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**PRACTICAL ACTIONS FOR COMPANIES
TO IDENTIFY AND ADDRESS THE WORST
FORMS OF CHILD LABOUR IN THE
MINERALS SUPPLY CHAIN**

May 2016



Context

This document has been drafted by the OECD Secretariat using desk-based research and input from the members of the informal working group on the Worst Forms of Child Labour in mining. The draft document will be circulated for comment from business practitioners and relevant experts for comment, prior to finalisation expected in late 2016.

This document does not represent new or additional recommendations but aims to explain in simple terms expectations already set out in the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* to identify, assess and address the risks of the Worst Forms of Child Labour in the minerals supply chain.

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Find more information on the OECD work on Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, please visit mneguidelines.oecd.org/mining.htm.

Practical Actions for Companies to identify and address the Worst Forms of Child Labour in the minerals supply chain

The Worst Forms of Child Labour and the OECD Guidance

- The *OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas* (hereafter, the OECD Guidance) recommends that companies involved in mining and trade in minerals from conflict-affected and high-risk areas implement a comprehensive supply chain due diligence risk framework in order to respect human rights and not contribute to conflict through their sourcing decisions.
- Annex II of the OECD Guidance (*Model Supply Chain Policy for a Responsible Global Supply Chain of Minerals from Conflict-Affected and High-Risk Areas*) identifies the **worst forms of child labour** as a serious human rights abuse associated with the extraction, transport or trade of minerals that companies should not tolerate, profit from, contribute to, assist with or facilitate in the course of doing business. Companies in the minerals supply chain should commit to eradicating the worst forms of child labour from their supply chains.¹
- Not all work by children is child labour, and not all child labour falls under the worst forms of child labour. The ILO defines the **worst forms of child labour** as:
 - All forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage, and serfdom, and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict.
 - The use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances
 - The use, procuring or offering of a child for illicit activities in particular for the production and trafficking of drugs as defined in the relevant international treaties
 - Hazardous 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.²
- Hazardous work is one of the worst forms of child labour. According to the ILO, an estimated 168 million children (aged 5-17 years) are child labourers, with more than half involved in hazardous work.³ The ILO further estimates that about 1 million children work in mining or quarrying in gold, tin, coal, diamonds, gems, stone and salt mines and the number is increasing⁴. Almost all child miners work in artisanal, small-scale informal mines. Mining is by far the most hazardous sector for children with respect to fatal injuries, with an average fatality rate of 32 per 100,000 full-

¹ OECD, "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, Second Edition," 2016, Annex II, 1. Item iii explicitly names the worst forms of child labour as a serious human rights abuse

² ILO, *Guide One: Introduction to the issues of child labour*, p. 9.

³ ILO, Child Labour website, Accessed 2015 at <http://www.ilo.org/global/topics/child-labour/lang-en/index.htm>. Figures from 2012, latest available from ILO

⁴ ILO, Child Labour in mining website, accessed 2015 at <http://www.ilo.org/ipecc/areas/Miningandquarrying/lang-en/index.htm>

time worker equivalents (FTEs) for youth between ages 5 and 17 years, in comparison to fatality rates of 16.8 and 15 per 100,000 FTE in agriculture and construction respectively⁵. While specific types of activities have been classified by the ILO as the worst forms of child labour (see Annex II of this document), companies should seek to understand if parts of their mineral supply chains are susceptible to child labour in general. The prevalence of child labour in a supply chain is an indicator that the risk of finding the worst forms of child labour is higher.

- The OECD Guidance recommends that all companies conduct due diligence to ensure that they do not contribute to serious human rights abuses or conflict. The Guidance recognizes that implementation of due diligence should be flexible - tailored to particular company activities and their position in the supply chain. To date, there is little detail available to companies on how to implement due diligence of the child labour-related risks of the OECD Guidance.
- This set of **Practical Actions for Companies to identify and address the Worst Forms of Child Labour in the minerals supply chain** (*working description*) is for use by all companies in the minerals supply chain to identify, mitigate and account for the risks of child labour in their mineral supply chains, in accordance with the due diligence framework of the OECD Guidance. It draws on publications by the OECD, the UN, the ILO, IOE, and UNICEF to help companies integrate due diligence of the risk of the worst forms of child labour into their supply chain operations. This document is still in draft form, and would further benefit from input from companies, industry associations, local and international civil society, child rights experts and government stakeholders active in minerals supply chain. Written comments addressed to the OECD Secretariat are welcome through July 15, 2016.
- This document is published under the OECD Secretariat's responsibility. Companies should refer to the full text of the OECD Guidance for detailed due diligence recommendations with regards to sourcing minerals from conflict-affected and high-risk areas. This document does not represent new or additional recommendations but aims to explain in simple terms expectations already set out in the OECD Guidance to identify, assess and address the risks of the Worst Forms of Child Labour in the minerals supply chain.

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A.G. Fassa: Health benefits of eliminating child labour (Geneva, ILO, 2003)

Background on international standards

1. International law⁶ and policy on child labour is premised upon the belief that children should not be present at mining sites because mining activities exceed the physical capabilities of children, and the physical and social environment of mining and quarry sites is detrimental to children's well-being. When children are present at mining sites, even if they were not intended as labourers, they soon start with simple assistance tasks which lead easily into direct mining activity. The definition of child labour is derived from the United Nations Convention on the Rights of the Child, ILO Conventions No. 138, and No. 182. According to the ILO, child labour refers to work that (i) is mentally, physically, socially and morally dangerous and harmful to children; and (ii) interferes with their schooling by depriving them of the opportunity to attend school, by obliging them to leave school prematurely, or by requiring them to attempt to combine school attendance with excessively long and heavy work.

