



2013

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé

**COUNTRY:** Ivory Coast

**PROVINCE:** Sud Comoe

**COMMUNITY:** Ahoulou

**MONITOR:** FLA and Jean-Baptiste Appia

**AUDIT DATE:** December 11 – 15, 2013

**PRODUCTS:** Cocoa

**NUMBER OF GROWERS/WORKERS:** 20/15

**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/15

**NUMBER OF FARMS VISITED:** 20

**TOTAL AREA COVERED IN AUDIT:** 175 HA

**PROCESSES:** Harvesting, Pod Opening, Cocoa Bean Drying, Farm Clearing

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC and the COC most used by growers, as compared to the other codes. Therefore, there is a risk that farms are not implementing the UTZ and FLA COCs.

Sources: worker interviews, document review, visual observation

**Plan Of Action:**

1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation to the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in implementation. These will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module which will cover supplier COC, grievance channel, non-retaliation policy, and a simplified formula for policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions at each section where lead farmers introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
4. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015
5. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers, during farmer field schools, either through section heads or community liaison individuals, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 2 Ensure that all Company growers as well as supply chain partners 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:** IMS (Internal Monitoring System) staff has made efforts to inform and raise awareness amongst growers regarding Nestlé’s COC through farmer field schools and the International Cocoa Initiative (ICI)-implemented Child Labor Monitoring and Remediation Program. However, family members and sharecroppers who are workers in the visited area do not have sufficient knowledge on Nestlé’s COC. No training has been conducted for them and they do not attend the trainings organized for growers.

Sources: grower and worker interviews; observation

**Plan Of Action:** See the Plan of Action for GEN 1, #3, #4, and #5.

The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted that some workers only come a day at a time; therefore, the list cannot have 100% coverage.

**Deadline Date** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Code Awareness:

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

#### Noncompliance

**Explanation:** The cooperative has implemented a communication channel, which allows growers and workers to use suggestion boxes to confidentially lodge a complaint or report on noncompliances. Nestlé has also published a toll-free number in Nestlé's illustrated COC to enable growers and workers to contact the company directly. However, the COC is only either distributed to growers or displayed at the cooperative. Therefore, the COC is not available on farms or in camps, where most workers are present. Additionally, it was reported by growers that the toll-free number does not work where they live. Finally, a non-retaliation policy has neither been developed nor communicated to growers and workers, in case they wish to report noncompliances.

Sources: interviews, record review, observation

#### Plan Of Action:

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:
  - a) UTZ requires the cooperative to a make a complaint register, which is managed by 1 dedicated person;
  - b) This register is available to all cooperative members and anyone involved in the community;
  - c) All complaints are to be related to code application (discrimination, nonpayment of premium, etc.);
  - d) This system has to be known by all members.

#### Application at St Joseph:

- a) The person responsible within St Joseph at the section level is the section head who has been trained by the ADG (group administrator);
  - b) The section delegate receives all complaints coming from members;
  - c) The section delegate is the person to solve issues at their level; however, if the problem is not solved, the section head is to raise it with the ADG. If at this stage there is still no solution, the manager is to become involved. If the issue is still pending, the cooperative board will meet to discuss it.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained in August on this topic. Noncompliances can be reported through the cooperative's complaint procedure and our hotline. Deadline: November 2014
  5. The person responsible in the cooperative for the certification (ADG) will make a round of the farmer field schools to remind farmers of this mechanism.



**Deadline**      [January 2015](#)  
**Date**

**Action**  
**Taken:**

**Plan**  
**Complete:**

**Plan**  
**Complete**  
**Date:**

**Forced Labor: Individual Contracts (Verbal / Written)**

F.12 Where more than one person belonging to a worker household is employed; each member of the household employed by the farm will have individual terms of employment and will not be linked to the employment of the other family member. Where a particular activity is assigned to a group of workers and the remuneration is pre-determined for the activity, the workers in the group will have the freedom to be part of the group or leave the group.

**Uncorroborated Evidence of Noncompliance**

**Explanation:** During the visit, no clear evidence of forced labor was found. However, growers engage family members, along with sharecroppers and their families, in farm work and none of them have a contract (written or verbal) with growers. In some instances, as there are no preliminary agreements between them and wages are not determined at the beginning of season, workers do not know how much they will receive until the end of the harvest; therefore, some feel mentally coerced to keep working on the farms to receive the final payment.

Sources: interviews, observations

**Plan Of Action:**

1. During farmer field schools, there is an awareness session on labor contracts. St Joseph will improve this session regarding issues such as why it is important to have a written (or as a default, a verbal) contract with workers. A template of a simple written contract will be available at the section warehouse (including at least the names of the producers and workers; type of task; agreed remuneration, etc.).
2. ADGs will be trained in August by Nestlé and Tier 1 supplier on how to organize this session. (See the Plan of Action for GEN 1, #2.)

**Deadline Date** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: Education of Young Workers

CL.8 The grower shall ensure that when young workers are employed, their education is not jeopardized.

#### Uncorroborated Evidence of Noncompliance

**Explanation:** During farm visits, no children were found working on the farms. However, during the visit to the camps, many children and young workers from sharecroppers' households were found in the camps that do not attend school. Those who attend school walk about 15 km to reach the nearest school, which is located in Bissié kro. This school is a private initiative and still does not have the formal status as a school.

Sources: interviews, observation

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Health and Safety: General Compliance**

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

**Noncompliance**

**Explanation:** There is a lack of health care infrastructure in the visited area and first aid kits are not available in either the camp or farms in case of emergency. One of the underlying causes is a lack of government infrastructure. The nearest health center is located at Aboisso Comoé about 40 km away from Ahoulou Chantier. Furthermore, no clean drinking water is available in the camps. Growers and workers source water from the river and drink it without any preliminary treatment. The cooperative is in the process of installing a hand pump in the central camp (Vatican City) to provide potable water; however, the pump is not functional yet.

Sources: interviews, observations

**Plan Of Action:** Drinking water: This is a widespread problem in rural areas in Ivory Coast. A Nestlé survey found that around 37% of individuals do not have access to clean drinking water. The St Joseph Cooperative has negotiated 3 water pumps with ONEP (National Office of Potable Water); however, the installation of AKIM BTP pumps at Ahoulou Chantier, Kredikro, and Owehou Koffi is not yet finalized. The cooperative is following up and hopes for these achievements as soon as possible (the 3 drillings are done and the cooperatives are expecting the pumps soon).

