



INDEPENDENT EXTERNAL MONITORING OF SYNGENTA'S SEED SUPPLY CHAIN IN SOUTH AMERICA – 2016-2017

EXECUTIVE SUMMARY

From December 2016 to March 2017, during periods of peak seed production activity, the FLA conducted unannounced independent external monitoring (IEM) visits to assess working conditions at Syngenta's seed supplier farms in Argentina and Brazil. Two assessments took place in Argentina (covering farms in the provinces of San Luis and Mendoza) and two in Brazil (in the province of Uberlandia and state of Parana) where Syngenta is sourcing corn and sunflower seeds.



In Argentina, workers in a cornfield supplying to Syngenta.

Assessor teams visited two corn and sunflower farms in Argentina and five corn and sunflower farms in Brazil. They interviewed 123 workers who were involved in detasseling, harvesting, and roughing activities. This report summarizes the FLA's findings from its 2016 assessments, the company's responses to those findings, and the progress and remaining gaps identified in the 2016 round of assessments in comparison with the 2015 findings for the same two countries.

2016 Findings

The table below summarizes the key findings from the FLA's 2016-17 IEM visits and provides highlights of the corrective action plans (CAPs) developed by Syngenta in response to the FLA's findings. To access the full reports, please visit www.fairlabor.org/affiliate/syngenta

IN ARGENTINA

SUMMARY OF FLA IEM FINDINGS	SUMMARY OF COMPANY COMMITMENTS (Corrective Action Plans)
EMPLOYMENT RELATIONSHIP	
<p>In both corn and sunflower producing farms, workers do not receive a copy of their employment contracts after signature, as is required by law. They also do not receive a copy of the collective bargaining agreement (CBA) applicable to the assessed farm. Finally, workers are not informed of the disciplinary system implemented at the farm level.</p>	<p>Syngenta reported it will provide a copy of the contract to the workers immediately after it is signed, as well as a copy of the CBA. Regarding the disciplinary system, Syngenta will develop a disciplinary procedure and communicate it to all the workers before traveling to the production fields.</p>

NON-DISCRIMINATION	
<p>In both assessed farms, 100 percent of the seasonal workers hired by Syngenta are men. Even though there is no gender discrimination applied in the hiring process, there is no specific effort implemented to encourage recruitment of women.</p>	<p>Syngenta reported it has conducted a study to understand the reason for gender disparity and learned that while the majority of surveyed women are not interested in a field job, a small number of them would be willing to work in the fields. Therefore, Syngenta will develop and launch a plan in December 2017 to foster recruitment of women for seasonal field activities.</p>
CHILD LABOR	
<p>Even if child labor risk is low on Syngenta producing farms, the company does not have a well-defined procedure to follow in case child laborers are found at a farm in order to remove and rehabilitate them.</p>	<p>Syngenta reported it will develop a child labor contingency plan that will be applied to all producing farms, including the farms where the workforce is not directly hired by Syngenta.</p>
HEALTH AND SAFETY	
<p>In both assessed farms, the evacuation drill has not been performed at the beginning of the production cycle as required by law. Additionally, assessors found issues related to safety equipment and first aid: (1) the fire extinguisher available in the kitchen is not adequate, (2) first aid kits are not available to workers in the fields but only at the camp (and only for the corn-producing farm), and (3) first aid and fire safety training had not been conducted with workers. In terms of workers' transportation, seat belts were stuck below the bus' seats and therefore not usable.</p> <p>In the sunflower-producing farm, cleaning products were not properly stored but disposed in the kitchen and bathroom without segregation.</p>	<p>Syngenta reported it will consult a fire safety specialist to decide what type of fire extinguisher should be available in the kitchen. Syngenta will also ensure that worker leaders bring first aid kits to the field production areas. Finally, it will review and implement a strict training plan that will include first aid and fire safety. Syngenta will ensure compliance with health and safety standards with the service provider in charge of transporting workers to the fields, and will reinforce training and awareness-raising with the workers.</p> <p>Syngenta will rearrange the camps' infrastructure and ensure there is a segregated area for storage of cleaning products.</p>
HOURS OF WORK AND COMPENSATION	

