



# COFFEE Project


Cooperation On Fair, Free, Equitable Employment

## Root Cause Analysis of Labor Violations in the Coffee Sector

TOOL 23 OF 28

**Verité**  
Fair Labor. Worldwide.

## About Our Funding

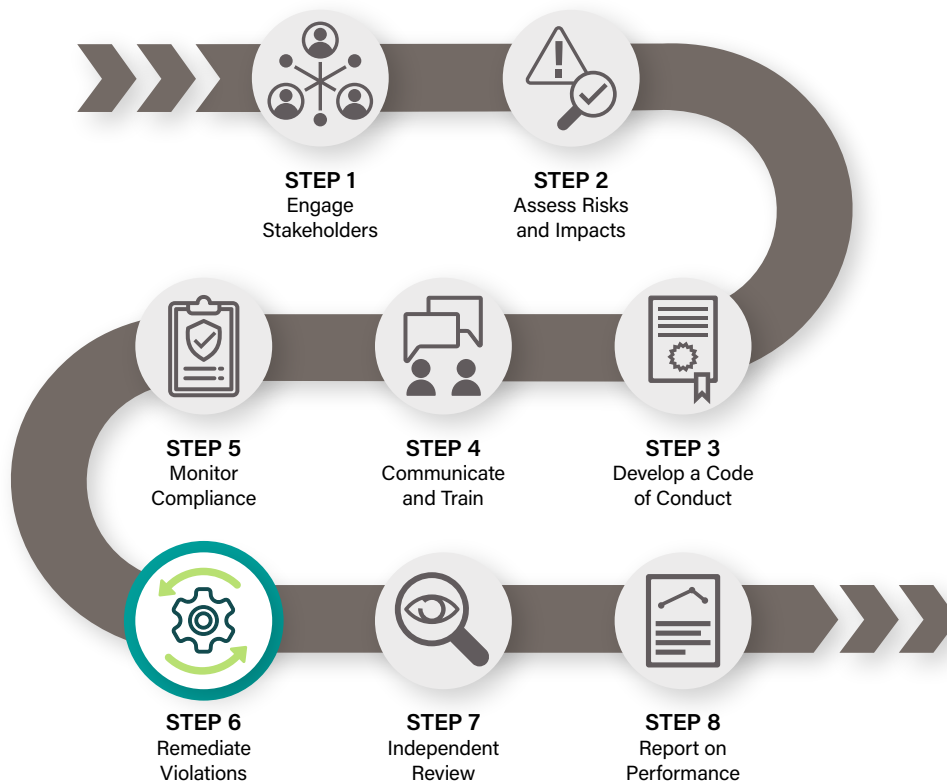
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# About the COFFEE Toolkit

This tool is one of 28 tools and 14 online training modules comprising the [COFFEE Toolkit](#), which was developed as part of Verité’s Cooperation on Fair, Free, Equitable Employment (COFFEE) Project through generous funding from the US Department of Labor’s Bureau of International Labor Affairs (USDOL-ILAB). The purpose of the COFFEE Toolkit is to promote coffee retailer, roaster, trader, cooperative, and farm adoption of socially sustainable sourcing and farming practices in order to promote improved working conditions for farmworkers in the coffee sector.

The COFFEE Toolkit was developed in alignment with USDOL’s [Comply Chain](#) model, with at least one tool created for each of the eight steps of Comply Chain (see graphic below). Many of the tools are derived from tools created for the [Responsible Sourcing Tool](#), developed by Verité with funding from the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons (J/TIP). The tools can be used á la carte, but it is important that companies have systems and tools in place for each step of Comply Chain.



## Why Look at Root Causes?

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Labor violations and the challenges that farmworkers face in supply chains are often symptoms of higher-level or fundamental root causes. Differentiating the causes of labor issues and their deeper causes will help to inform coffee companies' decision-making processes in order to improve supply operations and ethical sourcing strategies.

## About This Tool

The **purpose** of this tool is to help coffee sector stakeholders better understand the underlying factors that increase the risk of labor and human rights violations in coffee supply chains.

The main **audience** for this tool coffee retailers, roasters, and traders, as well as large coffee farms and farm groups seeking to understand root causes so they can mitigate labor risk.



