



May 2005 Report—Child Labor in Agriculture: Focus on Child Labor on Cocoa Farms in West Africa and the Chocolate Industry’s Initiative to Date

With only a few months remaining, it has become apparent that the chocolate industry is nowhere near meeting its obligations to ensure that child slaves are not used to produce cocoa in Cote d’Ivoire. Industry’s voluntary initiative to eliminate the worst forms of child labor by July 1, 2005, also known as the Harkin-Engel Protocol, is failing to produce any real effective change on the ground. The multinational corporations (MNCs) continue to lack transparency and a real commitment to change their business practices.

Child Labor in Agriculture

The world’s agricultural sector is suffering from a crisis. An increasing number of children are working in hazardous conditions in agricultural fields producing cotton, bananas, rubber, tobacco, cocoa, tea and coffee. According to the International Labour Organization (ILO), more than 211 million children between the ages of 5 and 14 work globally and about 70% of them are in agriculture.¹ They work for long hours, are exposed to harmful pesticides, and suffer from workplace injuries from handling dangerous tools and equipment.

What is even more disconcerting is that many of the children are working on *commercial* farms producing for export to developed countries’ markets. These farms in turn are either managed by or directly source to large multinational agro-business corporations engaged in multi-billion dollar trade. Unfortunately, when world prices of commodities fluctuate or are already very low, such as in cocoa, farmers in developing countries are pitched against each other to compete to produce for the lowest costs. The result is a trend where children replace adult workers for cheaper labor or are simply used as slave labor.

Corporations, for the most part, have evaded their responsibilities to help solve the child labor problem, as their roles and headquarters are far removed from the fields where children are harvesting the commodity they use or trade. However, over the past several years, concerned activists and socially conscience consumers have begun to demand that corporations also take responsibility for the problem and use their economic power to change labor practices in agricultural fields. One sector that received widespread international attention was cocoa, when in 2001, media exposes reported that child slaves were harvesting cocoa beans in Cote d’Ivoire.

The International Labor Rights Fund (ILRF) has closely followed the issue of child slavery in Cote d’Ivoire’s cocoa fields and in particular, focused on the role of multinational chocolate companies and their activities in the Harkin-Engel Protocol, industry’s own voluntary initiative to solve the problem by 2005. Here we provide a

critical analysis of the Protocol and examine the effectiveness of the industry's activities to date.

Cocoa and the Protocol

Cote d'Ivoire, as the world's largest cocoa producer, accounts for over 40% of the world's supply, producing 1.32 million tons in the business year 2002/03.ⁱⁱ The majority of the cocoa is imported into the US and Europe by multinational companies such as Cargill, Nestle, and Archer Daniels Midland, and processed into chocolate and other cocoa products retailed by well-known firms such as Hershey and M&M/Mars.

The State Department Human Rights Report on Cote d'Ivoire for 2001 estimated there were 15,000 child laborers between the ages of nine and twelve that had been sold into forced labor to coffee, cocoa and cotton farms.ⁱⁱⁱ Thousands of children work in Cote d'Ivoire, and the problem of forced labor is not a recent phenomenon. In 1997, UNICEF reported that enslaved children from Benin, Burkina Faso, Mali and Togo were working on agricultural farms in Cote d'Ivoire.^{iv}

There are several causes of child labor in Cote d'Ivoire's cocoa sector. The world price of cocoa declined consistently throughout the 1980s and most of the 1990s. Ivorian cocoa farmers who used to be protected by a government supported price system suffered tremendously when the World Bank and the International Monetary Fund forced Cote d'Ivoire to dismantle the government cocoa board and introduced structural adjustment programs. These policies led to a decline in the living standards in rural communities dependent on cocoa, and farmers and farm workers became extremely vulnerable to exploitation. As farmers were forced to cut production costs due to lower returns, the use of cheap child labor on cocoa farms became widespread.^v

Initially, efforts to eliminate child labor and trafficking of children were carried out by the ILO with the help of West African governments. In October 1999, the ILO launched a new initiative, 'Combating Trafficking in Children for Labour Exploitation in West and Central Africa,' with support from the US Department of Labor. The nine participating West African countries included Burkina Faso, Mali, Cote d'Ivoire, Ghana, Togo, Benin, Nigeria, Cameroon and Gabon, which led to signing of several regional and bilateral agreements to fight child trafficking. The governments of Cote d'Ivoire and Mali signed a bilateral cooperation agreement in September 2000 to fight cross-border child trafficking.

