











## Addressing Children's Rights in the Garment and Footwear Supply Chain

A COMPENDIUM OF COMPANY AND INDUSTRY EXAMPLES





#### Acknowledgements

The Compendium of Company and Industry Examples was developed as part of the Network on Children's Rights in the Garment and Footwear Sector. The network was established in 2017 by Norges Bank Investment Management (NBIM) and the United Nations Children's Fund (UNICEF).

#### ARTICLE ONE

This compendium was written by Article One, a strategy and management consultancy with expertise in human rights, responsible innovation and social impact. This publication includes significant contributions from garment and footwear brands and retailers, including members of a peer-learning group established by NBIM and UNICEF, as well as multi-stakeholder initiatives and industry partnerships. Input for the publication was provided in writing and verbally through a series of bilateral meetings conducted throughout Fall and Winter 2020. The authors are grateful to the companies and multi-stakeholder initiatives for their time and contributions.

This compendium also benefited greatly from the expertise of specific individuals, including Caroline Eriksen (NBIM), Wilhelm Mohn (NBIM), Christopher Kip (UNICEF), Caleb Segun Lean (UNICEF), Jens Aas (UNICEF Norway) and Mayang Sari (UNICEF Bangladesh).

Reference to the companies featured in this report does not imply endorsement by UNICEF or NBIM of their policies and practices. Instead, this information is intended to show examples of company efforts to address and integrate children's rights within their wider responsible sourcing efforts.

Cover Photos (clockwise from upper left):

© UNICEF/UN0422228/Dejongh; © UNICEF/
UN06993/Lynch; © UNICEF/UN0215757/Viet
Hung; © UNICEF/UN0391389/Haque; © UNICEF/
UN0292143/Sokol; © UNICEF/UN0391343/Haque

Design and production: Big Yellow Taxi, Inc.

#### Copyright and disclaimer

All rights to this publication and the accompanying material remain with the United Nations Children's Fund (UNICEF).

Any part of the report may be freely reproduced with appropriate acknowledgement. Any and all errors found within the report are those of the authors.

Copyright © United Nations Children's Fund (UNICEF) May 2021





© UNICEF/UN0422228/DEJONGH

## Contents

Introduction 4	
Snapshot of company and industry examples 6	
Linking examples to the Action Framework 7	
Company and industry examples 10	
Driving transformational change through transparent disclosure on family-friendly policies11	
Improving children's well-being through worker and community development13	
Engaging suppliers beyond Tier 1 to combat modern slavery and the worst forms of child labour	
Using technology to drive positive impact on workers and children19	
Advancing children's rights through a network of in-region teams21	
Establishing partnerships to strengthen maternity rights and breastfeeding support	
Tackling systemic challenges through public policy	
Securing children's futures through financial resilience	
Creating child friendly spaces for children of working parents	

## Introduction

The Compendium of Company and Industry Examples responds to the continuing challenge and need for the garment and footwear sector to address more effectively adverse impacts on children and working parents in the supply chain.

This compendium builds on Children's Rights in the Garment and Footwear Supply Chain: A Practical Tool for Integrating Children's Rights into

Responsible Sourcing Frameworks, published in June 2020 by UNICEF in partnership with Norges Bank Investment Management (NBIM). It highlights



© UNICEF/UN0451985/SIAKACHOMA

examples on integrating children's rights into due diligence processes, company policies and strategies, risk and impact assessments, supplier engagement initiatives, purchasing practices, grievance and reporting processes and broader advocacy efforts.

The case studies featured in this compendium have been selected from participants in the Network on Children's Rights in the Garment and Footwear Sector, as well as from a variety of leading multi-stakeholder initiatives (MSIs) and industry partnerships. The case studies explore approaches that network participants, MSIs and industry partnerships have taken to ensure children's rights are recognized in their responsible sourcing efforts. With each case study, the compendium explores challenges and links to children's rights,

the approaches or strategies taken to address these challenges, and the impacts or lessons learned.

Throughout the compendium, the Action Framework for Integrating Child Rights, featured in the 2020 guidance tool, is referenced to provide readers with an understanding of how these case studies relate to specific internal steps that organizations can take to address adverse impacts on children. Readers can therefore see the extent to which each case study corresponds to the framework and what opportunities for further action still exist.

In light of the severe health and socioeconomic consequences of the COVID-19 pandemic for workers and their families globally, the need for the industry to address its impact on children through responsible business practices is more critical than ever. We acknowledge that many companies in the industry, including network participants, have only started the process to address children's rights in their supply chain.

We hope and expect to see more innovative examples develop in the coming

#### Action framework for integrating child rights



#### **ASSESS AND INTEGRATE**



1.1 Assess child rights risks and company preparedness to respond



**1.3** Get internal buy-in and train key decision-makers



1.2 Integrate child rights into policies and management systems



**1.4** Strengthen supplier capacity to address child rights and root causes



#### **MONITOR AND REPORT**



**2.1** Monitor progress on activities and child rights outcomes



2.2 Stakeholder engagement, worker voice and grievance processes



2.3 Report outcomes, progress and disclose suppliers



#### **COLLABORATE AND SUPPORT**



3.1 Collaborate and invest in promising initiatives



3.2 Support and advocate for children

years. We also hope that this compendium will help guide and inspire companies across the garment and footwear sector to enhance their efforts to respect and promote children's rights.

For the moment, the case studies highlighted in this compendium provide an early view into some of the ways in which companies are seeking to contribute towards improved market practices and stronger respect for children's rights.

