Highlights of Fourth Annual Tulane University Report

On September 30, 2010, the Payson Center for International Development at Tulane University released its fourth annual report on Oversight of Public and Private Initiatives to Eliminate the Worst Forms of Child Labor in the Cocoa Sector in Cote d'Ivoire and Ghana. The research team from Tulane University was contracted by the US Department of Labor in 2006 to give an annual, impartial assessment of efforts to implement the Harkin-Engel Protocol² and provide scientific evidence of the phenomenon of the worst forms of child labor in the cocoa growing regions of Cote d'Ivoire and Ghana.

Evidence of Ongoing Labor Abuses

The new report identifies the ongoing exploitation of labor rights in the cocoa sector including the worst forms of child labor, forced labor and trafficking. The report specifically includes new assessments of trafficking and finds that "child trafficking is insufficiently addressed by the current initiatives" to address abuses in the cocoa sector (Page 20). New research related to the migration of young workers from Burkina Faso and Mali found that (Page 98-132):

- Cote d'Ivoire is the predominant destination for trafficked and migrant cocoa workers;
- The overwhelming majority of respondents moved to cocoa farms without their natural parents or guardians;
- The majority of respondents experienced recruitment, transportation, transfer, harboring or receipt by a third person or group – which are all elements of trafficking;
- Virtually all respondents experienced the worst forms of child labor including: verbal, physical and sexual harassment and restrictions of their freedom of movement;
- Virtually all respondents performed hazardous work including land clearing and burning, carrying heavy loads, spraying pesticides, and using machetes, among other dangerous activities.
- At the same time, border police and guards in Cote d'Ivoire and Ghana receive almost no training in dealing with child trafficking and are unaware of policies and intervention strategies related to dealing with child trafficking;
- Unsurprisingly, only a miniscule percentage of respondents who had experienced trafficking and the worst forms of child labor benefited from any sort of intervention or assistance.

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¹ The report is available online here: http://childlabor-payson.org.

² The Harkin-Engel Protocol is a voluntary agreement signed by major chocolate companies in September 2001 related to eliminating the worst forms of child labor in cocoa production. The text of the Protocol can be found online here: http://www.cocoainitiative.org/images/stories/pdf/harkin%20engel%20protocol.pdf.

Implementation of Harkin-Engel Protocol³

The new report also analyzes progress on each of the commitments in the Harkin-Engel Protocol and finds that "overall, implementation of the Protocol has been uneven and remains incomplete" and "the majority of children exposed to the worst forms of child labor remains unreached by the remediation activities currently in place" (Page 17).

Public Statement of Need for and Terms of an Action Plan

Surveys of implementing partners in Cote d'Ivoire found that they had received a
reported USD 1.2 million from industry and partners in Ghana received USD 4.3
million between 2001 and 2009 (Page 57). While industry has stated its concern,
there is a question of whether companies have committed significant resources
to addressing the problems in comparison to the scale of profits they earn from
chocolate.

Formation of Multi-Sectoral Advisory Groups

- In terms of the commitment for a multi-sectoral group to conduct research on labor practices, the Verification Working Group was initial formed to verify that companies were eliminating the worst forms of child labor from their supply chains, but the body, which was completely independent from industry, was replaced with the International Cocoa Verification Board (ICVB) which included industry and governments.⁴
- The ICVB went on to accept the findings of government reports in 2009 even though the reports "didn't address the issue of child trafficking" and "fell short of providing insights and conclusions about forced adult labor practices."
- In terms of developing an advisory group to formulate appropriate remedies to address labor abuses, the International Cocoa Initiative includes companies and some civil society organizations on its board, but not government or international bodies like the International Labor Organization. The ICI advisory group has also not formulated scientifically validated "appropriate remedies for the elimination of the worst forms of child labor."