The problem continued unabated as confirmed by media exposes, the ILO and by US government reports. An investigative study completed in July 2002 found 284,000 child laborers working in hazardous conditions on cocoa farms in West Africa, 200,000 of whom worked in Cote d'Ivoire. It also found that 11,994 children had no family ties and 84,300 were working in hazardous conditions such as applying pesticides and using dangerous tools such as machetes. An estimated 2,100 working children were recruited through intermediaries. The continuation of the child labor crisis demonstrated that the

isolated efforts of West African governments and the ILO were not enough to solve the problem.

In response to increased international attention on the issue and fearing sanctions from governments and consumers abroad, the government of Cote d'Ivoire signed more bilateral anti-child trafficking agreements with neighboring countries to recommit to fighting cross-border trafficking. In an attempt to show the international community it was doing everything it could, the government cracked down on all border crossings and mistakenly detained and sent back children, many of whom were not victims of trafficking.

Meanwhile, the issue of child slavery also caught the attention of the US Congress. Representative Eliot Engel (D-NY) introduced an amendment to the 2002 Agriculture Appropriations Bill to set aside \$250,000 for the Food and Drug Administration to develop "slave free" labeling requirements on cocoa products. The bill was approved in the House of Representatives by a vote of 291-115 in June 2001.

Given the multimillion dollar trade in cocoa between the US and Cote d'Ivoire, the bill would have had a tremendous impact on the chocolate industry. In response, the chocolate industry stopped the bill by agreeing to voluntarily adopt key portions of the bill as an industry protocol. The protocol came to be known as the Harkin-Engel Protocol or "The Protocol for the Growing and Processing of Cocoa Beans and their Derivative Products."

Non-Industry Initiatives

Apart from providing minimal financing for certain educational projects, the industry has taken a hands-off approach to the child labor issue. The US Government has taken a much more substantial role. A Child Labor Regional Project has been latched onto the already existing USAID funded Sustainable Tree Crop Program (STCP). STCP is a program jointly developed and funded by USAID and the global chocolate manufacturing industry, to raise economic and social standards of rural households.^{vi} The ILO/IPEC administers the child labor component of STCP under the West Africa Cocoa/Agriculture Project (WACAP) with the US Department of Labor spending five million dollars to fund the vast majority of the project.

The industry has not yet provided information regarding its own ongoing commitments to expand the pilot programs, or to take financial or other responsibility to ensure the sustainability of existing programs beyond December 2005, when US Government funding expires.

The ILO, through its WACAP program, has initiated pilot programs to monitor child labor in cocoa in Ghana and Cote d'Ivoire. The effectiveness of the pilot projects are determined by a set of vague standards such as changes in the practice of growing and processing cocoa by farmers, changes in attitudes towards worst forms of child labor, an

improved environment for children to exercise their rights and increases in educational opportunities (formal, non-formal and vocational).

To date, only a small pilot project has been carried out in Cote d'Ivoire. This pilot-monitoring program, at present, only affects a very small percent of the industry (four percent in Cote d'Ivoire, and eight percent in Ghana). This falls short of industry's promise to monitor all labor in its supply chain by July 1, 2005.

Hiding behind the pilot projects, the industry is trying to remedy the problem of child labor via co-financed projects that attempt to promote voluntary change in farmers' practice without any real change in their own practice. However, without any real change in industry business practices, such as paying fair price to farmers and formally contracting to only source from farmers who produce cocoa in accordance with ILO Conventions 182 and 138, these projects will be unable to achieve sustained and widespread effects.

End of the Protocol and Future Approaches

The chocolate industry will not fulfill its promise to monitor and certify by July 2005 that the cocoa it imports from Cote d'Ivoire is not made by forced child labor.

Since 2001, the chocolate industry has been a reluctant participant in the Protocol. Rather than focusing on its own culpability for creating the conditions that reward farms and plantations for using forced child labor, industry refused to implement any meaningful changes to its own supply chain. Instead, it has been attempting to use the Protocol to shift responsibility for reform of its own abusive labor practices to third parties, including national governments and the ILO. Industry, through statements to the press, has unilaterally changed its own commitment to develop and implement certification of its cocoa supply. It now states that the responsibility for monitoring and certification lies with the government of Cote d'Ivoire.

Cote d'Ivoire's ability to carry out such a program is questionable. The US Trade Representative recently suspended Cote d'Ivoire's trade privileges with the United States, on the basis of its inability to control the illegal expropriation of foreign investments. Even if the Ivorian government agrees to implement a certification program, it is evident that the proposed certification system will not be aimed at identifying which farms or plantations actually use illegal child labor. Instead, it may merely provide a statistical portrait measuring whether labor conditions have improved on a country-wide basis. Furthermore, despite their obligation to implement certification standards by July 2005, Industry has indicated that its obligations under the Protocol will be fulfilled by simply establishing pilot projects in Ghana and Cote d'Ivoire designed merely to test a cocoa farm labor monitoring program.

Unsatisfied with industry's weak commitment to reform, the ILRF, along with the Fair Trade Federation and Global Exchange, has been pursuing a parallel legal strategy at

the Court of International Trade intended to force the US Customs Service to enforce its own rules and regulations prohibiting the importation of any good produced by forced child labor. Under US law, a mandatory enforcement approach is possible. The Sanders Amendment of 1997 to the Tariff Act of 1930, 19 USC § 1307, prohibits imports of articles produced or manufactured with bonded child labor. Therefore, the ban on child labor produced imports has been in effect since before the Harkin-Engel Protocol.

However, in an attempt to protect their ill-gotten cocoa, the Chocolate Industry, through the Chocolate Manufacturers Association (CMA)—a trade group representing, among others, Archer Daniels Midland, Cargill, Hershey and M&M/Mars— has intervened as Defendants in the ILRF’s suit against Customs. Fearful that enforcement of the law will destroy their business model that is dependant on child labor, the industry has argued in essence that, despite the clear legal restrictions on imports of forced child labor made goods, the Court of International Trade should not disturb the Protocol process by ordering Customs to enforce the law. This argument, which has no foundation in law, is essentially asking the court to forgo its own obligation to enforce the law in favor of a voluntary certification process that even industry cannot guarantee will be implemented.

As the Protocol process enters into its final months, the ILRF will continue to fight for the rights of child laborers in the cocoa industry by holding the multinational cocoa companies directly responsible for ending the illegal labor practices from which they profit. The ILRF remains committed to a multi-pronged approach, including litigation, legislation and campaigns, in order to eliminate goods produced by child labor from the US consumer market. Please visit www.laborrights.org to remain updated on the Protocol process and ILRF’s on-going litigation seeking enforcement of the laws designed to protect exploited workers from predatory multinational companies.

ⁱ International Programme on the Elimination of Child Labor (IPEC)/ILO. Statistical Information and Monitoring Program on Child Labor (SIMPOC), April 2002. (<http://www.ilo.org/public/english/standards/ipecc/simpoc/others/globallest.pdf>).

ⁱⁱ International Cocoa Organization, *Annual Report 2002/03*. (<http://www.icco.org/anrep/anrep0203english.pdf>)

ⁱⁱⁱ US Department of State. *Cote D'Ivoire: Country Reports on Human Rights Practices 2000*, February 23, 2001.

^{iv} UNICEF. *The State of the World's Children 1997*. Oxford University Press, 1997.

^v International Labor Rights Fund. *The World Bank and IMF Policies on Cote d'Ivoire: Impact on Child Labor in the Cocoa Industry*. (<http://www.laborrights.org/projects/childlab/WBIMFcocoa.pdf>.) 2002.

^{vi} International Labour Organization, “ILO/IPEC West Africa Cocoa/Agriculture Project WACAP: Cote d'Ivoire, Cameroon, Ghana, Guinea, Nigeria, Overview”, January 2003.