

The roll-out of STEP 4 in the coffee value chain of Colombia

Step 4: Intervention Design: example in the coffee value chain of 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.

On the basis of the information gathered through both steps 2 and 3, intervention models are formulated. Intervention models are the set of interventions or actions that can effectively improve OSH outcomes (the health and safety of workers) in the supply chain. Intervention models are a set of interventions for which both a need and an opportunity emerged within steps 2 and 3.

2. Objective

The objective is to build jointly with stakeholders the right mix of public and private interventions that is likely to result in the improvement of OSH outcomes, including:

- I. Obtaining a concrete vision of the willingness of policy makers to address implementation gaps of existing laws, regulation and policies affecting OSH outcomes in a supply chain;
- II. Identify channels to support each different stages of the supply chain (business service providers, public services present on the ground, sectoral organizations, cooperatives, inputs providers, etc.);
- III. Identify areas of improvement for which there are existing or potential incentives for change and areas for which an external or public intervention and funding are likely to be needed.

3. Timeframe & Scope

The consultations with value chain actors and their supporting functions on the basis of the results occurred in July and August 2017.

4. Methodology

One single intervention is unlikely to have such an impact, hence intervention models that likely combine a mix of policy and market interventions are key. This step was conducted through a round of wide consultation workshops with stakeholders in Colombia where the results of the analysis were presented and the construction of interventions was facilitated. In doing so, specific attention was paid to the following elements coming from the analysis:

- Concrete vision of implementation gaps of existing laws, regulation and policies on OSH in a sector.

¹ www.ilo.org/osh-gsc

STEP 4 - CASE STUDY NO. 5 - The roll-out of STEP 4 in the coffee value chain of Colombia

- Typology of actors and vulnerability profile for each – can help policy makers prioritize their support.
- Identification of channels to support actors, especially the smallest ones (business service providers, public services present on the ground, sectoral organizations, cooperatives, inputs providers, etc.).
- Identification of areas of improvement for which there are existing / potential incentives for change and areas for which an external / public intervention / funding is likely to be needed.

5. Consultations

Agenda of the consultations

Several rounds of consultations were conducted with stakeholders to ensure that each of them had a voice and could contribute to the design of intervention models. The typical agenda used for those consultations was as follows.

Table 1. Agenda of the consultations

09:00	Reception and presentation of the workshop
09:30	Session 1 - Profiles of vulnerability to occupational risks in the coffee value chain <i>Presentation of the results of the investigation</i>
10:30	Break
11:00	<i>Group discussion on the identification of incentives and limitations for improving OSH in the value chain and its institutional environment</i>
12:30	Lunch
14:00	Session 2 - Vision and identification of ways to change <i>Methodology of development of intervention models and examples of several countries</i>
15:15	Break
15:30	<i>Group discussion on possible interventions to improve safety and health in the coffee value chain and to capitalize on good practices in other chains</i>
16:30	Restitution and discussion in plenary Conclusion and next steps

STEP 4 - CASE STUDY NO. 5 - The roll-out of STEP 4 in the coffee value chain of Colombia

Facilitation of the consultations

The profiles of employment identified as particularly vulnerable to OSH risk factors and on which the second part of the workshop focused on were:

- At the production stage of the value chain: (i) small producers, (ii) family workers, and (iii) temporary workers or subcontracted workers on farms, especially pickers and workers specialized in fumigation with agrochemicals.
- At the threshing and storage stages, workers engaged in providing subcontract loading and unloading services of coffee, mainly in threshing plants and warehouses.

Consult the material used during the consultations as well as the proceedings:

http://www.ilo.org/safework/events/WCMS_634334/lang--es/index.htm

Conclusions and recommended intervention model

Improving occupational safety and health in the coffee value chain in Colombia

To improve OSH of the most vulnerable workers identified in the profiles of vulnerability to occupational risks, several types of intervention can be envisaged, involving various actors in the value chain.