Signed Joint Statement on Child Labor to Be Witnessed at the ILO

 A joint statement was signed on November 30, 2001, but did not mention the need to identify positive developmental alternatives for children removed from working in the cocoa industry nor a mechanism for achieving this goal.

³ For additional analysis of the Harkin-Engel Protocol, please see ILRF's reports on the cocoa industry from 2008 (http://www.laborrights.org/stop-child-labor/cocoa-campaign/resources/10719), 2006 (http://www.laborrights.org/stop-child-labor/cocoa-campaign/resources/10648), 2005 (http://www.laborrights.org/stop-child-labor/cocoa-campaign/resources/10649) and 2002 (http://www.laborrights.org/stop-child-labor/cocoa-campaign/resources/10650).

⁴ For additional analysis of the ICVB, please see ILRF's report, "Broken Hearts: A Review of Industry Efforts to Eliminate Child Labor in the Cocoa Industry." Available online: http://www.laborrights.org/stop-child-forced-labor/cocoa-campaign/resources/12260.

Memorandum of Cooperation

 A memorandum was signed in May 2002. Most of the activities in the memorandum are being taken up by the ICI or as part of the "certification" program.

Establishment of Joint Foundation

• The International Cocoa Initiative (ICI) was formed in July 2002. The ICI is development community action plans in 35 communities in Ghana and 24 communities in Cote d'Ivoire, but falls short in a number of areas (explained further in the following sections) (Page 39).

Building Toward Credible Standards

- The report finds that industry "is still far from achieving its target to have 'a sector-wide independently verified certification process fully in place across each country's cocoa-growing sector by the end of 2010." In order to meet this target, industry and the government of Cote d'Ivoire would need to reach an additional estimated 3,655 cocoa growing communities (over 97% of such communities) with remediation activities and 4,315 additional cocoa growing communities (over 86% of such communities) in Ghana would need to be reached. (Page 14)
- The "certification" model developed by the industry does not fulfill the basic criteria for what constitutes a true certification program⁵ (Page 44-47). The model does not include standards, but constitutes data gathering conducted by the governments of Ghana and Cote d'Ivoire, which have been confirmed to fail to measure trafficking and forced labor appropriately. As the report notes: "Extrapolated data based on random sampling are however not a location-specific monitoring or enforcement tool" and "nationally representative surveys [are] therefore note useful for credible certification purposes" (Page 47)
- The remediation aspect of the "certification" model does not cover even close to 50% of cocoa growing communities as the industry committed to achieve by 2005 (explained further below). There is no product labeling aspect of the "certification" program and it does not appear that data gathering results will be independently verified on an ongoing basis.

Recommendations:

Tulane recommends that companies should institute traceability systems for
their cocoa supply chains that "enables the enforcement of standards at the
producer level and is a requirement of product certification" (Page 17).
Companies should scale up consumption of certified cocoa "and publically
commit to new procurement targets of product certified cocoa specifically in the
U.S. market" (Page 17). Product certification like Fair Trade is also identified in
the report as a best practice for providing "location-specific, independent
verification of the absence of the worst forms of child labor and forced adult

⁵ For additional critiques of the "certification" program developed through the Harkin-Engel Protocol, please see this letter from non-governmental organizations: http://www.laborrights.org/stop-child-labor/cocoa-campaign/resources/10716

labor." (Page 84) The report identifies the major industry actors including Mars, Kraft, Barry Callebaut, Nestlé and Cargill that have made commitments in this area while Hershey remains the only major chocolate company missing from the list (Page 70).

- The report also recommends that chocolate companies "develop an electronic system that will enable consumers to look up what certified products are being produced without – or with reduced – worst forms of child labor and forced adult labor and how these product certifiers score on different criteria" (Page 18).
- The report calls for additional scientific research on the impacts of programs designed to remediate child labor (Page 17-18).

