



2013

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

COMPANY: Nestlé
COUNTRY: Ivory Coast
PROVINCE: Fromager
COMMUNITY: Kouamekro
MONITOR: FLA and Jean-Baptiste Appia
AUDIT DATE: November 7 – 11, 2013
PRODUCTS: Cocoa
NUMBER OF WORKERS: 25
NUMBER OF GROWERS / WORKERS INTERVIEWED: 20/25
NUMBER OF FARMS VISITED: 20
TOTAL AREA COVERED IN AUDIT: 118 HA
PROCESSES: Harvesting, Farm Cleaning

To view more about FLA's work with Nestlé, please visit the FLA website [here](#).

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Code Awareness:

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

Noncompliance

Explanation: Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under both the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC used by growers, as compared to the other codes. Therefore, there is a risk in farms not implementing the UTZ and FLA COCs.

Sources: worker interviews, document review, visual observation

Plan Of Action:

1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation to the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014

2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified formula of policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014

3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section, where lead farmers will introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

4. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

5. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers, during farmer field schools, through either section heads or through community liaison individuals, depending on local preference. Deadline: March 2015

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Code Awareness:

GEN 2 Ensure that all Company growers as well as supply chain partners inform their workers about the workplace standards orally and through the posting of standards in a prominent place (in the local languages spoken by workers) and undertake other efforts to educate workers about the standards on a regular basis.

Noncompliance

Explanation: Growers are informed about Nestlé’s COC through farmer field schools (supported by the Nestlé Cocoa Plan among other stakeholders) and through Nestlé illustrated COC, which is distributed to them. However, there is no proof of workers' awareness on all code elements. Many workers/family members who work on the farms do not attend any awareness sessions.

Sources: grower and worker interviews; observation

Plan Of Action: See the Plan of Action for GEN 1, #3, #4, and #5.

The cooperative has agreed to make a list of workers. However, it must be noted that some workers only come a day at a time; therefore, the list cannot have 100% coverage.

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Code Awareness:

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: Nestle has provided a toll-free number as a noncompliance reporting mechanism, which is included on Nestlé’s illustrated COC. However, the COC is only distributed to growers or displayed at cooperatives. At present, this reporting mechanism is only accessible by growers; workers do not have access to the number. Furthermore, according to grower interviews, they find the number difficult to use. A non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: IMS center staff, grower, and worker interviews; observation

Plan Of Action:

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected with the new version.

2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.

3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:

- a) UTZ requires the cooperative to make a complaint register, which is managed by 1 dedicated person;
- b) This register is available to all cooperative members and to anyone involved in the community;
- c) All complaints are to be related to application of the code (discrimination, non-payment of the premium, etc.);
- d) The system has to be known by all members.

Application of this in UCDG:

- a) The individual responsible within UCDG has been trained by the “labor inspection;”
- b) This individual is supported by section delegates, who are collecting complaints locally;
- c) The individual responsible is evaluating them and putting corrective measures in place.

4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained on this topic in August. Non-compliances can be reported through the cooperative’s complaint procedure and our hotline. Deadline: November 2014

5. The individual responsible at the cooperative for the certification will make a round of the farmer field schools to remind farmers of this mechanism. Deadline: January 2015

Deadline January 2015

Date:

Action Taken:

Plan Complete:

Plan Complete Date:

Harassment or Abuse: General Compliance

H&A.1 Growers shall comply with all local laws, regulations and procedures concerning discipline, violence, harassment, and abuse.

Noncompliance

Explanation: Some of the interviewed workers (sharecroppers) reported that they feel abused due to the local practice of having to pay for in-kind gifts, which they give to growers to be able to work on their farms. They have to gift growers' bottles of wine (or liquor) before starting to work, and again at the end of the harvest when they receive part of their income.

Sources: grower and worker interviews

Plan Of Action: There is a common practice in some ethnic groups where a farmer contracts with his workers with a special libation ceremony; the worker is asked to furnish some of the drink bottles.

1. During the training session with the ADGs, we will address the issue and amend the template of the contract between farmers and workers to mitigate this.
2. The information will be given to farmers during training on COC, grievance procedures, non-retaliation, working conditions, etc.
3. This contract template will be available at the section level.

Deadline Date: January 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Harassment or Abuse: Grievance Procedure

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

Noncompliance

Explanation: Nestlé has developed a grievance process at the cooperative level. However, workers are not aware of any grievance procedure, as they do not participate in training sessions in which grievance procedures are communicated and explained.

Sources: interviews, document review

Plan Of Action: See the Plans of Action for GEN 2 and GEN 3.

Deadline Date:

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: General Compliance

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

Noncompliance

Explanation: The village has no health care and medical facility. The closest one, which is located 12 km away, is difficult to access due to impassable roads and a lack of transport means. There are no first aid kits available on the farms and in the village. Additionally, there is a lack of access to clean drinking water. Furthermore, some growers and workers work in an unsafe environment, as they have to use precarious bridges (tree trunks) to cross the river. Most of the issues above are present due to a lack of government-developed infrastructures.