First aid kits: 11 first aid kits are being distributed to all sections; section heads are to be trained and placed in charge of the kits.

For procedure and training see the Plan of Action for H&S.4, #1 and #2.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No H&S management system is available for growers and workers.

Sources: grower and worker interviews; record review

**Plan Of Action:** 1. There is a procedure in place to comply with UTZ certification requirements on safety. At St Joseph, in case of accident or serious illness, there are responsible individuals at the section and cooperative levels (13 people in total), who are contacted by phone or any other means. After receiving first aid, a vehicle or motorbike will be taken for evacuation to the closest health center. Concern for their members' H&S triggered the cooperative to build a health center in the N'zérékou section, in order for aid to be closer to growers (the responsible staff members will be trained before June 2014). 11 first aid kits are being distributed to all sections. For all the cooperative staff, treatment is reimbursed in full. In cases where those in need are members, the cooperative pays for the treatment and the amount is deducted from their future bean deliveries.

2. The cooperative (section delegate) will remind members of these procedures during sensitization sessions and farmer field school sessions.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No first aid kit is available for the camps and the nearest health care center is 40 km away. Workers reported that while they regularly have injuries, they are not able to have suitable treatment.

Sources: interviews, observations

**Plan Of Action:** See the Plan of Action for H&S.4, #1 and #2.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Uncorroborated Evidence of Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of work hours during the peak season.

Sources: worker and grower interviews; record review

**Plan Of Action:** Literacy is a widespread issue in the Ivorian cocoa sector. Most workers (sharecroppers, occasional/temporary workers, etc.) live in a separate location away from the farm or in the village. Therefore, it is neither practical nor easy to register the time when work activities start and end each day in a book. Additionally:

1. At the cooperative level, there will be communication regarding working hours, public holidays, and leave. This is also part of certification requirements.
2. An awareness session will be held at the farmer field school to make sure workers do not work more than 8 – 10 hours a day and no more than 48 hours a week (national law).
3. Best labor practices will be covered at Child Labor Monitoring and Remediation sensitization sessions.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Wages, Benefits and Overtime Compensation: General Compliance

WBOT.1 Growers shall comply with all local laws, regulations and procedures concerning the payment of wages and benefits, including overtime compensation. In any case where laws and the FLA Workplace Code of Conduct are contradictory, the standard that provides the greatest protection for workers shall apply. Where provisions are lacking, growers shall take measures to reasonably accommodate matters concerning the payments of wages and benefits, including overtime

#### Noncompliance

**Explanation:** Interviewed growers had not received their premium for 3 years. This was confirmed by cooperative management, who decided instead to: a) use these funds to build a health center in N'zérékou (located 20 km away) and b) install a water pump in the main camp without consulting growers. Growers are not aware that the premiums are to be used for building a local health clinic.

Sources: interviews

**Plan Of Action:** We investigated this allegation with the cooperative. We found that the 2011 AGM (General Assembly) minutes describe the consultation regarding building the health center in an area without one for 40 km. The sections discussed this and then agreed to the plans. We found lists of farmer deliveries and premiums due from both Ahoulou and N'zérékou, together with carbon copies in receipt books of premiums paid to each farmer. Additionally:

1. We will encourage the cooperative to make sure farmers are aware of decisions after General Assembly meetings.
2. Nestlé will further investigate this with farmers in the N'zérékou section to prove these allegations are based on the IMS report signed by all parties.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### **Wages, Benefits and Overtime Compensation: Timely Payment of Wages**

WBOT.3 All wages, including overtime compensation shall be paid within legally defined time limits. When law does not define time limits, compensation shall be paid at least once a month or as agreed between the worker and the grower.

#### **Noncompliance**

**Explanation:** Interviewed growers reported that the cooperative does not pay their income on time.

Sources: interviews

**Plan Of Action:** This problem is related to the delay in payment with the “dropping and selling” system in the cooperative scheme. In this scheme, farmers bring their products and wait until the cooperative loads them onto a truck for delivery to the trader before they are paid. This can take some time, especially when there are not a lot of deliveries to the cooperative.

1. Through section heads, the cooperative will proceed with explanation sessions to farmers, so that they do not feel that they are mistreated.

2. There will be also some efforts to move the cocoa beans faster to reduce payment delays. Additionally, the cooperative must communicate on payment delays.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who receive a part of the final harvest income. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on any document maintenance.

Sources: worker and grower interviews; record review

**Plan Of Action:** Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue.

1. As mentioned in the Plan of Action for F.12, during farmer field schools there is an awareness session on labor contracts. St Joseph will improve this session regarding issues around wages and will recommend farmers to record payments in either kind or cash.
2. Nestlé and Tier 1 supplier will train ADGs in August on how to organize this session. (See the Plan of Action for GEN 1, #2.)

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Wages, Benefits and Overtime Compensation: Employer Provided Services**

WBOT.8 All workers have a right to use or not to use grower-provided services, such as housing or meals. Deductions for services to workers shall not exceed the cost of the service to the grower. Growers must be able to demonstrate the accuracy or reasonableness of these charges.

#### **Noncompliance**

**Explanation:** Some growers reported that the cooperative does not assist them if they are in need (e.g., in cases related to sickness or covering school fees, health care, or food). According to growers, the cooperative demands payment for fuel before providing them with the cocoa seedlings from nurseries, which should be provided to growers free of charge as per the Nestlé Cocoa Plan. Growers added that the amount asked as fuel payment, about 240 USD, is too high for them.

Sources: interviews

**Plan Of Action:** Nestlé pays for the seeds, nurseries, and care of the plants until they leave the nursery. Nestlé does not distribute the plants; this is something the cooperative manages. The cooperative provides the truck for free; the plants' beneficiaries pay for the fuel. We will check to ensure that the fuel charges are reasonable during the 2014 plant distribution.

