



# Occupational Health and Safety System in Costa Rican Coffee Production

## Consortio de Cooperativas de Caficultores de Guanacaste y Montes de Oro R.L. (COOCAFE)

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### About BSR

A leader in corporate responsibility since 1992, BSR works with its global network of more than 250 member companies to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. With six offices in Asia, Europe, and North America, BSR uses its expertise in the environment, human rights, economic development, and governance and accountability to guide global companies toward creating a just and sustainable world. Visit [www.bsr.org](http://www.bsr.org) for more information.



### About AED

AED encourages building CSR principles into business management models. It serves as a channel for companies to make strategic, socially-responsible investments and promotes public-private partnerships. AED has accompanied the Costa Rican business sector in self-evaluation processes, encouraging companies to build best practices into their management systems. Currently, AED's membership includes more than 80 business firms. As a Costa Rican chapter, it acts on behalf of major international organizations. Visit [www.aedcr.com](http://www.aedcr.com) for more information.

### Executive Summary

Supporting more sustainable environmental and social standards in the coffee supply chain, international coffee certifications present an opportunity for farmers to differentiate their coffee and gain access to premium prices. However, small producers generally lack the training and knowledge to respond to these demands and are often unable to implement responsible labor practices on their farms. In response to this challenge, BSR and Asociación Empresarial para el Desarrollo (AED) partnered to develop an educational system for improving health and safety practices at the farm level, in collaboration with the Consortio de Cooperativas de Caficultores de Guanacaste y Montes de Oro Responsabilidad Limitada (COOCAFE), a consortium of 10 coffee cooperatives in Costa Rica.

Coopellanobonito, one of COOCAFE's cooperatives, was chosen to implement a robust health and safety program and to serve as example for the consortium's cooperatives. BSR and AED adopted a peer education or "train the trainers" strategy to reach producers' communities and conducted a two-day health and safety training workshop to jump-start the education of community leaders, who would disseminate the information among their peer producers.

The project's immediate outcomes include these benefits to producers: 1) greater awareness of risks associated with coffee growing and increased knowledge of prevention mechanisms, 2) safer storage and management of agrochemicals, 3) application of personal safety measures, and 4) formation of community committees to disseminate lessons learned during the project.

Anticipated long-term outcomes for the project consist of continued access to premium international markets for coffee producers, reduction of medical costs, and increased labor productivity as a result of fewer injuries and reduced intoxication of agrochemicals. These beneficial long-term outcomes can only be guaranteed if the individual coffee cooperatives and their consortium prioritize issues of health and safety, dedicate adequate resources for the implementation of health and safety programs, and, collectively, assist their small farmer members in bearing some of the costs associated with implementing responsible labor practices. The "train the trainers" program can be an effective tool for improving health and safety throughout Costa Rican co-ops—which are responsible for processing 40 percent of the national coffee crop<sup>1</sup>—impacting the industry's competitiveness at large, if widely and effectively implemented.

<sup>1</sup> Roberto Mosheim, "Efficiency and Survival: The Impact of the International Coffee Agreement's Demise on Costa Rica's Cooperative Coffee Processing, 1988–2005." *Annals of Public and Cooperative Economics*, Vol. 79, No. 1, pp. 79–106, March 2008. <http://ssrn.com/abstract=1093432>

## About COOCAFE

With more than 6,000 small producers grouped in 10 independent cooperatives and employing more than 30,000 seasonal workers, the **COOCAFE** consortium generates economies of scale and supports coffee coops with sales, marketing, and access to new markets. **COOCAFE** producers are spread throughout six of the country's seven districts.

Efforts to obtain fair trade certifications have been part of the consortium's goal since its founding in 1988. The consortium's mission is "to provide farmers and their families a better quality of life and to be socially and environmentally sustainable."

**A study conducted by INCAE** (Central American Institute of Business Administration) found the health and safety of workers deteriorates during harvest season, as the coffee must be picked in a limited timeframe. The study also pointed out that coffee farmers direct most of their resources toward ensuring the high quality of their beans, giving lower priority to improving labor practices.

Source: "The Role of Labor Practices in the Central American Coffee Sector". INCAE. (Unpublished)

## Opportunity

Coffee continues to be Costa Rica's main cash crop, accounting for more than \$300 million in export revenues (2008) and employing more than 70,000 growers.<sup>2</sup> However, in response to the changing demands of international markets, the production and marketing of Costa Rican coffee has transformed dramatically within the last two decades.