2. A global priority is to eliminate without delay the **worst forms of child labour** as defined by Article 3 of ILO Convention No. 182. The Convention, includes all children under the age of 18 and, defines the worst forms of child labour as:

- All forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage, and serfdom, and forced or compulsory labour, including forced or compulsory recruitment of children for use in armed conflict.
- The use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances
- The use, procuring or offering of a child for illicit activities in particular for the production and trafficking of drugs as defined in the relevant international treaties
- Hazardous 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.⁷

3. Many activities in artisanal mining are considered hazardous as it includes work underground, carrying heavy loads, and working with chemicals such as mercury and cyanide. The ILO includes in its definition of hazardous child labour “work in an unhealthy environment which may, for example, expose children to hazardous substances, agents or processes, or to temperatures, noise levels, or vibrations damaging to their health”⁸.

⁶ ILO Convention 138 (Minimum Age Convention) and 182 (Convention on the Worst Forms of Child Labour)

⁷ ILO, *Guide One: Introduction to the issues of child labour*, p. 9.

⁸ ILO Recommendation 190 to C182, Section II Hazardous work, item 3d
http://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312528:NO.

4. There are a number of reasons why children work in mining, with poverty being amongst the most important. Children often work to supplement their family's income. Artisanal mining offers quick cash returns for limited/low skill work. Poor quality of education, a far distance to school, and barriers such as having to pay for school, also contribute to increased rates of child labour. Cultural factors, such as the value communities place on child education and the education of girls, are also important contextual factors. In addition, children who work for third-party adults have a high risk profile when it comes to other issues such as child trafficking. Finally, government's action or inaction to monitor and stop child labour greatly contributes to the prevalence of child labour in a particular context.⁹

Figure 1: Definitions of worst forms of child labour and hazardous work – from the ILO (2008)

Worst forms of child labour	
Hazardous work	Other worst forms of child labour
<p>Exposure to physical, psychological or sexual abuse.</p> <p>Underground, under water, dangerous heights, confined spaces.</p> <p>Dangerous machinery, equipment or tools, heavy loads.</p> <p>Unhealthy environment, hazardous substances, temperatures, noise levels or vibrations damaging to health.</p> <p>Long hours, night work, other particularly difficult conditions.</p>	<p>All forms of slavery or similar practices (the sale and trafficking of children, debt bondage and serfdom, forced or compulsory labour including recruitment for use in armed conflict)</p> <p>The use or offering of a child for prostitution and/or pornography.</p> <p>Illicit activities including the production and trafficking of drugs, as well as work which when performed is likely to harm the health, safety or morals of the child (as determined by national authorities)</p>

9. ILO-IPEC Guidelines for Developing Child Labour Monitoring Processes (2005); Siddiqi, Faraaz and Harry Anthony Patrinos, *Child Labour: Issues, Causes and Interventions*. Human Capital and Development Operations Policy, HCO Working Papers.

The OECD Five-Step Framework for Risk-Based Due Diligence in the Mineral Supply Chain¹⁰

The following includes enhanced due diligence measures for companies applying each step of the five-step framework for due diligence included in the OECD Due Diligence Guidance to prevent and mitigate worst forms of child labour directly linked to the production and trade of minerals.

STEP 1. ESTABLISH STRONG COMPANY MANAGEMENT SYSTEMS

5. **Policy commitment.** When adopting a policy commitment regarding child labour, all companies should articulate their public commitment to **not tolerate the worst forms of child labour** in their own operations and that of their suppliers, as outlined in the Model Policy included in Annex II of the Guidance.

- Companies should state that the policy on child labour is valid throughout the entire supply chain.
- This policy should be public and communicated internally and externally to all personnel, suppliers, business partners and stakeholders.
- Company policies on child labour need not be stand alone. As per the OECD Guidance, companies are encouraged to incorporate the model policy (Annex II) into their existing policies on corporate social responsibility, sustainability, or other alternative equivalent.

6. **National standards.** Policies on child labour should align with national and international definitions of the worst forms of child labour and contain descriptions on types of work considered to be hazardous.¹¹

- In instances in which national legislation is lower than international standards, companies should uphold international minimum age standards and all standards should be equally applicable to girls as to boys.¹²
- These expectations should be clearly communicated internally and externally to all personnel, suppliers, business partners and relevant stakeholders.

¹⁰ See Annex 1 of the OECD Due Diligence Guidance for the general framework.

¹¹ In many countries hazardous child labour will be defined in national legislation or through social dialogue involving workers' and employers' organizations and government. Where a list of hazardous activities does not exist, the company can consult the ILO, medical personnel or health and safety experts

¹² Obeying domestic laws is the first obligation of companies. The OECD Guidance is not a substitute for nor should they be considered to override domestic law and regulation. While the Guidance extends beyond the law in many cases, they should not and are not intended to place a company in situations where it faces conflicting requirements. However, in countries where domestic laws and regulations conflict with the principles and standards of the Guidelines, companies should seek ways to honour such principles and standards to the fullest extent which does not place them in violation of domestic law. It is very unlikely that companies will be in a position of facing conflicting requirements when observing minimum age standards that go beyond national legal requirements.

7. **Internal systems and human resources.** All companies should have systems and procedures in place to identify, assess, prevent, mitigate and avoid the worst forms of child labour in their supply chains.