# Snapshot of company and industry examples

navigate to case study

## Linking examples to the Action Framework

The garment and footwear supply chain impacts children directly and indirectly. For example, one of the most well-known risks to children's rights is child labour, which can impact children's development, education and overall well-being. Indirect and less understood impacts, however, have received significantly less attention. For example, poor working conditions, inadequate wages and excessive working hours may be more indirectly linked to children's rights, since these risks impact supply chain workers, many of whom are parents or caregivers. These direct and indirect links can be categorized into three broad areas, which will be referenced throughout the report:1

<sup>1</sup> United Nations Children's Fund. Children's Rights in the Garment and Footwear Supply Chain, UNICEF, 2020.



### Key themes from the action framework:



#### Working conditions for parents and caregivers

#### **Maternity protections:**



Lack of employment protection, inadequate paid maternity leave and discrimination based on

pregnancy is widespread across the sector, with implications for child health, especially where women are in precarious employment and vulnerable to dismissal.

#### **Breastfeeding support:**



Breastfeeding, especially exclusive breastfeeding during the first six months of life is crucial to child health

development and survival. However, one of the main reasons frequently cited by women workers for early weaning is returning to work and having limited time and support to breastfeed.

#### Maternal health and nutrition:



Exposure to toxic chemicals is a grave health risk to working mothers and their children in the garment and footwear supply

chain, with potentially severe and irremediable health impacts. Excessive hours, exposure to high temperatures and heavy workloads can also adversely impact maternal, pre- and postnatal health.

#### Access to childcare:



Parents working in garment and footwear factories often have limited access to good quality childcare, which can be prohibitively expensive or may not be available during overtime hours. A lack of affordable, good quality childcare means that

children miss out on important early learning and development opportunities and may be at greater risk of neglect and abuse while parents are at work.

#### Wages and working hours:



Long hours, low wages, excessive overtime, and lack of access to basic services can negatively affect child survival, health, nutrition, and education. This can lead to long-term and, in many cases, irreversible, negative

impact. Low wages for working parents can contribute to child poverty and labour and undermine efforts to achieve universal primary education.



#### Child labour & adolescent workers

#### Child labour and young workers:



Employing children below the minimum age remains an acute problem in home-based and informal production settings. In the formal, export-oriented, garment and footwear sector,

child labour often occurs in the form of hazardous work for adolescents. Child labour also remains an acute problem in deeper tiers of the supply chain, which may fall outside the remit of monitoring, audit and labour inspection systems.

#### Migration and "left behind" children:



The garment and footwear sector is reliant on internal and international migrant labour across Asia, Europe, North and South America and Africa. While migration can present opportunities for parents, it also poses risks for children. In particular, substandard working conditions—

characterized by long working hours, lack of good quality childcare and low wages—as well as barriers to accessing basic services, may compel workers to send their children to live with relatives. For children "left behind," separation from parents and a lack of parental care and oversight can cause difficulties for their wellbeing and development.



#### Environmental protection for children's health

#### Access to education and healthcare:



There are critical links between workplace practices and access to education and health care

in communities. Workers with low wages often struggle to afford education and health care for themselves and their children. In turn, this can contribute to school dropout rates, child labour and poor health.

#### Water, sanitation and hygiene:



Water pollution linked to garment and footwear production is a key threat to children—drinking and bathing in polluted water can

cause a range of adverse health impacts to which children are vulnerable. Limited access to health services and poor water, sanitation and hygiene (WASH) standards in communities can also affect the health and productivity of workers inside factories.

#### Protecting the environment for children's health:



Hazardous chemicals from garment and footwear production such as flame

retardants, plasticizers, toxic dyes and waterproofing chemicals—can migrate into the environment and be transmitted from pregnant women to their unborn children.



## Driving transformational change through transparent disclosure on family-friendly policies

#### WORLD BENCHMARKING ALLIANCE

#### Challenge

Gender inequalities persist around the world. In the garment supply chain, these inequalities often remain unaddressed by companies because of invisible gender-related data. Accelerated by the disproportionately adverse socioeconomic impact of COVID-19 on women,

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



1.2 Integrate child rights into policies and management systems



2.1 Monitor progress on activities and child rights outcomes



2.3 Report outcomes, progress and disclose suppliers

companies in the sector have come under increased scrutiny regarding their impact on women and actions to address women-related challenges, including those that affect children.

One of the key challenges to corporate action to promote gender equality and empower women has been the lack of a common set of indicators that all companies within a single sector can consistently use to understand, compare and report on their performance, results and impact. Against this backdrop, the World Benchmarking Alliance has established the Gender Benchmark to measure corporate gender impacts and accelerate progress in closing the gender gap. It assesses how well companies are integrating a gender

strategy across their entire value chain. It also includes specific indicators that focus on the integration of policies and practices that affect children's well-being.

#### Approach

A key indicator in the Benchmark is "family-friendly benefits provision in the supply chain," which assesses whether companies are integrating family-friendly policies and practices throughout their global supply chains. Drawing on insights and metrics generated from the NBIM/ UNICEF Network on Children's Rights in the Garment and Footwear Sector. and the accompanying guidance tool, this indicator is underpinned by the notion that any company committed to

gender equality should acknowledge that women workers in the supply chain usually bear the burden of family care. Companies should, therefore, require suppliers to provide family-friendly benefits that support workers who are also parents and caregivers. The indicator also recognizes that work-life balance leads to increased retention of workers and talent.

To achieve full marks for this indicator, the Gender Benchmark specifically asks companies to disclose whether they require their suppliers to provide primary and secondary caregiver leave to their workers. It also asks companies to disclose whether they require their suppliers to provide childcare for, and other family-related support to, their workers.