International brands search the globe for premium beans to supply top consumer markets—and for product from farms that can pass certifications for sustainable environmental and social practices. Global buyers often provide technical assistance producers to add value to their coffee crops and to implement sustainable agricultural techniques. Costa Rican coffee farmers work hard to obtain international certification systems such as Starbucks's C.A.F.E. Practices certification and to pass UTZ certified audits.

In their training and auditing, "fair trade" systems tend to emphasize production techniques and environmental sustainability. However, they often lack an effective mechanism for promoting and enforcing responsible labor practices within the cooperative system. As a consequence, many coffee farmers—whether as family landowners or wage employees—lack adequate training and knowledge to fully implement responsible labor practices. Failing to grasp the risks associated with coffee production, many farmers, especially smaller and medium-sized producers, fail to implement prevention mechanisms that could avoid costly accidents and prevent serious health problems.

If Costa Rican coffee producers improve their responsible labor practices, in particular health and safety practices at the farm level, they could benefit in several ways, including:

- » **Increasing international competitiveness**, by improving the likelihood of attaining brand and audit certifications, thereby increasing access to higher prices for beans that meet both quality and social criteria.
- » **Increasing firm competitiveness**, by reducing health and safety risks and thereby raising worker satisfaction and productivity and driving down medical expenditures and costs.

In response to this challenge of implementing and improving responsible labor practices in coffee production among smaller producers in Costa Rica, BSR partnered with local NGO AED to develop a system for improving health and safety practices at the farm level, in collaboration with the Consorcio de Cooperativas de Caficultores de Guanacaste y Montes de Oro R.L. (COOCAFE), a consortium of 10 coffee cooperatives with more than 6,000 small producers.

## Strategy

Through visits to COOCAFE member cooperatives and interviews with COOCAFE staff, BSR and AED conducted a gap analysis that revealed the following challenges:

- » **Remote sites:** The structure of Costa Rica's long coffee supply chain allows farmers in remote locations to drop their beans off at collection points, but maintaining communications, providing training, and ensuring implementation of responsible labor practices is more challenging at these remote sites.
- » **Limited resources:** COOCAFE co-ops include many small farmers with very limited resources, who are unlikely to implement health and safety measures

<sup>2</sup> Ronald Arce et al. PROCOMER. "Estadísticas de comercio exterior de Costa Rica 2008". May, 2009.

### On Choosing Coopellanobonito

The coop presents many of the challenging characteristics found in other COOCAFE cooperatives. Its farms are distributed along a mountainous 10-kilometer radius and its drop-off points inhibit communication with producers. The coop is located in the region of Los Santos, an area that receives 11,000 migrant workers from Panama and Nicaragua every year. Coopellanobonito producers hire this migrant labor force during the harvest season. Like other COOCAFE coops, Llanobonito will soon undergo audits for certifications. At present, the coop is Fair Trade and C.A.F.E. Practices certified.



Producers during a two-day workshop administered by ILO-certified technician

that require up-front investment expenditures, in the absence of support from COOCAFE or another external agent.

- » **Lack of audits and training:** The national Ministry of Labor, short of personnel assigned to the agricultural sector in general and coffee farming in particular (with only 90 auditors for all sectors nationwide), rarely administers audits and trainings at COOCAFE's small farms. Indeed, labor laws do not apply in the case of family farms, where there is no employer-employee relationship.
- » **Lack of emphasis on labor issues:** International coffee brands focus more on quality and environmental issues than on labor issues in the COOCAFE region, such that filling the gap for responsible labor practices remains a challenge.
- » **Migrant workers:** Hired during harvest and usually traveling with their families, seasonal migrant workers are rarely formally contracted, and therefore are at a disadvantage when accessing health care—they may not even be covered for work-related injuries. They also suffer from poor housing and sanitation facilities and lack of ready access to potable water.

The BSR and AED determined that, in the area of health and safety, the main challenges were: 1) deficient knowledge regarding the administration and risks of agrochemicals; 2) hazardous storage of agrochemical substances; 3) lack of health insurance for both farm owners and wage laborers, including seasonal migrant workers; and 4) poor housing conditions for hired workers during the harvest season.

