they gave to the issue eventually resulted in Western industrialists seizing the initiative, with the result that local solutions were virtually side-lined.

A television documentary about modern-day slavery was shown in the UK shortly after the Mali-Côte d'Ivoire agreement had been signed. It included footage of a group of teenage Malian boys employed on a cocoa farm in Côte d'Ivoire, one of whom showed scars from a severe beating. The boys reported that they were incarcerated and prohibited from leaving the farm. An adult accompanying them claimed that similar conditions prevailed on a large proportion of Côte d'Ivoire's cocoa farms.

The impact of the documentary was initially limited to the UK, where it was left to the chocolate industry to try and respond to the accusation that their product was made in part by slave workers. The Biscuit, Cake, Chocolate & Confectionery Alliance (BCCCA) discreetly contacted independent researchers to find out if the claims were credible. A few months after the broadcast, the publicity surrounding the issue had died down, and the BCCCA might have been left to quietly discuss steps it should take with the TV documentary makers, if it had not been for an unrelated incident in West Africa that refocused attention on the issue of cocoa production.

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Over Easter weekend 2001, a ship carrying “slave children” was reported to have disappeared between the ports of Cotonou, Benin and Libreville, Gabon. Journalists throughout Europe and North America reported on the disappearance, and on the predicament of West African children who were enslaved or trafficked.

Before long, a link was being alleged with cocoa farms – possibly because journalists with poor knowledge of where cocoa was produced for export in West Africa assumed that the children were being taken to Gabon to work on cocoa farms, and perhaps because Easter is a festival where chocolate is given as a gift in Europe and North America. Before the weekend was over, a British government minister was reported to have publicly criticised the chocolate industry for not preventing trafficked children from working on cocoa farms.

Within a short time, cocoa importers in the US reacted strongly, seizing the initiative from the BCCCA with the sort of damage limitation exercise that they felt was essential if the concerns of US consumers were to be met. The US Chocolate Manufacturers Association convened their significant stakeholders. Few West African-based stakeholders were included.

In September 2001, they signed the “Protocol for the Growing and Processing of Cocoa Beans and their Derivative Products In a Manner that Complies with ILO Convention 182 Concerning the Prohibition and Immediate Action for the Elimination of the Worst Forms of Child Labor” .

Subsequent initiatives by the North American and European cocoa importers and those they chose to work with are described below. They have undoubtedly brought far more resources to bear on behalf of children working on cocoa farms than the governments of Mali and Côte d’Ivoire would have been able to mobilise. However, they have done so on behalf of children cultivating only one cash crop, rather than on behalf of trafficked children more generally, or of children working in hazardous conditions in agriculture. The benefits of removing control of the issue from local governments and the activists who can influence them remain questionable.

Protocol for the Growing and Processing of Cocoa Beans (September 2001)

The Protocol was signed by the presidents of the US Chocolate Manufacturers Association and the US-based World Cocoa Foundation. It was a pledge that child labour and forced labour would not be allowed in cocoa growing, and an outline of the process that was to be followed over four years to make the pledge a reality. The early recognition that child workers could not be made to vanish overnight was important. The Protocol was, in effect, an outline plan of action between 2001 and July 2005.

The Protocol announced five principles and outlined how its objective would be reached:

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- 1 It used ILO Convention No 182 (on the worst forms of child labour) as its yardstick, stating its main objective as “Cocoa beans and their derivative products should be grown and processed in a manner that complies with” Convention 182.
- 2 It recognised that the objective could only be reached “through partnership among the major stakeholders: governments, global industry (comprised of major manufacturers of cocoa and chocolate products as well as other cocoa users), cocoa producers, organized labor, non-governmental organizations, and consumers”.
- 3 It made a commitment to “credible, effective problem solving” and a long-term solution.
- 4 It also made a commitment to sustainability and “a multi-sectoral infrastructure” (to help remove child labour).
- 5 It recognises the ILO’s “unique expertise” and assured it an active role in dealing with the worst forms of child labour “in the growing and processing of cocoa beans and their derivative products”.

Starting with a public acknowledgement that there was “a problem of forced child labor in West Africa”, the Protocol provided for a statement of commitment to be signed by “major stakeholders”, a subsequent memorandum of cooperation, and the establishment of a joint international not-for-profit foundation “to oversee and sustain efforts to eliminate the worst forms of child labor.”

