

# Wilmar Supplier Workshop

Implementing Wilmar's Child Protection Policy

Summary Report | Jakarta, Indonesia

25 November 2019



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# Overview

- 70 persons from supplier companies, government, trade unions, and civil society participated in the workshop which was held at the Westin Hotel, Jakarta on November 25<sup>th</sup>, 2019.
- Based on feedback received, participants would like to continue the dialogue on child protection, learn more through real life interactive case studies and explore more in-depth child protection related issues. A summary of participant feedback has been included for reference.

# Agenda

Time	Activity	Lead
08:30 - 09:00	Arrival and registration	
09:00 - 09:10	Welcome and Opening Remarks	Berta Melissa, Director of Trade, Wilmar International
09:10 - 09:30	Indonesian Child Protection Commission (KPAI) Aligning regulatory frameworks with international good practice to improve the situation for working parents and their children	Putu Elvina, Commissioner of Indonesian Child Protection Commission (KPAI)
09:30 - 10:10	Wilmar Why is child protection important?	Erlina Panitri, Head of Human Capital, Wilmar International
10:10 - 11:00	Business for Social Responsibility (BSR) An Introduction and overview of Wilmar's Child Protection Implementation Manual	Rosa Kusbiantoro (Associate Director), Kelly Scott (Human Rights Manager), Cynthia Wang (Associate)
11:00 - 11:15	Break	
11:15 - 11:45	Indonesian Palm Oil Association (GAPKI) Ensuring a child-friendly Indonesian palm oil industry (Sawit Indonesia Ramah Anak)	Sumarjono Saragih, GAPKI Head of Labor Sector
11:45 - 12:15	Indonesia Oil Palm Labour Union Network (JAPBUSI) Preventing child labour by promoting palm oil industry	Nursanna Marpaung, Executive Secretary of JAPBUSI
12:15 - 12:45	Q & A	
12:45 - 14:00	Lunch	
14:00 - 14:20	Developing Guidance on Child Rights for Palm Oil Companies	Joint presentation: Abi Ismarrahman (Senior Programme Manager, Proforest); Siti (Riri) Octrina Malikah (Project Coordinator, CCR CSR Indonesia)
14:20 - 15:00	Improving responsible business practices: Wilmar's Journey	Sandra Yossi, Wilmar Indonesia Lead on Women and Children's Issues
15:00 - 15:30	Break	
15:30 - 16:30	Group work/Breakout Session: Developing a child labour remediation plan	Facilitated by BSR: Rosa Kusbiantoro, Kelly Scott and Cynthia Wang
16:45 - 17:00	Closing remarks and next steps	Wilmar

# CHILDREN'S RIGHTS

## Wilmar Supplier Workshop: Implementing Wilmar's Child Protection Policy

Westin Hotel, 25 November 2019



## Opening Remarks from Wilmar International

Presenter: Berta Melissa, Director of Trade, Wilmar International

# Opening Remarks from Wilmar International

1. Child protection is a very important issue for Wilmar – not just in its operations but also within its supply chains. Wilmar takes this issue very seriously especially since 2017, when its Child Protection Policy was introduced. There are also other issues to consider including working hours and wages for working parents which will be addressed by external speakers from KPAI and GAPKI for example.
2. This workshop will also highlight child protection laws and regulations as well as shared perspectives on child protection from various stakeholders.
3. According to UNICEF, child labour is a key child protection issue that is most predominant in the agricultural sector, however other issues remain important. Because Indonesia is the largest palm oil producer, it is necessary to be aware of child labour – it's root causes, key risks and impacts in order to prevent child exploitation and ensure their safety and wellbeing.
4. In Indonesia, child labour is still common especially in the context of children helping their parents. This is, however, less common in developed countries.
5. Facts on the ground show that children often follow their mothers working in the plantation.





