Overview

The challenges of reducing the exploitation of child labor, strengthening social safety nets, and improving core labor standards need to be addressed in the context of today’s global environment. As the economies of the world continue to become more interdependent and subject to new, common security threats, the need to implement a broad based approach to achieving sustainable economic development becomes all the more significant. The Department’s Bureau of International Labor Affairs (ILAB) provides policy guidance on labor related issues and technical cooperation, which actively support a free and open trading system that will strengthen the global economy and permit democracy to flourish.

The International Labor Organization (ILO) estimates some 211 million children between the ages of 5 and 14 were working around the world in 2000. Many of these children work under extremely hazardous and exploitative conditions. Millions of adult workers are also denied their basic labor rights. They are forced to work under modern forms of slavery such as bonded labor, denied their right to associate freely and bargain collectively, or legally discriminated against. Many other workers live in countries that are unable to provide even the most basic social safety nets in times of crisis.

Serving the Public

The Department began its international efforts in 1950 to assist with European reconstruction and now supports a wide range of projects in every region of the world, working closely with the Department of State, the U.S. Agency for International Development, U.S. embassies, and international organizations. ILAB and U.S. embassies abroad work closely with the tripartite partners at the national level to design projects that complement rather than duplicate existing efforts. In 2002, ILAB expanded its network of organizations through a competitive bidding process, establishing partnerships with several new organizations including well-recognized international, non-governmental, faith-based, and other organizations.
The Department has been instrumental in promoting the progressive elimination of child labor around the world since 1995. DOL’s support for ILO’s International Program on the Elimination of Child Labor projects comprise a number of activities including: direct action aimed at removing or preventing a specified number of children from engaging in exploitative work and providing them with education or training opportunities; income generating alternatives for parents; public awareness and social mobilization; capacity building and policy reform; establishing formal and informal monitoring systems; and increasing the knowledge base on child labor. In 2002, DOL funding supported larger, more comprehensive, national level programs that partner with governments and other institutions to combat the worst forms of child labor. Recognizing the importance of basic education as a powerful alternative to child labor, the Department also supports targeted education-based efforts specifically in areas where there is a high incidence of exploitative child labor. All of ILAB’s technical assistance activities are guided and supported by a strong policy and research component.

ILAB’s projects in the areas of protecting workers’ rights and strengthening basic social safety nets address a range of issues including: strengthening the administration of labor laws; improving the capacity to prevent and resolve disputes; strengthening social insurance systems; improving workplace safety and health; enhancing the capacity of job training and employment services; and providing greater employment opportunities for persons with disabilities and for women. In addition, the Department expanded an initiative to strengthen the response to the HIV/AIDS crisis through workplace based prevention education programs, as the pandemic continues to create major disruptions in the global workforce. In FY 2002, 41 countries also committed to undertake improvements in assuring compliance and implementation of core labor standards.

Program Costs
Net costs in FY 2002 were $106 million dollars. This represents in large part the support to international grant programs. The increased level of net costs in FY 2002 is a result of expenditures from budget authority in FY 2002 and previous fiscal years.

To make a difference in the lives of children and workers around the world and combat abuses, the Department administers technical assistance programs aimed at reducing exploitative child labor, advancing internationally recognized workers’ rights, and strengthening social safety nets. In FY 2002, the Department contributed $45 million to the ILO’s International Program on the Elimination of Child Labor, bringing the total contribution since 1995 to approximately $157 million. In 2001 and 2002, DOL also received $74 million for its Child Labor Education Initiative to increase access to basic education in countries with a high incidence of child labor.

In FY 2002, the Department contributed $18.5 million to efforts to implement the Declaration on Fundamental Principles and Rights at Work. ILAB awarded $20 million in grants and contracts to social safety net projects that provide workers with the tools and support to benefit from a more open and integrated world economy. In 2001 and 2002, ILAB awarded $18.5 million in grants to HIV/AIDS workplace education projects that lessen the impact of the pandemic on workers and improve trends in economic development that have been in decline due to the global crisis.

