

1. Context

For many years, the international community has been mobilizing efforts to eradicate or eliminate child labour. Child labour is any work that deprives children of their childhood, their potential and dignity, and that is harmful to their physical and mental development.

In the ILO, governments, employers and workers have established international standards on child labour, in particular Conventions Nos. 138 and 182. These two Conventions are among the eight fundamental ILO Conventions included in the 1998 Declaration on Fundamental Principles and Rights at Work. This Declaration creates the obligation for ILO Member States to respect and promote principles...
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and rights at work in four areas, irrespective of whether they have ratified the underlying fundamental Conventions.²

In 2020, Convention No. 182 on the worst forms of child labour became the first ILO Convention to be universally ratified.

Many countries have already put in place national strategies to eliminate child labour. With the adoption of the Sustainable Development Goals (SDGs) and the United Nations 2030 Agenda, the international community set for itself the goal of ending child labour in all its forms by 2025.

Despite this strong commitment, the percentage of children in child labour and hazardous work has remained unchanged since 2016, while the absolute number of children increased to 8.9 million, 6.5 million of whom are in hazardous work. Worse, the economic and social impact of the COVID-19 pandemic on children and their families threatens to stall global progress towards the elimination of child labour. Projections of future progress by the Alliance 8.7 show that, as a result of the pandemic globally, 9 million additional children are at risk of being pushed into child labour by the end of 2022. A simulation model shows this number could rise to 46 million if they don't have access to critical social protection coverage.

Convention No. 138 on Minimum Age and Convention No. 182 on the Worst Forms of Child Labour represent the two legal pillars for the fight against child labour at the global level.

Convention No. 138
Requires States to commit to national policies for the abolition of child labour and to establish a minimum age for admission to work. This minimum age cannot be lower than the age at which compulsory schooling ends, and generally not lower than 15 years. A Member whose economy and educational facilities are insufficiently developed may, after consultation with the organisations of employers and workers concerned, where such exist, initially specify a minimum age of 14 years. All countries have the option of setting the minimum age at 12 for “light work”. The minimum age for hazardous work is 18 for all countries.

Recommendation No. 146, which accompanies Convention No. 138, stresses that national policies should provide for poverty alleviation and the promotion of decent jobs for adults so that parents do not need to resort to child labour.

Convention No. 182
Calls on governments to take urgent and immediate action regarding worst forms of child labour performed by children under the age of 18, namely:

- all forms of slavery, including child trafficking, debt bondage, forced or compulsory labour, and the forced recruitment of children in armed conflict;
- the use, procuring or offering of a child for the purposes of prostitution, the production of pornography or for pornographic performance;
- the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs; and
- work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children.

Recommendation No. 190, which accompanies it, suggests various measures to be implemented to effectively eliminate the worst forms of child labour.

The elimination of child labour and its root causes – the guidance offered by the ILO MNE Declaration

Through their operations and business relationships, including supply chains, initiatives and advocacy efforts, enterprises (national and multinational, small, medium and large) are key partners in the realization of decent work and the effective elimination of child labour. The 2030 Agenda highlights the importance of partnerships and central role played by the private sector to achieve the SDGs and their targets. More and more companies are conducting due diligence to identify, prevent, mitigate and account for how they address the actual and potential negative impacts of their operations, in accordance with their responsibility to respect human rights as defined by the United Nations Guiding Principles on Business and Human Rights and the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (MNE Declaration). But many challenges remain with respect to preventing child labour and making its abolition a reality.

The MNE Declaration is the only ILO instrument that provides direct guidance to enterprises. Its principles are founded substantially on principles contained in international labour Conventions and Recommendations and are addressed to governments of home and host countries of multinational enterprises, employers’ and workers’ organizations, and enterprises (national and multinational) to enhance the positive

Target 8.7:
Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

Alliance 8.7 is an inclusive global partnership committed to achieving target 8.7 of the Sustainable Development Goals. Alliance 8.7 partners include countries, international and regional organizations, workers’ and employers’ organizations, businesses (members of the Child Labour Platform and the Global Business Network on Forced Labour and Human Trafficking), civil society organizations, academic institutions and other relevant actors and networks.

Alliance 8.7 partners are encouraged to join one or more Action Groups related to their area of expertise or area of interest. Action Groups reflect the thematic priorities of Alliance 8.7 and bring together organizations and initiatives that work in these areas to maximize impact.

In June 2021, the Week of Action against Child Labour was the occasion to showcase progress on the implementation of International Year “2021 Action Pledges”. These pledges were taken by stakeholders from all over the world, including employers’ organizations and multinational enterprises. They are available [here](#) and a few of them will be highlighted in this brief.

The Action Group on Supply Chains, one of four Alliance 8.7 groups, was created to serve as a central hub for governments, businesses, unions and other actors to support plans and initiatives with a global and systemic dimension in the area of supply chains. Among its objectives are greater cooperation in capacity-building and tools for the effective elimination of child labour in supply chains.

The ILO is currently serving as the Secretariat for Alliance 8.7.
social and labour effects of the operations and governance of multinational enterprises to achieve decent work for all (SDG 8).\textsuperscript{3} Figure 1 below highlights how the MNE Declaration provides principles and orientations rooted in international labour standards and directly addressed to enterprises.

\textbf{Figure 1: International labour standards’ relationship to enterprises}

The MNE Declaration is putting forward a holistic approach based on the different dimensions of the Decent Work Agenda to maximize the positive contribution of businesses to development, to achieve decent work for all, and mitigate and resolve the difficulties to which their various operations may give rise. This guidance note highlights the relevance of the recommendations of the MNE Declaration to enable companies through their operations, including through their business relationships, to contribute to the elimination of child labour and address its root causes.

\section*{2. Facts and latest trends on child labour}

Considerable progress has been made toward the effective elimination of child labour. Several decades of concerted effort have resulted in an effective decrease in the number of child labourers. However, according to ILO estimates, a high number of children remain subject to the worst forms of exploitation.

