

INDEPENDENT EXTERNAL MONITORING OF SYNGENTA'S SEED SUPPLY CHAIN IN INDIA -2019 (MAHARASHTRA, KARNATAKA , GUJARAT AND TELANGANA)

Introduction

The Fair Labor Association's (FLA) Principles of Fair Labor and Responsible Sourcing for the agriculture sector¹ require that the farms in the supply chains of each affiliated company are subject to FLA's annual Independent External Assessments (IEA). Syngenta Seeds has been affiliated with the FLA since 2008 and executes its Fair Labor Program (FLP) in its hybrid seeds supply chain globally². The Fair Labor Program (FLP) assesses labor practices on farms against the Syngenta Code of Conduct³. As an affiliated company, Syngenta has committed to meet the FLA Workplace Code of Conduct for the agriculture sector⁴ in its seeds supply chain globally and develop remediation plans for identified non-compliances.

Each year, FLA conducts about 20 field-level assessments⁵ covering a larger number of farms in various countries for Syngenta⁶. For the 2019 assessment cycle, the FLA conducted 4 Independent External Monitoring (IEM) visits to assess working conditions at Syngenta's supplier farms in India during 2019. The assessment covered a total area of 72 acres of farmland located in the 4 states of India including, Karnataka, Maharashtra, Gujarat and Telangana.

A team of FLA accredited assessors⁷ from International Resources for Fairer Trade (IRFT), Glocal Research, and I-Mentor visited 61 Syngenta farms in all states, producing corn, tomato, rice, and okra seeds. They interviewed 260 workers who were involved in peak production activities of detasselling and pollination. A diverse group including elderly, women, and young people were among the workers interviewed. Syngenta does not directly recruit workers working on the farms, relying instead on the recruitment efforts by grower leaders (also called seed organizer who manages the production work with a group of growers and may also organize work force for specific tasks. Grower leaders could themselves be growers as well.), and growers (whose land the work is being conducted), depending on the crop and region. In addition to the workers' interviews, assessors evaluated Syngenta's internal management systems (IMS), conducted documentation review, growers'



¹ FLA's Principles of Fair Labor and Responsible Sourcing are closely aligned with the United Nations Guiding Principles on Business and Human Rights (UNGP) and the OECD-FAO Guideline for Multinational with Agricultural Supply Chains. FLA Principles are available [here](#).

² By 2019, Syngenta's Fair Labor Program covered 99.3 percent of all its seed supply farms globally, representing 29 of 33 seed-producing countries where Syngenta procured seeds from. Find more information here [Syngenta – Fair Labor Program](#)

³ <https://syngenta.pid1-e1.investis.com/sites/syngenta/files/code-of-conduct/download-our-code-of-conduct/syn-cofc-english-2019-v1-lr.pdf>

⁴ https://www.fairlabor.org/sites/default/files/fla_agriculture_code_of_conduct_and_benchmarks_october_2015.pdf

⁵ FLA conducts five types of assessments depending on the maturity of a company's social compliance program in a given country and commodity. These include, 1) Baseline Mapping, 2) Independent External Monitoring (IEM), 3) Independent External Verification (IEV), 4) Focused Assessment, and 5) Social Impact Assessment (SIA).

⁶ More FLA reports can be found here <https://www.fairlabor.org/affiliate/syngenta>

⁷ <https://www.fairlabor.org/transparency/fla-accredited-monitoring-organizations>

interviews, visual inspection and consulted with local civil society organizations.

2019 Assessment Cycle Findings

This report summarizes the FLA’s farm-level findings for its 2019 assessment cycle and Syngenta’s correction action plan (CAP) developed in response to the assessment.

Gaps remain in the areas of age verification system; farm-level health and safety programs; hours of work; compensation; worker awareness of workplace codes, child labor issues and grievance systems.

SUMMARY OF FLA IEM FINDINGS	SUMMARY OF COMPANY COMMITMENTS (Corrective Action Plan)
EMPLOYMENT RELATIONSHIP	
<ul style="list-style-type: none"> • Although Syngenta has conducted code awareness trainings in all four states of Maharashtra, Gujarat, Karnataka and Telangana, the level of worker awareness on wages, health, safety, and environmental, age verification system; and Grievance systems remains low. • Awareness among farmers and seed organizers on code standards was limited to prohibition on child labor. Syngenta created awareness on child labor in Gujarat. The trainings given to farmers during pre-production meetings do not include workers. • Although an age verification process has been initiated in a few farms, the system needs to be strengthened. Except for a few farms in Karnataka, there were no age documents maintained for young workers (workers between 15 and 18 years). ▪ Although efforts have been made by Syngenta to establish a grievance handling procedure, the process, including company hotline number, is not known to the workers and there is lack of understanding of the system. 	<ul style="list-style-type: none"> ▪ Seed organizers will be encouraged to have dialogue and meetings with the farmers and inform them about Syngenta expectations on age proof records. ▪ All farmers will be informed about national unique ID and age proof documentation “Aadhar Card” during pre-season meetings. During farm level worker awareness sessions, young workers will be informed and encouraged to carry a copy of their age proof when they seek work. ▪ Syngenta will strengthen information kits for seed organizers and farmers, on how to maintain such records for future. ▪ Syngenta field production team will monitor all farms during regular field visits and raise awareness.
HOURS OF WORK AND COMPENSATION	

<ul style="list-style-type: none"> • Assessors found that compensation and working hours were not as per the legal regulations. • Workers were not paid minimum wage in Maharashtra, Karnataka, Gujarat and Telangana. Workers are not aware of legal minimum wage • There is no system to verify working hours and wage advances. • Minimum wages were not being paid to workers engaged in farms in all the states. In Karnataka, the legal minimum wage is INR 304 per day whereas the wages paid to workers ranged between INR 150-250. ▪ The non-payment of minimum wage was also observed in Telangana rice farms. Whereas the statutory minimum wage of the zone is INR 330, the workers were paid between INR 250-300 (depending on region). ▪ Non-payment of minimum wages has been attributed to the lack of awareness among farmers and workers on legal minimum wages. ▪ In Gujarat, workers are paid INR 200 against the statutory minimum wage of INR 265 per day. ▪ Lack of record keeping of wage advances and working hours was observed in most farms. 	<ul style="list-style-type: none"> ▪ Syngenta will undertake training and in-person sessions on COC, primarily emphasizing on minimum wage and working hours. ▪ Workers will be identified and trained through various communication and IEC tools like hand manuals, pictorial message, posters and pocket cards, paintings. The materials will be disseminated through a program. ▪ There is a plan to pilot a wage improvement project with an objective to reach all farms by 2025 ▪ Syngenta will continue engagement with ECHO* platform and CSOs to organize awareness campaign at the ground level and network with various stakeholders including government and non-government agencies. <p><i>*ECHO platform is a stakeholder forum of seed industry stakeholders and companies, and CSO's.</i></p>
<p>GRIEVANCE PROCEDURES</p>	
<ul style="list-style-type: none"> • Assessors found some gaps in the grievance mechanism. Though in some regions, helpline numbers exist, but majority of workers are not aware of the numbers and the grievance channels. • In Maharashtra, though a well-defined grievance system exists, there is a lack of understanding at local level on tools and procedures. • In Karnataka, information, communication or awareness on grievance procedures is poor. • In Telangana, growers and workers are not aware of the grievance procedure. 	<ul style="list-style-type: none"> ▪ Syngenta plans to organize a comprehensive training on grievance mechanism for growers and workers. ▪ IEC tool kits will be developed including posters, display of helpline numbers, pocket cards, farmer hand manuals, farm boards and pamphlets that can be used to inform the farmers and workers and displayed at strategic points ▪ Syngenta field production team will monitor awareness trainings for growers and workers on grievance channel.
<p>HEALTH, SAFETY AND ENVIRONMENT</p>	

<ul style="list-style-type: none"> ▪ Assessors documented that workers are not made aware about HSE benchmarks. No appropriate PPE were used by the workers. • Statutory guidelines related to the disposal of chemical waste and storage is not followed in the regions. No proper information and awareness are done on this issue. • There is no training on chemical management, workers have no awareness on banned chemicals and pesticides, safe disposals, toxicity specification labels etc. 	<ul style="list-style-type: none"> ▪ Syngenta will train with farmers on PPE usage. ▪ Each seed organizer shall be responsible to oversee these tasks. ▪ Syngenta production team, in close consultation with the country FLA Lead will oversee the implementation progress every six months. ▪ Syngenta developed the IEC tools like posters, pocket cards, hand manual etc., which will be used regularly.
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Changes and Remediation Gaps in Syngenta India Seeds Supply Chain

The below table summarizes the progress noted in Syngenta’s supply chain following corrective action plans in 2018 assessment cycle and the recurring issues and remaining improvement areas identified in the 2019 assessment cycle.

Changes identified between the 2018 and 2019 assessment cycles	Areas where sustainable improvements are required
CODE AWARENESS AND GRIEVANCE SYSTEM	
<p>There has been increase in code awareness levels among growers and grower leaders on some aspects of child labor.</p> <p>Development of grievance mechanisms has slightly improved.</p>	<p>There is limited of understanding of code standards among growers and grower leaders, especially relating to compensation and hours of work, health, safety and environment and grievance handling.</p> <p>There is a need to strengthen the documentation and verification system and build awareness on systematic recording of grievances.</p>
CHILD LABOR	
<p>Syngenta has created good level of awareness building on child labor and this has led to positive results in Gujarat.</p>	<p>The child labor remediation program has to customized considering the legal requirements and local challenges in other states.</p>
HOURS OF WORK AND COMPENSATION	
<p>Minimum wages and hours of work remains an issue, and overtime payments are not per legal requirements. There is not much awareness on this aspect.</p>	<p>Syngenta should educate growers and seed organizers about legal wages and working hours and payments of overtime hours.</p>
HEALTH, SAFETY AND ENVIRONMENT	
<p>There are some notable features that Syngenta has undertaken in relation to Health, Safety and Environment in Gujarat region. Syngenta has created</p>	<p>Farmers and seed organizers are not fully aware of Syngenta’s policies and procedures.</p>

and distributed effective HSE communication material in local language. The material is visual and easy to understand and covers all the HSE risks in the milieu of a farm.

As a result, the implementation of health and safety procedures are limited in the field.

No appropriate PPE personal protective equipment is provided to workers and no training about the use of PPE and chemical management.