

The roll-out of STEP 3 in the coffee value chain of Colombia

Step 3: Value Chain Analysis: Assessment of Drivers and Constraints for OSH improvement in the Coffee Value Chain from Colombia

1. Overview

This research was carried out within the framework of the ILO-EU Project to improve the occupational safety and health knowledge base in global value chains in support of G20 work¹. The project aims to identify constraints and incentives for improving occupational safety and health (OSH) in global value chains focusing on agricultural global value chains.

2. Objectives

The analysis will complete the mapping with an in-depth analysis of the dynamics at play in the supply chain and its institutional and policy framework. It will also identify main risks to safety and health of workers along the chain and areas of performance and compliance issues and their root causes.

- i) Identify key qualitative and quantitative indicators (time, costs, value addition, productivity and profit distribution) within the supply chain,
- ii) Assess firm performance and job quality, and identify underlying causes of underperformance on OSH (within the business models of the chain and / or due to policy or institutional gaps), identify linkages, power relationships and value chain governance,
- iii) Identify main safety and health risks for each type of actor in the value chain as well as prevention, promotion, protection and compensation practices at each step of the production process,
- iv) Assess the role of key supporting functions and rules, how they may be linked to supply chain constraints and identify gaps and opportunities (i.e. political or institutional interest in working on issues that have consequences on OSH outcomes in the supply chain).

3. Timeframe

In Colombia, the field research (interviews, focus groups, workplace observations) took place from January to April 2017.

4. Methodology

The qualitative interviews, focus groups and workplace observations were built around observation checklists and interview and focus group guides for each specific value chain and type of actor interviewed (i.e. workers of different contractual and job arrangements, and management, at each stage of the chain). Those instruments were adapted from the *Market Systems for Decent Work* approach, the different

¹ www.ilo.org/osh-gsc

STEP 3 - CASE STUDY NO. 4 - The roll-out of STEP 3 in the coffee value chain of Colombia

instruments of the ILO on OSH and particularly OSH in agriculture,² and were further refined with the support of the Cardiff Work Environment Research Centre (CWERC). The research protocol provided for interviewing workers outside of the workplace as much as possible. In each country, the project worked with an inter-disciplinary research team, composed of local and international researchers.

When relevant, the research was conducted in several regions where conditions were deemed to be different and thus geographical location impacted employment and market patterns. In Colombia, the field research focused on three regions: Caldas, Huila and Nariño. The rationale for this choice was to select regions that had a different historical relation with coffee production (some very lengthy, others more recent). Two major coffee producing regions were selected on this basis, as well as a third region with less production, more recent, and which experienced higher degrees of conflicts.³

In each geographical location, a typology of value chain actors was determined on the basis of the literature review and preliminary interviews of key actors, each “type” or cluster of actor was observed and interviewed, and a sufficient number of each type was included so as to ensure triangulation. Observation time varied widely depending on the size of the companies / farms visited and complexity of production processes. Interviews required one and a half to two hours and more time was needed for focus groups. Interview guides covered a range of topics: market position, socio-economic situation, contractual status, training level and training received, work processes, risk factors, OSH awareness, practices and outcomes, buyers’ requirements, regulatory requirements, support functions and received support, among others. In addition to value chain actors, supporting functions and regulatory environments were included in the interviews, with a specific interview guide.

