



**SUSTAINABLE
COFFEE
CHALLENGE**

www.sustaincoffee.org



POCKET GUIDE

IMPROVING LABOR PRACTICES + SUPPLY



**SUSTAINABLE
COFFEE
CHALLENGE**

IMPROVING LABOR PRACTICES + SUPPLY

Introduction

Coffee depends on workers to maintain coffee fields, pick the ripe cherries, process them into green coffee and roast and package them.

Within the coffee production system we have a number of worker types: Full-Time, Part-Time, Temporary, Multi-Party, and Ambiguous or Disguised Employment. Each of these is further defined below.

Coffee also has a number of different labor supply systems. These can vary from informal family labor and farmer or community labor exchange systems to more formal employment of full-time, part time, and temporary workers. These workers might be employed directly or via labor brokers. The majority of labor is hired for the harvest period when the coffee is picked from the trees.

Good labor practices should be the norm for each of these categories of workers and throughout the coffee supply chain, but we continue to confront forced labor, human trafficking and child labor in coffee.

Do we really understand what these terms mean? We need to in order to begin discussions and to better detect these issues in coffee production.

This short guidance document provides and overview of key terms, sets forth principles for good labor practices in coffee and guides users through a process of considering and addressing risks. The updated annex includes a code of conduct checklist that companies can use to set clear expectations on labor practices within their supply chains.

ADDITIONAL KEY ISSUES TO COVER IN A CODE OF CONDUCT

In addition to labor conditions, a code of conduct should cover business ethics expectations and explain how the policy will be implemented. We recommend that it also cover environmental expectations. Draft text for each of these sections can be found at <https://www.sustaincoffee.org/improved-labor-practices-and-supply-group/>.

Business Ethics

- Legal Compliance
- Bribery / Corruption
- Gifts / Hospitality
- Conflict of Interest
- Intellectual Property
- Traceability
- Materials + Facility Disclosure

Environmental Sustainability

- Resource Consumption
- Pollution Prevention
- Waste Minimization
- Environmental Impact Management
- Hazardous Materials + Product Safety

Policy Implementation

- Management Systems
- Grievance Mechanisms
- Audits + Corrective Actions
- Continuous Improvement



2.3 Accommodation (housing)

- Safe, clean housing
- Freedom to enter and leave

Accommodation: Accommodation, where provided, is clean, safe, meets the basic needs of workers, and conforms to the country's laws. Accommodation should

meet or exceed the basic levels afforded in the local community. Workers shall have freedom to enter and leave at will.

2.4 Emergency Preparedness

- Emergency plans
- Exits unlocked and unblocked

Emergency Preparedness: Potential emergency situations and events (such as fires, earthquakes, and chemical exposures) are to be identified and assessed, and their impact minimized

by implementing emergency plans and response procedures. In buildings, emergency exits must be unlocked and unblocked at all times.

PEOPLE NEED COFFEE TO THRIVE, AND COFFEE NEEDS PEOPLE AND NATURE TO THRIVE

TYPES OF LABOR



TEMPORARY EMPLOYMENT

Workers are engaged for a specific period of time, includes fixed-term, project or task-based contracts, as well as seasonal or casual work.



MULTI-PARTY EMPLOYMENT

Workers are not directly employed by the company to which they provide their services.



PART-TIME + ON-CALL WORK

An employed person whose normal hours of work are fewer than those of comparable full-time workers (fewer than 35 hours, or 30 hours, per week).



DISGUISED EMPLOYMENT/ DEPENDENT SELF-EMPLOYMENT

Employment instance where respective rights and obligations of the parties concerned are not clear, or when inadequacies or gaps exist in the legislation.

PRINCIPLES, CODE OF CONDUCT + TOOLS FOR GOOD LABOR PRACTICES IN COFFEE

Introduction

A key factor of success in any transaction is knowing what you want and how to ask for it. The same applies when it comes to labor conditions you want to see within your coffee supply chain. You have to first know what you want to see and then develop a clear way of asking for it.

