



[2013]

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

COMPANY: Olam
COUNTRY: Ivory Coast
PROVINCE: Soubre (Nawa)
COMMUNITY: Gnipi
MONITOR: FLA
AUDIT DATE: 10/17 – 10/21/2013
PRODUCTS: Cocoa
NUMBER OF WORKERS: 17
NUMBER OF GROWERS/WORKERS INTERVIEWED: 20/17
NUMBER OF FARMS VISITED: 20
TOTAL AREA COVERED IN AUDIT: 137.5 HA
PROCESSES: Harvesting, Farm Cleaning

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

Noncompliance Overview and Table of Contents

1. Code Awareness		Table of Contents
GEN 2: Ensure that all Company growers as well as supply chain Organizers 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	6
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 organizers 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	7
2. Forced Labor		
F.1 General Compliance Forced Labor		
F.2 Freedom in Employment		
F.3 Employment Terms/Voluntary Agreement		
F.4 Employment Terms/Prohibitions		
F.5 Debt/Bonded Labor		
F.6 Wage Advances		
F.7 Free Disposal of Wages/Cash and In-Kind Compensation		
F.8 Recruitment through Referrals		
F.9 Freedom of Movement		
F.10 Grower-Controlled Living Quarters		
F.11 Worker Ability to Terminate-Freedom of Movement		
F.12 Individual Contracts (Verbal / Written)		
F.13 Personal Worker Identification and Other Documents		
F.14 Bonded Labor		
3. Child Labor		
CL.1 General Compliance Child Labor		
CL.2 Child Labor		

CL.3 Proof of Age Documentation		
CL.4 Other Means of Age Verification		
CL.5 Government Permits and Parental Consent Documentation		
CL.6 Employment of Young Workers		
CL.7 Hazardous Work for Young Workers		
CL.8 Education of Young Workers		
CL.9 Children on Premises		
CL.10 Removal and Rehabilitation of Child Laborers	Uncorroborated Noncompliance	<u>8</u>
4. Harassment or Abuse		
H&A.1 General Compliance Harassment and Abuse	Noncompliance	<u>9</u>
H&A.2 Discipline/Fair and Non-discriminatory Application		
H&A.3 Discipline/Worker Awareness		
H&A.4 Discipline/Training		
H&A.5 Discipline/Monetary Fines and Penalties		
H&A.6 Discipline/Access to Facilities		
H&A.7 Discipline/Physical Abuse		
H&A.8 Discipline/ Verbal Abuse		
H&A.9 Violence/Harassment/Abuse		
H&A.10 Sexual Harassment		
H&A.11 Punishment of Abusive Workers/Others		
H&A.12 Grievance Procedure	Noncompliance	<u>10</u>
5. Non-Discrimination		
D.1 General Compliance Non-Discrimination	Noncompliance	<u>11</u>
D.2 Employment Decisions		
D.3 Sex-Based Wage Discrimination		
D.4 Marital Status or Pregnancy		

D.5 Protection and Accommodation of Pregnant Workers and New Mothers		
D.6 Health Status		
D.7 Discriminatory Violence/Harassment/Abuse		
6. Health and Safety		
H&S.1 General Compliance Health and Safety	Noncompliance	12
H&S.2 Document Maintenance/Worker Accessibility and Awareness		
H&S.3 Written Health and Safety Policy		
H&S.4 Health and Safety Management System	Noncompliance	13
H&S.5 Communication to Workers	Noncompliance	14
H&S.6 Access to Safety Equipment and First Aid	Noncompliance	15
H&S.7 Personal Protective Equipment	Noncompliance	16
H&S.8 Chemical Management and Training	Noncompliance	17
H&S.9 Chemical Management for Pregnant Women, Young Workers and Family Members residing in the farm		
H&S.10 Protection Reproductive Health		
H&S.11 Machinery Maintenance and Worker Training	Noncompliance	18
H&S.12 Medical Facilities		
H&S.13 Drinking Water		
H&S.14 Rest Areas		
H&S.15 Living Quarters		
7. Freedom of Association and Collective Bargaining		
FOA.1 General Compliance Freedom of Association		
FOA.2 Right to Freely Associate		
FOA.3 Grower Interference and Control		
FOA.4 Anti-Union Violence/Harassment/Abuse		
FOA.5 Right to Collective Bargaining/Unorganized Workers		

8. Hours of Work		
HOW.1 General Compliance Hours of Work	Noncompliance	<u>19</u>
HOW.2 Rest Day		
HOW.3 Meal and Rest Breaks		
HOW.4 Overtime		
HOW.5 Overtime/Positive Incentives		
HOW.6 Public Holidays		
9. Wages, Benefits and Overtime Compensation		
WBOT.1 General Compliance Wages, Benefits and Overtime Compensation		
WBOT.2 Minimum Wage		
WBOT.3 Timely Payment of Wages		
WBOT.4 In-kind Compensation		
WBOT.5 Advance Payments		
WBOT.6 Worker Wage Awareness		
WBOT.7 Record Maintenance	Noncompliance	<u>20</u>
WBOT.8 Employer Provided Services		
WBOT.9 Additional Benefits		



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 posting of standards in a prominent place (in local languages spoken by workers) and undertake other efforts to educate workers about standards on a regular basis.

Noncompliance

Explanation: Workers and sharecroppers are not informed of the code of conduct (COC). They do not participate in training sessions or receive Olam’s illustrated COC.

Sources: interviews, document review

Plan Of Action: The cooperative has 4 regional sections and 1 group administrator (ADG). Olam will organize a training of trainers’ session for the ADGs and farmer trainers who will be trained by Olam/Outspan project coordinator on the supplier COC. The Olam supplier COC covers all elements of FLA’s COC. Training material will be also supported by visual documents.

ADGs will subsequently organize 8 training sessions in the 4 regional sections. Olam’s illustrated COC has currently been distributed to all cooperatives, but not to workers. Workers and their wives will now be actively encouraged to participate in the training sessions conducted by farmer trainers to ensure that they are fully aware of and adopt all principles of Olam’s supplier COC.

Training sessions will be repeated at least annually and will highlight areas of particular need as observed by farmer trainers and Olam representatives.

Deadline Date: Initially October 2014 then renewed annually.

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 seed organizers to report to company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

Noncompliance

Explanation: While the cooperative has established an internal grievance mechanism for growers, the company has not developed a communication channel for workers to report COC noncompliances. Additionally, a non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report noncompliances.

Sources: interviews, document review

Plan Of Action: The existing cooperative grievance channel has now been extended to workers and will be accompanied by a non-retaliation policy. According to this channel, workers will now be encouraged to report their complaints to ADGs. The ADGs will then investigate the reported issues and discuss remedial solutions with the respective farmer if required and, in cases of recurrence, ADGs will seek assistance from the Approval Committee.

ADGs will inform workers and farmers of the grievance procedure and non-retaliation policy during trainings on Olam's supplier COC. The cooperative has posted a notice to encourage workers to report noncompliances and share grievances without fear of punishment and prejudice, which is in line with the non-retaliation policy. This notice will be fully explained during trainings on Olam's supplier COC.

Deadline Date: October 2014

Action Taken:

Plan Complete:

Plan Complete Date:



Child Labor: Removal and Rehabilitation of Child Laborers

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

Uncorroborated Evidence of Noncompliance

Explanation: Even though monitors did not observe any child workers at the visited farms during the time of the IEM visit, grower and worker interviews highlighted the fact that children are frequently involved in farm work, especially during vacation. The children who work are part of the growers and workers' (sharecroppers) immediate or extended family.

If a child worker case occurs, neither the cooperative nor the company has a system in place to remove and rehabilitate child workers.

Sources: IMS center, farmer, and worker interviews; record review; observation

Plan Of Action: The cooperative has established a Child Labor Monitoring Committee, which includes the ADG and the head of the village; a farmers' representative and a women's association member will also be invited. The ADG will be informed on child labor remediation actions during the training of trainers' session, such as requesting assistance from relevant community leaders to inform the farmer and assisting in child removal if appropriate.

The ADG will then inform the village head. Farmers will be observed during the harvest season. Observation results will be treated on a case-by-case basis as required, to be referred to the Monitoring Committee for further action if necessary. All results will be added into the farmers' database to improve the cooperative's child labor management. Specific actions that are taken can be reported and escalated to other cooperatives.

Deadline Date: Initially October 2014, and then ongoing.

Action Taken:

Plan Complete:

Plan Complete Date:



Harassment or Abuse: General Compliance Harassment and Abuse

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

Noncompliance

Explanation: There is no policy and procedure related to handling discipline issues at the cooperative and farm levels. Growers are not trained on policy and procedure related to harassment and abuse. While the company's policy provides advice on harassment and abuse, it is restricted to sexual abuse only. No situations related to harassment or abuse were observed at the farm level.