DOL Challenges for the Future
Poverty has been frequently cited as a major cause of child labor. As many of the world’s working children come from socially and economically disadvantaged backgrounds, efforts to combat child labor must be linked to poverty alleviation strategies and overall economic development. Another important factor, which also needs to be addressed, is the degree to which children have meaningful alternatives to work, such as access to affordable, quality schooling, and sustained support so that they remain in school. Finally, DOL-funded programs must work within difficult political and economic environments that are susceptible to frequent instability and uncertainty.
Reduce Child Labor in Developing Countries

Reduce exploitative child labor by promoting international efforts and targeting focused initiatives in selected countries.

Results: The goal was fully achieved. The Department targeted five performance indicators to measure success against this goal, and exceeded all five of the indicators.

Program Description: Since 1993, the Department’s Bureau of International Labor Affairs (ILAB) has been engaged in the fight to combat child labor worldwide. ILAB’s activities include research and reporting on various aspects of international child labor, public awareness and understanding of the issue, and support for technical assistance programs that aim to eliminate child labor and increase access to basic quality education.

DOL supports the International Labor Organization’s International Program on the Elimination of Child Labor (ILO/IPEC), a worldwide technical assistance program aimed at the progressive elimination of child labor. DOL’s contributions target efforts in 50 developing countries around the globe. Initiatives include removing children from exploitative work and preventing other at-risk children from entering hazardous child labor situations. Key strategies include direct assistance to children and families, such as education and training, and strengthening the ability of nations to address child labor situations. DOL assistance has also enabled IPEC to conduct child labor surveys and furthered efforts to raise awareness about child labor around the world. Last year, the Department supported the launch of a new ILO/IPEC initiative, the Timebound Program, designed to eliminate the worst forms of child labor in a country within a specified period of time. DOL has supported five Timebound programs in El Salvador, the Dominican Republic, Nepal, the Philippines, and Tanzania.

In FY 2001, the Department supported a new Child Labor Education Initiative, which seeks to improve the accessibility and quality of basic education in areas with a high incidence of exploitative child labor. Through this initiative, DOL has awarded grants to organizations in nine countries, with a special focus on improving access and quality of education for child laborers or children at risk of engaging in hazardous work.

Analysis of Results:


Twenty-nine countries ratified ILO Convention 182 on the Worst Forms of Child Labor, reflecting positively on DOL’s efforts at advocacy in this area and demonstrating the extensive international commitment to end exploitative child labor. Convention No. 182, ratified by the United States in 1999, has had the fastest ratification rate of any ILO Convention. As of the end of FY 2002, a total of 129 countries have ratified the convention.

- 10 countries will establish action plans to combat child labor and/or promote access to basic education for child laborers or children at risk.

In FY 2002, 13 countries established a total of 15 new action plans, demonstrating concrete commitments at the highest levels of local and national government to eliminate child labor. Many countries develop comprehensive national plans that target all working children, while some focus on specific worst forms of child labor, such as commercial sexual exploitation, trafficking, and bonded child labor. DOL funding contributed to the development of almost all of the plans, reflecting the Department’s strong encouragement of establishing frameworks for action to eliminate child labor.

### Preventing Child Labor or Removing Children from Exploitative Work

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<tbody>
<tr>
<td>Countries ratifying ILO Convention</td>
<td>36</td>
<td>25</td>
<td>63</td>
<td>15</td>
<td>29</td>
</tr>
<tr>
<td>Countries that establish new action plans to eliminate child labor</td>
<td>—</td>
<td>15</td>
<td>13</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Children targeted for prevention or removal from exploitative work</td>
<td>109,000</td>
<td>100,000</td>
<td>199,336</td>
<td>90,000</td>
<td>103,772</td>
</tr>
<tr>
<td>Children actually prevented or removed from exploitative work</td>
<td>—</td>
<td>50,000</td>
<td>25,885</td>
<td>50,000</td>
<td>51,922</td>
</tr>
<tr>
<td>Education Projects targeting child laborers</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>8</td>
<td>9</td>
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■ 90,000 children targeted for prevention and removal from exploitative work, particularly its worst forms (as defined in ILO Convention 182) through the funding of new DOL-IPEC programs.

