Children’s Rights in the Indonesian Oil Palm Industry: Improving Company Respect for the Rights of the Child

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Abstract: Although companies have many direct and indirect impacts on the lives of children, discussion of the responsibility of business to respect the rights of children has primarily focused on child labor. Using UNICEF's Children’s Rights and Business Principles as a framework for our analysis, we considered the activities of oil palm plantation companies operating in Indonesia. Our data come from key informant interviews and reflection on two programs established to promote respect for children’s rights in the Indonesian palm oil industry: one by Pusat Kajian Perlindungan Anak (PKPA) (Center for Child Study and Protection); and one by the Roundtable on Sustainable Palm Oil (RSPO) in conjunction with UNICEF. We considered: how plantation company activities impacted children’s lives; how companies demonstrated respect for children’s rights; and how observance of children’s rights can be improved. We discuss four problematic issues: getting company commitments to children’s rights into policy and practice; having a strong business case for respecting human rights and children’s rights; contradictory objectives within companies; and complexities around children in the workplace. We argue that a children’s rights based approach should be applied to the activities of all organizations. This children’s rights lens is needed to overcome the invisibility of children in society and industry, and to address the root causes of human rights harms. We note that respecting children’s rights will likely contribute to getting a social license to operate and grow.

Keywords: business and human rights; human rights impact assessment; human rights based approach; social impact assessment; environmental, social and governance factors (ESG); corporate social responsibility; social life cycle assessment; no deforestation, no peat, no exploitation (NDPE); due diligence; extractivism

1. Introduction

In their business activities and relationships, oil palm and other companies interact with children, not only as possible workers, but also with children who are the dependents of their employees, with children who are members of the local communities in which the companies operate, and with children as consumers [1–4]. Although the important issue of child labor is a matter of concern in the oil palm sector [5–9], we believe that the palm oil and other industries should also consider the broader range of human rights issues that arise from the direct and indirect social and environmental impacts of their business activities. Using Indonesia as our geographical setting, in this paper we outline the children’s rights issues that arise in the oil palm industry. Moreover, the issues we discuss are likely to be applicable to most industries in developing countries everywhere.

The activities of companies affect the social conditions of local communities [10–16]. Company activities have direct and indirect impacts on how children live, for example, whether they have time to play, whether they have adequate access to schools, healthcare, and other facilities, whether they need to work in order to survive, whether they are exposed to pollutants, and whether they can achieve their full potential [1]. Thus, companies affect the rights of children, especially when they expose children to hazards, or separate
children from their parents, for example, when parents have to leave home in order to work, or when work rosters unduly impact on the parenting role [1,17–19]. However, businesses can also contribute to the realization of human rights and children’s rights, e.g., by improving access to food and water, supporting parents so that children can rest and play, by improving their environmental performance, through their social investment programs, and by applying leverage on their business partners including governments [20–27]. Achieving the full realization of children’s rights is, therefore, dependent upon the genuine commitment and cooperation of companies [28,29].

The environmental impacts of the oil palm industry have been extensively discussed [16,30–32]. In response to public concern about the industry, in 2004 the World Wide Fund for Nature, together with key players in the palm oil industry, established the Roundtable on Sustainable Palm Oil (RSPO) [33,34]. By 2007, the RSPO had developed and implemented the first version of its “Principles and Criteria” for sustainability, which have become the minimum requirement for membership of the RSPO [35]. The Principles and Criteria are periodically updated and underpin the RSPO certification scheme, which seeks to promote sustainability and integrity in the palm oil commodity chain, prevent dilution of certified product by uncertified substitutions, ensure product traceability and the integrity of claims, and avoid harm to the environment and society [35].

In February 2011, one of the world’s largest and more controversial palm oil companies, Golden Agri-Resources [36], adopted a Forest Conservation Policy, in which the key issues were addressed in five dotpoints. In December 2013, another large palm oil company, Wilmar International, launched its policy statement, which was somewhat similar to that of Golden Agri-Resources, but which was expressed simply as “No deforestation, no peat, no exploitation” (NDPE) [37,38]. Subsequently, many other companies implemented NDPE policies, and the NDPE concept developed further, becoming a de facto industry standard [39,40]. Nevertheless, despite some discussion of the social impacts of oil palm plantations [27,32,41–47], there remains a tendency in the industry to overlook the social issues, particularly the impacts on the wellbeing of children who live in the rural communities near plantations [1,9,17,26,48].

This paper discusses how oil palm company activities affect children’s lives, and what companies operating in Indonesia do and/or should do to respect children’s rights. It also provides suggestions to improve company practice. We examined two major programs that aimed to advance children’s rights in the Indonesian oil palm industry: one conducted by Pusat Kajian Perlindungan Anak (PKPA) (Center for Child Study and Protection); and one by the Roundtable on Sustainable Palm Oil in conjunction with UNICEF. We argue that proper consideration of children’s rights should be fully integrated into corporate procedures. We also argue that when companies recognize the importance of fully respecting children’s rights, this will contribute to their gaining a social license to operate and grow [47,49]. By discussing children’s rights in the oil palm sector, we intend to contribute to broader discussions about business and human rights in the extractive industries [14,21–24,50–52], and to the discourse of extractivism more generally [11,53–55].

2. What Are Company Obligations to Respect Children’s Rights?

Children are human beings and, therefore, all human rights apply equally to them. However, children also have rights to address their specific needs that are outlined in international human rights law, particularly by Conventions 138 and 182 of the International Labour Organization (ILO) [56,57], which deal with child labor, and by the United Nations Convention on the Rights of the Child [58], which deals with broader matters. A General Comment (Number 16) by the United Nations Committee on the Rights of the Child [59] was published in 2013 to clarify certain matters relating to the responsibility of business to respect children’s rights. Oil palm companies are also subject to various expectations from local communities and national and international NGOs, and must adhere to many international, national and industry-specific standards [35,40,49]. They are
also generally expected to contribute to the sustainable socio-economic development of the local communities in which they operate [11,20,60].

