

Action against Child Exploitation

Annual Report

2018.09

2019.08

Certified- NPO ACE

2018/19

Annual Report

September 2018- August 2019

ACE
—児童労働のない未来へ—

Thank you for all your support!

With your support, ACE has been
working hard to protect children from hazardous labour
and ensure their access to quality education in Ghana, India and Japan.
We would all like to express our heartfelt gratitude.



Greetings!

Action against Child Exploitation
Annual Report 2018/19

We are in the midst ~ of a transition~

Thank you all for your support throughout 2018 to 2019. The word "transition" refers to the period of moving onto the next phase. While sometimes chaotic, transitions are a time when one thing ends and another begins, and ACE seems to be a part of a big transition. The initiative to set up a Child Labour Free Zone system in Ghana in collaboration with the Ghanaian government has created a form of collaboration among the government, companies, and NGOs to tackle the problem of child labour,

utilizing our respective past experiences and strengths. I think this is a great example of how ACE contributes to achieving the Sustainable Development Goals.

Personally, this year I am very grateful to have had the opportunity to serve as the Chair of the C20 (Civil 20), an annual gathering of civil society organizations from around the world, in conjunction with the Osaka G20 Summit. The G20 Summit was an important opportunity to sound the alarm on the widening disparities and

human rights violations in an economy-first society, to point out the structural issues that give rise to these problems, and to encourage governments to improve their approaches. In fact, I am also in the midst of a personal transition, having decided to move overseas in December 2019, and I hope that you will continue to support ACE as it moves with the wider context toward a new phase and further transforms into an organization that is fulfilling its purpose.



ACE President/Co-Founder
Yuka Iwatsuki

From *negai* (hope) ~ can arise change ~

In this past year we were able to push forward with several initiatives, moving with a sense of urgency to keep up with the changing social context. The C20 Summit, the establishment of the CLFZ system with the Ghanaian government, and the campaign for children's rights in Japan were some key areas in which we have taken important steps forward. As for the Tokyo Marathon, a major source of donation, ACE President, Yuka Iwatsuki, and India Project Manager Yuko Tayanagi put themselves up for the challenge and successfully completed the race. We would like to express our gratitude for the warm support and encouragement we have received in all these different forms.

In a world that is constantly

changing, our job is to bring people and organizations closer to a society that we want to live in by promoting awareness and action. If this is our role then how can we best perform it? By observing our position within the wider context. Observing not only what we see with our eyes, but also what we feel, how our mind works, and what we think. Understanding that the people with whom we interact have diverse interests and mindsets, and then looking for similarities between us is crucial. Rather than build walls out of fear of our differences, expand your imagination and connect with others using your commonalities as the starting point.

While travelling across Japan to promote ACE's book *The Door of Change*, which was published

two years ago, a participant at one of the talks said something that left a deep impression: "I used to think that what I see in front of me is a wall, but maybe it's a door. From now on, I want to be brave enough to find those doors and open them. The warnings from the natural world to the human world, such as the climate crisis and various epidemics, are getting louder and louder, and it sometimes stops us in our tracks with anxiety". While acknowledging our hesitations and weaknesses, we would like to pursue fulfilling our purpose and uncover opportunities to collaborate with diverse people along the way. We look forward to your continued support and cooperation.

