

PURPOSE OF THE GUIDELINE

This Guideline compliments the APSA Position Paper by providing working guidance to APSA members.

The document provides examples and advice from seed companies on actual efforts to eliminate child labor and detailed recommendations for APSA members to develop their own programs for eliminating child labor in their operations.

This Guideline aims to support companies with different degrees of involvement in, knowledge about and capacity for managing child labor risks and to enable APSA members to select options for implementing child labor management programs best suited to them.

This Guideline is divided into 3 sections:

Awareness, Commitment and Communication is the starting point whereby the company commits, sets policies, and identifies and engages stakeholders.

Operational principles set the procedures for a day to day managing, monitoring and reporting system.

Review for program sustainability provides mechanisms for management review and the process for corrective action in order to improve and sustain the program.

Awareness, Commitment and Communication

It is a prerequisite for the organization to be aware of the reality of child labor in various industries, including seed production. Solving the problem starts with the organization's commitment to eliminate child labor from the field and from operations.

Main Criteria to consider

Organization Policies and Guideline

Development of the policy should involve staff in key internal functions, such as seed procurement, production and human resources, as well as relevant institutions and regulators.

It may also be helpful to test the statement with relevant business partners to whom it will apply and with representatives of directly affected stakeholders. The involvement of senior leadership in approving the commitment signals its importance.

The basic elements of the guideline are the following:

- A declaration of the organization's commitment to prevent Child Labor, supported and confirmed by management and senior level executives.
- Internal Policy and Position Paper on Child Labor, describing actions to be taken within the organization with management support. (The organization can create a stand-alone child labor position paper or be granted permission to use APSA's position in entirety)

Reference : Policies on Child Labor

Bayer <http://www.bayer.com/en/bayer-human-rights-position.aspx>

East-West Seed http://www.eastwestseed.com/about/our_role.php

Internal engagement

To develop, maintain and sustain the organization's position on Child Labor, it is critical to include the right stakeholders in the process. The internal stakeholders are responsible for knowing, implementing and sustaining the organization's commitment and the day to day follow up from an operational level.

Operative resources can define how the management system is setup. It may involve:

- Management
- Seed Production Staff

Child Labor Prevention Guideline for APSA

- Dedicated/Assigned staff
- Internal Auditor

The organization should communicate its commitment to those who are a part of its implementation (e.g., staff, contractors, growers, auditors), and any others who have a direct interest in its implementation.

The organization should consider and address any conflict between this commitment and other operational policies, procedures and guidance. It should also allocate appropriate accountability for the commitment's implementation.

The following methods may be adopted for internal engagement:

- Analyze and prioritize areas in the supply chain with any child labor impact.
- Study the occurrence of child labor in business processes focusing on determined risk areas using an approach paper which details how the organization will initially approach the occurrence of child labor.
 - Communicate the approach on child labor internally. Provide training programs to internal stakeholders and explain the risks of child labor in the field.
 - Include a “no child labor” clause in all agreements with supply chain partners
 - Introduce remedy measures - Penalty and/or Reward or incentive systems
 - Review and re-address the process of Grievance (commonly used in India),

External stakeholder engagement

Create opportunities to engage external stakeholders. All stakeholders should understand the organization's aims. Various approaches can be considered:

- Create awareness and education about the perils of child labor using:
 - Meetings, campaigns, promotions, or training workshops
 - Print Materials
 - Local media channels
 - Industry lead initiative involvement
- Communicate policy and position paper to all external stakeholders through meetings with stakeholders to find local solutions before implementing and engaging in remediation processes
- Integrate Social Responsibility Programs with stakeholder engagement

Operational Principles

It is crucial to put an effective management and reporting system in place to validate the organization's commitment and provide stakeholders with clear operational steps to follow.

The examples below are intended to support organizations that are considering developing their own child labor monitoring system. Each organization should select the option that best suits its needs.

Main Criteria to consider

Management Directives

Management directives are operational and procedural guidelines to all stakeholders. They define the purpose and processes for day to day procedures.

The Management Directive on Child Labor should include the following aspects:

- Definition of Child Labor
- Roles and responsibilities each stakeholders
- Operational processes (workflows, procedures, supporting documents)
- Monitoring frequencies and timelines
- Monitoring procedures and identification of areas to be monitored
- Key Performance Indicators applicable to stakeholders
- Training program for internal stakeholders

Example Management System

Bayer, Child Care Program

<http://www.cropscience.bayer.in/en/Social-Commitment/Rural-Development/Child-Care-Program.aspx>

East-West Seed, Child Labor Monitoring

<http://www.eastwestseed.com/images/about/EWSPolicyonPreventingChildLaborinSeedProduction.pdf>

Reporting

Reports help organizations to assess the effectiveness of their system.

They can also serve as the basis of KPI (Key Performance Indicator) measurement.