*Source: Ben Steele/Adobe Stock*

# Root Cause Analysis

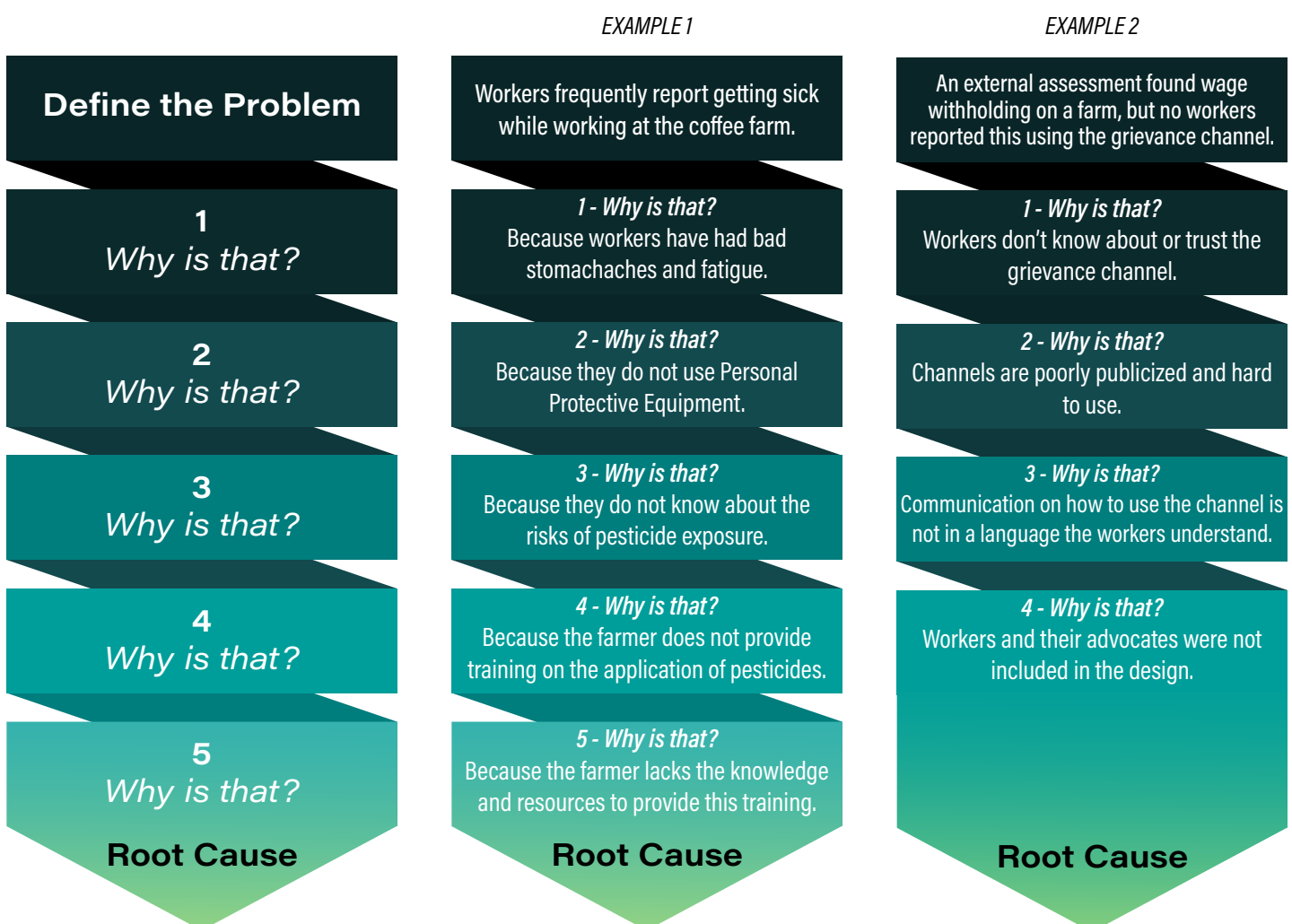
Root cause analysis is a useful exercise for anyone trying to understand a problem in the coffee supply chain, including when labor and human rights issues have been identified. Root cause analysis is about digging deep to find the main reason behind an issue so that any action plan addresses that issue (or root cause), rather than just its symptoms. Having a clear understanding of the problem allows solutions to be more effective: resources are spent in the right place and the issue doesn't happen again or become worse.