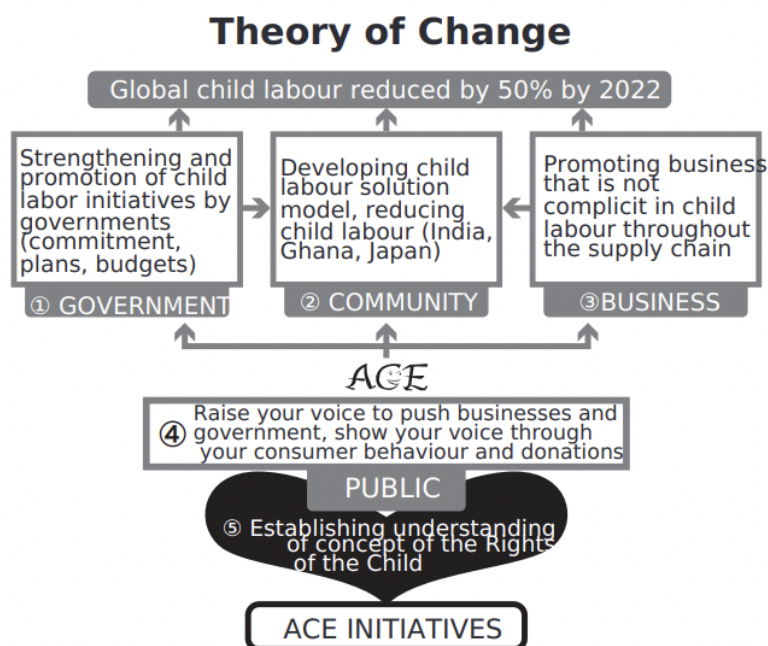


Managing Director/Co-Founder
Tomoko Shiroki

ACE'S STRATEGY

ACE's strategy is to trigger a series of changes to achieve its mid-term goal of a 50% reduction of 152 million child labourers by 2022.

- 1) Strengthening commitment to the elimination of child labour at the global level by promoting the efforts of various governments (UN, G20)
- 2) Developing and disseminating child labour solution models and contributing to the reduction of the number of child labourers through direct initiatives and in cooperation with governments and the business sector (India, Ghana, Japan)
- (3) Formulating of rules to bring Japan closer to global standards in terms of corporate behavior regarding business and human rights, and practice of business that is not complicit in child labour (business and human rights, legislation to promote due diligence in the supply chain, public procurement policy)
- (4) Promoting citizens' actions to facilitate (1) to (3).
- 5) Disseminating the concept of "children's rights" based on the United Nations Convention on the Rights of the Child (mainly in Japan), which is a critical assumption for the importance of solving the problem of child labour.



Steps to achieve the 2022 target

We will take the following steps between 2018 and 2021 to engage each of the following audiences: (1) governments and key persons, (2) companies and management, (3) children and youth, and (4) society as a whole and citizens.

- Year 1 (2018-19): Create drivers (standards, rules, models, etc.) to trigger new behaviors
 Year 2 (2019-20): Disseminate the drivers themselves
 Year 3 (2020-21): Create impact

Key Goals for 2018-19

2. Child Labour Free Zones and collective impact in Ghana

We will strengthen our collaboration with the Ghanaian government and continue to work with them to establish a system of Child Labour Free Zones; we will further continue activities in our SMILE project areas so that they are ready to be declared CLFZs. In addition, we plan to receive funding from corporations for the development of this system and create a model for collective impact.

3. Dissemination of the concept of the Rights of the Child

The year 2019 marks the 30th anniversary of the enactment of the UN Convention on the Rights of the Child and the 25th anniversary of its ratification by Japan. Taking advantage of this opportunity, we will exert ourselves more than ever to promote the Convention on the Rights of the Child in Japan in cooperation with other civil society organizations and relevant allies.

2. Advocacy to the Japanese government

Utilizing international conferences such as G20, TICAD, and the United Nations High Level Political Forum on Sustainable Development (HLPF) as leverage, we will conduct advocacy activities to strengthen the government's commitment (including the mobilization of funds) for the elimination of child labour. In addition, we will be submitting a petition which has already collected 720,000 signatures, organized by the Child Labourer Network last year, to the Japanese government.

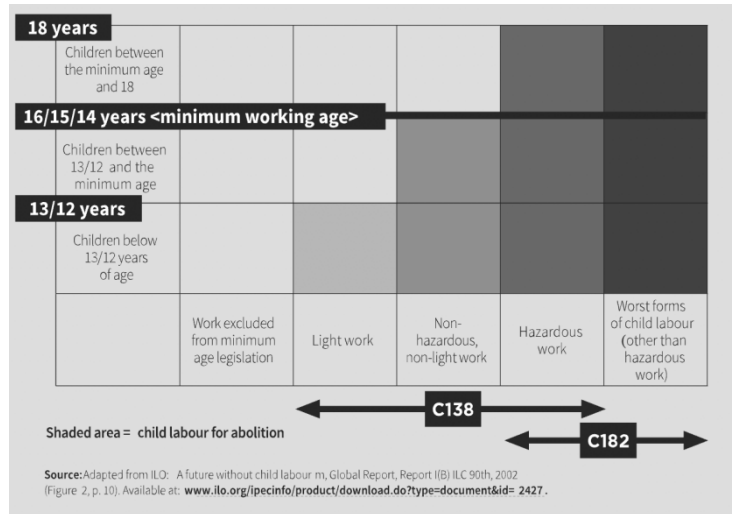
4. Scenario planning and implementation of outcome-oriented projects for the elimination of child labour

Using one of our grants, we will spend more time to draw up strategies for the elimination of child labour using scenario planning and the Theory of Change, to enhance project outcomes through a more results-orientated strategy.