**Deadline Date:** September 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



[2013]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Indenie  
**COMMUNITY:** Aniassue  
**MONITOR:** FLA

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(Delodging)

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to Seed Organizers.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under UTZ COC, along with FLA Workplace Code and Benchmarks, which are applied at the farms. Currently, Nestlé’s illustrated code is the most widely distributed one, and the code most used by growers. Therefore, there is a risk of the farms not implementing UTZ COC and FLA Workplace Code and Benchmarks.

Sources: worker interviews, document review, visual observation

**Plan Of Action:**

1. Our illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation in the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These pamphlets will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified format regarding policy and procedure creation, particularly regarding H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section in which lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
4. As the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015
5. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**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:** IMS (internal monitoring system) staff has made efforts to inform and raise awareness amongst growers regarding Nestlé’s COC. Nestlé’s illustrated COC has been distributed to all growers in the certification program. However, workers and sharecroppers do not have sufficient knowledge of Nestlé’s COC. No training was conducted for workers, sharecroppers or growers’ family members who are involved in the production process.

Sources: grower and worker interviews

**Plan Of Action:** The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted that some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADG will discuss the training schedule and program with the cooperative board. ADG will organize information/introductory sessions in each section where lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier code, grievance procedures, etc. Deadline: November 2014

2. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers, during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of Seed organizers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Although Nestlé published a toll-free number in its COC to allow growers and workers to raise complaints/grievances or report non-compliances, neither growers nor workers are aware of it. Additionally, a non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: interviews

**Plan Of Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed in each section level warehouse and we will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:
  - a) UTZ requires the cooperative to make a registration of complaints, which is managed by 1 dedicated person;
  - b) This registration is available to all cooperative members and to anyone involved in the community;
  - c) The complaints are all related to the application of the code (discrimination, non-payment of the premium, etc.)
  - d) The system has to be known by all members.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained in August on this topic. Non-compliances can be reported through the cooperative complaints' procedure and our hotline. Deadline: November 2014
5. The person responsible in the cooperative for the certification (ADG) will go to the farmer field schools to remind farmers of this mechanism.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: General Compliance

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

#### Noncompliance

**Explanation:** During the farm walkthroughs and interviews, a child under 14 years of age was found picking cocoa pods with his father (a sharecropper). It was identified through interviews that most sharecroppers (workers) regularly involve their children in farm activities in order to meet agreement requirements. Additionally, these workers live in camps with their children who do not attend school, either due to lack of school infrastructure or because they do not believe in education.

Sources: interviews, farm walkthroughs

**Plan Of Action:** After FLA had notified us of this situation, we discussed it with both the cooperative and the child's parents and found a solution that suits all parties. The child is now living with a cooperative employee during the week and going to school, where he is progressing fast, learning French, and making friends.

We will include this cooperative in the rollout of our child labor monitoring and remediation system (CLMRS) by June 2015. This includes: a) employing a child labor agent at the cooperative, b) selecting community liaison individuals in each community that the cooperative buys from, c) community awareness sessions, d) data gathering on the household level, and e) remediation activities when we find children at risk. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Child Labor: Child Labor**

CL.2 Growers shall not employ children younger than 15 (or 14 where the law of the country of production allows) or younger than the age for completing compulsory education in the country of production where such age is higher than 15.

**Noncompliance**

**Explanation:** Although growers do not recruit children directly for their farms, their workers (mostly sharecroppers) involve their children in farm activities, which are sometimes hazardous for children. A child was found picking cocoa with his father and working with a sickle; the child had visible injury marks due to machete use.

Sources: interviews, observations

**Plan Of Action:** Through the system of lead farmers and farmer field schools, the cooperative will raise farmers and workers' awareness of this issue.

For the remediation for this young worker, see the Plan of Action for CL.1.

**Deadline Date:** December 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** Sharecroppers' children are involved in farm activities. One child was found working on a farm and no age verification documents could be provided to establish their age. Based on interviews, monitors determined that the child was less than 14 years of age.

Sources: interviews, record review

**Plan Of Action:** The database that is being constructed by the International Cocoa Initiative (ICI) for our CLMRS will record the ages of both children and young workers. If there is no documentary evidence, a best estimation can be derived from interviewing local people.

Please see the Plan of Action for CL.2.

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **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:** [Monitors found a child worker \(under 14 years of age\) picking cocoa pods and working with a sickle on 1 farm. Additionally, he was injured due to regular machete use.](#)

[Sources: interviews, observation](#)

**Plan Of Action:** [Please see the Plan of Action for CL.2.](#)

**Deadline Date:** [June 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: Education of Young Workers

CL.8 The grower shall ensure that when young workers are employed, their education is not jeopardized.

#### Noncompliance

**Explanation:** The child worker found by monitors was not attending school. Furthermore, interviews with other workers (mostly sharecroppers) indicated that their children seldom attend school either due to lack of infrastructure, the non-availability of birth certificates or non-belief in the education system.

Sources: interviews

**Plan Of Action:** Please see the Plan of Action for CL.2.

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### **Child Labor: Removal and Rehabilitation of Child Laborers**

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

#### **Noncompliance**

**Explanation:** [Currently, neither the company nor the cooperative have a system in place that works to cease child labor on the farms.](#)

[Sources: interviews](#)

**Plan Of Action:** [Please see the Plan of Action for CL.2.](#)

**Deadline Date:** [June 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Harassment or Abuse: Discipline/Fair and Non-discriminatory Application

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

#### Noncompliance

**Explanation:** [Disciplinary rules developed by the company were not found at the farm level.](#)

[Sources: grower and worker interviews](#)

**Plan Of  
Action:**

1. During the training sessions organized by Nestlé and the Tier 1 supplier, ADGs will be informed of the disciplinary system requirements. As a training activity, lead farmers and ADGs will develop related farm-level procedures, which will be actively discussed with farmers and confirmed by the cooperative.

2. These procedures will be introduced during information sessions and farmer trainings, in which workers are invited to participate.

See also the Plan of Action for GEN 1.

**Deadline  
Date:**

January 2015

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

**Harassment or Abuse: Discipline/Worker Awareness**

H&A.3 Grower will follow disciplinary practices that are fair and are clearly understood by the workers. The grower will take necessary steps to ensure that the farm's disciplinary procedure is clearly understood by the workers.

