



2017 Annual Report



Making a better life for children in tobacco-growing communities

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Foreword

In a world of shifting markets, crop diversification has become a crucial matter for the over 40 million farmers and families growing tobacco all over the world. The ECLT Foundation's intensifying efforts in rural communities where tobacco is grown are key to building the resilience of these farmers so that they benefit from farming while ensuring that their children are safe, healthy and able to escape the cycle of child labour.

The ECLT Foundation continues to be a key international platform for joint action and social dialogue. It has brought together six different agricultural sectors in 2017 for concrete commitments to help get children out of child labour and into schools, rather than simply moving them to adjacent fields with a different crop down the road. Throughout the year, ECLT's work has once again shown the power of collaboration, from Kyrgyzstan where the Foundation engaged with the Government, NGOs and unions to ensure that the community is able to sustain the 95% decrease in child labour as our activities there come to an end, to Uganda where the Hoima District Action plan has served as a base for Government and NGOs to streamline services so more vulnerable children can get an education, families in poverty can increase their livelihoods and rural communities can improve food security. Ongoing work on National Action Plans against all child labour in Tanzania and State-level engagement in Central and South America continues.

Building on more than 17 years of experience and firmly aligned with international standards and principles to eliminate child labour and promote human rights, the ECLT Foundation will continue to leverage efforts among its stakeholders to progressively reduce child labour and improve the lives of children and farmers in tobacco-growing communities.



Antonio Abrunhosa
President, ECLT Foundation
Chief Executive, International
Tobacco Growers' Association



Shortly before I took my post at Executive Director of the ECLT Foundation in October 2017, the International Labour Organization released the latest figures, estimating that there are still 108 million children in child labour in agriculture around the world. The immense scope of this problem gives the Foundation a clear direction forward, to intensify our work, not only focusing on immediate results for these children and their families but also fostering institutional and generational change in systems and attitudes for lasting impact against child labour's root causes.

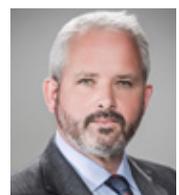
A professional background in international law and human rights has allowed me to approach the position with a fresh pair of eyes and ears; something I consider critical to be objective in order to manage the transformation of the Foundation, increasing the professionalism and impact and to ensure that we continue not just to survive but to thrive by working smarter with our available resources.

As you will see from this year's report, ECLT's work in 2017 alone reached over 37,000 children, farmers and families in rural communities where tobacco is grown, but the impact goes much further. By getting the right stakeholders to the table, including governments, agrobusinesses, unions, and civil society experts, ECLT supports concrete commitments aligned with established international human rights frameworks, which translate to sustainable actions to improve the lives of the children to whom we are ultimately accountable. The stakes for families living in poverty and children in situations of child labour are extremely high and so there is no room for complacency, or a reduction in pace and effort to continue to fulfil our mandate.

Looking ahead, the ECLT Foundation will continue to prioritise transparent collaboration with an open-door policy of engagement and best practice sharing to multiply our impact and accelerate sustainable change for children, who remain at the heart of all of our work.



David Hammond
Executive Director, ECLT Foundation



Eliminating Child Labour in Tobacco Growing Foundation

The ECLT Foundation is committed to collaborative solutions for children and their families that combat the root causes of child labour in rural communities where tobacco is grown.

We advocate for strong national and international policies, share best practices to multiply our impact, and directly engage rural families so they can benefit from farming while ensuring that their children are healthy, educated, safe from exploitation, and encouraged to reach their full potential.

Founded as an independent Swiss foundation in 2000 to bring together key stakeholders against child labour in the tobacco-growing supply chain, the ECLT Foundation is based in Geneva, Switzerland. The Foundation is a member of the UN Global Compact and holds special consultative status with United Nations Economic and Social Council (UN ECOSOC).