**Figure 1. Why do Root Cause Analysis**



One widely used technique for root cause analysis is the "5 Whys." It's a simple but effective method that involves asking "why" about a problem repeatedly to get to the root cause. In Example 1 below, it is only after asking "why" five times that it becomes clear that the root cause of workers getting sick on the farm is the farmer's lack of resources for training workers on how to safely apply pesticides. As soon as workers receive more training, provided this is the only root cause of the issue, workers will stop getting sick from pesticides.

**Figure 2. Illustration of the Five Why's Technique**



# Key Root Causes of Labor Violations in the Coffee Sector

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Oftentimes, root causes of labor issues on coffee farms are not isolated to that farm; rather, they are external causes. Four root causes of labor issues in the coffee sector, in Latin America as well as elsewhere, are poverty, labor shortages, migration, and the use of labor brokers.

A combination of or all four of these may be causes of a labor issue on a farm. While their widespread nature may make a problem seem more challenging to remedy than a local or isolated issue, with a clear understanding of their root causes these problems can still be addressed.

## Poverty

Poverty is behind many issues affecting workers in the coffee sector. Economic pressure leads workers to accept whatever work is available to support themselves and their families, even if the wages are insufficient or the conditions are unsafe. Workers who are reliant on a job for day-to-day survival are unlikely to advocate for better pay and conditions, as they may fear losing the job altogether.

Poverty, notably, is a root cause of child labor in agricultural work. With over 60% of coffee grown on smallholder farms globally, many of which subsist on the poverty line, it is commonplace for children to work to contribute to the family farm's survival. In some impoverished areas, children have no, or very limited, access to school as an alternative to child labor. In addition, when farm workers are paid on piece rates, often include their children in harvesting to increase their income.

Poverty is also related to the other issues highlighted in the rest of this tool, such as migration and the use of labor brokers.

## Labor Shortages

In recent years, many coffee producers in Latin America have experienced labor shortages due to several factors. The primary reason is outmigration from Latin American countries toward the United States, but poor pay and working conditions also play an important role. Left unaddressed, these shortages could jeopardize the future of the sector and result in reductions in coffee production.

Although agricultural work is sometimes described as “unskilled,” cultivating and harvesting high-quality coffee requires years of hands-on experience. Thus, workers leaving the coffee sector cannot be easily replaced, and new workers require investment in training and skilling.

Shortages of local workers in coffee-producing regions foster an increased need for migrant laborers, which, in turn, drives demand for the services of labor brokers to recruit workers from faraway communities. While the use of labor brokers can bring tangible benefits to coffee producers and workers alike, and is a logical response to growing labor shortages, it can also increase the risk of labor rights violations if proper controls are not put in place to adequately screen and monitor them.

## Migration

As noted above, labor shortages have led to a growing demand for migrant workers on coffee farms, especially as temporary workers during labor-intensive periods such as harvesting, planting, and fertilization. While migration can benefit the people seeking work and the producers seeking labor, migrant workers are often more vulnerable to serious forms of labor abuse, since they are unfamiliar with local communities and support systems, sometimes do not speak the local language, and are often subject to discrimination. Female migrants are especially vulnerable, as cultural and gender norms may contribute to gender discrimination or gender-based violence and impeded their ability to complain.

Cross-border migrants have become a larger at-risk population in the sector. Verité’s research has shown a surge in cross-border migration into the coffee sector in countries where there was not as much migration in the past. These migrants have been pushed to look for work abroad for a number of reasons, including extreme poverty in their countries, displacement due to societal violence, conflict, and political instability, as well as due to climate change and related crop diseases. In positive instances, farms and estates offer favorable wages and living conditions to attract international migrants; in others, they use unregistered and untrained labor brokers to recruit workers from abroad, often under false pretenses and carrying out practices that are illegal. Cross-border migrants are often undocumented, making it difficult for them to file complaints or receive services if their rights are violated.



Migrant workers from regions that do not historically produce coffee may lack experience working in the coffee sector, making them significantly less productive. Recent reports indicate that inexperienced workers are typically able to harvest less than half the coffee of an experienced harvester. As a result, these workers earn significantly less money as most coffee harvesters are paid by piece-rate.