**Noncompliance**

**Explanation:** [Neither workers nor sharecroppers are trained on disciplinary procedures and practices.](#)

[Sources: grower and worker interviews](#)

**Plan Of Action:** [See Plans of Action for GEN 1, GEN 2, GEN 3, and H&A.2](#)

**Deadline Date:** [January 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Grievance Procedure**

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

**Noncompliance**

**Explanation:** [Workers are not aware of the grievance procedure, as they do not participate in training sessions in which the grievance procedure is communicated and explained.](#)

[Sources: interviews, document review](#)

**Plan Of Action:** [See Plans of Action for GEN 1, GEN 2, GEN 3, and H&A.2](#)

**Deadline Date:** [January 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: General Compliance

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

#### Noncompliance

**Explanation:** Although the village has a public hospital, there are no first aid kits available either on the farms or in camps for growers and workers who are located far from the village. Additionally, there are no other health facilities and no means of transportation.

Sources: interviews, observation

**Plan Of Action:** The cooperative will put first aid kits in each village section in place and will train a person in each section. It will also publicize the evacuation procedure and give basic first aid training to all farmers.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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.

**Uncorroborated Evidence of Noncompliance**

**Explanation:** Workers do not participate in training sessions where documents and procedures are explained and transmitted. There is no proof workers have access to those documents.

Sources: interviews, record review

**Plan Of Action:** The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers' session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section and lead farmers will introduce it in the farmer field school. The ADGs will provide brief information on supplier code, grievance procedures, etc. Deadline: November 2014

2. Since introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers during farmer field schools, through either section heads or community liaison individuals, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No H&S management system is available for growers and workers.

Sources: grower and worker interviews; record review

**Plan Of  
Action:**

1. We will start by making sure that the first aid procedure is working. (See H&S.1.)
2. We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. We will investigate during the training how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities and procedures; reporting for all H&S matters: chemical handling, personal protective equipment (PPE), first aid, handling accidents, etc.).
3. The person responsible for the H&S management system will inform farmers and workers during farmer field school sessions.

**Deadline  
Date:**

January 2015

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

### 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:** There is no proof that workers are aware of the H&S requirements, as they do not attend the farmer field school training sessions.

Sources: grower and worker interviews; record review

**Plan Of Action:** See Plans of Action for GEN 2 and H&S.4.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



## 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:** There is no first aid kit available for workers and growers in camps and on the farms. The public hospital is located far from the village (which has no transportation means) if someone is injured.

Sources: grower and worker interviews; observation

**Plan Of Action:** See Plans of Action for H&S.1 and H&S.4.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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 equipments.

#### Noncompliance

**Explanation:** Monitors observed that the engine oil and fuel used in the cooperatives' automobile were disposed of close to the cooperative office.

Sources: interviews, observations

**Plan Of Action:** The cooperative will:

- a) Identify a storage area for fuel and engines;
- b) Buy and install a fire extinguisher;
- c) Move all of the fuel and lubricant, along with spare engines and engine parts, to a new locale;
- d) Install a door with a locker;
- e) Order and place on the door the following signs: "Attention Danger," "No Smoking, and "Flammable Liquid."

**Deadline Date:** September 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

**In Compliance, Noncompliance, Uncorroborated Evidence of Noncompliance, Notable Feature** (choose 1, erase other 3)

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during the peak season.

Sources: grower and worker interviews; record review

**Plan Of Action:** Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with infrequent use of paid labor; therefore, the lack of records will be a likely be a widespread issue. We run farmer field schools, which cover better farming practices and introduce some basics of accounting related to farm costs. Our priority is on child and forced labor issues, which affect compliance on certification, H&S, and our supplier code. Wages and their records, along with sharecropping arrangements, all merit closer attention, but to do so this year will distract our resources and focus. Typical wage rates are above the minimum wage of 33'000 CFA per month. We will discuss record keeping with the cooperative in 2015.

1. In accordance with the requirements of UTZ Certification, the cooperative has agreed to emphasize the importance of working no more than the maximum working hours.

2. We will discuss solutions for recording hours and wages with the cooperative during 2015.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 9. 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who received a part of the final harvest. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on any document maintenance.

Sources: interviews, record review

**Plan Of Action:** Please see the Plan of Action for HOW.1.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



[2013]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Soubre (Nawa)  
**COMMUNITY:** Germainkro  
**MONITOR:** FLA  
**AUDIT DATE:** October 8 – 10, 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF WORKERS:** 19  
**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/19  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 81.5 HA  
**PROCESSES:** Harvesting, Drying, Pod Opening

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to Seed Organizers.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under UTZ COC, along with FLA Workplace Code and Benchmarks, which are applied at the farms. Currently, Nestlé’s illustrated code is the most widely distributed one, and the code most used by growers. Therefore, there is a risk of the farms not implementing UTZ COC and FLA Workplace Code and Benchmarks.

Sources: worker interview, document review, visual observation

**Plan Of Action:**

1. Our illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation in the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These pamphlets will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified format regarding policy and procedure creation, particularly regarding H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section in which lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
4. As the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015
5. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline** March 2015

**Date:**

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**

**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:** IMS (Internal Monitoring System) staff has made efforts to inform and raise awareness amongst growers regarding the company's COC. Nestle's illustrated COC was distributed to all growers in the certification program and the UTZ COC is displayed at the cooperative. However, workers and sharecroppers do not have sufficient knowledge of the company's COC. No training was conducted for workers, sharecroppers or growers' family members who are involved in the production process on the farms. Regular updating of training and refresher courses on labor issues was also not organized for the cooperative staff implementing the internal monitoring program.