The first part of this indicator is relatively straightforward and, in many respects, already guided by wellestablished international standards, including the International Labour Organization's standard of a minimum maternity leave period of 14 weeks.<sup>2</sup>

The second half of this indicator is designed to be more open-ended so that companies have the opportunity to disclose how they define childcare and family-related support and how they make these benefits a requirement for their suppliers to provide their workers. Taken together, the elements of this indicator are designed to paint a useful and meaningful picture of the level of effort and positive impact that companies and their suppliers can have on women and, as a result, their children.

#### Impacts and lessons learned

While the Gender Benchmark is relatively new, its goals are to inspire healthy competition among apparel companies to drive transformational change across the sector. For companies that have already established requirements with their suppliers covering family-friendly benefits, the Gender Benchmark is an opportunity to highlight these efforts and receive recognition for advancing good practices. For companies which have just begun, the Gender Benchmark provides a useful framework to shape new policies, processes and practices.

The Baseline Report was published in September 2020 and showed that, of the 36 companies that were assessed, none publicly disclosed whether they required suppliers to provide family-friendly benefits to workers engaged across their supply chains. Only one company, adidas, explicitly referenced and set a specific standard for maternity leave provisions. According to the report:

"Adidas extends key family-friendly benefits to its employees in order to support their unpaid care burden, which women disproportionately carry. It is also the only company in the assessment that explicitly refers to maternity leave for women workers in the supply chain."3

The first full Gender Benchmark with company rankings is set to be published in 2021.

<sup>2</sup> International Labour Organization. Maternity and paternity at work, ILO, Geneva, 2014.

<sup>3</sup> World Benchmarking Alliance. adidas.

## Improving children's well-being through worker and community development

#### **VF CORPORATION**

#### Challenge

Impacts of business practices on workers and, by extension, their children do not end in the workplace. Instead, they are often linked to broader root-cause issues in the community. For example, the rights of workers and their children can be affected by their living conditions, the access they have to basic services, or environmental health risks.4

4 United Nations Children's Fund. Children's Rights in the Garment and Footwear Supply Chain, UNICEF, 2020.

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



2.2 Stakeholder engagement, worker voice and grievance processes



3.1 Collaborate and invest in promising initiatives

Many factory-based programmes have traditionally focused on addressing the challenges that workers face within the workplace and have focused less on addressing root causes that workers and their families and children experience in their communities. For VF, this presented an opportunity to develop an approach that would address some of the underlying family- and communitybased challenges that led to adverse human rights risks and impacts in the workplace.

#### **Approach**

VF established the Worker and Community Development (WCD) programme in 2017 to help address

systemic issues. Based on the core operational principle of "conducting stakeholder needs-assessments," the WCD programme provides VF with a platform to engage directly with factory management and workers to better understand workers' unmet needs at work, at home and in their communities.

The WCD programme focuses on providing workers with access to knowledge and creating targeted interventions that support workers' local communities in ways that also create improved satisfaction and productivity at work.5 Through WCD, VF identifies and

<sup>5</sup> VF. "VF Corporation Worker & Community Development Program Supports Workers Beyond the Factory Walls," 2021.

addresses local issues in communities surrounding its key manufacturing zones in three core themes: access to water and sanitation; adequate health and nutrition; and affordable childcare and education.6 On childcare and child development, the VF team stated:

"No matter where we were in the world, the biggest thread that leaped out to us was that working parents go to work each day primarily for the betterment of their children's lives."

VF experienced a number of challenges in implementing the WCD programme. These included understanding and addressing concerns about how workers would perceive a new programme, considering the quality of services that were already available to them through existing factory-based measures and interventions. Making the business

case for the WCD programme was another challenge, given the fact that the evidence base for the programme's Return on Investment was still limited.

VF addressed some of these challenges by building a robust Monitoring, Evaluation, and Learning (MEL) process to set clear metrics and goals and enable an assessment of the programme's performance. The MEL process provides VF with a comprehensive monitoring framework in relation to health and nutrition: water, sanitation, and hygiene; and childcare and education. Creating this MEL process has also helped VF convince factory management that the likelihood of success in using the WCD programme will outweigh the cost of implementing it.

#### Impacts and lessons learned

In total, the WCD programme improved the livelihoods of 156,679 workers in 2017 and 2018.7 Specific child rights interventions that were created through WCD have included: working

with UNICEF in Bangladesh on child rights and family-friendly workplaces; partnering with Business for Social Responsibility (BSR) to support women in factories in India who face stigma and lack of education around menstrual health; and collaborating with The Centre for Child Rights and Business to offer a migrant worker support programme that includes summer school and training designed to bring families together through effective parenting.8

Throughout the implementation of the WCD programme, one key lesson for VF was that, while measuring programme outputs (e.g., number of workers trained) can be useful, measuring programme outcomes (e.g., impact on workers' understanding of their rights) is even more meaningful. Outcome-oriented metrics can help show whether workers are listening, absorbing and learning from the trainings offered to them.

Another key lesson was to be more dynamic and flexible. While some of the early MEL-based assessments of the

<sup>6</sup> VF. "VF Corporation Worker & Community Development Program Supports Workers Beyond the Factory Walls," 2021.

<sup>7</sup> VF's 2020 Corporate Human Rights Benchmark (CHRB) Supplemental Response.