## **Aligning regulatory frameworks with international good practice to improve the situation for working parents and their children**

Presenter: Putu Elvina, Commissioner of Indonesian Child Protection Commission (KPAI)

# Government: KPAI (1/2)

## Presentation: Aligning regulatory frameworks with international good practice to improve the situation for working parents and their children

1. Today's theme is extraordinary because child labor is a theme that is 'not sexy' – even the government considers it as a “stepchild” (i.e. not a priority). There is an expectation that Wilmar will be a driving force for child protection, especially in Indonesia's palm oil sector.
2. Commitment to child protection will become mainstream in the palm oil industry – this is inevitable. Not engaging palm oil businesses in this issue will not benefit children. If this happens, our work will be in vain. Therefore, this is an opportunity to develop together, including children. Our inputs to suppliers would be for them to develop child protection policies in their areas of influence.
3. KPAI is an independent state institution that provides input and advice not only directly to the president, but also to government ministers and companies.
4. KPAI was established under Law 23 of 2002 of Child Protection. Under Article 76, the tasks of KPAI are as follows: a) Supervise the implementation of policies related to the protection and fulfillment of children's rights; b) Provide input and advice in the formulation of policies regarding the implementation of Child Protection Policies; c) Collect data and information on Child Protection; d) Receive and examine community complaints about violations of children's rights; e) Mediate disputes concerning violations of the rights of the child; f) Cooperating with institutions formed by the community in the field of Child Protection; and g) Provide reports to the authorities regarding alleged violations of this Law.
5. KPAI cooperates with many parties, for instance:
  - a. KPAI collaborates with AGC (Artisanal Gold Council) Canada to collect data about artisanal mining in Sulawesi. Lack of data means there are no policies related to child labor in artisanal mining and the dangers of mercury for children.
  - b. Community complaints regarding children in Indonesia's palm oil industry are very numerous. For example, the “lollipop candy” case, where a manager of an oil palm plantation abused children, and apparently was related to international pedophiles. The company thought it was an issue separate to the company – this perspective is wrong. KPAI cooperated with the Indonesian Police Headquarters and US Intelligence on this case.
  - c. KPAI also mediates disputes such as the case in Tangerang against children working in firecrackers factories.



## Government: KPAI (2/2)

### **Presentation cont'd: Aligning regulatory frameworks with international good practice to improve the situation for working parents and their children (cont.)**

6. Respect for children's rights is important because (1) companies need to go beyond philanthropy, and CSR programs can be used to raise awareness on this issue; (2) children are stakeholders, and empowerment is not only for workers, but also the surrounding communities; (3) protection of children's rights, as a positive measure from a company, will build the company's reputation.
7. There are 3 areas of intervention in the 10 principles in the Children's Rights and Business Principles, namely (1) workplace; (2) marketplace; (3) community and environment (the last is an area where Indonesia is still lacking).
8. The definition of a child is anyone under 18 years old, including (in-utero) fetus still in the womb. The difference between working children and child labor is that the rights of working children are still fulfilled, for example they are still going to school. Child labour deprives children of such opportunities such as education.
9. Solution steps: (1) strengthen child protection guidelines; (2) strengthen existing frameworks (3) improve coordination with stakeholders.
10. KPAI suggestions for Wilmar and its suppliers:
  - a. Encourage the formulation of supportive company regulations and ensure suppliers do the same, and cooperate only with companies that have the same commitment;
  - b. Formulate and identify supply chains and areas where child labour is most prevalent;
  - c. Address child labour in deeper supply chains;
  - d. Strengthen advocacy in accordance with relevant ILO Conventions.



# Why is child protection important?

Presenter: Erlina Panitri, Head of Human Capital, Wilmar International

# Wilmar International

## Presentation: Why is child protection important?

1. Within Wilmar, the Human Resources department is responsible for children's rights. This includes not only the children of employees, but also all children connected to the company businesses, as stated in HR Sustainability. Wilmar's businesses span from upstream to downstream, and plantations to mills, so it is important to ensure that all children are protected.
2. In accordance with Wilmar's Child Protection Policy, Wilmar ensures that there no child exploitation and zero tolerance for child labour, operating by the principle "What's best for children is best for business."
3. Wilmar's Child Protection Policy is also applicable to suppliers and contractors, who are obliged to adhere to the guidelines.
4. The roles of Wilmar in protecting children are:
  - a. Forming committees to improve children's lives and ensure they have a decent life, including issues related to wages, childcare, school facilities and transportation to school, and non-smoking areas within the school environment;
  - b. Guarantees providing childbirth and health facilities, integrating health posts (posyandu), drinking water, and sanitation;
  - c. Providing opportunities for child development, guaranteeing their ability to play, to access education, receive child-friendly treatment, good childcare, and birthing facilities for mothers;
  - d. Ensuring protection through socialization of policies prohibiting employing children to all stakeholders;
  - e. Ensuring the right of children to participate etc.
5. There are an estimated 10,000 children aged 4-16 years old in Wilmar's operations (including plantations) whose education must be ensured. About 56.9% of these children go to schools provided by Wilmar.





