

[2014-2015]

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

COMPANY: Nestlé
COUNTRY: Ivory Coast
PROVINCE: Sud Comoe
CITY/DISTRICT: Aboisso

COMMUNITY: Kongodjan, Bianouan, Kouakoukro, Sanhoukro MONITOR: APPIA Assiélou Jean Baptiste, N'GOUIN-CLAIH Kouamé,

KOFFI Adjoua Céline, BALIFI Aboa Patrick Xavier **AUDIT DATE:** 10 - 21 November, 2014

PRODUCTS: Cocoa

NUMBER OF GROWERS/WORKERS: 80/26

NUMBER OF GROWERS/WORKERS INTERVIEWED: 80/26

NUMBER OF FARMS VISITED: 80

TOTAL AREA COVERED IN AUDIT: 375 hectares

PROCESSES: Harvesting



FLA Member/Affiliate Update

Nestle ended its membership as an FLA Participating Company in April 2025. The company's reports can still be found at Fairlabor.org



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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:

Monitors observed obvious efforts by Nestlé and its partners to inform, educate and train the largest number of farmers on its code of conduct. Nestlé has developed and made available to its suppliers an illustrated code of conduct to inform them of the standards to be followed. Farmers are informed orally of the code through farmer field school and through illustrated brochures that are distributed to them.

However, information hardly reaches the workers who do not receive the illustrated code and do not attend the farmer field school sessions. The code is posted at the cooperative's headquarter but nowhere in the other sections and communities. Although some farmers are trying to relay information to their workers, this information is mostly limited to good agricultural practices. According to the information collected by the monitors, the non-participation of workers in training sessions is due to various factors, such as 1) the mobility of workers, 2) the difficulty to leave field activities and dedicate time to it, and 3) the belief that farmer field school is only for farms owners.

Source: interviews with farmers, workers and IMS staff; document review

Plan Of Action:

We will continue to reach out to workers on cocoa farms through:

- 1. The cooperative will continue to promote workers' participation in farmer field school sessions through the system of Lead Farmers * and farmer field schools.
- 2. The illustrated Nestlé Code of Conduct (CoC) is being distributed to all producers and workers and will be explained to them as part of the farmer field school sessions.
- 3. The illustrated Nestlé CoC will be posted in all the sections of the cooperative.
- 4. As part of the Child Labor Monitoring and Remediation System (CLMRS), the Child Labor Agent and Community Liaison People will continue to raise awareness of farmers, farm workers and local communities on child labor.

Deadline Date:

^{*}A Lead Farmer is a farmer trained and assessed on best practices and certification standards who can demonstrate capacity and ability to train other farmers. In general, the lead farmer is himself a producer and is active in his own community.



Child Labor: General Compliance Child Labor

CL.1 Growers shall comply with all local laws, regulations, and procedures concerning the prohibition of child labor.

Noncompliance

Explanation:

The effort of Nestlé and its partners is visible in the visited cooperative in terms of training, awareness raising, monitoring and remediation of child labor. Of the 80 farms visited in Aboisso district, definite or doubtful cases of child labor were identified on eight farms.

In Kongodjan, an 11-years-old girl was involved in the transportation of coffee beans at her father's farm, producing both cocoa and coffee. A boy around 6 years old was observed carrying a machete around his neck, returning from the farm where he took part in weeding activities, according to his father. In Kouakoukro, a 8-year-old child was taking part in cocoa pod opening activities while two other children (6 and 11 years old) were involved in coffee harvesting with their father who own both cocoa and coffee farms. In Sanhoukro, monitors observed a 10-year-old child returning from the field with a sprayer on the back. In another camp of Sanhoukro, a 12-year-old child was observed to prepare to start cocoa harvesting with his father.

Moreover, in the section of Bianouan, other non-corroborated cases were reported to the monitors. These situations that require more evidence are worth being highlighted. It was reported to the monitors that three children (7, 9 and 14 years old) are engaged at their father's farm activities. In addition, there was a case of an 8-year-old child who participated in cocoa harvesting at a farm of another producer.

The children met had no identification document. The monitors were able to estimate their age based on the testimonies of the children and their parents, and based on their own judgment of the appearance of these children. None of these children were enrolled in school.

Source: Observation at farms and visited camps, interviews with farmers and workers

Plan Of Action:

The Child Labor Monitoring and Remediation System (CLMRS) has been up and running in this cooperative since June 2014. A Child Labor Agent and 24 Community Liaison People actively monitor the child labor situation on the ground, design and implement remediation activities tailored to the specific cases and needs identified in each community, and conduct awareness sessions on child labor for the entire community.

As a result (at the end of April 2015):

- 134 cases of children involved in hazardous work have been identified in this cooperative
- Specific remediation activities have already been set up in both, Kongodjan and Sanhoukro, including community service groups and incoming generating activities for farmers' wives.
- The number of community liaison people has been increased in Kogodjan and Sanhoukro to increase the number of child labor awareness sessions. These sessions include the following topics:
 - 1. Minimum age of admission to employment.
 - 2. The effects of hazardous work on the children's bodies.
 - 3. The dangers of manipulating chemical products.
 - 4. The importance of birth certificates.



Nestlé will follow up on the child labor cases identified by the FLA to verify that:

- 1) They have been picked up by the CLMRS.
- 2) The remediation activities already in place have helped improve the situation of these children and their families.

Deadline Date:

December 2016. By this date, all the villages of the cooperative will be in the CLMRS database.



Child Labor: Proof of Age Documentation

CL.3 Company will assist the grower in maintaining proof of age documentation for all young workers in the farm and is recommended to maintain proof of age documentation for all workers in the farm, including long term and casual workers.

Noncompliance

Explanation:

At the four visited communities, the monitors observed several children and young workers involved in farms activities at the farms supplying to the cooperative. These children and young workers had no identification documents. Farmers, who most of the times are their parents, do not establish their birth certificates. In addition, they do not implement any other process for determining the age of workers and maintaining proof of age documentation.

There is no effective mechanism to maintain proof of age documentation in the cooperative.

<u>Source:</u> Observation at farms and visited camps, interviews with farmers and workers, document review

Plan Of

Please see GEN.2 (December 2015) and CL.1

Action:

Deadline December 2016



Child Labor: Hazardous Work for Young Workers

CL.7 No person under the age of 18 shall undertake hazardous work, i.e., work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of persons under the age of 18. Young workers between the ages of 15 to 18 years will not be involved in strenuous and hazardous work. Such work includes the application of agro chemicals, pesticides, and fertilizers, use of farm equipment tools and machinery, lifting or moving of heavy materials or goods, or carrying out hazardous tasks such as underground or underwater or at dangerous heights, or any other activity which may cause harm or would affect the well being of the young worker.

Noncompliance

Explanation: In Kongodjan, Bianouan and Kouakoukro, monitors identified a total of four young workers

between the age of 15 and 16 working at the farms of the cooperative's members. These young workers are relatives or contract workers (seasonal or sharecropper) and are involved in all the farms' activities and cocoa harvesting. These activities include handling machetes and sickles, and transporting heavy loads of cocoa pods and beans. They are considered as

hazardous tasks for young workers as per Nestlé and FLA codes.

Source: Observation, interviews with farmers and workers

Plan Of Please see GEN.2 and CL.1

Action: Hazardous tasks for young workers are part of farmers field school program and also CLMRS

awareness raising session.

Deadline 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/Uncorroborated Noncompliance

Explanation:

Nestlé published a toll free number on its illustrated Code of Conduct CoC to enable its suppliers to raise any grievance or complaint directly to them. This Code of Conduct is distributed and/or explained to the majority of farmers. Additionally, the cooperative has developed an internal grievance procedure for its members. However, farmer interviews revealed that farmers have a lack of knowledge and understanding of this procedure and how it works. Furthermore, there is no non-retaliation policy visible in the cooperative.

Workers are not aware of any grievance procedure to settle grievances between workers and farmers and, where this is inappropriate or has failed, to raise their grievances to the cooperative or Nestlé.

Source: Document review, interviews with farmers, workers and IMS staff

Plan Of Action:

In 2012, Nestlé set up a grievance mechanism (toll free number and website operated by an independent third party) that applies to the entire Nestlé Cocoa Plan in Côte d'Ivoire and is open to all stakeholders (farmers, farm workers, community members, and NGOs). The grievance mechanism is fully integrated into the new illustrated Nestlé CoC that is distributed since February 2015 to all farmers and farm workers. The illustrated Nestlé CoC includes a specific non-retaliation clause. Nestlé will ensure that farm workers working in these communities have received a copy of the Nestlé CoC and are aware of this mechanism.

In addition, a specific grievance mechanism is available to farmers at the cooperative level. This was established as part of the certification process of the cooperative. Nestlé will engage with the cooperative to see if and how the cooperative grievance mechanism can be extended to workers.

The cooperative will continue to raise farmers' and farm workers' awareness on all existing grievance procedures through the system of Lead Farmers and farmer field schools.

Deadline Date:



Non-Discrimination: General Compliance

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

Noncompliance

Explanation:

In Kongodjan, a farmer was identified following discriminatory practices by setting his worker's remuneration much below the standard practiced in the region, on the basis of his young age. The agreement offered an annual fee of CFA 75,000 for the young worker, while the standard wage in the region is between CFA 150,000 and 200,000. This worker was not an apprentice but was fully involved in the farm work such as any other worker.

Source: Interviews with farmers and workers

Plan Of Action:

After the IEM, this case was further investigated by the Cooperative Group Administrator (ADG) himself, who discussed the annual fee paid to the farm worker with the farmer. The farmer confirmed that this fee was CFA 100,000.

A direct engagement with the farm worker aiming to confirm this information was not possible at that time as he had already left the plantation (seasonal worker).

Based on Nestlé experience, the annual standard wage depends on the kind of contract that is established between the farmer and the worker, which is negotiated on a case-by-case basis. Sometimes, as part of the contract the farmer would offer some land to the worker to grow his own food crops (e.g. maize).

The cooperative has now developed standard contracts including salary details that will be distributed to the farmers and workers in all the sections.

Deadline 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: A Health & Safety policy is available at the cooperative level. This policy is included in Nestlé's

illustrated Code of Conduct that is distributed to the farmers during farmer field school sessions. However, this document is not available to workers as they are not attending the training sessions and the CoC is not posted in the cooperative's sections and in prominent

places within the communities.

Source: Document review, interviews with farmers, workers and IMS staff

Plan Of Action:

Please see plan of action GEN.2

Deadline

December 2015



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: The cooperative has a Health & Safety policy. However, there is no procedure, mechanism or

designated personnel in place within the cooperative for reporting injury, illness, death or

other Health & Safety issues.

Source: Document review, interviews with farmers, workers and IMS staff

Plan Of The cooperative will communicate to farmers and farm workers the names and details of

Action: people to contact in each section or village in the event of an emergency.

Nestlé with the cooperative will see if it is possible to post in each section a short procedure to report emergency issues, including the name and the phone number of contact person,

and what to do in case of injury, illness and health issues

Deadline

December 2015



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:

Nestlé's Health & Safety policy is communicated to farmers through farmer field school sessions and through brochures that are distributed to them. Workers do not participate in those training sessions and do not receive the brochures. No poster is posted in the visited communities and there are no sections posted, except at the coop headquarter. As a result, workers are not aware of the Nestlé's Health & Safety policy that is in place in the cooperative. There is no system to ensure communication of the main policies to the workers.

Source: Observation, interviews with farmers, workers and IMS staff

Plan Of

Please see plan of action GEN.2

Action:

Deadline December 2015



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:

The monitors recognize the effort of Nestlé and its partners to provide some sections with first aid kits and first aid training to delegates of the sections. However, the section of Kongodjan, which is constituted of a group of camps, is not provided with any first aid kit. There is also no authorized health center in place in the section. The nearest authorized health center that is available to farmers and workers in case of emergency is located 25 km away in Yaou.

Source: Observation, interviews with farmers, workers and IMS staff

Plan Of Action:

- 1- The cooperative will distribute more first aid kits and train Lead Farmers, as they are usually responsible for first aid delivery at the community level. Some section already has a first aid kit; by the end of December 2016, all the sections will not only have a first aid kit, but farmers will be sensitized on Health & Safety.
- 2- The cooperative (ADGs and Lead Farmers) will remind members of this procedure during community awareness-raising and farmer field school sessions.

Deadline 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/Uncorroborated Noncompliance

Explanation:

Nestlé and its partners have set up an initiative to recruit, train and equip pesticide applicators at the cooperative level in order to prevent having farmers or workers unsafely handling pesticides. There are also efforts made to disclose policies and train farmers on good management of pesticides and disposal of empty containers, and awareness on banned chemicals in cocoa production.

However, during the visit in Kongodjan, monitors observed that the dormitory of a young worker was serving as a storage room for empty containers of chemicals. In another camp of the same section, empty containers of chemicals were lying on the ground without any care. In Kouakoukro, monitors observed a farmer who was storing all kinds of chemicals in his bedroom (Butera, Lamda super EC 2.5, etc.). He was also storing his pesticide sprayer and empty containers of chemicals in another room serving as guest room.

Source: Observation; interviews with farmers

Plan Of Action:

- 1- After the FLA IEM, the Lead Farmer and the ADG raised the farmers' awareness on the issue of chemicals or hazardous substance storage in dormitories.
- 2- Storage of pesticides in dormitories is explicitly addressed as part of the illustrated Nestlé CoC, which is distributed to all producers and workers and will be explained to them as part of the farmer field school sessions. The illustrated Nestlé CoC will also be posted in all the sections of the cooperative.
- 3- The proper storage of chemicals is also a critical element of the UTZ CoC. The cooperative will further emphasize this issue during farmer trainings.

Implementation of these actions will be monitored through the supplier and the cooperative.

Deadline 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 acknowledge by the worker.

Noncompliance

Explanation:

The monitors recognize the efforts made by Nestlé and its partners toward to implement a system to maintain proof of payment from the cooperative to the farmers. They also recognize the complexity of maintaining proof of payment between farmers and workers and welcome the alternative solutions tested by some of the farmers who involve witnesses in the payment process to their workers.

However in the visited communities, most of the farmers do not implement any mechanism to maintain payment record or proof of payment for the wages paid to the workers.

Moreover, monitors received grievances related to premium payments. Three producers reported to the monitors that they never received their premium for the last season while proof of payments where shown by the cooperative responsible person. The cooperative responsible person relies on the delegates of each section to make the payment to the farmers. Those delegates bring the proof of payment back to the cooperative. While the issue is uncorroborated, it highlights a risk in the system and a lack of control between what is done between the delegates and the farmers.

Source: Observation, interviews with farmers and workers, document review

Plan Of Action:

Regarding payment records, Nestlé's research shows that 45% of farmers are illiterate and run very small farms with the infrequent use of paid labor; therefore, the lack of records is a widespread issue. However, last year the cooperative committed to raising farmers' awareness on the importance of written payment records. Nestlé will follow up with the cooperative on the progress made in this area. Nestlé will encourage the cooperative to continue awareness raising on the importance to have at least a witness when payment are made to their workers.

Regarding premium payments, Nestlé will engage with the cooperative and the farmers to verify that the premiums have been paid. If it proves that farmers have not received their premiums, this will be fixed immediately and the cooperative will be reminded to respect its engagement and certification requirements. Nestlé will verify if a payment receipt is also available at the producer's level, and will engage with the cooperative to provide a reliable proof of premium payment.

Deadline Date:

March 2016