<sup>8</sup> VF. "VF Corporation Worker & Community Development Program Supports Workers Beyond the Factory Walls," 2021.

programme were not as comprehensive as the team would have liked, these assessments provided enough data to identify early trends, some of which eventually informed not only the core themes of the programme, but also

the key metrics that VF uses today to track and measure results. Overall, VF has learned that, when initiating any type of community-oriented, workerempowerment programme, it is helpful to build metrics around existing trends.

VF plans to implement the WCD programmes to improve the livelihoods of 1 million people annually by 2025, and 2 million workers and individuals in local communities by 2030.9

9 VF. "Better beyond our walls."



© UNICEF/UN0378258/PANJWANI

### Engaging suppliers beyond Tier 1 to combat modern slavery and the worst forms of child labour

#### **ADIDAS**

#### Challenge

Forced labour and the worst forms of child labour have been prominent human rights risks for the garment industry for decades. When children are forced to work, their ability to reach their fullest physical, mental and emotional capacities is inhibited. They are also more likely to drop out of school and remain in the cycle of poverty. They are also more likely to remain in the cycle of poverty.

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



**1.4** Strengthen supplier capacity to address child rights and root causes



2.2.Stakeholder engagement, worker voice and grievance processes

Many international brands, including adidas, address these risks through social assurance and labour monitoring programmes with Tier 1 (direct) suppliers where contractual relationships exist. However, it has become increasingly clear that some of the most severe forms of human rights abuses, including those associated with modern slavery (such as forced labour, human trafficking and the worst forms of child labour) are more likely to occur further upstream in the materials supply chain.<sup>10</sup>

#### **Approach**

To address this challenge, adidas launched the Modern Slavery Outreach

10 Modern slavery may be associated with the worst forms of child labour. See adidas' Policy on Modern Slavery

Programme in 2016 to provide a road map for engaging suppliers beyond Tier 1 on risks associated with modern slavery, including worst forms of child labour. Centred on the themes of awarenessraising, training, capacity building and collaboration, adidas partnered with the International Labour Organization in 2016 to pilot the programme in China, where 25 of adidas' key Tier 2 suppliers were trained on Chinese national labour laws and forced labour. Following the training in China, adidas extended the training to 21 of its key Tier 2 suppliers in Taiwan. In Taiwan, adidas focused on migrant labour risks and employment guidelines. In both trainings, participants were made aware of the links to, and impacts of, modern slavery risks on children's rights.

In 2017, adidas partnered with the International Organization for Migration to develop a comprehensive modern slavery training toolkit. Nearly 100 Tier 2 suppliers from Vietnam, Indonesia, China and Taiwan participated in a oneday training on the toolkit and on ways to identify and remedy unscrupulous employment practices. In 2017, adidas also provided "Train-the-Trainer" trainings for its compliance teams to complement their labour monitoring expertise and to improve their capability to provide targeted modern slavery trainings in local languages across adidas' Tier 2 supplier network.

In 2018-2019, adidas rolled out the training toolkit to Tier 2 suppliers in South Korea and conducted peer-topeer follow-up learning workshops for the suppliers who had already been trained. The objectives of these workshops were to refresh suppliers' knowledge of modern slavery, discuss programme improvements and identify implementation challenges that suppliers may have experienced. adidas also expanded the Modern Slavery Outreach Programme to first-tier

"adidas has a robust social compliance programme, which was founded at the end of 1990s as a result of concerns over the presence of child labour in global supply chains. We continue to monitor for child labour, but in recent years, our focus has shifted to the upstream supply chain. To address potential upstream risks, in 2016, we launched our Modern Slavery Outreach Programme which, among other activities, provided tailored trainings for our Tier 2 material processing suppliers. In parallel with this training, we also partnered with key stakeholders to drive improvement in social assurance models, mapping the risk of forced labour and child labour at an agricultural level, notably for natural rubber and cotton farming."

- William Anderson, VP of Social & Environmental Affairs at adidas

suppliers of adidas' licensee partners. The expanded programme now provides adidas with an indication of licensees' current level of awareness and management of modern slavery risks.

#### Impacts and lessons learned

Implementing the Modern Slavery Outreach Programme has enabled adidas to apply good practices for monitoring for child labour further upstream, notably in the rubber and cotton supply chains.

As a result of the programme, since 2019, almost one quarter of adidas' Tier 2 suppliers have been trained and brought under adidas' mainstream monitoring and auditing programme, which is typically used for Tier 1 suppliers.11 With this transition, adidas is now able to apply its standards, processes and practices to mitigate child labour risks and other risks related to modern slavery further upstream.

<sup>11</sup> adidas. Modern Slavery Progress Report, 2019.

Several key lessons have also emerged. First, adidas has learned that the majority of Tier 2 suppliers are willing to improve their practices to mitigate modern slavery risks, but they sometimes lack the capacity or knowledge on how to do so. These trainings have not only helped Tier 2 suppliers learn about the issue of forced labour and child labour, but also helped create an environment of openness and transparency. Many of these upstream suppliers are now more willing to improve their practices and be transparent about other labour and human rights risks or violations in their factories.

adidas has also learned that the most effective approach is to "make it personal" and explain the real impact of modern slavery on factories, workers, and, by extension, their families and children. Through the Modern Slavery Outreach Programme, more and more upstream suppliers are recognizing

that excessive working hours, low wages and a lack of access to basic services can have significant knock-on effects on other important issues, including children's rights. Through this programme, adidas hopes to accelerate greater awareness among upstream suppliers of these linkages and impacts so that the company can ultimately eradicate modern slavery and the worst forms of child labour across its entire materials supply chain.



