



"A company will change behaviors if their retailers, their clients, or their shareholders are asking them to do so": Gaël Lescornec of the Sustainable Trade Initiative on shaping sustainable markets and motivating companies to protect children.

Lissa Harris August 30, 2024

Lissa Harris: Can you start by introducing yourself and talking about your organization, the problem that you're tackling, and how you're trying to solve it?

Gaël Lescornec: Gaël Lescornec is my name. I'm French, but also American. I was raised in the States, and I live in Hague in the Netherlands. I work for a company called IDH, which is the Sustainable Trade Initiative, and we work to transform markets so that they're more sustainable. It goes beyond certification. We really work on the question of: "How do we change business models and ways of doing business so they have a better social impact and a better environmental impact?"

We work in a lot of agricultural commodities like cocoa, coffee, palm oil, and cotton. I work in vanilla, although I've been working in cocoa for the past 10 years. We work in different landscapes globally, including Indonesia, Brazil, and West Africa. In my case, it's Madagascar and Uganda.

That's the overall mandate of the organization, and as part of that mandate, we work with business sector initiatives, origin countries, and consuming countries. The platform that I lead is the Sustainable Vanilla Initiative. We have an industry volunteer platform that is dedicated to making the vanilla sector more sustainable. What do we mean by sustainable? One, that it's a stable market, and there's access to market, and also that it's produced in a way where farmers are earning a decent living income, human rights are being respected, and the environment is being protected. Those are the measurements, and when it comes to farmer livelihoods, it's really about making sure that they're thriving as much as everyone else is thriving.

I like to think of it as making sure that you're spreading the value across the supply chain. This platform represents about 70% of the industry in terms of the different companies, and they are all at very different speeds. Our work is to try and up the norm to make sure that we're constantly pushing it to better business practice in the vanilla sector.

Lissa Harris: Who are your main audiences, and how do you go about engaging them?

Gaël Lescornec: I would say our main audiences are industry and the private sector, from retailers to consumer-facing, the whole gamut. There's a story to tell about what sustainability means, so when consumers buy vanilla that's sustainable, they understand that it's about more than just labor. So I would say the consumers, the retailers, the brands, the processors, and the suppliers that are on the ground.

Then, the second target, which is really the benchmark or milestone of seeing whether we're successful or not, is the farmers themselves. Are they able to sell the vanilla? Are they able to make a decent living income? Are they living in an environment that is not being degraded? That's our client as well. We want to make an industry that is healthy for both consumers and farmers. It's that bean to bar, or farm to fork, concept.

Lissa Harris: Are child labor issues a big part of what you do in that sustainability?

Gaël Lescornec: It's part of what we do because 80% of vanilla globally is sourced from Madagascar. Madagascar is one of the poorest countries in the world. It's actually one of the only countries whose economic status has declined 10 years in a row on the World Bank economic development list. With poverty comes a lot of different challenges, including child trafficking, child labor, and a variety of children's rights being violated, like not going to school, or not having access to schooling. So I would say our members source in a country where children's rights is a huge challenge because of the context.

Now, in terms of vanilla specifically, we know that the risks are very minimal because vanilla does not have a dangerous production process. In addition, it's harvested in such a way that kids don't necessarily have to be taken from school. Then again, it's a very volatile market, so it depends also on the context. If it's very high-priced vanilla, we would probably see a bit more risk. So you have this situation where child labor and child human rights is a topic across the board with anything that is produced within communities in these regions. It's not necessarily linked to a specific commodity, if that makes sense.

However cocoa, which I worked on before coming into vanilla, is a different story. A lot of kids are being trafficked into Côte d'Ivoire or Ghana to harvest cocoa. They don't see their parents for six months a year, and they live in horrible conditions. That we know is taking place because cocoa is such a massive industry in those countries, and it's really difficult, particularly with migrants, to monitor it. In that case, there is a different dynamic, or relationship, to the crop.

Lissa Harris: What do you think makes you, and your approach, distinct from other people working in similar spaces to you? What are your models and what makes them different?

Gaël Lescornec: In regards responding to the issue of children's protection and children's labor in a context where we are the industry is not necessarily a driver of that problem, our model or approach has been to ask: What's in our sphere of influence? What we've found is that there are all these different companies throughout this region that can disseminate and help disseminate information on awareness. So that's what we did. We worked with the International Labour Organization [ILO] and Save the Children on a major awareness campaign around children's rights, especially the prevention of child labor. That was a massive awareness campaign we did in conjunction with experts, that also used industry players on the ground.

Lissa Harris: Was that a public-facing awareness campaign targeted at consumers who are buying the product?

Gaël Lescornec: No, it was targeted at the origin, at the communities. It wasn't targeted at all at the consumer level just because consumers don't associate vanilla with child labor, and they shouldn't, because that would backfire majorly. I think the latest prevalence in that area was about 3%; it really is a very minor issue. For us it was more about the fact that even if it's minor, it's still an issue that needs to be addressed.

Lissa Harris: What are your communication strategies?

Gaël Lescornec: It was very local, and then to take it a step further, we were able to work with the local authorities to integrate a code of conduct on child labor within the export licenses of companies so that they couldn't export any vanilla without signing those specific principles.

Lissa Harris: Is there an example you can share that illustrates the impact of the work that you do? What kind of evidence do you use to determine what's working?

Gaël Lescornec: We've been doing studies to understand the living income situation of vanilla farmers to help us understand, "How big is the gap toward earning a decent living income? How poor is poor? And what role can industry play in that, in terms of the pricing they set, cost of production, or helping with a few expenses?" What that showed us is that some of the programs that companies are involved in really significantly support farmers to be just that much less poor, and to have that much more resilience, even in the context of poverty, like in Madagascar.

Even though it's just data, it's really important for us as a platform to provide the arguments for companies and consumers to understand that when you invest in sustainable companies, this is the impact it's going to have. Those farmers have that much money in their pockets, and when you have that much money in your pockets and going back to kids, you don't need kids in your fields. That's a story to be told, and that's something that we definitely want to capitalize on.

Lissa Harris: Is there something that you've tried that really didn't work out, but that you learned something important from, that maybe others could learn from also?

Gaël Lescornec: Generally, in the realm of cocoa, living income, or money for farmers, and measuring sustainability based on how much money farmers are making, is a totally new concept. Up until about five years ago, sustainability was always measured by, "How much cocoa are farmers making?" or "How many certifications do companies have?" We realized that cocoa had all those certifications, all those investments in farmers, but all that productivity of more and more cocoa was not having any impact on farmers' wealth, or on farmers' value. Not only that, but in some cases income had diminished because the way of life had become more expensive.

Having the cocoa industry recognize that they need to change their game and in 2018 declare that we cannot talk about sustainability unless it goes in the farmer's pocket, was a game changer in terms of how companies do business today and how they're being scrutinized. That was a major lesson learned, which I think we're still learning in other sectors.

Lissa Harris: Setting aside the issue of funding, because everybody faces that one, what are the biggest challenges and large scale barriers that you're still facing, and that stand in the way of your goals? What big-picture challenge are you still working on solving?

Gaël Lescornec: In terms of the financing, this is business, so it's about cost sharing. It's not so much about whether we are getting resources to do the work we need to do. I come from a development background, with a focus on more NGO stuff, so it's taken me about 15 years to figure out the business mindset. Everything has a cost. Literally every breath has a cost, and everything is transactional. When you're talking about a sustainable product, you need to pay for it. So who pays for it? It's not an NGO thing, it's part of your contract between your client and your customer. It's your client who's going to say, "You know what? Get me 50% of that fair trade," or "Get me 50% of that vanilla with a higher price." That cost needs to be shared, but it's not shared enough.

The majority of big brands and retailers at the consuming end are not cost sharing their demands for sustainable products. We need those consumer-facing companies, especially retailers, because they are the ones who make the most margins out of the most food products, so we need them to start sharing the costs. Instead of fundraising with different NGOs and stuff like that—which is not sustainable because once they cut your two-year project, you're done—we need to change the long-term system of how we do business and how value is distributed across the supply chain.

Lissa Harris: Is the shifting of cultural norms part of your work? If so, what are your strategies? What is effective at shifting cultural norms in a way that serves your goals?

Gaël Lescornec: Let me focus on one cultural norm. I'm going global here. Global and local. I think a major cultural norm that is affecting my line of work is the reckoning of our colonial past, particularly on these different products and how the rich have gotten richer and the poor have gotten poorer. It's the same with countries. Why have certain countries become so poor, while certain other countries are in influential, powerful positions?

If you look at our trading environment, it's not a level playing field. Certain countries and certain companies have had a good first start, and that very much has to do with our colonial legacy. If we're going to look at sharing value across supply chains today, and ensuring that farmers in origin countries have the same, or at least more value in it, that starts by taking responsibility for some of the mistakes we've made in the past. We need to change the system so it's constructed in a way that's more fair and is not biased on how we have culturally developed.

I'm quite active in having more inclusive, sustainable supply chains in terms of including more women, more farmers, and more marginalized populations who are not necessarily involved in corporate decision-making. If you look at a company boardroom in America, or a boardroom of a decision-making committee of a cooperative in a field, and you look at the profile of the people that are making decisions, when it comes to dealing with money, it's mainly powerful men. Those are the kinds of things that need to change in order to create more value along our supply chains.

Lissa Harris: Can you talk about the role that partnerships and coalitions play in your work? Who are your main partners, and how do you cultivate those relationships?

Gaël Lescornec: Partnerships are absolutely critical. I don't think any of these issues can be solved alone. I come from a public sector NGO background, and I'm now working with the private sector, realizing that there's no way that we can really talk about building capacity, or building empowerment without dealing with people who are at the front line of training and buying. It's absolutely critical to work with the private sector, to work with the government—the local governments as well as Western governments who are actually getting those products into their countries—and to work with NGOs and conservation institutions. I spoke about ILO, Save the Children, and academic researchers with whom we collaborated to do this living income study. These collaborations are crucial for finding solutions and establishing public-private partnerships. It's the only way that we can actually find solutions.

Lissa Harris: Is there anything you want to say about how you go about working with them and how you maintain those relationships?

Gaël Lescornec: There's a lot to invest in in building trust and in finding the sweet spot. For example, we do a lot of advocacy work with the government of Madagascar and with the private sector, just to make sure that we're all on the same page in terms of our common goal. In terms of building that, it's a lot of investment in getting people to trust each other.

Lissa Harris: What are the big insights, or the big teachable lessons, that can be drawn from your work, particularly those that would apply to child labor issues or child trafficking issues? What can other people who are in similar fields learn from your work?

Gaël Lescornec: One thing that's coming to mind particularly is trust building and asking, "What networks are necessary?" Then, within those networks, it's about finding champions. Not trying to rally everyone at the same time, but really identifying that one champion, that one person who

can really influence their circle. That ensures that you have that one person who is so dedicated, who cares so much about that issue, that they're willing to just stick their neck out. Because that has a domino effect, and then it has the effect of, "Oh my God, everyone's doing it except us." It's powerful.

Lissa Harris: Is there any particular champion you can point to? How did that work?

Gaël Lescornec: In the cocoa industry, we definitely had some leading companies who were motivated by different things. It doesn't have to be altruistic motivation, but they were basically seeing court cases in the states where companies were being sued because of child labor, so that was a pretty good motivator. They became amazing champions at just rallying the whole industry around child labor and cocoa.

Lissa Harris: What do you think it would take for the main players of industry to feel like they're responsible for some of these issues? You're talking about sharing value along the supply chain—what would it take to move the needle on that? Then on the smaller level, from the farmer perspective, what would it take to get them on board with some of the sustainability practices you want to see in the industry?

Gaël Lescornec: I think in both cases, it's who pays for it. In terms of motivation to do the right thing, it's not out of non-awareness, but at the end of the day, these are companies. A company will change behaviors if their retailers, their clients, or their shareholders are asking them to do so. That's it. It's really clear. It's almost like a parent and a child. There's a certain conduct in terms of doing things the right way. I think both individuals and companies know the issues and care about the issues. They're people, and they care. But they're stuck. I see so many people frustrated in companies saying, "But our shareholders don't care. They're not making us accountable for this, and so we're not." And that's that.

When it comes to farmers, they don't plan to go and deforest next door. They'll say, "I love those forests, I grew up in those forests. But I have zero money to eat, so this is my only plan B. If you're going to pay me enough that I don't have to go and deforest that piece of land, sure. Then I can feed my kids, but right now, I can't." I've heard stories like that. Farmers love the forests. They don't need behavior change; they need money. I think if you pay people, they'll do the right thing.

Lissa Harris: On the industry side, do you think more broad, public pressure is needed in order to get shareholders to act? Do they need more consumer awareness?

Gaël Lescornec: I think we need more pressure from investors, from shareholders, from even a legal level, which is why I'm delighted by the new EU legislation on due diligence, including on children's rights. A friend of mine who's a hardcore trader and always calls himself one of the bad boys, says, "We need a few guns to our heads. We need legislative guns, we need the consumer gun, we need the shareholder gun." And so on; there are lots of guns.

Lissa Harris: They need real accountability.

Gaël Lescornec: Exactly.

Lissa Harris: This has been fantastic. Thank you for your time and for your insights.

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**This conversation has been edited and condensed.