# **An Introduction and overview of Wilmar's Child Protection Implementation Manual**

Presenters: Rosa Kusbiantoro  
(Associate Director), Kelly Scott (Human  
Rights Manager), Cynthia Wang  
(Associate), BSR

# Child Protection Manual – Q&A Session (1/2)

## Questions

### 1. Question & comments from ILO:

- a. Respect for children's rights can be addressed in the following categories into (1) Responsible Sourcing (different aspects for the fulfillment of children's rights); (2) Responsible Recruitment (preventing child labor); and (3) Responsible Business Practice. These three areas need to be clearly differentiated, which parts are of Wilmar's internal obligations and which parts must be fulfilled by suppliers? It needs to be clear how respect of children rights can be achieved in these three areas and how Wilmar can get support from the authorities. In the manual there are 3. It needs to be clarified which process is carried out in general, and which is specifically related to child labor.
- b. Remediation is a good process, however it needs to involve other related parties, such as the authorities or the Manpower Ministry. If there are things beyond the ability of the company, then where should the company turn to? For example, if there is an orphan, how can the child still have a fulfilling life?

## Responses

### Feedback from Wilmar:

1. Those inputs have been, in principle, prepared in accordance to human rights and ILO rules. Action on the ground needs a lot of improvement. The HR Division will ensure that it is resolved, including the recruitment process, so that it does not violate it.
2. If there are no guidelines, Wilmar could make a special policy. For example, there was a case where a couple, who worked for the company, died and they had 3 children who were still of school age. The family were migrants. Wilmar made a special policy so that all the children could still live in plantation housing with their school fees paid by Wilmar, even though there were at the time no rules or guidelines yet for this case.
3. Regarding recruitment, Wilmar ensures that there is no recruitment of children in its operations. There is already an operational guideline and a punishment system related to this.
4. Preventive steps: The HR and sustainability team conduct data collection to make sure that the treatment is right. These include, for example updating school children's data and how many children are in housing and daycare. Operational guidelines will need to be more detailed and robust
5. This workshop invites all of Wilmar partners to develop solutions to the concerns above. However, before a business partner implements this policy, Wilmar must implement it first. Child protection is not just mandatory, but a part of the business that must be implemented.
6. Wilmar encourages remediation with relevant local parties involved, so that central and regional mechanisms will be created, for example, together with the social or education offices. Partners are expected to design remediation plans in collaboration with relevant parties.



# Child Protection Manual – Q&A Session (2/2)

## Questions

### 2. Question from participant:

- a. In the plantation, there was a case where a child was married and needed to work to support his family. What would compensation and remediation look like for this case?

## Response

### Feedback from Wilmar:

1. This is very factual and does occur in some plantations. It's become part of the culture, which is used as a reason to allow them to be accepted to work. There is local wisdom involved, so this problem needs to be handled properly, because it could potentially create social conflict. Wilmar policy doesn't allow child labor, there is no compromise there. This policy needs to be socialized. It is important to be firm in recruitment however, the community also needs to be approached to explain about the policy.

### Feedback from BSR:

1. There are no easy solutions to this. Child marriage is a serious child protection issue and is a wider societal problem that should not only be addressed by a number of stakeholders but should also be tackled by changing social attitudes towards this practice. While Wilmar's policy is to not employ anyone under the age of 18, perhaps Wilmar could consider providing opportunities to such employees who are by law classified as 'young workers' if they are aged between 15-17. Businesses could also work with other key stakeholders to advocate for stronger protections for children who are subjected to child marriage.