With the significant contribution of $45 million for IPEC activities and a focus on larger direct action projects in FY 2002, DOL targeted more than 103,000 children for prevention and withdrawal from exploitative work. The projects will provide the targeted children with educational or training opportunities and their parents with viable economic alternatives. IPEC projects that target children for direct assistance are comprehensive in scope and include components such as capacity-building and awareness raising for the local communities, child labor monitoring, data collection, and support services for the families. DOL-approved IPEC project documents and initial needs assessments from the field provide the program data for this indicator. Target numbers may be revised once project activities have started and actual children have been identified in a given area.

■ 50,000 children actually prevented or removed from exploitative work.

Approximately 52,000 children were removed or prevented from exploitative work through the provision of education or training opportunities in ongoing DOL-funded IPEC programs. Selected parents were also provided with alternative income-generating opportunities, to reduce their reliance on child labor. The rising levels of success during FY 2002 support the Department’s expectations that the projects will continue to benefit the planned numbers of children before their completion. In addition, it is expected that thousands of other children have indirectly benefited from activities that include strengthening the capacity of government and partner groups to address child labor, raising awareness of the risks of child labor and the benefits of education, and mobilizing communities to take action.

■ Education projects for child laborers through the Education Initiative will begin in eight countries.

DOL’s Child Labor Education Initiative funded education projects in nine countries: Bolivia, El Salvador, India, Nepal, Pakistan, Peru, Tanzania, Togo, and Zambia. In addition to these 9 projects, DOL funded an Education Innovations project that will support community-based organizations in 18 additional countries.

Children rise early in the coffee plantations of Trinidad, Honduras and head into the fields. Without protective clothing they work for hours in harsh weather, planting, picking, stripping, and sorting coffee beans. Hard work and long hours means their opportunity for education is minimal. However, a DOL funded project undertaken by the International Labor Organization is working to combat and prevent child labor in the coffee industry. The Honduran Coffee Institute estimates that working children under the age of 18 represent approximately 30 percent of the labor force in the Department of Santa Barbara, or 11,500 workers. This ILO/IPEC project targets 1,200 children for withdrawal and prevention from work in the coffee industry. The project’s activities include forming health-schools committees aimed at improving sanitary conditions in these communities and mobilizing the participation of community leaders in monitoring attendance to insure the children stay in school. By working with other organizations such as the faith-based Fondo Cristiano, the Educados program has been provided with teaching materials and school furnishings. Much needed medicines have also been donated and health care services provided to program children.
Strategies: Experience has shown that the time period required to demonstrate results through direct action activities aimed at eliminating child labor varies significantly. To sustain efforts, countries and local communities must offer meaningful alternatives to exploitative work for the children and their families, often entailing extensive preparatory work to mobilize communities and build the capacity of local organizations to provide quality educational opportunities. Furthermore, the child labor efforts underway work in countries with diverse political, social, and economic environments, where civil unrest, economic shocks, and frequent changes in governments can impact the timely progress of initiatives. To ensure that its child labor and basic education projects are effective and complementary to existing initiatives, DOL consults closely with U.S. agencies, national governments and international organizations.

Audits and Program Evaluations: Evaluations are conducted for all DOL-funded projects and have resulted in greater understanding of project impact and the relative effectiveness of strategies used. Mid-term evaluations in particular help ILAB to gauge the relative success of project activities in the formative stage and identify factors that are likely to affect performance and to make adjustments where necessary. In addition, these evaluations also validate and verify the accuracy of data provided in progress reports. Recommendations and lessons learned that arise from final evaluations are also being used to enhance program planning and design of future projects. For example, the final evaluation of a DOL-funded country program recommended the use of fewer implementing agencies with a focus on the most effective ones. In turn, such lessons learned and recommendations influenced the designing of the second phase of the project.

