

EPCH's Additional Comments- EO List

1. The Export Promotion Council for Handicrafts (EPCH) thanks the United States Department of Labor for this opportunity to provide additional comments regarding the inclusion of Embroidered Textiles (Zari) exports from India, under the EO list due to an apprehension that such textiles could be produced by forced or child labor.
2. EPCH under the aegis of Development Commissioner (Handicrafts), Ministry of Textiles, Government of India is a non-profit organization, established under the Export-Import (EXIM) policy of Government of India in the year 1986-87. It has created necessary infrastructure as well as marketing and information facilities, which are availed both by the member exporters and importers. EPCH is engaged in promotion of handicrafts from India.
3. This submission provides further details of government action and industry initiatives to tackle this problem. It also provides details of the recent recognition by international agencies like UNICEF and UNHCR of the efforts and accomplishments.

TWO-PRONGED STRATEGY TO DEAL WITH CHILD LABOR IN INDIA:

4. While EPCH would like to reiterate it's earlier submission that exporters of Embroidered Textiles (Zari) from India strictly adhere to the international norms and obligations in the production process of these products it would also like to share with the US Department of Labor the approach of the Government of India and export industry in pushing for an elimination of child labor in India in some very unorganized sectors at the rural level and the progress achieved over the years.

EPCH'S EFFORTS TO CHECK CHILD AND FORCED LABOUR

5. EPCH has over 6000 members producing handicrafts for export and domestic consumption. In the year 2008-2009, Zari exports were a mere 2% of the total

handicraft exports. However, it shall be noted that the United States was the largest buyer of Zari products in the said period. Zari and zari products worth Rs. 46.5 Crores (approximately US\$ 11 million) were exported to the United States, totaling 26.5% of the total zari exports. EPCH has noted that there has been a decrease of such imports through market forces in the past financial year up to 56%. Restrictive trade sanctions through inclusion of zari products in the EO List will hamper the industry with no valid cause.

6. **Advocacy by EPCH:** EPCH has since inception also advocated strict social responsibility norms for its members. The Council conducted 7 Seminars for its members in 2009 enumerating the common future vision to preserve and promote the industry. It was mandated that exploitation of child labour in the factories would be dealt firmly. It was also declared in the seminar that if any manufacturer or exporter is found enforcing child labour for the production of their goods than their products would not be allowed to be exported or sold in the market.

Buyers Audit Indian Exporters on Social Compliance:

7. Further, buyers of products from EPCH members also ensure that all international norms are fully met and they audit the Indian exporters to ensure they meet with the international obligations. Nearly every EPCH Member supplies goods to international buyers who are members of either the Supplier Ethical Data Exchange (SEDEX) or the Worldwide Responsible Apparel Production (WRAP) program.
8. Being a supplier to organizations that are affiliated to these not for profit organizations means that there is a specific need to meet the international obligations on social compliance. This, therefore, ensures that Indian exporters meet with all obligations that are in line with the policies in the country of export.

9. Besides selling to buyers who are affiliated to WRAP, certain EPCH Zari Manufacturer-Exporters are also affiliated to WRAP, which is a not-for-profit organization dedicated to promoting ethical, humane, and lawful conditions and practices in manufacturing facilities all around the world.
10. The WRAP program is the world's largest facility certification program mainly focused on the apparel, footwear and sewn products sectors. Facilities receive a certification of six months to one year based on compliance with the 12 WRAP Principles. The Principles are based on generally accepted international workplace standards, local laws and workplace regulations which encompass human resources management, health and safety, environmental practices, and legal compliance including import/export and customs compliance and security standards. WRAP mandates the prohibition of forced and child labor.
11. SEDEX is a not-for-profit organisation based in the UK, open for membership to any company anywhere in the world. SEDEX is a membership organisation for businesses committed to continuous improvement of the ethical performance of their supply chains. SEDEX enables member companies to efficiently manage the ethical and responsible practices of their global supply chains, generating transparency through the provision of a data exchange.
12. SEDEX Membership mandates that the suppliers to such buyers enforce ethical norms of production and undergo mandatory audits to ensure the same. SEDEX has over 375 members, inclusive of subsidiary brands of primary buyers. SEDEX promotes ethical functioning for suppliers as a mandate for buyers to ensure that only best practices for production are promoted and consumers are confident of not purchasing exploitative products.

