

A close-up photograph of several cocoa pods hanging from a tree branch. The pods are reddish-brown and have a textured, bumpy surface. The background is filled with green leaves and branches, creating a natural, agricultural setting. The image is slightly blurred, giving it a soft, artistic feel.

# Summary report

of the report analysing on systems tackling  
child labour in Côte d'Ivoire in the context of  
EU regulations and discussions held at the  
report presentation workshop

May 2024

**Preliminary note**

*This document summarises the recommendations from the report on a study conducted by Catalytica Consulting to assess how national policies aimed at tackling child labour can support the Ivorian cocoa sector’s compliance with new European standards, including the European Union’s Deforestation Regulation and the proposal for a Directive on Corporate Sustainability Due Diligence.*

*As it is a summary, this document does not reflect all the information available in the study report, such as the analysis of the international normative framework or of the existing mechanisms addressing child labour in Côte d’Ivoire. The summary below presents the key recommendations of the study and describes some of the recommendations that were shared during the study presentation workshop. The purpose of this report is to provide a basis for discussion. The topics identified shall be reviewed and developed further as part of the recommended multi-stakeholder dialogue.*

*The study was financed by Gesellschaft für internationale Zusammenarbeit (GIZ) GmbH through the Programme for Sustainable Development in Côte d’Ivoire (ProSICD), which is co-financed by the German Federal Ministry for Economic Cooperation and Development and the European Union.*

# Contents

|  |    |
|--|----|
| GENERAL RECOMMENDATIONS .....  | 3  |
| I. DOCUMENT THE ALIGNMENT OF THE ARS-1000 STANDARD WITH EUROPEAN REGULATIONS .....   | 4  |
| II. STRENGTHEN EXISTING NATIONAL MECHANISMS DESIGNED TO ADDRESS CHILD LABOUR IN ORDER TO HELP COMPANIES ACHIEVE COMPLIANCE, IMPROVE EFFECTIVENESS AND CREATE A LASTING IMPACT FOR CHILDREN ..... | 5  |
| III. PROMOTE A PUBLIC-PRIVATE POLICY DIALOGUE .....  | 16 |



# General recommendations

- I. Document the alignment of the ARS-1000 regional standard on sustainable cocoa (“ARS-1000”) with European regulations**
- II. Strengthen existing national mechanisms designed to address child labour**, such as the Child Labour Observation and Monitoring System in Côte d’Ivoire (SOSTECI), including their coordination, supervision and consolidation role, **in order to help companies achieve compliance, improve effectiveness and create a lasting impact for children**
- III. Promote a public-private policy dialogue at international and national levels** to provide a space for discussion and consensus on prioritising risks, defining and monitoring relevant and effective prevention and remediation measures aimed at addressing child labour in Côte d’Ivoire

# I. Document the alignment of the ARS-1000 standard with European regulations

## Recommendations

- Publish a **comprehensive comparative analysis** to create a common understanding and to identify the issues which are already aligned and those that still need to be harmonised
- **Agree on a framework for aligning and harmonising the issues** to help companies achieve compliance

|  Benefits for businesses   |  Benefits for the government of Côte d'Ivoire  |
|---|---|
| <ul style="list-style-type: none"><li>✓ <b>Distribute efforts</b> to achieve compliance with aligned issues</li><li>✓ <b>Clarify guidelines to align issues and to reduce the risk of non-compliance</b> with any of the standards</li><li>✓ <b>Ensure that operations are authorised</b> in production countries and that European <b>markets are accessible to Ivorian products</b></li></ul> | <ul style="list-style-type: none"><li>✓ <b>Increase its credibility and attractiveness</b> as a trading partner and investment destination</li><li>✓ <b>Claim its position as an innovative leader</b> in the cocoa sector</li><li>✓ <b>Promote the adoption of more sustainable farming and production practices</b> that benefit both the local economy and the environment</li><li>✓ <b>Identify the technical points to be discussed as part of the policy dialogue and the budget support priorities</b> that can be requested to technical and financial partners</li></ul> |

## II. Strengthen existing national mechanisms designed to address child labour in order to help companies achieve compliance, improve effectiveness and create a lasting impact for children