In the coffee sector we know we want good labor conditions to all working to produce and process coffee. But what are good labor conditions? How will we know them when we see them?

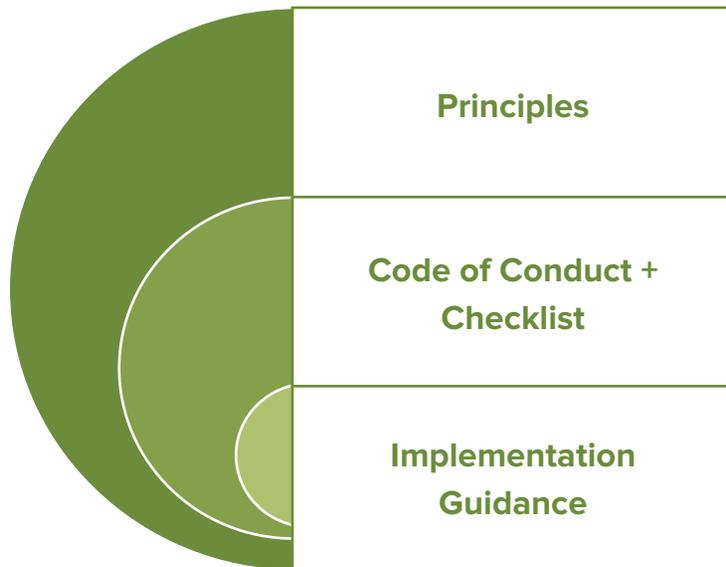
To answer this question, the Sustainable Coffee Challenge has developed a set of principles to guide the sector in promoting good labor conditions. These principles are based on International Labor

Organization conventions and standards of good practice included in most certification and verification programs.

These should inform codes of conduct used by businesses throughout the coffee supply chain.

Most companies already have codes of conduct...but it is always good to take a fresh look to see how your code compares and whether it covers the key principles identified. The checklist enables benchmarking of your existing code of conduct against the principles.

These words are only effective if they are actively implemented and monitored. To help get you started or take the next step in your ongoing process, please



2. Health + Safety

2.1 Working Conditions

- Accident prevention
- Training
- Personal protective equipment
- Right to refuse unsafe work
- Access to basic social services

Working conditions: Suppliers shall provide a safe and hygienic work environment, as appropriate for the industry, geography and workforce.

- Adequate steps shall be taken to prevent accidents and injuries to health arising out of, associated with, or occurring in the course of work, by minimizing, so far as is reasonable practicable, the causes of hazards inherent in the work environment.

- Workers shall receive regular health and safety training.
- Where needed, workers are to be provided free of charge with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards.
- Suppliers shall respect workers' right to refuse unsafe work and to report unhealthy working conditions.

2.2 Basic Services (sanitation)

- Potable water + toilet facilities at all times
- Sanitary food areas for preparing and eating food

Basic services: Workers shall have access to potable drinking water and clean toilet facilities at all times at the workplace and at any company- or third party-

provided housing, as well as sanitary food preparation, storage and consumption areas.

1.7 Regular Employment Status

- Recognized employment status
- Meet legal obligations re: benefits for fixed-term employment

Regular Employment Status: Work performed must be on the basis of a recognized employment relationship. Obligations to employees under labor or social security laws and regulations arising from a regular employment relationship shall not be avoided, such as through

sub-contracting, excessive use of fixed-term employment contracts, or through apprenticeship schemes with no real intent to impart skills or provide regular employment.

1.8 Working Hours

- Adhere to legal limits or 48 hours per week
- Rest days
- Voluntary overtime

Working Hours: Regular and overtime working hours must comply with the law and not be excessive.

- Regular working hours shall not exceed the legal limit or 48 hours per week, whichever is lower.
- Rest days shall comply with legal

requirements or, in the absence such a requirement, workers shall be provided one day off in seven. This may be amended in unusual or emergency circumstances.

- All overtime shall be voluntary.