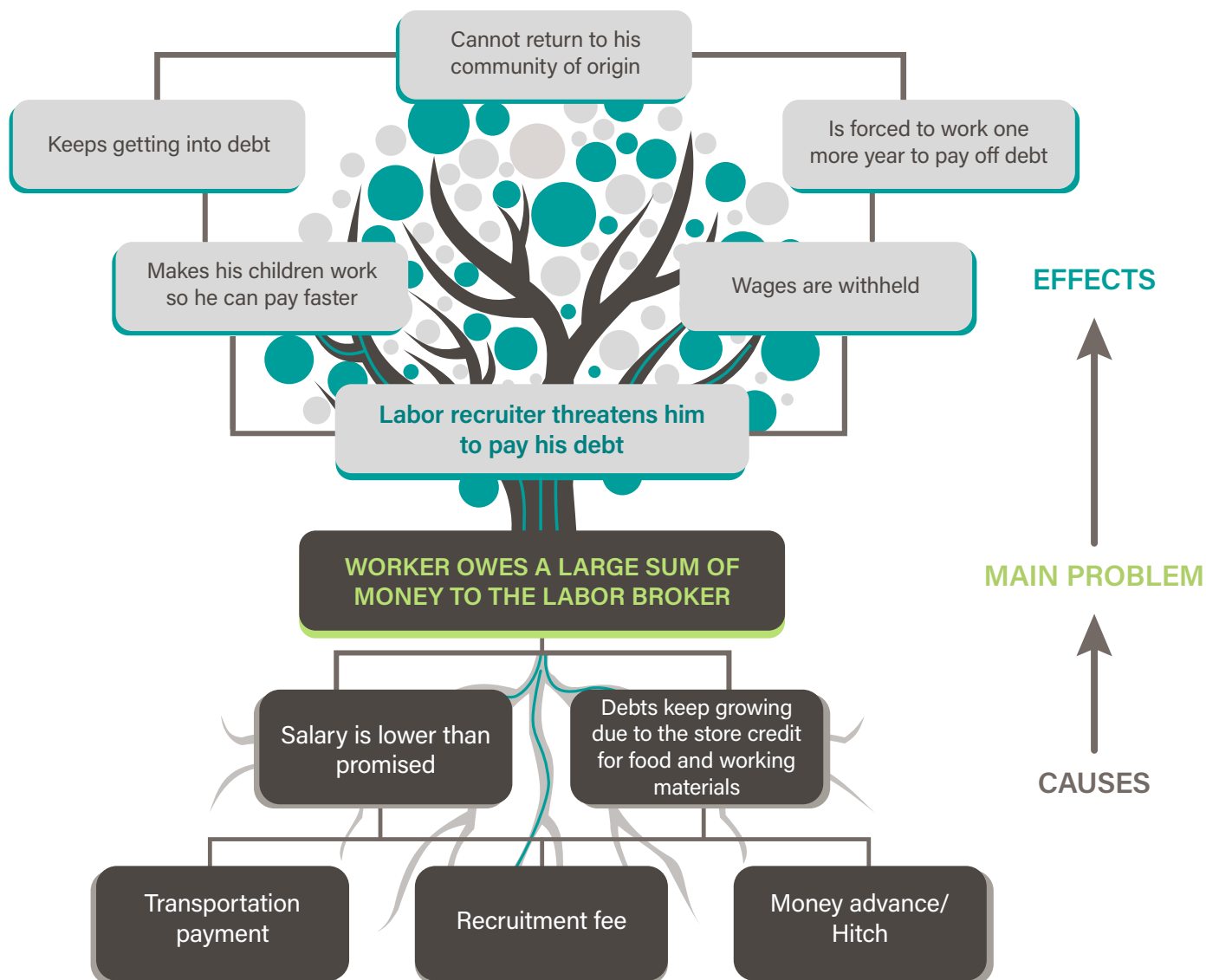
## Use of Labor Brokers

The increased need for migrant workers, due to shortages of local workers in coffee-producing regions, has driven an increase in the use of labor brokers to recruit, select, and hire migrants, especially during the harvest season when labor demand is at its peak. As noted earlier, while labor brokers provide an essential service by connecting those who need paying work to those who need labor, the use of labor brokers increases risks of labor rights violations when brokers are unregulated and unmonitored.