Sources: interviews, observations, farm walkthrough

Plan Of Action:

1. UCDG has a first aid procedure in accordance with UTZ certification:
 - a) UCDG is distributing 20 first aid kits to villages. The Red Cross is training local first aiders in a selection of the villages. We will make sure the kits are complete and will communicate the procedures to farmers in the field schools along with basic first aid.
 - b) The UCDG evacuation plan mentions that first aiders are to inform the cooperative in cases of severe injury.

2. The cooperative, through first aiders, will remind both members and workers of this procedure during farmer field school sessions.

Drinking water: This is a widespread problem in rural areas in Ivory Coast. A Nestlé survey showed that around 37% of people do not have access to clean drinking water. We have a project with the International Federation of the Red Cross to refurbish water wells, build sanitation infrastructure, and educate children and adults about the importance of hygiene; this project has been active in the Gagnoa area.

Footbridges: This is also typical of rural areas. While child labor remains our focus, we will not prioritize this issue.

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: Health and Safety Management System

H&S.4 The health and safety policy shall contain the framework for a comprehensive health and safety management system within which growers' responsibilities and workers' rights and duties, various responsibilities of designated personnel, procedures that enable workers to raise health and safety concerns, and procedures for reporting death, injury, illness, and other health and safety issues (for instance, near-miss accidents) are clear and regularly tested and reviewed.

Noncompliance

Explanation: No H&S management system is available for growers and workers.

Sources: grower and worker interviews, record review

Plan Of Action:

1. We will start by making sure the first aid procedure is working (H&S.1).
2. We will train ADGs on having a H&S management system, as there is already a risk analysis available at the cooperative level. During the training, we will investigate how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities, procedures, reporting all H&S matters (chemical handling, personal protective equipment (PPE), first aid, handling of accidents, etc.).

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: Communication to Workers

H&S.5 The health and safety policy shall be communicated to all workers in the local language or language(s) spoken by workers if different from the local language.

Uncorroborated Evidence of Noncompliance

Explanation: Some workers are made aware of the H&S policies and procedures by growers, but not all. Workers do not participate in farmer field schools, in which the H&S policy is communicated, only growers do; subsequently, they do not always pass on what they learn to workers.

Sources: grower and worker interviews

Plan Of Action: See the Plans of Action for GEN 2 and H&S.1.

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: Access to Safety Equipment and First Aid

H&S.6 Company should ensure that growers and workers have access to safety equipment and first aid.

Noncompliance

Explanation: No first aid kit is available in the village and the nearest health care clinic is 12 km away. Additionally, there are no paved roads or modes of transportation.

Sources: grower and worker interviews; observations

Plan Of Action: See the Plan of Action for H&S.1.

Deadline Date: March 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: Chemical Management and Training

H&S.8 All chemicals and hazardous substances, farm produce, and raw materials should be properly labeled and stored. The grower shall not use any banned (either by national or international laws) pesticides fertilizers, or any other agro chemicals in the farm. The grower shall ensure safe disposal of waste chemicals or empty containers of chemicals or packing materials. The grower/organizer/company will provide the necessary training to the worker with regard to handling of agro chemicals (pesticides, fertilizers, and other hazardous substances), their application and the use of personal protective equipment.

Noncompliance

Explanation: The empty chemical containers are not properly disposed of at the farm level; they are either buried in the ground or thrown out into the wild.

Sources: grower and worker interviews; observations

Plan Of Action: The proper disposal of chemical containers is a critical part of the UTZ COC. In fact, as there are no national methods of collection and disposal of these containers, burial in the ground (after washing and piercing the container) is considered an acceptable practice. Throwing the containers into the wild is not acceptable; this message will be reinforced in farmer trainings, in conjunction with our supplier of phytosanitary goods.

Deadline Date: January 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

Noncompliance

Explanation: No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during peak season.

Sources: grower and worker interviews; document review

Plan Of Action: Our research shows that 45% of farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue.

1. In accordance with the requirements of UTZ certification, the cooperative has agreed to emphasize the importance of working no more than the maximum number of working hours.
2. We will discuss solutions regarding recording hours with the cooperative during 2015.

Deadline Date: Late 2015

Action Taken:

Plan Complete:

Plan Complete Date:

Wages, Benefits and Overtime Compensation: Record Maintenance

WBOT.7 Company shall make efforts to educate and assist the growers in maintaining records of wages provided to the worker in cash or in-kind or both, and such records shall be acknowledge by the worker.

Noncompliance

Explanation: No wage payment records are maintained at the farm level, as neither the cooperative nor the company has trained growers on the same. Therefore, there is no way to determine how many additional casual or daily workers work on the farms and what kind of compensation is made to them.

Sources: grower and worker interviews; record review

Plan Of Action: Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, a lack of records will be a widespread issue. We run farmer field schools that cover better farming practices, which introduce some accounting basics according to farm costs. Our priority is on child and forced labor issues, which affect compliance on certification, H&S, and our supplier COC. Wages and their records, along with sharecropping arrangements all merit closer attention; however, to do so this year will distract our resources and focus. Typical wage rates are above the minimum wage of 33,000 CFA per month. We will discuss record keeping with the cooperative in 2015.

Deadline Late 2015

Date:

Action

Taken:

Plan

Complete:

Plan

Complete

Date: