



CHARTING THE COURSE:

Embedding children's rights in
responsible business conduct.

A Brief

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For further information visit, <https://www.unicef.org>, <https://www.savethechildren.net> and <https://unglobalcompact.org>.

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In a world in which business is intrinsic to the social and economic fabric, virtually all children are impacted one way or another by business activity – as consumers of products and services, through exposure to marketing and advertising, as young workers or child labourers, as the children of workers, as users of digital platforms, or through the environments where they live and play.

So, are children’s rights at the heart of responsible business conduct?

Despite progress, not yet.

This brief summarizes a forthcoming report from UNICEF, UN Global Compact and Save the Children

Mapping out children’s rights and business

In 2012, UNICEF, the United Nations Global Compact and Save the Children developed the Children’s Rights and Business Principles (CRBPs), in consultation with children, businesses, investors, governments, civil society, trade unions, national human rights institutions and United Nations entities.¹

Based on the United Nations Guiding Principles on Business and Human Rights (UNGPs),² the CRBPs take a practical approach to laying out the implications of the Convention on the Rights of the Child (CRC) for the business world—business institutions, government policymakers, investors and other business stakeholders—and the relationships between them.

Business respect for children’s rights requires negative impacts to be prevented, mitigated and remediated.

The CRBPs focus on impact caused by practices such as working terms and conditions, safety and health, products and services, marketing and advertising, security, and land acquisition and use. They include the impact of business on the environment and on parents and caregivers.³ They message that business impacts on a wide range of children’s rights, not just child labour.

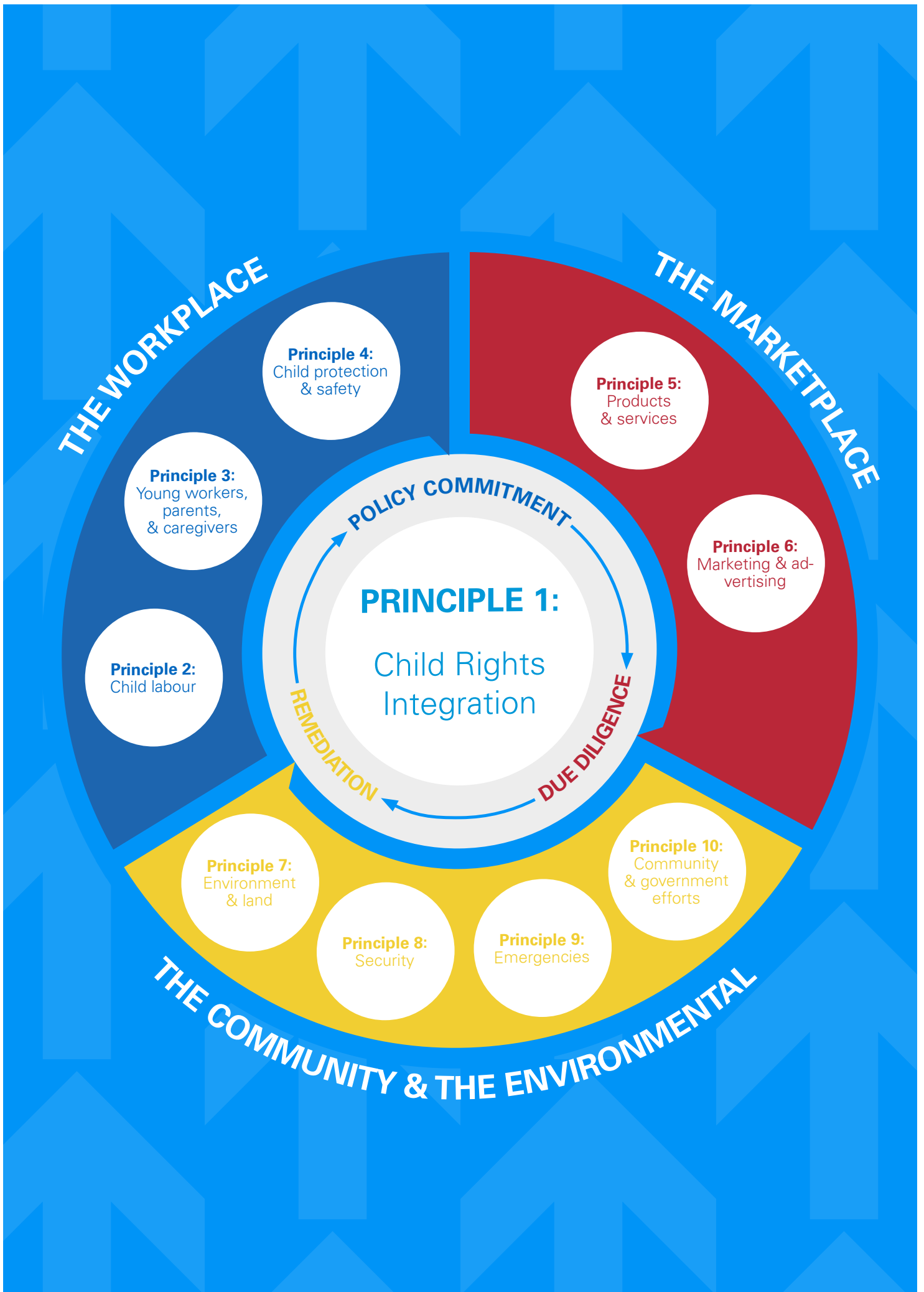
Respect for human rights, including the rights of children, is a condition for true sustainability. Action on climate and the environment is a global imperative. It requires social justice. It is uncontested that the 2030 Agenda for Sustainable Development will not be achieved unless business plays a big role. A foundation of the business contribution to sustainability is ensuring that conduct is not contributing to poor outcomes in the first place.