1.8 Community Rights to Land

- Rights and titles to property
- Free, prior and informed consent
- Contract transparency + disclosure

Respect for Community Rights to Land: Suppliers shall respect the rights and titles to property and land of individuals, indigenous peoples and local communities. Negotiations

regarding property and land shall adhere to principles of free, prior and informed consent, as well as contract transparency and disclosure.

PRINCIPLES FOR GOOD LABOR PRACTICES IN COFFEE

In addition to complying with national labor laws, we believe good labor practices recognize and support the rights and freedoms of all workers and enable all workers in the coffee sector to prosper.

1. Every worker should have **freedom of movement**
2. No worker should be **indebted or coerced** to work
3. No worker should **pay for a job**
4. No worker should **surrender their identity papers** or other original personal documents as a condition of employment
5. No **child*** should be required to do work that competes with attending school.
6. No worker should earn below the **minimum wage**
7. No worker should be **discriminated against** based on their gender, national, ethnic or racial identity.
8. No worker should be denied the **right to establish and join organizations** of their own choosing
9. No worker should be denied the **right to freely organize** and voluntarily negotiate their working conditions in a collective manner
10. All workers should have **access to potable water and appropriate sanitary facilities** during work hours.
11. No **authorized minors or pregnant women** should handle or apply agrochemicals, operate heavy machinery or do heavy lifting.

**Under 15 years of age*



CHILD LABOR IN COFFEE

Introduction

Reports and photos of children carrying heavy sacks of coffee during the harvest season persist in the sector. No government or company wants to find these conditions. To prevent these, we need to first understand what constitutes 'child labor'. And to understand under what conditions it is acceptable to have children working on coffee farms.

The International Labor Organization (ILO) is the global authority on labor conditions. It establishes global norms via a number of conventions that governments ratify and coffee certification and verification standards reference. In addition to the ILO conventions, governments often have additional protections that take the form of prohibited tasks that may be specific to sectors.

This section provides an overview of some of the common terms used to describe child work and child labor and the conditions to look for when discussing labor practices within coffee production.

What is Child Labor?

According to the International Labor Organization (ILO), child labor is any work that "deprives children of their childhood, their potential and their dignity, and that is harmful to their physical and mental development." One of the key concerns with regard to child labor is that it can interfere with their ability to attend and perform well at school. More specifically it states that work should not interfere with children's schooling by:

- depriving them of the opportunity to attend school;

- obliging them to leave school prematurely; or
- requiring them to attempt to combine school attendance with excessively long and heavy work.

The ILO conventions also protect children from work that is "mentally, physically, socially or morally dangerous and harmful"

The ILO convention says that the minimum age for work should not be below the age for finishing compulsory schooling, and in most cases the worker should not be younger than 15 years of age. For developing countries, which include most coffee producing countries, the minimum age can be as low as 14 years of age.

The conventions do allow for children between the ages of 12 and 14 in developing countries to do "light work" as long as it does not threaten their health and safety, or hinder their education or vocational orientation and training.

In coffee, many programs refer to the 'worst forms of child labor'. When this phrase is used it refers to the following conditions as defined by Article 3 of ILO Convention No. 182:

- (a) all forms of slavery or practices similar to slavery, such as the sale and trafficking of children, debt bondage and serfdom and forced or compulsory labor, including forced or compulsory recruitment of children for use in armed conflict;
- (b) the use, procuring or offering of a child for prostitution, for the production of pornography or for pornographic performances;

1.4 Freedom of Association + Collective Bargaining

- Right to form and join trade unions
- Right to bargain collectively + peaceful assembly

Freedom of Association and Collective Bargaining: Suppliers shall respect workers' legal rights to freedom of association and collective bargaining.

- Suppliers shall respect the right of all workers to form and join trade unions of their own choosing, to bargain

collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Suppliers shall permit workers to carry out such activities without fear of discrimination, intimidation, or reprisal.

1.5 No Discrimination

- Based on race, gender, ethnicity or on pregnancy or medical test results

Discrimination: Suppliers shall commit to a workforce free of discrimination.

