

COMMUNICATION ON ENGAGEMENT (COE)



International Cocoa Initiative

Period covered by this Communication on Engagement

From: 31 July 2014 to: 31 July 2016

I. Statement of Continued Support by the Executive Director

2 August 2016

To our stakeholders:

I am pleased to confirm that the International Cocoa Initiative (ICI) reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'N. Weatherill', with a long horizontal flourish extending to the right.

Nick Weatherill
ICI Executive Director

II. Brief description about the International Cocoa Initiative and its role in the cocoa sector

Established in 2002, the International Cocoa Initiative (ICI) is a non-profit organisation working together with the cocoa industry, the governments of Cote d'Ivoire and Ghana, a farmers' union, and civil society to improve the lives of children in cocoa-growing areas. Our aim is to use the transformative potential of all stakeholders to bring lasting improvements to the lives and livelihoods of farmers and their children.

Our ten years on-the-ground experience in cocoa-growing communities, and our convening power across the cocoa sector, empower us to promote collective action that corresponds to the scale of the challenge. Our role is to help the cocoa sector realise its potential to be a game-changer for child protection and farmer prosperity.

Guided by the principle of “shared responsibility” ICI counts some of the largest chocolate companies, traders and processors among its members and partners, as well as UN bodies, civil society organisations and a trade union from Ghana. Our current members, contributing partners and technical advisers are: Barry Callebaut, Cargill, Choc Affair, ECOM, Ferrero, Free the Slaves, GAWU - General Agriculture Workers' Union, Global March Against Child Labour, Guittard, IDH- The Sustainable Trade Initiative, ILO, Marks & Spencer, MARS INC., MONDELEZ International, Natra, Nestle, OLAM, Ovaltine (Twinings), Save the Children-Sweden, Solidaridad, The Hershey company, TOMS, Tony's Chocolonely, Touton, UNICEF, WAO Afrique, Zuma (Beyond the Bean).

Vision and Mission

ICI's vision is of thriving cocoa-growing communities where children's rights are respected and protected, and where child labour has been eliminated.

Our mission is to improve the lives of children in cocoa-growing communities, safeguarding their rights and contributing to the elimination of child labour by supporting the acceleration and scale-up of child-centered community development and of responsible supply-chain management throughout the cocoa-sector.

III. Descriptions of actions

ICI's activities in the past two years have been driven by the ICI's 2015—2020 Strategy, adopted in June 2014 and ensuring that: i) cocoa-growing communities are more protective of children and their rights; ii) the cocoa supply-chain manages the risk of child labour responsibly; iii) key stakeholders have improved awareness, knowledge, willingness and capacity to take appropriate and effective decisions that strengthen child protection and mitigate child labour in cocoa-growing communities. Our objectives

ICI's core set of community development activities are raising awareness of the dangers of hazardous labour to children, improving access to education, health services, water and sanitation, training farmers in good agricultural practices and supporting income-generating activities for

women. In 2014, ICI implemented 793 community development actions in 712 cocoa-growing communities in Cote d'Ivoire and Ghana, reaching 250,000 people, 40% of whom were children. In 2015, we reached 313,273 people, 50% of whom were children. As a direct result of our actions, 6,185 children were newly enrolled in school. In communities with effective child protection systems in place, we have seen a 20% increase in the number of children enrolled in school, and a 20% to 40% reduction in child labour.

On the supply-chain side, ICI works with all big cocoa and chocolate companies to help them design programmes that reduce child labour and that integrate responsible supply chain management into their businesses. Our role, as a multi-stakeholder coalition, uniting traditionally competing companies, is directly related to the following principles of the UN Global Compact:

- Businesses should support and respect the protection of internationally proclaimed human rights;
- Businesses should make sure that they are not complicit in human rights abuses;
- the elimination of all forms of forced and compulsory labour;
- the effective abolition of child labour.