\textbf{Child labour in the world.} According to ILO and UNICEF estimates, 160 million children were still in child labour worldwide in 2020.\textsuperscript{4} Although the percentage of children in child labour stagnated since 2016, progress was made in Asia and the Pacific and Latin America and the Caribbean. The region of sub-Saharan Africa on the other hand has seen an increase in both the percentage and absolute number of children in child labour since 2012, and there are now more children in child labour in this region than in the rest of the world. Sub-Saharan Africa has the highest prevalence of child labour in the world (23.9 per cent), followed by Northern Africa and Western Asia (7.8 per cent), Eastern and South-Eastern Asia (6.2 per cent), Latin America and the Caribbean (6 per cent), Central and Southern Asia (5.5 per cent) and Europe and Northern America (2.3 per cent). Despite the efforts of national governments, the African region has been one of the most affected by crises and State fragility, phenomena that contribute to the risk of child labour. Underdevelopment, poverty, inequality, informality, low social protection coverage, education exclusion, population growth and lack of integration into the global economy are additional factors that explain why, according to regional estimates,\textsuperscript{5} child labour increased in sub-Saharan Africa since 2012.

\textbf{Agriculture accounts for 70 per cent of child labour in the world, or 112 million children in absolute terms.} As for the remainder, 10.3 per cent of child labour is recorded in the industry sector, 15.2 per cent in the other services sector and 4.5 per cent in domestic work.

55.8 per cent of all those in child labour are in the 5–11 age group, 22.2 per cent are between 12 and 14 years old, and 21.9 per cent are in the 15–17 years age range. Two fifths of children in hazardous work belong to the youngest age group.

The table below reports, for each region, the five exporting industry sectors that pose a supply chain child labour risk.

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Human rights violations, including child labour, continue to exist in many economic sectors. A report published by Alliance 8.7 in 2019,7 points out that although a child labourer is much more likely to be involved in production for the national economy, there is a significant risk that this child contributes to products that enter global supply chains. Across regions, between 28 per cent and 43 per cent of estimated child labour contributes to exports indirectly through early stages of the supply chain, such as agricultural production and the extraction of raw materials.

**Child labour and the COVID-19 pandemic.** The COVID-19 pandemic has, especially in developing countries, turned millions of vulnerable people into two-fold victims of the pandemic. In addition to the public health crisis, economic and social upheaval has threatened the livelihoods and long-term well-being of millions of people. Job losses and unemployment resulting from measures taken to slow the spread of the virus have affected the livelihoods of even more families, leaving many in poverty or even extreme poverty. These vulnerabilities have been exacerbated by school closures, as well as by insufficient or failing social protection systems. As part of the response to the crisis, the ILO recalled that international labour standards must form the framework for guiding interventions at all stages of the process and called

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7 ILO et al., *Ending child labour, forced labour and human trafficking in global supply chains*, 2019.
for measures in four essential areas of focus: stimulating employment, supporting businesses, jobs and incomes, protecting workers in the workplace and relying on social dialogue to find solutions.

3. What are the main root causes of child labour?

**Gaps in legislation and law enforcement.** Gaps in legislation and limitations in the enforcement of the law are at the centre of the root causes of child labour. These elements relate to the duty of States to protect workers in their territory through the formulation and implementation of relevant laws, as well as the implementation of a framework to promote corporate social responsibility and responsible business conduct.

**The informal economy.** It should be noted that the highest rates of child labour are recorded in the informal economy, which operates mostly outside social protection regimes as well as national laws governing occupational safety and health. Most informal workers are very vulnerable and exposed to inadequate working conditions and do not benefit from their freedom of association and collective bargaining rights, which increases the risks of finding child labour, including its most hazardous forms.

**Lack of freedom of association and collective bargaining.** Freedom of association is an enabling right for the exercise of other human and labour rights, such as freedom from forced labour and child labour. When workers aren’t empowered to organize and bargain collectively, they are unable to secure improved labour rights or to play a role in monitoring workplace conditions. The risk of forced labour and child labour thus remains especially high in communities where workers are affected by legal and practical barriers to exercise these rights.

**Poverty and inadequate social protection.** There is a substantial body of evidence that demonstrates a strong link between household poverty and child labour. 2/3 of child labour is unpaid family work. Recent estimates show that a 1 percentage point rise in poverty leads to at least a 0.7 percentage point increase in child labour. Child labour in turn perpetuates poverty from generation to generation, keeping children out of school and limiting their opportunities for social advancement. Although the level of household income is an important determinant in assessing child labour risk, there are other factors that also play an important role. Crises of all kinds, income shocks, health problems as well as natural disasters and armed conflicts increase child labour risks. In those situations, in the absence of adequate social protection, a high number of children turn to illicit and clandestine forms of labour, such as prostitution and other illegal activities.

**Discrimination.** Marginalization, as well as discrimination, including gender-based discrimination, are given special attention as regards the root causes of child labour. Children of migrants, ethnic minorities and other socially disadvantaged groups are at higher risk of child labour and human trafficking.

**Lack of education.** Education plays a fundamental role in breaking the intergenerational cycle of poverty and often provides significant help in preventing forced marriage. However, education can be expensive, inaccessible or of poor quality, especially for children from poor families. Pushed by economic necessity as well as social values and norms, disadvantaged households sometimes have no choice but to prioritize the short-term economic benefits generated by child labour over the long-term returns provided by education.

**Business practices.** There is market demand for child labour in part due to low labour costs, simpler dismissal procedures, lack of understanding of some businesses of their responsibility to respect human rights, combined with insufficient investments from governments in social protection and quality education. Among the factors contributing to companies resorting to child labour, price, costs and speed play a significant role. These sources of commercial pressure, combined with a supply of vulnerable workers and weaknesses in the rule of law, often increases the risk of resorting to overtime and illicit forms of labour, including child labour. It should also be noted that production quotas can have important implications in this area. Recent estimates show that the use of production quotas or piecework payments in supply chains, especially in the agricultural sector, can increase the risk of child labour. Workers are in fact pushed to turn to their children for the help they need to meet the quotas set or to increase their income.