Sources: grower and worker interviews

**Plan Of Action:** The cooperative will update the list of workers (both family and permanent workers will be included). However, it must be noted that some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers' session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section where lead farmers introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

2. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers during farmer field schools, either through section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of Seed organizers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Even though there is a noncompliance reporting mechanism available to growers as mentioned in Nestlé's illustrated COC (there is a toll-free number), it is still not accessible to workers, as the COC is only distributed to growers. A non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: grower and worker interviews

**Plan Of Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed in each section level warehouse and we will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:
  - a) UTZ requires the cooperative to make a registration of complaints, which is managed by 1 dedicated person;
  - b) This registration is available to all cooperative members and to anyone involved in the community;
  - c) The complaints are all related to the application of the code (discrimination, non-payment of the premium, etc.);
  - d) The system has to be known by all members.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained in August on this topic. Non-compliances can be reported through the cooperative complaints' procedure and our hotline. Deadline: November 2014
5. The person responsible in the cooperative for the certification (ADG) will go to the farmer field schools to remind farmers of this mechanism.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Child Labor: General Compliance

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

### Uncorroborated Evidence of Noncompliance

**Explanation:** Monitors did not observe any **hired** child labor or young workers on the visited farms. However, farmer interviews found that child/young workers from farmers' families (immediate and extended family) are involved in farm work, like cocoa picking and land cleaning. During the farm walkthrough, monitors met with children involved in cocoa bean transportation. Some of these children/young workers do not attend school. The nearest school is 5 kms away and lacks infrastructure to support all the school-going children in the vicinity. Additionally, there are no alternatives available for children who fail at school.

Sources: interviews, observations

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: Removal and Rehabilitation of Child Laborers

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

#### Noncompliance

**Explanation:** Currently, neither the company nor the cooperative have a system in place that works to cease child labor on the farms.

Sources: interviews

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Harassment or Abuse: Discipline/Fair and Non-discriminatory Application

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

#### Noncompliance

**Explanation:** The disciplinary rules developed by the company were not found at the farm level.

Sources: grower and worker interviews

**Plan Of Action:** 1. During the training sessions organized by Nestlé and the Tier 1 supplier, ADGs will be informed on the disciplinary system requirements. As a training activity, lead farmers and ADGs will develop procedures at the farm level. The procedures will also actively be discussed with farmers.

2. The procedures created and confirmed by the cooperative will be introduced during information sessions and farmer trainings.

See also the Plan of Action for GEN 1.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Harassment or Abuse: Discipline/Worker Awareness

H&A.3 Grower will follow disciplinary practices that are fair and are clearly understood by the workers. The grower will take necessary steps to ensure that the farm's disciplinary procedure is clearly understood by the workers.

#### Noncompliance

**Explanation:** Neither workers nor sharecroppers are trained on disciplinary procedures and practices.

Sources: grower and worker interviews

**Plan Of Action:** 1. During the training sessions organized by Nestlé and the Tier 1 supplier, ADGs will be informed on the disciplinary system requirements. As a training activity, lead farmers and ADGs will develop procedures at the farm level. The procedures will also actively be discussed with farmers.

2. The procedures created and confirmed by the cooperative will be introduced during information sessions and farmer trainings.

See also the Plan of Action for GEN 1.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### Harassment or Abuse: Violence/Harassment/Abuse

H&A.9 Growers shall ensure that the workplace is free from any type of violence, harassment, or abuse, be it physical, psychological, sexual, verbal, or otherwise. Growers shall refrain from any action – and shall take all appropriate action to ensure that all workers refrain from any action – that would result in an intimidating, hostile, or offensive work environment.

**In Compliance, Noncompliance, Uncorroborated Evidence of Noncompliance, Notable Feature** (choose 1, erase other 3)

**Explanation:**

One case of harassment and abuse was observed during the visit. The wife of 1 farmer reported that she works with her husband on the farm and, in turn, does not get financial support to cover her needs. She asked for transportation to visit her parents, but did not receive it from her husband. She was afraid of reporting this to monitors, as she feared retaliation in the form of divorce. The husband was met with to verify this information. While discussing if he was able to meet all of the family's needs, he replied that he could not as he has been sick for a long time, which has prevented him from earning money. The wife clarified this point, saying that the grower used the farm's income to marry a second wife. The interview took place in the presence of the Producer Relay at Noékro/Germainkro.

Sources: interviews

**Plan Of Action:**

1. During the training session with ADGs, we will address the issue; discuss how to communicate on abuse and harassment; and get alignment.
2. The information will be given to farmers during training on COC, grievance procedures, non-retaliation, working conditions, etc.
3. A contract template will be available at the section level and lead farmers will encourage farmers to have written contracts with their workers

**Deadline Date:**

January 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Non-Discrimination: Employment Decisions**

D.2 All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

#### **Noncompliance**

**Explanation:**

At the cooperative level, assessors noted that no women are represented on the cooperative's board, even though all family members (especially women) are involved in farm work. No women are involved in decision making at the cooperative level. All the IMS staff are also men, which may prevent them from tackling female-specific issues.

Source: observation

**Plan Of  
Action:**

This is a widespread issue in cooperatives and an aspect of the gender disparity in these rural areas. We are collecting data on the position of women in our supply chain and publishing it on the Nestlé website (<http://www.nestle.com/asset-library/documents/creating-shared-value/responsible-sourcing/action-plan-women-in-cocoa-supply-chain.pdf>) to gain a better understanding of the situation and how to best address it. We will work out how to incorporate gender issues into the Nestlé Cocoa Plan once we review FLA's recommendations in the gender report that we have commissioned, which is located here: <http://www.fairlabor.org/report/nestle-womens-roles-assessment-cocoa>

**Deadline  
Date:**

End of October 2014

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

### **Non-Discrimination: Sex-Based Wage Discrimination**

D.3 There shall be no differences in remuneration for men and women workers for work of equal value. Remuneration (wages, compensation) includes the basic minimum or prevailing industry wage and any additional payments to be made directly or indirectly, whether in cash or in kind, by the grower to the worker and arising out of the workers' employment. Such additional payments include wage differentials or increments based on seniority or marital status, cost of living allowances, housing or residential allowances, family allowances, benefits in-kind such as the allotment and cleaning of work clothes or provision of fire wood, spices, raw material for food, equipment, and other benefits.

#### **Noncompliance**

**Explanation:** Female members of the growers' families, workers, and sharecroppers are not involved in training sessions. It was noted that the women do not have access to the same farm equipment (PPE) as men while working on the farms.

Sources: interviews, record review, observation

**Plan Of Action:** Please see the Plan of Action for D.2.

Additionally, women will be encouraged to join farmer trainings during community sensitizations run by ADGs on working conditions, HIV/AIDS, malaria, etc. Children and women are invited to these sessions. Additionally, there will be a particular focus on protective equipment.