- All employment decisions (including hiring, termination, compensation, promotion and discipline) must be based exclusively on ability and willingness to do the job.
- There shall be no discrimination on the basis of race, color, sex, national or social origin, religion, age, disability,

sexual orientation, gender identity, marital status, political affiliation, pregnancy status, or past or present union affiliation.

- Supplier shall not require pregnancy or medical tests, except where required by applicable laws or regulations or prudent for workplace safety, and shall not improperly discriminate based on test results.

1.6 Humane Treatment

- Respect + dignity

Humane Treatment: All workers are to be treated with respect and dignity.

There is to be no harsh and inhumane treatment including any sexual harassment, sexual abuse, corporal punishment, mental

or physical coercion or verbal abuse of workers; nor is there to be the threat of any such treatment.

1.2 Child Labor + Young Workers

- Comply with local laws on minimum age + schooling
- Young worker protections
- Light work on family farms

Child Labor and Young Workers: Child labor shall not be used. The term “child” refers to any person under the age of 15, or under the minimum age for employment in the country, whichever is greatest.

- All employment of young workers, including apprentices or vocational students, must comply with laws and regulations on the minimum working age and the compulsory age for schooling. In any case, apprenticeship or vocation arrangements must be of educational benefit and be consistent with Article 6 of ILO Minimum Age

Convention No. 138, or light work consistent with Article 7 of ILO Minimum Age Convention No. 138.

- Young worker protections are in place, where applicable (including for the children of farmers), so that young workers under the age of 18 do not experience conditions in relation to their work that are mentally, physically, socially or morally dangerous or harmful, or that interfere with their schooling.
- A child may help at their family’s business only if they perform light work and meet the requirements above.

(c) the use, procuring or offering of a child for illicit activities, in particular for the production and trafficking of drugs as defined in the relevant international treaties;

(d) work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children (Hazardous Child Labor).

Hazardous child labor is any work that is likely to jeopardize children’s physical, mental or moral health, safety or morals should not be done by anyone under the age of 18. This usually entails prohibitions on the application of pesticides, use of sharp tools and lifting heavy loads.

Sources: https://www.fairtrade.net/fileadmin/user_upload/content/2009/programmes/2015-fairtrade-child-forced-labor-guidelines.pdf

<http://www.ilo.org/ipecc/facts/lang--en/index.htm>



© CI/PHOTO BY STERLING ZUMBRUNN



© CI/PHOTO BY MIGUEL ÁNGEL DE LA CUEVA

1.3 Wages + Benefits

- Meet or exceed minimum wage
- Paid overtime at legal rate or premium wage
- Equal pay for equal work
- No disciplinary pay reductions
- Wage statements

Wages and Benefits: Suppliers shall ensure workers receive wages and benefits that meet, at a minimum, national legal standards.

- We encourage our suppliers to go beyond legal minimum standards and to ensure wages are sufficient to meet basic needs and provide discretionary income.
- All overtime work must be paid at the legally mandated overtime rate, or in the absence of this, a premium wage.

- Equal work shall be compensated with equal pay.
- Disciplinary pay deductions are prohibited.
- For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed.



© CRISTINA MITTERMEIER

FORCED LABOR IN COFFEE

Introduction

Forced labor often conjures images of slavery and human trafficking. Yet it can also include other means that employers use to force people into work. It can appear in various forms that range from human trafficking to retaining personal documentation or implementing practices that cause workers to become indebted to corporate-owned stores. Each of these restricts the ability of the workers to move freely and/or to discontinue their employment.

Unfortunately there continue to be reports of forced labor in coffee. This is unacceptable and presents tremendous risks to stakeholders throughout the coffee value chain.

This brief provides an overview of global definitions of forced labor based on ILO conventions to help raise awareness of the issue and how to better detect and address it by pointing out some practices that are known to present risks.

What is Forced Labor?

In its most legal form, forced, or compulsory labor refers to “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily”.

This definition is concerned about forced labor in all types of employment, both formal and informal and the penalties employers use to compel the person to work.

Forced labor is in direct contrast to work that is offered voluntarily in which the

worker has given his or her free and informed consent to accept a job and has the ability to end the employment at any time.

How is Forced Labor Detected in Coffee?

Forced labor is very difficult to detect, but there are certain practices in coffee that are known to be good indicators of its potential. When these indicators are detected, efforts should be made to investigate them by engaging directly with suppliers.

Specific indicators that can serve as red flags for forced labor include the following:

Labor brokers + recruitment fees:

Some farms use labor brokers to source temporary workers during the harvest season. Some labor brokers may charge workers recruitment fees that result in high indebtedness and bondage. The use of labor brokers also results in less transparency of labor practices on the farm.

Document Retention: Farm managers may hold identification papers (e.g. government issued ID) on behalf of the workers and refuse to give them back to the workers upon request.

Indebtedness to the farm or to a company store: Workers may be forced to purchase goods at a company store that extends credit, which can result in indebtedness that renders their work involuntary.

Source: <http://www.ilo.org/global/topics/forced-labour/lang-en/index.htm>

ANNEX A: CODE OF CONDUCT CHECKLIST

The following checklist provides a list of topics that should be included in a code of conduct for the coffee sector, followed by text that can be incorporated into existing codes of conduct. For a complete model code of conduct please visit <https://www.sustaincoffee.org/improved-labor-practices-and-supply-group/>.

1. Labor + Human Rights

1.1 Freely Chosen, At-Will Employment

- No recruitment fees / paying for a job
- No debt bondage
- No retention of identification papers
- No coercion / deception of employment terms
- Freedom of movement (freedom from isolation)

Freely Chosen Employment: All forms of involuntary labor – including forced, coerced, bonded (including debt bondage), involuntary or exploitative prison, slavery, trafficked or indentured or other forms – are prohibited.

- All work must be voluntary and workers shall be free to leave work at any time or terminate their employment.
- There shall be no unreasonable restrictions on workers' freedom of movement at the workplace or at company- or agent-provided housing.
- To minimize isolation, workers will not have mobile phones confiscated.
- Employment agreements shall meet local law, inform workers of their legal rights and employment conditions in a

language understood by the worker, and be concluded before work has commenced. If employment contracts are not legally required, workers shall at the very least be informed of the terms and conditions of employment, in a language understood by them, prior to starting work.

- Employers and agents may not hold or otherwise deny access by employees to their identity or immigration documents unless such holdings are required by law.
- Workers shall not pay recruitment fees or other related expenses for their employment. If it is discovered that workers have paid fees, the supplier shall ensure that the workers are repaid in full.

A CODE OF CONDUCT FOR GOOD LABOR PRACTICES

A code of conduct helps align business partners around expectations for ethical business practices. Whether you are just establishing your first code of conduct or reviewing an existing one, it's important to leverage these documents to set clear expectations and establish clear processes for communicating and monitoring for key issues.

The following code of conduct serves as a reference for any coffee company wishing to make sure theirs covers the principles of good labor practices in coffee. It also includes additional sections on environmental performance and implementation that are also recommended.

If you have an existing code of conduct, review the checklist first and then look at language in the model to see how it compares with your own. If you are developing a new code of conduct, you can model yours off of the complete one available here.



Quick Reference to producing countries that have not ratified key ILO labor conventions

The following table identifies those coffee producing countries and territories that have not ratified one or more of the key ILO labor conventions that protect workers. Orange represents the conventions that

have not been ratified by the country. This list also includes countries that have reported incidents of child and/or forced labor in coffee based on the US Department of Labor analysis.

Country	2017 Production (tonnes)	Child Labor (US Dept of Labor)	Forced Labor (US Dept of Labor)	Forced Labor (suppress in shortest time possible-C29)	Forced (abolish)
Brazil	2,680,515				
China, mainland	115,150				
Colombia	75,4276				
Costa Rica	90,390				
Côte d'Ivoire	103,514				
Dominican Republic	15,241				
El Salvador	39,460				
Guatemala	245,441				
Guinea	17,813				
Honduras	475,042				
India	312,000				
Kenya	40,800				
Lao People's Democratic Republic	150,795				
Liberia	594				
Malaysia	8,109				
Mexico	153,794				
Myanmar	8,546				
Nepal	466				
Nicaragua	128,111				
Peru	346,466				
Puerto Rico	3,868				
Sierra Leone	35,720				
Thailand	34,312				
Timor-Leste	10,827				
Tonga	16				
Uganda	209,325				
United Republic of Tanzania	55,789				
United States of America	2,200				
Vanuatu	26				
Viet Nam	1,542,398				