Child Labour and the Sustainable Development Goals (SDGs)

What is child labour?

Child labour refers to work that adversely affects the physical and mental development of children under the age of 18. Two international labour standards, the Minimum Age Convention of the International Labor Organization (ILO) and the Worst Forms of Child Labour Convention, define child labour. These are regarded as universal definitions that includes developing countries in their scope. Essentially, child labour refers to employment under the age of 15 (before the completion of compulsory education but with the exception of light work performed by those over the age of 12) and hazardous or harmful work performed by those between the ages of 15 and 17. Work that is not dangerous or that does not violate the law that is above the age of completing compulsory education is not considered child labour.



Child labour worldwide - 152 million people

According to the latest global estimates released by the International Labour Organization (ILO) in September 2017, there are 152 million child labourers in the world. One out of every 10 children in the world is a child labourer. The number of child labourers is declining, but at a slower pace. By region, Africa continues to have the highest percentage of child labourers, at 1 in 5, surpassing Asia and the Pacific. By industry, agriculture, forestry, and fisheries account for about 71%, services 17%, and industry 12%.

What are the Sustainable Development Goals (SDGs)?

What are the SDGs?

In 2015, the United Nations General Assembly adopted, 'Transforming Our World: The 2030 Agenda for Sustainable Development'. This is the vision of what the world should look like in 2030, as agreed upon by world leaders. In the spirit of "No one left behind," the SDGs set 17 goals and 169 targets as common global goals. The SDGs aim to solve various problems facing the world, and require the efforts not only of developing countries, but also governments, corporations, and individual citizens of developed countries.



The elimination of child labour has become a common goal worldwide

Target 7 of Goal 8 of the SDGs, "Decent Work and Economic Growth," now includes the goal of "ending all forms of child labour by 2025. Child labour has been added as one of the issues that countries around the world need to address. However, the ILO has pointed out that at the current pace, it will be difficult to eliminate all forms of child labour by 2025. More than ever, we need to accelerate our efforts to solve the problem, including citizens, businesses, and governments. ACE's activities are also contributing greatly to goals other than Goal 8.



01 Engaging in Ghana's cacao sector **SMILE-Ghana Project**

We continue to implement the Smile Ghana Project in two villages in the Asafo South District of the Ahafo Region, where we started our activities in February 2018. The population here is about 900, of which about 400 are children. About 80 of them are engaged in child labour, and many of them are cocoa-farming families.

The project has continued to operate activities to eliminate child labour and create a system to protect children at the community level. As a result, 28 children have been withdrawn from child labour and are now able to attend school. We have also been able to improve the learning environment by constructing new school buildings and expanding classrooms. In addition to cocoa cultivation techniques, we have also provided support for agricultural technical training, such as cultivating edible snails, which is a means of income other than cocoa.



A big step toward the realization of a Child Labour Free Zone

In November 2018, we jointly held a national stakeholders' meeting with the Ministry of Employment and Labour Relations (MELR), Ghana Agricultural Workers Union (GAWU), and others to discuss the establishment of a Child Labour Free Zone, which is part of Ghana's national plan to eliminate child labour. In addition, a district-level consultation meeting was held in July 2019. Through these meetings, we have engaged a diverse range of stakeholders, including Ghanaian government officials, local government officials, community leaders, school officials, and previous child labourers, in discussions and have worked to build trust between the relevant institutions. As a result, the success of ACE's "Smile Ghana Project" and its recognition as a candidate area for Child Labor Free Zone declaration has been enhanced. These activities have been implemented with financial support from the Japanese business sector, aiming to become a model of collective impact.

In addition, in collaboration with JICA, we conducted hearings with companies and organized a workshop in Ghana (July 2019) with the aim of launching a multi-stakeholder platform that includes the Japanese chocolate industry and companies.