Furthermore, the gap analysis, through interviews with producers, narrowed down the root causes for these health and safety problems: insufficient education and training regarding the risks associated with coffee farming, especially exposure to agrochemicals; cultural factors, including inertia associated with traditional farming practices and a certain *machista* disregard for physical risks among male farmers; and lack of resources to invest in preventive measures even where farmers had some awareness of associated risks.

In light of the large and dispersed membership of COOCAFE, the AED, BSR, and COOCAFE partnership decided to adopt a peer education or “train the trainers” strategy. They selected one of the 10 cooperative federations, Coopellanobonito, with its 600 producers, for a robust training program that could model the positive benefits of institutionalizing a health and safety program and, ultimately, persuade both COOCAFE and its other nine member cooperatives of its value. The partnership also wanted to convince COOCAFE to insert the program into its management systems and make it part of the services routinely provided to its associated producers.

## Implementation

The partnership adopted a “train the trainers” model as a cost-effective means of reaching large numbers of Coopellanobonito cooperative's 600 producers. The cooperative divides itself into 10 main communities, and so the goal was to train leaders from each community who would, in turn, disseminate information on health and safety among their peer producers. BSR contracted ILO-certified trainer Mr. Carlos Acuña with expertise in health and safety, to deliver a two-day workshop. This first training was attended by 19 producers, representing seven of Llanobonito's 10 communities. Training topics included:

- » The importance of health and safety, including first aid and security policies for workers
- » Women's health and general worker health and hygiene
- » Use, care, and maintenance of tools



Workshop with COOCAFE co-ops to relate Coopellanobonito's progress

- » Health impacts, protective equipment, storage, labeling, and proper disposal of agrochemical

Following the workshop, the partnership agreed on this work plan:

- 1 Continue health and safety trainings.
- 2 Incorporate health and safety issues into the cooperative's regular community meetings (Comites de Apoyo, or Support Committees). Coopellanobonito conducts two such meetings per week, thereby reaching all ten of its communities in five weeks. The agronomist of Coopellanobonito, Mr. Jorge Ortiz, who leads such grassroots dialogues, reported that the first five community meetings had been successfully completed.
- 3 Develop community leaders through the health and safety trainings. Agronomist Ortiz has developed special training materials for these purposes, drawing on the experience of the first training workshop and his years working with cooperatives.

A second workshop, conducted by Ortiz to inform COOCAFE coops of the progress registered by Coopellanobonito, was attended by 16 managers and personnel of eight COOCAFE cooperatives. The workshop let co-op staff debate how they would implement the program within their own cooperatives.

## Results

Following the training workshop in Coopellanobonito, BSR and AED staff undertook a follow-up site visit, and witnessed visible improvements by co-op farmers that had participated in the workshop.

### SHORT-TERM RESULTS

The immediate outputs included:

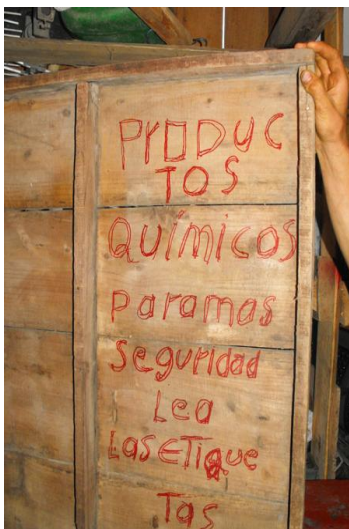
- 1 Safer storage for agrochemicals (see photos on next page)
- 2 More careful organization of warehouses and safer storage of tools
- 3 Removal of food items from warehouses where agrochemicals are stored
- 4 Purchase of new personal protection equipment (PPE) for agrochemical application
- 5 Application of personal safety measures, such as taking showers immediately after applying agrochemical and washing clothes used during agrochemical application separately from family clothing.
- 6 Creation of community committees where leaders from each of Copellanobonito's main communities disseminate the lessons learned during the project to other coffee producers.



Before and after pictures of one of Coopellanobonito's farmer's warehouse

sessions, and immediate implementation of corrective measures, to several factors. With enhanced awareness of the risks associated with coffee farming, producers had become more concerned with the health and safety of themselves and their families engaged in the business. The farmers were also more aware that certification systems and the associated price premiums required not only sustainable environmental practices, but also responsible labor practices. A manager at Coopellanobonito asserted that, asserted that “no one will get us, cooperatives and producers, out of this challenge but ourselves, and the pool of customers will only get smaller as years progress—unless co-op members achieve certifications.”

In addition, farmers expressed a willingness to protect seasonal hires. As a farm owner remarked, “It will be a financial sacrifice, but now we know how to protect ourselves, and it will be more expensive to treat a worker if he becomes sick.” At the same time, the follow-up visit underscored that implementing more costly preventive measures continues to be a challenge.



Example of inexpensive improvements: A farmer built a wooden structure for storage of agrochemicals and labeled it: “Chemical products, for increased safety please read labels.”

A critical project achievement is the successful testing of the “train the trainers” model for the diffusion of health and safety and the incorporation of that module into an ongoing technical education program and its associated peer education network. As was the case with Jorge Ortiz, the agronomist of Coopellanobonito, each co-op agronomist who will conduct technical training sessions is already well-known and respected among co-op members. Farmers are more receptive to their advice than, for example, that of a random health inspector who might visit the farmers sporadically. Moreover, it is more cost-effective for agronomists to deliver the health and safety module than to circulate an expert, and convene the farmers, for that sole purpose.

The project also successfully leveraged the existing peer education system, whereby representatives from each of the base communities pass workshop information on to their community neighbors during the regularly scheduled Support Committee meetings. Existing social networks—channels of cooperative solidarity—offer a familiar and trusted venue for training in responsible labor practices.

The ongoing training programs and social networks of Coopellanobonito, into which the new health and safety training is embedded, provide the institutional mechanisms for project sustainability. Mr. Alvarez Gómez Ferreto, manager of COOCAFE, stated his willingness to continue the project among remaining cooperatives. Contingent on its final results, COOCAFE plans to continue the implementation under consortium management so that the cohesion and information-sharing platform implemented by BSR and AED is not lost.

### **ANTICIPATED LONG-TERM OUTCOMES**

The anticipated long-term outcomes of the changes made by farmers include continued access to premium international markets for their coffee production, reduction of medical costs, and increased productivity as a result of fewer injuries and reduced intoxication of agrochemicals. Anticipated long-term impacts will result in increased international and increased firm competitiveness for the cooperative farmers.

To continue to persuade farmers of the value of training and investments in health and safety, COOCAFE could develop and track metrics to better quantify impacts. COOCAFE will need external technical assistance to accomplish this challenging task. Some health and safety metrics that could be collected include: number of work accidents per year (including cases of intoxication), critical noncompliance found in external audits, percentage of permanent and seasonal workers covered by health insurance, number of workshops dedicated to health and safety, and percentage of houses or dormitories for seasonal workers with access to potable water.

## LESSONS LEARNED AND USEFUL TIPS

Useful tips based on successes and challenges of the project include:

- 1 Cooperatives should use existing communication channels with small producers to implement health and safety trainings.** A challenge in implementing health and safety systems in coffee co-ops is the farms' remote locations. Cooperatives should use established communication links, for example, those used to provide farmers with technical assistance, to educate producers about health and safety issues.
- 2 Cooperatives should emphasize the gains for producers associated with responsible labor practices.** Trainings should highlight the advantages of responsible labor practices in achieving certifications and price premiums. This positive incentive motivates them to implement health and safety practices. Emphasizing that prevention mechanisms lead to cost reductions for the farm is also effective.
- 3 Cooperatives, consortiums, and international coffee buyers should assist small producers with investments in health and safety.** Small producers are less likely to implement costly health and safety measures. The costs of personal protective equipments, improving access to potable water, and improving housing conditions of seasonal workers must be shared—for example, with coffee consortiums and co-ops, with international brands selling to socially conscious consumers, or with Costa Rican government agencies. One option would be to transfer financial resources to small producers on the condition of improvements to health and safety.
- 4 Cooperatives should reach out to the country's Ministry of Labor and related agencies for assistance and access to education materials.** Frequently, government agencies do not have adequate resources to provide workshops and educational materials to small farmers, but they often have developed relevant training materials (i.e., posters, brochures, and presentations) on health and safety. Organizations could replicate these materials and distribute them to employees and associates. If the country has an International Labor Organization office, as Costa Rica does, they are also likely to share useful materials with cooperatives.

### About DR-CAFTA Project

This case was made possible by a grant from the U.S. Department of State to BSR for its "DR-CAFTA Responsible Competitiveness Project." The project works with producers, labor, government, and international buyers to promote responsible labor practices in countries of the Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA). For more information, visit [www.drcafta.bsr.org](http://www.drcafta.bsr.org).