Through the ECLT Foundation's work since 2011 more than:

182,000

children were removed or kept away from child labour



27,000

children were sent to school or vocational training



475,000

community members were reached through awareness-raising activities



1,500+

key stakeholders were brought together to renew commitments under national action plans to eliminate child labour



68,000

families in tobacco-growing communities increased incomes, savings and access to credit





ECLT Core Values

The ECLT Foundation subscribes to four core values that give us both individual and collective focus and, therefore, the best chance of achieving our mission of progressively eliminating child labour in tobacco agriculture.

Transparency

We commit to being transparent in all our work processes, both internal and external. We take pride in our concepts, innovations and our progress, and we share information to foster a collaborative environment.

Accountability

We strive to make the very best decisions for children and their families in communities where tobacco is grown around the world. We monitor the impact of our work and continuously seek to improve our efforts, deliver on our promises and rectify any mistakes immediately. We accept the consequences of our decisions and we take responsibility.

Integrity

We challenge ourselves to achieve the highest professional standards of principles and ethics. We are objective in our decisions and decisive in our actions. We cultivate honesty and we do not tolerate corruption in any form whatsoever.

Sustainability

We pursue long-term sustainable solutions for the benefit of children in rural communities, where tobacco is grown. We respect the environment, the well-being of our employees and partners, and we encourage personal and organisational growth at every opportunity.

A Snapshot of 2017

Operating on the ground in
7 countries

10,660+
households

learned skills to increase
their incomes, access credit
or manage family finances

1 NO
POVERTY



2 ZERO
HUNGER



4 QUALITY
EDUCATION



10,000+ children

received school meals, so they can
concentrate on their studies with a
full stomach



**12,000+ children
and teens**

were helped to stay in and excel
at school with support like
scholarships, supplies, uniforms,
and after school programmes





60% of all members of savings and loans groups are women,

empowering them to support themselves and their families.



Irrigation training and infrastructure

in Uganda and Malawi help farmers use water more sustainably.



26 water pumps

were constructed to give clean water to schools and communities.

8

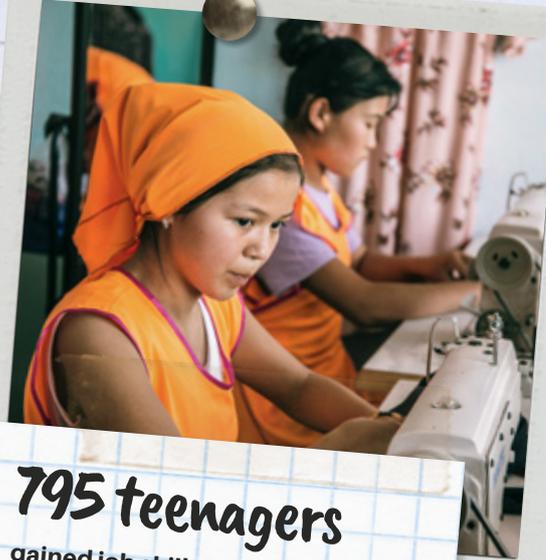
DECENT WORK AND
ECONOMIC GROWTH



10,600+ children
supported to stay in school and out of
child labour



4,800+ children
removed from child labour



795 teenagers
gained job skills to help them
succeed in local labour markets



14,000+
community
members &
farmers

learned about child labour
and safe work practices



24 workplaces
were created giving young people
a chance for decent work



Farmers and young workers trained
on better farming techniques



15 LIFE ON LAND



in 5 countries



17 PARTNERSHIPS FOR THE GOALS



Over 1,000 stakeholders

came together against child labour



including **6 agricultural sectors**
(coffee, cotton, sisal, sugar, tea and tobacco)

to support national and district action plans, child labour studies and consultations and public private partnerships against child labour



2017 Projects

The ECLT Foundation works directly with children, families and communities across seven countries. All of our projects take a comprehensive, inclusive approach around five strategic objectives: Getting children out of child labour; Opening doors through education; Raising awareness; Strengthening communities; and Alleviating poverty. To enhance our area-based approach, ECLT focuses on building innovative models to fight child labour and involving key actors from communities, governments, private sector and beyond to increase our impact in a sustainable way.



Training youth for job markets

ECLT's project in Guatemala launched an innovative rural training centre, equipped with a computer lab and workshops, to give students job skills tailored to local markets.

Empowering families financially

Through ECLT's project in Malawi, households have more income from access to agro-finance loans and special training on improving saving skills.

Better farming practices increase farmers' incomes

In Malawi, Tanzania and Uganda, ECLT supported farmers with inputs and training on profitable complementary farm activities like tomatoes, fruit trees, and livestock care.

Collaborating for impact

A joint awareness campaign with companies in Tanzania raised awareness about good practices for safe workplaces by 79% among youth and farmers in the communities in Tanzania.



Spotlight on Kyrgyzstan: Sustainably supporting communities in transition

After 13 years of work on the ground, engaging national and local stakeholders and removing more than 10,300 children from child labour, the ECLT Foundation transitioned out of Kyrgyzstan, as global suppliers stopped buying Kyrgyz tobacco. 2017 marked the end of a two-year sustainability phase of ECLT's IMPACT project, which prepared communities, farmers, families and leaders to continue the positive practices introduced through the project.

During five years, ECLT's IMPACT project reached over 44,000 children, families and community members in the Osh Province in Southern Kyrgyzstan.



I know that this project has achieved very good results. It must be studied, and the outcomes must be institutionalised by the Government of the Kyrgyz Republic."

Taalaikul Isakunova, Minister of Labour and Social Development.

1,900 teenagers

graduated from job-skill training



18,200 people

were trained on the dangers of child labour



\$500,000 USD

micro-loan fund was handed over to the communities to continue benefiting farmers and their families.



95% decrease

in child labour in tobacco growing was shown by the external project evaluation.



What happens to farmers when markets shift? Many Kyrgyz farmers have successfully transitioned to other crops because of ECLT support and training on collaborative farming techniques. Find out more about the realities faced by farmers and their families on the ground:



Watch the video

Project implementing partner: Alliance for the Protection of Children's Rights

Indonesia

In 2017, ECLT intensified work in Indonesia, focused on tailored, collaborative solutions against child labour. In conjunction with the LPKP and SANTAI NGOs, and with support of ECLT's Jakarta-based consultant, our efforts convened over 870 tripartite plus stakeholders for the launch of a study on child labour in selected rural areas where tobacco is grown, providing specific context on the child labour problem in Indonesia and allowing for gaps to be identified. At the launch, each stakeholder group committed to take specific actions, in line with the Roadmap toward child labour free Indonesia 2002 to 2022, Indonesia's National Action Plan.



IN 2017

2,200+ farmers empowered economically through access to agro-finance loans and training on saving skills

Malawi

Project: CLEAR II

Districts: Ntchisi, Mchinji, Rumphi

Implementing Partners: Total Land Care, YONECO and CRECCOM

Great strides were made through the CLEAR II project in Malawi, focusing on education and capacity building of local communities. During the year 1,200+ children were withdrawn from child labour and 10,000+ children received regular meals at school so they could focus on their studies and not their stomachs. Over 7,200 children and young people, who had been struggling with schooling, improved basic reading and math skills at 177 new Literacy Boost centres. Supporting farmers and young workers helps ensure that farms are a safe and profitable place to work. CLEAR II trained over 1,500 farmers and 990 young workers on safety and health on farms and sustainable agriculture practices.

Striving to maximise impact of global efforts against child labour, ECLT's CLEAR II project was selected to be part of an international evaluation of large-scale child labour reduction programmes in Malawi, conducted by IMPAQ International and funded by the US Department of Labor.