More chocolate products made from cacao farmed in ACE-supported areas

We continue to collaborate with chocolate and confectionary companies; the number of chocolate products made from cacao farmed in Smile Ghana Project area has increased to 80 items from 21 companies (as of March 2019). At the C20 Summit and TICAD, we invited key officials from partner organizations and project implementation communities in Ghana to hold briefing sessions for chocolate companies in April and August 2019 to further strengthen these initiatives. In addition, we have actively disseminated our work through various opportunities such as the International Conference on Sustainable Brands.

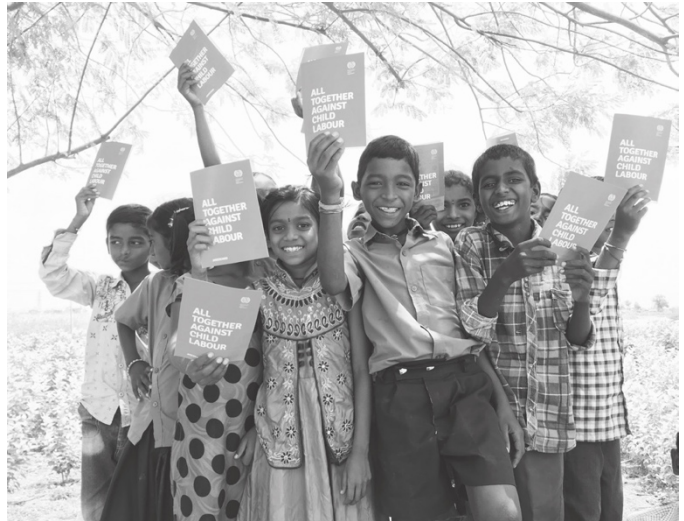
*Collective Impact: An approach in which organizations (government, companies, NPOs, foundations, volunteer groups, etc.) with different positions aim to solve social issues by leveraging each other's strengths across organizational boundaries.



Initiatives in India's Cotton Industry Peace India Project

India is the world's largest cotton producer. Since January 2010, we have been operating the "Peace India Project" in cotton-farming areas to protect children engaged in hazardous labour and support their education.

In 2014, as part of the second phase of the project, we have been implementing activities in two villages in Joglamba Gadwal district, Telangana. As a result of awareness raising activities and capacity building training of the residents, protection of children from labor and education support by resident groups and self-reliance support from the project for these activities, vocational training for girls past compulsory education age, and income enhancement support for low-income families, 101 children were released from child labour and received education in the fiscal year 2018-19.



In March 2019, a handover ceremony was held in the second village, following the previous year, to confirm the independence of the residents, thus completing the second phase of support. Based on the results of the survey of child labour situation, population, and major industries in the surrounding areas that had been conducted since the previous fiscal year, we decided on new

project sites and started the third phase of the project in three villages in April 2019. We are supporting the improvement of the educational environment for 1,400 children of compulsory education age through activities such as the formation of residents' groups, the start of operation of bridge schools (supplementary schools), meetings to raise awareness, and visits to homes and fields.

Cotton Day inspires us to think about what impact the clothes we wear have on society and the environment

In the fall of 2018, ACE participated in an international conference organized by Textile Exchange (TE), a non-profit organization that aims to promote and raise awareness of sustainable textiles. After the event, we invited TE representatives to Japan to hold the event, *Thinking about SDGs on Cotton Day: A Seminar for Companies* on May 10th, Cotton Day, for cotton and textile-related companies. On the following day, World Fairtrade Day, an event for consumers (co-hosted with TE and People Tree) was also held, with 200 participants. We were able to continue our efforts to reach out to companies and consumers. We also collaborated with Senken Shimbun, a fashion and distribution industry newspaper, to conduct a questionnaire survey of textile and fashion-related companies to understand the status of their efforts to address the SDGs and human rights, and to communicate the actual situation and issues facing the industry.



03

Advocacy activities at the global level **Commitment to the "Elimination of Child labour" at G20 Osaka!**

In preparation for the 2019 Osaka G20 Summit, we held three SDG 8.7 dialogues (February, April, and September) with labor officials from various countries who visited Japan as part of the Employment Working Group to ask for their commitment to the issue of child labour. We have been asking governments to make a commitment to the issue of child labour. As a result, the commitment to the elimination of child labour was included in the Osaka G20 Summit Declaration and the Minister of Employment and Labor Declaration. In addition, our representative Iwatsuki chaired the C20 (Civil 20),



which is composed of global civil society organizations in response to the G20 Summit, and contributed to the operation of the C20 as a representative of Japanese civil society.