## **Ensuring a child-friendly Indonesian palm oil industry (Sawit Indonesia Ramah Anak)**

Presenter: Sumarjono Saragih, GAPKI Head of Labour Section

# Industry Association: GAPKI

## **Presentation: Ensuring a child-friendly Indonesian palm oil industry (Sawit Indonesia Ramah Anak)**

1. GAPKI recognized Wilmar as one of its most progressive partners and hopes that other companies will also be open to supporting its efforts. It was noted that Wilmar supported the placement of the Head of Women Protection and Child Labor at GAPKI.
2. In Indonesia, about 58% of palm oil plantations are controlled by about 3,500 companies. Around 31% of these, 750 companies, are GAPKI members.
3. If there are cases of child labour on palm oil plantations, the solution is law enforcement. GAPKI's job is to ensure that farmers are aware of child protection laws. One of the allegations is that parents exploit children because of economic and educational reasons.
4. According to a study conducted by ILO in 2015, GAPKI proposed the need to provide special facilities for mothers and children.
5. GAPKI can help by communicating and conducting outreach to workers to ensure that there is no child labour. It is also hoped that Wilmar will help GAPKI to conduct child labor campaign.
6. GAPKI reported that they recently met with the Minister of Manpower, who has a "child-friendly city" program and a road map towards a child labour-free Indonesia in 2022. GAPKI has not been involved before. GAPKI also met with the Director of Supervision of Mother and Child Workers at the Ministry of Manpower, who apparently did not know much about palm oil. They agreed to create "a child-friendly palm oil village" program, with a pilot project to be carried out in Banyuasin district in Sumatra.





## Preventing Child Labour by Promoting the Palm Oil Industry

Presenter: Nursanna Marpaung, Executive Secretary of Indonesia Palm Oil Labour Unions Network (JAPBUSI)

# Union: JAPBUSI

## Presentation: Preventing Child Labour by Promoting the Palm Oil Industry

1. JAPBUSI has approximately 2 million palm oil workers as members.
2. JAPBUSI encourages social dialogue, starting with bipartite dialogues.
3. Several factors that cause child labour in oil palm include:
  - a. High targets for workers that ultimately involve family members to achieve them (Dialogues with some companies have resulted in willingness to reduce work targets);
  - b. Economic factors to increase family income;
  - c. Recruitment by other partners, for example when it is high season, workers are brought in from other places.
4. Wilmar made a collective labour agreement (PKB) with union management by creating a guidebook and monitoring system on a bipartite level.
5. JAPBUSI also encourages tripartite dialogues on the following: (1) Promoting the prohibition of child labour for palm oil companies; (2) Arranging funds or providing a mechanism for monitoring the prohibition of child labour in palm oil areas; (3) Providing firm action for companies that still employ children.
6. Conduct dialogue with KPAI by raising awareness and recommendations for related workers: the rights of children, child labour and its impact on children.
7. JAPBUSI is currently still weak in involving companies to conduct socialization, so it is important to work with other organizations, for example GAPKI. Building dialogue can be difficult because sometimes company management don't welcome such dialogue.
8. Companies can benefit from being free from child labour by: (1) increasing the sales value of CPO products in the international market and expanding access; (2) increasing the credibility of palm oil companies in the public eye; and (3) increasing the trust of local communities and prevent conflicts.



# Developing Guidance on Child Rights for Palm Oil Companies

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Joint presentation:

- Abi Ismarrahman (Senior Programme Manager, Proforest)
- Siti (Riri) Octrina Malikah (Project Coordinator, CCR CSR Indonesia)



# Joint Presentation: Proforest and CCR CSR Indonesia

## Presentation: Developing Guidance on Child Rights for Palm Oil Companies

1. The CCR CSR head office is based in Hong Kong and operates in 11 countries. It is currently running the RSPO program. Riri is the project coordinator for Indonesia
2. Proforest is an organization based in Oxford, UK, operating in 3 regions: Latin America, Africa and Southeast Asia. Indonesia is managed under the Kuala Lumpur office. Proforest is a consulting agency on forestry and agriculture.
3. At present CCR CSR and Proforest are developing 4 sets of guidelines for RSPO, including one on children's rights.
4. They are creating a series of RSPO guidance on the following: (1) Child rights guidance for producers or growers; (2) Manufacturers (3) Certification bodies/ Auditors; (4) Smallholders and management. This series of guidance will cover many stakeholders' concerns, from upstream to downstream.
5. There are 7 impact areas, not limited to child labour, that also go beyond compliance issues. The initial stage for the writing process will commence in November. The stakeholder interviews and consultation will begin thereafter.
6. This guidance is expected to be finalized on December 2019 or January 2020, so that by the end of 2020, these four guidance will be complete.
7. The public consultation will be held in February 2020 (RSPO members only)
8. Stakeholder interviews include questions such as challenges and opportunities for palm oil producers related to children's rights, good practices in terms of providing school facilities, professional teachers etc.
9. Wilmar's Child Protection Implementation Manual will be aligned with the RSPO guidance but both documents have a different scope. The Manual is only focused on Indonesian suppliers while the RSPO guidance will focus on broader geographies including Indonesia, Malaysia, Thailand, Colombia, and Nigeria. In January 2020, a public consultation will be conducted. There were about 10 RSPO members in attendance at the workshop, so they will receive the document when they are ready in 2020.