© UNICEF/UN0215791/VIET HUNG

## Using technology to drive positive impact on workers and children

#### LI & FUNG

#### Challenge

A major challenge in the garment industry is understanding and responding to workers' needs both inside and outside the factory. These needs could include those related to the workers' well-being in the workplace but also personal needs related to their families and children, such as financial stability or their children's education.

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



1.2 Integrate child rights into policies and management systems



1.4 Strengthen supplier capacity to address child rights and root causes



2.2. Stakeholder engagement, worker voice and grievance processes

For many factories in the garment industry, understanding and responding to workers' needs is particularly challenging if factories lack access to appropriate tools, resources and methodologies. Additionally, many worker feedback systems, including grievance mechanisms that are meant to gather insights on worker needs, have yet to gain traction, partly because workers have not been properly trained in how to use them and partly because many workers distrust the safety and security of using these systems.

#### **Approach**

As more and more workers have gained access to smartphones and the internet, Li & Fung saw an opportunity to understand and respond to worker

needs more effectively by implementing a technology-based solution called WorkerApp.

In partnership with ELEVATE Limited, Li & Fung created WorkerApp to provide workers with three accessible, essential tools:12

- An extensive library of bite-sized educational material on health and hygiene (including issues such as stress and communication). financial literacy, sustainability and productivity
- A virtual feedback box for workers to raise concerns and suggestions, together with a survey tool to gather worker opinion

<sup>12</sup> ELEVATE launches WorkerApp to address the increasing need for real-time communication with workers, July 2020.

• A mobile alert and training tool to share important information and courses with workers

WorkerApp was originally launched in seven local languages in Vietnam, Indonesia and India. It is now used widely by workers across Li & Fung and other supply chains.

Li & Fung, however, did face a number of implementation challenges along the way. These included overcoming mistrust with workers on how their data was being used, developing management processes to resolve issues that surfaced, and addressing workers' lack of access to the internet at work, which prevented many of them from using WorkerApp.The WorkerApp continues to evolve under ELEVATE Limited by adding functionality to drive engagement and training of workers, even under Covid.

#### Impacts and lessons learned

While WorkerApp was not developed to address children's rights directly, the resulting improvement in engagement and communication between workers

and factory management has helped generate positive outcomes for the workers' children. The app enables workers to access educational content about parenting, nutrition, health, finance and personal hygiene, and enhance their children's well-being. The Centre for Child Rights and Business (formerly CCR CSR), a leading centre on child rights and business based in Hong Kong, helped build these resources into the app.

Many in the industry see great promise in worker-centric, technology-based solutions that aim to drive positive impacts on workers, their families and their children. Nevertheless, because technology-based solutions are not immune to unintended consequences, Li & Fung highlights that it is important to mitigate any potential risks to workers and their children by engaging workers during the development stages of an application before adopting any particular solution.



© UNICEF/UN0372514/RYENG

## Advancing children's rights through a network of in-region teams

#### **NEXT PLC**

#### Challenge

Advancing rights-respecting policies and practices in countries and regions where local standards and norms may be different from international standards can be a challenging task. For example, on the issue of hazardous work, international labour standards have established a number of critical thresholds, such as no hazardous work

**KEY THEMES FROM** THE ACTION FRAMEWORK:



1.2 Integrate child rights into policies and management systems



**1.4** Strengthen supplier capacity to address child rights and root causes



2.2. Stakeholder engagement, worker voice and grievance processes

for anyone below 18 years of age. However, depending on the country or region, NEXT has encountered different interpretations of what constitutes "hazardous" work, making it all the more difficult to apply and uphold international labour standards in certain contexts.

To address this challenge, NEXT needed an approach that would take into account local legal, economic, social and cultural contexts.

#### **Approach**

NEXT began developing locally oriented, rights-respecting practices by first creating a team of approximately 46 people concentrated in key sourcing countries around the world. Today, this Code of Practice (COP) team

is responsible for applying NEXT's Child Labour Policy with suppliers and factories at local level. It has given rise to regional teams which are trained and empowered to build strong relationships with suppliers and key stakeholders in their local regions.

One example of the benefit of having regional COP teams came about when NEXT introduced its supplier guidelines on the Child Labour Policy. These guidelines specifically included a list of "dos" and "don'ts". While the overall task was to apply these guidelines consistently across all of NEXT's sourcing countries and regions, suppliers and factories in certain countries and regions needed support to understand and apply these guidelines.

Local COP teams were then tasked to provide specific support to individual suppliers and factories in their local language. In cases where remediation became necessary, the teams used these supplier guidelines and their local knowledge to develop tailored corrective action plans and connect suppliers to thirdparty specialists who would help consult with and support the child and their family.

#### Impacts and lessons learned

NEXT's overall approach to local supplier engagement has helped the company acquire deep and specific institutional knowledge of each sourcing country and region, including in-depth familiarity of local cultures and laws on children's rights.

NEXT's network of its own specialist staff in key sourcing countries around the world who are focused on COP implementation allows the company to build stronger relationships with local suppliers, factories, workers and stakeholders to eliminate the worst forms of child labour. This approach has enabled NEXT to design programmes that focus on targeting local suppliers' root challenges.



© UNICEF/UN0391239/HAQUE

## Establishing partnerships to strengthen maternity rights and breastfeeding support

#### **MOTHERS@WORK**

#### Challenge

Strengthening maternity rights and promoting breastfeeding are core to empowering women. This is especially the case for nursing mothers in the Ready-Made Garment (RMG) sector in Bangladesh, which employs more than three million people. Approximately 60 per cent of those working in this sector are women, many of whom are also of reproductive age.13

13 United Nations Children's Fund, Better business for children: Children's rights are everybody's business. UNICEF, Bangladesh.