The United Nations Convention on the Rights of the Child [58] has four fundamental principles: (1) the right to non-discrimination (also called the universality principle)—i.e., the rights apply to all children without exception; (2) the best interests of the child—i.e., in all actions concerning children, the primary consideration must be what is in their best interest; (3) the right to life, survival, and development—i.e., all children have a right to develop physically, mentally, spiritually, morally, psychologically, and socially to their full potential and to enjoy the highest attainable standard of health; and (4) the right of the child to be heard—i.e., children have a right to express themselves freely on matters that affect them, to have their views taken seriously, and there should be avenues made available to enable them to participate [59,61]. The Convention addresses many other issues pertaining to children, including: separation from parents (Article 9); freedom of expression (Article 13); freedom of thought (Article 14); freedom of association and peaceful assembly (Article 15); the right to privacy (Article 16); the right of access to appropriate information (Article 17); protection from all forms of violence (Article 19); the right to health and access to health services (Article 24); the right to an adequate standard of living (Article 27); the right to education (Article 28); and the right to leisure, play, and culture (Article 31) [62].

A comprehensive framework to guide companies in relation to respect and support for children’s rights is the Children’s Rights and Business Principles (CRBP) [63] (see Box 1). This framework built on the United Nations Convention on the Rights of the Child [58], the United Nations Guiding Principles on Business and Human Rights (UNGP) [64], and the Global Compact’s Ten Principles [65]. The CRBP applies a children’s rights perspective to the UNGP; or rather, it extends the UNGP to look at the relationship between business and children. The CRBP encourages businesses to respect and support children’s rights throughout all their business operations, policy commitments, due diligence, and remedy processes. The CRBP encourages companies to identify and address the adverse impacts that arise from their business activities and relationships, including suppliers, subcontractors, customers, and other business partners in their supply chains [58,64]. Various guides have been published to assist in respecting the rights of children and implementing the CRBP [63], including by: UNICEF [17,66,67]; Save the Children [68,69]; Global Child Forum [70]; Earthworm Foundation [71]; World Health Organization [72]; and RSPO [73].

**Box 1. The 10 Children’s Rights and Business Principles [63].**

<table>
<thead>
<tr>
<th>ALL BUSINESS SHOULD:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. meet their responsibility to respect children’s rights and commit to supporting the human rights</td>
</tr>
<tr>
<td>of children;</td>
</tr>
<tr>
<td>2. contribute to the elimination of child labour, including in all business activities and business</td>
</tr>
<tr>
<td>relationships;</td>
</tr>
<tr>
<td>3. provide decent work for young workers, parents and caregivers;</td>
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<tr>
<td>4. ensure the protection and safety of children in all business activities and facilities;</td>
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<tr>
<td>5. ensure that products and services are safe, and seek to support children’s rights through them;</td>
</tr>
<tr>
<td>6. use marketing and advertising that respect and support children’s rights;</td>
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<tr>
<td>7. respect and support children’s rights in relation to the environment and to land acquisition and use;</td>
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<tr>
<td>8. respect and support children’s rights in security arrangements;</td>
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<tr>
<td>9. help protect children affected by emergencies;</td>
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<tr>
<td>10. reinforce community and government efforts to protect and fulfil children’s rights.</td>
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Indonesia ratified the United Nations Convention on the Rights of the Child in 1990. Its 1945 constitution and various national laws—specifically Law No. 39 of 1999 on human rights, and Law No. 23 of 2002 on child protection (amended by Law No. 35 of 2014)—establish most international human rights provisions as being law in Indonesia, including all those in the Convention on the Rights of the Child [74,75]. However, there are some inconsistencies in its laws and they are not always compliant with international ideals [76].
Creative manipulation by practitioners and companies [77] and the lack and difficulty of policing many of the matters in these laws results in much noncompliance [25,78,79].

The international rules around child labor are quite complex, to such an extent that the ILO produced a 300 page textbook on the topic for university students [80]. Therefore, we provide only a brief synopsis here. Although international law generally defines a ‘child’ as being a person under 18 years of age [81], the ILO Convention 138 [56] requires each country to have a policy about child labor that, among other things, sets a minimum age at which young people can work (Article 1). It advocates for progressive realization in raising the minimum age so that young people can achieve their full development potential. The generally-expected minimum age for full time work is 15 years, although for some countries, 14 might be acceptable (Article 2). However, for any work that “is likely to jeopardise the health, safety or morals of young persons”, the minimum age should be 18, although 16 might be acceptable if the worker is fully protected (Article 3). These age limits do not apply to any activities that are part of an approved training program (Article 6). Countries may permit persons aged 13 to 15 years to engage in ‘light work’, which means work that is not harmful and does not detract from their attendance at school (Article 7). Indonesian law is largely consistent with the ILO Convention 138, with 15 being the minimum age for working and 18 the minimum age for dangerous work.

ILO Convention 182 [57] relates to the worst forms of child labor, including slavery, trafficking, debt bondage, serfdom, forced or compulsory labor, the use of children in armed conflict, prostitution, pornography, illicit activities, or for any work likely to harm their health, safety, or morals. While these issues are probably not present in the Indonesian oil palm industry [75], should children who are supposedly doing ‘light work’ on plantations be at risk of injury, exposed to toxic chemicals, or regularly lift heavy weights, an argument could be mounted that the provisions of Convention 182 come into effect.

A problematic issue is the distinction between legitimate light work and child labor. Child labor means any work undertaken by children below the minimum legal age (i.e., 15) that is not light work or domestic chores [80,81]. Thus, not all work-like activities done by children over the age 13 is ‘child labor’. Children’s participation in work activities that does not affect their health or personal development and does not interfere with their schooling is generally regarded as beneficial, and includes, for instance, helping parents around the home, assisting in a family business, or earning pocket money outside school hours or during school holidays. These activities are seen as contributing to the child’s development and to the welfare of their families, providing them with skills and experience, and helping them to become productive members of society in their adult life [80,81]. However, if the children had no choice in whether to work or not, or if the activities would lead to impairment of their schooling or health, or if the children were under 13 years, it would constitute child labor and be a human rights issue.