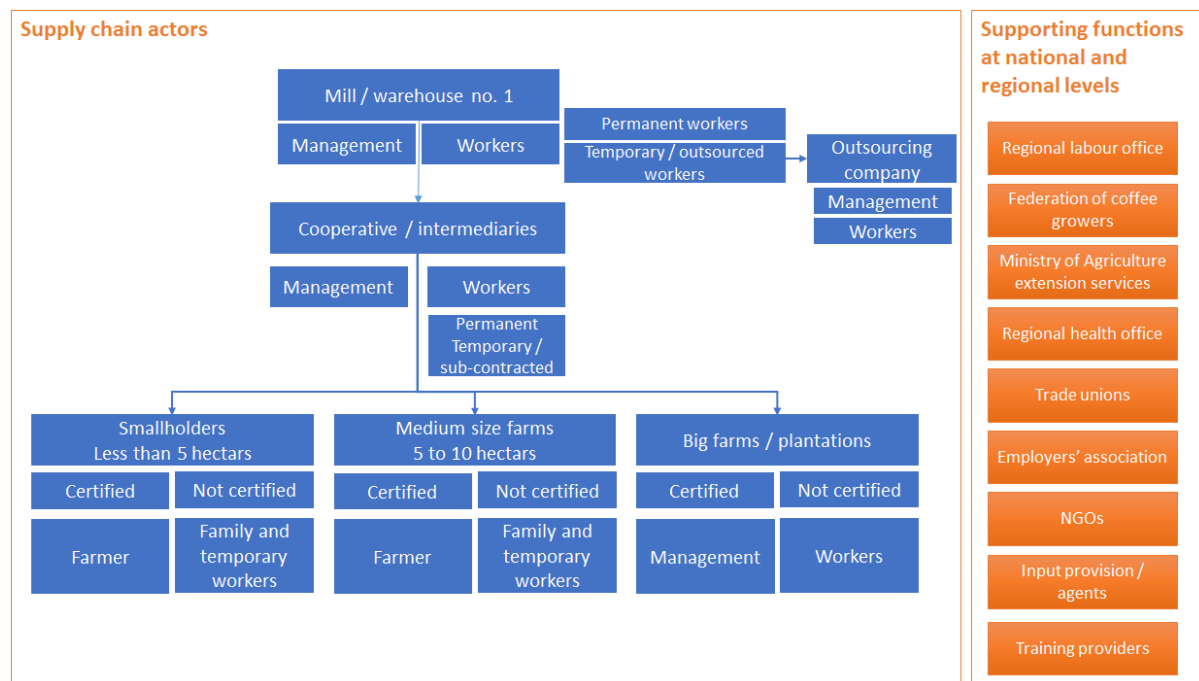
In Colombia, the field research (interviews, focus groups, workplace observations) took place from January to April 2017, and the consultations with value chain actors and their supporting functions on the basis of the results occurred in July and August 2017 (see Step 4). About 120 interviews were conducted in Colombia, accounting for focus groups as well. Mills and stock management warehouses were clustered based on type of ownership (linked to the national federation of coffee growers and cooperatives or not). On that basis, the figure below provides an overview of the typology used for the field research below mill level.

² In particular the Work Improvement in Neighbourhood Development (WIND) methodology as well as the ILO Code of Practice on Safety and Health in Agriculture (ILO 2014).

³ In the context of the recent peace agreement and the subsequent focus on rural development in the conflict-affected areas it seemed particularly appropriate to take this factor into account.

STEP 3 - CASE STUDY NO. 4 - The roll-out of STEP 3 in the coffee value chain of Colombia

Figure 1. Overview of typology used in Colombia below mill level



Source: authors.

In addition to the above-mentioned interviews, focus groups and workplace observations in the field, research was also conducted on different types of global buyers (i.e. traders, agro-food companies, retailers, and other types of companies) and private compliance initiatives (PCIs). Over 50 in-depth interviews were conducted from February to July 2017.

5. Analysis results

The full report on the drivers and constraints for OSH improvement in the coffee value chain from Colombia was published in November 2017 and is available in two languages:

- English – Garcia, Zarate, Tessier and Guerrero, A case study of drivers and constraints for OSH in the coffee global value chain from three producing regions of Colombia, in Tessier et al. 2017. Food and agriculture global value chains: Drivers and constraints for occupational safety and health improvement - Volume Two - Three case studies. ILO: Geneva. Available at: http://www.ilo.org/safework/projects/WCMS_593288/lang--en/index.htm [consulted 15 June 2018]
- Spanish – Garcia, Zarate, Tessier and Guerrero. 2017. Incentivos y limitaciones para la SST en la cadena mundial de valor del café de tres regiones productoras de Colombia. ILO: Geneva. Available at: http://www.ilo.org/safework/projects/WCMS_613338/lang--en/index.htm [consulted 15 June 2018]

The below is an executive summary of the results.

STEP 3 - CASE STUDY NO. 4 - The roll-out of STEP 3 in the coffee value chain of Colombia

Colombia is the third coffee producer and exporter in the world after Brazil and Vietnam. As a whole, the different production steps generate around 743,000 direct jobs in Colombia. Within the first step alone (coffee growing), 730,000 jobs are generated annually, with a peak during coffee harvest. 69.4% of these jobs are filled by coffee growers themselves and members of their household. Most of the employment generated is informal, regardless of the size of the farm. The temporary nature of coffee harvesting plays a restrictive role in the hiring of workers under formal contracts, especially in regions where the labour market for salaried work is poorly developed.

