



[2018]

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

**Company:** Syngenta

**Country:** Hungary

**Crop:** Corn

**Production Process:** Detasseling

**Assessment Locations:** Cibakháza, Köröstarcsa, Túrkeve village in Békés and Jász-Nagykun-Szolnok Counties

**Monitors:** Mr János Nagy / Ms Enikő Bálint

**Assessment Dates:** 2-3 July 2018

**Number of assessed farms:** 4

**Total area covered:** 387 ha

**Number of farmers interviewed:** 4

**Total number of workers:** 245

**Number of workers interviewed:** 39

To view more about the FLA's work with Syngenta, please visit the FLA website [here](#).  
To access the FLA Agriculture Monitoring Benchmarks, please visit [this page](#).

## Employment Relationship

### Compliance Status

Section	Benchmark	Compliance status	Farms
Human Resource Management System	ER.1.1	Noncompliance	Farm 1
	ER.1.2	In Progress	All Farms
	ER.1.3 (PR)	In Progress	All Farms
	ER.2.1	Noncompliance	Farm 1
	ER.2.1.1	Noncompliance	Farm 1
Recruitment and Hiring	ER.3.1	Risk of Noncompliance	Farm 1
	ER.3.1.1	Risk of Noncompliance	Farm 1
	ER.3.1.2	In compliance	
	ER.4	In compliance	
	ER.5.1	In compliance	
	ER.5.2	In compliance	
	ER.5.3	In compliance	
	ER.6 (PR)	In compliance	
	ER.7.1	In compliance	
	ER.7.2	In compliance	
	ER.7.3	In compliance	
	ER.7.4	In compliance	
	ER.7.5	In compliance	
	ER.7.6	In compliance	
	ER.7.7	In compliance	
	ER.7.8	In compliance	
	ER.8.1	In compliance	
	ER.8.2	In compliance	
ER.8.3	In compliance		
Terms and Conditions	ER.9.1	In compliance	
	ER.9.2	In compliance	
	ER.9.2.1	In compliance	
	ER.9.2.2	In compliance	
	ER.9.2.3	In compliance	
	ER.9.3	In compliance	
	ER.9.3.1	In compliance	
	ER.9.3.2	In compliance	
	ER.9.3.3	In compliance	
	ER.10	In compliance	
	ER.11	In compliance	
	ER.12.1	In compliance	
	ER.12.1.1	In compliance	
	ER.12.2	In compliance	
	ER.13.1	In compliance	
	ER.13.2	In compliance	
	ER.13.3	In compliance	
ER.13.4 (PR)	In compliance		
Administration	ER.14.1	In compliance	
	ER.14.2	In compliance	
	ER.15.1	In compliance	
	ER.15.2	In compliance	
	ER.15.2.1	In compliance	
	ER.16.1	In compliance	
	ER.16.2	In compliance	
	ER.17.1	In compliance	
ER.17.2	In compliance		
ER.17.3	In compliance		

	ER.17.4	In compliance	
Worker Involvement	ER.18.1	In compliance	
	ER.18.2	In compliance	
	ER.18.3 (PR)	In Progress	All Farms
	ER.19	In compliance	
Right to Organize and Bargain	ER.20.1	Noncompliance	Farms 1, 2, 3
	ER.20.2	Risk of Noncompliance	Farms 1, 2, 3
	ER.20.3	Risk of Noncompliance	Farms 1, 2, 3
	ER.20.4	Risk of Noncompliance	Farms 1, 2, 3
	ER.20.5 (PR)	In Progress	Farms 1, 2, 3
	ER.20.6	Noncompliance	Farms 1, 2, 3
	ER.20.7	In compliance	
	ER.20.8	In compliance	
	ER.20.9	Risk of Noncompliance	Farms 1, 2, 3
	ER.20.10 (PR)	In Progress	All Farms
	ER.20.11	Risk of Noncompliance	Farms 1, 2, 3
	Training	ER.21	In compliance
ER.22.1 (PR)		Not Initiated	Farms 1, 2
ER.22.1.1 (PR)		Not Initiated	Farms 1, 2
ER.22.2 (PR)		In Progress	Farms 3, 4
ER.23.1 (PR)		Not Initiated	Farms 1, 2, 3
ER.23.2 (PR)		Not Initiated	Farms 1, 2, 3
HSE Management System	ER.24.1.	In compliance	
	ER.24.2	In compliance	
	ER.24.3	In compliance	
	ER.24.4	In compliance	
	ER.24.4.1	In compliance	
	ER.24.4.2	In compliance	
	ER.24.4.3	In compliance	
	ER.24.4.4	In compliance	
	ER.24.4.5	In compliance	
	ER.24.4.6	In compliance	
ER.24.5 (PR)	In compliance		
Grievance Procedures	ER.25.1	In compliance	
	ER.25.2	In compliance	
	ER.25.3	In compliance	
	ER.25.4	In compliance	

