

World Cocoa Foundation - Partnership meeting

15 October 2009

Projet de discours du Ministre Charles MICHEL : "Social Issues in Commodity Supply Chains - A holistic View"

Ladies and Gentlemen,

First of all, please allow me to thank the World Cocoa Foundation for its invitation to take part in the 16th Partnership Meeting. This gathering allows me the opportunity to share with you a number of reflections that seem particularly relevant to today's socio-economic environment. Social issues, for too long absent from debates on economic profit, must, in my opinion, be a key element in discussions when dealing with a sustainable production line and supply chain.

This introduction inevitably brings me to begin a discussion about the principle of corporate social responsibility. Our social model is based around human dignity and an equal access to personal development for all. It hinges on the market economy -- the freedom to innovate and to create. Yet, this model presently faces important pressures.

Since the end of the Cold War, the free market economy spread to most countries in the world; thus opening new business perspectives. But this phenomenon also brings on a corresponding need for self-discipline and company involvement in the interest of social stability and the well-being of modern democratic societies.

All of us, politicians and citizens, must take responsibilities to achieve a sustainable society and world. Values such as ethics, good human relationships and care for the environment are all elements to good citizenship. This also prevails for enterprises. The attention that is given to corporate social responsibility is an important indication of the position of businesses and businesspeople in our society, and the priority given to the respect of human rights as inherent to the concept of corporate social reasonability.

Ladies and Gentlemen,

As the Minister for Cooperation, I want to do all I can to reconcile objectives that, until recently, could have been seen as contradictory. Guaranteeing decent working conditions and a fair wage for local producers is crucial to improving social conditions and is in the best interest of economic actors in our country.

The cocoa sector seems particularly suited to carry out such a strategy. Indeed, the reputation of Belgian chocolate is already well-known and Belgium maintains its long tradition of preserving cocoa quality, which is indispensable to a chocolate worthy of this name. I believe that in this particular sector, the thinking is mature enough to get off the beaten track and take initiatives that will be profitable to the whole sector.

I actually could cite several examples of how this approach is the one most often put forward by various parties involved in the cocoa and chocolate sector. I am pleased as the collaboration of all actors is essential to obtain sustainable and profitable results for all.

Moreover, this approach is compatible with consumers' expectations, at the same, to buy products that both taste good and are ethical. Products that are labeled "Fair Trade" are realizing a great success, even in the present economic conditions. But the total of their revenues is far from representing a real significant share of cocoa-based products; nonetheless, it is a new advantage for the sector. Belgium's specialization in high added value products (I particularly have in mind what we call here "pralines") can only benefit in the long term from cocoa production that is oriented towards quality. I am even tempted to add that it is one of the requirements to pursue and expand this production.

It is based on this observation that I took the initiative of reinforcing existing mechanisms for fair trade. The "Fair Trade Week", lately organized throughout Belgium from September 30 until October 10 with the support of my services is one example amongst others.

I also wished to offer my support to the specific problem of fighting against the worst forms of child labor on cocoa farms in West Africa. As a reminder, this region alone accounts for 70% of the world's production. This topic is even more relevant now that the International Labor Organization foresees an increase in child labor resulting from the present economic crisis.

This willingness to engage in this matter raises certain considerations that I would like to reveal to you:

- First of all, the problem of child labor is primarily a question of respecting fundamental human rights. The ILO convention 182 on the worst forms of child labor gives a clear mandate to the international community to fight against this phenomenon. The goal is not to condemn all forms of child work. Some forms, such as apprenticeship, can even be seen as positive, on the condition that they are part of a regulatory framework that allows children to continue their schooling. It is also important to bear in mind that cultural norms that prevail in West Africa are different than those we are accustomed to, and the custom of children occasionally helping on the family farm is not condemned.
- Second of all, the fight against child labor is also a fight against poverty and in favor of sustainable economic development.
- Third of all, the threat of a boycott of West African cocoa that is not labeled “child labor free” is probably insufficient by itself. Child labor is often guided by the economic necessities which confront small scale farmers and their families. It is necessary to develop a constructive approach that can offer viable alternatives to child labor, and abandon the approach of a simple denunciation or boycott.
- Fourth of all, progress in the cocoa sector has been more important than in other sectors in view of the economic interests involved. The experiences of this leading sector must be used as lessons learned for other problematic areas, in particular child labor in other agricultural or mining sectors.
- Finally, this problem is of a regional nature. Why? Firstly because it is partly linked to the plague of child trafficking, a phenomenon that is mainly transnational. Secondly because the greater West African cocoa basin is in reality a cross bordered one, shared between the two largest producers, Côte d’Ivoire and Ghana. And finally because, even if certain countries have engaged legislative and regulatory reforms in ambitious programs of child protection, others remain inactive. These countries can and must benefit from their experiences of their neighbors.

For a regional problem, a regional solution is needed. This is why I solicited the support of the Secretariat of the Sahel and West Africa Club, linked to the OECD, of which Belgium is an active member. The Club allows us, developed countries, West African countries, international organizations, civil society organizations, and businesses from North and South to address West African issues in which all have a stake together.

For me, this common approach represents numerous advantages. Amongst others, it allows us:

- To address the issue of the worst forms of child labor on cocoa farms in an integrated manner within a regional context;

- To lessen the political nature of this matter and to facilitate a balanced political dialogue that is not targeted towards one country or a group of actors;
- To facilitate the political dialogue between OECD countries, West African stakeholders and the collective actors from the international community. I particularly note the interest that multinational companies carry towards the dialogue offered by the OECD;
- To share collectively, at the regional level, knowledge acquired to date, efforts and experiences. Seeing the multiplicity of actors involved, a coordination of efforts is in effect indispensable in order for the different initiatives to work towards a similar objective and reinforce each other. These initiatives multiplied over the last few years, and I am particularly glad to see that, in addition to initiatives undertaken by multilateral organizations, NGOs and bilateral donors, the private sector has equally decided to engage in concrete projects on site.

The results of the work undertaken by the Sahel and West Africa Club will include, amongst others, the publication of a regional guide of best practices on the issue of the worst forms of child labor on West African cocoa farms. This exercise must allow for a process of regional coordination with the leadership of the Economic Community of West African States (ECOWAS) and to bring together the countries concerned in a common and united approach far from a moralizing logic. By capitalizing on the knowledge acquired to date and by increasing interaction between the actors involved, the initiative wants to achieve economies of scale and therefore improve the efficiency of aid in the spirit of the Paris Declaration.

Ladies and Gentlemen,

The threat of a boycott is becoming more and more pressing and important commercial issues are being raised, but beyond these economical considerations, the main priority is to ensure a decent quality of life for those thousands of children that on a daily basis undertake harmful and dangerous tasks. The abolishment of the worst forms of child labor is not only an obligation that results from international charters and treaties; it is our responsibility to guarantee the respect of human rights and to promote sustainable development.

Important results have been recorded. Recent worldwide statistics are showing a fall in the number of children who fall victim to child labor. Let's not let the economic crisis erode this progress.

To cite the words of an American theorist, I will finish by saying that the best way to predict the future is to create it. I have no doubt that the commitment that drives you will contribute to the creation of a world in which children's rights is not only a simple utopian dream, but a firm reality that is anchored in all of our daily lives.