- Systems and procedures should include trained staff knowledgeable about the issues of child labour and the complexities of how best to mitigate and address the issue.
- As highlighted in OECD Guidance, companies should ensure availability of resources necessary to support the operation and monitoring of processes. Management should, for example, commit to provide capacity building and training to ensure the appropriate level of competence and gain knowledge about the issue of child labour, develop a comprehensive programme to eradicate the worst forms of child labour in the minerals supply chain.
- Upstream companies who are at risk for causing or contributing to the worst forms of child labour could, for example, develop a child protection Code of Conduct for all employees to sign and take disciplinary measures against any employees violating this code. For more details on actions upstream companies should take, please see item 11 and 12.
- Companies further downstream in the supply chain should have documentation and/or systems in place to demonstrate that the actual or likely refiners in the supply chain are conducting due diligence in line with the OECD Guidance and that the minerals obtained by refiners are from legitimate sources and not the product of child labour. For more details on actions downstream companies should take, please see item 13.

8. **Chain of custody or traceability.** According to the OECD Guidance, all companies need to establish a system of controls and transparency over their mineral supply chain.

- This system could be a chain of custody system *or* a traceability system for upstream companies. It is advised that upstream companies operating in areas dominated by informal artisanal mining focus on establishing a basic chain of custody system with appropriate documents and reports versus creating a detailed traceability system (e.g. bagging and tagging or other) at the onset.
- For downstream companies the focus should be the identification of actual or likely refiners/smelters in the mineral supply chain, the countries and regions they actually or are likely to source from, and if these upstream actors have conducted due diligence for the risk of the worst form of child labour as recommended by the OECD Guidance.
- Companies should remember that a system of transparency (chain of custody or traceability) may be company driven (i.e. conducted by the company directly) or implemented through an industry programme.¹³

9. **Supplier contracts or written agreements.** Suppliers should understand that their customers are serious about addressing the worst forms of child labour and that those found in breach of company policy will face consequences. One way to make this expectation clear is to incorporate child labour expectations into supplier contracts or some form of written agreement, including for example types of data disclosure that will be needed in order for the company to assess if the risk of the worst forms of child labour is prevalent.

¹³ For more detail please refer to Annex I of the OECD Guidance Step1. Establish strong company management systems. Detailed recommendations per supply chain actor can be found in each of the supplements under Step 1 C.

- Contracts with suppliers should have specific provisions on child labour, including the worst forms of child labour, and define penalties for breaches.
- For example, companies in the mining supply chain should state that suppliers should not employ on a permanent or casual basis any children or youth under the age of 18 in any mining, mineral transport, mineral processing or mineral trading operations.
- Suppliers should not recruit any children under the age of 18 to carry out any mining or mineral related activities.
- Companies could ask their suppliers to share their policies on child labour, and verify that it includes the risk of the worst forms of child labour and describes mitigating steps that the company will take to address child labour and the worst forms of child labour.

Questions to check that strong management systems are in place – *adapted from Responsible Jewellery Council, Standard Guidance on Child Labour and ILO-IOE Child Labour Guidance Tool for Business (2015)*

1. Is responsibility for child labour risks part of senior managements' function? Is staff trained in understanding the issues of child labour and is there a commitment from management to support continued learning?
2. Is there a written policy commitment against child labour in the supply chain? Does the policy reference international standards such as the UN Convention of the rights of the child and ILO Convention No. 138 on minimum age for admission to employment and ILO Convention No. 182 on the Worst Forms of Child Labour?
3. Is there a process in place to identify and prioritise which parts of the supply chain could be at risk for child labour impacts?
4. Does it permit safe work for children above the minimum age, if such work exists?
5. Are there procedures in place to verify the age of employees and maintain records?
6. If child labour is found in your supply chain, is there a remediation programme in place to address it?
7. Does the policy make clear the company's expectations of personnel, business partners and other parties directly linked to its operations, products or services?
8. How is the policy incorporated and embedded in business s relationships (e.g. with suppliers, joint venture partners, customers)?

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STEP 2. IDENTIFY AND ASSESS FOR RISKS, INCLUDING CHILD LABOUR AND THE WORST FORMS OF CHILD LABOUR, IN THE SUPPLY CHAIN

10. **Supply chain position.** The OECD Guidance provides specific guidance to companies depending on where they sit along the mineral supply chain, in order to support complementary and reinforcing due diligence actions along the supply chain in accordance with the complexity of the business relationships, company visibility into conditions of mining and trade, as well as leverage. With regards to identifying and assessing for the risks of child labour, including the worst forms of child labour, the Guidance recommends that upstream companies focus on on-the-ground assessment for red-flagged mines sites, trading routes and business partners, while downstream companies focus on assessing smelter level due diligence, including their on-the-ground efforts. It should be noted that this system can be carried out in collaboration with other companies and with relevant stakeholders.

11. **Upstream companies** (i.e. mineral producers – including artisanal and small scale companies¹⁴, buyers, local traders/exporters, international concentrate traders, mineral re-processors and refiners/smelters).