Drivers and constraints for OSH improvement

A set of factors drive and constrain the adoption of safe work practices in the coffee value chain from Colombia:

- Institutionalisation: Established in 1927, the National Federation of Coffee Growers (FNC) is made up of 33 cooperatives of coffee growers. It is partly financed by the coffee export tax, and it has a network of rural extension workers throughout the country. Through its centralized and decentralized presence, the FNC disseminates and promotes its strategy for the improvement of OSH in coffee farms.
- New market trends: A market segment has recently emerged mainly from high-income countries whereby consumers and buyers are willing to pay higher prices in exchange for the responsible production of coffee relating to specific social and labour conditions.
- Legal framework and institutional capacities of the Ministry of Labour: A new regulation on OSH influenced the public and private sectors to join forces in preparing the value chain to comply with new requirements. Still, the resources of labour offices in the regions, especially in rural areas, are rather limited for them to perform their OSH functions.
- Social protection system: It is worth noting the existence of contributory and non-contributory social protection programs that play both a preventive and compensatory role. The legal framework for the social protection system is extensive, but effective access to these benefits and health services remains limited in rural areas.
- Regional perspectives: Some institutions at the regional level have made progress in promoting OSH in coffee-growing regions, although they have been disconnected from initiatives at the central level which limits their dissemination from one region to another. Supporting institutions in the regions, and particularly in remote areas, often do not reach coffee growers and their workers. Temporary rural workers in general are not organized in associations or unions.

Opportunities for the promotion of OSH

Though it represents most of the employment generated in the value chain, employment at the production stage is, in its large majority, informal. At the coffee growing stage, coffee producers and their workers are exposed to various occupational hazards. According to the information collected by the FNC and the Ministry of Labour in a joint survey on the main occupational hazards on coffee farms, the following hazards were identified (in order of importance): biomechanical (repetitive movements of hands and arms, rotation of the trunk), environmental (natural disasters), sanitary (access to drinking water), biological (snake bites) and chemical (application of agro-chemicals). The accident/ill health rate is highest during coffee bean harvest, soil cultivation and management of weeds. The management, prevention and mitigation of OSH

STEP 3 - CASE STUDY NO. 4 - The roll-out of STEP 3 in the coffee value chain of Colombia

risks is in its infancy in rural areas, especially in remote areas. Relatively few coffee growers, most of whom are certified under private compliance initiatives, have access to information on how to improve their preventive practices. This means coffee growers, especially in small and medium-sized farms, as well as their families and their workers, are disconnected from services that could support them to identify hazards and implement preventive measures. The same is true for workers on larger farms either temporarily contracted for the harvest or subcontracted for the application of agro-chemicals, who may have little access to training, information, and compensation due to their status in employment. Barriers of access to occupational and general health services persist due to geographical location as well as the economic situation of coffee growers and their workers.

The employment generated in the commercialization, threshing and export stages is formal: it is characterised by written contracts, their pay is based on legal provisions and workers are affiliated to contributory social security systems. At the threshing stage, the main OSH hazards are lifting heavy loads, exposure to airborne particles, noise and machinery hazards such as unguarded machines. Exposure to airborne particles is controlled to different degrees depending on the technology and investments made in prevention. Some threshers have advanced extraction systems, but in some instances they are not present. Some companies have advanced OSH management systems, as their location in urban areas eases access to prevention and promotion services, as well as training for their staff. Along with OSH management systems, companies often have focal points responsible for safety and health, with a dedicated budget facilitating the reduction and elimination of risks, and a monitoring system of accidents and ill health and their cause. These formalized companies, due to their affiliation to the social insurance system, have access to prevention services (diagnosis, advice, promotional material) provided by the employment injury insurance scheme. At the level of the threshers, progress in terms of OSH finds limitations as it regards to sub-contracted workers, who are mostly exposed to manual handling hazards associated with the loading and unloading of the bags of green coffee.

Entry points for intervention

Efforts to improve OSH in the value chain could focus on the profiles of workers identified as particularly vulnerable: small coffee farmers, their families and their temporary workers, as well as temporary harvesters and sub-contracted workers applying agro-chemicals in medium and big farms. This process requires the mobilization of existing good practices in the value chain, and the participation and coordination of numerous actors along the value chain and its institutional environment. The experience accumulated in coffee could be useful to other rural value chains in Colombia, as part of the Government's ambitious rural development agenda, as well as to other coffee-producing countries around the globe.