Protecting and respecting children’s rights is particularly significant for sustainable development because this breaks the intergenerational transfer of deprivation and exclusion. There are real gains made when children’s rights are protected and respected, both for children and for society at large.

1. The Children’s Rights and Business Principles document is available at: <http://childrenandbusiness.org>.

2. Office of the United Nations High Commissioner for Human Rights, ‘Guiding Principles on Business and Human Rights: Implementing the United Nations “Protect, Respect and Remedy” Framework’, OHCHR, New York and Geneva, 2011. Available in Arabic, Chinese, English, French, Russian and Spanish at: <https://www.ohchr.org/en/publications/reference-publications/guiding-principles-business-and-human-rights>.

3. United Nations, Convention on the Rights of the Child, New York, 20 November 1989. Full text, a child-friendly version and other resources are available at: <https://www.unicef.org/child-rights-convention>.



Business impact on children

Although the contributions of business to health, education and economic prosperity have produced advances in children's well-being and survival, it is a reality that business conduct can have an adverse impact on children.

Technology is a growing part of school and social life around the world. But children remain at risk of exploitation and abuse online; their data are often harvested without informed consent, and algorithms mould online experiences in hidden ways.

Marketing and advertising of unhealthy foods contribute to rapidly rising levels of childhood overweight and obesity, leading to lifelong health consequences. For girls, widespread *gender-based stereotyping* in advertising and marketing can limit their learning achievements and economic opportunities; for boys, it can restrict family-life involvement and increase acts of gender-based violence.

The climate crisis is a child rights crisis, creating environmental, economic and social shocks to health, nutrition, education, protection and child participation – and compounding challenges and stresses to the point of threatening children's survival.⁴

STARK FACTS FOR CHILDREN:

- 1 billion children, nearly half of the child population, live under 'extremely high risk' of climate change impacts.
- More than 800 million children are exposed to dangerous levels of lead poisoning, due in large part to business practices that fail to properly recycle lead acid batteries.
- Hundreds of millions of boys and girls remain at risk of online exploitation and abuse.
- Around 160 million children, or 1 in 10 worldwide, are in child labour, and progress on eliminating child labour has gone backward in the context of COVID-19.
- Girls are far more at risk than boys of gender-based discrimination.