# Improving responsible business practices: Wilmar's Journey

Presenter: Sandra Yossi, Wilmar Indonesia's Lead on Women and Children's Issues



# Wilmar International

## Presentation: Improving responsible business practices: Wilmar's Journey

1. Wilmar's commitment is not only to children but also women and ensuring that workers are healthy, happy and safe by committing to and improving existing programmes.
2. Wilmar's journey started in 2008, by merely fulfilling RSPO policies and then finally forming the Women Steering Committee Group (WSCG) in 2019.
3. WCSG is a combination of Wilmar Indonesia and Malaysia. WCSG produces the Wilmar Charter or Women's Charter. The charter is also supported by Wilmar policies on NDPE, child protection, sexual harassment, violence, abuse reproductive rights, etc.
4. Specifically, Wilmar Indonesia's WCSG cooperates with HR so that everything is coordinated.
5. WCSG created a committee called Women's Working Group ("WoW") in every estate and mill that has annual and monthly programmes for children and women for school facilities, day care, women's reproductive health etc.
6. WoW activities include collecting administration data because there is a lack of children's data, analyzing data, and making statistical data (From 40 plantations, 89 daycares, 183 caregivers and 1,937 children). (\*Based on data of September 2019).
7. All of the following must be fulfilled in order for responsible business practices to be achieved: (1) Commitment at every level of employees; (2) Concern for children; (3) Safe and educational facilities; (4) Competent and educated human resources; and (5) Effective funding.
8. Homework for Wilmar: This program is still not evenly distributed in all estates and requires cooperation with suppliers for trainings related to child labour in their respective regions. This is something that Wilmar will be actively focusing on.

The background of the slide is a light gray surface covered with various hand-drawn icons. These include green smiley faces, orange neutral faces, red sad faces, and blue checkmarks inside squares. Some of these icons are slightly blurred, suggesting a shallow depth of field.

**Participant feedback**



# General Feedback

	Strongly disagree		Strongly agree			
	1	2	3	4	5	Total
This workshop was useful.	-	-	2	6	27	35
The information shared was easy to understand.	-	-	1	19	15	35

	Too short	Appropriate		Too long		
						Total
The duration of the workshop was appropriate.	3		29		2	34*

\* One respondent did not answer this question

# Participant Feedback

## Participants considered the most useful aspects of the workshop to be:

- “The opportunity to exchange ideas and motivate each other.”
- “Materials, case studies, and examples.”
- “An understanding of the focus of buyers on child protection issues.”
- “Each meeting is useful, especially when new issues introduced will become guidelines (for implementation) in the future.”
- “An understanding of current trends and regulations related to underage workers.”
- “Best management practices on child safeguarding.”
- “Interactive group discussions.”
- “Information on remediation.”
- “An understanding of the importance of socializing child protection & how to do this.”
- “An understanding of other companies’ policies.”
- “Explanations provided by relevant experts.”

# Participant Feedback

## **Participants provided feedback on areas for improvement for future workshops:**

- “More innovative ways to present materials.”
- “Improved translation.”
- “Workshop duration was too short.”
- “More group discussion.”
- “Case studies of real-life examples.”

## **Participants provided feedback on issues of interest for future workshops:**

- “Issues related to the employment of casual daily workers (buruh harian lepas).”
- “How to develop policies which are in alignment with international standards.”
- “How to protect the rights of disabled workers.”
- “Impacts and benefits on business.”
- “Worker welfare and insurance benefits.”
- “Other commitments related to sustainability.”
- “Good corporate governance (GCG).”
- “Follow up workshop on child protection.”
- “Traceability.”
- “Monitoring and evaluation.”
- “Supplier database.”
- “Contractors and subcontractors.”

# Appendix





BSR is a global nonprofit organization that works with its network of more than 250 member companies to build a just and sustainable world. From its offices in Asia, Europe, and North America, BSR develops sustainable business strategies and solutions through consulting, research, and cross-sector collaboration.



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