The limitations faced by the smallest actors in accessing information and training on the new OSH legislation could be remedied by the intervention of the rural extension services, of both the FNC and exporters/responsible buying programmes. The key is to mobilize forces on the ground around this subject. In this respect, the FNC has developed an informational package adapted to the reality of coffee growing, which it plans to pilot at the beginning of 2018. The evaluation of this pilot will be crucial in further adapting the material and mobilizing the implementation plan at the national level. This will help identify appropriate tools to disseminate information on the law and suggestions on how to comply with it. This process could serve as the basis for development in other rural chains in the future. On the largest farms, which could have the economic capacity, providing appropriate training services could also be evaluated and improved so that farm managers or administrators can be given targeted training.

In addition to training, to improve sustainable practices, both small and large farm owners have a responsibility to include improvement of OSH practices in their good farming practices, which in turn translates into productivity and access to certificated markets. In this process, it would help to carry out a study of the economic logic accepted by producers in adopting good OSH practices and their dissemination. This work requires piloting of OSH interventions, evaluation of their impact in terms of productivity, costs, and access to incomes, services or other enhanced benefits. This process requires a strategy to better disseminate information, not only through traditional OSH channels, but also through support services for business management in the coffee-growing sector.

Companies, especially the largest, which operate in the domestic marketing, threshing and storage stages in the value chain, have advanced OSH management systems and procedures and trained personnel. It might be that a programme to standardize experiences and validate the knowledge could be shared, so that these entities can share their knowledge with smaller entities in their supply chain. Particular attention should be paid to management of sub-contracting and existing obligations and strategies for protection of sub-contracted workers. With regard to sub-contracting farmworkers specialized in the

STEP 4 - CASE STUDY NO. 5 - The roll-out of STEP 4 in the coffee value chain of Colombia

application of agrochemicals, the information could be improved to give an idea of the number of workers and level of training, socioeconomic conditions and contractual relationship. This information would be useful in designing protection measures and monitoring occupational health.

Considering the limited availability of labour for harvesting, a strategy for attracting workers could be developed at the coffee sector level. This strategy would have to consider wellbeing at work and social protection coverage as key elements to compete with other sectors and migration to urban areas. This strategy could be inspired by initiatives that already exist in the sector to extend social protection coverage. For example, in 2014, the FNC found that 18,350 coffee farmers were eligible to access the BEPS programme, so it initiated a process of training for its extension workers to promote its dissemination to coffee farmers and their families. An initiative was found in the municipality of Aguadas, Valda, in which Nespresso, on identifying that the majority of coffee farmers belonging to the AAA programme did not have old age protection schemes, formed a partnership with the Ministry of Labour. It now contributes to Colpensiones (the entity that administers the BEPS programme's resources) the social premium it obtains on selling its coffee under the Fairtrade initiative.

To measure the evolution of wellbeing in the value chain, especially for coffee farmers and their workers, the National Survey of Occupational Safety and Health in the Rural Sector, initiated by the Ministry of Labour and the FNC, could be conducted at regular intervals. The following phase of the survey could include additional indicators to identify and measure risks, following the categories adopted by the 16th International Conference of Labour Statisticians (1998)² and indicators of wellbeing.

As mentioned, the legal framework of occupational safety and health in Colombia is well developed. Strategic reflection on the services and capacities which need to be strengthened in the rural sphere could help to fulfil the legislator's intention that wellbeing at work should improve for all, including rural workers. In particular, the following activities could be considered:

- In-depth analysis of the legal framework to identify gaps in the current legislation or its relevance to rural reality, specifically the coffee sector, with the objective of evaluating whether it would be appropriate to propose a revision of the decree on minimum standards recently approved by the Ministry of Labour.
- Mapping support services which are present in the country's regions and feasibility of extending them to the rural environment. Accessibility of occupational health services was a crucial point mentioned by coffee farmers, especially in the context of implementing the new legislation, which provides for an annual medical exam. A feasibility project on its implementation could accompany the progressive application of the new legislation, as well as that for manuals and other tools for disseminating information adapted to the rural sector.
- A study on coverage options for independent and temporary workers, which takes account of incentives for affiliation to existing social protection schemes, and which are compatible with their specific contractual situation, especially in terms of incapacity, disability and death. This work could take place in the framework of the proposals by the ILO on extension of coverage of social protection to the rural sector. A starting point for evaluating the adjustments that could be made in a useful and informed manner, with a view to extending coverage to the rural environment, is

