

**Round Table Conference
Child Labour and Corporate Social Responsibility:
what should the EU do?**

European Parliament 13 May, 16.00 – 18.00 hrs

REPORT

Thijs Berman MEP, host and chair of this Round Table opens the meeting by welcoming everyone and stressing that investing in the eradication of child labour is an important step against poverty. Although there is progress in banning the worst forms of child labour, the problem of child labour in all its forms remains acute in many parts of the world, particularly in sub-Saharan Africa, where children are frequently used for agricultural work. Jetteke van der Schatte Olivier, international coordinator of the campaign 'Stop Child Labour – school is the best place to work', indicates that investing in schooling is the best way both to help end child labour and to ensure that economies can develop in the long term with the help of well-educated adults. She stresses that every euro invested in education earns itself back seven times. Whereas the tight link with education is obvious, child labour can not be eliminated without regard to labour policies promoting decent work for adult workers. In fact, the pursuit of all fundamental principles and rights at work is crucial, as enabling factors to tackle and prevent child labour. Therefore, Jetteke states that today's focus is on the positive effect that good implemented corporate social responsibility strategies will have on eliminating child labour.

Call for action to the European Commission, by MEPs

In order to eradicate child labour with the framework of corporate social responsibility, both Thijs Berman and Richard Howitt MEP recommend that the European Commission should set up a Child Labour Hotline, which citizens and organisations could use to report when European companies are suspected of being involved in child labour. The Child Labour Hotline should also be capacitated to do investigations itself. Furthermore, the Child Labour Hotline should report regularly about the performance of European companies on the issue. This should be done in the context of the authoritative '*Annual State of CSR*' report that the European Parliament has already requested the European Commission to produce.

Thijs Berman MEP and Richard Howitt MEP point the attention at the 'Out of Work and into School - Action Plan for Companies to Combat Child Labour', presented by the campaign Stop Child Labour, and urges the European Commission to actively promote this action plan in its relations with companies. Last but not least, Thijs Berman and Richard Howitt ask the European Commission to ensure that EU-based companies that are given any form of support by the European Commission should provide evidence that they are not involved in child labour. As an alternative companies should present a public time-bound plan to combat child labour, including in their supply chain. This request is in line with a motion recently adopted by the complete Dutch Parliament.

Both Thijs Berman MEP and Richard Howitt MEP will raise questions to the European Commission on the topics just mentioned and ask other MEPs to endorse them as well.

Child labour and corporate social responsibility: what the EU should do

Gerard Oonk, of the campaign 'Stop child labour' and author of both the 'Out of Work and into School - Action Plan for Companies to Combat Child Labour' and of the Working Document 'Child Labour and Corporate Social Responsibility: What should the EU do?', outlines the 11 recommendations to the EU, outlined in the Working Document, which are in summary:

1. Make a (child) labour impact assessment of trade and investment relation;
2. Systematically include the child labour issue in your political, human rights and economic dialogues and negotiations with third countries and international agencies;
3. Include plans to monitor and remediate child labour in EU agreements with countries where this practice is widespread;
4. Make it mandatory for companies to report on child labour, also in their supply chain;
5. Declare a time-bound transition phase to move from reporting on child labour to mandatory implementation of a no-child labour policy;
6. Create appropriate legal safeguards to prosecute EU based companies who violate (child) labour rights;
7. Make sure that any support given by the European Commission and its Member States to companies is combined with the obligation that no child labour is used in the company or the supply chain;
8. Withdraw the Generalised System of Preferences (GSP) status from countries not implementing their ILO commitments on child labour;
9. Create a 'child labour free' public procurement policy, also in companies' supply chain;
10. Make sure that the work of organisations that report on and/or campaign against (child) labour violations are not treated as non-tariff trade barriers;
11. The EU should contribute to make the OECD Guidelines for companies more effective in order to tackle (child)labour rights violations.

Gerard Oonk gives India as an example of integrating the issue of child labour in diplomacy, which is done by the Dutch Queen and the Minister of Foreign Affairs. He stresses that it is not only a question of naming and shaming companies, but of coming to agreements with them that consist of clear cut goals, in which a phased process will not only result in the banning of child labour, but also to get children back into school.

Eddy Laurijssen of the ILO links up with what was said before on the fact that child labour can not be eliminated without regard to labour policies promoting decent work for adult workers and welcomes any measure that stimulates companies to show good as well as bad practices. The ILO uses a similar mechanism of reporting, but then directed at governments, and expresses that the reporting obligation directed at companies, as proposed by the campaign Stop child labour and the MEPs, would fill a vacuum which currently exists. Though he warns that the analysis can be time consuming and expensive.

Legal responsibility of companies

Ruth Casals, coordinator of the European Coalition for Corporate Justice in Brussels, said that there is a need for EU legislation obliging firms to guarantee they do not use child labour. "While parent companies reap the profits, it is not possible to make them legally responsible for human rights or environmental violations like child labour by their subsidiaries abroad," she explained. "The EU has a moral imperative in not allowing European companies to profit from human rights violations."

Cees van Dam, professor at King's College London, said that the law of litigation in itself is not very effective against child labour, since the establishment of facts can be difficult and costly. However, the threat of it can rather effectively change corporate behaviour. The problem nowadays is that although a claim can be filed in the court of the country where the company is based, it is the law of the country where the victim suffers the damage that should be applied. This means that very often this is not EU law. Solving problems of child labour through the law of litigation is the way. More importantly and effectively is to start with reporting measures and to assure the creation of a level playing field.

Incoherence between policy and practice

Richard Howitt MEP, a British Labour member of the European Parliament, points at the big incoherence between policy and practice of the EU. The European Union says all the right things about child labour, they never say 'we want child labour and we think it is acceptable'. But what are its actions to enforce it? Countries such as the Netherlands have made very ambitious promises, stating that by 2010, there will be a 100% sustainable procurement. When looking at the EU, it has not even build in such mechanism in its policy. Another sham between rhetoric and reality is the GSP (general system of preferences for trade) status granted to countries such as Uzbekistan, Colombia and Sri Lanka, where the child labour problem is huge, and where in the case of Uzbekistan the government itself force Uzbek children, some as young as seven, to pick cotton by hand during the annual harvest. This GSP scheme allows poor countries largely unfettered access to the EU's markets if they ratify international conventions on human and labour rights. Richard Howitt MEP underlines the opinion of the campaign Stop child labour and of the ECCJ that trade preferences to countries where child labour is omnipresent should be revoked.

The intention is expressed that the gap between policy and action will be narrowed in the new policy that is being drafted on child labour in the upcoming EU/ACP JPA Resolution on child labour. In this Resolution concrete actions will be written down regarding both corporate justice and child labour and on children's access to education. Cooperation is sought with both governments and civil society organisation in the ACP countries.

The '**Out of Work and into School - Action Plan for Companies to Combat Child Labour**' and the **Working Document 'Child Labour and Corporate Social Responsibility: What should the EU do?'**, can be found on www.stopchildlabour.eu.

Annex 1: Participants list

Annex 2: IPS article