Sources: farmer and worker interviews; record review

Plan Of Action: During the Olam-organized training sessions, ADGs and farmer trainers will be informed on the disciplinary system requirements. As a training activity, farmer trainers and ADGs will develop suitable procedures at the farm level. These procedures will also be actively discussed with farmers, confirmed by the cooperative, and then explained during information sessions and farmer trainings.

Deadline Date: October 2014

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: The cooperative has developed internal grievance policy and procedure; however, it was not consistently communicated to growers, as only a few growers are aware of them. Additionally, as growers do not communicate this system to workers, workers have no related knowledge. No grievance procedure developed by the company is available at the farm level.

Sources: IMS center, farmer, and worker interviews; record review

Plan Of Action: The existing cooperative grievance channel has now been extended to workers and will be accompanied by a non-retaliation policy. According to this channel, workers will now be encouraged to report their complaints to ADGs. ADGs will investigate reported issues and discuss remedial solutions with the respective farmer if required and, in cases of recurrence, ADGs will seek assistance from the Approval Committee.

ADGs will inform workers and farmers of the grievance procedure and non-retaliation policy during trainings on Olam's supplier COC. The cooperative has posted a notice to encourage workers to report noncompliances and share grievances without fear of punishment and prejudice, which is in line with the non-retaliation policy. This notice will be fully explained during trainings on Olam's supplier COC.

Deadline Date: October 2014

Action Taken:

Plan Complete:

Plan Complete Date:



Non-Discrimination: General Compliance Non-Discrimination

D.1 Growers shall comply with all local laws, regulations, and procedures concerning non-discrimination.

Noncompliance

Explanation: The monitors identified discriminatory employment practices at the cooperative level. As the cooperative's board members are selected based on their origin, most of them could be from the board management's existing family. Growers who are cooperative members are not involved in the cooperative's board member selection process, which is not a fair selection process.

Sources: farmer and cooperative management interviews; record review; observation

Plan Of Action: Olam has discussed the discriminatory process used to select the cooperative's new board chairman. Olam has also informed the cooperative that candidacy for the upcoming elections should be opened to all cooperative members and free from any discrimination.

Deadline Date: May 2014

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: General Compliance Health and Safety

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: Monitors observed a lack of potable water at the village and farm levels. Water is drawn from wells and consumed without treatment. The village lacks a public health care infrastructure and first aid kits are not available in case of emergency. One underlying cause is a lack of a government infrastructure.

Sources: farmer and worker interviews; farm walkthrough

Plan Of Action: Potable water is a crucial issue in rural areas in the Ivory Coast. To ensure a sustainable solution for a large number of the local population, Olam, with support of the cooperative, will conduct awareness campaigns for farmers on the safe usage of well water. To this effect, since February this year, the cooperative has also engaged the NGO ORASUR regarding the analysis and treatment of well water in different sections.

Deadline Date: October 2014

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 management system has been defined for ensuring health and safety (H&S).

Sources: farmer and cooperative management interviews; record review

Plan Of Action: Olam will provide a manual on the H&S procedures for cocoa production and the social requirements that supports the supplier’s COC. The cooperative has 4 regional sections and 1 ADG. Olam will organize a training of trainers’ session for ADGs and farmer trainers, who will be trained by Olam/Outspan project coordinator on the supplier COC. Olam’s supplier COC covers all elements of FLA’s COC. Training material will be also supported by visual documents.

ADGs will subsequently organize 8 training sessions in the 4 regional sections. Olam’s illustrated COC has currently been distributed to all cooperatives, but not to workers. Workers and their wives will now be actively encouraged to participate in the training sessions conducted by farmer trainers to ensure that they are fully aware of and adopt all principles of Olam’s supplier COC.

Training sessions will be repeated at least annually and will highlight areas of particular need as observed by farmer trainers and Olam representatives.

Deadline Date: October 2014

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.

Noncompliance

Explanation: Workers are not aware of the H&S policy, as they do not attend training sessions and are not informed by growers.

Sources: farmer and worker interviews

Plan Of Action: The cooperative has 4 regional sections and 1 ADG. Olam will organize a training of trainers' session for the ADGs and farmer trainers who will be trained by Olam/Outspan project coordinator on the supplier's COC. Olam's supplier COC covers all elements of FLA's COC. Training material will be also supported by visual documents.

ADGs will subsequently organize 8 training sessions in the 4 regional sections. Olam's illustrated COC has currently been distributed to all cooperatives, but not to workers. Workers and their wives will now be actively encouraged to participate in the training sessions conducted by farmer trainers to ensure that they are fully aware of and adopt all principles of Olam's supplier COC.