To compile effective reports the following should be defined:

- How and who will report results
- What will be reported on
- When the report will be prepared and due
- Whom will it be shared with
- Frequencies of reporting and time lines

Reporting tools

Reporting tools are used to monitor child labor.

The tools can be designed in written report form, configured into existing ERP systems or be developed as a standalone application.

The tool should be designed to capture information collected during inspections or staff visits to the field, having some basic information which is regularly reported which matches their observations.

The tool should contain the following:

- Grower information, eg name, address, family members, number of children with their age and recent photo of the children
- Field information (GPS coordinates of the field)
- Production information
- Child labor track record
- Other information related to seed production.

The organization can monitor and measure the following:

- Worker's data on the field on the 'date of field visiting' - total number of workers
- If any child appears to be employed during the visit and the type of activities they are engaged in
- Field activities on visiting date and hour (indicate if visiting date is a school holiday during which a farmer's children are accepted to be working)
- Other activities of relevance

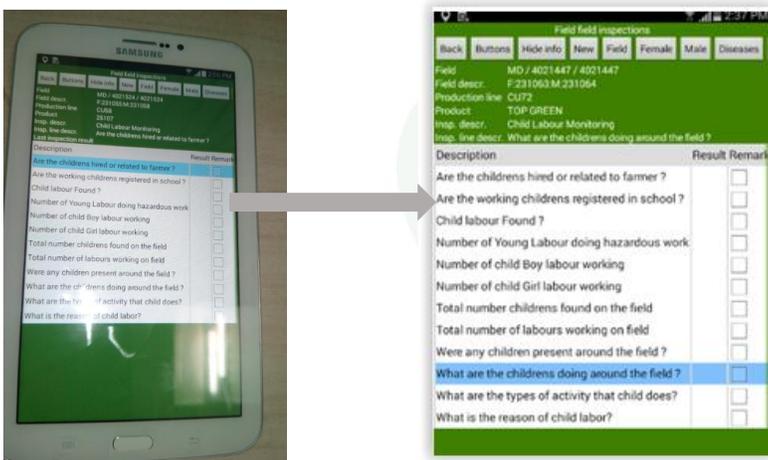
Examples

Manual Reporting Tool – HM Clause



HMC CCP
monitoring format 4

ERP System Reporting Tool – East-West Seed



Auditing

In addition to the day to day monitoring process, the implementation may require the organization to setup internal and external auditing process, involving:

Internal Audit

External Audit (for example SGS has been approached to audit a consortium of seed companies in India)

Review and Sustainability

Management will need to carry out regular systematic evaluations of the suitability and effectiveness of the program and the objectives achieved to date. These evaluations should include the need to consider the changing environment and expectations of all stakeholders in order to make changes as required.

Main Criteria to Consider

Review management system

An organization needs to evaluate the system periodically to analyze if their objectives are being achieved and if not to put in place alternate methods which will bridge any shortfalls. The following basic questions need to be asked:

- Is the process identified and appropriately defined?
- Are responsibilities clearly assigned?
- Are the stakeholders committed and willing to put in the effort to comply with policy
- Are the procedures implemented and followed?
- Is the process effective in achieving the required results?
- Has the process resulted in reducing child labor?

Audit reports, external or internal, can be used to measure the actual impact of the program. The participation of the target group which includes their families, needs to be built into the monitoring process in order to obtain their options.

Example of documents for review:

- Audit Reports
- Feedback from stakeholders
- Field inspection reports

Review and Revision of the program

The results from the evaluation of the program should be shared with the all stakeholders including beneficiaries and their families as well as with program implementers to get true feedback on the impact of the program and to identify any shortcomings.

The message that education is the fundamental precondition for long term economic and social development needs to be reinforced with stakeholders.

Access to skill development and internship programs for the community and easy access to education for the children should also be identified. This process would be the result of:

- Implementation of an effective child labor policy
- Redesigning the company training program

Strengthen Remedy Measures

Introduce an incentive and/or sanction clause in contracts for compliance or non-compliance with the organization's no child labor policy.

For example, the grower who complies with the 'no child labor' policy could receive a premium payment on top of the regular purchase price. However, in the case of breach of their contractual obligation to not employ children, they could be subject to a set of tiered consecutive sanctions of increasing severity.

Example of Remedy system

Bayer India

- 1nd – Written warning
- 2nd --25% Bonus cancellation
- 3th – 100% Bonus cancellation
- 4th – Agreement cancellation

East-West Seed India

- 1st – Verbal warning
- 2nd – Written warning
- 3rd – 100% bonus cancellation and out of contract for next season.

HM Clause India

- 1st – Verbal warning
- 2nd – Written warning
- 3rd – Cancel contract for next season.

Integrate with CSR Program

Integration of the no child labor program with the Organization's CSR program may ensure better compliance by the organization.

An organization may also wish to consider the following programs to support stakeholders and beneficiaries through the transition.

- Child Labor rehabilitation program
- Livelihood opportunity
- Apprenticeship program
- Model Village Project (integrating livelihood, education and agriculture)