Mozambique

Project: REACT

Districts: Angonia and Macanga

Implementing Partners: Save the Children Mozambique, FAA, TLC

The REACT project came to a close in 2017, showing a nearly 65% decrease in overall child labour and reaching over 24,000 children and community members in two districts in Mozambique. Through the project over 6,000 children benefited from four new schools. Focusing on sustainability, communities were engaged to form Village Savings and Loans Associations and Child Labour Protection Committees, self-sustaining groups allowing community members to access credit and reduce child labour on an on-going basis.



IN 2017

80% raise in awareness on OSH standards among youth and farmers from a joint awareness campaign with Tanzania Leaf Tobacco

Tanzania

Project: PROSPER Plus

Districts: Kaliua, Sikonge and Urambo

Implementing Partners: Winrock International, TDFT, TAWLAE

Efforts in Tanzania focus on sustainability and awareness raising in 2017, building awareness and capacity in the fight against child labour. Through project activities done in collaboration with local tobacco companies 2'400+ community members, farmers, and district-level officials learned concrete ways to recognise and prevent child labour on farms.



Spotlight on Uganda:

From 2013 to 2017, the REALISE project in Uganda reached over 110,000 children and community members in the Hoima district. The project focused on combating child labour and ensuring that families have reliable access to basic services, quality education and sustainable income.

over 60% decrease

of child labour related to tobacco growing



95% decrease

of hazardous working conditions on farms



21,000+ community members

learned to better manage their finances



10,400+ families

are successfully managing new business activities giving them extra income



5,700 children

were supported to stay in school and out of child labour



When Geofery joined a Village Savings and Loan group, his five children were malnourished and he couldn't afford to send them to school. His life has been turned around as he learned to diversify the crops he grows and accessed credit to start a small business of his own.

Geofery checking his saving in his book of records during a VSLA group meeting



Now, I have capacity to generate income and meet the needs of my children and the entire family."

A platform for joint action against child labour

The REALISE project continues to support the implementation of the internationally-recognised Hoima District Action Plan (DAP). In 2017, stakeholders like UWESO, the District Government, World Vision, Justice Centres Uganda, Alliance One International and Bugambe Tea, used the DAP as a platform to coordinate rather than duplicate services, which means that more vulnerable families are receiving much-needed support in a more sustainable way.



Child Labour is a cross-cutting issue. It is felt across the board. Therefore, we need a cross-sector approach."

Labour Commissioner Patrick Okello on the Hoima District Action Plan

Project implementing partner: UWESO

Advocacy

Strong partnerships for collaborative solutions against child labour

ECLT prioritises multi-stakeholder engagement as being critical to the long-term sustainability of our efforts in the field. Significant advances were made in 2017 as ECLT engaged governments, unions, private sector, other agricultural sectors, civil society and children themselves to strengthen commitments and work together against child labour.

Safeguarding rights of young workers with the ILO

Through our public-private partnership with the International Labour Organization, ECLT advanced social dialogue and built collaboration in Tanzania, Uganda, Malawi and Indonesia, working to develop an evidence-based guidance on hazardous child labour that will help inform national laws and promote the rights of young farm workers around the world.



Engaging Governments for strong policies

ECLT supported five governments and national stakeholders to renew commitments around National Action Plans and District Action Plans against child labour. These plans not only promote strong legislation against child labour in all sectors, but also secure concrete actions to keep children out of labour and promote decent work for youth.



Multiplying impact through African Trade Union Best Practice Workshop

ECLT supported a multi-stakeholder meeting through the International Partnership for Cooperation on Child Labour in Agriculture in Ghana to share internationally-proven good practices and models for eliminating child labour. Ensuring that models are shared means that effective solutions reach more children. Findings were disseminated at the IV Global Conference on Child Labour in Argentina (Nov 2017).

Magnifying children's voices on their rights in international debates

In order to understand the benefits, challenges and risks that children face each and every day, we have to listen to them. ECLT participated in the "Time to Talk" global child consultation on child labour and consulted directly with children for our pilot on decent work (next page). Both efforts were highlighted at the IV Global Conference in Argentina.





Innovating for sustainable models against child labour

ECLT has developed the innovative “La Máquina Model” for market-driven youth employment training, working closely with the Government of Guatemala, local communities, and our partner Defensa de los Niños Internacional (DNI Costa Rica). ECLT’s project not only focuses on schools and job skills but also provides child labour training for key local actors, like community leaders, teachers and technicians from tobacco companies that work with farmers, so that they can help families get children out of fields and into classrooms.

Now over 100 children and teens are taking secondary school or job training classes, receiving school uniforms or supplies, or participating in after-school programmes. The project also provides needed materials like desks, TV screens, computers, internet access and electricity to make sure the students have a safe and pleasant environment to learn.

The next step is to go beyond La Máquina. The ECLT Foundation and DNI Costa Rica signed a Memorandum of Understanding agreement to continue work with the Guatemalan Ministry of Labour, so that the “La Máquina Model” can become a blueprint to improve opportunities for thousands of young people throughout Guatemala and beyond.

“Promoting decent employment for our young people in rural communities is a top priority for Guatemala. We are committed to continue work with innovative models like the project in La Máquina, which promise to open doors to employment and development for the next generation.”

Gabriel Vladimir Aguilera Bolaños, Deputy Minister for Social Welfare and Employment of Guatemala



Better Business Practices for Children

Through the ECLT Pledge of Commitment the Foundation mobilises companies to realise their commitment to progressively eliminate child labour in their tobacco-sourcing supply chains. The Pledge, signed by 13 companies in December 2014, is sector-wide agreement to uphold robust policy on child labour, conduct due diligence and provide for remediation consistent with the United Nations Guiding Principles on Business & Human Rights.

ECLT staff meet with farmers and partners in Malawi



“Business enterprises need to know and show that they respect human rights.”

UN Guiding Principles on Business and Human Rights

By signing the pledge, companies agree to:



The Pledge in Action

In 2017, ECLT examined the **“Pledge in Action”** and how, through this common commitment, companies are better positioned to address the complex child labour problem holistically and throughout their respective supply chains. Identifying and sharing the good business practices companies are putting in place to realise their commitments through the ECLT Pledge allows companies to learn from each other and encourages cooperation.

Case Study

Stronger standards against child labour

In 2017, a Pledge Company developed and rolled-out an updated Child Labour Standard, to strengthen their existing approach to eliminate child labour in their tobacco-growing supply chain. The standard was developed with guidance from ECLT and the ILO. About 90,000 farmers have already been reached through the roll-out process. The Pledge Company aims to continue to raise awareness on child labour; how to recognise it and prevent it, by embedding it into the work of its leaf technicians and farmers throughout its supply chain via ongoing training and education.



The commitment made through the ECLT Pledge has been one of the crucial drivers for our company to examine and strengthen our efforts to ensure that our sourcing supply chain is child labour free.”

Case Study

Working with farmers to get children out of fields

Since 2014, one Pledge Company has developed a joint training for farmers, field technicians, and the local police in Zimbabwe for ongoing awareness raising on the benefits of sending children to school and to challenging the social acceptance of child labour. A local NGO complements the training with an anonymous child labour helpline. 2017 information already shows reduced child labour and more tobacco farmers paying school fees for their children. The company realises this is a long-term and ongoing process.

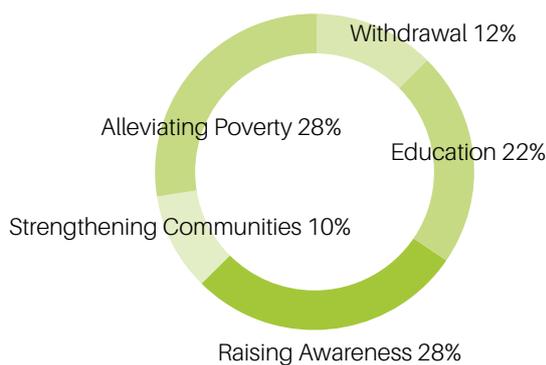


We recognise that realising the goals of the project involves continuous improvement and learning.”

Accounts

The management financial information presented below is derived from the financial statutory accounts audited by the Foundation's instructed auditors, Berney & Associés SA. The currency used is US Dollars (USD).

2017 PROJECT ACTIVITIES BY OBJECTIVE



2017 Balance Sheet

ASSETS	
Treasury	4,481,827
Debtors	53,019
Fixed Assets	9,962
Total	4,544,808
LIABILITIES - SHORT TERM	
Payables	937,975
Members (advance for 2018)	2,599,255
Accrued projects	103,223
Accrued expenses & Deferred Income	279,080
Subtotal	3,919,533
CAPITAL & RESERVE FUNDS	
Foundation Capital	53,144
Membership Fees	127,546
Brought Forward as at 1.1.2017	441,109
Result of exercise	3,476
Subtotal	625,275
Total	4,544,808

2017 Income and Expenditure

INCOME	
Contributions from Members & Supporters	6,424,394
Bank Interest, Misc. Receipts	8,209
Subtotal	6,432,603
EXPENSES	
Programme:	
Project Implementation	2,444,600
Project Support	788,954
Advocacy & Research	1,807,740
Administration	1,155,530
Financial Adjustments	232,303
Total	6,429,127
Period (Deficit)/Surplus	3,476

The ECLT Foundation

ECLT Staff Members

David Hammond
Executive Director

Chris Burton
Head of Operations

Innocent Mugwagwa
Senior Programme Manager

Nicholas C. McCoy
Senior Policy & Advocacy Officer

Karima Jambulatova
Programme Manager

Stéphanie Garde
Project Coordinator

Laura Collier
Jean-Baptiste Delaugerre
Communications & Advocacy
Programme Coordinators

Gosha Stehlé
Irena Manola
Operations Associates

Melanie Glodkiewicz
Programme & Advocacy Intern

Non-Executive Advisors

International Labour
Organization (ILO)

Board Members

Antonio Abrunhosa
ECLT President
International Tobacco Growers'
Association

Kirsty Green-Mann
ECLT Vice President
Imperial Tobacco Group Plc

Marcus McKay
ECLT Treasurer
Contraf-Nicotex -Tobacco GMBH

Miguel Coleta
Philip Morris International

Jennie Galbraith
British American Tobacco Holdings

Simon Green
Alliance One International, Inc

Noyan Gürel
Sunel Ticaret Turk A.S

Emmett Harrison
Swedish Match

Barbara Martellini
ULTOCO Services

Elaine McKay
Japan Tobacco International
& Japan Tobacco Inc

Linda McMurtry
Hail & Cotton, Inc.

Glyn Morgan
Premium Tobacco

Rob Zwarts
Scandinavian Tobacco Group

Implementing Partners

Guatemala
Defensa de Niñas y Niños
Internacional (DNI Costa Rica)

Kyrgyzstan
Alliance for the Protection of
Children's Rights External

Malawi
Total Land Care, YONECO and
CRECCOM

Mozambique
Save the Children Mozambique,
FAA, TLC

Tanzania
Winrock International, TDFT,
TAWLAE

Uganda
UWESO

External Evaluators

IMPAQ International



ECLT Foundation
7, rue François Versonnex
1207 Geneva, Switzerland

 ecltfoundation
 ecltfoundation
 ecltfoundation
 ECLT Foundation

eclt@eclt.org
+41 (0) 22 306 1444
www.eclt.org

OUR CORE VALUES: **TRANSPARENCY** | **ACCOUNTABILITY** | **INTEGRITY** | **SUSTAINABILITY**