4. How should companies contribute to end child labour?

International awareness of the presence of child labour in global supply chains has created increasing pressure on companies to prevent and address this issue. Multinational enterprises are therefore increasingly aware of their role and responsibilities in this regard.

Several enterprises that buy and/or process raw materials from developing countries are implementing sustainability programmes that include the goal of eliminating child labour in their supply chain. These sustainability programmes include a wide range of interventions which aim at monitoring and remedying child labour, improving the living conditions of farmers, providing access to education and training, certifying initiatives, empowering women, etc. Enterprises’ efforts are shared in progress reports highlighting the progress made and the lessons learned. In their endeavours to

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8 ILO & UNICEF. (2020). **COVID-19 and Child Labour: A time of crisis, a time to act.**

9 ILO et al. (2019). **Ending child labour, forced labour and human trafficking in global supply chains.**
contribute to the elimination of child labour, enterprises often turn to the ILO to seek guidance through for example the ILO Helpdesk for Business on International Labour Standards. Some of these enterprises decide to engage in multi-stakeholder initiatives such as the Child Labour Platform.

The ILO MNE Declaration emphasizes the value of dialogue and consultations between the different parties to ensure that multinational enterprises take fully into account the policy objectives of the countries in which they operate. The Declaration also encourages both government of home and host countries of multinational enterprises to promote good social practice in accordance with the Declaration among enterprises operating abroad and in their territories.

For multinational enterprises, exchanges with governmental entities and the social partners allow for the harmonization of the company’s operations with child labour elimination strategies and, when relevant, alignment with national action plans to combat child labour. Recurrent consultations optimize the contribution of the enterprises by promoting coordination and synergies.

The MNE Declaration also recommends that enterprises consult with employers’ and workers’ organizations, which are important actors in the development and implementation of national strategies, policies, and legislation, including the development of hazardous work lists, and play a key role in monitoring the implementation of Conventions Nos. 138 and 182.

The MNE Declaration recalls that all parties should contribute to the realization of the ILO Declaration on Fundamental Principles and Rights at Work and that multinational enterprises, through their operations, can contribute significantly to the attainment of its objectives (paragraph 9).

It emphasizes that the Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework (2011) outline the respective duties and responsibilities of States and enterprises on human rights and that all enterprises, including multinational enterprises, should carry out due diligence to identify, prevent, mitigate and account for how they address their actual and potential adverse impacts that relate to internationally recognized human rights, understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning the fundamental rights set out in the ILO Declaration on Fundamental Principles and Rights at Work.

10 See http://www.ilo.org/business; the ILO Helpdesk for business on international labour standards has a specific section on child labour.

11 Employers’ and workers’ organizations are responsible for providing remarks on the reports sent by governments to the ILO Committee of Experts on the Application of Conventions and Recommendations (CEACR).
The MNE Declaration also emphasizes that:

- **In order to gauge human rights risks, enterprises** – including multinational enterprises – **should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships.** This process should involve meaningful consultation with potentially affected groups and other relevant stakeholders including workers’ organizations, as appropriate to the size of the enterprise and the nature and context of the operation. **For the purpose of achieving the aim of the MNE Declaration, this process should take account of the central role of freedom of association and collective bargaining as well as industrial relations and social dialogue as an ongoing process** (paragraph 10).

In addition, the MNE Declaration aims to provide guidance to businesses on remediation and specifically states that:

- **Multinational enterprises should use their leverage to encourage their business partners to provide effective means of enabling remediation for abuses of internationally recognized human rights** (paragraph 65).

Concerning child labour, paragraph 27 of the Declaration states that:

- **Multinational enterprises, as well as national enterprises, should respect the minimum age for admission to employment or work in order to secure the effective abolition of child labour in their operations and should take immediate and effective measures within their own competence to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency.**

But in addition to directly addressing the elimination of child labour, one of the main strengths of the MNE Declaration is its approach to the entire Decent Work Agenda, which allows for a holistic approach to the issue of child labour. Its provisions are particularly relevant in this context because they provide guidelines for addressing the root causes of child labour on several fronts.

**Figure 2: Principles of ILO MNE Declaration directed to enterprises relevant for the elimination of child labour and its roots causes**

- **Carry out due diligence and provide means of remediation for negative impacts of their activities** (paragraphs 10 and 65)
- **Align enterprise activities on public policies and initiatives** (paragraph 11)
- **Contribute to creation of direct and indirect employment** (paragraphs 16, 18, 19 and 20)
- **Contribute to formalization** (paragraph 21)
- **Contribute to employment security** (paragraphs 33–36)
- **Complement public social security systems** (paragraph 22)
- **Provide adequate wages, benefits and conditions of work** (paragraph 41)
- **Be guided by the principle of non-discrimination** (paragraph 30)

**Using the guidance of the MNE Declaration to stimulate responsible business conduct**

Among the 2021 Action Pledges for the elimination of child labour (see box on Alliance 8.7), the **Federation of Uganda Employers (FUE)** pledged to **improve business conduct and child labour compliance among FUE member companies engaged in the tea and coffee supply chains.** On the basis of the MNE Declaration and in collaboration with the government and workers’ organizations, they aim to develop an employer’s guide and a business guide on the policy, legal and regulatory frameworks, as well as best practices necessary for the elimination of child labour. They will encourage responsible business conduct by improving the knowledge and building the capacity of the private sector “to enhance its compliance with international labour standards, including the MNE Declaration.”
Security of employment and social security. As noted earlier, shocks impacting family incomes, as well as natural disasters and economic crises, are factors that can push parents to resort to child labour for household livelihoods. Expanding social protection systems is therefore one key element in reducing the vulnerabilities that lead to child labour. This observation is particularly relevant in the current economic context regarding the COVID-19 pandemic, as more and more workers are faced with the prospect of unemployment and the loss of their income and livelihood.

In paragraphs 33 to 35, the MNE Declaration states that enterprises should strive to provide stable employment for workers, observe freely negotiated obligations concerning employment stability and social security, promote security of employment, by providing reasonable notice of changes in their operations and avoiding arbitrary dismissals.

While emphasizing the central role of governments in establishing social protection floors, the Declaration states that:

- Multinational and other enterprises could complement public social security systems and help to stimulate further their development, including through their own employer-sponsored programmes (paragraph 22).

Given their size and leverage with business partners in their supply chains, multinational enterprises can play a crucial role in extending social protection to a larger portion of the population.

Promotion of direct and indirect employment. The MNE Declaration provides guidelines for businesses to make a significant contribution to the creation of direct and indirect jobs. The Declaration stipulates that:

- Multinational enterprises should give priority to the employment, occupational development, promotion and advancement of nationals of the host country” (paragraph 18) and that “when investing in developing countries, [they] should have regard to the importance of using technologies which generate employment, both directly and indirectly” (paragraph 19).

In addition, in paragraph 20, the Declaration calls on MNEs to conclude contracts with national enterprises for the manufacture of parts and equipment, to use local raw materials and to progressively promote local processing of raw materials.

A health insurance system for growers set up by the SIFCA Group

The Société Immobilière et Financière de la Côte Africaine (SIFCA) is an agro-industrial group working in the agricultural rubber, oil and sugar sectors with operations in Côte d’Ivoire, Liberia, Nigeria, Ghana and Senegal. The Group cares about the well-being of the actors in its supply chain and has implemented a health insurance system that allows growers and their families to benefit from medical coverage. To benefit from this social protection, the grower must undertake to deliver his products to the Group, which withholds the grower’s share when the crops are sold to finance the grower’s insurance premium.

“The insurance system is working well. The communities benefiting from this project are happy to benefit from it,” notes Mr. Nouffé Sie, the Group’s sustainable development manager.

This win-win initiative for businesses and local populations has enabled the company to retain their producers in order to face increasingly tough competition in the rubber and palm oil sectors, while allowing a low-income population to benefit from medical coverage.


Transfer of technology to tackle child labour

Among the 2021 Action Pledges for the elimination of child labour, the Caribbean Office of Trade & Industrial Development Limited formulated a pledge to contribute to end child labour in the cocoa fields in Africa, Latin and South America. Its implementation plan includes, among other initiatives, cooperation with high tech agricultural organizations for the production of cocoa and encouraging governments to “pursue transfer of technology in agriculture from the developed countries to fast-track the elimination of child labour.”

By establishing such business relationships, multinational enterprises enable job creation and thereby help breaking the vicious cycle of poverty that pushes many families to resort to child labour. Several businesses also offer capacity-building training to their local suppliers. Business initiatives to promote employment can be enriched by consultation with government actors in charge of these issues and generate greater impact when aligned with existing government programmes.

Mars Inc. in Côte d’Ivoire: Using a holistic approach to tackle child labour

Mars Inc. had selected the Soubre region, one of the main cocoa planting areas located in the southwest of Côte d’Ivoire, as a pilot region under a signed public-private partnership (PPP) agreement with the ILO. This partnership aimed to create a safe environment for children and to ensure that girls and boys in Soubre go to school rather than work. It consisted of three components:

1. strengthening child labour monitoring systems,
2. setting up and implementing community action plans to fight against child labour and,
3. building stakeholder capacity to put in place initiatives in education, training and social mobilization.

The PPP built on the Mars Inc.’s Vision for Change (V4C) program, which was part of its Sustainable Cocoa Initiative (SCI) and aimed to ensure the sustainability of cocoa production by simultaneously addressing productivity and community issues. Mars Inc. had partnered with several partners in Côte d’Ivoire to help farmers improve their crops, increase their incomes and improve living conditions. Through the V4C program, Mars Inc. provided farmers with training, improved plant material and fertilizers. The program also carried out community development work in the villages to help farmers and their families to resolve certain social and economic difficulties and make them the first beneficiaries of the increased productivity.


Supporting access to education, vocational training and employment opportunities for young women and men

Among the 2021 Action Pledges for the elimination of child labour, some stakeholders pledged to support access to education and vocational training for children at risk of child labour.

- **The Employers’ Consultative Association of Malawi (ECAM)** pledged to engage their members for work readiness initiatives (mentorships, apprenticeships, internships) for working-age children in tea and coffee value chains. They plan to do so by engaging with the government, employers, and vocational training and education institutions, to identify vulnerable children in or at risk or child labour, give them access to appropriate training and link them with employers for decent work opportunities as young workers and entrepreneurs.
- **Karsan Automotive** (Turkey), outlined action commitments that include activities to encourage the participation of vocational high school graduates in employment. This follows the signature of a Cooperation Protocol with the Bursa province’s governor’s office and the Directorate of National Education. The company aims to train students on electric vehicles and to provide them with internships and employment opportunities after completion of their studies.
- **Nigeria Employer’s Consultative Association** pledged to guide its members on the implementation of apprenticeship systems and programmes in non-hazardous sectors for children between 15-17 years, as part of their Corporate Social Responsibility (CSR).
- **IKEA (Sweden)** outlined its commitment to accelerate their work to promote decent work for young workers, by conducting an assessment to identify risks to youth unemployment and lack of education opportunities, and drafting a plan to strengthen the inclusion of young workers in their supply chains.

**Formalization.** Small and medium-sized businesses (SMEs) are key players in the global economy. It is estimated that 70 per cent of overall employment is provided by SMEs. However, many of them operate in the informal economy where the rate of child labour is particularly high. The MNE Declaration states that governments should develop and
implement an integrated policy framework to facilitate the transition to the formal economy, recognizing that decent work deficits are most pronounced in the informal economy. The MNE Declaration calls on multinational and other enterprises to contribute to this aim (paragraph 21).