Challenges and opportunities for private operators in the cocoa sector in implementing the OECD<sup>1</sup> Due Diligence Guidance

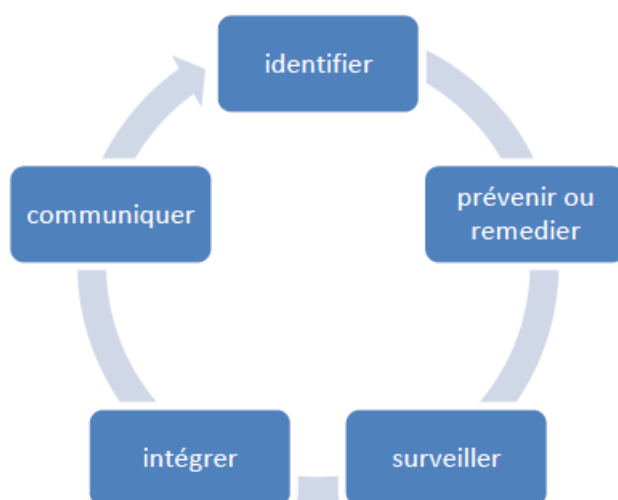





Figure 1 Due diligence process

To simplify the summary of the study, steps 3 and 4 have been grouped together for analysis.




---

<sup>1</sup> Organisation for Economic Co-operation and Development (OECD)

## Summary of recommendations for more effective due diligence measures designed to address child labour in the cocoa sector in Côte d'Ivoire



| Stages of due diligence            |  Companies' current main tools   |  Limitations  |  Opportunities for national systems   |
|------------------------------------|---|--|--|
| <b>1. Identify</b>                 | <ul style="list-style-type: none"> <li>• CLMRS data</li> <li>• Public data</li> </ul>   | <ul style="list-style-type: none"> <li>• Area not covered (indirect value chain) and issue of data protection and reliability, high costs</li> <li>• Multiple and complex databases</li> </ul>   | <ul style="list-style-type: none"> <li>• Develop a Resource Centre and a Data Sharing Network led by the Government</li> <li>• Map out key risks in Côte d'Ivoire</li> </ul>   |
| <b>2. Prevent or mitigate</b>      | <ul style="list-style-type: none"> <li>• Measures implemented either directly or with partners (NGOs<sup>2</sup>) and/or via Child Protection Committees</li> </ul> | <ul style="list-style-type: none"> <li>• Interventions are often isolated, fragmented, implemented on a relatively small scale, lack of coordination, duplication of efforts, sub-optimal use of resources, limited effectiveness of measures, poor sustainability. Ongoing efforts to address these limitations could benefit from stronger coordination at national level</li> </ul> | <ul style="list-style-type: none"> <li>• SOSTECI, initiatives facilitator and subsidiary operator, main platform for public-private coordination</li> <li>• Develop multi-stakeholder initiatives, particularly for policies requiring significant investments (e.g. health infrastructure, education, etc.) and for strengthening child protection social services</li> </ul> |
| <b>3. Monitor and 4. integrate</b> | <ul style="list-style-type: none"> <li>• Monitoring and evaluation</li> <li>• Control and internal audit</li> <li>• External audits and certifications</li> </ul>   | <ul style="list-style-type: none"> <li>• Uneven implementation and effectiveness of monitoring and evaluation mechanisms and internal controls</li> <li>• Technical and financial inability of external audits and/or certifications to</li> </ul>   | <ul style="list-style-type: none"> <li>• Strengthen SOSTECI to implement a grievance management system and to evaluate the effectiveness of measures</li> </ul>  |

<sup>2</sup> Non-governmental organisation (NGO)

| Stages of due diligence |  Companies' current main tools   |  Limitations  |  Opportunities for national systems   |
|-------------------------|---|--|--|
|                         | <ul style="list-style-type: none"> <li>Grievance mechanisms</li> </ul>  | <ul style="list-style-type: none"> <li>ensure effective control of the measures implemented</li> <li>Multiplication of grievance mechanisms that are based on different approaches and often under-utilised</li> </ul>     |  |
| <b>5. Communicate</b>   | <ul style="list-style-type: none"> <li>Individual or collective, voluntary or compulsory external communication (existing legal framework governing some publications or declarations)</li> </ul> | <ul style="list-style-type: none"> <li>Uneven levels of transparency, compliance and reliability of information</li> <li>Sensitivity of information from a strategic, commercial and reputational point of view</li> </ul> | <ul style="list-style-type: none"> <li>Strengthen SOSTECI to oversee activities and external reports, and to consolidate data and reporting at national level</li> </ul> |