4. United Nations Children's Fund, *The Climate Crisis is a Child Rights Crisis: Introducing the Children's Climate Risk Index*, UNICEF Division of Communication, New York, August 2021, <https://www.unicef.org/media/105376/file/UNICEF-climate-crisis-child-rights-crisis.pdf>; Save the Children, *Born into the Climate Crisis: Why we must act now to secure children's rights*, 2021: <https://resourcecentre.savethechildren.net/document/born-climate-crisis-why-we-must-act-now-secure-childrens-rights/>

If children’s rights are not visible, they will never be central to business conduct.

Business standards and policies based on adults do not necessarily protect children. And even when rights-based approaches to responsible business conduct are legislated and implemented, children – 30 per cent of the world’s population – are at risk of invisibility.

The experiences of children and their relationships to the world – and to business – have dimensions that differ from those of adults. Children are psychologically, socially and physically developing beings, and this makes them especially vulnerable to abuse of their rights. Moreover, they are dependent on parents, other caregivers and the wider community. When the people children depend on face challenges, children do too.

“There is a particular gravity to violations of children’s rights because they often have severe and long-lasting impact on child development.”
– Committee on the Rights of the Child, General comment No. 16 (2013), para. 24



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This is not, however, to portray children as only having things happen to them. The CRC codifies their right to be heard and to have their say in the decisions that affect them, in accordance with their evolving capacities. Children often have acute insight into their own situation and that of those around them. During research on labour terms and conditions, for example, one child said simply: “Pay our parents adequately so children do not have to drop out of school.” The emphatic and assertive leadership of children on climate action is another case in point.



Progress

The business world is making progress on integrating children's rights, but there's still a long way to go.

In 2012, there was general awareness of child labour as an important issue for business as well as government, but recognition of business impact on the full spectrum of rights defined in the CRC was limited. While the view that child labour is the core impact on children and core challenge for business lingers, the efforts of forward-looking businesses, civil society and children themselves have helped widen recognition that eliminating child labour is just one crucial part of respecting children's rights. The reality is that abuses of children's rights can be interconnected, for example child labour and child trafficking.⁵ One form of abuse is often the consequence of other rights abuses, which also must be addressed if root causes are to be solved.

Action on three interdependent fronts

Since 2012 three interdependent approaches integrating children's rights into responsible business conduct have emerged. Each is complementary and all three are necessary for implementation at scale.

The first involves voluntary action by businesses to assess impact across all aspects of operations, establish saliency, and change practices to address the most challenging issues for children. Typically, this is integrated into wider action for human rights and sustainability. Business associations and platforms are playing a key role in promoting business action, with some sectors developing sector-wide standards and methodologies. Implementation has contributed to greater understanding of what works, and of unintended consequences when initiatives are built around single issues.

The second takes a deeper and more systemic approach to the "conditions" of doing business. The business world is not just a collection of individual companies – it is a system of relationships, actors, practices, laws, conditions, investors, capital flows, stakeholders and so forth. The movement towards legislative definition of mandatory human rights due diligence is an important element.⁶ The European Union's draft directive to introduce mandatory human rights due diligence is the most significant contemporary example--but children's rights are not yet sufficiently visible in this proposed legislation.

5. See, for example, Save the Children Australia, 2020, Submission to Department of Foreign Affairs and Trade Consultation on International Strategy on Human Trafficking and Modern Slavery, 2020-05-01-Submission-to-DFAT-Consultation-on-Trafficking-Strategy.pdf.aspx (savethechildren.org.au)

6. See, for example: Human Rights Council, 'Guiding Principles on Business and Human Rights at 10: Taking stock of the first decade', Report of the Working Group on the issue of human rights and transnational corporations and other business enterprises (A/HRC/47/39), United Nations, 22 April 2021, <https://documents-dds-ny.un.org/doc/UNDOC/GEN/G21/093/82/PDF/G2109382.pdf?OpenElement>.

Responsible investors and financial institutions are beginning to include children's rights considerations in environmental, social and governance (ESG) assessments to inform investment decision-making, as well as in stewardship activities to improve the children's rights performance of their investee companies. ESG benchmarking initiatives and rating agencies are gradually starting to include indicators on other child rights topics as well as child labour; this is part of a wider movement towards monitoring outcomes for rights holders. But progress is slow.



The third approach consciously seeks to bring together wider policy and practice for children in areas such as health, nutrition, education, child protection or climate action with preventing and mitigating business adverse impact. One example is developing business and government agendas on family-friendly working (including workplace) terms and conditions. Family-friendly business policy and practice contributes to improved outcomes for children in, for example, early childhood development, child labour prevention and child health. Another example is action on marketing and advertising of unhealthy foods as part of wider strategies to prevent childhood overweight and obesity.

Charting a course for the next decade: building business fit for children

Businesses, investors and governments have it in their immediate power to turn promising developments into routine practice. The impact of COVID and conflict compound the challenge of climate creating a very uncertain economic future. But it is necessary to pursue sustainability in hard times as well as good, and action for global sustainability will not meet targets if children's rights and children's voices are not central to building it.

Over time, a business world that systemically addresses adverse impacts on children will reduce the scale of social challenges.

Preventing adverse business impact on children will not solve all challenges to children's well-being and survival. Nonetheless, a business world that systemically prevents or mitigates human rights impacts linked to their operations, products or services in their own activities or through their business relationships is fundamental to scaled action that will reduce the depth of challenges faced by children and their families. This requires complementary action by all stakeholders.

Making children's rights visible should be at the heart of the next 10 years of action on business and human rights. It is almost impossible to overstate the importance of government, business and investor recognition that *unless children's rights are made visible* in mechanisms and measures supporting or requiring responsible business conduct, they are at risk of being overlooked in implementation. Visibility includes recognition that **businesses can have adverse impact on the full range of children's rights, not just child labour.** To be effective, remedial mechanisms should be accessible to children and their representatives—access to remedy is a necessary part of accountability.

Addressing adverse impact is integral to business purpose for children. Purposeful business is a welcome feature of our times, contributing to social and environmental solutions at scale. Approaches have become increasingly sophisticated, with shared value – making money through doing good – proving attractive to business. However, positive investment in one area does not offset harm done elsewhere.

Without recognition of the visibility of children’s rights, the comprehensive range of rights impacted by business and the necessity of addressing adverse impact to be purposeful, it will remain a case-by-case challenge to ensure children’s rights are effectively integrated in responsible business conduct.

Over the next 10 years proactive government will be essential to supporting responsible business conduct for children. This will involve putting adequate legal and institutional frameworks in place to protect, respect and fulfil children’s rights.

Mandatory human due diligence is globally significant. The trend towards the creation of mandatory business human rights due diligence mechanisms at national, regional and international levels is important—but the potential for children will only be realized if they are accessible to children and implications of children’s rights are embedded in child-friendly design, with appropriate resourcing.

In addition, regulatory clarity and predictability on what is expected of business in terms of prevention of adverse impact is needed. **Governments should bring the lens of the CRC to the design of multiple aspects of business-related policy and legislation.** Obviously relevant areas of business activity are highlighted in the CRBPs, but governments should also ensure that the CRC lens is applied policy in areas that at first sight might seem distant to children’s rights but that have huge significance for them, such as policy on trade.

ESG analysis using a range of children rights indicators is both possible and an essential component of progress. The basic need for more impactful forms of ESG – moving beyond measurement of what is done to measurement of what is achieved – is as important for children’s rights as it is for all human rights.



