



#### FLA Member/Affiliate Update

ofi ended its membership as an FLA Participating Company in January 2026. Nestle ended its membership as an FLA Participating Company in April 2025. The company's reports can still be found at Fairlabor.org

[2016]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**Company:** Nestlé/Olam  
**Country:** Turkey  
**Commodity:** Hazelnut  
**Production Process:** Harvest  
**Assessment Location:** Ordu, Kabatas  
**Monitor:** ASYA Control & Certification  
**Assessment Dates:** 08-12 August 2016  
**Number of assessed farms:** 20  
**Total area covered:** 16.9 ha  
**Number of farmers interviewed:** 20  
**Total number of workers:** 199  
**Number of workers interviewed:** 199

**General comment:** For hazelnut sourcing in Turkey, Nestlé works with two strategic suppliers, Olam being one of them. Both Nestlé and Olam are affiliated with the FLA and have respective monitoring and remediation programs. In Turkey, both companies closely collaborate to implement monitoring and remediation activities with Olam having a more direct implementation role at field level.

This assessment was conducted in a portion of Olam's supply chain that is supplying to Nestlé. Both companies consider remediation action as a collective plan in which Nestlé and Olam act together according to their capacities and presence on the ground. Therefore, all the actions described below will be implemented by either Nestlé or Olam with the objective to remedy the identified non-compliances and, ultimately, to improve the situation on the ground over the long-term.

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	In compliance	
	ER.2.1 (PR)	In compliance	
	ER.2.1.1(PR)	In compliance	
Recruitment and Hiring	ER.3.1	Noncompliance	All farms
	ER.3.1.1	Noncompliance	All farms
	ER.3.1.2	Noncompliance	Farm 2 and 12
	ER.4	Noncompliance	Farm 12
	ER.5.1	Noncompliance	Farm 12
	ER.5.2	Noncompliance	Farm 12
	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	Noncompliance	Farm 12
	ER.7.7	In compliance	
ER.7.8	In compliance		
Terms and Conditions	ER.9.1	Noncompliance	All farms
	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	Noncompliance	All farms
ER.13.2 (PR)	In progress	Farm 12	
ER.13.3 (PR)	In compliance		
Administration	ER.15.1	In compliance	
	ER.15.2	In compliance	
	ER.15.2.1	Noncompliance	All farms
	ER.16.1	In compliance	
	ER.16.2	In compliance	
	ER.17.2 (PR)	Not Initiated	All farms
	ER.17.3 (PR)	In compliance	
ER.17.4 (PR)	In compliance		
Worker Involvement	ER.18.1	In compliance	
	ER.18.2 (PR)	In compliance	
Right to Organize and Bargain	ER.19	In compliance	
Work Rules and Discipline	ER.20.1	Noncompliance	All farms
	ER.20.2	Noncompliance	All farms
	ER.20.3 (PR)	Not Initiated	All farms
	ER.20.4	Noncompliance	All farms
	ER.20.6	Noncompliance	All farms
	ER.20.7	Noncompliance	All farms
	ER.20.8	Noncompliance	All farms
	ER.20.9 (PR)	Not Initiated	All farms
	ER.20.11	Noncompliance	All farms

Access to Training for Family Members	ER.21	In compliance	
HSE Management System	ER.24.1.	Noncompliance	All farms
	ER.24.2 (PR)	In compliance	
	ER.24.3	In compliance	
	ER.24.4 (PR)	In compliance	
	ER.24.4.1 (PR)	In compliance	
	ER.24.4.2 (PR)	In compliance	
	ER.24.4.3 (PR)	In compliance	
	ER.24.4.4 (PR)	In compliance	
	ER.24.4.5 (PR)	In compliance	
	ER.24.4.6 (PR)	In compliance	
Grievance Procedures	ER.25.1 (PR)	In compliance	
	ER.25.2 (PR)	In progress	All farms
	ER.25.3	In compliance	
	ER.25.4	In compliance	

### Employment Relationship Assessment Summary

Recruitment and Hiring	
<p><b>Benchmarks:</b></p> <p><b>ER.3.1:</b> 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.</p> <p><b>ER.3.1.1:</b> Employers shall take reasonable measures to ensure such documentation is complete and accurate.</p>	<b>Noncompliance</b> <b>In all farms</b>
<p><b>ER.3.1.2:</b> In those cases where proof of age documentation is not readily available or unreliable, employers shall take all necessary precautions which can reasonably be expected of them to ensure that all workers are at least the minimum legal working age, including requesting and maintaining medical or religious records of workers, or through other means considered reliable in the local context.</p>	<b>In two farms</b>
<p><b>ER.4:</b> Employers shall not use employment agencies/labor contractors that rely on any practice that is linked to: using false information to recruit workers; restricting workers' freedom of movement; requiring workers to pay recruitment and/or employment fees; withholding from workers a copy of their employment contract in their native language that sets forth the general terms and conditions of engagement and employment; retaining possession or control of workers identification and other documents like passports, identity papers, work permits, and other personal legal documents; punishing workers for terminating employment.</p> <p><b>ER.5.1:</b> No worker hired by an employment agency or a labor contractor shall be compensated below the legal minimum wage. The same rights as provided for directly hired contract workers apply for workers hired via an employment agency or labor intermediary.</p> <p><b>ER.5.2:</b> Fees associated with the employment of workers shall be the sole responsibility of employers. No worker hired via an employment agency or a labor contractor shall pay a fee or get a reduction by applying a fee over his salary.</p> <p><b>ER.7:</b> Employers may hire temporary, casual, daily, seasonal or migrant workers only when:</p> <p><b>ER.7.6:</b> contract, temporary, casual, daily, seasonal or migrant workers receive at least the minimum wage or the prevailing industry wage whichever is higher, and all legally mandated benefits such as social security, other forms of insurance, annual leave and holiday pay;</p>	<b>In one farm</b>
<p><b>Findings/Noncompliance Explanation:</b></p> <p>Olam provided trainings to farmers on how to implement an age verification system. To increase documentation at the farm level, Olam also distributed Farmers' Handbooks in which farmers can record workers' name, age, and other relevant information. However, documentation practices are still low amongst hazelnut farmers. Assessed farmers were not verifying proof of age documentation for young workers in the farm during their employment and work. Within the 20 assessed farms in the audit, there were young workers (including family workers) in 7 farms. There were no records regarding these young workers age, working hours, or family consent. Farmers did not take necessary precautions to ensure all workers are at least the minimum legal working age.</p> <p>Farmers use labor contractors for finding workers. In practice, labor contractors deduce a commission (10 %) from worker wages as a recruitment fee. Because of this</p>	

	<p>deduction, workers receive less than the minimum wage. The commission of the labor contractor must be paid separately by the farmer; it should not be deducted from the workers' earning.</p> <p><u>Source:</u> Interviews with workers, labor contractors and farmers. Documentation review. Visual inspections.</p>
<p><b>Company Action Plan:</b></p>	<p>Olam will continue providing farmers' trainings for increasing awareness on labor conditions. The social component of the trainings also covers under which circumstances young workers could be employed. In the 2017 season, farmers' training session content will be revised and the young workers' employment requirements explained in more details.</p> <p>Olam is a partner of the USDOL project, which aims to eliminate forced and child labor in the hazelnut supply chain. With the cooperation of a local NGO, labor contractors will be trained in Şanlıurfa on workplace conditions, which will also cover young workers' employment conditions. Labor contractors will also be provided with necessary tools to keep records for age verification.</p> <p>Increasing the documentation level amongst farmers is a challenging process. Olam will do a pilot study with 100 farmers and register farmers' information (including labor profile) in a traceability system. During this study, Olam will also assess the time and human resources needed for registering farmers' information. Nestlé will kick off the Responsible Recruitment program with its suppliers in cooperation with the Ministry of Labor of Turkey. This program will enable labor contractors and workers to get registered with the accredited employment agencies. With that program, Nestlé/Olam aim to avoid illicit work, and it will be a 1<sup>st</sup> step to avoid 10% commissions and have a record system. This program's framework is on the preparation procedure with the MoL, companies, and the FLA team.</p> <p>Olam is providing training to farmers, which also covers the requirement to make a separate payment for labor contractors. This season, Olam will increase the number of trainings with farmers and workers (20 Villages) and will try to increase awareness on illegal deduction of wages. Commission deduction is a widespread problem in labor contracting practice. The Private Employment Agencies (established recently by the State) aim to formalize the agricultural labor sector. In this context, as a pilot study, Olam will facilitate the application to PEA for 10 farmers for finding harvest workers. If the practice will successfully function, Olam will promote the usage of PEAs in upcoming harvest seasons.</p> <p>Additionally, Nestlé will prepare a Responsible Sourcing Best Practice Handbook, specific to Hazelnuts in Turkey, on the national laws and good labor standards in orchards. After it's finished, it will be shared with all parties.</p>
<p><b>Deadline Date:</b></p>	<p>30.09.2017</p>
<p><b>Terms and Conditions</b></p>	
<p><b>Benchmarks:</b></p> <p><i>ER.9.1: Workers should be made aware of the employment terms under which they are engaged.</i></p> <p><i>ER.13.1: Farmer, sharecropper or any kind of supervisor who is leading workers shall have knowledge of the local labor laws and the FLA Code.</i></p>	
<p><b>Noncompliance in all farms</b></p>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Both workers and supervisors have limited knowledge of rights of workers and workplace standards. Workers are not made aware of the employment terms, which are determined via verbal contracts mainly between labor contractors and farmers. For instance, the workers know they would be paid above the minimum wage</p>