# 1. Identify

|  <b>Companies' current main tools</b>   |  <b>Limitations</b>  |
|--|---|
| <p><b><u>Assess the materiality of issues and define policies:</u></b></p> <ul style="list-style-type: none"> <li>• Individual <b>public and/or internal commitments</b></li> <li>• <b>Collective commitments (sectoral, public-private initiatives, etc.)</b></li> <li>• <b>Voluntary or legal commitments</b></li> </ul> <p><b><u>Collect data to support risk analysis:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Data from private Child Labor Monitoring and Remediation Systems (CLMRS)</b></li> <li>• <b>Public data</b> (international or national sources)</li> </ul> | <p><b><u>Policies and commitments:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Uneven degrees of commitment</b> (presence or absence of commitments, level of management involved, personal commitment with signature of managers or not, etc.) <b>and their transparency</b> (public or internal)</li> <li>• <b>Uneven efforts to align</b> with relevant international and national frameworks</li> </ul> <p><b><u>Private data:</u></b></p> <ul style="list-style-type: none"> <li>• Significant lack of <b>data availability</b> on the number of private operators (particularly in the <b>indirect supply value chain</b>)</li> <li>• <b>Uneven reliability</b> of data where it exists</li> <li>• <b>High operational costs</b> to collect and analyse data for scaling to all suppliers, especially in the indirect chain</li> <li>• Increased importance of producers' and families' sensitive personal data management and protection</li> </ul> <p><b><u>Public data:</u></b></p> <ul style="list-style-type: none"> <li>• <b>Multiple and complex databases</b> that are not necessarily easy to consolidate and analyse for maximum benefit</li> </ul> |
| <p>➤ <b>Opportunities for national systems</b></p>   |   |
| <p><b>Develop a Resource Centre and Data Sharing Network led by the Government</b></p>   |   |

## Objectives:

- **Promote best corporate practices and facilitate their alignment with international and national frameworks**
- **Help companies map out relevant child labour risk indicators and priority interventions in line with the country's development strategy**





### Further details:

- **Issue, or have issued, rules and best practices that can inform private operators' work and help them refine their due diligence practices**
  - **Identify and disseminate research and studies; reference all relevant international and national frameworks and tools that promote the implementation of due diligence by companies in line with these frameworks** (international conventions, international political commitments and relevant national legislation, guidance and relevant databases from technical and financial partners, certifications, relevant norms and standards, etc.) ; this work can be promoted by existing sectoral platforms that already offer a large number of useful resources, such as ICI's "Knowledge hub"
  - **Promote private operators' engagement with all economic sectors operating in an area and formalize the integration of sectoral public strategies** (e.g. national strategy for child protection, education, access to decent employment or the Mining Code with the National Action Plan to combat trafficking, exploitation and child labour [NAP] and the National Sustainable Cocoa Strategy [NSCD])
  - **Identify and share best corporate practices**
  
- **Map out key child labour risks in Côte d'Ivoire and priority interventions** in line with the country's development strategy, disaggregating them by regional, departmental or local level:
  - **Leverage the existing administrative data collected** by the ministries in charge of education, child protection, social protection, health and employment (using indicators linked to root causes such as access to legal identity, child protection, quality education, social protection and other basic social services, and decent employment opportunities)
  - **Integrate into SOSTECI the data from the producer census** carried out by the Conseil Café-Cacao, from the **national cocoa traceability system** and from **private operators' CLMRS**