Financial incentives for labor brokers play a key role. Verité field research has found that labor brokers are often financially incentivized to recruit as many workers as possible, which may lead them to deceive workers about working conditions and engage in other unethical practices to maximize profits. Such practices include the retention of workers' identity documents, harassment and abuse, charging of recruitment fees, and making illegal deductions from workers' pay. Verité research in the coffee sector has found multiple, serious examples of such practices, including fee-charging and indebtedness to labor brokers, and found that workers who were recruited through brokers were less likely to report being able to leave the job.



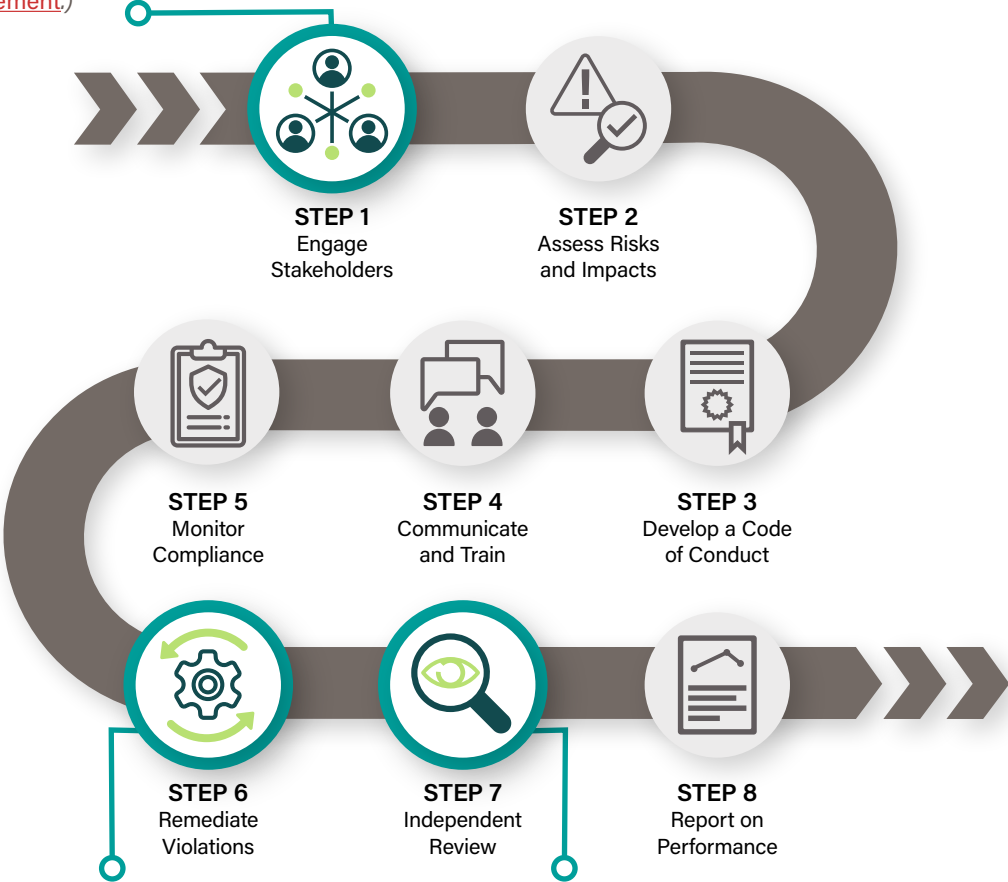
**Figure 3. Root Cause Analysis Tree**



Covering the costs of labor brokers and providing workers with decent pay and working conditions is a sizable challenge for farmers, particularly when they are faced with low coffee farmgate prices and high, fixed costs for inputs. Tackling this challenge will require that coffee roasters, traders, producers, governments, and other stakeholders take joint action. Depending on their circumstances, coffee producers may also be able to address challenges related to labor brokers by using them less: by carrying out direct recruitment, and where possible, hiring workers permanently. These practices have the potential to result in cost savings, improvements to the quality of coffee harvested, and increased rates of worker satisfaction and retention.

# Next Steps

*It is important to involve key stakeholders in root cause analysis, when possible (See [Tool 9: Guidance on Stakeholder Engagement](#).)*



*Doing root causes analysis of issues puts all parties in a better position to respond and remediate incidents when they arise (See [Tool 24: Guidance on Response and Remedy](#)).*

*If violations surface as part of audits on farms (See [Tool 25: Guidance on Independent Auditing of Coffee Farms](#)), it is important to analyze their root cases in order to take corrective action.*