**Deadline Date:** December 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Health and Safety: General Compliance

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

### Noncompliance

**Explanation:** Due to the lack of government infrastructure, local rural communities' access to basic services, such as clean drinking water, health care, etc., is very low. There is no clean drinking water in the village. Additionally, the nearest health center is 12 km over an unpaved road and the village has no means of transport. The training received by growers focuses primarily on H&S requirements for activities performed on cocoa plantations.

Sources: interviews, observations

**Plan Of Action:**

1. The cooperative has a procedure in place for first aid and evacuation, with first aid kits available in both the Buyo and LBS sections (LBS is the name of the village). Buyo is where the cooperative's HQ is located and where there is a main hospital. There is also a health center in LBS, which is 20 km from Buyo; Rafaelkro is 3 km from Buyo.
2. The cooperative will distribute more first aid kits and train lead farmers as those responsible for first aid.
3. The cooperative (ADGs and lead farmers) will remind members of this procedure during sensitization sessions and farmer field school sessions

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**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.

**In Compliance, Noncompliance, Uncorroborated Evidence of Noncompliance, Notable Feature** (choose 1, erase other 3)

**Explanation:** No management system exists for ensuring H&S at the farm level.

Sources: interviews, record review

**Plan Of Action:**

1. We will start by making sure the first aid procedure is working (see H&S.1).
2. We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. We will investigate during the training how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities, procedures, reporting for all H&S matters (chemical handling, PPE, first aid, accident handling, etc.).
3. The person responsible for the H&S management system will inform farmers and workers during farmer field school sessions.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** The H&S policy, which was included in Nestlé's COC, has been shared with growers. There is no proof at the farm level, which shows that workers and sharecroppers are also informed on these issues.

Sources: interviews

**Plan Of Action:** See the Plans of Action for GEN 2 and H&S.4.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## 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:** There is no safety equipment for all growers and workers (mainly women) and no first aid kit available in either the village or the farms.

Sources: interviews, observations

**Plan Of Action:** See H&S.1 for information on first aid kits.

1. The importance of PPE will be reinforced during farmer training.

2. As part of our gender response to FLA's report on gender, we will investigate the issue with selected women's groups and devise solutions by 2015 (see D.2).

**Deadline Date:** Farmers' training by March 2015, root cause investigation by December 2015.

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment (PPE), such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

### Noncompliance

**Explanation:** According to grower and worker interviews, in the Germainkro region there is a problem of red ants getting on the cocoa trees. Therefore, while picking cocoa from the trees, red ants fall directly into workers' eyes; therefore, workers consider this a persistent risk. Workers were working in the farms picking cocoa pods without eye protection and women were found working on farms without suitable footwear.

Sources: interviews, observations

**Plan Of Action:** We will buy some glasses for the cooperative for worker use. We will emphasize the importance of wearing protective footwear to workers and women during farmer trainings. At the next training sessions, Cabb will emphasize and encourage producers to buy more PPE for workers as necessary and according to their tasks.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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 equipments.

**In Compliance, Noncompliance, Uncorroborated Evidence of Noncompliance, Notable Feature** (choose 1, erase other 3)

**Explanation:** Growers were provided training on chemical management. They are aware of banned substances, but no proper chemical storage in the visited area was observed. Growers were storing chemicals in their living quarters. On the farms, not all growers follow safe disposal practices for empty chemical containers.

Sources: interviews, observations

**Plan Of Action:** The proper storage of chemicals is a critical part of the UTZ COC; this will be followed up with the cooperative, which will emphasize this point during farmer trainings. Cabb has 3 designated locations for chemical storage, Buyo, LBS, and Nouffoukro. Applicators transport chemicals from these places to the villages. Chemicals should not be stored at the village level. This will continue to be emphasized in farmer field schools to ensure that farmers are fully aware and comply.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 9. 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.

**In Compliance, Noncompliance, Uncorroborated Evidence of Noncompliance, Notable Feature** (choose 1, erase other 3)

**Explanation:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who received a part of the final harvest. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Instances were found where some of the illiterate growers were maintaining wage records on their farms with the help of some literate community members.

Sources: interviews, record review

**Plan Of Action:** Our research shows 45% of farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records is a widespread issue. Our research also shows that in a survey of over 600 workers, the average working day was 8 hours, including breaks, for 5 days a week. In accordance with the requirements of UTZ Certification, the cooperative has agreed to emphasize the importance of working no more than the maximum number of working hours. We will discuss solutions for recording hours with the cooperative during 2015.

**Deadline Date:** December 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



2013

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Fromager  
**COMMUNITY:** Kouamekro  
**MONITOR:** FLA and Jean-Baptiste Appia  
**AUDIT DATE:** November 7 – 11, 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF WORKERS:** 25  
**NUMBER OF GROWERS / WORKERS INTERVIEWED:** 20/25  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 118 HA  
**PROCESSES:** Harvesting, Farm Cleaning

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

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	Others		

**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under both the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC used by growers, as compared to the other codes. Therefore, there is a risk in farms not implementing the UTZ and FLA COCs.

Sources: worker interviews, document review, visual observation

**Plan Of Action:**

1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation to the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014

2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified formula of policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014

3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section, where lead farmers will introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

4. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

5. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers, during farmer field schools, through either section heads or through community liaison individuals, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



**Code Awareness:**

GEN 2 Ensure that all Company growers as well as supply chain partners 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:** Growers are informed about Nestlé’s COC through farmer field schools (supported by the Nestlé Cocoa Plan among other stakeholders) and through Nestlé illustrated COC, which is distributed to them. However, there is no proof of workers' awareness on all code elements. Many workers/family members who work on the farms do not attend any awareness sessions.

Sources: grower and worker interviews; observation

**Plan Of Action:** See the Plan of Action for GEN 1, #3, #4, and #5.

The cooperative has agreed to make a list of workers. However, it must be noted that some workers only come a day at a time; therefore, the list cannot have 100% coverage.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Nestle has provided a toll-free number as a noncompliance reporting mechanism, which is included on Nestlé’s illustrated COC. However, the COC is only distributed to growers or displayed at cooperatives. At present, this reporting mechanism is only accessible by growers; workers do not have access to the number. Furthermore, according to grower interviews, they find the number difficult to use. A non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: IMS center staff, grower, and worker interviews; observation

**Plan Of Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected with the new version.

2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.