# 3. Prevent or remediate

## Prevention and mitigation

|  Companies' current main tools  |  Limitations  |
|--|--|
| Implementation of prevention and mitigation measures ( <b>awareness-raising, action on root causes such as birth registration, distribution of school kits or construction of schools, etc.</b> ) directly or, in most cases, with implementing partners <b>on the field (mainly NGOs)</b> | <ul style="list-style-type: none"><li>• Interventions are often <b>isolated, fragmented and implemented on a small scale</b> as part of sustainability programmes (direct value chain only)</li><li>• <b>Lack of coordination, multiplication of efforts, sub-optimal use of resources</b> (while one community benefits from several interventions, others are left behind)</li><li>• Challenge of securing long term benefits by implementing public service missions that usually depend on private resources</li></ul> |
| <b>➤ Opportunities for national systems</b>  |  |
| <b>Strengthen SOSTECI as the main public-private coordination platform for defining and implementing targeted support (initiative facilitator and subsidiary operator) and develop multi-stakeholder initiatives</b>   |  |

### Objectives:



- **Promote collaboration and ensure coherence** between various initiatives designed to address child labour, ensuring that they are aligned with national development priorities for greater effectiveness and sustainable impact
- **Mobilise and distribute public and private resources** as part of co-financing plans for **initiatives that are proven to be more effective or that require significant investment** (e.g. birth registration, health infrastructure, education, etc.)

### Further details:

- **Leverage the public-private policy dialogue** relaunched as part of the National Sustainable Cocoa Strategy to reach an agreement with private operators on the **development and operationalisation of the information-sharing protocols needed for effective coordination** (establish standardised formats for sharing this information, define processes for secure transmission including, for example, confidentiality agreements, operationalise activities coordination and efforts distribution, taking into account the context and rationale of the actions)
- **Adapt intervention types to their areas of implementation, based on needs and national priorities** - SOSTECI could intervene on a subsidiary basis in areas or situations where needs are not sufficiently addressed by existing initiatives, in order to ensure optimal coverage of the territory

- **Define priorities and develop multi-stakeholder initiatives and public-private partnerships** in order to implement **measures to prevent and address the root causes of child labour through public mechanisms** (social protection, birth registration, social services, etc.); **set quotas for each private operator's contribution to collective efforts based on identifiable objective criteria** (e.g. volume supplied, number of producers in the value chain or amount of purchases)
- **Leverage existing joint initiatives to pilot collaborative efforts** (CLEF, ENACTE, “referral” project, etc.), **and document the lessons learnt, challenges and opportunities; improve modelling of the most effective interventions**

## Remediation

|  <b>Companies' current main tools</b>  |  <b>Limitations</b>  |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>In most cases, private operators (or their implementing partners) handle identified cases of child labour themselves</b></li> <li>• <b>In the case of community-based CLMRS, cases are handled through Child Protection Committees and referral to social services</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>Limited implementation of CLMRS activities</b> (lack of monitoring and referral, particularly in the indirect value chain)</li> <li>• <b>Despite observable benefits, limited effectiveness of the measures implemented</b> (according to ICI, 36% of children previously identified in child labour were no longer in child labour after two consecutive follow-up visits)</li> <li>• <b>High investment costs</b> (recruiting CLMRS agents and Community Facilitators and/or setting up committees, capacity-building) <b>and implementation costs</b> (monitoring equipment for the agents' or committees' mobility, data collection and monitoring tools, etc.) <b>for variable or not yet sufficiently documented effectiveness</b></li> <li>• <b>For community-based systems, significant challenge in terms of coordination and capacity</b> to ensure effective committee management; important key success factors include promoting a cross-sectoral approach (taking into account children from communities relying on other local industries, for example other crops such as rubber or oil palm, or the mining and gold panning sectors), community ownership and coordination with local public services; However, the Committees' <b>lack of technical and financial resources</b> hinders effective coordination and creates <b>sustainability</b> challenges (see last point)</li> <li>• <b>For systems limited to the individual supply chains of operators in the cocoa sector, failure to take into account the increased vulnerability of communities and children whose parents are not members of partner cooperatives</b> (risks for children outside the direct value chain or in other economic sectors), although most prevention and remediation</li> </ul> |

initiatives are not limited to working children, nor to the children of producers involved in a cooperative