In 2014 and 2015 ICI has been expanding a model (started in 2012) within the companies' supply chains called the Child labour Monitoring and Remediation System (CLMRS). The model, crafted by ICI and so far implemented jointly with Nestlé, allows companies to identify and address cases of child labour in their supply-chains and develop tailored responses. From 2012 to 2015, for example, the CLMRS covered 40 cooperatives in 852 communities identifying and remediating 2,196 child labourers. The system helped find out that 88% of the children involved in hazardous activities in the monitored cooperatives were carrying heavy loads. This should allow the cocoa industry to better target its awareness raising messages to this specific risk and adapt its remediation and prevention strategies accordingly, for instance by providing wheelbarrows to farmers.

ICI's Stakeholder Meeting in 2015 in Accra, Ghana, held under the auspices of the Ghana's Ministry of Employment and Labour Relations, brought together more than 100 participants in Accra in November 2015. Officials from the governments of Ghana and Côte d'Ivoire, workers' and farmers' organisations, the chocolate and cocoa industry, the UN, the EU, children's rights groups, civil society organisations, media and other influencers tackled two major themes: improving and expanding a Child Labour Monitoring and Remediation System (CLMRS); and bridging gaps to improve children's access to quality education.

ICI, jointly with UTZ, organized a side event at the world's biggest cocoa industry summit, the World Cocoa Conference, in the Dominican Republic in May 2016. The event presented the CLMRS and invited stakeholders to discuss future steps for its sector-wide adoption.

ICI's direct engagement with the UN Global Compact has included attendance of the UNGC Leaders Summit in September 2013, and participation as a panelist at the UNGC's Business for

Peace event in June 2015. Additionally, ICI has embraced the Children's Rights and Business Principles (CRBPs), working closely with its Board Members / Advisors (Save the Children and UNICEF) to actively promote the CRBPs in the Cocoa Sector, with a collaboration underway in Côte d'Ivoire on a Child Rights Impact Assessment and a potential pilot project on applying the CRBPs to follow.

IV. Measurement of outcomes

Since 2014, ICI has welcomed six new partners from the cocoa and chocolate industry, making our multi-stakeholder coalition even stronger and raising the bar on what can be achieved through collective efforts.

A direct outcome of our partnership with Nestlé and their increased actions towards the UNGC goals, is the rapidly expanding coverage of the CLMRS in their supply chain. In a single year (2015), the number of cocoa farmers monitored by the system doubled to reach 24,470 in over 40 cooperatives. In 2016, ICI also signed operational engagements with an additional five major cocoa companies to implement the CLMRS model into their supply chains.

After the launch of industry's joint CocoaAction initiative in 2014 and its commitment to promote cocoa sustainability for 300,000 cocoa farmers and 1,200 cocoa-growing communities in Côte d'Ivoire and Ghana, in 2015 ICI became officially a technical adviser to the Initiative, ensuring that defined good practices for child labour mitigation are appropriately understood and integrated. In addition, in 2015, the Jacobs Foundation, launched a complementary \$52 million Transforming Education in Cocoa Communities (TRECC) programme to improve the access to and quality of education in selected CocoaAction communities in Côte d'Ivoire.

In 2016 ICI signed an agreement with Nestlé and the Jacobs Foundation to provide remedial education to children affected or at risk of child labour in cocoa growing communities in CDI. In addition, ICI received funding from the Jacobs Foundation for a research project aiming to assess what makes communities more or less vulnerable to child labour.

In 2016, ICI also signed an MoU with the Government of Côte d'Ivoire's National Oversight Committee for the Elimination of Child Labour, strengthening ICI's influence and support to national policy, and creating an important bridge between its corporate members and the national government.

For a more detailed list of ICI's results in relation to the UN Global Compact Principles, please take a look at our 2015 and 2014 Annual Reports.

2015 http://ici.acw-server1.co.uk/wp-content/uploads/2016/05/AR_2015_En_web.pdf

2014 <http://www.cocoainitiative.org/en/documents-manager/english/75-annual-report-2014/file>