Obviously, companies must not directly employ anyone under 15 years. Companies must also take care that they do not deliberately or inadvertently promote or condone child labor. To ensure that the company is not complicit in child labor, they must also ensure that their staff are not engaged in activities that involve child labor, including for example by using company premises or equipment for activities that utilize child labor. Companies must also ensure that there is no child labor in their supply chains.

Analyses of child labor and other infringements of children’s rights and human rights have generally identified several ‘root causes’ or drivers of harm, i.e., underpinning conditions that promote transgressions [1,82]. Addressing the root causes is essential if harm is to be avoided. Perhaps the most significant root cause of child labor is inadequate wages for adults [1]. If companies pay their workers less than a living wage (even if they are paying a legal minimum wage), this promotes child labor. Payment on the basis of quantity or weight of fruit collected also promotes child labor. Other appropriate work conditions, like leave for parents with sick children, maternity leave, nursing facilities in the workplace, etc., are also important in terms of respect for children’s rights. The lack of
schools, childcare centers, and after-school care is also an issue in ensuring that children have the ability to play and that they are not coerced or coopted into working [1].

3. What Companies Should Do to Respect Children’s Rights in Practice

Companies are expected to respect children’s rights by integrating children’s rights considerations into their policies and procedures, especially into their ongoing risk assessment, impact assessment, due diligence, environmental management systems, and/or continuous improvement processes [28]. Companies should also periodically conduct stand-alone child rights impact assessments [66], in which the negative impacts of company activities specifically on children are identified and addressed, including all those issues that arise from the company’s relationships with its business partners [83]. In doing this, companies learn to acknowledge impacted children as a distinct group of rights-holders and as active agents in society. At the very least, children’s rights should be considered within human rights impact assessments (HRIA) [66], which are also expected to be undertaken on a regular basis [21].

The corporate responsibility to respect human rights requires that companies prevent, mitigate, and remedy any adverse impacts on human rights that are caused by their operations or relationships with business partners [64]. The responsibility of companies includes the following actions: developing a policy in relation to human rights; having procedures in place to address human rights issues; conducting human rights due diligence assessments to identify, prevent, mitigate, and account for how companies address adverse human rights impacts; developing effective mechanisms to address or remedy any negative impacts they have created or to which they contribute; implementing effective grievance redress mechanisms; and applying leverage to ensure respect for human rights throughout the supply chain and with their business partners, including governments [21,49,52,64,66,84].

HRIAs (which are also called due diligence assessments) consider how a project, policy, company activity, or other intervention affects the human rights of people (typically host communities and workers), and can be applied to existing or planned actions [21,52,85]. They should consider children as a distinct group of rights-holders [28,86]. Companies should conduct such assessments every two to five years in order to understand the impacts of their operations on their host communities [85,87].

In addition to avoiding infringements of human rights, companies can also have a significant role in advancing the enjoyment of human rights [64,88]. There are significant benefits to companies from their being mindful of human rights. By identifying potential environmental, social, and human rights impacts before a project begins, a company will likely avoid any infringement of human rights and thus the costs of any penalties or liabilities that may ensue. Focusing on providing benefits, as well as avoiding adverse impacts will strengthen the protection of human rights and will add value to the company [49,88,89].

Because of its relative versatility, durability, healthiness, and efficiency of production, palm oil is now an important component in many packaged foods and consumer products. Consequently it has rapidly expanded around the world, becoming one of the world’s largest and most controversial agro-industries [5,48,90,91]. Key players in the palm oil industry include some of the world’s largest food processing and consumer goods companies, such as Colgate-Palmolive, Kellogg, Nestlé, Procter & Gamble, and Unilever. It can be expected that these companies will (or at least should) observe all international standards and ensure compliance throughout their supply chains. However, although palm oil is a global commodity, the raw material is grown in oil palm plantations by a wide variety of producers, including: multinational companies (e.g., Cargill, Goodhope, Wilmar) each with thousands of employees and many thousands of hectares of plantations (the largest being Sime Darby with over 700,000 hectares) [92]; national companies; community cooperatives; and smallholders [93].

As mentioned earlier, the RSPO was established in 2004 in response to public concern about the palm oil industry [34]. A key aspect of RSPO’s strategy to establish legitimacy is
its Principles and Criteria, which provide the basis of its certification scheme. A set of seven high level principles (see Box 2) provide a general framework for a comprehensive set of criteria and indicators. While the Principles and Criteria are commendable and specifically indicate that there should be respect for human rights, the only mention of children is in relation to child labor. However, in late 2020 the RSPO published a series of guidance documents on children’s rights for palm oil producers [73], smallholders, downstream supply chain actors, and auditors.

**Box 2.** The 7 Principles of the Roundtable on Sustainable Palm Oil [35] (p. 12).

- Principle 1. Behave ethically and transparently
- Principle 2. Operate legally and respect rights
- Principle 3. Optimise productivity, efficiency, positive impacts and resilience
- Principle 4. Respect community and human rights and deliver benefits
- Principle 5. Support smallholder inclusion
- Principle 6. Respect workers’ rights and conditions
- Principle 7. Protect, conserve and enhance ecosystems and the environment

Wilmar’s NDPE policy, which has become adopted by most key players, has developed over time. The policy elaborates on each element in the NDPE acronym: no deforestation; no new development on peat; and no exploitation of people and local communities [39]. Various subprinciples and an explanation are provided for each element. The subprinciples for ‘no exploitation’ are given in Box 3. There is a clear statement of respect for the rights of children, which was further developed in Wilmar’s Child Protection Policy [94]. There are also additional policies on equal opportunity; sexual harassment, violence, and abuse; reproductive rights; and a Women’s Charter. Wilmar’s NDPE policy is regarded as world leading and is the basis of a statement by investors associated with the Principles for Responsible Investment about what the investors consider constitutes sustainable palm oil and what they expect from the companies they invest in [95].

**Box 3.** The SubPrinciples for No Exploitation [39] (p. 2).

- Respect and support internationally recognised human rights
- Respect and recognise the rights of all workers
- Respect and protect the rights of children and their welfare
- Support the inclusion of smallholders into the supply chain
- Respect land tenure rights
- Respect the rights of indigenous and local communities to give or withhold their Free, Prior and Informed Consent (FPIC) to operations on lands to which they hold legal, communal or customary rights
- Identify measures to provide remediation where the company has caused or contributed to negative human rights impacts

Because of considerable NGO pressure [5,41,96], and the need for legitimacy by the palm oil industry [34,90,97,98], a lot of attention has been given to improving the industry’s performance on all environmental, social, and governance (ESG) factors. Therefore, more attention has been given in the oil palm industry to children’s rights and some other issues than in most other industries. Documents that substantiate this attention include: UNICEF [1]; RSPO [2,19,73]; Teoh [8]; and Ketsela Moulat et al. [99]. These documents also provide clear guidance about what oil palm and other companies can and should do in relation to children’s rights (see Figure 1).
When taking a children’s rights perspective and thinking through what this means for society and the workplace, several significant issues emerge. Because of the child’s right to life, survival, and development—to be able to develop physically, mentally, spiritually, morally, psychologically, and socially to their full potential, and to enjoy the highest attainable standard of health—maternal health issues become critical [1]. Ensuring that pregnant women are cared for and that breastfeeding is encouraged and not made difficult are key human rights and child rights issues [100]. Paid parental leave, special protection for pregnant and nursing women, and prevention of discrimination on the basis of family status (pregnancy and motherhood) are essential [1].

In UNICEF’s analysis of children’s rights issues in the oil palm industry [1], apart from maternal health issues, the other focus areas included: access to adequate childcare; health and nutrition; water, sanitation, and hygiene; education; child protection; and child labor. UNICEF’s report establishes what oil palm growers should do to be consistent with a children’s rights perspective, and is a key source in the results and discussion sections of this paper.

Despite all this direction about what is expected of business, there remains considerable disjuncture between what is advocated in the ‘business and human rights’ and ‘children’s rights and business’ agendas and what actually happens in practice [21, 24, 101], especially in relation to the rights of children [3, 18, 28, 102]. The two children’s rights programs we analyzed aimed to advance children’s rights in the Indonesian oil palm industry. We considered how effective these programs were and the strategies companies can take to increase respect for children’s rights.

4. Methodology

We analyzed two major programs that were designed to promote greater respect for children’s rights in the oil palm industry in Indonesia: one by Pusat Kajian Perlindungan Anak (PKPA) (Center for Child Study and Protection) together with the Netherlands-based NGO, Civic Engagement Alliance (CEA); and the children’s rights palm oil project undertaken by the Roundtable on Sustainable Palm Oil together with UNICEF.

The PKPA-CEA project operated from 2016 to 2020 in North Sumatra. PKPA (http://www.pkpaindonesia.org/), with assistance from the CEA (https://civicengagementalliance.org/), worked with three oil palm companies to make villages located in oil palm plantation areas more child friendly. Amongst other things, they produced a toolkit [103] in Bahasa Indonesian to support the implementation in the oil palm industry in Indonesia of UNICEF’s Children’s Rights and Business Principles [63]. The toolkit was developed in a participatory
way with a range of stakeholders (including some children) and the three companies so that they would learn about the importance of children’s rights.

The RSPO-UNICEF project was run in North Sumatra and Central Borneo between 2017 and 2018. It was implemented by LINKS (http://www.lingkarkomunitassawit.or.id/) on behalf of RSPO-UNICEF. It aimed to increase knowledge about children’s rights to plantation management staff, and it highlighted the benefits of implementing the CRBP. Starting from a 2016 study of the impacts of the oil palm plantation industry on children [1], the project produced a briefing paper about children’s rights in the industry [19], an overview document about the status of respect for children’s rights amongst RSPO members [2], and a guidance document on children’s rights [73]. Nine plantation companies, all RSPO members, participated in the RSPO-UNICEF project.

For our research, a comprehensive document analysis was undertaken of: (1) the PKPA-CEA and RSPO-UNICEF programs; (2) relevant documents of the 12 companies that participated in the programs; (3) all materials about children’s rights in the oil palm industry; and (4) information about children’s rights and the oil palm industry generally. Where available, we considered company policies, codes of conduct, corporate social responsibility reports, sustainability reports, certification documents (e.g., RSPO, ISO14001), social impact assessment reports, and any baseline and follow-up surveys.

In addition to the document analysis, in-depth interviews were conducted with 10 key informants by the lead author (an Indonesian national) between October 2019 and May 2020. Because of the extent of the topics to be discussed, most people were interviewed several times over a number of weeks, with a total of 30 separate interviews (with these 10 people) being conducted. The interviews were in Bahasa Indonesian and conducted in person at various locations in Jakarta or virtually through Google Meet or Zoom. The people interviewed included senior managers of RSPO, LINKS, PKPA, UNICEF, and some PKPA staff. Two Indonesian experts on human rights and children’s rights were also interviewed.

It was intended that a representative of each of the 12 companies would be interviewed. However, despite two reminders, only one company representative agreed to be interviewed (from the sustainability team of one of the larger multinational palm oil companies). During this interview, for a short time the operations manager joined in and made some comments, after being prompted by the sustainability manager. Furthermore, the one RSPO and three PKPA representatives who were interviewed sometimes gave a corporate perspective, or referred to their understandings of a corporate perspective based on their familiarity of the industry.

All interviews were done consistent with ethical social research principles [104]. All interviewees gave permission for the interviews to be recorded. It was agreed that all sources would remain anonymous. Signed consent forms were not used as this was not familiar or appropriate in the Indonesian context. The recordings were transcribed by the lead author and analyzed using MaxQDA (a qualitative data analysis program).