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



**1.4** Strengthen supplier capacity to address child rights and root causes



3.1 Collaborate and invest in promising initiatives

Breastfeeding, especially exclusive breastfeeding during the first six months of life, is crucial to child health, development and survival.<sup>14</sup> However. one of the main reasons frequently cited by women workers for early weaning is having to return to work with limited time and support to breastfeed.<sup>15</sup>

Malnutrition in children, adolescents and women is a major concern in Bangladesh. Despite the presence of supportive national policies and regulation, a key concern remains the lack of robust implementation and monitoring systems to strengthen awareness and take-up of maternity and breastfeeding support benefits.<sup>16</sup>

Worker turnover is also a challenge because many of these workers often leave the workplace after giving birth as they are unable to balance childcare with work. This loss of skilled workers creates a constant and costly challenge for businesses in hiring and training new recruits.

#### Approach

To address these challenges, in 2016, UNICEF Bangladesh, in consultation with government and national stakeholders, developed Mothers@Work - a programme to support the rights of working mothers and their children. Guided by national and global policy frameworks and regulations on maternity protection and breastfeeding support in the workplace, Mothers@Work works

<sup>14</sup> United Nations Children's Fund. Children's Rights in the Garment and Footwear Supply Chain, UNICEF, 2020.

<sup>16</sup> Better Work. Better Work Bangladesh helps new mothers stay healthy and continue to earn, 2018.

with local partners to implement and promote seven minimum standards for maternity protection and breastfeeding support in the workplace, including the provision of:

- breastfeeding spaces
- breastfeeding breaks
- childcare provisions
- paid maternity leave
- cash and medical benefits
- employment protection and nondiscrimination
- safe-work provisions

A key strategy to scaling up Mothers@ Work is partnering with established organizations with common goals, and which have an extensive factory network within the RMG sector. For example, in 2017, UNICEF joined with Better Work Bangladesh (BWB), an ILO/IFC programme with a network of more than 230 RMG factories in Bangladesh, to expand the Mothers@Work programme.

A critical element in ensuring the success of this partnership was defining together, from the onset, specific roles and responsibilities. BWB's key implementation objectives included:

© LINICEE/LIN0292185/SOKOL

- supporting expansion of Mothers@ Work in RMG factories currently implementing BWB's programmes
- supporting enrolment seminars, advocacy meetings and workshops with international brands
- synthesizing and communicating information related to BWB's RMG factories implementing Mothers@Work
- leading Mothers@Work advisory visits (AVs) to monitor the implementation of the seven minimum standards (as described above) and provide technical support to other stakeholders conducting AVs
- monitoring and sharing overall factory performance data to help inform improvements to implementing the seven minimum standards

#### Impacts and lessons learned

With these objectives and roles and responsibilities in place, UNICEF and BWB were able to expand Mothers@ Work to 113 factories across Bangladesh by March 2021.17 BWB's enterprise

17 BetterWork. Mothers@Work: supporting breastfeeding mothers in the workplace, 2019.

advisers are now regularly engaging with factory management and workers to help boost awareness of the benefits of breastfeeding and are supporting factories to set up breastfeeding rooms in line with UNICEF recommendations.

The effect on women and their children have been positive, based on early findings from a baseline and endline assessment that was conducted by a third party in five factories.18 The assessment provided evidence of:

- an enabling environment that supports working women
- improved knowledge of the benefits of breastfeeding among pregnant working mothers
- improved breastfeeding practices among working mothers
- improved productivity

UNICEF Bangladesh, in partnership with BWB, plans to roll out Mothers@ Work to more factories. It has a long-



© UNICEF/UN0391372/HAQUE

term goal to reach more than 2 million female workers throughout Bangladesh by 2030. UNICEF Bangladesh also plans to continue improving the way the programme is implemented based on lessons learned from partnerships with organizations like BWB.

<sup>18</sup> The baseline assessment was conducted from September to November 2016. The endline assessment was conducted from November 2018 to January 2019.

## Tackling systemic challenges through public policy

#### **H&M GROUP**

#### Challenge

Many industry stakeholders, including international brands, recognize that individual company approaches consisting primarily of factory monitoring and code of conduct compliance are insufficient. While important, these approaches are increasingly considered as not enough to achieve system-wide change. Some companies are, therefore, increasing their focus and resources on supporting public policies that set new standards for addressing systemic challenges and risks, including those related to human rights and child rights.

**KEY THEMES FROM** THE ACTION FRAMEWORK:



3.2 Support and advocate

For H&M Group, the European Union (EU)'s efforts on mandatory human rights due diligence regulations are an example of tackling systemic challenges through public policy. The objective for H&M Group was making sure it contributed in ways that advanced an EU-wide policy that would create a fair, practical, sustainable and competitive level playing field. Another objective was making sure the policy would not create any unintended adverse impacts on workers in the supply chain.

#### **Approach**

To address these challenges, H&M Group proactively engaged in efforts to contribute to the EU's proposed legislation on mandatory human rights due diligence. This effort included three key steps:

- formulating an approach to public policy that is consistent with the company's existing principles, core value and commitments
- aligning with other leading brands and institutions
- developing specific recommendations for the EU

H&M Group first looked at its existing policies, standards and commitments on human rights and children's rights to ensure its policy positions for mandatory due diligence in the EU would reflect existing frameworks and materials. For example, the Children's Rights and Business Principles (CRBP) ask companies to take proactive steps to mitigate negative impacts and promote positive impacts on children

across the workplace, marketplace and the wider community. According to the company, this principle is fundamental to H&M Group's approach to due diligence, which entails identifying risks and opportunities for all children's rights that are directly linked to the company's value chain, including links that exist between supply chain workers, working parents and their children.