In other international conferences such as TICAD7, Alliance8.7, and the United Nations High Level Political Forum on Sustainable Development (HLPF), we have been involved in advocacy activities to strengthen the commitment of governments to the elimination of child labour and the mobilization of funds. These activities greatly contributed to raising ACE's visibility and building relationships among governments and international organizations.

The Child labour Network (CL-Net), for which ACE serves as the secretariat, collected 720,000 signatures last year for the "Stop! Child labour Network (CL-Net), for which ACE serves as the secretariat, submitted signatures to the Ministry of Health, Labor and Welfare (MHLW) prior to the G20 summit and lobbied for the realization of the requests made in the "Stop!

In addition, from the perspective of eliminating child labour in corporate supply chains, the draft of the Japanese government's National Action Plan (NAP) for the Guiding Principles on Business and Human Rights specified child labour as one of the items to be included in the action plan.

04

Promotion of the Convention on the Rights of the Child **Launch of the Expand! Campaign for the Convention on the Rights of the Child**

The year 2019 marks the 30th anniversary of the enactment of the United Nations Convention on the Rights of the Child and the 25th anniversary of its ratification by Japan. Despite the fact that many years have passed since the ratification of the Convention,



recognition of children's rights in Japan is still low. For example, the United Nations Committee on the Rights of the Child has repeatedly called for the development of laws such as the Basic Law on the Rights of the Child, but these laws have yet to be developed. In response, we launched the "Let's Expand the Convention on the Rights of the Child Campaign". ACE has been leading these movements as the secretariat of the Child Labour Network. A launch event was held on April 22 to commemorate the date of Japan's ratification of the treaty, which was attended by about 360 people from relevant ministries, civil society organizations, children, and the general public. The event was also reported in the media due to the movement to revise

the Child Welfare Law and the Child Abuse Prohibition Law in response to child abuse cases.

More than 100 organizations and individuals have participated in the campaign nationwide, raising awareness of children's rights and building networks.

05

Social Business Acceleration Program **Strengthening & expanding relationships with the business sector**

As part of our efforts to raise awareness and promote Japanese corporations to bring Japan closer to the global standard for corporate behavior regarding business and human rights, we held regular corporate member salons, conducted training sessions and workshops, and developed new training content. In addition, in cooperation with Deloitte Tohmatsu Consulting Japan, we completed the "Human Rights Diagnostic Questionnaire" to survey the degree of corporate response to human rights, a project we began last year. At the Corporate Salon, we set themes such as human rights in supply chains and ESG investment, and selected resource persons from

outside the company. As a result, the salon was highly valued as a place for dialogue, information-sharing and networking among companies.



06

Encouraging citizens to take action

We became a recipient organization for the Tokyo Marathon 2019 charity!

We encouraged citizens to participate in actions to change society through lectures, events, volunteer opportunities, and goods sales. We dispatched 60 lecturers and conducted 60 workshops, with a total of 4,599 participants. In particular, we launched a lecture program throughout the country to promote the book, *The Door of Change*, conveying the message that you yourself can change your life. We also sold a total of about 300 copies of the workshop materials and the DVD of the documentary film *Valentine's Day Uprising* (following a group of Japanese students who visit cacao farms in Ghana) and about 400 copies of the book through our online store and at events. During the Valentine's Day season, a collaborative campaign with family restaurant chain *Denny's* was launched, encouraging people to participate and purchase chocolates made with child labour-free cacao with a portion of sales donated to ACE. In conjunction with the Valentine's Day campaign,



we also conducted a Yahoo online fundraising campaign.

For the first time ever, in 2019 ACE was selected as a recipient organization for the Tokyo Marathon 2019*. 153 people entered the race as ACE charity runners, and a total of 17,491,000 yen was raised through the program.