Intervention and Remediation Programs

The report analyzes the efforts of the International Cocoa Initiative (ICI) which was established through the Harkin-Engel Protocol to "oversee and sustain efforts to eliminate the worst forms of child labor" as well as other programs (Page 47-56) and finds that:

- While Tulane's research and that of the West African governments confirmed the presence of forced adult labor in the cocoa sector, no remediation interventions targeting this abuse is in place in either Cote d'Ivoire or Ghana (Page 14, 20);
- The community action plans (CAPs) developed by the ICI are "not an adequate tool to detect and address cases of child trafficking." These projects have not "institutionalized ongoing child monitoring with child monitors/data collectors" and do not share successful experiences in some communities with other communities working to address child labor. Therefore, CAPs cannot "be considered remediation panacea" (Page 48);
- ICI programs in Cote d'Ivoire cover a mere 2.29% of cocoa growing communities (Page 49) and 3% of cocoa growing communities in Ghana (Page 50);
- The ICI has fewer implementing partners in Cote d'Ivoire despite research indicating that child labor and trafficking are significantly more predominant in Cote d'Ivoire than Ghana (Page 51);
- While remediation is an essential component of the "certification" system developed by industry through the Harkin-Engel Protocol, remediation programs still need to reach over 97% of communities in Cote d'Ivoire and over 86% of communities in Ghana in order to achieve the industry-set goal of having the "certification" process fully in place by the end of this year, 2010. (Page 51). The industry would need to spend 42.5 times the amount to date in Cote d'Ivoire and 28.8 times the current amount in Ghana in order to achieve this goal (Page 58);
- While the ratio has shifted recently, ICI's aggregate operating-to-program expenditure ration between 2002 and 2009 was 52:48. The Better Business Bureau recommends that charitable organizations spend at least 65% of total expenses on program activities (Page 61);

- The ICI has only commissioned a program evaluation of its work in Ghana and not Cote d'Ivoire. Additionally, the program evaluation does not represent an impact evaluation which would demonstrate the actual impact of ICI programs on labor conditions;
- From 2001 through 2009, surveyed organizations in Ghana received only \$4.3 million USD from industry partners (less than government and other stakeholders combined) and surveyed organizations in Cote d'Ivoire received only \$1.2 million USD in the same time period while government and other stakeholders provided over four times as much funding combined. Meanwhile, global chocolate sales in 2008 totaled US \$62.1 billion (Page 57).

Implications for the Hershey Campaign

The findings of the most recent Tulane University report support the demands identified by the Raise the Bar campaign targeting Hershey.⁶ The report reveals that serious labor rights exploitation including the worst forms of child labor, forced labor and trafficking continue in the cocoa industry. Remediation and intervention programs to identify and address these abuses have so far not created even close to the level of impact that the industry has promised for over nine years. Supporting the International Cocoa Initiative and the World Cocoa Foundation are not sufficient guarantees that companies are making a serious impact in ensuring that their cocoa is produced without the most severe labor rights abuses. Additionally, the "certification" program developed by industry is not an effective tool in eliminating these abuses and providing appropriate information to consumers, shareholders and all stakeholders about chocolate.

The demands of the Raise the Bar campaign calling for Hershey to increase transparency⁷ in its cocoa supply chain and shift toward certified cocoa are directly supported by the findings and recommendations in Tulane's report which is the most comprehensive, scientific and impartial analysis of industry efforts in the West African cocoa industry currently available.

For more information please visit the International Labor Rights Forum at www.LaborRights.org.

⁶ For background on the campaign, please see the new report from the International Labor Rights Forum, Global Exchange, Green America and Oasis USA, "Time to Raise the Bar: The Real Corporate Social Responsibility Report for the Hershey Company." Available online: http://www.laborrights.org/stop-child-forced-labor/cocoa-campaign/resources/12395.

⁷ This recommendation is also supported by the 2010 Trafficking in Persons report from the US Department of State. See the section "Breaking the (Supply) Chain" online here: http://www.state.gov/g/tip/rls/tiprpt/2010/142750.htm.