13. The SEDEX Members Ethical Trade Audit (SMETA) Best Practice Guidance, 2009 prescribes detailed requirements for suppliers to fulfill regarding child and forced labour. The Guidelines make it imperative that there shall be no recruitment of child labour; companies shall develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child and children and young persons under 18 shall not be employed at night or in hazardous conditions.

14. The audits undertaken for SEDEX Members are comprehensive and the auditors ensure, amongst other things, that:

- He clearly states the law of the country/region in respect of this issue
- He checks system for checking workers' ages. This is systematic and documentary evidence is retained, such as copies of original ID cards or other evidence that has been produced. The evidence produced will vary from country to country and wherever possible should be cross-referenced to an independent source. The facility management should also be questioned to check whether they are aware of how to check for fraudulent documents.
- He checks records of hirings and terminations for the previous 12 month period to see whether there is a pattern of young workers being sacked in the run-up to the audit.
- Particular attention is paid to any training schemes in operation. Conditions relating to these are clearly stated and where such systems exist, registration with local authorities is cross-checked. Where workers are under age, contracts are verified, if they have been signed by a parent or guardian.

- Workers selected for interview are questioned about the company's policy concerning employing children and young workers to ensure that there is a clear communication on this topic.
- Workers who look particularly young are prioritised for interview.
- It is important for the auditor to err on the side of caution and assume that a young-looking worker is a child, until verifiable evidence to the contrary is provided. This may involve reviewing age documents of the child and verifying that they are genuine.

Indian Industry Meets Social Obligations:

15. The Indian export industry is mandatorily complying with these stringent checks to ensure that exports are not hampered and international buyers and subsequent consumers do not have cause to raise concern regarding the workers producing the goods.

16. Instances of child labor in handicrafts used in the domestic industry are also becoming rare with NGO's and enforcement agencies remaining vigilant and government continuously educating people on the need to eradicate this problem.

17. Even in stray cases, enforcement agencies take prompt action to ensure children rescued from bonded are not forced into the same milieu.

18. The United States Department of Labor relied upon media coverage of stray incidents in the domestic industry. EPCH ensures that none of its Members indulge in such unfair and unethical manufacturing practices that can have an adverse effect on the entire industry and therefore on the millions employed.

BACKGROUND TO CHILD LABOR IN INDIA OVER THE DECADES:

19. There are a number of factors that could make children vulnerable to trafficking for labour. Some of these are at the family level and some others at the community or society level. While at the family level, the major push factors are poverty, illiteracy, dysfunctional family life, under-employment and a lack of income-generating opportunities for families, those at the community or society level are a general apathy or tolerance towards exploitative forms of child labour, lack of community support and social vulnerabilities.

INDIAN RESPONSE TO THIS PROBLEM OVER YEARS:

20. Considering the complexity of the problem, the Indian government and Industry has worked out a comprehensive multi-pronged approach to this problem. This covers not only the educational rehabilitation of these children to prevent them from entering and re-entering such exploitative labour situations but also various socio-economic causal factors such as poverty, illiteracy, lack of awareness etc.

21. The measures adopted include economically empowering the families by covering them under various schemes of the Government, community mobilization and attitudinal changes through awareness generation, creation of suitable rehabilitation infrastructure, backed by unambiguous legislative provisions against offenders and stronger enforcement.

GOVERNMENT EFFORTS OVER AND ABOVE THOSE LISTED IN THE FIRST SUBMISSION:

22. The National Policy on Child Labour enunciated in 1987 laid down the following action plan for tackling the problem of child labour:

- A legislative action plan

- Focusing and convergence of general development programmes for benefiting children wherever possible, and
- Project-based plan of action for launching of projects for the welfare of working children in areas of high concentration of child labour

23. Based on the above, Government had initiated the National Child Labour Project (NCLP) Scheme in 1988 to rehabilitate working children in 13 child labour endemic districts of the country. Its coverage has been increased progressively since then to 250 districts in the country in the 10th Five Year Plan (2002-2007). The five year plans prepared by the Planning Commission of India sets the agenda on various issues related to development and growth for the country. The Government plans to cover all the districts of the country in which there is an incidence of child labour during the 11th Five Year Plan (2007-2012).

24. Giving due consideration to the specific needs of the migrant child labour, one of the proposals given for the 11th Plan includes a provision of residential schools in the metropolises and other big cities under the NCLP Scheme, children are withdrawn from work and put into special schools, where they are provided with bridging education, vocational training, mid-day meals, a stipend of Rs. 100 per month, health-care facilities etc. Under the Scheme, funds are given to the District Collectors for running special schools for child labour.