The task of ensuring that a range of “stakeholders” would support the process outlined in the Protocol started by securing a series of witnesses to its signing and formal statements of support. These were primarily US-based, representing the political, business, trade union and NGO worlds, as well as the inter-governmental organisations that were to be involved. They were:

Two US senators (including the “dean” of child labour initiatives in the US Senate, Senator Tom Harkin) and one member of the US house of Representatives, and the Côte d’Ivoire’s Ambassador in the US;

- The heads of eight chocolate businesses based in the US, the Association of Chocolate, Biscuit and Confectionery Industries of the European Union (CAOBISCO), the European Cocoa Association (ECA), and the International Cocoa Organization (ICCO), representing 19 cocoa exporting countries and 22 importing countries;
- The head of the ILO’s International Programme on the Elimination of Child Labour (IPEC);
- The head of the International Trade Secretariat dealing with agriculture, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco, and Allied Workers’ Association (IUF), representing international trade union interests;
- The representatives of three US-based NGOs, the National

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Consumers League, the Child Labor Coalition, and Free the Slaves (whose director had worked closely with the makers of the UK television documentary).

It was a wide array of stakeholders, although, notably, it included only one representative from anywhere in West Africa.

The International Cocoa Initiative (2002)

Within two months of the Protocol being signed, its protagonists convened what they called a “Broad Consultative Group”, composed of those who had signed the Protocol and others. The Group was expected to provide advice to the joint foundation that was to be established, the International Cocoa Initiative. A formal memorandum of cooperation was signed by members of the Group in May 2002.

The establishment of the International Cocoa Initiative was announced jointly by all involved at the beginning of July 2002. This was said to have three objectives, to:

- 1 Support field projects and act as a clearinghouse for best practices that help eliminate abusive child and forced labour in the growing of cocoa;
- 2 Develop a joint action programme of research, information exchange and action against abusive child and forced labour practices through the enforcement of internationally recognised standards in the growing of cocoa;
- 3 Help determine the most appropriate, practical and independent means of monitoring and public reporting in compliance with these labour standards.

Research findings from research on child cocoa workers (July 2002)

While plans to set up the International Cocoa Initiative were being discussed and agreed, the leading stakeholders were ensuring that the more mundane work of investigating how many children were working on West Africa’s cocoa farms, and in what conditions, was going ahead. This was financed jointly by the US government’s aid programme (USAID) and the US Department of Labor (DOL).

It was organised as part of a wider programme to ensure the sustainability of tree crops in West Africa by the Nigeria-based International Institute of Tropical Agriculture (IITA). The survey was carried out in Côte d’Ivoire, Cameroon, Ghana and Nigeria. The results were announced in July 2002 and its findings are in effect the baseline against which future changes will be measured. Researchers involved in the survey reportedly interviewed more than 4,800 farmers, child and adult workers and community leaders in four countries.

The survey confirmed that large numbers of children were working on cocoa farms: an estimated 284,000 in the four countries. Of these, 64 per cent were estimated to be below the age of 14. About 59 per cent of all the children involved were boys, and 41 per cent girls. Most of the young workers were the children or relatives of farm owners.

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On the basis of the survey, the IITA concluded that a total of 284,000 children were working in “hazardous conditions”, 200,000 of whom were in Côte d’Ivoire alone. All 284,000 – half of them under 15 – were believed to be involved in clearing bush for farms with machetes: routine practice and a hazardous task for young children. Some 153,000 children were believed also to be using pesticides without appropriate protective clothing (again, routine practice in most forms of commercial agriculture in West Africa; the pesticides evidently have a more serious effect on children’s health than adults).

In the light of the concerns about child trafficking that had originally set in train the Cocoa Protocol and the subsequent survey, some of the more specific findings reported by the IITA were important:

- In Côte d’Ivoire, approximately one-third of school-age children (aged 6 to 17) living in cocoa-producing households had never attended school; children engaged in tasks on cocoa farms were statistically much less likely to attend school than non-working children, and the children of immigrant cocoa farmers (from neighbouring countries) were much less likely to attend school than the children of local farmers.
- Slightly fewer than 12,000 of the child workers in Côte d’Ivoire “had no family relations to the cocoa farmer or local farm workers”, that is to say, were part of a floating work force.
- An estimated 2,500 working children were recruited through intermediaries for cocoa farming in Côte d’Ivoire and Nigeria, and might have been trafficked.
- A total of just 6,341 out of all the children were believed to be paid workers.
- 29 per cent of the child workers surveyed in Côte d’Ivoire (1,485) reported that they were not free to leave their place of employment should they so wish. A further 18 per cent (922) indicated that they would require either the permission of one of their parents or the intermediary representing their parents to leave.

