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Covid-19 and child labour, what can companies do about it?

The Covid-19 health pandemic crisis has hit equally the labour market and the welfare systems across the world, [punching hard the most vulnerable](#) and pushing many more people into poverty. The [World Bank](#) estimates around 150 million people surviving on less than \$1.90 a day by 2021, making the goal of ending poverty by 2030 out of reach.

Regrettably, poverty coupled with economic insecurity, unemployment, limited public and social protection policies exhibit an increased risk to the wellbeing of children as households use every available means to survive, including compelling the younger ones to work.

Unlike wholesome activities that add to a healthy development such as helping with housework after school or taking a part time job on holidays, child labour not only interferes with schooling but also manifests negatively on the mental, physical and social development of children.

According to the [International Labour Organization \(ILO\)](#) child labour hinders children's the long-term prospects to get out of poverty and secure a decent standard of living. As adults they are more likely to be unemployed or experience job insecurity as well as to work in hazardous conditions and have a low income. These can reflect on their children who will be pressured to undertake jobs in order to boost the household income thus, perpetuating child labour-poverty cycle into the next generations.

Factors that contribute to the increase in child labour refer to:

- isolation,
- closure of schools for a long period of time,
- poverty and reduction of household income,
- declining remittance,
- increase in informal work and unemployment,
- discrimination against minorities and migrants,
- cuts and lowering of costs by companies to catch up with the economic crisis,
- relaxation in enforcement of child labour laws.



[A 13-year-old Naomi said:](#)

“We are on Coronavirus holiday from school so my mom sends me here to sell fruits to raise money to buy food”

[UNICEF emphasizes,](#)

“Temporary school closures are currently affecting more than 1 billion learners in over 130 countries. Even when classes restart, some parents may no longer be able to afford to send their children to school.”

The [Global March survey](#) reveals that girls are more likely to be negatively affected by Covid-19 than boys expanding the gender inequalities within families. In addition to household chores and caring responsibilities girls are prone to early marriage and early pregnancies.

By contrast, boys may be pressured to engage in income-generating activities outside the house and drop permanently out of school.

While NGOs work closely with governments to design effective strategies and policies to address and mitigate the socioeconomic outcome of the crisis, companies must intervene and undertake personal steps to support those most affected by the pandemic.

For that purpose multiple tools and guidelines are available such as:

- the UNDP's [Rapid Self-Assessment for Business](#) tool design to help businesses consider and manage the human rights impacts of their operations during the pandemic, available in 11 languages.
- the UNICEF's [Guide for companies](#) on integrating children's rights into business policies.
- the Equitable Food Initiative has a [library](#) of resources to help protect workers during the pandemic and [printable materials](#) to share directly with workers in English and Spanish.
- the Verité's [Covid-19 resources for the private sector](#).



Companies engaging actively to alleviate the hardship of the most vulnerable children

Conduct due diligence to ensure that company's undertaken pandemic response activities do not contribute to the exploitation of children



Assess the "hot spots" to prioritize interventions

Companies should communicate with suppliers in high-risk countries to identify and address child labour during the pandemic. High risk countries are considered those who have high rates of child labour even during stable times.



Provide increase support for small-scale suppliers

Cash and credit transfers to assure job security as well as paid sick leave for worker.



Ensure that their policies as well as their suppliers' policies grant sufficient support for all workers

Policies must cover sick and family leave for all workers as well as protect those who have been laid off or furloughed. In addition, policies must be expanded to increase the health and safety protection at the workplace or accommodate for remote work when possible.



Create short-term emergency funds to allocate emergency resources to humanitarian organizations and suppliers from the high-risk countries



Provide support for children left alone due to hospitalization or death of a working parent or caregiver

Can be achieved through direct support of social workers, teachers, youth organizations or NGOs who can outreach and stay in touch with the vulnerable children.

Adopt a position of zero tolerance towards child labour and share information on the importance of adhering to laws regarding child labour, including during a crisis

Eradicating child labour

The year 2021 is the International Labour Organization's (ILO) [“International Year for the Eradication of Child Labour”](#), which evidences that ruling out child labour is both a top priority and a daunting challenge. Fully eradicating child labour demands cooperation from all different stakeholders involved, certainly also from international businesses.

Big companies' efforts to address child labour and promote good practice in human rights compliance are often seen as having two faces: horrendous cases of child labour may still be traceable in businesses' practice, but these same businesses may be well-intended and go to great lengths to address the problem. Humbly celebrating that progress is being made on eradicating child labour, this section of the DBBE newsletter is dedicated to showing an example of 'good practice'.



Nestlé supporting children's rights in the cocoa industry

Given that Nestlé, one of the cocoa industry's big players, was recently [named as one of the defendants](#) in a child slavery lawsuit in the US, it is easy to overlook the positive efforts made by the company in addressing child labour. While Nestlé [admits](#) that fully eradicating child labour may take them years, it has aimed to tackle the problem both through putting pressure on its suppliers and by addressing the drivers of child labour and its root causes.

On the 2nd of February 2021, Nestlé was even awarded edie's [Sustainability Leaders Award](#) for its efforts to eradicate child labour.

Edie's extensive [report](#), highlighting the 2021 winners and their lengthy efforts in promoting sustainability, credited Nestlé with being the first in the cocoa industry to launch a Child Labour Monitoring and Remediation System (CLMRS) and to report on the matter of child labour that provides an honest and in-depth analysis of the problem.

While the quest for eradicating child labour continues, it is important that big companies with global supply chains put effort into addressing it. Nestlé is a good example of a company taking that step and showing it intends to make a change.



New initiative to enhance the tracing of goods made with child labour and forced labour

In February 2021 Verité [announced](#) the launch of the STREAMS project (Supply Chain Tracing and Engagement Methodologies) which aims to map and categorize supply chains and methods for tracing and validating supply chain connections. The initiative is supported by [Better Cotton Initiative](#), [Phylagen](#), [RCS Global](#), the [Responsible Sourcing Network](#),

[Sourcemap](#) and it is estimated to be developed over the next 4,5 years with the financial help from the [United States Department of Labour](#).

Because it is challenging to trace the journey of a product from farm to finished goods, to analyze all the parties involved throughout the production stages, the STREAMS project intends to compile a database of supply chains, tracing different approaches used throughout various sectors and geographical areas. Next, it will analyze these approaches and will conclude on their effectiveness in specific environments and whether they can be more

broadly applied to other sectors and geographies.

Finally, the project strives to provide stakeholders with innovative product tracing strategies that could be used by companies to address risks such as forced labour and child labour.



Do you have questions?

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