- Upstream companies are advised to establish an **evidence-based approach**¹⁵ to assess the risks of the worst forms of child labour in their supply chain.
- Upstream companies should individually or collaboratively map the factual circumstances of the company's red flagged supply chains and establish on-the-ground assessment teams to find verifiable, reliable, up-to date evidence on the qualitative circumstances of mineral extraction, trade, handling and export. See box below for recommended questions that upstream company assessment should answer.
- On-the-ground assessments, including site visits, can be carried out by a local partner or through collaborative initiatives, but under all circumstances it is essential that upstream companies ensure that the on-the-ground assessment is independent, credible and robust.
- Local exporters, international concentrate traders and mineral re-processors in the supply chain should facilitate the assessment teams access to all information gained as part of the company's own due diligence practices and respond to requests for assistance.
- Information provided to assessment teams should include access to cross-border transporters and sites in neighbouring countries or other countries; access to all books, records and or other procurement practices, allow access to, etc. identify if the minerals are sourced from areas at risk for child labour and document the factual circumstances of how the minerals have been produced.
- Smelters/refiners' should identify relevant personal to act as contact points for the assessment team and allow for the auditing of their due diligence practices by independent third parties, including through an institutionalised mechanism.

¹⁴ Per the OECD Guidance (Supplement on Gold, p. 64): Artisanal and small scale gold producers such as individuals, informal working groups or communities are not expected to carry out due diligence as recommended in the Guidance but they are expected to formalise so they can carry out due diligence in the future.

¹⁵ For details on this approach, which can be used for any mineral, see Appendix to Supplement on Tin, Tantalum and Tungsten, *Guiding Note for Upstream Company Risk Assessment*, p. 54 item 1.

- Mine site visits and unannounced monitoring should be part of refiners and smelters risk-based management plans, as well as those companies with an operations presence in mineral producing countries.¹⁶
- Supply chain information should be collected in a systematic way and be updated regularly, including through integration of validated information into its supply chain transparency system (e.g. chain of custody or traceability system). The OECD Guidance calls on upstream companies to provide the results of their risk assessments to their customers to promote transparency in the supply chain and enable due diligence actions to be implemented. Supply chain information which should be collected includes for example mine site information (if minerals come from artisanal and small-scale mines); the conditions under which the minerals have been mined, transported or processed; if any serious abuses of human rights have occurred in the mineral extraction, transport, processing or trade of the minerals etc. For further recommended actions for upstream companies, please refer to the Appendix to the Supplement on Tin, Tantalum and Tungsten *Guiding Note for Upstream Company Risk Assessments*, and the OECD's *Artisanal and Small scale Mining Frequently Asked Questions (ASM FAQs) (May 2016)*

Recommended Questions that Upstream Company Assessments Should Answer

Theme	Questions	Resources
Know context of mineral origin, transport and/or export	<ul style="list-style-type: none"> • Are there international entities capable of intervention and investigation such as UN peacekeeping units based in or near the area? Can these systems be used to identify actors in the supply chain? • Are there local means for recourse to address concerns related to the presence of armed groups or other elements of conflict? • Are relevant national, provincial, and /or local regulatory agencies with jurisdiction over mining issues capable of addressing such concerns? 	<p>Evidence based reports on child labour in supply chain or region. Companies should consider establishing a baseline report to understand if child labour is occurring and the underlying socio-economic and cultural reasons for child labour in the region or mineral supply chain.</p> <p>Public reports on CAHRAs and child labour from governments, international organisations (ILO, UNICEF), NGOs, media</p> <p>World Bank country reports</p> <p>Heidelberg Barometer</p> <p>ILO-IPEC country dashboard database</p> <p>US Dept. of Labour – Annual country reports</p> <p>UN reports and UN Security Council sanctions\</p>

¹⁶ For additional guidance, please refer to the OECD Due Diligence Guidance, Supplement on Gold, Step 2.C.2.

		<p>Industry literature relating to child labour impacts</p> <p>See Annex I of this document for list of resources</p>
Know your suppliers and business partners	<ul style="list-style-type: none"> • Who are the suppliers and or other parties involved in financing, extracting, trading and transporting minerals between point of extraction and the point at which the company undertaking due diligence takes custody of the minerals? • What procurement and due diligence systems do these suppliers have in place? • What supply chain policies have suppliers adopted and how have they integrated them into their management processes? • How do they establish controls over minerals? • How do they enforce policies and conditions on their suppliers? 	<p>Interview suppliers</p> <p>Participate in industry driven data collection initiatives</p> <p>Review supplier company reports</p> <p>Cross check with media and NGO reports</p>
Know the conditions of mineral extraction	<ul style="list-style-type: none"> • What is the exact origin of the minerals (what are the specific mines)? • What was the method of extraction – ASM or large scale mining? If through ASM, identify where possible whether extracted by individual artisanal miners, artisanal mining cooperatives, associations, or small companies • What are the conditions of extraction? In particular identify if the worst forms of child labour for the purposes of mineral extraction is found. 	<p>On site visits, evidence based reports in collaboration with local stakeholders</p> <p>Media, NGO reports</p> <p>Government reports</p> <p>Local authorities responsible for ASM issues. For example SAESSCAM in DRC.</p>

<p>Know the conditions of mineral transport, handling and trade</p>	<ul style="list-style-type: none"> • Were downstream purchasers situated at the mine site or elsewhere? • Who were the intermediaries that handled the minerals? • Are there human rights abuses occurring in trading, transportation or taxing of the minerals particularly with regards to the worst forms of child labour for the purposes of mineral transport or trade? 	<p>On site visits</p> <p>Media, NGO reports</p> <p>Government reports</p>
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13. **Downstream companies** (i.e. all companies downstream of the refiner/smelter level).