3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:

- a) UTZ requires the cooperative to make a complaint register, which is managed by 1 dedicated person;
- b) This register is available to all cooperative members and to anyone involved in the community;
- c) All complaints are to be related to application of the code (discrimination, non-payment of the premium, etc.);
- d) The system has to be known by all members.

Application of this in UCDG:

- a) The individual responsible within UCDG has been trained by the “labor inspection;”
- b) This individual is supported by section delegates, who are collecting complaints locally;
- c) The individual responsible is evaluating them and putting corrective measures in place.

4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained on this topic in August. Non-compliances can be reported through the cooperative’s complaint procedure and our hotline. Deadline: November 2014

5. The individual responsible at the cooperative for the certification will make a round of the farmer field schools to remind farmers of this mechanism. Deadline: January 2015

**Deadline** January 2015

**Date:**

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Harassment or Abuse: General Compliance

H&A.1 Growers shall comply with all local laws, regulations and procedures concerning discipline, violence, harassment, and abuse.

### Noncompliance

**Explanation:** Some of the interviewed workers (sharecroppers) reported that they feel abused due to the local practice of having to pay for in-kind gifts, which they give to growers to be able to work on their farms. They have to gift growers' bottles of wine (or liquor) before starting to work, and again at the end of the harvest when they receive part of their income.

Sources: grower and worker interviews

**Plan Of Action:** There is a common practice in some ethnic groups where a farmer contracts with his workers with a special libation ceremony; the worker is asked to furnish some of the drink bottles.

1. During the training session with the ADGs, we will address the issue and amend the template of the contract between farmers and workers to mitigate this.
2. The information will be given to farmers during training on COC, grievance procedures, non-retaliation, working conditions, etc.
3. This contract template will be available at the section level.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Harassment or Abuse: Grievance Procedure

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

#### Noncompliance

**Explanation:** Nestlé has developed a grievance process at the cooperative level. However, workers are not aware of any grievance procedure, as they do not participate in training sessions in which grievance procedures are communicated and explained.

Sources: interviews, document review

**Plan Of Action:** See the Plans of Action for GEN 2 and GEN 3.

**Deadline Date:**

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Health and Safety: General Compliance**

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

**Noncompliance**

**Explanation:** The village has no health care and medical facility. The closest one, which is located 12 km away, is difficult to access due to impassable roads and a lack of transport means. There are no first aid kits available on the farms and in the village. Additionally, there is a lack of access to clean drinking water. Furthermore, some growers and workers work in an unsafe environment, as they have to use precarious bridges (tree trunks) to cross the river. Most of the issues above are present due to a lack of government-developed infrastructures.

Sources: interviews, observations, farm walkthrough

**Plan Of Action:**

1. UCDG has a first aid procedure in accordance with UTZ certification:
  - a) UCDG is distributing 20 first aid kits to villages. The Red Cross is training local first aiders in a selection of the villages. We will make sure the kits are complete and will communicate the procedures to farmers in the field schools along with basic first aid.
  - b) The UCDG evacuation plan mentions that first aiders are to inform the cooperative in cases of severe injury.

2. The cooperative, through first aiders, will remind both members and workers of this procedure during farmer field school sessions.

Drinking water: This is a widespread problem in rural areas in Ivory Coast. A Nestlé survey showed that around 37% of people do not have access to clean drinking water. We have a project with the International Federation of the Red Cross to refurbish water wells, build sanitation infrastructure, and educate children and adults about the importance of hygiene; this project has been active in the Gagnoa area.

Footbridges: This is also typical of rural areas. While child labor remains our focus, we will not prioritize this issue.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**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:** No H&S management system is available for growers and workers.

Sources: grower and worker interviews, record review

**Plan Of Action:**

1. We will start by making sure the first aid procedure is working (H&S.1).
2. We will train ADGs on having a H&S management system, as there is already a risk analysis available at the cooperative level. During the training, we will investigate how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities, procedures, reporting all H&S matters (chemical handling, personal protective equipment (PPE), first aid, handling of accidents, etc.).

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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.

#### Uncorroborated Evidence of Noncompliance

**Explanation:** Some workers are made aware of the H&S policies and procedures by growers, but not all. Workers do not participate in farmer field schools, in which the H&S policy is communicated, only growers do; subsequently, they do not always pass on what they learn to workers.

Sources: grower and worker interviews

**Plan Of Action:** See the Plans of Action for GEN 2 and H&S.1.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No first aid kit is available in the village and the nearest health care clinic is 12 km away. Additionally, there are no paved roads or modes of transportation.

Sources: grower and worker interviews; observations

**Plan Of Action:** See the Plan of Action for H&S.1.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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

**Explanation:** The empty chemical containers are not properly disposed of at the farm level; they are either buried in the ground or thrown out into the wild.

Sources: grower and worker interviews; observations

**Plan Of Action:** The proper disposal of chemical containers is a critical part of the UTZ COC. In fact, as there are no national methods of collection and disposal of these containers, burial in the ground (after washing and piercing the container) is considered an acceptable practice. Throwing the containers into the wild is not acceptable; this message will be reinforced in farmer trainings, in conjunction with our supplier of phytosanitary goods.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during peak season.

Sources: grower and worker interviews; document review

**Plan Of Action:** Our research shows that 45% of farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue.

1. In accordance with the requirements of UTZ certification, the cooperative has agreed to emphasize the importance of working no more than the maximum number of working hours.
2. We will discuss solutions regarding recording hours with the cooperative during 2015.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No wage payment records are maintained at the farm level, as neither the cooperative nor the company has trained growers on the same. Therefore, there is no way to determine how many additional casual or daily workers work on the farms and what kind of compensation is made to them.