5. Overall Assessment of the Two Programs

From the evidence available, it is fair to say that the PKPA-CEA and RSPO-UNICEF programs were moderately effective in terms of their objectives, which were to increase understanding about respect for children’s rights. At the commencement of these programs, understanding about children’s rights issues was low amongst the 12 participating companies. While there was not full understanding or respect for children’s rights at the end of the programs, it was clear that the programs did contribute to building awareness in the 12 companies, and it is reasonable to believe that knowledge of children’s rights in the oil palm industry more broadly will likely increase over time at least partly as a result of these two programs.

Our interviewees suggested there was some awareness in the 12 companies that companies interacted with children on a daily basis in various ways. It was understood by some companies that children’s rights issues extended beyond the issue of child labor and included issues such as access to education, nutrition, healthcare, child rearing, and
children’s involvement at various points within the company’s supply chains. There was acknowledgement that RSPO certification and the Indonesian law on environmental impact assessment (No. 27 of 1999) required companies to identify the social impacts of their activities, although there was limited understanding what this really meant in practice.

Although the 12 companies had an increased awareness of children’s rights, company attention still primarily related to child labor issues. The limited interest in children’s rights more broadly could be deduced by the fact that most company policies only covered the banning of child labor and did not specifically address other children’s rights issues, and there was limited budget allocated for addressing the needs of the children. There was no evidence to support the view that the companies really did take children’s rights seriously. Hopefully, this will change over time.

Our interviewees stated that company staff and workers considered child labor to be a complex and sensitive issue. Most companies attempted to create awareness amongst staff and workers about their policies regarding child labor by making announcements at morning parades and/or at staff meetings. The workers and staff had been instructed not to bring children to the plantations or other work areas, and not to allow children to help out in their work. However, many workers disagreed with this regulation. Firstly, they considered that children assisting parents with work was a normal and acceptable part of the local community culture and was common in Indonesia across most sectors, especially in family farming, small-scale fisheries, small businesses, and in artisanal and small-scale mining. They generally considered that children should be allowed to help their parents, especially during school holidays. Secondly, they argued that there was a lack of playgrounds and after-school care. Consequently, to be properly supervised after school, children had to play on plantation land near their parents. The view was expressed that, if they are there, why should they not help their parents? We were told that plantation managers tended to be sympathetic to these views, although they accepted that the company policy had to be observed.

The companies tended not to have policies specifically about children’s rights. In company documents, there was no reference to, or evidence that they had used the CRBP, the United Nations Convention of the Rights of the Child, or even Indonesian law regarding child protection. There was no evidence that the companies had developed their plans using a rights-based approach. Instead, their actions were primarily determined by the residential location of the children (e.g., whether the children lived inside or outside company housing plots) and on the basis of any needs identified in the social baseline surveys they periodically undertook.

Two main reasons were given for why companies would participate in the children’s rights program. First, most companies considered themselves to be part of a growing global corporate community committed to the effective management of ESG issues, and considered that respect for children’s rights was just part of this package. Second, some companies realized that, by incorporating human rights and children’s rights into their business strategies and activities, their business would be more likely to thrive, i.e., to get a social license to operate and grow.

6. Respecting Children’s Rights in Practice

We considered the activities of the 12 oil palm companies that participated in the two children’s rights programs to determine good practice in terms of respect for children’s rights. We identified good practices by examining their policies, establishing what facilities were available at their plantations and neighboring communities, and on the basis of what was said in the interviews. In Table 1, for each key topic of concern (or objective) from a children’s rights perspective (Column 1), we list some examples of good practice we identified from our interviews or from the literature (Column 2).
**Table 1. Good practices for oil palm companies to implement to demonstrate respect for children’s rights.**

<table>
<thead>
<tr>
<th>Objective</th>
<th>Examples of Good Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase awareness of children’s rights</td>
<td>Promulgate information to increase awareness of children’s rights and the company’s Code of Conduct, and have this information readily available in workplaces, plantation areas, and local villages.</td>
</tr>
<tr>
<td>Demonstrate commitment to children’s rights</td>
<td>Have policies, procedures, and a Code of Conduct that promote respect for children’s rights. Have a policy that specifically addresses children’s rights issues. Embed children’s rights thinking into all activities.</td>
</tr>
<tr>
<td>Ensure compliance with company policies and procedures relating to children’s rights</td>
<td>Have an effective monitoring and evaluation system to ensure that company staff, workers, and supply chain partners conform to the company’s requirements.</td>
</tr>
<tr>
<td>Ensure avoidance of child labour in company activities</td>
<td>Have knowledge of local labour law and child protection. Have a policy banning child labour. Have a system of monitoring potential child labour. Apply penalties for breaches of policies that relate to the rights of children. Consider what the company can do to address the root causes of child labour.</td>
</tr>
<tr>
<td>Eliminate child labour in all business relationships</td>
<td>Implement a prohibition of child labour in all contracting arrangements. Incentivise positive behaviour in contracting arrangements. Monitor contractors to ensure compliance with expectations.</td>
</tr>
<tr>
<td>Avoid undue separation of parents from their children due to working conditions</td>
<td>Ensure that working hours do not exceed what is reasonable. Ensure that pay rates provide a living wage so that parents do not feel compelled to work excessive hours.</td>
</tr>
<tr>
<td>Ensure working conditions do not limit staff and workers’ ability to play a proper role as parent</td>
<td>Provide decent and safe working conditions according to law, including facilities that support staff and workers in their role as parents, such as decent housing facilities, clean water, breastfeeding corners, health clinics. Allow workers to take paid leave for situations when the child requires special attention.</td>
</tr>
<tr>
<td>Avoid workers bringing their spouse and/or children to work on the plantations</td>
<td>Create awareness of the dangers of the workplace. Create awareness of the right of children to a childhood. Build schools near villages to reduce any barriers to access schooling. Provide child-care facilities and after-school activities.</td>
</tr>
<tr>
<td>Actively discourage informal understandings between workers and company staff that workers can bring their children to work</td>
<td>Put up signboards that state “Do not bring your children into these areas”. Penalise supervisors found guilty of allowing such practices.</td>
</tr>
<tr>
<td>Encourage children and youth to stay in school and avoid opportunities that encourage them to drop out of school</td>
<td>Ensure that schools are close to villages and/or provide a school bus service. Provide financial support for children and youth to remain at school.</td>
</tr>
<tr>
<td>Prevent environmental impacts (e.g., air or water pollution, plantation runoff or effluent) that may impair children’s health or development</td>
<td>Develop procedures to ensure that operational activities do not create adverse environmental or social impacts. Implement an effective environmental and social monitoring program.</td>
</tr>
<tr>
<td>Address all health and safety issues on the plantation that have the potential to affect children</td>
<td>Identify all potential adverse impacts of plantation activities on children’s health and develop company plans to mitigate them. Develop procedures that ensure the safety of children in all operational activities and facilities of the plantation.</td>
</tr>
</tbody>
</table>
Table 1. Cont.