	<p>announced by the local commission, but the exact wage would be set when the big orchard owners would make the first payment. In addition, verbal contract terms do not cover various necessary subjects, such as penalties, termination conditions, and provision of national law. Olam organizes mobile trainings during the harvest season for workers on workplace standards and workers' rights, but these trainings have not reached all workers yet.</p> <p>The efficiency of farmers' training is still limited. Not all farmers and labor contractors have knowledge of the local labor laws, the FLA Code, and labor rights.</p> <p><u>Source:</u> Interviews with farmers and labor contractors</p>
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<p><b>Company Action Plan:</b></p>	<p>Training content will be revised to cover all issues in terms of labor conditions. Illustrative examples and activities will be added to facilitate adult learning. To reach more workers, the number of trainings will be increased. In this context, Olam will cooperate with 2 local NGOs to expand the scope of the trainings. According to training plan, in 2017, at least 20 villages will be covered through trainings in both regions.</p> <p>During the internal monitoring, if farmers are found in noncompliance with labor standards, they will be provided a warning. If they are under the premium or any certification scheme, they will be excluded.</p>
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<p><b>Deadline Date:</b></p>	<p>30.09.2017</p>
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**Wage Advances**

<p><b>Benchmarks:</b> <i>ER.15.2.1: Advances must be properly documented and their receipt and accuracy must be confirmed by the recipient worker, in writing whenever possible (e.g. signature, thumbprint).</i></p>	<p><b>Noncompliance in all farms</b></p>
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<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Depending on their needs, workers could receive advance payments from labor contractors if they request it. Most labor contractors are either relatives or acquaintances of the workers (such as resident of the same village), hence payment proceeds upon trust and verbal agreement. They do not document or confirm advance payments in writing, which creates a risk of unreasonable deductions from their salaries.</p> <p><u>Source:</u> Interviews with workers, labor contractors. Documentation Review</p>
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<p><b>Company Action Plan:</b></p>	<p>Before the harvest season, Olam will contact local commission members and provide a written proposal for labor conditions. The non-compliant issues, due to the gap between local decisions and FLA Code, will be discussed. Within the framework of the USDOL project, number of workers training will be increased and will take place in the towns of origin of the migrant workers.</p> <p>Workers contract frames will be provided to labor contractors and farmers who are under the pilot study for the traceability system. With a written contract system, workers will have written record of their debts and salaries, which will allow them to follow up and avoid all types of unreasonable interest rates.</p>
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<p><b>Deadline Date:</b></p>	<p>30.09.2017</p>
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**Work Rules and Discipline**

<p><b>Benchmarks:</b> <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)</i></p>	<p><b>Noncompliance in all farms</b></p>
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to suspension and finally to termination).

**ER.20.2:** Any person supervising workers shall be aware of the disciplinary rules and practices.

**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.

**ER.20.6:** Disciplinary rules and practices shall be clearly communicated to all workers.

**ER.20.7:** Workers must be informed when a disciplinary procedure has been initiated against them.

**ER.20.8:** Workers have the right to participate and be heard in any disciplinary procedure against them.

**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

**Findings/Noncompliance Explanation:**

There are no disciplinary rules or system in the farms. Therefore, none of the supervisors or workers are trained on the disciplinary process. Since there are no systems in place, it is not possible to assess whether farmers are applying fair and non-discriminatory rules for disciplinary practices.

Source: Interview with farmers and Olam staff and documentation review

**Company Action Plan:**

A discipline procedure that determines the business relations between the employee and the employer will be prepared and distributed to farmers in a total of 20 villages. This procedure will be updated in March, with the USDOL project team.

