



Remarks by Timothy S. McCoy
Acting President, World Cocoa Foundation
Child Labor in Cocoa Coordinating Group (CLCCG) Principals Meeting
2255 Rayburn House Office Building
Washington, D.C.
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Congressman Engel,
Minister Dosso,
Minister Iddrisu,
Deputy Secretary Lu,
Colleagues and Friends:

Thank you for providing me with the opportunity to make remarks at the beginning of what promises to be two days of rich and forward-looking discussions as we gather once again for the CLCCG Principals Meeting and Stakeholders Dialogue. Almost one year ago, we met in Washington to review the progress and challenges of the past five years under the Harkin-Engel Protocol's Framework of Action. I believe that I speak on behalf of everyone here in saying that we remain especially grateful for the commitment to addressing the worst forms of child labor in cocoa communities that was demonstrated by the Ivorian delegation, through the personal participation in last year's meetings by First Lady Dominique Ouattara and a strong delegation of Ivorian government officials. I am pleased to see that, this year, both the Ivorian and Ghanaian governments are represented by delegations led by two especially dedicated and talented government ministers. Thank you both for joining us for these important discussions.

I also want to thank the U.S. Department of Labor, and especially the team at the Bureau of International Labor Affairs, for all of your efforts to organize this week's meetings, which have provided yet another occasion for fruitful collaboration between the public and private sectors. And, of course, I cannot let this moment pass without thanking Congressman Eliot Engel for his leadership on this issue, and for taking the time to be present with us this morning.

This year's meetings come shortly after global commemorations that marked the World Day Against Child Labor. Regrettably, the occasion reminded us that the number of children in 2015-2016 that were involved in child labor, according to the International Labour Organisation (ILO), was 168 million. This represents little to no change from the previous year's data, nor in fact, does it from the 2012 data. Our discussions this year also have as a backdrop the data reported by Tulane University last July that showed an overall increase in the number of children involved in child labor in Côte d'Ivoire and Ghana.

Nevertheless, there has been improvement since 2010, when we – the Governments of Côte d'Ivoire and Ghana, Representative Engel and Senator Harkin from the U.S. Congress and the chocolate and cocoa industry -- joined hands to form the CLCCG Framework of Action. That year, the ILO reported 215 million children working in child labor – and looking back further, in 2004, there were 222 million children involved in child labor. The International Cocoa Initiative's analysis of last year's Tulane report also points to progress, despite significant demographic challenges. According to ICI's analysis of the Tulane survey data, the prevalence of cocoa-related child labor in cocoa-growing households in Côte d'Ivoire and Ghana actually

dropped fourteen percent from 2008-09 to 2013-14, with a declining severity and frequency of child labour in cocoa and more than 650,000 children newly enrolled in school in cocoa-growing areas.

When the Millennium Development Goals were set by the UN in 2000, the ambition was to eradicate poverty, hunger, illiteracy and disease by 2016. The world did not meet that goal, but it did not lose sight of its vision and achieved significant progress. The MDGs produced the most successful anti-poverty movement in history, where a global commitment was effectively translated into eight goals and wide-ranging practical steps that have led to significant improvements in poverty reduction, new partnerships, and new global attention. Nevertheless, despite the remarkable gains, inequalities persist and progress has been uneven across countries. Important lessons were learned, including that collective, long-term effort will be required to tackle the root causes, and do more to integrate economic, social, and environmental dimensions of sustainable development.

Far from declaring defeat and decrying that all was lost, world leaders adopted a new agenda for sustainable development at the UN Summit last September. This agenda includes a set of 17 Sustainable Development Goals to end poverty, fight inequality and injustice, and tackle climate change by 2030. The new SDGs reflect the lessons learned through the MDGs, build on the MDG successes, emphasize the central importance of shared responsibility through public-private partnerships and put all countries on track for a more prosperous, sustainable, and equitable world. So what we're seeing now is that the MDG's have shifted from an aspirational goal, to one that is more and more focused through the SDG's on measurable impact.

I believe that the fight against child labor in cocoa today finds itself in much the same place as did the UN's Millennium Development Goals in the lead-up to the 2015 UN Summit. Allow me to explain:

In 2010, we jointly committed to reducing child labor by 70% in the aggregate across the cocoa-growing regions of Côte d'Ivoire and Ghana by 2020. When industry entered the Framework of Action in 2010, we committed to a joint project through the ILO and to projects as individual corporate entities. The commitments made through those projects are essentially completed and descriptions of project activities can be found in the 2015 Annual Report. Suffice it to say for the moment that, over the past five years, there have been significant achievements in terms of better stakeholder collaboration, support for education infrastructure, promotion of improved livelihoods at the household level and overall understanding of the complexity of the challenge before us. Despite these accomplishments, I believe, based on what we now know, that we will fall short of reaching the goal that was set back in 2010. I note that the CocoaAction strategy, because of its scaled approach and about which I will speak more, will likely not have reached all of its 300,000 targeted farmers by the time that data collection begins in 2018-2019 for the next five-year survey of child labor. I hope that this week's discussions will shed light on how we, in the chocolate and cocoa industry, plan to continue on the trajectory to the goal agreed in 2010, even as we recognize that the lessons of the past five to 10 years call on us to recalibrate how we approach measuring success along that path.