<table>
<thead>
<tr>
<th>Objective</th>
<th>Examples of Good Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Provide onsite healthcare for workers and community members</td>
<td>Build quality health clinics that are easily accessible by the community.</td>
</tr>
</tbody>
</table>
| Take actions to avoid road accidents                                       | Improve the condition of roads on which children travel.  
Erect warning signs on roads that are often travelled by children, such as the road to school, to playgrounds, or to their villages.  
Provide road-worthy school buses that can safely bring children to and from school.  
Limit the speed of company vehicles in local communities.  
Ensure that all vehicle drivers are trained and respect road rules. |
| Avoid physical displacement of families and any consequent disruption to children’s lives | Consider plantation siting carefully to minimise any displacement of households.  
Where physical displacement and resettlement are necessary, provide replacement land in a location that does not deprive children of their primary rights, such as right to education, to health, to play.  
Ensure that any resettlement is done to international standards, including adequate compensation, and that takes due regard to the needs of children. |
| Avoid economic displacement (disruption of livelihoods)                   | Conduct a Social Impact Assessment before any land acquisition process.  
In all land acquisition, consider how the livelihoods of local people will be affected.  
Ensure that there is compensation for economic displacement and the establishment of alternative livelihood arrangements.  
Allow local communities to use plantations areas for various livelihood activities (e.g., herding cattle, cutting grass for stock feed). |
| Avoid the loss of land as inheritance                                      | In all resettlement, always ensure “land for land”.  
Ensure that land titles are given to households that are resettled. |
| In land acquisition, ensure no loss of access to education                | Build a school near the community.                                                                                                                        |
| In land acquisition, avoid loss of access to children’s playgrounds       | Provide safe playgrounds for children.  
Provide childcare centres that have competent staff.                                                                                                        |
| Avoid resettlement arrangements that result in limited access to basic services | Provide adequate access to basic services and facilities for all workers and staff.                                                                         |
| Prevent water shortages and/or increased distance between housing and water sources | Ensure that clean water is provided in all villages.                                                                                                       |
| Prevent excessive pressure on social infrastructure that results in restricted access to basic services | Work together with local government to provide sufficient basic services.                                                                                 |
| Provide paid maternity leave                                              | Provide paid maternity leave.                                                                                                                             |
| Provide special protection for pregnant and nursing women                 | Move pregnant and nursing women to safer work locations, e.g., away from chemicals.                                                                     |
| Address issues related to long distances between housing and workplace    | Provide adequate places where nursing mothers can breastfeed infants safely.                                                                             |
| Ensure that the company’s products and services are safe                  | Undertake product testing before release of products.  
Monitor consumer complaints.                                                                                                                              |
| Only use marketing and advertising that respect and support children’s rights | Use reputable advertising companies.  
Use advertising and marketing that deliver positive messages and values regarding children.                                                                |
### Table 1. Cont.

<table>
<thead>
<tr>
<th>Objective</th>
<th>Examples of Good Practice</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ensure respect for children’s rights in security arrangements</td>
<td>Develop a high standard of safety and security protocols for children who trespass on plantation sites.</td>
</tr>
<tr>
<td>Ensure children are protected during emergencies and conflict situations</td>
<td>Provide data for the local communities regarding natural disasters, epidemics, and social conflicts that can adversely affect children. Develop a disaster response policy specifically for children. Ensure there are well-considered contingency plans for effective disaster response that take a children’s rights perspective.</td>
</tr>
<tr>
<td>Reinforce community and government efforts to protect and fulfil children’s rights</td>
<td>Provide financial support to community programs.</td>
</tr>
<tr>
<td>Ensure that social investment considers children’s rights issues</td>
<td>Developing cooperation with organisations that concern and have expertise with children’s rights.</td>
</tr>
<tr>
<td>Ensure the protection of children in all business activities and business relationships</td>
<td>Implement clauses about respect for children’s rights in contracting arrangements. Incentivise business chain partners to respect children’s rights.</td>
</tr>
<tr>
<td>Respect the privacy of children</td>
<td>Recognize that children have the same right to privacy as adults, and that their informed consent is required before any disclosure or sharing of their data, information or images.</td>
</tr>
<tr>
<td>Provide compensation for any harm inflicted on families or communities</td>
<td>To ensure households are not economically disadvantaged (and thus causing hardship on children), attempt to prevent all harm befalling local people and communities, and where such harm happens, provide adequate compensation.</td>
</tr>
<tr>
<td>Provide appropriate avenues for children to indicate their grievances</td>
<td>Ensure that there are child-friendly mechanisms by which children can register any concerns they may have.</td>
</tr>
<tr>
<td>Ensure that sufficient resources are available</td>
<td>Ensure that sufficient resources are available to support all children’s rights programs and actions.</td>
</tr>
</tbody>
</table>

Source: compiled by the authors based on our interviews and review of the literature on children’s rights.

7. Discussion: Issues That Arise from Respecting Children’s Rights in Practice

In analyzing our interviews and the literature about how companies respect human and children’s rights in actual practice, four problematic issues emerged and are discussed below: (1) getting company commitments to children’s rights into policy and practice; (2) having a strong business case for respecting children’s rights; (3) contradictory objectives within companies; and (4) complexities around children in the workplace.