**Formalization as a key lever to tackle child labour**

Among the 2021 Action Pledges for the elimination of child labour, Arte Groep, from the Netherlands pledged to eradicate child labour in Ballikuraya, Prakasam district, Andhra Pradesh in India, where the company is sourcing its granite from. Among other interventions, it aims to do this through improving local social dialogue and formalizing labour arrangements, are those are interventions “that are likely to contribute to the eradication of labour issues, including child labour, in the long term.”

To effectively address this challenge, several governments have made efforts to reduce barriers to the formalization of businesses. Likewise, in recent decades, an increasing number of multinational enterprises have implemented various measures to promote the formalization of business partners in their supply chains. Thus, formalization initiatives by multinational enterprises not only help SMEs to grow and access new markets but also to improve working conditions of workers and their social security coverage.

Several small operators (including informal groups of workers, farmers, buyers, etc.) are found at the bottom of the agriculture supply chain. Helping to facilitate the transition of these actors to the formal economy is an opportunity to reduce their vulnerability and address the root causes of child labour. Enterprises wishing to contribute to this transition should engage with the government and align with national strategies for transition to the formal economy.

Introducing Public-Private Partnership Model for Eliminating Child Labour in Seasonal Hazelnut Harvesting

Child labour is a documented issue among migrant workers operating in the hazelnut sector of Turkey. With the help of the ILO and in partnership with the government and other stakeholders, multinational enterprises such as CAOBISCO members*, Ferrero, and Olam have been taking action to tackle child labour in the sector. In particular, a Public-Private Partnership (PPP) Model for Eliminating Child Labour in Seasonal Hazelnut Harvesting has been developed by the ILO with contribution of CAOBISCO since 2013. The PPP helps strengthening national capacities in planning, coordination, implementation and monitoring of activities against child labour in seasonal agriculture. Structured dialogue enabled all stakeholders to address gaps and seek solutions together. The multi-structural intervention demonstrates how multinational companies working in partnership with ILO constituents, can achieve sustainable progress in eliminating child labour in their supply chains and support withdrawal of children from the worst forms of child labour. 7,949 children were reached in Ordu, Düzce and Sakarya provinces since 2013. 6,196 of them were withdrawn or prevented from work through the provision of education services and the remaining children benefited from other services. 6,300 families were reached in target districts and 2,584 were provided with individual counselling, while the rest benefited from group counselling sessions. 465 agricultural intermediaries and 1,530 hazelnut orchard owners were reached and provided with counselling and training sessions.

In addition, Olam has been working with suppliers to eliminate unacceptable labour practices in their operations and supply chains, and to improve farmers’ and seasonal workers’ livelihoods, incomes, and working conditions. In 2018, as a result of Olam’s work, labour contracts were introduced for harvest workers by 11 labour contractors. A total of 535 seasonal workers benefitted from a contractual agreement that included a minimum wage guarantee, legal working hours, health and safety, safe transportation, proper meals and decent housing conditions. In collaboration with an association, training was provided to the workers on forced and child labour, working hours and compensation. Olam promotes these contracts so they can be replicated across the agricultural sector, and actively advocates for a national policy to curb irregular employment in the agricultural sector.

*COABISCO members include: Ferrero, Nestlé, Storck, Barry Callebaut, Ritter Sport, Mars, Choosesuisse, BDSI, Natra, Baronie Group, Cemoi, Griesson - de Beukelaer, Jancke, Neuhaus, Koenig, Frazer, Jordans Dorset Ryvita.

Sources: ILO. ILO-Ferrero partnership aims to eliminate child labour in hazelnut harvesting in Turkey. 2020.
Olam. Improving Social and Labour Conditions in the Hazelnuts Supply Chain.
The elimination of child labour and its root causes – the guidance offered by the ILO MNE Declaration

**Wages, benefits and conditions of work.** Appropriate wages, benefits and conditions of work are key elements to ensure that income is sufficient for workers and their families to avoid resorting to child labour.

Paragraph 41 of the MNE Declaration provides guidance to enterprises, stating that:

Wages, benefits and conditions of work offered by multinational enterprises across their operations should be not less favourable to the workers than those offered by comparable employers in the host country. Where comparable employers do not exist, they should provide the best possible wages, benefits and conditions of work. The elements to be taken into consideration should include: (a) the needs of workers and their families, taking into account the general level of wages in the country, the cost of living, social security benefits, and the relative living standards of other social groups; and (b) economic factors, including the requirements of economic development, levels of productivity and the desirability of attaining and maintaining a high level of employment (paragraph 41).

**Improving workers’ and farmers’ incomes in global supply chains**

Globally, several initiatives have been put into place to identify ways that companies can, through their business practices, contribute to lifting workers, farmers and their families out of poverty by providing them with a decent income, thus tackling a root cause of child labour.

- **The Farmer Income Lab** is a collaborative think-do-tank. Launched by Mars in 2018, it aims to identify “the most effective actions that companies can take to ensure farmers working in agricultural supply chains earn a sufficient income to have a decent standard of living”. Members of its advisory council include representatives from NGOs, universities, multinational enterprises and UNDP.

- **IDH – The Sustainable Trade Initiative** works across sectors in Africa, Asia and Latin America, and brings together over 600 companies and governments to “drive new sustainable produc-

- **Supporting access to living wages**

Among the 2021 Action Pledges for the elimination of child labour, some stakeholders pledged to support access to living wages as a way to tackle child labour. For example, Nine & Co, from the Netherlands, pledged to end child labour with and through living wages. They aim to do this by implementing a multi-faceted action plan they co-created with their supplier, which involves revising their purchasing practices, improving their purchasing process and reducing supply chain costs. With the budget freed from previous steps, they aim to introduce a living wage premium to contribute to close the living wage gap. Also from the Netherlands, Rainbow Collection pledged to work with their clients and to launch a Living Wages Roadmap “that will encourage organizations to start their own living wage projects and payments”.