- **Poor referral to child protection social services:** Lack of human and material resources within social services, which hinders efficient responses to address identified cases (especially the most severe cases) and follow-up to ensure effective remediation (lack of access to information on the requirement to monitor the effectiveness of measures)
- **Importance of securing long term benefits** by implementing public service interventions that usually depend on private resources

### ➤ Opportunities for national systems

#### **Strengthen SOSTECI as the main public-private coordination platform for remediation actions (facilitator of initiatives and subsidiary operator)**



#### **Objectives:**

- Contribute to strengthening the **national child protection system**, including by considering the creation of public-private partnerships
- Ensure that interventions are **coordinated**, through capacity-building of local monitoring and remediation mechanisms (public and community-based)

#### **Further details:**

- **Leverage the public-private political dialogue relaunched as part of the National Sustainable Cocoa Strategy to:**
  - Improve the framework for referral and monitoring of cases identified by the private sector to social services, building on standard operating procedures for aimed at managing child protection cases
  - Based on practical cases or concrete examples already implemented on the field, identify the benefits and gaps of child labour monitoring and remediation systems supported by the private sector (individual or community-based systems) and propose budgeted operational recommendations to address the challenges
  - Agree on a human, operational and financial capacity-building strategy for social services and relevant coordination mechanisms such as Child Protection Committees, prioritising areas where the risk of child labour is highest
- **Leverage existing joint initiatives to pilot collaborative efforts** (CLEF, ENACTE, “referral” project, etc.) **and document the lessons learnt, challenges and opportunities**, particularly in terms of local coordination and community-based mechanisms development
- **Drive the development of multi-stakeholder initiatives and public-private partnerships to help strengthen the national child protection system**

## 4. Monitor

|  Companies' current main tools   |  Limitations   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Development and operationalisation of internal or outsourced monitoring and evaluation mechanisms</b></li> <li>• Development and operationalisation of <b>internal control and reporting frameworks</b></li> <li>• Use of <b>external audits and/or certifications</b></li> <li>• Development and operationalisation of <b>grievance mechanisms (internal or outsourced)</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>Uneven implementation and effectiveness of monitoring and evaluation mechanisms and internal controls</b>, based on private operators' commitments and available resources (organisational capacity, risk appetite, investment in sustainability programmes, etc.)</li> <li>• <b>Technical and financial inability of external audits and/or certifications</b> to ensure effective control of the measures implemented</li> <li>• <b>Multiplication of grievance mechanisms</b> that are based on different approaches and often under-utilised</li> </ul> |
| <p>➤ <b>Opportunities for national systems</b></p>  |   |
| <p><b>Strengthen the SOSTECI to implement a grievance management system and evaluate the effectiveness of initiatives and measures</b></p>  |   |

### Objectives:

- Improve grievances registration and contribute to their resolution
- Help implement due diligence measures and improve their effectiveness
- Provide a third-party opinion on the status of implementation and contribute to sharing best practices



### Further details:

- **Resolve disputes through mediation:** By taking on the role of mediator, SOSTECI can provide a neutral platform to resolve conflicts and misunderstandings related to child labour. This approach would promote dialogue and mutual understanding between stakeholders, offering sustainable and consensual solutions that protect the interests of children
- **Review and assess the effectiveness of remediation interventions implemented by government authorities:** This assessment would focus on how these interventions are achieving their expected outcomes in terms of tackling child labour, thus improving the understanding of the real impact of these actions on the field
- **Provide technical and methodological support to monitor and evaluate due diligence measures implemented by private operators and in particular local exporters** (support to develop appropriate monitoring frameworks, identify relevant indicators to measure progress,

and carry out regular assessments to ensure that the measures adopted are effectively implemented and produce the expected outcomes)

- **Carry out spot checks:** SOSTECI could identify directly on the field how compliant the measures implemented by private operators are with due diligence principles. This approach would help quickly identify gaps and the necessary adjustments
- **Contribute to sharing lessons learnt and best practices** by compiling and analysing the data collected during audits and assessments; SOSTECI would be able to identify trends and effective practices as well as disseminate lessons learnt