An intermediary was involved in the recruitment process for an estimated 41 per cent (2,100) of the 5,120 child workers found in Côte d’Ivoire and for an estimated 29 per cent (350) of the 220 child workers found in Nigeria.

More generally, those responsible for the survey concluded:

Because of the weakness in commodity markets since the late 1980s, farmers have been forced to cut costs by reducing expenditures and increasing the use of household labor including children. This in turn is compromising the human development and future productivity of this rising generation of workers.

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They also commented that:

The picture that emerges is of a sector with stagnant technology, low yields, and an increasing demand for unskilled workers trapped in a circle of poverty. Salaried child workers were most clearly trapped in a vicious circle. The majority of these children had never been to school and were earning subsistence wages, forced into this labor by economic circumstances. Most of these children are from the drier savanna areas of West Africa, where family livelihoods are inherently uncertain and households are forced into risk-reducing livelihood strategies, including sending adolescents to cocoa plantations to work.²²

Similar initiatives

A number of other agricultural products have been the subject of similar initiatives, notably tea and tobacco. The Ethical Tea Partnership was formed in 1997 by a number of tea packing companies based in the UK and is only open to tea importers based in Europe. According to its website in February 2004, it had 14 corporate members.

Unlike the International Cocoa Initiative (and also an initiative concerning tobacco, outlined below), it does not involve any representatives of the international trade union movement, nor any NGOs. The partnership has developed minimum common standards on a number of issues, including minimum age for employment.²³ It employs PricewaterhouseCoopers to verify the compliance of individual tea producers. By mid 2003, tea estates were being inspected in Kenya, India, Malawi and Sri Lanka and were due to begin in late 2003 or 2004 in Indonesia, Tanzania and Zimbabwe.

The Eliminate Child Labour in Tobacco Foundation was founded in April 2002.²⁴ In much the same way that Côte d'Ivoire was the focus of attention leading to the International Cocoa Initiative, so it was children cultivating tobacco in Malawi which was at the start of this initiative. The Eliminate Child Labour in Tobacco Foundation has involved the International Tobacco Growers' Association (ITGA) and companies such as British American Tobacco (BAT)²⁵ as well as the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers Associations (IUF) and the International Trade Secretariat (and representatives of the international trade union movement) dealing with agriculture.

In conclusion

Too many initiatives by trade associations have been taken with the short-term objective of maintaining business interests, without taking the best interests of the children involved into account.

In view of the pressure which businesses come under as a result of media reports about child labour, child trafficking and other exploitation, it is not surprising that they have to respond fast and find it difficult to ensure that their responses are oriented to long-term solutions and upholding the best interests of exploited children.

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It is clear that there have been significant changes in approach between 1992 and 2004, but the power dynamics have not changed a great deal.

Companies based in Europe and North America retain the upper hand and are able to impose arrangements on their suppliers (and others) in developing countries. In situations where representatives of governments and civil society organisations in developing countries seem relatively powerless and have difficulty in ensuring their point of view is taken into account, it is not surprising that the best interests of child workers are even more likely to be overlooked.

The obvious recommendation that emerges from this is that whenever such agreements are under consideration – indeed, whenever businesses come under criticism for exploiting child labour and start considering what to do about it – the businesses involved should take special steps to ensure that the voice of children is represented. In addition to any negotiations that involve conventional stakeholders, such as local producers, trade unions and politicians, businesses should appoint someone with the specific and sole responsibility of attending any internal discussions within a business (or trade association) and advocating the best interests of the children involved.

Such a “ children’s rights advocate” should be asked to take part in the whole process until a sustainable solution in the best interests of the children involved has been identified and implemented.