<p>Assessors found that the cooks working at both the corn and sunflower producing farms are working seven days in a week without any rest day for more than one month. Additionally, a group of 18 field workers has worked more than 8 consecutive days without receiving a day off in the corn producing farm.</p> <p>Despite the fact that Syngenta provides training on compensation, interviewed workers were not clear about the compensation package, including the wage structure and salary deductions.</p>	<p>Syngenta reported it will review and reinforce the hours of work policy, especially for positions like the cooks. An hours of work tracking system will be implemented and workers will be trained on the respect of hours of work regulations.</p> <p>Regarding the compensation communication, Syngenta will reinforce training to workers and also create banners that will be hang in all camps.</p>
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IN BRAZIL

SUMMARY OF FLA IEM FINDINGS	SUMMARY OF COMPANY COMMITMENTS (Corrective Action Plans)
EMPLOYMENT RELATIONSHIP	
<p>In the soyabean-producing farms where a cooperative acts as an intermediary between Syngenta and the farmers, assessors found that no Code of Conduct (CoC) information is available to farmers and workers at the farm level. Additionnally, there is no grievance procedure in place at the cooperative and farm level.</p>	<p>Syngenta reported it will create banners containing CoC information and will request the cooperative to display them in the soyabean farms. Additionally, Syngenta will request that the cooperative adds the CoC to the contracts they sign with the farmers.</p> <p>Regarding grievance procedures, Syngenta will inform the cooperative of the need to create a local grievance procedure and will also make Syngenta’s hotline available to the cooperative’s and soybean farms’ workers. Information about Syngenta’s grievance channel will be included as part of the communication materials distributed to workers and will be emphasized during contracting and internal monitoring of the fields.</p>
HEALTH AND SAFETY	
<p>In the soybean-producing farms, assessors found that chemical containers are stored without secondary containment, and there were signs of leaks observed. Some chemicals were not properly labelled, and some hazardous and non-hazardous waste was buried in the ground. Additionnally, farm managers and workers do not receive first aid training and medical kits</p>	<p>In order to address the chemical management related issues, Syngenta reported it will ensure development and implementation of a Residues Management Plan. Syngenta also will provide training on storage and handling of chemicals.</p> <p>Additionally, Syngenta will provide training on first aid and emergency, and will request that first</p>

are not available during field work.	aid kits are always available during field work. This will be closely monitored during internal monitoring visits.
HOURS OF WORK	
At the two corn-producing farms, assessors found a risk of non-compliance with regard to the workers' transfer hours. While 1.5 hours for workers' transportation is planned in the CBA, assessors found that in some cases, transportation from the camps to the fields can take up to 3 to 4 hours while workers are only paid for 1.5 hours.	Syngenta reported that in the next season, it will hire workers who are closer to the field locations in order to avoid the transportation issues. It will also introduce a tool to record precisely the working and transportation hours and ensure a fair system for the workers.

Progress and Remaining Gaps in Syngenta Supply Chains in both Countries

The below table summarizes the progress noted in Syngenta's Argentina and Brazil supply chain following corrective action plans in 2015 and shows recurring issues and remaining improvement areas identified in 2016.

Code Elements	Country	Progress identified by FLA comparing the 2015 and 2016 assessment results	Areas where sustainable improvement is still needed
Employment Relationship	Brazil	* No compliance issue in the corn-producing farms where Syngenta hires the workers directly	* No Code of Conduct information available at the farm level (soybean only) * No grievance procedure in place (soybean only)
Nondiscrimination	Argentina/ Brazil		* No internal goals or KPIs to reduce gender imbalance and increase women's participation in the workforce
Health and Safety	Argentina	* Improved PPE for workers	* No evacuation drills performed * Issues related to safety equipment (fire extinguisher) and access to first aid * Transportation of workers does not fully meet health and safety standards (seat belts)
	Brazil	* No compliance issue in the corn-producing farms where Syngenta hires the workers directly	* Issues with chemical management, storage, and labeling (soybean only) * Lack of first aid training

			and access to medical kits (soybean only)
Hours of Work	Argentina		* Non-compliance with respect to weekly rest day for a group of field workers and the cooks
	Brazil		* Commute time regularly in excess of what was negotiated in the CBA