- Downstream companies should identify the smelters and refiners in their minerals supply chain and to audit the refiners/smelters' due diligence practices with regards to identifying, preventing and mitigating the worst forms of child labour.
- Recognizing the challenges posed by multiple levels of the supply chain and the indirect nature of the relationship, downstream companies are encouraged to collaborate with other companies and/or stakeholders in the supply chain to gather information and conduct due diligence in line with the OECD Guidance.
- The OECD Guidance recognises that control mechanisms based on tracing minerals in a company's possession can be more challenging after smelting, particular in supply chains that are not part of a closed-pipe system. Because of these practical difficulties, downstream companies should establish internal controls over their immediate suppliers and may coordinate efforts through industry-wide initiatives to build leverage over sub-suppliers, including smelters and refiners, overcome practical challenges and effectively implement the recommendations of the OECD Guidance.

Conducting business partner due diligence – Downstream companies

Business partner due diligence refers to the identification of potential and actual child labour impacts linked to an individual business partner. This is particularly useful for downstream companies who are not directly causing or contributing to child labour impacts, but are linked to these impacts via a business relationship. Business partner due diligence is an important component of a company’s supply chain due diligence strategy; it should not be confused with risk mitigation. Emphasis should be placed on effective on-going monitoring for child labour and comprehensive and coordinated risk mitigation.

Business partner due diligence should be tailored to the context. For example, in contexts in which child labour is primarily supply-driven, (i.e. under-age children actively seek employment) business partner due diligence should seek to evaluate the *capacity* of the supplier to identify and mitigate child labour. Conversely, in contexts in which businesses actively recruit and employ children, business partner due diligence should include an assessment of *how* and *why* suppliers recruit and hire children. Companies should seek to understand these drivers even in cases in which instances of child labour are not identified on-site. Business partner due diligence should include the following:

- Assessment of the supplier’s policies related to child labour and how this is enforced along the supply chain.
- Assessment of the supplier’s management systems and prevention mechanisms to ensure that children under the legal age are not employed directly or as part of the supply chain.
- Identify instances of child labour.

As with recommendations to upstream companies, staff conducting business partner due diligence for downstream companies should be familiar with the operating context, knowledgeable about child labour, and preferably, already possesses a network of community contacts.

14. **Indicators to assess risk.** Companies should consider the following indicators as they analyse and monitor their minerals supply chains for the risks of the worst forms of child labour. There are various sources of data which companies can consult to build knowledge about child labour, the worst forms of child labour and the conditions of minerals extraction and trade in their supply chains. Below is a summary of indicators and data sources, for a more complete list of data sources please see Annex 1 of this document.

Consideration	Indicators	Data sources	Questions to ask
Development context of the country	<ul style="list-style-type: none"> • High poverty and unemployment rates • Prevalence of child labour in the country across industry sectors 	World Bank country reports	Which regions/countries does the company source from?
		Heidelberg Barometer	How prevalent is child labour within the countries of operation or sourcing countries?
		ILO-IPEC country dashboard database	
		US Dept. of Labour –	Are these regions conflict-affected and high-risk areas?

	<ul style="list-style-type: none"> • Conflict-affected or high risk areas • Limited free public schooling available in mining regions 	Annual country reports	
National regulatory environment	<ul style="list-style-type: none"> • Weak government institutions and enforcement mechanisms with regards to child labour 	ILO-IPEC country dashboard database US Dept. of Labour – country reports UNICEF country studies	What does national law say about child labour, specifically in relation to sectors and ages? Is it the same for boys and girls? Is there a gap between national and international standards? How is the law on child labour enforced within the countries of operation or sourcing countries?
Mineral trade	<ul style="list-style-type: none"> • High prevalence of artisanal, informal and unregulated mining in the region or in the supply chain 	Company own records Company suppliers US Geological Surveys NGO reports Local authorities responsible for ASM issues. For example SAESSCAM in DRC.	Who are my suppliers, sub-contractors, providers, business partners throughout the supply chain? Where are the minerals coming from? What are their sourcing practices? How prevalent is child labour within the supply chain? What types of child labour occurs – is there a risk for the worst forms of child labour?

15. **Monitoring.** Assessments and monitoring of child labour risks should be conducted regularly.

- Companies should be responsible for their own due diligence and coordinate with other stakeholders to ensure adequate monitoring.
- Upstream companies with a presence on the ground, should, for example, conduct mine site visits on a regular basis. These visits should be a combination of expected and announced checks. Many children try to combine school and working at the mines. As such monitoring should target common periods when children are at the mine such as after school, during the weekend, and during school vacations.
- Upstream companies should also consider collaborating with local authorities, community-level child monitoring programs and other relevant stakeholders on the ground. An example of a collaborative model which could be replicated in monitoring for child labour risks is the *Comite*

Local de Suivi (CLS) and the *Comité Provincial de Pilotage (CPP)* set up by iTSCi in the DRC and Rwanda.¹⁷

- Companies should stay informed of reports on child labour and assessments conducted by local and international NGOs, local media and government agencies, and investigate credible allegations of child labour reported.

16. **Grievance mechanisms.** Children cannot be expected to access grievance mechanisms themselves. Grievance mechanisms should therefore be accessible to those who can raise incidences on behalf of the children, such as committees tasked with monitoring child labour, trade unions, community members, staff who visit suppliers in the field, local NGOs and government officials.¹⁸

- To ensure that incidences of child labour are reported and can be effectively dealt with, employees, suppliers, service providers and other stakeholders should be informed about the available channels to report incidences and how child labour can be recognized.
- Outreach on the use of the grievance mechanism should be similarly incorporated into community training on child labour. In order to facilitate this, companies may provide training to local civil society on use of the grievance mechanism for civil society to then incorporate into their training.
- Due consideration should be given to anonymity, confidentiality and data protection particularly in relation to minors.

¹⁷ https://www.itri.co.uk/index.php?option=com_mtree&task=att_download&link_id=52434&cf_id=24

¹⁸ Cocoa Initiative, *Child Labour Platform, Report 2010-2011*, p. 60.

STEP 3. DESIGN AND IMPLEMENT A STRATEGY TO RESPOND TO IDENTIFIED RISKS

17. **Worst forms of child labour.** The worst forms of child labour in mining should not be tolerated.

- If a child is found to be engaged in the worst forms of child labour in an company mineral supply chain, these children should be immediately removed from performing these tasks, otherwise the commercial relationship should end. Companies should not tolerate nor by any means profit from, contribute to, assist with or facilitate the commission of any party to the worst forms of child labour.
- In many cases, instances of the worst forms of child labour are a criminal activity which must be reported to relevant national authorities.
- Consideration should be given as to how to mitigate the risk that threat of consequences does not result only in the issue being hidden from view.

18. **Other instances of child labour.** Companies should provide for or co-operate through legitimate processes in the remediation of adverse human rights impacts where they identify that they have caused or contributed to these impacts.¹⁹

- Apart from instances of the worst forms of child labour, simply removing children from working in the minerals supply chain can be harmful to them and to the welfare of their families.
- Remediation should seek the betterment of the child and ensure that the child is not being pushed into a more precarious situation.
- Where the child is below the legal working age, the goal of remediation should be withdrawal from child labour and to ensure alternatives are in place.
- Remediation could include identification of and consultation with, the caregivers of the child and seek to enrol the child in school (if possible) or, if that is not an option, in acceptable work without damaging their welfare or that of their families. This may be for example be a practical approach for teenagers, teen parents and other children who may not be able to go back to school.
- Companies and their suppliers should also consider developing operational guidelines which detail their approach towards remediation of child labour. Such guidelines should take into account the local context and may refer to experts or NGOs which could be contacted in instances of child labour.²⁰ Examples of remediation could include:
 - The child is removed from the mine and the company pays the school fees of the child while the child is enrolled in school (until the minimum ages of schooling or the maximum available school year) – however companies should consider any unintended consequences such as more children actively seeking work in order to benefit from free schooling;

19 . OECD Guidelines for Multinational Enterprises, Chapter IV, Human Rights, Paragraph 6.

20 See Child Labour Platform, Report 2010-2011 p. 69, The Sustainable Trade Initiative (IDH)

- The child is removed from the mine and a member of the child's family is hired in his/her stead;
- The child is removed from the mine and enrolled in a transitional schools for children who have fallen behind their peer group
- The child's family is enrolled in an existing programme to help address root causes of child labour (e.g. income gaps).
- The child is removed from the mine and enrolled in a vocational training / apprenticeship scheme.

19. **Collaboration with other stakeholders:** Child labour is a complex multi-faceted problem which has its roots in the development state of a country or region. As such, governments are seen as the key actors to eradicate the worst forms of child labour in mining and child labour in general. However, companies have a role which can help address the situation to improve transparency over time and collaborate with others to promote activities to support government efforts to address the problem. Experience has demonstrated that collaboration amongst a range of stakeholders along and across the supply chain, coupled with grassroots 'ownership' of the problem to reframe child protection and value within the community, are the most effective ways to address the problem.

- Companies are encouraged to develop a comprehensive programme in collaboration with in-country government officials, local NGOs and local community stakeholders which could include schools, parent groups, and religious communities.
- Companies could also cooperate with other companies in the supply chain or companies from other sectors operating in the local area given that child labour if prevalent in one sector, is likely to be found in other sectors in the area.
- Companies should consider participating in international efforts to promote child-labour free supply chains to bring pressure to governments and other stakeholders to act and to stay abreast of emerging best practices to promote sustainable solutions to address this problem. International organisations include the OECD Forum for Responsible Mineral Supply Chains, the ILO's International Programme on the Elimination of Child Labour (IPEC), and the United Nations Children's Emergency Fund (UNICEF).

Examples of working with stakeholders in country:

- **Identify local, national and international initiatives** to combat or monitor child labour in the mining sector. Such initiatives may be government-led or civil society led, or multi-stakeholder. Mapping existing initiatives, their objectives, and their general impact will help a company understand how it can feed into existing strategies to prevent the worst forms of child labour and mitigate the risk of child labour in the supply chain;
- **Lobbying governments** to meet regulatory gaps and promote an enabling environment for adherence to the ILO Minimum Age Recommendation No. 146 (supplementing the Minimum Age Convention No. 138);
- **Supporting host countries governments'** efforts for the progressive professionalization and formalisation of the ASM sector through the establishment of cooperatives, associations or other

membership structures²¹ or through working with local government agencies to promote collection of required information to establish transparency (chain of custody documents).

- **Contributing funding to local civil society** which are working to eliminate the worst forms of child labour;
- Where child labour affects more than the mining sector within a region, consider **coordinating and collaborating across sectors** to harmonize approaches and indicators for tracking child labour impacts.

