



[2015]

**FAIR LABOR ASSOCIATION**  
**INDEPENDENT EXTERNAL MONITORING**  
**AGRICULTURAL REPORT**

**COMPANY:** Olam

**COUNTRY:** Ivory Coast

**PROVINCE:** San Pedro

**COMMUNITIES:** Ancien Dogbo and Dogbo

**MONITOR:** Societal Compliance Initiative

**AUDIT DATE:** 12-15 January 2016

**PRODUCTS:** Cocoa

**NUMBER OF GROWERS/WORKERS:** 40/91

**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 40/31

**NUMBER OF FARMS VISITED:** 40

**TOTAL AREA COVERED IN AUDIT:** 220 HA

**PROCESSES:** Harvesting and weeding

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

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**Code Awareness:**

GEN 2 Ensure that all Company growers as well as Seed 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**

**Explanation:**

Despite the fact that this cooperative is not engaged in any certification process, Olam and its partners have launched a sustainability program for strengthening good practices at the cooperative. Therefore, Olam Code of Conduct (COC) is available at the cooperative's office. The Internal Monitoring System (IMS) staff, composed of a Group Administrator and three Producer Relays, uses it to train and educate producers during Farmer Field School sessions.

Since workers do not participate in these Farmer Field School sessions, training and information is limited to producers (farmers), and there is no mechanism in place for relaying the information to them. Additionally, Olam developed illustrated posters and leaflets to communicate the COC but these communication tools are not available in the visited communities. Only one of the 40 producers interviewed had the Olam COC. No posters were observed in the visited communities.

Source: Interviews with producers, workers and IMS staff; Observations; Record review

**Plan Of Action:**

The Cooperative has two farmer field school sessions per month. Worker non-participation at the school is due to the fact that farmers prefer their workers not miss work on the farm. Therefore, in agreement with the cooperative management, farmers will help develop a training program that will allow their workers to participate in a two-hour training session once every two months. The training sessions will be organized for workers according to the following schedule:

- June 2016: First training session to workers on health and security at work
- August 2016: Second training session to workers on health and security at work
- October 2016: Third training session to workers on agricultural good practices
- Progressively, all the main topics of the COC (eg. child labor and grievance mechanism)

This method will be used at all Olam cooperatives in order to address workers' non-participation at the farmer field school.

The revised and illustrated Olam COC in leaflets and poster size will be distributed to both producers and workers throughout its supply chain. The farmer will sign for two leaflets: one for himself and one for the worker. Olam will ensure each cooperative displays the poster in every store of the section and sub-section of the cooperatives in the supply chain. Each supplier, with the support of the Olam's regional representative, will invite all the farmers in each section to a meeting where the revised COC is explained and distributed. The signed lists of the farmers who receive COC will be communicated to Olam. From June 2016.

**Deadline Date:**

December 2016

**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 the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** In the visited cooperative, no mechanism is communicated to producers and workers to report non-compliances or raise grievances without fear of retaliation. Despite this, monitors observed that leaflets published by Olam included contacts that could be used to directly join the company. However, these leaflets are also not available in the visited communities.

Source: Interviews with producers, workers and IMS staff; Record review

**Plan Of Action:** The revised Olam COC leaflets and posters, which provide a phone number to report grievances, will be distributed to both producers and workers throughout its supply chain. Olam will ensure that the posters of the COC will be displayed in every store of the section and sub-section of the supply chain cooperatives from June to December 2016. Olam has established a grievance contact number which is displayed on the leaflets and posters. The producers and workers will be able to call this contact number to more safely report their grievances and other noncompliance. The contact number will be communicated to producers and workers in the farmer field schools and will also be displayed at the cooperative's head office (June – December 2016). Olam's child labor coordinator will answer and manage these calls.

In order to encourage farmers and workers on the use of the grievance channel, Olam has also developed a non-retaliation policy which is communicated on the COC leaflet.

After the FLA's IEM, the supplier established its own grievance and noncompliance communication mechanism. The mechanism allows all members of the cooperative to report noncompliance or complaints within the cooperative's rules. It is managed by the cooperative management board which is in charge of the issues related to working conditions and labor standards. Therefore, this management board is responsible for:

- Regulating conflicts related to the employment contract between producers and laborers.
- Educating laborers and producers on workplace standards.
- Managing noncompliance, grievances and collect ideas for improving the social environment of the cooperative.

The key actors in the communication process are the farmer-trainer (PR) from each section of the cooperative, the delegates of sections, and the group administrator (ADG).

Anyone (farmers, workers or a third party) wishing to register a complaint addresses their complaint to the delegate, who then forwards it to the PR or ADG. On receiving the complaints, the PR or ADG forwards it to the management board for analysis and decision making.

The producer or the worker may directly contact either the PR, ADG or management board depending on the nature of the complaint or if it is a noncompliance reporting.

Thus, if any person (producer, worker or a third party) is facing an issue related to working conditions, he/she is requested to report it either in writing or verbally to the most appropriate

party.

The complaint forms are available in all stores in the sections and subsections. This complaint procedure is open to all producers and their family members whose farms are registered with the cooperative, and is subject to COC compliance. This communication mechanism will be explained to producers and workers through the farmer field school.

