

COMMUNICATION ON ENGAGEMENT

International Cocoa Initiative



Period covered by the Communication on Engagement

From: 31 July 2016 to: 31 July 2019

I. **Statement of Continued Support by the Executive Director**

9 July 2019

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 blue ink, consisting of several fluid, overlapping strokes that form the name "Nick Weatherill".

Nick Weatherill

ICI Executive Director

I. 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, multi-stakeholder organization working together with the cocoa industry, the governments of Côte d'Ivoire and Ghana, a farmer's union, and civil society to improve the lives of children and tackle child labour 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 thirteen years of on-the-ground experience in cocoa-growing communities, and our convening power across the cocoa sector, empower us to promote collective learning and action that corresponds to the significant scale of the challenge (there are an estimated 2.1 million child labourers working in cocoa in Ivory Coast and Ghana). Our role is to help the cocoa sector realise its potential of being 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 organizations and a trade union from Ghana. Our current members, contributing partners and technical advisers are: Barry Callebaut, Cargill, ECOM, Ferrero, Hershey's, MARS INC., MONDELEZ International, Nestlé, Olam, Touton, Guittard, Idilia Foods, Marks and Spencer, Natra, Ovaltine (Twinings), Toms, Tony's Chocolonely, Valrhona, Unilever, Zuma (Beyond the bean), Free the Slaves, General Agriculture Workers' Union, Global March Against Child Labour, Mil Niepold, Richard Longhurst, Save the Children-Sweden, Solidaridad, WAO Afrique, Fairtrade International, Jacobs Foundation, Rainforest Alliance, ILO and UNICEF.

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.

ICI works to improve the lives of children in cocoa-growing communities by supporting the acceleration and scale-up of child-centred community development and responsible supply-chain management throughout the cocoa-sector. ICI aims to safeguard child rights and contribute to the elimination of child labour through innovation, through the development, application and promotion of good practices, and through the building of partnerships.

II. Description of actions

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. Since 2007, ICI has assisted 800,000 children in 742 cocoa-growing communities.

In 2017, ICI implemented 932 community development actions in 75 cocoa-growing communities in Côte d'Ivoire and Ghana reaching 127,299 people, 50% of whom were children.

In 2018, we reached 123,793 people, 50% of whom were children. As a direct result of our actions, 1,548 children were newly enrolled in school in 2018.

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 2017 and 2018 ICI has expanded its model (started in 2012) within the companies' supply chains called the Child Labour Monitoring and Remediation System (CLMRS). The system allows companies to identify and address cases of child labour in their supply-chains, developing tailored remediation responses to help children out of child labour. ICI implements so far CLMRS projects with 8 companies and has also inspired the replication and upscaling of similar systems so that, currently, an estimated 220,000 farming households (or 10% of the supply-chain) is covered.

The CLMRS has helped to identify 33,604 children involved in child labour cumulatively since 2012. With this information it has been possible to generate individual remediation or prevention actions, so-far benefiting at least 16,297 children.

Additionally, a U.S. Department of Labor-funded project for Eliminating Child Labour in Cocoa (ECLIC) has achieved the following results since 2015:

- 11,868 community members have been reached through awareness-raising activities, trainings on child labour and child rights. 8,498 school kits distributed in schools and bridging classes, 6,539 schoolchildren trained on child rights and child protection.

Promoting a dual approach of prevention and due-diligence, ICI operates at the nexus of the UN Sustainable Development Goals and the UN Guiding Principles for Business and Human Rights, and we believe that with our revised strategic focus on innovation and learning, we will help catalyse the required further scale-up of effective prevention and due diligence practices. Our unique multi-stakeholder platform will continue to serve as the vehicle for concerted action by all parties – state actors, the private sector, civil society organisations and farming communities.

In terms of stakeholder engagement, ICI's Stakeholders Meeting in 2017 in Abidjan, Côte d'Ivoire, held under the auspices of First Lady Dominique Ouattara and the Minister of Employment and Social Protection, Jean-Claude Kouassi, welcomed the initiative of ICI to support vocational training and the integration into the labor market of young people leaving the cocoa zones. The theme was "Exploring opportunities for education and vocational training for teenagers from 13 to 17 years old".

In 2018, the European Parliament's Committee on Development and the Subcommittee on Human Rights held a joint hearing on cocoa and coffee entitled "Cocoa and Coffee – devastating rainforest and driving child labour: the role of EU consumption, and how the EU could help".

ICI Executive Director Nick Weatherill participated in the panel, giving a quick overview and trajectory of the problem, the multi-stakeholder nature of ICI, the impact of our preventive and response actions, ICI's approach to supply chain due diligence (CLMRS), and the challenges and opportunities that the CLMRS' scale up places ahead of us, including through options for EU-level regulation.

III. Measurement of outcomes

Mid-term review and revision of ICI's 2015 – 2020 strategy

Progress Against Overarching Targets

The original Strategy's "rallying call" and primary target was to "increase child protection for at least 1,000,000 children by 2020". Based on the agreed operating model, it was intended that 20% of this target (200,000 children) would be achieved through ICI's "direct action", and 80% (800,000 children) would be achieved through "influencing the actions of others".

Through the activities within its core programme (supporting community development in 75 communities) and restricted projects (supporting community development in 62 communities and targeting 90,826 farming households with CLMRS), ICI's direct action impact at end-2017 was estimated to be an improvement in child protection for 187,767 children. 94% of the original 2020 direct action target had therefore already been achieved at end-2017, and was 121% greater than was originally foreseen for the mid-point. Accordingly, ICI has adjusted its 2020 direct-action ambition, now expecting to reach 375,000 children with improved child protection. More details can be found within ICI's

Revised 2015-2020 Strategy: <https://cocoainitiative.org/wp-content/uploads/2018/11/ICI-Strategy-MTR-Board-Approved-EXT.pdf>

Original ICI Strategy: https://cocoainitiative.org/wp-content/uploads/2016/06/ICI_strategy_EN_digital_spread_web.pdf

ICI's membership continues to expand both on the corporate and non-corporate sides. In 2017, Idilia Foods and Valrhona joined ICI as new corporate contributing partners and Unilever joined in 2019. In 2017, UTZ/Rainforest joined ICI as a non-profit contributing partner; the Jacobs Foundation joined us in 2018 and Fairtrade International in 2019.

For a more detailed list of ICI's results in relation to the UN Global Compact Principles, please take a look at our 2017 and 2018 Annual Reports.

2017 Annual Report

https://cocoainitiative.org/wp-content/uploads/2018/06/ICI_RA_Anglais_single.pdf

2018 Annual Report

<https://annualreport2018.cocoainitiative.org/>