In September 2020, H&M Group then joined 26 other companies, business associations and initiatives to express cross-sectoral support for mandatory due diligence in the EU. H&M Group considers that developing and demonstrating alignment with other major brands and institutions was critical for raising awareness and driving wider support for the legislation. Shared objectives included:

- contributing to a competitive, level playing field
- increasing legal certainty about the standards expected from companies to respect human rights and the environment
- clarifying the legal consequences when responsibilities are not met

- promoting engagement and effective actions between supply chain partners
- triggering and incentivizing effective actions on the ground

H&M Group also developed its own set of perspectives, expressing the company's recommendations to the EU on mandatory due diligence ahead of the public consultation process. Reflecting on the United Nations Guiding Principles on Business and Human Rights and the CRBP, H&M Group called for EU legislation to build on existing documents and help clarify roles and responsibilities to make it possible to work more effectively with other key actors on shared goals. H&M Group also highlighted the principle of applying a practical approach to mandatory due diligence to help avoid unforeseen and potentially harmful outcomes.

#### Impacts and lessons learned

H&M Group's policy approach to advancing due diligence for human rights is an example of how companies can support legislative developments that could have far-reaching, positive impacts There is no need to start from zero as we already have good, reliable tools that exist to guide companies on what it specifically means to respect human rights and have a rights-based approach fully integrated within one's business operations. The Children's Rights and Business Principles, created through collaboration between UNICEF. Save the Children and the UN Global Compact, provide advice for businesses on their impact on our future generation, namely children. Legislation would also benefit from the inclusion of a gender-lens, especially relevant to our industry as most of those employed in our supply chain are women. Inspiration can be found in the Women's Empowerment Principles created by UN Women which we have also signed.

- H&M Group

on workers and their families across global supply chains. It is expected that raising standards for all companies to advance respect for human rights will help mitigate risks and adverse impacts, as well as promote socioeconomic investments on a wide range of interconnected challenges linked to children's rights, such as poverty, education and women's rights.

Leveraging existing principles and tools was another important lesson.

While the EU legislation has yet to be developed (at the time of writing) and H&M Group's position may evolve, the company expressed its optimism about the legislation given its widespread, cross-sectoral support. The company states that it believes it will go a long way in setting new standards for due diligence, stakeholder engagement and reporting.



© UNICEF/UN0382158/SINGH

## Securing children's futures through financial resilience

#### **HERPROJECT**

#### Challenge

Working women often have a disproportionate lack of access to, and control over, financial resources. They also face systemic discrimination. For example, pregnant women, who typically assume the role of primary caregiver for their children, may experience systematic discrimination in the form of employment loss, penalties for working alternate hours and a lack of paid maternity leave. They may also lack breastfeeding support and access to

#### **KEY THEMES FROM** THE ACTION FRAMEWORK:



**1.4** Strengthen supplier capacity to address child rights and root causes



3.1 Collaborate and invest in promising initiatives

affordable, good quality childcare. Low income and a lack of savings, coupled with limited, or no, power to make decisions over how their wages are spent, compound these problems.

Gender-based financial barriers, together with a lack of quality childcare, can also encourage migrant women workers to leave their children in their home countries. This can result in separation and development challenges. Occupational segregation, which often results in a concentration of women in lower-paid, lower-skilled positions with more precarious working conditions, is another challenge for many working women.<sup>19</sup>

#### Approach

In partnership with the Bill & Melinda Gates Foundation, HERproject developed the Digital Wages programme to empower women to influence financial decision-making and shift household spending patterns in ways that benefit themselves, their children, families and communities.

A key element of the programme is responsible wage digitization. For many women working in garment factories, being paid digitally can be the first step to opening a financial account. When coupled with training, this can increase their financial empowerment and instil them with confidence. For working mothers, empowered decision-making has many positive impacts not just for themselves but also for their children,

<sup>19</sup> United Nations Children's Fund. Children's Rights in the Garment and Footwear Supply Chain, UNICEF, 2020.

including outcomes related to health, nutrition and education.<sup>20</sup>

The Digital Wages programme enables workers to have access to a range of financial products, such as bank accounts, mobile money wallets, savings accounts and remittances, that can be used to pay for groceries, rent and school fees. However, this financial inclusion also requires adequate training. For example, HERproject observed that, when suppliers set up payroll accounts for workers without providing any financial training, many workers would simply empty their accounts as soon as they were paid.<sup>21</sup>

One beneficiary of the programme shared that having a payroll account and receiving HERproject training has helped her plan for the future, improve her financial situation and invest in her daughter's education.

My daughter and I live with my parents in Chittagong. My life is busy and can be stressful. My mobile money account has helped me plan for the future and improve my financial situation by planning, budgeting and saving. Before [the training], I couldn't save, but now it's easier. I have a plan to buy a house. I also help provide for my parents and want to invest in my daughter's education.

- A garment worker in Chittagong

HERproject uses a variety of training methods, including the use of techbased training tools, such as videos, games and animations.<sup>22</sup> These tools, developed with the Mastercard Center for Inclusive Growth and QuizRR, have proven especially valuable during the

22 HERproject. HERfinance resources.



pandemic because they can be used remotely, ensuring their continuation during lockdown. However, HERproject believes that learning outcomes are always strongest when there is a personal component.<sup>23</sup>

<sup>20</sup> World Bank Group. Voice and Agency Empowering women and girls for shared prosperity, 2014.