Goal Assessment and Future Plans: As more child labor projects become fully operational, the Department expects that results reported in FY 2003 will continue to show increases in the numbers of children withdrawn or prevented from engaging in exploitative work through on-going DOL-funded projects. DOL will continue to work closely with ILO and other implementing agencies to obtain detailed information relating to program performance and anticipated results. The goals and indicators for 2003 have been refined, and as the Child Labor Education Initiative projects get underway, new indicators will be developed to measure the persistence and permanence of targeted children in school settings.

(Goal 3.3A — FY 2002 Annual Performance Plan)
Promote Core Labor Standards and Improve Economic Opportunities for Workers in Developing Countries

Advance workers’ protections and economic status in developing countries.

Results: The goal was fully achieved. The Department targeted two performance indicators to measure success against this goal, and exceeded both of the indicators.

Program Description: Increasing international trade helps foster economic growth, raise living standards, and promote employment in the U.S. The expansion of global trade and investment, the improvement of working conditions, and the protection of basic worker rights are best understood as mutually reinforcing, and not mutually exclusive, objectives. As political developments, market reforms, and the transition to a global economy bring significant changes to national economies, individual labor market systems need to change accordingly to remain viable and to support their populations.

The Department’s International Cooperation Program helps address some of these difficulties by working to ensure that the greatest possible number of workers benefit from a more open world economy. A majority of projects funded through the Department’s International Cooperation Program, therefore, fall under two primary program objectives: Improving Economic Opportunity and Income Security for Workers — to strengthen developing countries’ abilities to build and institutionalize social safety net policies and programs needed to improve working conditions and foster economic growth; and Protecting the Basic Rights of Workers — to implement the core labor standards embedded in the International Labor Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work.

The Department is currently implementing more than 55 projects in over 50 countries. Projects vary in size and scope according to country priorities, need, and intervention strategy. Resources are distributed throughout the developing world with a small number of global projects. DOL also funds a number of regional projects covering several countries and/or territories with a single project.

Analysis of Results: The Department set the targets for FY 2002 based on an assumption of substantially reduced funding availability. Resources were significantly greater than expected, thereby allowing the target to be greatly exceeded. In addition, the Department funded regional projects that covered 29 countries and territories in two projects, enabling the Department to significantly exceed its goals.

- Seven countries commit to undertake improvements in assuring compliance and implementation of core labor standards.

Stakeholders in 41 countries and territories made commitments to implement new projects or to expand already-existing projects designed to promote and implement core labor standards. New projects will be funded in Bangladesh, China, Kazakhstan, Madagascar, Mozambique, and Peru. DOL will expand upon already-existing projects in Cambodia, India, Indonesia, Kenya, Tanzania, Uganda, eight countries in Central America, and 21 countries and territories in Anglophone Caribbean.

DOL reached 12 countries directly through country-specific projects. Two of the total 17 new or continuing projects that received funding in FY 2002 are regional in scope, covering 29 additional countries and thus enabling the Department to reach 34 more countries than planned.

<table>
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<tr>
<th>Indicator</th>
<th>FY 2000</th>
<th>FY 2001</th>
<th>FY 2002</th>
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<tr>
<td>Countries committing to undertake improvements in assuring compliance and</td>
<td>8</td>
<td>15</td>
<td>7</td>
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<tr>
<td>implementation of core labor standard</td>
<td>35</td>
<td>43</td>
<td>41</td>
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<tr>
<td>Countries committing, with DOL assistance, to improve economic</td>
<td>4</td>
<td>8</td>
<td>6</td>
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<td>opportunities and income security for workers.</td>
<td>34</td>
<td>10</td>
<td>49</td>
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Examples of projects designed to improve compliance with and implementation of core labor standards include: a new $4.1 million project in China to improve the implementation of labor law; the addition of $1.48 million to an already-existing project to improve labor-management relations in Kenya, Tanzania, and Uganda; a new $205,000 worker education project in Kazakhstan; and the addition of $1.59 million to an already-existing project to improve labor-management relations in 21 countries and territories in Anglophone Caribbean.

- Six project countries commit with DOL assistance to improve economic opportunities and income security for workers.