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²¹ OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict – Affected ...@OECD 2016, Annex III Suggested Measures for Risk Mitigation and Indicators for Measuring Improvement, p. 27

EXAMPLE: “Watoto Inje Ya Mungoti – Children out of mining” in Katanga, DRC

With funding from the GE Foundation, Boeing, Microsoft and ITRI, NGO Pact has launched a pilot project in the Katanga province of the DRC as part of the iTSCi system. The project was designed using a comprehensive analysis of the reasons why children in Manono – a busy trading town with many schools – were working in the mines. Relevant factors include, but are not limited to, experience of parents or caregivers, socio-cultural norms and priorities, local economic outlook, geographic proximity to mine sites, and immediate economic necessity. Almost always, several factors are at play simultaneously. For example, some families send or encourage their children to mine while other families of similar means do not. Decisions are often made for reasons other than economic necessity such as parents’ relative youth and inexperience, or background as miners themselves. Therefore economic factors are important but are strongly influenced by socio-cultural norms.

The project is multi-stakeholder with representatives from government (local administration, the Gender office, the Mining services, the Education services, etc.), schools, business, youth groups, churches, parents, children’s groups and other NGOs. The project has focused on facilitating behaviour change using neighborhood committees to promote activities and provide peer support locally. Activities included

- Awareness campaign on children’s rights and Worst Forms of Child Labour and the roles of all stakeholders in contributing to developing local solutions. This campaign used radio, child-led activities, school curriculum, soccer, posters and other engaging media to spread the message using local voices and child champions;
- Strengthening the capacity of caregivers/parents of children engaged in, or at risk of engaging in, Worst Forms of Child Labour, to make informed decisions about children’s well-being
- Engaging upstream suppliers in managing their responsibilities on their concessions and in their depots, communicating their refusal to employ children on a formal or casual basis in the mines or the depots, and informing all their buyers that they will not purchase minerals produced by children.

The project ran for one year, directly engaging over 1,800 children. Of children identified as working in the mines at the beginning of the project, an 89% decrease was recorded by the end of the project with 23 mines having active protocols in place to prevent children from entering the site.

20. **Working with suppliers – recommendations to upstream companies.** There are many actions which upstream companies can take with their suppliers to promote awareness about the risks of child labour and the worst forms of child labour, and importantly how suppliers can take action to mitigate and prevent these risks. Actions upstream companies could take could include:

- Tailored training for suppliers on the company’s child labour policies, what constitutes hazardous labour for children and the worst forms of child labour in mining, and actions that the company is taking to identify, assess, mitigate and prevent child labour.
- Asking suppliers to put up signs at their concessions to say that children under the age of 18 should not be working in the mines. Train local staff to inform mine managers, machine owners and others in charge if mines about the prohibition on child labour

- Conducting regular site visits where mineral is sourced from and asking suppliers to put up signs at their depots to say that they will not purchase minerals from children under the age of 18
- Recognizing if certain children are habitually at the mines, despite efforts to deter them, and ensuring these children are referred to specialist support services or programs
- Requiring trading companies and buying agents to use human rights criteria when purchasing minerals
- Building capacity of suppliers to identify and mitigate risks of child labour, including the worst forms of child labour, in their supply chains
- Identifying and reducing the business reasons for child labour – for example providing machinery for pumping water, grinding ore or transporting minerals to limit the types of work that could be taken on by children
- Sponsor the introduction of processing methods that reduce mercury use and ensure safe practices or, preferably, provide safe alternatives to mercury
- Engaging/including suppliers in local community efforts to address the issues of child labour

21. **Working with suppliers – recommendations to downstream companies.** Downstream companies' ability to mitigate the impact of child labour and affect change in the supply chain rests on its leverage.

- Downstream companies should seek to use their leverage with existing suppliers or other business relationships to encourage them to prevent and mitigate adverse impacts.
- Where a company has limited leverage, it should seek to increase that leverage.
- While the extent of a company's leverage does not change the expectation to prevent and mitigate adverse impacts it may affect how a company seeks to prevent or mitigate adverse impacts in its supply chain. See **Figure 5** for considerations on how to prevent or mitigate risks associated with suppliers or business relationships depending on company leverage.

STEP 4. CARRY OUT INDEPENDENT THIRD-PARTY AUDIT OF SMELTER/REFINER'S DUE DILIGENCE PRACTICES WITH REGARDS TO THE WORST FORMS OF CHILD LABOUR

22. Due diligence is an ongoing and dynamic process. Refiners and smelters should take steps to verify that their due diligence practices are effective and in accordance with the recommendations of the OECD Guidance. With regards to the worst forms of child labour, the audit should cover for example relevant policies and procedures, refiner/smelter controls over the supply chain (i.e. chain of custody documentation on minerals in possession or other traceability information), information disclosed to downstream companies and communications with suppliers. In short, the audit should be able to assess if child labour risks in the refiner/smelters' operations have been adequately identified and mitigated or prevented in accordance with the OECD Guidance. Third party audits should be conducted by competent and accredited third-parties knowledgeable and experienced in human rights risks assessments and child labour verification.

23. Downstream companies are encouraged to participate and support the independent third party audits of refiner/smelters' due diligence practices and are encouraged to do so through industry programmes. When downstream companies participate in multi-stakeholder initiatives or collaborative industry initiatives to conduct child labour due diligence, such initiative should be periodically reviewed to ensure that they are aligned with this document and with the OECD Guidance.

STEP 5. REPORT ANNUALLY ON SUPPLY CHAIN DUE DILIGENCE ON THE WORST FORMS OF CHILD LABOUR

24. The OECD Guidance recommends that all companies provide a **publicly available annual report** on their due diligence actions and steps to inform consumers and the public at large that they are implementing due diligence as recommended by the OECD Guidance. This annual report can be part of existing company reports on corporate responsibility or corporate sustainability.