7.1. Getting Company Commitments to Children’s Rights into Policy and Practice

Companies met expectations regarding children’s rights in two main ways: by having policies that mentioned human rights or children’s rights; and through their corporate social responsibility, social sustainability, social investment, community development, and related programs. All companies had policies and procedures of various kinds, usually including one or more that addressed human rights issues, at least indirectly. All companies had a Code of Conduct that governed staff behavior and indicated the company’s commitment to ESG issues. To be compliant with the CRBP and NDPE, there should be specific mention of children’s rights in their code of conduct and/or policies, and ideally there would be a policy specifically dedicated to children’s rights. Most companies made some effort to bring their policies to the attention of their staff and to the third parties in their supply chains, as well as to external stakeholders and local communities, and they made some effort to encourage compliance with their policies. However, most companies did not have policies or procedures specifically about children’s rights, and some did not even have human rights policies.
Our interviewees indicated that companies without human rights or children’s rights policies, or that only take limited steps to implement their policies, were likely to experience the following situations: (1) limited communication about what is expected will mean much non-compliance; (2) the social and environmental impacts created might not be properly considered by the company, and certainly not from a human rights perspective; (3) children’s rights will not be integrated into the company’s business strategies and practices; and (4) the company will likely not have appropriate grievance redress mechanisms in place to address potential human rights issues, which may lead to the issues escalating. All these situations are likely to lead to human rights harms and expose the company to potential legal action and reputational risk. To increase the awareness of staff and key stakeholders about the importance of respecting children’s rights, companies should promote awareness of their policies and company strategies to avoid children’s rights harms. Integrating respect for children’s rights into all staff training is also important.

7.2. Having a Strong Business Case for Respecting Children’s Rights

Our research indicated that most companies had at least some commitment to respecting children’s rights, especially those rights that were: embedded in Indonesian law and fulfilled through the rights of adults; related to key concerns in the global palm oil market, such as child labor; and/or mentioned in the RSPO Principles and Criteria. However, getting companies to take children’s rights seriously was difficult, because it was not clear to them why they should do this. From a human rights perspective, human rights are intrinsic and fundamental and, therefore, a business case should not be necessary for human rights to be respected [105]. However, most people we interviewed argued that a business case was essential in order to get traction within the company.

Although corporate respect for human rights is part of international soft law and arguably therefore an economic rationale should not be needed, nevertheless many companies around the world think that enhancing corporate reputation and getting a social license to operate are a necessary part of the justification for why they should consider human rights [20,49,65,106]. Some companies we examined considered that, rather than react after conflict had occurred, being proactive by avoiding potential violations of human rights and children’s rights and addressing issues early on significantly reduced the cost of dealing with social issues. This suggests that, from a company perspective, the justification for concern about human rights is partly one of self-interest.

Our research suggested that three factors influenced companies to respect children’s rights. First, all companies understood that they had to meet Indonesian laws regarding children’s rights. Second, they realized that they had to gain RSPO certification in order to have access to international markets. Third, given the relatively long timeframe oil palm production takes, to ensure ongoing demand for palm oil and the viability and social acceptance of their operations into the future, they realized it was important to have a relatively stable business environment, one that was free of scandal and sensationalist reports. Overt respect for children’s rights was, therefore, part of the industry strategy to maintain legitimacy and social license. These factors provided a strong argument that all oil palm (and palm oil) companies had to act with full regard to stakeholder concerns and with high levels of due diligence to avoid creating human rights and other harms.

Despite awareness of this need, our interviewees were of the view that the responsibility to act with due diligence was often obscure, compliance enforcement was weak, NGO pressure was often minimal, and the appropriate behavior was not always evident. The companies we examined struggled to understand their responsibilities, often suggesting it was the government’s role to protect and promote children’s rights, not their role.

Reflecting on this issue, it seems that the following points need to be developed further in the field of business and human rights. First, there needs to be greater clarification of the corporate responsibility to respect human rights and the government’s duty to protect and promote human rights, especially when in relation to essential public services. Second, the
circumstances under which oil palm plantation companies should or might play an active or lead role in community development need to be clearer [107].

7.3. Contradictory Objectives within Companies

Our interviewees suggested that ensuring respect for the rights of children was often a daily struggle between different groups within a company, often leading to conflict between the operations staff and the sustainability staff. We were told that operations teams generally consider it to be their task to establish and manage plantations so that they achieved quality standards, cost targets, and market demands. The sustainability teams are usually responsible for developing and implementing various sustainability programs, including respect for children’s rights. These teams often experienced tension in implementing their contrasting responsibilities, due to the differing underlying rationales. The sustainability teams generally believe in an integrative logic that regards the economic, social, and environmental dimensions of sustainability as being of equal importance. They believe that simultaneously pursuing performance in all three areas is crucial, even though they may not always align. The operations teams, however, adopt an instrumentalist logic or business case thinking in which profit maximization was prioritized, even if it was only achieved when social and environmental concerns were also addressed. The operations teams tend to avoid situations where conflict is created, or where the environmental and/or social dimensions cannot be aligned with the economic dimension.

It seems that tension is generated by company efforts to balance between: (1) the interests of the company and its shareholders with the interests of local communities; and (2) the company’s short-term versus long-term goals, e.g., between profit-maximization and sustainability. This suggests that a sustainability transition—i.e., the fundamental social change necessary to address societal challenges—is something that must occur at the company level, as well as at the global level [108]. The tensions were perhaps most experienced by the operations teams, as revealed by the operations manager who joined the interview with the company representative. He stated: “Often we felt torn between our two tasks, which are: we must go to the field to ensure that production meets its targets, but we often also have to attend meetings with the Sustainability team to discuss sustainability issues”. He implied that there was not enough time to deal with all the demands.