Training sessions will be repeated at least annually and will highlight areas of particular need as observed by farmer trainers and Olam representatives.

Deadline Date: October 2014

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: There is no first aid kit available in either the village or farms and no public health infrastructure available in the area that growers and workers can easily reach. A single private health clinic is located in the village, but according to growers and workers, they cannot afford to get treatment there. The closest public health clinic is located about 10 km away; there is neither a paved road to the clinic nor means of transportation with which to reach it.

Sources: IMS center, farmer, and worker interviews

Plan Of Action: The cooperative is committed to provide first aid kits to each section and to educate workers, producers, and their families on H&S. Olam and the cooperative will conduct a needs assessment for rural health centers in the respective villages and will contact the local authorities accordingly.

See also the Plan of Action for H&S.4.

Deadline Date: October 2014

Action Taken:

Plan Complete:

Plan Complete Date:

Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment, such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

Noncompliance

Explanation: During the IEM visit, growers were observed applying hazardous chemicals without adequate personal protective equipment (PPE) and in the presence of other workers. Furthermore, the women involved in farm tasks were not using suitable PPE.

Sources: farmer and worker interviews; farm walkthrough

Plan Of Action: The cooperative has agreed to conduct an informational program for farmers on the use of regulated phytosanitary products approved by the Cocoa and Coffee Council, which highlights the risks for farmers treating their own farms. Therefore, the cooperative recommends for all of their members' farms to only be sprayed by the cooperative's official sprayers. The list of approved phytosanitary products will be posted at the cooperative level and communicated to different sections. Spraying equipment will be kept by the cooperative.

In order to specifically raise awareness amongst women on PPE usage, Olam with the help of the cooperative, will organize a training of trainers' session for selected women's association members. Four women will be trained on the supplier COC, with an emphasis on child labor, H&S, and PPE usage. Eight sessions will be organized by the female trainers for workers' wives and farmers' family members in each section of the cooperative. Given the very sensitive nature of gender training, it is envisaged that this would become a regular feature on the cooperative's activity calendar.

Deadline Date: Initially October 2014 and then repeated annually.

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: During the farm visits, growers were observed applying hazardous chemicals without adequate PPE and in the presence of other workers. They have not received any training about this and, thusly, are not aware of the related dangers. No sign or diagram was used to indicate the chemical application on farms and to restrict the re-entry of farm workers.

Sources: farmer and worker interviews; farm walkthrough

Plan Of Action: The cooperative has agreed to conduct awareness training for farmers on the recommended use of phytosanitary products authorized by the Cocoa and Coffee Council, highlighting the risks farmers take in treating their own farms. The cooperative will recommend for all their members' farms to be sprayed only by the cooperative's official sprayers. The list of approved phytosanitary products will be posted at the cooperative level and communicated to the different sections. Spraying equipment will be kept by the cooperative.

Deadline Date: October 2014

Action Taken:

Plan Complete:

Plan Complete Date:



Health and Safety: General Compliance Hours of Work

H&S.11 All production machinery, equipment, and tools shall be regularly maintained and properly guarded. Workers shall receive training in the proper use and safe operation of machinery, equipment, and tools they use.

Noncompliance

Explanation: [Machetes are not kept in safe storage areas. During the visit, children were observed playing with machetes in their houses.](#)

[Source:](#) farm walkthrough

Plan Of Action: [The cooperative is committed to providing first aid kits for each section and to educating workers, producers, and their families on hygiene and safety, specifically focusing on the safe storage of machetes and other harmful tools, so that they are away from homes and not accessible for children.](#)

Deadline Date: [October 2014](#)

Action Taken:

Plan Complete:

Plan Complete Date:



Hours of Work: General Compliance Hours of Work

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 currently maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during peak season.

Sources: interviews, document review

Plan Of Action: Olam will provide a simple reporting format for workers' information records, which details hours of work, wages paid, and activities carried out. This format will be shared with ADGs during the training of trainers' session; subsequently, ADGs will then share the format with farmers during training sessions.

Deadline Date: December 2014

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 acknowledged by the worker.

Noncompliance

Explanation: No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who receive a part of the final harvest income. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on any document maintenance.

Sources: farmer and worker interviews; record review

Plan Of Action: Olam will provide a simple reporting format for workers' information records, which details hours of work, wages paid, and activities carried out. This format will be shared with ADGs during the training of trainers' session; subsequently, ADGs will then share the format with farmers during training sessions.

Deadline Date: December 2014

Action Taken:

Plan Complete:

Plan Complete Date:
