



CAFTA-DR Facts

Office of the United States Trade Representative
CAFTA Policy Brief – July 2007

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CAFTA-DR - Labor Capacity Building

Promoting Effective Enforcement of Labor Laws in the CAFTA-DR Countries

As a result of consultations between the Bush Administration and members of Congress during the CAFTA-DR legislative approval process, the Administration committed to \$20 million in FY2005 and \$40 million for FY2006-FY2009 for labor and environment capacity building in the CAFTA-DR countries. The labor capacity building initiatives support the implementation of the recommendations made in the White Paper.

An interagency working group, comprised of Office of the United States Trade Representative (USTR), the Department of Labor (DOL), the U.S. Agency for International Development (USAID), and the Department of State, has been formed to direct this effort. FY2005 and FY2006 funding has been allocated to DOL, USAID, and State for project implementation.

We have devoted \$19 million from FY2005 and \$21.1 million from FY2006 to projects focused on modernizing labor justice systems; strengthening the capacity of labor ministries to enforce labor laws, conduct inspections, and resolve conflicts; reducing gender discrimination and sexual harassment; and promoting a culture of compliance with labor laws. These are all issues identified in the White Paper produced by the CAFTA-DR Vice Ministers of Labor and Trade.

Additionally, \$3 million of each year's funds has been allocated to the ILO for benchmarking and verification of the countries in meeting the goals set out in the White Paper. The ILO has established offices in all beneficiary countries, identified initial benchmarks and indicators, and commenced the verification process. The first baseline report is scheduled to be provided in the second quarter of 2007.

To combat the worst forms of child labor, DOL has dedicated over \$27 million to projects in Central America and the Dominican Republic. These projects address the worst forms of child labor including work in hazardous agriculture, garbage dumps, fishing, and the commercial sexual exploitation of children. The projects also aim to increase national capacity to address child labor, and build regional networks to improve basic education.