**Deadline Date:**

30.09.2017

**HSE Management System**

**Benchmarks:**

**ER.24.1:** Health, safety and environmental rules shall be communicated to all workers in the local language or language spoken by workers if different from the local language.

**Noncompliance in all farms**

**Findings/Noncompliance Explanation:**

Olam organizes mobile trainings for workers on labor rights and workplace standards. The training content also covers health and safety issues (such as heavy lifting, transport safety, usage of PPE), yet the scope of trainings has not reached all workers. While most workers had basic knowledge about general safety issues, most workers were not aware of health and safety requirements on agriculture that could have been better communicated through trainings.

Source: Interviews with workers and Olam staff. Documentation review.

**Company Action Plan:**

The number of workers training will be increased, and the training content on the health and safety section will be revised according to the risk assessment study conducted within the framework of the USDOL project. 20 villages will be covered with the training program.

Within the scope of the USDOL project, 4 social workers will be employed and provide labor practices trainings.

**Deadline Date:**

30.09.2017

**Nondiscrimination**

**Compliance Status**

Section	Benchmark	Compliance status	Farms
General Compliance	ND. 1	In compliance	
Recruitment and Employment Practices	ND.2.1	Noncompliance	Farm 12
	ND.2.3	In compliance	

Compensation Discrimination	ND. 3	Noncompliance	Farm 12
Discrimination in Training and Communication	ND. 4	In compliance	
Marital or Pregnancy-Related Discrimination	ND.5.1	In compliance	
	ND.5.2	In compliance	
	ND.5.3	In compliance	
	ND.6.1	In compliance	
	ND.6.1.1	In compliance	
Health-Related Discrimination	ND. 7	In compliance	
	ND.8	In compliance	
	ND. 9	In compliance	
Respect of Culture and Religion	ND.11	In compliance	

### Nondiscrimination Assessment Summary

Recruitment and Employment Practices	
<p><b>Benchmarks:</b></p> <p><b>ND.2.1:</b> Recruitment and employment practices shall be free from any type of discrimination.</p>	
<b>Noncompliance in one farm</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>When the yield is low, the farmers prefer to do the picking through family members, relatives or friends, but due to the lack of labor force in the region, when the yield is high, the number of local workers are insufficient to meet the demand. During the interviews, farmers stated they prefer local workers and consider migrant workers as the last option by indicating that migrant workers are less efficient in picking hazelnuts. Considering that migrant workers have been collecting hazelnut for years in the region and it is impossible to generalize work performance based on workers' origin, monitors conclude workers' selection is being done based on subjective criteria by farmers, which could easily lead to discrimination.</p> <p><u>Source:</u> Interviews with workers and farmers</p>
<p><b>Company Action Plan:</b></p>	<p>Farmers will be trained on the non-discrimination criteria during the training on labor conditions. 10 villages will be covered with these trainings.</p> <p>Local commission will be contacted and informed about non-discrimination on selection of workers. They would be recommended to add a decision on the equality principle in the selection of workers.</p>
<p><b>Deadline Date:</b></p>	<p>30.09.2017</p>
Compensation Discrimination	
<p><b>Benchmarks:</b></p> <p><b>ND.3:</b> There shall be no differences in compensation for workers performing equal work or work of equal value on the basis of gender, race, religion, age, disability, sexual orientation, nationality, political opinion, social group, ethnic origin, employment status (e.g. local workers vs. migrant workers), or membership in unions or other workers' representative bodies.</p>	
<b>Noncompliance in one farm</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Monitors have visited 20 farms, and only one farm employed migrant workers. According to the interviews, workers state that local workers receive minimum 70 TL, while migrant workers are paid 55 TL for the same tasks. The wage difference could not be explained via performance or based on task difference. The benchmark for equal payment for equal work is not in compliance.</p> <p><u>Source:</u> Interviews with workers, labor contractors, farmers, Company Staff and CSOs</p>

<b>Company Action Plan:</b>	The wage inequality will be communicated to the local commission. However, it is considerably hard to prove, since there are no objective or performance criteria on hazelnut harvest, and the amount collected by each worker depends on variables such as location of the orchard and type of harvest. We will include a section on compensation discrimination in the training modules given to the workers. Since compensation discrimination is more widespread in the Kabataş region, farmers will be informed in a separate session on the non-compliances within the framework of the FLA program, and wage inequality in this context will be highlighted. Through these sessions, Olam aims to reach approximately 1000 farmers/workers and 10 villages. The equal pay for equal work principle will be included in the training content given to the labor contractors for them to advocate for the migrant workers' compensation rights.
<b>Deadline Date:</b>	30.09.2017

## Forced Labor

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	F.1	In compliance	
Freedom in Employment and Movement	F.2	In compliance	
	F.3	In compliance	
	F.4.1	In compliance	
	F.4.2	In compliance	
	F.5.1	In compliance	
	F.5.2	In compliance	
	F.5.3	In compliance	
	F.7.1	In compliance	
	F.7.2	In compliance	
	F.7.3	In compliance	
	F.7.4	In compliance	
	F.7.5	In compliance	
	F.7.6	In compliance	
	F.7.7	In compliance	
F.8	In compliance		
Work of Family Members	F.6.1	In compliance	
	F.6.2	In compliance	
	F.6.3	Non Compliance	All Farms
	F.6.4	In compliance	
Personal Workers Identification and Other Documents	F.9	In compliance	
	F.10	In compliance	

### Forced Labor Assessment Summary

Work of Family Members	
<b>Benchmarks:</b> <i>F.6.3: If more than one member from the same family/household is hired by the employer/producer on the same farm, each one should have separate contract with no linkage to other members.</i>	<b>Noncompliance in all farms</b>
<b>Findings/Noncompliance Explanation:</b>	Farmers pay the total amount of workers' fee to labor contractors, and labor contractors make the payment to workers. If labor contractors are working with a workers group, who are members of the same family, the total amount of the

	<p>payment is made to the head of the family. There are no separate payment records/arrangements for workers who are from one family.</p> <p><u>Source:</u> Interviews with workers and farmers</p>
<b>Company Action Plan:</b>	<p>As a pilot study in the Kabataş region, farmers will be informed in a separate session on the non-compliances within the framework of FLA program and wage payment requirements (each worker needs to be paid separately). Through these sessions, Olam aims to reach approximately 1000 farmers/workers and 10 villages.</p> <p>A training audio record containing labor rights and agricultural health and safety requirements will be created and distributed to minibuses used for worker transfer. Workers will listen these requirements during their travels to orchards. (In Kabataş and Karasu Regions) (Targeted domain 500 workers).</p> <p>Olam will develop tailor-made follow-up cards for payroll records and will provide detailed information on how the cards should be used and what they should be used for during training. (Target 1000 workers)</p> <p>Olam will also add a section on keeping wage records in farmer training. (Target 1000 producers)</p>
<b>Deadline Date:</b>	30.09.2017

## Child Labor

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	CL.1	Noncompliance	Farm 2, 6, 12 and 18
Minimum Age	CL.2	Noncompliance	Farm 2 and 12
Immediate family members	CL.3	Noncompliance	Farm 6 and 18
Right to education	CL.4.1 (PR)	In compliance	
Young Workers	CL.5	Noncompliance	Farm 2,9,10,12 and 16
	CL.6.1	Noncompliance	Farm 2,9,10,12 and 16
	CL.6.2	Noncompliance	Farm 2,9,10,12 and 16
	CL.7	Noncompliance	All farms
Apprenticeships and Vocational Training	CL.8.1 (PR)	In compliance	
	CL.8.2 (PR)	In compliance	
Children on Premises	CL.9	In compliance	
Removal and Rehabilitation of Child Laborers	CL.10.1	In compliance	
	CL.10.2 (PR)	In compliance	

### Child Labor Assessment Summary

#### General Compliance/ Minimum Age

**Benchmarks:**

**CL.1:** Employers shall comply with all national laws, ratified international conventions, fundamental labor rights, regulations and procedures concerning the prohibition of child labor.

**CL.2:** Employers shall comply with ILO Convention 138 and shall not employ anyone under the age of 15 or under the age for completion of compulsory education, whichever is higher. If a country has a specified minimum age of 14 years due to insufficiently developed economy and educational facilities, employers might follow national legislations but must work to progressively raise the minimum age to 15 years.