*ACE is a recipient organization of the Tokyo Marathon 2019 Charity Project. Tokyo Marathon 2019 Charity official website : <https://www.marathon.tokyo/charity/>

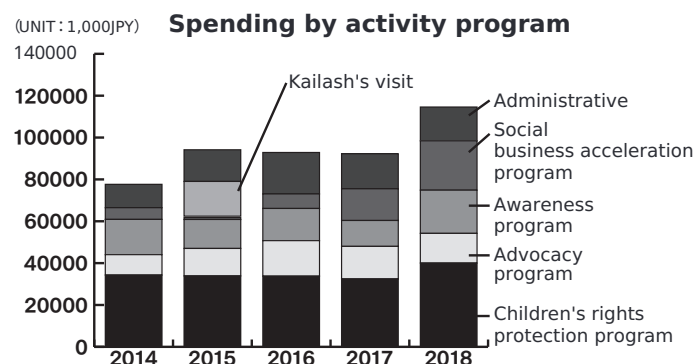
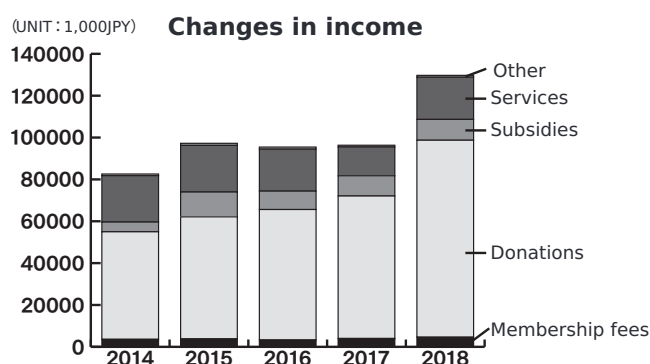
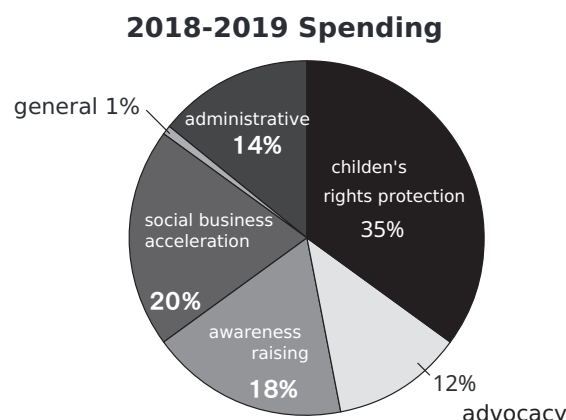
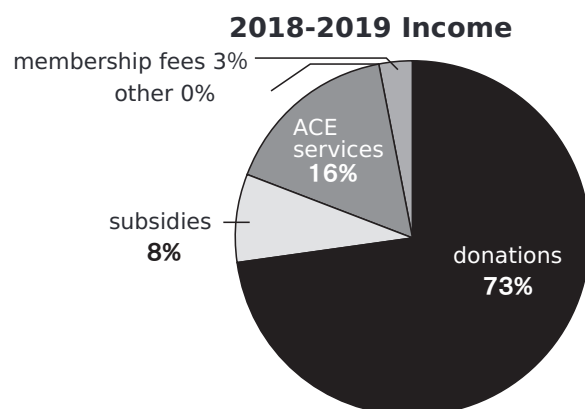
07

Support for children and youth in Japan

Awareness-raising activities to protect children from child labour

In order to raise awareness of child labour in Japan and protect children from child labour, we created various materials and leaflets explaining the Labor Standards Law and other relevant laws regarding child labour. Approximately 4,900 copies for children and 1,300 copies for adults were distributed to high schools, child support groups, corporate organizations, and labor consultation offices nationwide.

2018 Fiscal Year Financial Report Highlights



Financial Summary

During the fiscal year, income surpassed 100 million yen for the first time, totalling 128.84 million yen, and spending totaled 115.29 million yen, resulting in an increase in net assets of 13.46 million yen. The main reason for the increase was donations from the Tokyo Marathon 2019 Charity and the Tokyo Marathon 2020 Charity (21.8 million yen). In addition, a crowdfunding campaign on the Readyfor platform raised 5.88 million yen, and our efforts with the Smile Ghana Project and institutionalising the CLFZ system led to greater financial support from corporate members and donations from chocolate companies. Income from the awareness program and public education activities was stable.

As for spending, although personnel expenses increased by 4 million yen, other expenses decreased by 3.52 million yen in travel expenses and 2.23 million yen in outsourcing expenses by reviewing and adjusting program and activity implementation, resulting in a total decrease of 10.41 million yen in project and administrative expenses.

