



Annual
2021
Report

CORPORATE
ACCOUNTABILITY
LAB

DIRECTOR'S NOTE

Dear friends,

Early in the pandemic, normal people—like you and like us—became change-makers in our own communities. Mutual aid groups popped up in our neighborhoods. We set up regular Zoom calls with our isolated friends. We ordered takeout dinner from local businesses to help them stay afloat. We masked up and checked in on the vulnerable people living down the street.

But while many of us were focused on caring for ourselves and our communities, local and global, the world's most powerful CEOs were engineering a massive windfall for themselves, turning this crisis into gold. And then, rather than improving pay and benefits for their workers, they bought over-sized yachts and traveled to space. And in all of their activities, whether blatantly profit-driven or seemingly “charitable,” the corporations made sure they held the power.

As a result, over the past two years, the wealth gap grew significantly, and corporate power, relatedly, continued to balloon. *New York Times* Economics Correspondent Peter Goodman writes that since March 2020, as much of the world has struggled with illness and death, closed schools, and lost income, “America’s billionaires saw their collective wealth soar by 70 percent, exceeding \$5 trillion [...] That mountain of money was controlled by a mere 745 people.”

Meanwhile, the communities we work with were left holding the bag. Farmers and workers across international supply chains often lack savings accounts and assets because they earn so little in normal times, leaving them totally unprotected when disaster strikes. Until we see a real shift in power, the risks of a crisis will fall on the most vulnerable, and the benefits will flow to the global elite.



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Combating corporate power is what CAL does best, and it's never been more urgent.

In 2021, CAL invested our energy in ourselves, our local communities, and in the safety and wellbeing of our partners around the world. We made more space for mental health during the workday, made our work with global partners more trauma-informed, and highlighted how supply chain disruptions disproportionately harmed the world's most vulnerable workers and farmers. In fact, we had our most productive, impactful year ever. I hope you enjoy reading about our achievements in the pages that follow.

From the whole (growing!) team at CAL, we thank you for the ways you have invested in your own communities and cared for those around you, as well as the many ways you supported groups like CAL who fight for systemic change. Your partnership has helped us challenge the worst corporate actors and the systems they rely on. We can't wait to continue this work in 2022, together.



In solidarity,

Charity Ryerson
Executive Director and Founder
Corporate Accountability Lab

Charity with a plaque recognizing her as the 2021 winner of the Gwynne Skinner Human Rights Award.

2021 HIGHLIGHTS

CAL's Executive Director, Charity Ryerson, received the International Corporate Accountability Roundtable's [Gwynne Skinner Human Rights Award](#) for designing and implementing the [Corporate Liability and Sustainable Peace \(CLASP\) Lab](#).

We [launched Hippocratic License 3.0](#), which allows software creators to attach ethics clauses to their licensing agreements, an alternative to status quo open source licensing that lets corporations use software in ways that harm people and the planet.

We [filed suit against Hershey and Rainforest Alliance](#) for their false and deceptive marketing about supply chain sustainability and ethical practices for certain Hershey chocolate products.

We [submitted an amicus brief](#) to the U.S. Supreme Court supporting plaintiffs suing Chiquita for allegedly financing paramilitaries who killed their family members during Colombia's armed conflict. Our brief supported the plaintiffs' request to prevent the release of plaintiffs' identities to the public, which would put them at risk of retaliatory violence.

We [testified before Congress](#) on systemic labor rights abuse in the Dominican sugar and West African cocoa industries and asked the U.S. government to better enforce laws that prohibit importing goods produced with forced labor.

We [published a report](#) on the impact of COVID-19 on cocoa farmers, children, and cocoa-growing communities in Côte d'Ivoire.

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There's really not any voiceless people out there. There's people whose voices we don't listen to, or they've been shouted down. The job of the lawyer is to find a way to shut everybody up so we can let people talk about their own lives and their own stories.

- Prof. Bill Quigley, in conversation with Prof. Renee Hatcher and Charity Ryerson at CAL's [June 2021 webinar on Movement Lawyering](#).





PROGRAMS & PROJECTS



In 2021, CAL used legal design to innovate for corporate accountability.

The Legal Design Lab functions as the heart of CAL. It's a research and development hub focused on incubating non-traditional legal strategies, building connections, conducting research, and facilitating collaborative spaces using design thinking. This is where our ideas are born—where we design and test new tools to fight corporate abuse. In 2021, we dug deeper into several exciting strategies and facilitated convenings to foster collaboration and innovation for accountability.

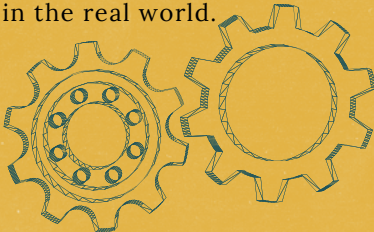
CAL'S LEGAL DESIGN PROCESS

1 Define the Problem

Strategically frame and reframe the problem until we clearly articulate the problem we want to solve in a way that is human-centered and could be addressed by leveraging the law.

2 Prototype the Strategy

Reign in the ideas we generated and run our most promising strategies through scaled-down tests where we investigate and analyze how a particular legal strategy might play out in the real world.



1

Understand the System

Research, identify, articulate, and map the systems, processes, and actors involved in corporate abuse of human rights in a particular setting and empathize with communities affected by corporate abuses of people and the planet.

2

3

Ideate the Strategy

Take a playful and creative approach to what we've learned and defined, suspending practical constraints and generating legal strategies—no matter how far-fetched—to address the corporate impunity problem we defined.

4

5

Test the Strategy

Test our most promising prototype(s) in the real world, assessing and refining along the way. We amplify successes and scrap the ones that fail, using those stories to inform our future work.

THE IDEA BANK

launch!
launch!
launch!

The Idea Bank is a members-only online platform that serves the corporate accountability legal community by offering legal research, a repository for our most ambitious ideas, and a forum for swapping strategies and brainstorming about possibilities to protect human rights and the environment from corporate abuse.

True to the spirit of the Design Lab, the Idea Bank is meant to provide both

grounded guidance and lofty inspiration. This is a space to pitch never-been-tested ideas and to teach successful and replicable strategies.

Welcome to the

IDEA BANK

In the Idea Bank library, which currently includes research pertaining to more than 20 areas of law, there are preliminary notes on novel ideas, memos, published reports, model contract clauses, submitted petitions, and draft legislation—an entire ecosystem of resources ranging in scope and form. CAL launched the Idea Bank in February 2021, but the Idea Bank belongs to all members: an expert cohort of over 70 individuals representing 40 unique organizations spanning 8 countries and 5 continents. Faced with a growing impunity gap for corporations, an increasingly connected world, and urgent planetary and human suffering, it's time to get creative.

LEGAL DESIGN LAB

CAL V. HERSHEY & RAINFOREST ALLIANCE

In October 2021, CAL sued Hershey and Rainforest Alliance under Washington, D.C.'s Consumer Protection Procedures Act.

Who are the defendants?

We're suing Hershey, the Pennsylvania chocolate company, and Rainforest Alliance, an eco-social certifier. Rainforest Alliance puts its label—a green frog—on some Hershey products that it claims are sustainably produced according to its human rights and environmental standards.

Why is CAL suing Hershey and Rainforest Alliance?

WHAT ARE ECO-SOCIAL CERTIFIERS?

Certifiers are organizations that “certify” products like cocoa, coffee, and bananas as being produced according to certain ethical standards, usually related to labor practices, animal welfare, and environmental impact. They generally operate by auditing farms or factories against set human rights and environmental standards, which can vary in strength and efficacy. Audits often fail to find existing human rights and labor abuses, leading to certification of farms and plantations that do not live up to the agreed-upon standards.

The West African cocoa industry, which produces the majority of the world's cocoa, is rife with child labor. For over twenty years, Hershey and other large chocolate companies have known that children harvest cocoa that it uses. While Hershey has repeatedly promised to eradicate child labor in its supply chain, it has failed to make any real changes to address the root causes of child labor in the sector. At the same time, CAL has documented instances of hazardous child labor on Rainforest Alliance certified farms in Côte d'Ivoire. Time and time again, Rainforest Alliance has failed those who need them most—cocoa farmers, children, and their communities.



As one West African cocoa farmer and father explained,

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They tell us that children are not supposed to work but they are the ones who help me feed the family. Children work in the plantations because the cooperatives and companies treat us so badly that we need to make children work on the plantations.

How does this mislead consumers?

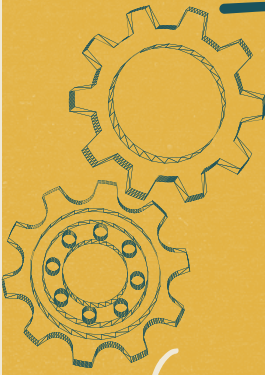
Consumers increasingly seek out ethically produced products, and many pay more for products that are represented as sustainable. However, **we have identified children engaged in hazardous labor on Rainforest Alliance certified farms**, showing that some consumers pay more for certified chocolate that is no different from uncertified alternatives whose supply chains also often involve hazardous child labor. The chocolate industry benefits financially from cheap cocoa while Rainforest Alliance’s label distracts consumers from this reality. More generally, this also allows companies to avoid liability for their role in perpetuating human rights violations in cocoa supply chains.

How does this case help cocoa farmers?

We hope that this case will stop companies from financially benefitting from child labor and incentivize actual—rather than performative—sustainability.



A village in a cocoa-growing region in Northern Côte d'Ivoire (2019).



CAL team members at a 2021 legal design day.

STRATEGIES GROWING IN OUR LEGAL DESIGN LAB

- Incorporating third-party beneficiary contract language that allows workers in supply chains to directly enforce contract terms that protect them from abusive labor conditions. In 2021, the City of San Francisco's Sweatfree Procurement Advisory Group passed a resolution to present CAL's model contract language to city authorities for potential incorporation into the city's sweatfree apparel contracts.
- Leveraging corruption accountability tools like the Foreign Corrupt Practices Act to address business activities that are both harmful to communities and the environment and involve illegal corruption.
- Exploring consumer protection claims and other legal tools to hold eco-social certifiers accountable for misleading certifications about supply chain sustainability and ethics.



In 2021, CAL used new and under-utilized strategies to address labor abuses in international supply chains.

Our Combating Forced Labor program* fights the use of forced and child labor in global supply chains through trade law, consumer protection law, investigations, and advocacy. Forced labor and exploitative labor practices are not bugs in supply chains, but features of the global economy that Global North companies create, maintain, and benefit from. To retain their profit margins, companies often pay their international suppliers and producers unsustainably low prices for goods. This squeezes factories and farmers, who cut costs however they can, including by using forced and child labor. CAL aims to protect workers by holding companies to their promises about ethical sourcing and pushing them to pay real living wages.

**Formerly "Transform Trade"*

IN 2021 WE...

Testified before the U.S. House of Representatives, Committee on Ways and Means Subcommittee on Trade on systemic labor rights abuse in the Dominican sugar and West African cocoa industries. We asked the U.S. government to better enforce laws that prohibit importing goods produced with forced labor and to amend and pass new laws that would hold corporations liable for human rights abuses.





- Organized and executed international investigations into forced labor in multiple industries. Based on these investigations, we submitted evidence of child trafficking and forced child labor in the Ivorian cocoa sector to the U.S. State Department's Trafficking in Persons Report and to Customs and Border Protection under Section 307 of the Tariff Act, which prohibits companies from importing any good produced even in part with forced labor.
- Launched a report on COCOBOD, the Ghanaian government agency that runs the country's cocoa industry, with a global group of partners. The report examines Ghana's cocoa governance structure and its grievance and redress mechanism, finding that, while it has the potential to be a powerful tool for cocoa farmers, workers, and their communities, it fails in critical ways.

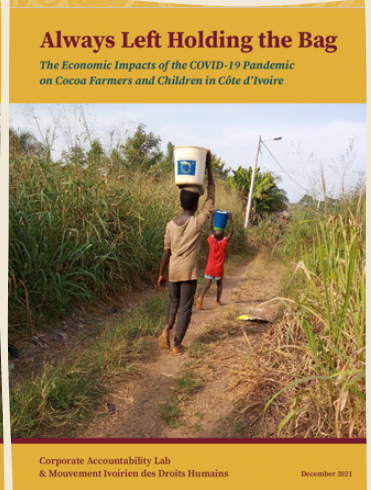


published!

Read the report online at corpaccountabilitylab.org/publications

Published a report examining the impact of the COVID-19 pandemic on cocoa farmers and their communities. The report focuses on the impact the pandemic had on the price of cocoa and the cocoa supply chain, on farmer poverty, and on child labor and child trafficking into Côte d'Ivoire, finding that the pandemic exacerbated existing problems thanks to corporations' eagerness to shift risk and uncertainty onto vulnerable farmers.

published!



Report available at corpaccountabilitylab.org/publications

Forced labor is a symptom of a broader labor rights environment that undercuts workers, including through violations of wage and hour, health and safety, freedom of association, anti-discrimination or other local and international laws and regulations. That broader environment must be addressed if we have any hope of ending forced labor long term.

- Charity Ryerson, Testimony before the U.S. House of Representatives, Committee on Ways and Means Subcommittee on Trade



In 2021, CAL pushed for corporate accountability in transitional justice.

Around the world, corporations have leveraged situations of armed conflict and social unrest to advance their business interests, harming people and the environment along the way. For example, Volkswagen has compensated victims for allowing its factories to be used as torture chambers during Brazil's military dictatorship, and Chiquita was sanctioned for financing paramilitaries who terrorized civilians during the Colombian armed conflict.

However, when societies emerge from conflict and repression and enter transitional justice processes, the contributions of corporations to human rights and environmental abuses are often ignored. This failure to address the role of all actors—including corporations—leaves impacted communities without remedy, maintains abusive power structures, and undermines sustainable peace.

WHAT IS TRANSITIONAL JUSTICE?

Transitional Justice refers to the ways in which countries address atrocities that occurred during periods of civil conflict and repression. It consists of formal and informal processes and institutions like truth commissions and special jurisdictions for peace, all of which promote truth, justice, reparation, and guarantees of non-repetition.

CAL's Transitional Justice program aims to change that.



With the help of partner organizations Dejusticia and the Comisión Intereclesial de Justicia y Paz, in 2021 we worked primarily in Colombia, where several U.S. companies have been linked to human rights violations in the decades-long armed conflict.

In 2016, Colombia established the world's most comprehensive transitional justice system, which provides an opportunity to push for corporations' inclusion in Colombian transitional mechanisms and parallel processes. We are working to develop replicable strategies with a restorative justice focus that can one day be implemented in other post-conflict environments.

IN 2021 WE...

Designed and convened the Corporate Liability and Sustainable Peace (CLASP) Lab. (See more on page 17!)

complete!

CORPORATE LIABILITY AND
SUSTAINABLE PEACE (CLASP) LAB

Participated in the International Observation Mission for Guarantees of Social Protest and Against Impunity in Colombia, known as the SOS Colombia Mission. We traveled to Colombia to investigate and help draft a final report, which included the role of corporate actors in the recent state-sponsored violence against protesters.

Convened a civil litigation "skillshare," a space where Colombian and Global North attorneys met to share experiences and collaborate on how best to hold corporations civilly liable for their complicity in abuses committed in conflict settings. This group examined potential test cases, created tools to develop litigation strategies, and consulted with indigenous communities in Colombia in an effort to develop a collaborative strategy.



CAL and partner organizations present at a hearing before the Inter-American Commission on Human Rights on the responsibility of economic actors in memory, truth, and justice processes.

Provided thematic reports, legal analysis, and recommendations to Colombia's transitional justice institutions and organized a variety of report submissions to regional and international organizations like the Inter-American Commission on Human Rights and the United Nations Working Group on Business and Human Rights.



CORPORATE LIABILITY & SUSTAINABLE PEACE (CLASP) LAB



In 2021, CAL designed and convened the CLASP Lab with the African Coalition for Corporate Accountability, Dejusticia, and the Comisión Intereclesial de Justicia y Paz.

In response to the global pattern of corporate impunity for abuses committed during conflict, we set out to generate and test replicable strategies to hold companies accountable. The Lab drew on the expertise of more than 30 members—both social justice lawyers and impacted community members—from 26 countries, operated in English, Spanish, and French, and met both as a full group and in smaller thematic teams focused on litigation, post-transitional justice processes, transitional justice mechanism design, and impacted community-centered remedies.



[T]he Lab has provided a rich network worldwide and from my region that I did not have before [...] I am grateful for having learnt about the design thinking process, which has woken up ideas on projects. It has and will surely be a big input for my professional journey as someone working in project management.

- Nathalie Menyimana,
CLASP Lab participant,
Burundi



Marina Parada, participant from El Salvador, with her CLASP Lab certificate.

CAL's Executive Director Charity Ryerson was awarded the Gwynne Skinner Human Rights Award for designing and implementing the CLASP Lab. The award recognizes her unique and significant contributions to the corporate accountability field.



CAL designed the CLASP Lab as an experimental "social lab," where participants engaged in design processes to analyze overarching patterns of corporate impunity and develop "prototypes" of strategies for corporate accountability to test in the real world. While the Lab process ended in 2021, participants will continue to collaborate as a coalition in the years to come.



— Michael Monclou, CLASP Lab co-convenor and participant, Colombia

“ [The Lab] was a space to learn from each other and express our dreams and frustrations working in environments of conflict. We wanted to raise the voices of social leaders instead of speaking for them, to connect victims and social leaders from around the world, to learn from each other's experiences, and to strengthen their agency to fight for their rights.

BY THE NUMBERS

1

year of virtual convenings

3

working languages

4

co-convening organizations

18

prototypes developed

35

transitional/post-conflict settings represented

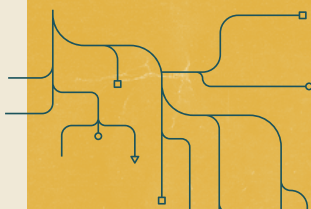
In 2021, CAL also made waves in the ethics and tech space by rolling out innovative ethical intellectual property licenses. By conditioning the use of IP licenses on respect for human rights, creators of all kinds can control the impact their creations have on the world. The belief held by many in the tech industry that software code development must be value-neutral, amoral, and apathetic means that code can be used to harm individuals and/or the environment. Developers have seen companies and governments use their work for facial recognition, weapons development, and military strategy—uses they never intended.



WHAT IS INTELLECTUAL PROPERTY LAW?

IP law governs the type and extent of rights held by developers, inventors, artists, and engineers over their creations. An IP license allows a creator—such as a coder—to retain ownership of a patent, copyright, or trademark while granting another party permission to use some or all of the creation or product. This traditional legal protection has the potential to be reimaged as an instrument in the fight against corporate impunity for human rights and environmental abuse.

CAL's Ethical Intellectual Property program is both a means of confronting these harms and transferring authority from corporate giants back to individual tech workers, beginning with ethical open-source software licensing.



launch!
launch!
launch!

**HIPPOCRATIC
LICENSE 3.0**

In October 2021, CAL and our partners at the Organization for Ethical Source (OES) published Hippocratic License 3.0 (HL 3.0), which provides a wide array of enforceable human rights protections. It contains a core set of ethical conditions based on international human rights norms that a potential licensee must abide by to satisfy the terms of the license. Creators can also add supplemental modules to their HL 3.0 licenses to champion specific causes like environmental harms from extractive industries or the dangers of mass surveillance.



“ —

My experience working in open source ethical AI made apparent the need for deeper commitment and accountability around the impacts of the open source software we build. A license like [HL 3.0] codifies this commitment to ethics and morality, bringing it beyond optics, and gives the contributors to these projects the peace of mind in knowing that their work will not be used to cause harm.

- Maureen McElaney, former software developer, currently Senior Manager, Open Source Development + Advocacy at IBM Quantum

FINANCIAL REPORT



Corporate Accountability Lab is a 501(c)(3) tax-exempt organization. We do not accept funding from corporations or company-dominated foundations to avoid apparent or actual conflicts of interest.

Corporate Accountability Lab is committed to pay equity and just allocation of resources. Our current policy ensures that the highest paid staff member may not earn more than 200% the salary of the lowest paid staff member.

We are grateful to our foundation funders who have chosen to give anonymously, as well as to the Michael and Alice Kuhn Foundation, Wheaton Franciscans, and Cuore e Mani. **Thank you for your generosity and dedication!**

We also rely on individual support to conduct this important work. **A special thank you to our largest individual donors*:**

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**Only those donors who granted permission to be named are shown here. We are grateful to those named and unnamed.*



FINANCIAL REPORT

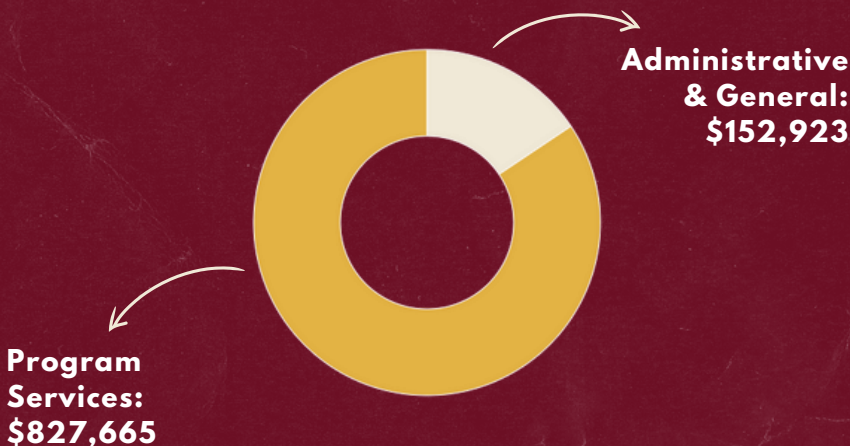
INCOME

TOTAL:
\$797,916

Grants	\$610,000
Donations	\$56,659
Other Income	\$58,365
Interest Income	\$116
Services	\$72,776

TOTAL:
\$980,588

EXPENSES



THE CAL TEAM

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The CAL team outside our offices in Chicago.

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You can make a donation online or mail a check made out to Corporate Accountability Lab.



Thank you

We sincerely thank all of our partners, donors, and supporters. We wouldn't be here without you. Thank you for making Corporate Accountability Lab's work possible.

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