25. Companies should be prepared to describe the steps they have taken to assess and mitigate the worst forms of child labour in their supply chains. This should include detailed descriptions on a number of areas highlighted below. In addition, where relevant, companies should describe milestones and a timeline on when they expect to see progress

- *Company management systems* – what systems, including management structures, staff training and supply chain due diligence policies and processes are in place to ensure that minerals sourced do not involve the worst forms of child labour? How has the company established a system of controls and transparency (i.e. a chain of custody or a traceability scheme, either on its own or in collaboration with other stakeholders) over the mineral supply chain?
- *Risk assessments of the supply chain* – how does the company assess the risk of child labour in its supply chain? What types of information is gathered? Refiners and smelters should for example be able to identify where minerals are mined, processed, transported and traded, by whom and under what conditions (including whether serious human rights abuses have occurred). The risk assessment itself should also be published, with due regard taken of business confidentiality and other competitive or security concerns.

- *Managing the risk* –Companies should include a summary report on the strategy for risk mitigation in the risk mitigation plan. What steps are taken to manage the risk of child labour? How does the company prioritize to address the worst forms of child labour? What measures does the company take if it becomes aware of human rights abuses taking place in connection with its suppliers? What time bound limits are set to ensure that remedial action takes place? How are local government and community stakeholders involved? How is progress measured?
- *Reports* – Companies should share investigative reports and audits of parts of the supply chain defined as most at risk for child labour. Refiners and smelters should publish the third party audit reports of their due diligence efforts. Reports should take due regards if business confidentiality and other competitive or security concerns.

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Annex I: Resources

- OECD Minerals Implementation programme main webpage <http://mneguidelines.oecd.org/mining.htm>.
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (3rd Edition) : <http://www.oecd.org/daf/inv/mne/OECD-Due-Diligence-Guidance-Minerals-Edition3.pdf> (ENGLISH).
- OECD on ASM FAQs : http://mneguidelines.oecd.org/FAQ_Sourcing-Gold-from-ASM-Miners.pdf
- International Labour Organisation (ILO) Convention 182 www.ilo.org/ilolex/cgi-lex/convde.pl?C182
- International Labour Organisation (ILO) Recommendation 190 www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO:12100:P12100_INSTRUMENT_ID:312528:NO
- International Programme on the Elimination of Child Labour (IPEC) www.ilo.org/ipec/index.htm
- ILO-IPEC Countries Dashboard database <http://www.ilo.org/ipec/Regionsandcountries/lang--en/index.htm>;
- ILO-IOE Child Labour Guidance Tool (2015) <http://www.ilo.org/ipecinfo/product/searchProduct.do?type=&title=ILO-IOE+Child+Labour+Guidance+Tool+&keywords=&selectedMonthFrom=-1&productYearFrom=&tcSymbol=&userType=3&selectedFieldOfficeText=&selectedFieldOfficeId=-1&resultPerPage=20&selectedSortById=4>
- UNICEF - Child Labour Resource Guide http://www.unicef.org/csr/css/Child_labour_resource_Guide_UK_NatCom.pdf
- United Nations Global Compact – Principle 5 on Child Labour <https://www.unglobalcompact.org/what-is-gc/mission/principles/principle-5>
- US Department of Labor Bureau of International Labor Affairs (ILAB) <http://www.dol.gov/ilab/reports/child-labor/>

Annex II - Selected list of common mining and quarrying tasks, hazards and potential consequences adapted from ILO 2011

Tasks	Hazards	Injuries and potential health consequences
Tunnelling, diving into muddy wells	Drilling equipment; explosives; confined spaces; faulty supports; stagnant air; poisonous gases; dust; darkness; dampness; radiation	Death or traumatic injury from tunnel collapse; suffocation from compressor mining; injury from explosions; silicosis and related respiratory diseases; nausea; exhaustion
Digging or hand-picking ore, slabs, rock or sand	Heavy tools; heavy loads; repetitive movements; dangerous heights; open holes; falling objects; moving vehicles; noise; dust	Joint and bone deformities; blistered hands and feet; lacerations; back injury; muscle injury; head trauma; noise-induced hearing loss; breathing difficulties; frostbite, sunstroke and other thermal stresses; dehydration
Crushing and amalgamating; sieving, washing and sorting	Lead, mercury and other heavy metals; dust; repetitive movements; bending; squatting or kneeling	Neurological damage; genito-urinary disorders; musculoskeletal disorders; fatigue; immune deficiency
Removing waste or water from mines	Heavy loads; repetitive movements; chemical and biological hazards; dust	Musculoskeletal disorders; fatigue; infections
Transporting materials via carts or carrying	Heavy loads; large and unwieldy vehicles	Musculoskeletal disorders; fatigue; crushed by vehicles
Cooking and cleaning for adults	Physical and verbal abuse; unsafe stoves; explosive fuels	Injury from beatings; sexual abuse; burns
Selling goods and services to miners	Physical and verbal abuse	Injury from beatings; behavioural disorders
Mining and quarrying in general	Remote locations; lawless atmosphere; poor sanitation; contaminated drinking water; stagnant water and mosquitoes); inadequate nutrition; recruitment into sex trade; gambling, drugs and alcohol	Death for lack of medical treatment; behavioural disorders; addiction; sexually transmitted diseases; pregnancy; stunted growth; diarrhoea and digestive disorders; malaria and mosquito-borne diseases