## 5. Communicate

|  Companies' current main tools   |  Limitations   |
|---|---|
| <ul style="list-style-type: none"> <li>• <b>Individual communication by private operators on the systems implemented and their results on websites and/or in annual reports on a voluntary or legal basis</b></li> <li>• <b>Collective communication by member companies of multi-stakeholder initiatives such as ICI, WCF or ISCOs</b></li> <li>• <b>Existing legal framework for certain publications or declarations (Duty of Vigilance in France, Modern Slavery Act UK, EU Non-Financial Reporting Directive, etc.)</b></li> </ul> | <ul style="list-style-type: none"> <li>• <b>Uneven levels of transparency and external reporting frameworks</b>, although progress is being made with legislation improvement in a number of countries and multi-stakeholder sectoral initiatives development</li> <li>• <b>Uneven levels of compliance and reliability of information</b> when it is published (verification by an independent third party to provide a level of assurance is compulsory or voluntary, and is not systematic depending on the applicable law or the degree of transparency of operators)</li> <li>• <b>Sensitivity of information</b> from a strategic, commercial and reputational point of view for operators, representing a major communication challenge</li> </ul> |
| <p>➤ <b>Opportunities for national systems</b></p>  |   |
| <p><b>Strengthen SOSTECI to review external activities and reports</b></p>  |   |

### Objectives:

- Contribute to harmonising and increasing reliability of external communications
- Promote sharing of best audit practices

### Further details:

- **Adopt a thorough verification protocol** (in the context of European requirements, this protocol could follow the model of audits used in the past in the health sector and include joint measures in collaboration with the European Union)

- **Contribute to strengthening the external reporting framework expected of private operators** (including quantifying the level of each private operator's contribution to the results achieved under multi-stakeholder initiatives to improve communication transparency as part of their due diligence duty)
- **Communicate the assessments' key findings to the authorities** in order to report on the child labour situation in each region and inform decision-making
- **Provide an overview of the efforts undertaken by all stakeholders in the fight against child labour** (determine the frequency and content of SOSTECI's public reports and produce publications): SOSTECI's public reports should provide an overview of the efforts undertaken by all stakeholders in the fight against child labour. They could also report on multi-stakeholder collaborative initiatives and their results. The regular publication of the SOSTECI report could contribute to increasing producer countries' trust in the State's leadership to create an enabling environment for sustainable agricultural practices



# III. Promote a public-private policy dialogue



## Recommendations

- **Support a close policy dialogue with the EU and other strategic international partners** such as the US and multi-stakeholder sectoral platforms (including the private sector), specifically for sustainable cocoa
- **Leverage the relaunch of the national policy dialogue on sustainable cocoa** to explore the technical areas\* involved in the implementation of corporate due diligence in Côte d'Ivoire **to ensure more effective, impactful and sustainable action for children**

\*Preliminary list of technical subjects that could be explored as part of the national public-private policy dialogue:

- **Map out risks and priorities in the fight against child labour** (consider two stages: (i). a “quick-win” by drawing up a map based on available administrative data disaggregated by region, department and locality, depending on availability, and then (ii) update the map with data from other systems, such as data from the producer census conducted by the Conseil du Café Cacao, the national traceability system, the Child Protection Information System [SIPE] managed by the Ministry of Women, Family and Children, and private companies' CLMRS)
- **Operationalise data sharing and integration from public and private partners**
- Create a **reference database** of relevant standards, legislation, studies and practical guidance
- **Align the ARS-1000 standard with the EU regulations and budget** compliance costs
- **Improve the framework for the referral and monitoring of child labour cases identified by the private sector to social services and the management of forced labour cases** (including adult forced labour)
- **Opportunities and conditions for SOSTECI to become a subsidiary operator** in certain areas for operators involved in indirect value chains or in relation to the 20% of export contracts assigned to national operators
- **Define priorities and develop multi-stakeholder initiatives and public-private partnerships to strengthen prevention and remediation measures**
- **Develop a framework for monitoring and evaluating measures implemented by private operators and share guidance on best practices**
- **Develop appropriate capacity-building plans for relevant government departments and private operators**
- **Assess opportunities and methods to optimise grievance management and verification mechanisms through SOSTECI**