In addition, the **financial sector has an extraordinary opportunity to step up for children's rights**. Expanding understanding of material risk as including not only risk to the company, but also risk to key stakeholders and their rights (double materiality) is a crucial step towards making human rights and children's rights a key factor in investment decision-making processes. This influence is magnified when investors come together to exercise collective stewardship.

We are calling on the business world, governments and other stakeholders to make children's rights visible in the following ways

Businesses fit for children—making the link between rights and sustainability.

- Addressing adverse impact on children's rights should be explicitly and comprehensively integrated into responsible business conduct and business contributions to global sustainability as a matter of course – recognizing that “the best interests of the child” is fundamental to children's rights.
- Business risk to children across value chains should be a conventional and systemic part of business impact assessment and sustainability reporting.
- Policies and performance on children's rights should be owned across all parts of a business and should be a board-level responsibility explicitly integrated into action for sustainability.
- Mechanisms supporting and requiring responsible business conduct should include a requirement to support child participation, which is a win-win for children and for the effective prevention and mitigation of risk.
- Due diligence should be forward-looking, aiming at better implementation—and this requires robust remediation mechanisms for children.
- Public and private mobilization addressing the root causes of specific children's rights issues should integrate the impact of conduct on children as well as assets and expertise. When the private sector is part of scaling up solutions, it should also address its own role in contributing to poor outcomes.
- To particularly support Small and Medium Enterprises, business associations should develop robust sectoral analyses that identify impact on children.

Regulatory and policy mechanisms

- Governments should ensure that corporate regulatory frameworks on due diligence, non-financial disclosures, transparency, remediation, and legal responsibility integrate child rights, and are implemented in an accessible and child-friendly manner. Adequate resources should be allocated to ensuring monitoring, implementation, and access to remedies for children and their representatives.

- EU institutions and member States should ensure that the EU Directive on Corporate Sustainability Due Diligence and other relevant legislative reforms are designed to be effective in addressing children's rights.
- Policy coherence from a children's rights perspective means governments ensuring all business-related policy and regulation takes impact on children into consideration.

Outcome-orientated ESG for children

- Developing and trialling outcome-orientated children's rights ESG indicators should be focus of private sector and government cooperation.
- Core indicators on children should be included in initiatives to define minimum common ESG standards, expanding the visibility of children.

The influence of investors

- The financial sector should make systematic use of ESG monitoring and reporting of a range of children's rights indicators in investment decision-making.
- Promising practice in actively integrating children's rights in stewardship activities should be built on.
- Enhanced collective action on children's rights should become a key feature of investor priorities in the next 10 years

International development and systemic action on adverse business impact

- Development strategies and organizations should elevate engagement with the world of business sector beyond individual partnerships on specific challenges, important as these are, to systemic consideration of the role of business conduct in achieving positive outcomes for children. This means working with business actors and regulators on effective immediate and long-term prevention of adverse impact and on business accountability.
- Identifying business challenges and solutions should be made part of the basic analysis of the situation of children, integrated into broader theories of change.

Listen to children

- All actors should be building-in systems to support the empowerment of children to participate in meaningful dialogues with business and decision-makers on issues that concern them, so that responsible business conduct upholds the ideas and voices of future generations.



ALL BUSINESS SHOULD

→ → →

1

Meet their responsibility to respect children's rights and commit to supporting the human rights of children

2

Contribute to the elimination of **child labour**, including in all business activities and business relationships

3

Provide decent work for **young workers parents and caregivers**

4

Ensure the **protection and safety of children** in all business activities and facilities

5

Ensure that **products and services** are safe, and seek to support children's rights through them

6

Use **marketing and advertising** that respect and support children's rights

7

Respect and support children's rights in relation to the **environment and to land** acquisition and use

8

Respect and support children's rights in **security arrangements**

9

Help protect children affected by **emergencies**

10

Reinforce **community and government efforts** to protect and fulfil children's rights