**Deadline  
Date:**

December 2016

## 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:** Based on the interviews and the review of existing documentation, monitors noted the lack of a formal grievance process available at the cooperative level that enables producers and workers to raise their grievances at the community level.

Source: Interviews with producers, workers and IMS staff; Record review

### Plan Of Action:

After the FLA's IEM, the supplier established its own grievance and noncompliance communication mechanism. The mechanism allows all members of the cooperative to report noncompliance or complaints within the cooperative's rules.

It is managed by the cooperative management board which is in charge of the issues related to working conditions and the labor standards. Therefore, the management board is responsible for:

- Regulating conflicts related to the employment contract between producers and laborers.
- Educating laborers and producers on workplace standards.
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The actors in the communication process are the farmer-trainer (PR) from each section of the cooperative, the delegates of sections, and the group administrator (ADG).

The farmer, worker or a third party addresses their complaint to the delegate who forwards the complaint to the PR or ADG. On receiving the complaint, the PR or ADG forwards it to the management board for analysis and decision making.

The producer or the worker may directly contact either the PR, ADG, or the management board depending on the nature of the complaint or if it is a noncompliance reporting.

Thus, if any person (producer, worker or a third party) is facing an issue related to working conditions, he/she is requested to report it either in writing or verbally to the most appropriate party.

The complaint forms are made available in all stores in section and subsections. This complaint procedure is open to all producers and their family members whose farms are registered with the cooperative and is subject to COC compliance. The communication mechanism will be explained to producers and workers through the farmer field school.

Besides this grievance channel, producers and workers can also directly contact the Olam regional representative in charge of the cooperative whose contact number is also available at the cooperative. This provision was established last year and has been communicated to producers and workers in the whole supply chain. The contact will be recomunicated through the farmer field schools (June – December 2016).

- Alternatively, it will be easier and safer for producers and workers to use the new Olam grievance contact number which will be displayed on the revised COC leaflets and posters (May – December 2016).

**Deadline**            December 2016  
**Date:**

**Health and Safety:** Document Maintenance/Worker Accessibility and Awareness

H&S.2 All documents required to be available to workers and growers by applicable laws (such as health and safety policies, MSDS, etc.) shall be made available in the prescribed manner and in the local language or language(s) spoken by the workers if different from the local language. If the workers are illiterate, the company shall make an effort to provide pictorials that the workers can easily understand.

**Noncompliance**

**Explanation:** Olam has developed a Code of Conduct (COC) for its suppliers, which includes pictures and provisions on health and safety. In addition, the cooperative has a list of banned and approved chemicals to be used in cocoa production. However, none of these documents are available to producers and workers. They have no access to any information related to health and safety.

Source: Interviews with producers, workers and IMS staff; Observations

**Plan Of Action:** The cooperative will display all lists of prohibited and approved chemicals in the sections and subsections. These lists will also be reviewed during the farmer field school and explained to producers and workers (see program in GEN2) in all relevant local languages. The training will also cover the management of empty chemical containers and phytosanitary products. Workers and producers will be trained on the importance of using protective equipment to avoid the dangers related to the use of chemicals without adequate equipment and training.

Olam will proceed with a large distribution of its revised COC leaflets at the farmer and worker level, ensuring a familiarization of all provisions regarding health and safety, pesticides, environment, and other workplace standards. The poster version of the COC will be posted in all the sections and subsections of every cooperative supplier (May – December 2016).

See also GEN.3

**Deadline Date:** December 2016

**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:** Many visited producers and workers live in small communities that have no health center. Except for those in the community where the cooperative headquarter is located (in Dogbo), no provision has been made by Olam or its partners to provide sections with first aid kits to handle emergencies before workers can reach an health center. These communities are located at least 10 km away from the first health centers.

Source: Interviews with producers, workers and IMS staff; Observations

**Plan Of Action:** After the IEM, the cooperative signed partnerships with private health clinics in each of its five sections and subsections being far away from the sections. The cooperative, financed by Olam, will provide the first aid kit. Thus, every producer and worker can now receive first aid at the cooperative's expense. This provision has been communicated to all producers and workers. Likewise, in emergency cases, farmers and workers can also get first aid care before evacuating to the nearest hospital at Dogbo or San-Pedro (March 2016).

The new emergency policy set up by the cooperative will be communicated to all the members of the supply chain (April – December 2016).

Olam continues to work with all cooperatives managers in order to provide all sections with first aid kits, sign partnerships with private health units where available, and appoint first aid managers (May 2016 – December 2016).

**Deadline Date:** December 2016

**Health and Safety: Personal Protective Equipment**

H&S.7 All necessary personal protective equipment (PPE), 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:** Regarding personal protective equipment (PPE): for applicators who are assigned by the cooperative to chemical application of the producers' farms, the identified risks are appropriate and they wear the correct PPE. For male producers, the main PPE they use are boots and trousers to protect them from snakebites, thorns and wounds. In that regard, monitors consider that all the risks they face are not taken into account in their protection efforts. Even if monitors recognize the complexity of the situation in the Ivorian context due to the weight of tradition and the households' standard of living, they nevertheless noticed that producers and workers do not protect their eyes when picking cocoa pods, as they can get debris in the eyes. Female producers or members of producers' families, by tradition, usually wear sandals when going to farms. Finally, in the cocoa beans collection stores, staff rarely protect their nose and mouth when handling beans, despite the significant amount of dust that the beans create. These risks are not adequately taken into account in the company' effort to raise producers' and workers' awareness of health and safety risks.