Like the world leaders who gathered at the UN in September 2015, we must assume our shared responsibility to revisit, reshape, redouble and re-imagine the effort and timeline necessary to dramatically reduce and eliminate the worst forms of child labor in the cocoa sector. Even though we may fall short of our 2020 goal, we will not abandon the goal, because we know it is the right thing to do AND we know that the sustainability of the sector depends on removing the scourge of child labor from it.

As the chocolate and cocoa industry stated in our response to the 2015 Tulane Survey, this effort must be one that is indeed undertaken on the basis of shared responsibility between governments in both producing and consuming countries, civil society, industry, and local communities. It also must bring in new actors, like the Jacobs Foundation and its partnership with industry to improve education in Côte d'Ivoire through the TRECC initiative.

As was highlighted at last year's CLCCG meeting, the chocolate and cocoa industry has adjusted its approach to take into account lessons learned over these past years. Under the auspices of the World Cocoa Foundation, it has labored to develop the CocoaAction strategy that is designed to accelerate sustainability by working together to ensure adoption, by no fewer than 300,000 cocoa farmers in Côte d'Ivoire and Ghana, of a combined package of productivity and community development improvements.

It is important to note that CocoaAction includes a commitment by industry to carry out supply chain-based child labor monitoring and remediation, representing a major step forward as we seek to continue our efforts to understand better and address the problem of child labor in the 1200 communities that CocoaAction initially plans to reach.

CocoaAction, in its scope, goals, extensive preparation and stakeholder outreach, is an extraordinary, albeit not all-encompassing, undertaking, which has benefited immeasurably from the input of the Ivorian and Ghanaian governments, as well as close collaboration with other organizations, including the International Cocoa Initiative. It was by no means easy and its implementation is by no means easy. However, the non-competitive cooperation among industry members truly is remarkable and its ultimate vision is the transformation of cocoa-growing communities in Côte d'Ivoire and Ghana, and nothing less. What we've achieved over the past couple of years through CocoaAction is to get separate, often fiercely competitive businesses to agree on what responsible cocoa production looks like, and then design how their collective efforts on sustainability will be aligned to that vision.

As noted in the Annual Report, CocoaAction's success – and correspondingly its potential failures -- will be gauged by a common set of measurements, known as Key Performance Indicators, that is being used by all participating companies. The strategy's progress and challenges will be publicly reported on a regular basis. The development of these KPIs, like the overall CocoaAction strategy, benefitted from input, feedback, and criticisms from a wide range of industry and non-industry stakeholders, including the U.S. Department of Labor. Industry is already beginning to use these KPIs to measure the results of CocoaAction, well in advance of the rollout of the next five-year survey. What this means is that industry will soon have as never before a marriage of data that brings together the economic conditions of cocoa-growing communities with local labor conditions. This will provide unprecedented understanding of the real drivers of child labor and other insights that will help industry continue to refine its approach. The CocoaAction approach also means that industry now has at its fingertips the ability to assess and understand as never before the realities on the ground much faster and at a scale that one company alone cannot achieve.

My colleague Jennifer Golden, who directs WCF's Monitoring & Evaluation efforts, will later provide you with details about CocoaAction's KPIs. Although we in industry understand that the CocoaAction KPIs do not touch on every possible measurable scenario, we do believe that they form a foundation on which others might build and to which others might add KPIs that correspond to what they choose to measure. In fact, this process has already begun: as announced at the Public-Private Partnership Platform Plenary Session that I attended in Grand

Bassam, Cote d'Ivoire, in April, and again at the International Cocoa Organization's World Cocoa Conference last month, the Conseil du Café-Cacao is using the CocoaAction indicators. In its Bavaro Declaration, ICCO has also chosen to use CocoaAction's productivity indicators. Industry and Cocobod continue to work closely together to align KPIs. It is my hope that this week's discussions will allow all of us to become even more familiar with these KPIs.

In looking ahead to this week's discussions and beyond, I am especially glad that DOL is providing another opportunity to engage with the team from the University of Chicago's National Opinion Research Center (NORC), which will carry out the next five-year survey of child labor in the cocoa sector in Côte d'Ivoire and Ghana. We will seek to understand better, among other things, their planned approach and methodology, including how the next survey intends to capture the impact of localized efforts that might otherwise escape the attention of a national-level sampling, and how to bring heightened attention to important indicators such as household prevalence, severity and frequency.

Whether in our engagements with NORC or through any of the other conversations that will take place here, we, as industry, stand ready to work with our partners to see how we can – together – deliver on the commitment that we have jointly made to the children of West Africa.

Thank you for your attention.

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