Stakeholders in 49 countries and territories made commitments to implement new projects or to expand already-existing projects designed to improve economic opportunities. DOL will fund new projects in Afghanistan, Argentina, Chile, Mexico, Pakistan, Philippines, Poland, and Slovenia and will expand upon already-existing projects in Bangladesh, Bolivia, Costa Rica, El Salvador, India, Lithuania, Nigeria, Romania, South Africa, Tanzania, Ukraine, Vietnam, eight countries in Central America, and 21 countries and territories in Anglophone Caribbean.

DOL reached 20 countries directly through country-specific projects. Two of the total 27 new or continuing projects that received funding in FY 2002 are regional in scope, covering 29 additional countries and thus enabling the Department to reach 43 more countries than planned.

Examples of projects designed to improve economic opportunities and income security for workers include: a new $3 million project to develop vocational training services for women, at-risk youth, and ex-combatants in Afghanistan; the addition of $1.3 million to an already-existing project to develop employment centers for Veterans in Nigeria; a new $211,000 mediation project in Argentina; and the addition of $67,000 to an already-existing project to improve mine safety in Ukraine.

**Strategies:** The Department works closely with other U.S. Government agencies in deciding where to commit resources, and these agencies play a key role in the project selection process. U.S. embassies and missions around the world provide important, up-to-date information from the field on needs, priorities, and stakeholder commitment and capacity. Officials at the State Department, U.S. Agency for International Development, and U.S. Trade Representative are also consulted in order to ensure that the International Cooperation Program supports U.S. Government foreign policy priorities, that there is no duplication of efforts, and that, where possible, DOL-funded projects leverage already-existing resources.

Faculty and students at Namitete Vocational College in the Republic of Malawi have actively participated in the HIV/AIDS prevention education and policy project, a DOL-funded program implemented by Project HOPE. Participants acquire a thorough knowledge of sexually transmitted illnesses and tuberculosis prevention measures. At Namitete, the HIV/AIDS message has reached 150 students and 11 faculty. A total of 1,731 students and staff are involved in the project at all seven vocational colleges in Malawi.
Countries participating in the Department’s International Cooperation Program are selected based on criteria including demonstrated need, commitment by the government and worker and employer organizations, institutional capacity to absorb resources, and sustainability. DOL also works closely with partner organizations with relevant expertise and technical knowledge to design and implement international cooperation projects. Actual implementation of project activities is done by a variety of entities—other DOL agencies with relevant technical expertise (such as the Occupational Safety and Health Administration), other U.S. Government agencies, and a variety of consultants, non-governmental organizations, and firms with the necessary, specialized knowledge and expertise that are awarded contracts or grants by the Department. DOL provides management oversight of the entire program and ensures that projects are being implemented effectively.

**Goals Assessment and Future Plans:** As the Department’s early projects (those begun in FY 2000) become well established, evaluating the human and economic impact of the projects will be possible. Future goals and indicators will focus on the intended project outcomes — whether or not there has been actual improvement in the application of core labor standards or in economic opportunities and income security for workers. For the FY 2003 Annual Performance Plan, DOL refined this performance goal to: *Improved living standards and conditions of work for workers in developing and transition countries.*

*(Goal 3.3B — FY 2002 Annual Performance Plan)*

Following the disaster at the Barakova Mine on March 11, 2000, that resulted in 81 fatalities, the Department of Labor initiated a $1 million technical assistance program to improve mine safety conditions in Ukraine, reducing the rates of accidents, injuries, and fatalities. The Department’s Bureau of International Labor Affairs, in partnership with its Mine Safety and Health Administration, provides safety equipment and training to Ukrainian miners and employers.

Thus far, additional safety equipment has been installed and safety training has been provided to 31 of Ukraine’s mines. Observed results indicate a significant reduction in combustible materials, including explosive coal dusts, deposited in underground workings. Sampling data confirms concentrations of combustible materials at or below the U.S. standard, greatly reducing the risk of death or injury to Ukrainian miners in the event of a methane gas ignition or explosion.