- **The Living Income Community of Practice** is an alliance of stakeholders from the public and private sector, NGOs, education and research institutions that aims to “support activities focused on improving smallholder incomes towards living incomes, aiming to enable smallholder farmers to achieve a decent standard of living”.

- **In April 2021, it launched a Call to Action entitled “Better Business through Better Wages” with a number of multinational enterprises. The call highlights the need to move beyond the old business model that uses low wages as a profitability driver and emphasizes the importance of living wages as a first step to eradicate poverty.”**
Gender equality. Gender inequality is one of the inequalities that plays a key role in child labour. Women globally are paid on average 20.5 per cent less than their male counterparts, and in many countries are excluded from certain occupations. Yet, they often play a crucial role in decisions related to children’s education, as they are generally responsible for meeting children and family-related expenses, for example by paying school fees. Research shows that adult education, particularly for women, contributes to children being less likely to be involved in child labour. It helps them improve their income and that of their household, thus breaking the cycle of poverty.

Paragraph 30 of the MNE Declaration underlines that:

- Multinational enterprises should be guided by the principle of non-discrimination throughout their operations.

Number of multinational enterprises are also promoting gender equality by building the capacity of women to integrate their supply chain.

Women’s empowerment

Among the 2021 Action Pledges for the elimination of child labour, some stakeholders pledged to support women’s economic empowerment in order to reduce child labour.

- The Grameen Foundation pledged to finalize a toolkit to support women’s economic empowerment actors in reduction of child labour. This will be based on key policy and strategy recommendations they developed based on their experiences working on child labour and harmful conditions of work. These recommendations target financial service providers and women’s business support organizations and include, among others: developing and providing a comprehensive set of financial services that help women entrepreneurs manage risk as well as start and grow their enterprises, and linking clients to social protection services to meet their comprehensive needs.

- BEPSEE (a social enterprise) pledged to take action to eliminate child labour in mining sites in Lwalaba Province, in the Democratic Republic of Congo. They aim to do so by guiding 500 women and their children towards non-mining income activities, through training on entrepreneurship, savings and access to microcredit.

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## The fight against child labour and recommendations of the MNE Declaration: Implications for businesses

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<tr>
<th>Root cause</th>
<th>Selection of principles from the MNE Declaration</th>
<th>Implications for businesses regarding the fight against child labour</th>
<th>What can the enterprise do?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gaps in Legislation and law enforcement, Business practices</td>
<td>Respect the law, the minimum age for admission to employment, ensure the prohibition and elimination of the worst forms of child labour and, through operations, contribute to the elimination of child labour</td>
<td></td>
<td>Use adequate and verifiable mechanisms to confirm the age of workers,(^\text{16})</td>
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<td></td>
<td>“All the parties concerned by the MNE Declaration should respect the sovereign rights of States, obey the national laws and regulations, give due consideration to local practices and respect relevant international standards (…)” (Paragraph 8)</td>
<td></td>
<td>Give a clear message to its suppliers and other business partners as to the enterprise’s expectations regarding the elimination of child labour, in particular by making reference to it in the company’s code of conduct and the contracts that are signed,</td>
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<td></td>
<td>“Multinational enterprises, as well as national enterprises, should respect the minimum age for admission to employment or work in order to secure the effective abolition of child labour in their operations and should take immediate and effective measures within their own competence to secure the prohibition and elimination of the worst forms of child labour as a matter of urgency.” (Paragraph 27)</td>
<td></td>
<td>Participate in national and international programmes, including media campaigns,</td>
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<td>“All parties should contribute to the realization of the ILO Declaration on Fundamental Principles and Rights at Work and its Follow-up, adopted in 1998 (…) Multinational enterprises, through their operations, can contribute significantly to the attainment of its objectives.” (Paragraph 9)</td>
<td></td>
<td>Participate in multi-stakeholder initiatives such as the Child Labour Platform and Alliance 8.7.</td>
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\(^{16}\) To verify the age of workers, employers should keep and make available to the competent authority registers or other documents indicating the names and ages or dates of birth, duly certified as far as possible, of the persons employed by them or working for them and whose age is less than eighteen (see in particular Article 9(3) of Convention No. 138). When there is no birth certificate to verify age or when forged documents are easily obtained, the following suggestions may be helpful:  
- Cross-checking multiple written documents and affidavits can help identify false documents,  
- Employers can arrange interviews with employees and candidates who appear to be under the minimum working age in order to obtain further information,  
- School records/ certificates and family testimonies can be a good source of information.
### Root cause

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**Aligning business actions with public policies and initiatives**

“Multinational enterprises should take fully into account established general policy objectives of the countries in which they operate. Their activities should be consistent with national law and in harmony with the development priorities and social aims and structure of the country in which they operate. To this effect, consultations should be held between multinational enterprises, the government and, wherever appropriate, the national employers’ and workers’ organizations concerned.”

(Paragraph 11)

**Find out what are the national public policies/initiatives with which the enterprise’s actions should be aligned.**

**Who should the enterprise consult?**

- Government institutions, employers’ organizations and trade unions;
- ILO country offices;
- National institutions and NGOs active in the fight against child labour;
- Public administrations that have a mandate relating to the root causes of child labour (education, social protection, poverty reduction, etc.);
- Relevant business networks and multi-stakeholder initiatives.

**What can the enterprise do?**

- If there is a national action plan to fight against child labour, support its implementation;
- Through multi-stakeholder initiatives, promote information sharing on support services available for children;
- With other stakeholders, participate in awareness-raising campaigns on children’s rights and fundamental rights at work;
- Share relevant data and participate in dialogue platforms in order to contribute to the national child labour monitoring system.
## Root cause

### Selection of principles from the MNE Declaration

**Perform due diligence and remedy the negative impacts of their activities**

“(…)Enterprises, including multinational enterprises, should carry out due diligence to identify, prevent, mitigate and account for how they address their actual and potential adverse impacts that relate to internationally recognized human rights, understood, at a minimum, as those expressed in the International Bill of Human Rights and the principles concerning fundamental rights set out in the ILO Declaration on Fundamental Principles and Rights at Work.