Some companies used a ‘trade-off approach’ to cope with these tensions, meaning that the company was willing to experience a loss in the short term, as long as they would achieve social and environmental improvements that would benefit them in the future [109,110]. Given the impossibility of companies meeting all performance dimensions at the same time [111], some companies in our study struggled to balance profit and sustainability objectives. However, the sustainability staff member we interviewed suggested that there was no tension: “We are courageous enough to spend a large amount of money to ensure our oil palm meets the international standards for sustainable palm oil. We realize that the global market will pay higher prices for sustainable palm oil”.

Our interviews suggested that company acceptance of a trade-off strategy was influenced by the company experiencing one of the following situations: (1) the company received a grievance from an NGO or a complaint from a regulator that had the potential to result in the banning of their palm oil; (2) the company itself realized that a compromise between profit and sustainability was inevitable; and (3) the company came to the awareness that, by being a member of RSPO, their products will be more acceptable in the global market and that their long term survival was more likely.

To address the issue of contradictory objectives, we suggest that companies should: (1) acknowledge the presence of sustainability tensions; (2) be aware of the situations in which sustainability tensions might arise; (3) become more aware of the need to consider the perspectives of other actors—such as international and national NGOs, certification bodies, local government, local communities, and even the diverse views of shareholders and consumers—including by, for example, developing interactive communication mechanisms, dialogues, cooperation arrangements or partnerships with them; (4) for all investments
carefully consider what social and environmental impacts will be created and how they will be mitigated; (5) only proceed with investments where there are positive benefits to local communities and no significant harms; and (6) adopt a philosophy of shared value, with a strong commitment to improving social value in local communities [112].

7.4. Complexities around Children in the Workplace

Because of the considerable attention given to the issue of child labor, all 12 companies had ‘no child labor’ policies. However, despite these policies, Indonesian law, and the RSPO Principles and Criteria, we were told that there were still cases of children helping their parents in the plantations. Our interviewees indicated that some children were working almost as much as adult workers, while others worked sporadically after school and during school holidays by helping their parents to collect loose palm fruit from the ground. This has also be noted by others [5–7].

The prevention and eradication of child labor (and excessive light work) is complex [80]. In our study, several drivers of child labor (or at least of children helping out on plantations) were evident. The first was the lack of access to schools, play areas, daycare, and after-school care facilities, especially in rural areas. Rather than leave their children alone at home unsupervised, and to encourage their children to be productive with their time, many parents would bring their children to the plantations, often getting them to ‘help out’, which strictly speaking is not child labor. Consequently, having adequate facilities near plantations is crucial in order to meet children’s rights in relation to education, play and recreation, and to ensure that children are safe while parents are working.

The second driver is related to local custom. In many rural communities, especially those that depend on subsistence agriculture, cultural norms encourage children to help their parents by contributing to family income [113]. This act of children helping their parents has been practiced for generations in small-scale agriculture dominated countries, such as Indonesia [114,115]. Parents tend to consider that this is part of the inter-generational transfer of technical skills, socialization skills, and traditions [114,116]. Thus, from the local community perspective, it is common and even desirable for children to help their parents, especially when family income is low. The implication of this is that wages to parents must be adequate (i.e., a living wage) so that there is no pressure on children to contribute to household income.

The third driver was the lack of parental awareness of the potential adverse impacts of their work environment, specifically plantations, on children. Some parents were unaware of the risks of hazardous chemicals, dangerous equipment, or injury from children carrying heavy loads. This was exacerbated by the fact that children worked without proper safety equipment when they collected or handled palm fruit. Clearly, plantations need to provide information and awareness training to parents and community members about these risks.

A fourth driver was the lack of strong prohibition and monitoring of children working on plantations. While all companies explicitly did not accept children on the plantations, it was clear that this was not being vigorously enforced. Companies need to be more serious about their monitoring of activities on plantations, and certification bodies (e.g., RSPO auditors) need to ensure that they check company procedures for monitoring the presence of children on plantations.

Finally, it was suggested that some companies did not take sufficient measures to ensure that there was no child labor in their supply chains. Most companies had inadequate mechanisms or knowledge or how to monitor for the presence of child labor in their supply chains. Clearly, there needs to be assistance provided to companies to assist them in this task.

Amnesty International [5] identified the root causes of child labor as being: (1) the low minimum wage for workers in Indonesia; (2) the use of performance targets in determining the amount of pay; and (3) the use of penalties when workers do not reach the daily target. Each of these issues encourages children to work on plantations. Unless these root causes
are addressed, it is likely that there will always be an incentive for child labor, or at least excessive levels of light work, to occur.

8. Conclusions

Children are ignored and largely invisible in industry and society generally [18,62,99], which arguably makes them the most vulnerable of all people [117]. In the same way that there is a human rights based approach (or lens) [23,118] and a gender lens [42,119,120], so too must a children’s rights perspective or lens [121] be taken in the assessments of companies, projects, activities, and products. Although human rights apply to human beings of all age groups, children have special rights because of their particular nature, needs, and vulnerabilities. Children are more vulnerable than adults because the environmental and social impacts of projects (e.g., plantation activities) are likely to disproportionately affect the lives of children, especially their ability to develop physically, mentally, spiritually, morally, psychologically, and socially to their full potential and their ability to enjoy the highest attainable standard of health. Thus, the rights of children are at greater risk of being neglected or violated by companies. Like all companies, oil palm companies have generally failed to adequately consider children’s rights and have failed to address the adverse impacts of their business activities on children [1,9,17,48].

In our research with 12 oil palm companies in Indonesia, there was some awareness about the importance of respecting children’s rights. However, this would be expected given that each company had participated in a children’s rights awareness program. However, the attention they accorded to children’s rights primarily related to their view that consideration of children rights was beneficial to them as companies. Thus, their commitment depended on the strength of the business case rather than on any intrinsic respect for children’s rights. We identified that, from a child rights’ perspective, there were many issues of concern that should be addressed by oil palm companies. In their implementation of actions in relation to those issues, companies reveal the extent of their commitment to respect children’s rights. It was evident, that much more needed to be done for there to be full respect for children’s rights.

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