- 1 Details of the ICFTU code are included in Item 9.
- 2 <http://www.wrapapparel.org>
- 3 First Synthesis Report on the Working Conditions Situation in Cambodia’s Garment Sector (November 2001) and Fourth Synthesis Report: <http://www.ilo.org/public/english/dialogue/ifpdial/publ/cambodia.htm>
- 4 From the Fifth Synthesis Report (June 2003), <http://www.ilo.org/public/english/dialogue/ifpdial/publ/cambodia5.htm>
- 5 Further details of Reebok’s initiatives are included in Item 10.
- 6 Reported by Eliot J Schrage in Promoting International Worker Rights Through Private Voluntary Initiatives. Public Relations or Private Policy? (January 2004). Efforts to eliminate child labour in football stitching in Sialkot constitute one of the four case studies in this report. On the costs of the programme, it notes: “ The Pakistani manufacturers contributed \$360,000 to finance the Prevention and Monitoring Program. The US Department of Labor pledged \$500,000, UNICEF \$200,000 and SICA (Soccer Industry Council of America) \$100,000. The United Kingdom, FIFA, Pakistan, the Pakistani Labor Federation and the National Rural Support Programme also pledged financial support” .
- 7 Samuel Poos, Sialkot, Pakistan. The football industry From Child Labour to Workers’ Rights, For the Clean Clothes Campaign, November 1999. http://www.cleanclothes.org/publications/child_labour.htm
- 8 Eliot J Schrage, Promoting International Worker Rights Through Private Voluntary Initiatives. Public Relations or Private Policy? 2004.
- 9 WFSGI Code of Conduct – Guiding Principles, http://www.wfsgi.org/_wfsgi/new_site/about_us/codes/Code_conduct.pdf
- 10 Statistics from Alakh N Sharma, Rajeev Sharma and Nikhil Raj, The Impact of Social Labelling on Child Labour in India’s Carpet Industry, Institute for Human Development New Delhi, ILO/IPEC Working Paper, 2000.
- 11 Ibid.
- 12 According to Sharma, Shamra and Raj (2000), adults working on their own looms are entitled to employ children from their own families who are below 14, as long as the children also attend school and achieve an 80 per cent attendance record. However, they were unable to find out whether the 80 per cent attendance was ever checked.
- 13 <http://www.rugmarkindia.org/assurance/criteria.htm>

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- 14 <http://www.rugmarkindia.org>
- 15 Numerous articles are available presenting comments, both positive and negative, about the initiative. See, for example, Aparna Ravi, "Combating Child Labour with Labels, Case of Rugmark", 31 March 2001, UNDP and Children EPW Special Article, <http://hdr.undp.org.in/childrenandpoverty/REFERENC/REPORTS/EPW/CORUGMAR.HTM> and Monika Hoegen, "Ethical Trading - A Way to Help the South. Rugmark against Child Labour in India", Development and Cooperation (No. 4, July/August 2002, p. 18-19), Deutsche Stiftung für internationale Entwicklung (DSE), <http://www.inwent.org/E+Z/1997-2002/de402-7.htm>
- 16 http://www.india-carpets.com/modules.php?name=Kaleen_Label
- 17 A list of the standards can be found at http://www.care-fair.org/download/anforderung_e.pdf
- 18 <http://www.step-foundation.ch>
- 19 Alakh N Sharma, Rajeev Sharma and Nikhil Raj, The Impact of Social Labelling on Child Labour in India's Carpet Industry, Institute for Human Development New Delhi, ILO/IPEC Working Paper, 2000, page 9.
- 20 ETI, Raising the Stakes, Annual Report 2001-2002, London, 2002.
- 21 Details of IKEA's efforts to prevent child labour are described in Item 10.
- 22 IITA, Child Labor in the Cocoa Sector of West Africa. A synthesis of findings in Cameroon, Côte d'Ivoire, Ghana, and Nigeria, Ibadan, August 2002.
- 23 According to the Ethical Tea Partnership's website, the Partnership holds Stakeholder Consultations as part of the launch of the full monitoring system in each producer country, with trade unions, government and NGOs. "These forums allow the Partnership to outline its aims and monitoring programme and to learn of any particular issues of concern – information that is important for the monitors to have prior to their visits". <http://www.ethicalteapartnership.org>
- 24 According to the ECLT "Principles" listed on its website (http://www.eclt.org/commitments/statement_principles.html), "ECLT Foundation members agree that the needs of each country differ and local solutions should be found within a framework including the following principles:
1) children have the right to schooling, a full family life and a safe and healthy upbringing;
2) children under the minimum legal age or under the age recognised by the relevant ILO Conventions should not be employed in the production of tobacco leaf;
3) as many tobacco enterprises are family-run, it may be possible that children take part in routine chores as part of family life for the development of craft skills. This must not extend to potentially hazardous tasks using machinery and agrochemicals and must not impede proper educational development including school attendance. The ECLT Foundation members are committed to support local initiatives, share best practice and work with all relevant stakeholders to eliminate child labour in tobacco growing."
- 25 For details of BAT's child labour policy, see http://www.bat.com/oneweb/sites/uk__3mnfen.nsf/0/c3c3d41b6f6e132880256bf400019942?OpenDocument