Source: Observations; Interviews with IMS staff, producers, workers and women

**Plan Of Action:** The cooperative has contacted Advans, a microfinance company and subsidiary of Société Générale, that provides loans for purchasing PPE for its workers who apply chemicals (April 2016). The cooperative will buy one hundred protective glasses for use against dust and debris to be distributed to their farmers and workers in order to demonstrate to all the farmers and motivate them to protect their eyes when harvesting cocoa pods.

Through the farmer field school, workers and producers will be retrained on the importance of wearing protective eyewear and boots.

The Cocoa store level, the assessed cooperative, as well as all the other cooperatives in Olam's supply chain will make the wearing of face masks compulsory. The cooperatives will also provide face masks to all the cocoa bag handling staff (April 2016 – December 2016).

Olam will proceed to a large distribution of its revised COC to educate workers, producers and their families how they must protect themselves when working on the farm. (May 2016 – December 2016)

Through its regional representatives, Olam will intensify safety training at the farmer field school in all the cooperatives and the importance of wearing the correct protective equipment. (May 2016 – December 2016)

**Deadline Date:** December 2016

**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:** In the community of Ancien Dogbo, two producers shared with the monitors that they perform chemical application by themselves without any protection and training on safe chemical handling. Empty chemical containers were found on the farms of three other producers. In the camp “2 Samba” (Ancien Dogbo), a producer uses empty chemical container as a drinking cup while in the field. In the farm of the same producer, monitors observed empty chemical containers surrounding a water point. Chemical application machines (sprayers) are stored without any precaution and are accessible to anyone. At Dogbo, another producer was applying chemicals in his farm without wearing any protection.

Source: Observations; Interviews with producers

**Plan Of Action:** The cooperative internal monitoring system has planned an awareness campaign from June to December 2016 on the management of working tools as well as empty chemical containers, sprayers and phytosanitary products. The cooperative will ensure that the training involves all the producers and workers (those participating to farmer field school and those not participating). Through this awareness campaign, producers and workers will be sensitized to the adverse effects of chemicals on human health and the need to be properly protected at all times

The internal monitoring system: The Group Administrator and Farmer trainers will also familiarize farmers and workers on all policies implemented at the cooperative level regarding: health, safety and environment; the communication channel; and grievance procedures. The list of approved chemicals by the Conseil du Café Cacao and the list of the prohibited pesticides will be distributed to all workers and producers and displayed at the cooperative level. The training will also be duplicated in all the farmer field schools until December 2016. The posters and lists will be posted at the cooperative level in the sections and sub-sections. Through the regional representative, Olam will ensure that all the cooperatives have displayed the COC posters in the sections, subsections, and in their head offices.

See also GEN. 2

**Deadline Date:** December 2016

**Health and Safety: Drinking Water**

H&S.13 Company should make efforts to create awareness among growers and workers about clean drinking water. Growers shall not place any undue restrictions on drinking water in terms of time and frequency.

**Noncompliance**

**Explanation:** Many producers and workers of the visited sections live in small communities that do not have access to drinking water. For their water consumption, they fetch water from backwaters and wells. They are not trained or made aware of water treatment techniques prior to consumption.

Source: Interviews with producers, workers and IMS staff; Observations

**Plan Of Action:** As a result of the annual social program of the cooperative, which was initiated by Olam at each cooperative, (30% of the net cooperative premium to be spent on a social program), the cooperative decided to rehabilitate and protect the existing wells in each of the communities of its supply chain where producers and workers do not yet have potable water.

The cooperative will also sign a contract with the SODECI agent in order to train the affected community members on water treatment techniques before December 2016. This year, Olam's Cocoa sustainability department has started the covering and treatment of wells used in some villages in different areas with a budget of 5,000 USD. Olam's Cocoa Sustainability Department will also instruct those cooperatives in need of potable water to work with the SODECI.

**Deadline Date:** December 2016

**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:** During their visit in the communities, monitors observed that the purchase of producers' beans is well documented by the cooperative. However, payment of workers' wages in the farms are not documented by the producers, while the cooperative has got representatives (Delegates, Producers Relays, etc.) that cover each of the communities who could assist producers and workers in documenting or establishing of a control mechanism (e.g. with witnesses) for payments to workers.

Source: Interviews with producers, workers, IMS staff; Records review

**Plan Of Action:** Since last year Olam and the supplier have been sensitizing farmers on the importance of keeping a recorded payroll for their workers.

Olam and all its suppliers will heighten the training on the awareness of farmers on the importance of having a recorded payroll of their employees, and the cooperative will help farmers to buy their registers and also assist them through the farmer-trainers to record the proof of the monthly payments of each worker. (June – December 16)

**Deadline Date:** December 2016