25. To ensure greater reach combined with full accountability, many of these schools are run by NGOs in the district. Linking the child labour elimination efforts with the Scheme of Sarva Shiksha Abhiyan (SSA) of the Ministry of Human Resource Development, Government of India, efforts are made to ensure that children in the age group of 5-8 years get directly admitted to regular schools and that the older working children are mainstreamed to the formal education system through special schools functioning under the NCLP Scheme.

26. By 2008 there were 8,887 NCLP schools being run in the country with an enrolment of 3.4 lakhs children and 4.5 lakhs working children already been mainstreamed to regular education under the NCLP Scheme. It is a challenge to retain the rescued child laborers in such schools. Due to reasons ranging from economic and financial adversity some children do not always complete their stints at the NCLP schools.
27. The Protocol on Prevention, Rescue, Repatriation and Rehabilitation of Trafficked & Migrant Child Labour (The Protocol) was issued by the Ministry of Labor and Employment in May 2008 to guide state and district-level authorities and NGOs, and expand the central government's list of occupations that are banned from employing children. The Protocol provides steps to be taken by designated agencies to collect information on instances of child labor and prepare for rescue operations. It also states the basic orientation required for preparation for such operations and immediate steps required post-rescue. The Rescue Team consists of a) The Department of Labour; b) The Police; c) The Municipal Corporation or the local self government like the Zilla Parishad, panchayats etc, as the case maybe; d) Social Welfare Officer/Probation Officer/DM's nominee/CWCs; and e) NGOs, social organizations, trade unions or other responsible citizens; f) Doctor with first aid kit, and g) Lady Police/volunteers when rescuing girls. The Protocol is sensitive to the conditions in which such child labor may be made to perform and assures that rescued children are not harmed during the operation.
28. After successful completion of the rescue operations the children undergo a medical examination and a fresh investigation commences to source their families and homes. These rescued children are produced before the Child Welfare Committee (CWC) and given temporary shelter before they are transported and restored to their families. Rehabilitation of such rescued children is the responsibility of the District Collector to ensure that they are not sent back to the exploitative employers. The

Protocol lists how various agencies like the police, the department of labor and employment, education department and municipal authorities are jointly and severely responsible for the rehabilitation and restoration of the rescued children.

ENFORCEMENT & FOLLOW UP:

29. Various NGO's keep track of the rescued children in schools and maintain reports on their progress. If any child goes missing and his or her absence in school is taken cognizance of and these NGO's track those to reinstate them 'back2school' in the rehabilitation schemes.

30. For example, in the State of Tamil Nadu, members of an NGO called the Village Volunteer Force go around villages and collect data about missing students from classrooms. The volunteers find out reasons from the school and families, and this information is keyed in at the taluk computer centres. Through the Tamil Nadu State Area Network the data is made available to the district administration. The Collector then takes action to solve the problem. The 'back2school' software links all departments concerned such as the tahsildar's office, the district police and administration. Similar programmes are present in other states in the country. **Such efforts are recognized by the UNICEF Child Protection Programs in India.**

INTERNATIONAL AGENCIES RECOGNIZE INDIA'S PROGRESS:

31. The 2009 UNHCR Report (prepared by the US Department of State) also recognizes these efforts by noting, "Indian government authorities made significant progress in law enforcement efforts against sex trafficking and forced child labor during the year.....,.. India also prohibits bonded and forced labor through the Bonded Labor

(Abolition) Act of 1976, the Child Labor (Prohibition and Regulation) Act of 1986, and the Juvenile Justice Act of 1986.”¹

32. Further, in its State of the World’s Children Report 2009, UNICEF points out that the number of children enrolled in primary school, regardless of age, expressed as a percentage of the total number of children of official primary school age for males is 90% and for females is 87%.²

CONCLUSION:

33. The strong system of checking incidents of child labour is successful and ensures that this social evil is laid to rest in the coming age. India is committed to match world standards in health and education. International traders, like the garment exporters, are also devoted to supply legitimate products to the world buyers.

34. We would, therefore, request the US Department of Labor to remove Zari from the EO list so that Indian exporters who follow all international obligations and submit to norms set by international buyers through an audit system are not hurt.

¹ United States Department of State, *Trafficking in Persons Report 2009 - India*, 16 June 2009, available at <http://www.unhcr.org/refworld/docid/4a4214b4c.html>

² UNICEF The State Of The World’s Children Report 2009, available at <http://www.unicef.org/sowc09/docs/SOWC09-FullReport-EN.pdf>