LABOR: MAKING SENSE OF THE EXISTING WORK

	Name	Purpose	Scale/ Geography
Tools	Improving supply chain transparency, monitoring and accountability in Guatemala's coffee sector	Grievance Mechanism	Guatemala
	Responsible sourcing tool	Risk Assessment	Global
	Fair hiring toolkit	Best Practice Guide	Global
	Forced labor priority principles	Principles	Global
	Commodity mapping tool	Risk Assessment	Global

	Name	Purpose	Scale/ Geography
Reports/ Studies	Farmworker Protections and Labor Conditions in Brazil's Coffee Sector	Country Assessment	Brazil
	Fairtrade coffee farmer income assessment	Income Benchmark	Rwanda, Tanzania, Uganda, Kenya, India, Indonesia, & Vietnam
	Understanding the situation of workers in corporate and family coffee farms	Country Assessment	Colombia, Nicaragua
	A Blueprint for farmworker inclusion	Guidance on Key Issues	Global
	Global living wage coalition	Income Benchmark	Global (?)
	Sweat and Toil app	Risk Assessment	Global
	Comply Chain app	Risk Assessment	Global

	Name	Purpose	Scale/ Geography
Projects	Aquadas Farmworkers Pilot	Project Intervention	Colombia
	La Revancha	Project Intervention	Nicaragua

NATIONAL ACTION PLANS ON FORCED AND CHILD LABOR

Some coffee producing countries have developed and are implementing national action plans to address forced and child labor concerns. It is important to understand where these exist as there may be opportunities to leverage them and form partnerships with the government to enhance their enforcement in the coffee sector.

While these policies are important they do not signify that there are no forced or child labor risks in coffee production within that country. It is important to understand

the effectiveness of these policies and their level of implementation. If they are not effectively implemented, there may be opportunities to work with local stakeholders to strengthen existing programs.

The following table categorizes coffee producing countries according to whether they have national action plans in place for forced and/or child labor. In many cases the policies and strategies in place to address the issues are not referred to as 'National Action Plans' which makes it difficult to clearly demarcate which category

a country fits within. This table takes an inclusive approach and counts policies and strategies as action plans as long as they made reference to forced labor/ human trafficking and/or child labor. These plans are not specific to coffee, but we believe this information can help start the dialogue with local actors to ask questions, learn more and find opportunities to work together to eradicate these practices from the coffee sector.

Countries with NAP for Child and Forced Labor		Countries with NAP for Child Labor Only		Countries with NAP for Forced Labor Only	Countries without National Action Plans
Brazil	Madagascar	Angola	Kenya	Bolivia	Central African Republic
Burundi	Nepal	Belize	Malawi	Fiji	Dominica
China	Nigeria	Benin	Mozambique	Guinea	Equatorial Guinea
Colombia	Panama	Cambodia	Nicaragua	Guyana	Laos
Comoros	Papua New Guinea	Cameroon	Thailand	Haiti	Mayanmar
Costa Rica	Paraguay	Congo	Timor-Leste	Jamaica	Samoa
Côte d'Ivoire	Peru	Democratic Republic of the Congo	Togo	Malaysia	Sao Tome and Principe
Cuba	Philippines	Dominican Republic	Trinidad and Tobago	Mexico	Suriname
Ecuador	Rwanda	El Salvador	United Republic of Tanzania	Saint Vincent and the Grenadines	Tonga
Ethiopia	Uganda	Gabon		Sierra Leone	Venezuela
Honduras	Vanuatu	Ghana		Sri Lanka	Yemen
Indonesia	Vietnam	Guatemala			Zambia
Liberia	Zimbabwe	India			