### Employment Relationship Assessment Summary

Human Resource Management Systems	
<p><b>Benchmarks:</b></p> <p><b>ER.1.1:</b> Employer shall have written terms and conditions of employment, job descriptions, rules of compensation, and working hours for all positions. In the case of workplaces with informal labor structures, employers should be able to describe verbally all the above terms and conditions and clearly communicate them to workers.</p> <p><b>ER.2.1:</b> Employers shall maintain on file all documentation needed to demonstrate compliance with the FLA Workplace Code and required laws, at the farm itself or externally with the sourcing company, intermediary, cooperative or an accountant or administrator.</p> <p><b>ER.2.1.1:</b> Employers shall make these documents available to third-party assessors commissioned by the FLA and shall submit to unannounced inspections.</p>	<p><b>Noncompliance in one farm</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p> <p>There is no progress shown on Human Resource Management Systems at farm level as compared to the previous year. The examined farms that directly recruit their workers are fully compliant in maintaining a Human Resource Management System, as they have adequate procedures, terms and conditions, staff and documentation in place.</p> <p>For those farms that hire their seasonal workers by preparing written contracts with formal Labor Contractor companies, the level of compliance depends on the approach</p>	

	<p>of the Labor Contractor.</p> <p>The situation with the Labor Contractors seems unchanged compared to last year: most of these Labor Contractors fail to meet the requirement of keeping even the most basic documents of written terms and conditions of employment, job descriptions, rules of compensation, and working hours for their positions. According to the general practice, the farmers prepare a contract with the Labor Contractors where they defer the entire legal responsibility of employing seasonal workers on the farms. This creates a gap between regular employees hired directly by farmers and seasonal workers hired by Labor Contractors in many aspects, including having clear, transparent, and operational Human Resource Management Systems and access to the documentation.</p> <p><u>Source:</u> interviews, record reviews, observations</p>
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<p><b>Company Action Plan:</b></p>	<p>Syngenta is going to update all necessary information according to the human resource management system (written terms and conditions of employment, job description, rules of compensation, and working hours) on all forums where workers applied last season; grower meetings, website, training materials, etc.</p> <p>Syngenta FLA team is going to work with the growers to identify the labor contractors in springtime before the de-tasseling season and ensure training and all necessary documentation is in place for the labor contractors to improve their own Human Resource Management System.</p> <p>Syngenta is going to work in close cooperation with two different FLA subcontractors (health and safety, employment and psychological experience) and together create a new campaign for seasonal workers to increase employee awareness.</p> <p>Syngenta and the FLA subcontractors will develop new training materials, including boards with the language and visual appearance to attract the seasonal workers' interest.</p>
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<p><b>Deadline Date:</b></p>	<p>15-03-2019</p>
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<p><b>Proof of Age Documentation</b></p>	
<p><b>Benchmarks:</b></p> <p><i>ER.3.1: Employers shall verify proof of age documentation for all young workers in the farm at the time of their employment and work towards collecting and maintaining all documentation necessary to confirm and verify date of birth of all workers, including long term and casual workers.</i></p> <p><i>ER.3.1.1: Employers shall take reasonable measures to ensure such documentation is complete and accurate.</i></p>	<p><b>Risk of Noncompliance in one farm</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Based on interviews with seasonal workers and farm walkthroughs, monitors could not gain enough proof that the Labor Contractor actually checked the DNI of young workers in order to perform proper age verification. Therefore, there is a risk of non-compliance at one of the assessed farms, where there was no proof of the contracted Labor Contractor performing proper age verification (by checking any age documentation).</p> <p><u>Source:</u> interviews, record reviews, observations</p>
<p><b>Company Action Plan:</b></p>	<p>Syngenta will extend the health and safety work rules to young workers, and reform the training materials and boards according to the first-year experience to inform teenagers about the basic rules for all employees.</p> <p>Syngenta FLA team will provide training to labor contractors to highlight the employer rules for protected workers, along with all the necessary documentation for employees.</p>