*ACE is a recipient of donations for the Tokyo Marathon 2019 Charity Project and the Tokyo Marathon 2020 Charity Project.
Tokyo Marathon 21019/2020 Charity Official Website <https://www.marathon.tokyo/charity/>

Organisation Overview (as of August 2018)

| | |
|-----------------------|--|
| Name | CertifiedNPOACE |
| Date of establishment | December 1, 1997 Inauguration Certified as an NPO by the Tokyo Metropolitan Government on August 8, 2005 Recognized as an authorized NPO by the National Tax Agency on March 31, 2010 Approved as an authorized NPO by the Tokyo Metropolitan Government on January 19, 2015 |
| Office location | Tokyo Taito Ku East Ueno1-6-4 Atsuki Building 3F |
| Name of president | Yuka Iwatsuki |
| Total income | 128.84 million JPY (2018-2019 fiscal year) |

| | |
|-----------------|--|
| Number of Staff | 15 2interns |
| Members | Regular:108 Supporters:67 Corporate/Orgs. 43 |
| Programs | Child rights protection Advocacy Awareness Social business acceleration |

| | |
|-----------|---|
| 役員 | |
| Directors | Yuka Iwatsuki Yutaka Kobayashi Tomoko Shiroki Daisuke Shintani Takao Yasunaga Satoshi Miyamoto Mari Niwa |
| Board | Takako Oishi Mei Yazaki |

ACE's Approach

Purpose

We aim to transform the world into a place where all children and youths are free to shape their own lives and capable of building a society that they want to live in. Ending child labour is one of our core strategic goals.

Philosophy

PEACEFUL, PROSPEROUS & SUSTAINABLE WORLD

We live in a world where life is worth living and each life is valued. We recognize humans have unlimited potential and each person is different and unique. By accepting our differences, and by living in harmony with nature, we can together unleash endless possibilities to create a peaceful, prosperous and sustainable world.

CHILDREN FIRST

We envision a world in which every person can begin their journey as a child. Everyone enters the world as a child. Children are the future whose needs are in the present. They are immense sources of energy that can power the creation of a better world. It is the responsibility of older generations to protect the rights and well-being of children and youths, as we would have wanted previous generations to protect us.

CHANGE STARTS FROM WITHIN

Every person has the power to overcome challenges, every person has the power to change society. Changing our behaviour comes from changing our mindset, from small change within comes systemic transformation.

Way

SYSTEMS THINKING

Social issues are interconnected. Resolving them in the long-term requires us to look at the whole picture. Approaching problems systemically allows us to fix the root causes rather than just offer symptomatic relief. We aim to resolve issues at a systemic level.

RIGHTS-BASED APPROACH

The rights based approach is the core and base of the systemic solutions we aim to achieve. We encourage all stakeholders to respect and undertake their duties and responsibilities stated in the international conventions.

LEARNING ORGANIZATION

We aim to be a learning organization which constantly evolves and drives results. We learn from complexity, and overcome mental models to create innovative solutions. We believe that each person's vision and growth is the origin of our organization's greater vision and development. We continue to evolve together.

DIALOGUE, ENGAGEMENT & PARTNERSHIP

Dialogue and engagement are crucial instruments to tackling challenges together. It allows us to understand our diverse interests and work together towards our common goals, using our different strengths to uncover new solutions to old problems. We form partnerships with organizations and individuals who share our purpose, working in solidarity to make the biggest impact.

DREAM, DISCOVER, BELIEVE, DO.

Dream big dreams. Discover your strengths. Believe in your potential. Seize opportunities and just Do. Believing in your own power and that of others, and society can change. Celebrate small successes on the way to the big changes we seek. Every step counts.



Certified NPO Action against Child Exploitation (ACE)

110-0015 Tokyo Taito ku East Ueno1-6-4 Atsuki Building 3F
TEL : 03-3835-7555 / FAX : 03-3835-7601 (Weekdays 10:00 ~ 18:00)
www.acejapan.org



ACE has been internally reviewed against JANIC's accountability standards across the pillars of organizational management, business implementation, accounting, and information disclosure.

ACE is working to realize the rights of children and youth across the globe by getting everyone to play their role. Eliminating child labour is a core strategic goal.

We have been certified by the Tokyo Metropolitan Government as a certified non-profit organization (January 2015). Donations to certified NPOs are eligible for tax deduction.

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