² - Indicators of results: number of occupational injuries and diseases, number of workers affected and number of working days lost;

- Indicators of capacity and competence: number of inspectors or health professionals concerned with occupational safety and health;

- Indicators of activities: number of days of training, number of inspections.

STEP 4 - CASE STUDY NO. 5 - The roll-out of STEP 4 in the coffee value chain of Colombia

the potential progress around the proposal to include coverage of independent workers in the occupational risks scheme in the legislation, as well as adjustments that could be made to the coverage of the *Programa Microseguros*;

- Consideration could also be given to a mechanism to coordinate existing OSH services at the local level, especially to facilitate extension efforts by each service and to share knowledge generated.

Potential to transmit experience in the Colombian coffee chain to other chains.

The experience of the coffee sector has reached a point where it could serve the development of other supply chains. The emphasis placed on the peace process on rural development agenda is an important space for the promotion of good practices to strengthen decent conditions of work.

The Peace Agreement signed with the FARC Guerrilla places an important rural emphasis on government policies in Colombia. This is an opportunity to improve conditions of work in the rural environment, and combine it, among other things, with a strategy for commercial competitiveness.

In addition, the agreement envisions in its recommendations two fundamental initiatives to fill gaps identified in relation to the protection system and the labour inspection function:

- (i) Formulation of a progressive social protection plan and guarantee of rural workers' rights,
- (ii) Strengthening of the static labour inspection system and creation of a mobile inspection system in rural areas, which allows workers to advance and exercise their rights at work and properly resolve labour disputes.

This context creates opportunities for exchange and for a spread of good practices related to OSH in rural value chains. Consideration might be given to mechanisms for the transmission of the coffee sector experience to other rural chains in Colombia that have many small producers. Particularly in terms of organization of producers, rural extension services which train in OSH, link producers to existing social protection mechanisms. It also connects institutional dialogue with government support functions, capitalization of sustainable policies and VSS to strengthen access and living standards of small producers, and the creation of a competitive global value chain. In relation to the second point mentioned above, identification of hazards and provision of control measures, the technical advice function of the inspectorate could be reinforced, especially with dedicated and trained human resources.

Moreover, the experience generated in the coffee chain in Colombia could benefit coffee supply chains in other producer countries. The international buyers consulted have a positive perception of the implementation of OSH in Colombia in comparison with other countries from which they buy. This is proof that the conditions of work in the value chain are recognized in the market. The scope of certification and responsible supply policies is greater in Colombia than in the other countries studied. The experience of the actors in terms of verifying farm compliance to OSH is more advanced in Colombia than in other countries in the project. Understanding of the requirement of the OSH legislation, which is also widespread in Colombia, is greater among the producers interviewed in comparison with producers in other supply chains.

The institutional arrangement in Colombia is quite specific compared with the other two value chains. Collection of export tax has had a certain redistributive effect towards the lower levels of the value chain. This arrangement has built up a network of extension workers at the rural level. This is of crucial

STEP 4 - CASE STUDY NO. 5 - The roll-out of STEP 4 in the coffee value chain of Colombia

importance for OSH, as this network plays a key role in the adoption of good farming practices, and has led to the dissemination of safer productive processes.

The experiences and tools relating to OSH mentioned here apply at various levels. Examples include the collaboration with the Ministry of Labour on a national survey of OSH in coffee growing, the collaboration around collection of agrochemical containers which has a good legal basis, the training tools and risk identification booklets for coffee farms developed by the FNC, buyers who contribute to affiliation to social protection schemes and buyers who help finance protective equipment and training.