In order to gauge human rights risks, enterprises – including multinational enterprises – should identify and assess any actual or potential adverse human rights impacts with which they may be involved either through their own activities or as a result of their business relationships. This process should involve meaningful consultation with potentially affected groups and other relevant stakeholders including workers’ organizations, as appropriate to the size of the enterprise and the nature and context of the operation. For the purpose of achieving the aim of the MNE Declaration, this process should take account of the central role of freedom of association and collective bargaining as well as industrial relations and social dialogue as an ongoing process.”  
(Paragraph 10 d) and e))

“Multinational enterprises should use their leverage to encourage their business partners to provide effective means of enabling remediation for abuses of internationally recognized human rights.”  
(Paragraph 65)

### Implications for businesses regarding the fight against child labour

**Who should the enterprise consult?**

- Government institutions, employers’ organizations and trade unions;
- National institutions and NGOs active in the fight against child labour;
- Public administrations that have a mandate relating to the root causes of child labour (education, social protection, poverty reduction, etc.);
- Directly affected stakeholders including suppliers and communities where supply chains operate.

**What can the enterprise do?**

- When children are below the minimum working age, take measures for relevant local authorities and partners to remove them;
- To the extent possible, help the child to be removed from the workplace and his family to obtain adequate services and find viable alternatives;
- Participate in protection, rehabilitation and prevention programmes intended for former child labourers, depending on their age group, by offering them opportunities to re-enter compulsory education (for children under 15), or to access opportunities for pre-vocational trainings, skills development and vocational training, or put in place such programmes;
- Contribute to community efforts to help children removed from work to obtain access to free and good quality education and social protection;
- Get involved in projects with their business partners to prevent child labour and tackle its causes;
- Collaborate with other enterprises, industry associations and employers’ organizations to develop a sectoral or cross sectoral approach to solve the problem, and engage in dialogue with unions, law enforcement authorities, the labour inspectorate and other institutions;
- Set up a working group or committee on child labour in the representative organization of employers at the local, regional or national levels, or participate in their work;
- Explore/strengthen the use of new technologies to improve the transparency and traceability of actors throughout the supply chain.
**ILO Brief**

The elimination of child labour and its root causes – the guidance offered by the ILO MNE Declaration

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| Poverty and insufficient social protection | **Contribute to the creation of direct and induced employment**

“Multinational enterprises, particularly when operating in developing countries, should endeavour to increase employment opportunities and standards, taking into account the employment policies and objectives of the governments, as well as security of employment and the long-term development of the enterprise.”
*(Paragraph 16)*

“Multinational enterprises should give priority to the employment, occupational development, promotion and advancement of nationals of the host country (…)”
*(Paragraph 18)*

“Multinational enterprises, when investing in developing countries, should have regard to the importance of using technologies which generate employment, both directly and indirectly (…)”
*(Paragraph 19)*

“To promote employment in developing countries, in the context of an expanding world economy, multinational enterprises, wherever practicable, should give consideration to the conclusion of contracts with national enterprises for the manufacture of parts and equipment, to the use of local raw materials and to the progressive promotion of the local processing of raw materials. Such arrangements should not be used by multinational enterprises to avoid the responsibilities embodied in the principles of this Declaration.”
*(Paragraph 20)* |

**Identify public policies on employment to take into account**

- **Who should the enterprise consult with?**
  - Ministries and agencies in charge of Employment;
  - Employers’ and workers’ organizations.

- **What can the enterprise do?**
  - Set up initiatives aimed at creating jobs, directly or indirectly, in the communities where supply chains operate;
  - Set up projects aimed at transforming local raw materials on site;
  - Participate in or set up professional capacity-building programmes for young people in the community;
  - Support initiatives aimed at developing relationships with local SMEs and strengthening their capacities;
  - Facilitate the transfer of skills and technology for local workers and business partners;
  - Develop alternative livelihood programmes that contribute to companies’ supply chains;
  - Allow for the hiring of young people above the minimum age for work in safe work;
  - Look for opportunities to remove hazards and reduce risk in order to increase the numbers of jobs available to children above the minimum age for work.
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<tbody>
<tr>
<td>Poverty and insufficient social protection (cont.)</td>
<td>Complementing the public social security systems</td>
<td>Identify relevant social security policies, for example on:</td>
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<td>“Governments should establish and maintain, as applicable, social protection floors as a fundamental element of their national social security systems; and implement social protection floors within strategies for the extension of social security that progressively ensure higher levels of social security to as many people as possible, guided by ILO social security standards. Social partners could play a role in promoting these policies. Multinational and other enterprises could complement public social security systems and help to stimulate further their development, including through their own employer-sponsored programmes.” (Paragraph 22)</td>
<td>▶ Health coverage for the population;</td>
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<td>▶ Social security for self-employed workers;</td>
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<td>▶ Social safety net programmes.</td>
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<td>Which institutions are responsible?</td>
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<td></td>
<td>What can the enterprise do?</td>
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<td>▶ In harmony with government programmes and in the context of COVID-19, set up cash transfer initiatives and/or emergency funds in order to provide direct support to workers, civil society groups, as well as to groups of producers and cooperatives, to channel resources to the most vulnerable groups.</td>
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The elimination of child labour and its root causes – the guidance offered by the ILO MNE Declaration

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<td>Poverty, business practices</td>
<td><strong>Contribute to employment security</strong>&lt;br&gt;“Multinational enterprises as well as national enterprises, through active employment planning, should endeavour to provide stable employment for workers employed by each enterprise and should observe freely negotiated obligations concerning employment stability and social security. In view of the flexibility which multinational enterprises may have, they should strive to assume a leading role in promoting security of employment, particularly in countries where the discontinuation of operations is likely to accentuate long-term unemployment.” (Paragraph 33)</td>
<td><strong>Identify national strategies and policies to take into account, such as:</strong>&lt;br&gt;► National legislation on contracts;&lt;br&gt;► The measures put in place to cope with the COVID-19 pandemic and preserve businesses and jobs.&lt;br&gt;&lt;br&gt;<strong>Which institutions are responsible?</strong>&lt;br&gt;► Ministries of Employment and Social Protection.&lt;br&gt;&lt;br&gt;<strong>What can the enterprise do?</strong>&lt;br&gt;► The COVID-19 pandemic is currently disrupting the operations of many companies. The ILO has developed the guidance note “Restructuring for recovery and resilience in response to the COVID-19 crisis”, which provides advice to enterprises on good restructuring or reorganization practices, in accordance with the provisions of international labour standards.</td>
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<td></td>
<td>“In considering changes in operations (including those resulting from mergers, takeovers or transfers of production) which would have major employment effects, multinational enterprises should provide reasonable notice of such changes to the appropriate government authorities and representatives of the workers in their employment and their organizations so that the implications may be examined jointly in order to mitigate adverse effects to the greatest possible extent. This is particularly important in the case of the closure of an entity involving collective lay-offs or dismissals.” (Paragraph 34)</td>
<td>&lt;br&gt;“Arbitrary dismissal procedures should be avoided.” (Paragraph 35)</td>
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<td>“Governments, in cooperation with multinational as well as national enterprises, should provide some form of income protection for workers whose employment has been terminated.” (Paragraph 36)</td>
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<td><strong>Contribute to formalization</strong></td>
<td>“Governments should develop and implement an integrated policy framework to facilitate the transition to the formal economy, recognizing that decent work deficits are most pronounced in the informal economy. Multinational and other enterprises should also contribute to this aim.” (Paragraph 21)</td>
<td><strong>Identify national strategies to facilitate the transition to the formal economy</strong></td>
</tr>
</tbody>
</table>

**Which institutions are responsible?**
- The Ministry in charge of social protection;
- The Ministry in charge of SMEs.

**What can the enterprise do?**
- Contribute to the collection of information on informal enterprises at the bottom of the value chain and on environment in which they operate (for example by promoting the use of digital technologies) in order to identify priority actions to facilitate formalization in a process of dialogue with other stakeholders;
- Promote formalization and contribute to the organization of economic actors at the bottom of the value chains (for example by promoting the creation of cooperatives);
- Promote formalization and support formalization of economic actors operating in the informal economy;
- Encourage their business partners to contribute to formalization.
5. Conclusion

This guidance note puts forward a holistic approach, drawing on the various dimensions of decent work and the principles of the MNE Declaration, to guide enterprises in their efforts for the effective elimination of child labour and address its root causes. In addition to individual company efforts, collective action involving different actors and stakeholders is essential to achieve this universal goal. The measures put in place by the private sector require consultative and coordinated approaches that align with national objectives and public policies in the countries of operations, as well as the alignment with principles of international standards such as the ILO MNE Declaration.

The ILO Helpdesk for Business on International Labour Standards provides further information and guidance concerning the application of the principles of the Declaration to business operations. Information, practical tools, training resources as well as questions and answers can be found on the Helpdesk website: www.ilo.org/business. A free and confidential ILO assistance service responds to individual queries sent by managers, workers and other interested parties (assistance@ilo.org).

The self-assessment tool for enterprises based on the MNE Declaration developed by the ILO together with the International Organisation of Employers (IOE), supports enterprises that seek to benchmark their corporate social policies and practices against the guidance provided in the MNE Declaration.
Resources

- How to do business with respect for children’s right to be free from child labour: ILO-IOE child labour guidance tool for business
- More tools for businesses on child labour: www.childlabourplatform.org
- To contact the ILO Child Labour Platform: clp@ilo.org
- To contact the ILO Helpdesk for Business: www.iolo.org/business and assistance@ilo.org
- To learn more about the MNE Declaration and its operational tools, see the MNED web portal at: www.iolo.org/mnedeclaration
- The e-learning module “Business and Decent Work: an introduction to the MNE Declaration” (takes 75 minutes to be completed): www.iolo.org/formationemn

The policy brief entitled “L’abolition effective du travail des enfants en Côte d’Ivoire: Les orientations offertes par la Déclaration de principes tripartite sur les entreprises multinationales et la politique sociale de l’OIT”, developed in collaboration with the “Entreprises et travail décent” project, funded by the French government, and the “Accelerating Action to Eliminate Child Labour in Supply Chains in Africa” (ACCEL Africa) project, funded by the Netherlands, inspired the development and content of this global brief.

Fundamental Principles and Rights at Work Branch (FUNDAMENTALS)

The mission of the FUNDAMENTALS branch is to serve as a centre of excellence on policies and action to support the realization of fundamental principles and rights at work. FUNDAMENTALS supports member States to fulfil their obligations to respect, to promote and to realize, in good faith, the fundamental principles and rights at work by facilitating the strengthening of relevant legislation and institutions including employers’ and workers’ organizations and the commitment of national duty bearers, rights-holders and enterprises.

Contact: fundamentals@ilo.org
Website: https://www.iolo.org/fundamentals

Multinational Enterprises and Enterprise Engagement Unit (MULTI)

The Multinational Enterprises and Enterprise Engagement Unit (ENT/MULTI) is responsible for the promotion of the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration) and provides support to governments, employers’ and workers’ organizations and enterprises on its application. The Unit operates the ILO Helpdesk for Business on international labour standards and leads the ILO engagement with other international organizations on responsible business conduct.

Contact: multi@ilo.org
Website: https://www.iolo.org/multi