**CL.3:** In accordance with national laws and ILO Convention 138, children of producers not younger than 12 years may be involved in light work on their parents' farm provided that:

- The work is not dangerous and not harmful to their health or development;
- The work does not prejudice their attendance at school and is done within reasonable time limits after school

**Noncompliance  
In four farms**

<p>or during holidays</p> <ul style="list-style-type: none"> <li>The work is appropriate to the child's age and physical condition and does not jeopardize the child's social, moral or physical development;</li> <li>The child's parents provide supervision and guidance.</li> </ul>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Monitors assessed 20 farms in the IEM visit, and in 4 farms, farmers employed children. There were a total of 8 child laborers: 5 were family members, 2 were local seasonal workers, and 1 was a migrant seasonal worker from South-eastern Turkey and came with his family. Based on interviews and visual inspection, all the children were under 15 years old and performed the tasks of the adult workers.</p> <p>Even though the children of the farmers who are above 12 years old are legally allowed to accompany their parents and perform light tasks in the farms, monitors reported these children also work 9.5 hours a day, which constitutes non-compliance.</p> <p><u>Source:</u> Interviews with workers and visual inspections</p>
<p><b>Company Action Plan:</b></p>	<p>Within the framework of the USDOL project, labor contractors will be trained in Şanlıurfa and will be informed on the measures to avoid child labor. Workers' and farmers' training sessions will be increased, and their scope will be expanded. In the 2017 season, 10 villages will be covered with trainings. During the internal and external monitoring visits, if the use of child labor is detected, farmers will be excluded from the certification/premium programs. The child removal procedure will be revised. Local authorities will be contracted for a collective action in case of child labor detection.</p> <p>During the farmers' trainings, the "light work" concept and child work conditions for family members will be highlighted.</p> <p>Olam will continue summer school projects during this harvest. Esmahanım school project will go on in collaboration with ILO and public education centers. Within the scope of the USDOL project, two other summer schools, particularly for the children of the migrant workers, will be run in collaboration with Young Life Foundation.</p>
<p><b>Deadline Date:</b></p>	<p>31.10.2017</p>
<p><b>Young Workers</b></p>	
<p><b>Benchmarks:</b></p> <p><i>C.5: Employers shall abide by all relevant rules and procedures where the law requires government permits or permission from parents as a condition of employment of young workers.</i></p> <p><i>CL.6.1: Employers shall comply with all relevant laws that apply to young workers, (e.g., those between the minimum legal working age and the age of 18) including regulations related to hiring, working conditions, types of work, hours of work, proof of age documentation, and overtime.</i></p> <p><i>CL.6.2: Employers shall maintain a list of all young workers, their entry dates, proof of age and description of their assignment.</i></p>	<p><b>Noncompliance in five farms</b></p>
<p><i>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. Such work includes, but is not limited to, the application of agricultural 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. Every activity performed by a young worker must be supervised by an adult.</i></p>	<p><b>in all farms</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Assessed farmers were not doing age verification and requesting proof of age documentation and consent letters for all young workers in the farm at the time of their employment and work. Farmers and/or labor contractors obtain verbal consent from parents of the young workers working in the farms. On 8 farms out of 20, there were 18 young workers (4 were family members, 12 were local workers, and 2 were seasonal migrant workers) There were no records regarding these young workers. They were working the same working hours and under the same circumstances as adult workers. The lack of documentation creates a risk. Young workers may have</p>

	dealt with hazardous work (for example, carrying heavy jute bags), despite the fact that monitors did not detect any during the assessments.  <u>Source:</u> Interviews with workers, labor contractors and farmers.
<b>Company Action Plan:</b>	“Young Worker Registration Form” and “Young Worker Family Permit Form” will be created and distributed to the producers in 10 villages in the Kabataş Region. The forms will be followed up by social workers during internal monitoring visits. The light work that young workers can work will be included in training content for farmers and workers. Olam will warn parents and producers about the damage that could be caused by risks to the families and workers. (approx. 1000 farmers/workers-total)
<b>Deadline Date:</b>	31.10.2017

## Hours of Work

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HOW.1.1	Noncompliance	All farms
	HOW.1.2	In compliance	
	HOW.1.3	Noncompliance	All farms
	HOW.1.4	In compliance	
Rest Day	HOW.2	In compliance	
Meal and Rest Breaks	HOW.3	In compliance	
Protected Workers	HOW.4.1	Noncompliance	Farms 2,9,10,12,16
	HOW.4.2 (PR)	In progress	All farms
	HOW.4.3	Noncompliance	Farms 2,9,10,12,16
Overtime	HOW.5.1	Noncompliance	All farms
	HOW.5.2	Noncompliance	All farms
	HOW.6.1	Noncompliance	All farms
	HOW.6.2	Noncompliance	All farms
	HOW.6.3 (PR)	In progress	All farms
	HOW.7	Noncompliance	Farm 1,2,3,4,5,6,7,10,11 and 14
Public Holidays and Leave	HOW.8.1	In compliance	
	HOW.8.2	In compliance	
	HOW.9	In compliance	
	HOW.10.1	In compliance	
	HOW.11 (PR)	In compliance	
	HOW.12.1 (PR)	In compliance	
	HOW.12.2 (PR)	In compliance	
	HOW.13	In compliance	
	HOW.14	In compliance	
	HOW.15 (PR)	In compliance	
HOW.16 (PR)	In compliance		

### Hours of Work Assessment Summary

<b>Protected Workers</b>	
<b>Benchmarks:</b> <i>HOW.4.1: The workplace shall comply with all applicable laws governing work hours regulating or limiting the nature, frequency and volume of work performed by pregnant or nursing women or young workers.</i>	<b>Noncompliance in five farms</b>



<b>Findings/Noncompliance Explanation:</b>	<p>According to local labor law, the weekly working hours limit is 45h for regular work and 60 hours with overtime. However, for agricultural work, local commission set the daily working hours limit, which goes beyond the legal limit. The commission decision states that workers could work up to 9,5 hours a day.</p> <p>In line with the commission decision, workers start work at 7 am and finish at 6 pm, with a total break of 1,5 hours. A consecutive work week equals 66,5 hours, which is above the regular working hours limit set by the local code and FLA benchmarks. Moreover, during interviews, workers indicate they found the working hours very long and exhausting, even though they accept these working terms at the beginning of the season because of the general practice and commission decision.</p> <p>Under these circumstances, workers work more than weekly working time limits, including overtime. Due to the fact that the excessive working hours are not regulated by commission decision and general practice, workers accept these terms. Moreover, the commission does not recognize overtime, and workers are not paid for it.</p> <p><u>Source:</u> Interviews with labor contractors, workers and farmers and Olam</p>
<b>Company Action Plan:</b>	A written reference document on the harms of long working hours to the human body will be prepared and shared with local commissions. Officials will be contacted about the need for a new regulation on working hours for agricultural workers.
<b>Deadline Date:</b>	30.09.2017

## 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 (PR)	In progress	All farms
Minimum Wage/Fair Compensation	C.2.1	Noncompliance	Farm 12
	C.2.2	In compliance	
	C.2.3	In compliance	
	C.2.4 (PR)	Not to be answered by monitors. The FLA is working on analysis the situation based on real wage data collected during IEMs.	
	C.2.5 (PR)	In compliance	
	C.2.6 (PR)	In compliance	
	C.3	In compliance	
Farmer/Producer Income	C.4 (PR)	In compliance	
Wage Payment and Calculation	C.6	In compliance	
	C.7.1	In compliance	
	C.7.2	In compliance	
	C.7.3 (PR)	Not Initiated	All farms
	C.7.4 (PR)	Not Initiated	All farms
	C.7.5	In compliance	
	C.8.1	In compliance	
	C.8.2	In compliance	
	C.8.3	In compliance	
	C.8.4 (PR)	In compliance	
	C.9 (PR)	In compliance	
	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	Noncompliance	All farms
	C.11.1.2	In compliance	
	C.11.1.3	In compliance	
	C.11.1.4	In compliance	
	C.11.1.5	In compliance	
	C.13 (PR)	In compliance	
Fringe Benefits	C.12.1	In compliance	
	C.12.2 (PR)	In compliance	
	C.12.3	Risk of noncompliance	Farm 12
	C.12.4	Risk of noncompliance	Farm 12
	C.12.5	Risk of noncompliance	Farm 12

### Compensation Assessment Summary

Minimum Wage/Fair Compensation	
<p><b>Benchmarks:</b></p> <p><b>C.2.1:</b> Employers shall pay workers at least the legal minimum wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher, for regular working hours (not including overtime). Hourly or daily compensation shall be calculated based on the basis of the legal minimal wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher. Workers should also be informed by the employer about the legal minimum wage applicable to them.</p>	<b>Noncompliance in one farm</b>
<p><b>Findings/Noncompliance Explanation:</b></p> <p>The commission announced the daily minimum wage as TRY 55, and farmers pay labor contractors TRY 55 for each worker’s workday. Despite the fact that labor contractors need to receive their payment separately, they cut their commission, based on TRY 55; consequently, workers receive TRY 50, which is less than the minimum wage.</p> <p><u>Source:</u> Interviews with workers, labor contractors and farmers.</p>	
<p><b>Company Action Plan:</b></p> <p>Within the framework of the USDOL project, labor contractors will be trained on labor conditions, including the requirements for compensation. Farmers will also be informed through trainings about the illegal wage cut. The Commission will also be contacted for this issue and will be asked to provide more guidance to workers.</p>	
<p><b>Deadline Date:</b></p> <p>30.09.2017</p>	
Workers Awareness	
<p><b>Benchmarks:</b></p> <p><b>C.11.1:</b> Employers shall make every reasonable effort to ensure workers understand their compensation, including: <b>C.11.1.1:</b> the calculation of wages,</p>	<b>Noncompliance in all farms</b>
<p><b>Findings/Noncompliance Explanation:</b></p> <p>There is a voluntary social security system for the workers who work in temporary agricultural jobs. This is not compulsory for the workers, and it is not the responsibility of the farmer. However, the workers are not aware they can register themselves to social security and pay their own premiums. The workers are not provided training or explanation about this.</p> <p><u>Source:</u> Interviews with workers, labor contractors and farmers.</p>	
<p><b>Company Action Plan:</b></p> <p>Local Commission officials are members of the wage-setting commission established in Ordu. They will be consulted prior to the commission meeting and recommended to adopt a decision on the voluntary social security premium. The announcement of the Commission decisions will be published in writing and visual materials in Kabataş and İkiçe. 4 social workers to be hired under the USDOL project will be trained on the</p>	

	<p>voluntary social security system and will provide training to workers.</p> <p>With the Responsible Recruitment Program, the workers will be registered in the social security system.</p>
<b>Deadline Date:</b>	30.09.2017
<b>Fringe Benefits</b>	
<p><b>Benchmarks:</b></p> <p><i>C.12.3: Employers must provide goods and services at fair and reasonable prices, comparable to local market prices.</i></p> <p><i>C.12.4: Deductions for services to workers shall not exceed the cost of the service to employers.</i></p> <p><i>C.12.5: Employers must be able to demonstrate the accuracy or reasonableness of these charges.</i></p>	
	<p><b>Risk of non compliance in one farm</b></p>
<b>Findings/Noncompliance Explanation:</b>	<p>Monitors have assessed 20 farms, and only one employed migrant seasonal workers. While local workers were expected to receive TRY 70, the migrant workers were expected to receive TRY 55 for the same work. Based on farmers interviews, the difference in wages is explained with accommodation provided to migrant workers by farmers. However, this explanation is not based on objective criteria, since no estimate of accommodation costs has been performed, and the wage difference seems unjustified.</p> <p><u>Source:</u> Interview with workers, labor contractors and farmers.</p>
<b>Company Action Plan:</b>	<p>Olam will try to influence the elimination of the wage inequality between local and seasonal workers by discussing with local commission members. Olam will conduct consultation meetings with officials in the Kabataş Region in Ordu and Karasu Region in Sakarya.</p> <p>As a pilot study in the Kabatas region, farmers will be informed in a separate session on the non-compliances within the framework of FLA program, and wage inequality in this context will be highlighted. Through these sessions, Olam aims to reach approximately 1000 farmers/workers and 8 villages.</p>
<b>Deadline Date:</b>	30.09.2017

### Overview - Farms vs. Non-Compliances

Total number of Farms: 20

	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>	100%	5%	0%	100%	100%	0%	100%	100%	100%	
Farm 1	13	0	0	1	1	0	0	7	1	23
Farm 2	14	0	0	1	6	0	0	9	1	31
Farm 3	13	0	0	1	1	0	0	7	1	23
Farm 4	13	0	0	1	1	0	0	7	1	23
Farm 5	13	0	0	1	1	0	0	7	1	23
Farm 6	13	0	0	1	3	0	0	7	1	25
Farm 7	13	0	0	1	1	0	0	7	1	23
Farm 8	13	0	0	1	1	0	0	7	1	23
Farm 9	13	0	0	1	4	0	0	9	1	28
Farm 10	13	0	0	1	4	0	0	9	1	28
Farm 11	13	0	0	1	1	0	0	7	1	23
Farm 12	18	2	0	1	6	0	0	9	5	41
Farm 13	13	0	0	1	1	0	0	7	1	23
Farm 14	13	0	0	1	1	0	0	7	1	23
Farm 15	13	0	0	1	1	0	0	7	1	23
Farm 16	13	0	0	1	4	0	0	9	1	28
Farm 17	13	0	0	1	1	0	0	7	1	23
Farm 18	13	0	0	1	3	0	0	7	1	25
Farm 19	13	0	0	1	1	0	0	7	1	23
Farm 20	13	0	0	1	1	0	0	7	1	23
	266	2	0	20	43	0	0	150	24	505