

Verité's Written Testimony

to

**USDA Consultative Group to Eliminate the Use of Child Labor and
Forced Labor in Imported Agricultural Products**

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With this testimony, Verité is sharing our observations based on lessons learned from our 15 years of labor rights work in manufacturing, and over eight years of research, social auditing and multi-stakeholder engagements in agriculture.

If we put the interests of the world's poorest at the forefront of our work, process heavy and resource intensive approaches are not the ways to improve the lives of the smallholder farmers that make up such a large part of agricultural supply chains. We all already know the nature of human rights violations occurring across the globe in agriculture.

Whether we look to our work with tomatoes in Florida, bananas in the Philippines, tea in Malawi or cocoa in West Africa, we see cross-cutting issues of entrenched poverty, gender bias, social vulnerability and

isolation that only long-term, broad-based, multi-stakeholder solutions can address. Resolving forced labor and child labor in these sectors will only happen if the private sector and governments are aligned and focused on these issues as a goal, and provide adequate resources for the resolution of these problems. Civil society, for its part, must ensure that its recommendations are informed both by pragmatism and the realities on the ground.

Importantly, we must not focus solely on the role of international private sector actors but also on the businesses, some of them substantial, that supply the MNCs. This middle tier must begin to take responsibility for the resolution of forced and child labor in its own supply chains.

It is now especially important that agriculture take advantage of the lessons learned by other sectors. Several of these key lessons are:

- Auditing is important as a form of data gathering, an input to accountability and as a diagnostic tool, but it does not solve problems;
- In fact, the very sectors like apparel that pioneered social auditing are now moving away from auditing in favor of longer-term

worker-centric and systems-oriented approaches (training, community engagement, worker participation, community based monitoring, etc.)

- Embedding ethical procurement as an integral part of standard business processes is the only way to sustain change
- Collective action and collaboration among companies in similar supply chains has **great** potential (we specifically recommend that companies in the agricultural sector begin working together to develop sustainable solutions to their supply chains)
- Civil society and workers' organizations must be part of resolving issues
- Governments have an irreplaceable role as guarantors of rights and must be active and accountable participants in developing and delivering multi-stakeholder solutions
- Governments in turn need more capacity, support for National Plans and greater coordination amongst those who deliver financing and programs
- Ensuring equitable incomes for farmers within a supply chain is an oft-overlooked, yet integral, part of improving labor conditions (as poverty among farmers is an especially important driver of child



labor on family farms that make up a large segment of many agricultural supply chains)

Further, one common risk that is generally under-reported in agricultural workplaces is exploitation due to debt-bondage and the presence of labor contractors. Verité has found numerous instances of labor rights violations, including slavery, in agriculture in the US as well as overseas, which results directly from the presence of labor contractors.

Labor contracting takes varied forms, ranging from formal businesses to informal relationships. Labor contracting in agriculture can take the form of a distant relative, a bus driver or a border guard. Further, unlike factory-based labor contractors, the intermediaries who link prospective workers to prospective employers, are not necessarily being paid for their services, nor are the workers necessarily being placed into paying work (for example, a distant uncle places a nephew for work on a farm where neither the uncle or the nephew is paid). As such, we see a clear need for additional research to document the unique nature of labor contracting in agriculture. Future progress on eliminating trafficking in agriculture depends on a greater

understanding of labor intermediaries as well as additional research to map the scope of the problem using targeted research methodologies like respondent driven sampling.

As the USDA Consultative Group considers future recommendations for the agricultural sector, we encourage the group to consider the unique characteristics of this sector, as well as the lessons learned from the manufacturing sector. Given that agriculture is only one component of a food supply chain that includes harvesting, packing, distribution, transport, in some parts of this supply chain, then, a factory model of monitoring is appropriate.

However, looking beyond these more industrialized segments of the food supply chain, we see a number of ways in which the strategies recommended to date for improving labor conditions in the non-industrialized agricultural sector are not a match for the realities of this segment of the supply chain. This is particularly true of the calls for third party monitoring of family farms and “child labor free” product labeling. Ultimately, we must ensure that the strategies we collectively develop to improve labor conditions in agriculture consider the needs

and perspectives of the farmers whose lives such recommendations are supposed to improve.

Creating “farmer-centric”, rather than consumer-centric solutions is especially important because labor rights are the weak spot for the current product certification schemes. While the product certification labeling model can usually make assurances of empirically measurable environmental conditions, no system can deliver credible assurances that any product is forced or child labor “free”.

In conclusion, we recommend a paradigm shift in labor rights in agriculture that takes lessons from the manufacturing sector, specifically focusing on several key interventions:

- Embed ethical procurement policies into regular business decisions such as hiring and sourcing of agricultural products;
- Emphasize farmer-centric remediation programs over consumer-centric data collection and product certification programs
- Develop preventative strategies that operate in parallel to remediation strategies
- Design impact evaluation mechanisms at the outset of remediation programs (especially community based models)

- Strengthen government engagement and accountability
- Increase the involvement of retailers
- Shift data gathering away from consumer facing labeling models, towards community based monitoring models
- Prioritize social and economic development initiatives over data collection (we estimate that annual audits of every farm in sectors like cocoa alone would cost upwards of five billion dollars a year – resources that could be better spent on poverty alleviation strategies)
- Ensure that farmers’ voices are included in all program design

Agricultural supply chains are complex, requiring nuanced and sophisticated solutions. Yet, agriculture more than perhaps any sector, forces all stakeholders to grapple with the most entrenched issues of human development – poverty, access to education, gender equity, child rights and land tenure, among others. The arc of our innovation and leadership must be a match for the depth of the challenge.