	<p>Syngenta will supply to the growers and subcontractors the necessary bracelets to mark the teenagers and the appropriate documentation sheet, so managers can check for proof of age documentation in the fields.</p> <p>The foreman, who will be responsible for the de-tasseling work in the fields and will help the work of Syngenta agronomists, will be trained about the correct rules of protected workers and age verification; they will check these issues in the fields.</p>
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<b>Deadline Date:</b>	10-06-2019
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**Work Rules and Discipline**

<p><b>Benchmarks:</b></p> <p><i>ER.20.1: Employers shall have disciplinary rules and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).</i></p> <p><i>ER.20.6: Disciplinary rules and practices shall be clearly communicated to all workers.</i></p>	<p><b>Noncompliance in three farms</b></p>
<p><i>ER.20.2: Any person supervising workers shall be aware of the disciplinary rules and practices.</i></p> <p><i>ER.20.3: Supervisors shall be trained on the proper handling of disciplinary rules and practices.</i></p> <p><i>ER.20.4: The disciplinary system shall be applied in a fair and nondiscriminatory manner and include a management review of the actions by someone senior to the manager who imposed the disciplinary action.</i></p> <p><i>ER.20.9: Workers must sign all written records of disciplinary action against them.</i></p> <p><i>ER.20.11: The disciplinary system shall include a third-party witness during imposition, and an appeal process. In case of smallholder settings, existing appeal mechanism at community level is acceptable.</i></p>	<p><b>Risk of Noncompliance in three farms</b></p>

<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Disciplinary measures, written policies, and rules are available at farm level only for permanent employees, as seasonal workers hired by Labor Contractors are legally not employed by the farmers. Labor Contractors have no written disciplinary rules and practices in place and they reportedly did not receive them from either Syngenta or from the farmers.</p> <p>On the other hand, disciplinary measures are applied based on existing informal (unwritten) practices. According to the general practice, in the case of workers repeatedly committing work-related technical faults, they will be assigned to other tasks, or will not be hired for de-tasseling activities in the future. This was communicated to them, and this is the general labor practice as well.</p> <p>Assessors could not detect any cases where Labor Contractors had to apply disciplinary measures against any of their workers. Labor Contractors reported that they prefer to hire "reliable" and "non-problematic" seasonal workers in order to prevent disciplinary cases.</p> <p>As of this year, farmers received very basic training and supporting documentation on disciplinary measures and the applicable law from Syngenta. This represents progress compared to last year, but still needs to be further elaborated as there is no unified practical guidance or applicable form given to farmers. Assessed Labor Contractors did not receive any training or information from Syngenta or the farmers on disciplinary measures this year.</p> <p><u>Source:</u> Interviews, observations</p>
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<b>Company Action Plan:</b>	<p>Syngenta will create a disciplinary procedure for the farm level and update the rules and documentation concerning disciplinary procedures and will continuously popularize these on all forums (grower meetings, website, training materials, in the new campaign for the seasonal workers).</p>
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<b>Deadline Date:</b>	15-03-2019
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## Health, Safety and Environment

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HSE.1.	In compliance	
Document Maintenance, Permits and Certificates	HSE.2	In compliance	
	HSE.3.1	In compliance	
	HSE.3.2	In compliance	
	HSE.4	In compliance	
Evacuation Requirements and Procedure	HSE.5.1	In compliance	
	HSE.5.2	In compliance	
Safety Equipment and First Aid	HSE.6.1	In compliance	
	HSE.6.2	In compliance	
	HSE.16.3	Noncompliance	Farms 1, 2
Personal Protective Equipment	HSE.7	In compliance	
	HSE.8	In compliance	
Chemical Management	HSE.9.1	In compliance	
	HSE.9.2	In compliance	
	HSE.9.2.1	In compliance	
	HSE.10	In compliance	
	HSE.11.1	In compliance	
	HSE.11.2	In compliance	
Protection Reproductive Health	HSE.12.1	In compliance	
	HSE.12.2	In compliance	
Infrastructure	HSE.13	In compliance	
	HSE.17.1	In compliance	
	HSE.17.2	Noncompliance	Farm 3
	HSE.18	In compliance	
	HSE.19	In compliance	
	HSE.20	In compliance	
	HSE.21	In compliance	
	HSE.22	In compliance	
Machinery Safety	HSE.14.1	In compliance	
	HSE.14.2	In compliance	
	HSE.14.3	In compliance	
	HSE.14.4	In compliance	
Ergonomics and Medical Facilities	HSE.15.1 (PR)	In compliance	
	HSE.15.2	In compliance	
	HSE.16.1	In compliance	
	HSE.16.2	In compliance	

## HSE Assessment Summary

Safety Equipment and First Aid	
<p><b>Benchmarks:</b>  <i>HSE.16.3: An appropriate stock of medical first aid supplies shall be maintained at all times with valid expiration dates.</i></p>	
<b>Noncompliance in two farms</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Although at all of the assessed farms there were adequately stocked first-aid kits available at clearly recognizable places—like the Syngenta shelters and trucks/cars—in the case of two farms, these kits contain expired products. Syngenta informed us that they provide the farmers with first-aid kits each year, and farmers need to make sure to re-stock the expired products.</p> <p><u>Source:</u> Observations, interviews</p>
<p><b>Company Action Plan:</b></p>	<p>The Syngenta agronomists will collect the first aid kits from the grower one month before the beginning the de-tasseling season and check the validity of the kits. After checking, the responsible agronomist will restock the first aid kits with validated equipment.</p>
<p><b>Deadline Date:</b></p>	05-05-2019
Access to Sanitation	
<p><b>Benchmarks:</b>  <i>HSE.17.2: Clean and private sanitation facilities should be available within reasonable distance of the workplace. Employers shall not place any undue restrictions on using sanitation facilities in terms of time and frequency.</i></p>	
<b>Noncompliance in one farm</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Even though access to proper sanitation facilities for seasonal workers has been solved on most of the farms, there was one farm that lacked such facilities. In this case, there were no mobile toilets at the workers’ disposal and there was no clean water for hand washing. Workers are forced to use the fields and surrounding forests for toilet purposes and may use portable drinking water for hand washing. It also needs to be noted that even at those farms where there were sanitation facilities provided in the form of mobile toilets, the equipment was not adequately hygienic.</p> <p><u>Source:</u> Farm Visits</p>
<p><b>Company Action Plan:</b></p>	<p>In peak season, Syngenta will rent several mobile sanitation facilities for seasonal workers with regular cleaning, maintenance, and shipment field-by-field.</p> <p>Usually, clean drinking water is ensured in the fields by workers, but if it is missing the grower can guarantee that.</p> <p>Syngenta will remind growers, subcontractors, and seasonal workers of the drinking water requirement and the adequate HSE rules for sanitation access at all forums from the previous year.</p>
<p><b>Deadline Date:</b></p>	15-06-2019.

## Hours of Work

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HOW.1.1	In compliance	
	HOW.1.2	In compliance	
	HOW.1.3	In compliance	
	HOW.1.4	In compliance	
	HOW.17.1	In compliance	
	HOW.17.2	In compliance	
Rest Day	HOW.2	In compliance	
Meal and Rest Breaks	HOW.3	In compliance	
Protected Workers	HOW.4.1	In compliance	
	HOW.4.2	In compliance	
	HOW.4.3	In compliance	
Overtime	HOW.5.1	In compliance	
	HOW.5.2	In compliance	
	HOW.6.1	In compliance	
	HOW.6.2	In compliance	
	HOW.6.3	Noncompliance	Farms 1, 2
	HOW.7	In compliance	
Public Holidays and Leave	HOW.8.1	In compliance	
	HOW.8.2	In compliance	
	HOW.8.3	In compliance	
	HOW.9	In compliance	
	HOW.10.1	In compliance	
	HOW.10.2 (PR)	In compliance	
	HOW.11	In compliance	
	HOW.12.1	In compliance	
	HOW.12.2	In compliance	
	HOW.13	In compliance	
	HOW.14	In compliance	
	HOW.15	In compliance	
HOW.16	In compliance		

### Hours of Work Assessment Summary

Overtime		
<p><b>Benchmarks:</b></p> <p><b>HOW.6.3:</b> Regular working hours and overtime is duly recorded in whatever means that are locally available and validated by the workers. For farms with informal labor structures, basic recording system shall be introduced to record workers' name, working days and payment and progressively work toward more detailed hours of work recording system.</p>		<b>Noncompliance in two farms</b>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Attendance sheets are not validated by seasonal workers at two of the assessed farms. At one of the assessed farms, monitors were not in a position to check attendance sheet due to the Labor Contractor's unavailability.</p> <p>Otherwise, the assessed farms were overall compliant in properly recording working hours.</p> <p><u>Source:</u> Interviews, document reviews, field visits</p>	



<b>Company Action Plan:</b>	<p>Syngenta will continuously improve the attendance sheet according to validated employee rules, highlighting the hours of work. These will be displayed on all above-mentioned forums.</p> <p>Syngenta's foremen will check the correct filling of the attendance sheets and the number of hours collected on them.</p>
<b>Deadline Date:</b>	15-06-2019

## Compensation

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	C.1.1	In compliance	
	C.1.2	In compliance	
	C.1.3	In compliance	
	C.1.4	In compliance	
Minimum Wage/Fair Compensation	C.2.1	In compliance	
	C.2.2	Risk of Noncompliance	Farms 1, 2
	C.2.3	In compliance	
	C.2.5 (PR)	In compliance	
	C.2.6 (PR)	In compliance	
	C.3	In compliance	
Farmer/Producer Income	C.5	In compliance	
	C.4	In compliance	
Wage Payment and Calculation	C.6	In compliance	
	C.7.1	In compliance	
	C.7.2	In compliance	
	C.7.3	Risk of Noncompliance	Farms 1, 2
	C.7.4	Noncompliance	Farms 1, 2
	C.7.5	In compliance	
	C.8.1	In compliance	
	C.8.2	In compliance	
	C.8.3	In compliance	
	C.8.4	In compliance	
	C.9	Risk of Noncompliance	Farms 1, 2
	C.10.1	In compliance	
	C.10.1.1	In compliance	
	C.10.2	In compliance	
C.10.3	In compliance		
Workers Awareness	C.11.1.1	In compliance	
	C.11.1.2	In compliance	
	C.11.1.3	In compliance	
	C.11.1.4	In compliance	
	C.11.1.5	In compliance	
Fringe Benefits	C.13	In compliance	
	C.12.1	In compliance	
	C.12.2	In compliance	
	C.12.3	In compliance	
	C.12.4	In compliance	
	C.12.5	In compliance	

## Assessment Summary

Minimum Wage/Fair Compensation		
<p><b>Benchmarks:</b> C.2.2: Employers shall provide all legally required benefits to all workers.</p>		<p><b>Risk of Noncompliance in two farms</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>There is no proof that Labor Contractors regularly pay the Social Security contributions to the Tax Authority for all employed seasonal workers. This means that a certain number of their employees may be potentially illegally employed, with no tax and social security contribution paid for them. This number may vary from 10 to 100 percent of workers on the farm. Since Labor Contractors at Farm 1 and Farm 2 could not show any proof of paying the required tax contributions for their workers, it is a risk that none of their workers were reported to the tax office on the day of assessment.</p> <p><u>Source:</u> Interviews, Document review</p>	
<p><b>Company Action Plan:</b></p>	<p>Syngenta updates its publications on all employees and employers annually and notifies growers, subcontractors, and seasonal workers in the appropriate forums.</p> <p>Next year, Syngenta will launch a new campaign for seasonal workers to increase their employees' awareness.</p>	
<p><b>Deadline Date:</b></p>	<p>15-04-2019.</p>	
Wage Payment and Calculation		
<p><b>Benchmarks:</b> C.7.4: Employers shall provide workers a pay statement each pay period and not less frequently than once a month, which shall show:</p> <ul style="list-style-type: none"> <li>• earned wages,</li> <li>• wage calculations,</li> <li>• total number of hours worked,</li> <li>• regular and overtime pay,</li> <li>• bonuses,</li> <li>• all deductions, and</li> <li>• final total wage.</li> </ul> <p>The payment statement shall be signed and agreed by the worker. For farms with informal labor structures, and where the illiteracy rate is high, proof of payment may be in the form of alternative means (such as using a witness or affixing a thumb print).</p> <p>C.7.3: Wage records should be authentic and accurate and should clearly demonstrate how wages, deductions, benefits, overtime and bonuses are calculated.</p> <p>C.9: All legally mandated deductions for taxes, social insurance, or other purposes shall be deposited each pay period in the legally defined account or transmitted to the legally defined agency. Employers shall not hold over any of these funds from one pay period to the other unless the law specifies that deposits are to be made less frequently than pay periods (e.g. monthly deposits, weekly pay). If the law does not specify, then deposits shall be made before the next pay period in all cases.</p>		<p><b>Noncompliance in two farms</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Some of the assessed Labor Contractors failed to provide seasonal workers with a countersigned pay statement.</p> <p>Some Labor Contractors could not prove that they pay their taxation duties for each and every seasonal worker they employ in a timely manner to the National Tax Authority. Wage records are also not maintained by Labor Contractors at the assessed corn farms.</p> <p><u>Source:</u> Document reviews, interviews, observations</p>	<p><b>Risk of Noncompliance in two farms</b></p>

<b>Company Action Plan:</b>	<p>Syngenta provides growers and subcontractors with an attendance sheet that contains the information that complies with expectations, on which they can indicate 8 (eight) working hours worked and overtime for seasonal workers.</p> <p>Syngenta foremen will be checking the correct filling of the attendance sheets and will record and maintain the hours worked on them.</p>
<b>Deadline Date:</b>	15-06-2019.

### Overview - Farms vs. Non-compliances

**Total number of Farms: 4**

	Employment Relationship	Non-discrimination	Harassment or Abuse	Forced Labor	Child Labor	Freedom of Association and Collective Bargaining	Health, Safety and Environment	Hours of Work	Compensation	Total
<b>% of farms with non-compliances or risk of non-compliances</b>	75%	0%	0%	0%	0%	0%	75%	50%	50%	
Farm No. 1	12	0	0	0	0	0	1	1	4	18
Farm No. 2	7	0	0	0	0	0	1	1	4	13
Farm No. 3	7	0	0	0	0	0	1	0	0	8
Farm No. 4	0	0	0	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>26</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>8</b>	<b>39</b>