

May 13 2014

Magdalena Kettis – Setting a Children's Rights Benchmark for the Corporate Sector

Damiano de Felice

This post was contributed by Magdalena Kettis, Research Director at Global Child Forum.

On 11 April 2014 at the [Global Child Forum](#) at the Royal Palace in Stockholm, a new study produced by Global Child Forum and the Boston Consulting Group – [Setting a Children's Rights Benchmark for the Corporate Sector](#) – was launched and discussed. The Forum brought together more than 300 top leaders from corporations, financial institutions, the UN and multilaterals, civil society with international political leaders, academia, selected experts and journalists.

The study presents how 1032 companies in 8 industries with medium to high exposure to child related issues address children's rights.^[1] The industries we included were Food & Beverage, Consumer Goods, Information and Communication Technology (ICT), Travel & Tourism, Basic Materials, Industrial Goods, Oil & Gas and Healthcare.

We systematically assessed the companies using a detailed and unique research framework that we developed. Based on this framework a first benchmark consisting of nine indicators with equal weighting was produced. The nine indicators were: child labor policy; other children's rights issues; performance reporting on child related issues; board oversight; materiality and risk assessment; reference to international standards; collaborations with child organizations; own strategic programs related to children; and charity.

We used only publicly available corporate information for the assessment. The main sources of information were sustainability and annual reports, company websites, and other relevant publicly available corporate documentation. We did not, in other words, attempt to measure actual performance.

A good governance structure including having policies and systems in place, assigning formal board oversight of children's rights and transparent reporting is of course not in itself sufficient to ensure good governance or performance. Still, assessing corporate public reporting gives an overview and understanding of how the corporate sector currently addresses children's rights.

The indicators we selected for the children's rights benchmark are grounded in international standards and norms on children's rights and can provide guidance to companies and help generate a broader corporate approach to children's rights and towards a governance structure that enables the promoting and protecting of children's rights in a good way.

That the responsibility for children applies to private actors and all business enterprises is today generally accepted and formulated in a number of international and national norms, standards, policies and voluntary codes. However, our study shows that while 58% of the 1032 companies assessed made a reference to the UN Global Compact, only 1% made a reference to the UN Convention on the Rights of the Child and 1% to the Children's Rights and Business Principles developed by UNICEF, UN Global Compact and Save the Children.

The assessment also shows that while 62% of the companies have a child labor policy, only 14% address children's rights in regards to product responsibility and 7% mention children's rights in relation to responsible marketing. The industry sectors that scored highest were ICT, Food & Beverage and Consumer goods.

These results should be considered against the background that children are on a daily basis affected by business activities and operations – as consumers of products and services, by company's marketing practices, by the impact business activities have on local communities and the environment. We therefore expect next year's assessment will show improved results in all sectors.

The ambition is to replicate the study on a yearly basis in order to measure progress in industry sectors, countries and on a company-specific level. The methodology of the study is therefore designed to be easily replicable.

A limitation with the methodology is that the sample will vary from year to year as it is based on the [Forbes Global 2000 ranking](#), of which the component companies will vary from one year to another. Tracking company-specific progress is therefore not always possible.

Additionally, while the framework is developed so as to minimize the possibility for subjective judgments, there is always a risk for differing interpretation of data during the collection process.

We communicated to all companies their results of the assessment in the form of a scorecard. The scorecard also included the average score of their industry and subsector.

Communicating the results to the companies included in our study, discussing them at our Forum and publishing a report on the findings all serve to increase corporate awareness of children's rights and the development of a more sustainable relationship between children and the business sector.

Magdalena Kettis



Magdalena Kettis is Research Director at Global Child Forum. Global Child Forum is an independent, global multi-stakeholder platform aiming at gathering leaders from business, governments, academia and civil society in a joint effort to implement children's rights. We initiate, coordinate and fund research regarding children's rights and provide information sharing and learning from good practice. Global Child Forum is a non-profit foundation initiated by H.M. the King and H.M. the Queen of Sweden in 2009.

Footnotes

[1] We used the [Forbes Global 2000 list](#), a publicly available ranking with a broad range of sectors and a good geographic spread, representing 80 sectors and 63 countries. The Forbes methodology entails an equal weighting of sales, profits, assets and market value. The companies have annual sales ranging from 0.3 to 470 billion USD.

This entry was posted in [Indices and ratings](#) and tagged [benchmark](#), [business](#), [children's rights](#), [global child forum](#), [human rights](#), [responsibility to respect](#). Bookmark the [permalink](#).