<sup>21</sup> HERproject. Financial Behavior of Female Garment Workers in India, 2019.

<sup>23</sup> HERproject and Mastercard Center for Inclusive Growth. Digitizing for Inclusion: Insights from Wage Digitization

#### Impacts and lessons learned

To date, the programme has enabled more than 150,000 workers, mainly women, in 70 factories to be paid digitally. There has also been a 21 percentage point increase in the number of workers (male and female) who now save regularly. Moreover, one in five women have started making joint decisions with their families on spending and saving, and one in eight women have reported being more confident about meeting unexpected expenditures.<sup>24</sup>

Another key outcome has been improved financial resilience among factory workers during the pandemic. At the onset, many workers who participated in the Digital Wage programme had started saving. When the factories were closed or payments were reduced, many participating workers reported that they were using their savings to get through a very difficult time and were able to continue supporting their children and families. Even so, 40 per cent of female workers and 54 per cent of male workers reported that they had to reduce the size of their meals or had even skipped



meals because they were concerned about money.<sup>25</sup>

To reach workers effectively, suppliers also need ongoing and comprehensive implementation support. HERproject has found that companies are in a good position to provide this and that there are many incentives for the companies to do so. For example, companies can highlight the business benefits of digitizing wages, such as the fact that time spent on payroll administration can be cut by more than half and worker production time lost on payday can be cut by more than three

quarters.<sup>26</sup> Wage digitization can also bring transparency to timely and fair payment of wages and tracking of working hours. These improvements can ease audit processes with companies and lead to greater business success for suppliers.

Through HERproject, women are gaining greater decision-making power and prioritizing more resources on their health, their family's health and their children's future. By investing in children's basic needs and education, working parents are in a stronger position to disrupt the cycle of poverty for themselves, their families and their children.

<sup>24</sup> HERproject. Digital Wages: Positive Impact for Women and Business, 2020.

<sup>25</sup> HERproject. Understanding the Human Cost of the COVID-19 Pandemic for workers in the supply chain

<sup>26</sup> HERproject. Digital Wages: Positive Impact for Women and Business, 2020.

## Creating child friendly spaces for children of working parents

#### THE CENTRE FOR CHILD RIGHTS AND BUSINESS (FORMERLY CCR CSR)

#### Challenge

A significant challenge for many working parents around the world, including factory workers in the garment and footwear supply chain, is securing access to affordable and good quality childcare and early childhood education. This is especially the case during the summer holidays. This challenge has been exacerbated during COVID-19, which has forced many schools to close indefinitely.

**KEY THEMES FROM** THE ACTION FRAMEWORK:



**1.4** Strengthen supplier capacity to address child rights and root causes



2.1 Monitor progress on activities and child rights outcomes

Without childcare, many children of factory workers wander factory floors or are unsupervised in dormitories, leaving them susceptible to unsafe environments, inadequate nourishment and neglect. Meanwhile, the parents of these children experience enormous stress due to their inability to ensure their children's health and safety.

#### **Approach**

Recognizing this, The Centre for Child Rights and Business (formerly CCR CSR) developed Child Friendly Space (CFS), a factory-based programme that provides a safe environment for workers' children to play, access learning opportunities, develop social skills through interactions with other children and participate in activities with their parents.

The Centre works with brands and suppliers to set up the programme at their facilities, which include determining the appropriate location, activities and services to be delivered, providing adequate staff training and set-up support and measuring the ongoing impact and sustainability of the programme.

If the programme is deemed a success, some factories decide to run the programme on a year-round basis as an after-school centre. So far, about 86 per cent of factories have chosen to repeat CFS beyond the initial year, often without external support, as it is one of the few sustainable in-factory programmes.

#### Impacts and lessons learned

Since the launch of the programme in 2015, 82 factories have opened a CFS programme, with more than 5,000 children and parents benefiting from it.27

Measuring impact, and choosing the right metrics for this, is crucial for making the business case for advancing children's rights. By working with 19 leading brands, The Centre has made significant strides in improving children's overall confidence and cutting the time they are

"In the past summers, my sons always ran around the house. Their grandparents could not control them at all. Every day, my children went to the neighbours to play without having breakfast and would not come home until they felt hungry. This summer, putting my children into the CFS has made us feel more at ease. They also know how tired we are at work and that making money is not easy."28

- A front-line worker

left unattended at home. There has also been a steady stream of anecdotal stories and case studies describing the positive mental and physical impacts on individual workers and their children.

benefited. CFS has helped many factories improve workers' retention, satisfaction and trust in management. One stakeholder, who leads a CFS, said: "We expect that the indirect impact of the programme would be more orders from clients as we prove ourselves to

> Additionally, workers who do not benefit directly from CFS feel more positive about their employer when they can see that their factory is taking tangible steps to support fellow workers and their families and children.

Factory management has also

be an attractive employer."29



of participating parents felt that they have become closer to their children



of participating children have become better at expressing themselves



of participating children have become became more active and outspoken

<sup>27</sup> The Centre. Impact and Achievements of the 2020 Child Friendly Spaces Programme, 2020.

<sup>28</sup> The Centre. Impact and Achievements of the 2020 Child Friendly Spaces Programme, 2020.

<sup>29</sup> Ibid.

## Addressing Children's Rights in the Garment and Footwear Supply Chain

A COMPENDIUM OF COMPANY AND INDUSTRY EXAMPLES