Sources: grower and worker interviews; record review

**Plan Of Action:** Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, a lack of records will be a widespread issue. We run farmer field schools that cover better farming practices, which introduce some accounting basics according to farm costs. Our priority is on child and forced labor issues, which affect compliance on certification, H&S, and our supplier COC. Wages and their records, along with sharecropping arrangements all merit closer attention; however, to do so this year will distract our resources and focus. Typical wage rates are above the minimum wage of 33,000 CFA per month. We will discuss record keeping with the cooperative in 2015.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



2013

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

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Fromager  
**COMMUNITY:** Lebre  
**MONITOR:** FLA and Jean-Baptiste Appia  
**AUDIT DATE:** November 12 – 16, 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF WORKERS:** 8  
**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/8  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 62 HA  
**PROCESSES:** Harvesting, Cocoa Drying

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

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**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC and the most used by growers, as compared to the other COCs. Therefore, there is a risk of farms not implementing UTZ and FLA COCs.

Sources: worker interviews, document review, visual observation

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1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and the environment. We are adding non-discrimination and non-retaliation to the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. They will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module, which will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified formula for policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions for each section, in which lead farmers introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
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**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

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Sources: grower and worker interviews; observation

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The cooperative has agreed to make a list of workers. However, it must be noted that some workers only come a day at a time; therefore, the list cannot have 100% coverage.

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**Plan Complete:**

**Plan Complete Date:**

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GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

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Sources: IMS center staff, grower, and worker interviews; observation

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1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
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  - b) This individual is supported by section delegates who are collecting the complaints locally;
  - c) The individual responsible is evaluating the complaints and putting in place related corrective measures.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained on this topic in August. Non-compliances can be reported through the cooperative’s complaint procedure and our hotline. Deadline: November 2014
  5. The individual responsible in the cooperative for the certification will make a round of the farmer field schools to remind farmers of this mechanism. Deadline: January 2015

**Deadline**  
**Date:** [January 2015](#)

**Action**  
**Taken:**

**Plan**  
**Complete:**

**Plan**  
**Complete**  
**Date:**

### **Forced Labor: Free Disposal of Wages/Cash and In-Kind Compensation**

F.7 Growers shall not limit in any manner the freedom of workers to dispose of their wages. Workers shall be compensated for their work directly through the provision of cash or its equivalent. The partial payment of wages in the form of allowances in-kind is permissible, provided: they are allowed under local law, and as long as legal limits are complied with; they are appropriate for the personal use and benefit of the worker and her or his family; and the value attributed to such allowances is fair and reasonable and receipt of in-kind compensation is voluntary.

#### **Noncompliance**

**Explanation:** A young worker was found on 1 farm. He did not have any age verification documents; subsequently, assessors determined his age to be 15 years. He explained that his father, who lives in Burkina Faso, sent him to the grower and that he has been working with the same grower for the past 3 years. His salary is directly sent to his father in Burkina Faso and he is not aware of the compensation he receives. He receives nothing personally from the grower and has been involved in all activities on the farm.

Sources: grower and worker interviews; visual observation

**Plan Of Action:** See the Plan of Action for CL.1.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Child Labor: General Compliance

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

### Noncompliance

**Explanation:** Monitors found a young worker involved in cocoa bean transportation, which is considered hazardous work (lifting of heavy loads) at a Nestlé supplier's farm. The worker reported to monitors that he is engaged in the grower's daily work, including hazardous activities. During interviews with farmers, it was reported that child/young workers from farmers' families (both immediate and extended) are involved in farm work like cocoa picking and land cleaning. Some of these children and young workers do not attend school.

Sources: interviews, observations

**Plan Of Action:**

1. We have begun the roll out of our child labour monitoring and remediation system in this cooperative. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>
2. We will ask the person responsible in the cooperative to: a) follow up on this situation, b) ensure that the farmer is suitably trained on what is permissible for young workers, and c) find a solution for the worker's payment. The employer will be informed that: a) the young worker has to be paid for his job and cannot be employed in hazardous tasks and b) no other children, from either in the family or outside the family, could also be employed. Specific follow up will be ensured on this case, to make sure that the situation does not happen again. If awareness-raising activities do not suffice, appropriate remediation solutions are to be found for this young worker.
3. Similar follow up is to be ensured for all identified children involved in farming activities, when their activities are considered as hazardous by the national law.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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.

#### Uncorroborated Evidence of Noncompliance

**Explanation:** The grower was not able to provide the proof of age of the young worker working on his farm (he said his birth certificate was at home). Monitors could not determine the exact age of the worker, but based on interviews, they estimate he was around 15 years old. According to the young worker, he has been employed on this farm for the past 3 years.

Sources: worker interviews, observation

**Plan Of Action:** See the Plan of Action for CL.1.

1. The database being constructed by International Cocoa Initiative (ICI) in our Child Labor Monitoring and Remediation System (CLMRS) will record the ages of children and young workers.
2. In cases where there is no documentary evidence, a best estimation is to be derived from interviewing local people.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Child Labor: Employment of Young Workers**

CL.6 Growers shall comply with all relevant laws and regulations that apply to young workers, i.e., those between the minimum working age and the age of 18, including those relating to hiring,

#### **Noncompliance**

**Explanation:** The young worker has been working on the farm for the past 3 years. His employment is not in compliance with local law, Nestlé COC, and FLA COC, especially in regard to the types of work performed, hours of work, and employment terms.

Sources: grower and worker interviews; observation

**Plan Of Action:** See the Plan of Action for C.1.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### **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's 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:** Monitors observed a young worker involved in cocoa bean transportation. The worker reported to monitors that he is engaged in the grower's daily work, such as cocoa pod picking and land cleaning, which are considered hazardous tasks.

Sources: worker interviews, observations

**Plan Of Action:** See the Plan of Action for CL.1.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: Education of Young Workers

CL.8 The grower shall ensure that when young workers are employed, their education is not jeopardized.

#### Noncompliance

**Explanation:** The young worker found in the field was never sent to school; he has been working on the farm for the past 3 years.

Sources: grower and worker interviews

**Plan Of Action:** See the Plan of Action for CL.1.

Nestlé has built 6 primary schools in the Gagnoa area, and puts great emphasis on the importance of education when talking to farmers and cooperatives. Note that the minimum age of employment is 14 in the Ivory Coast and 15 in FLA's COC.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Child Labor: Removal and Rehabilitation of Child Laborers**

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

#### **Uncorroborated Evidence of Noncompliance**

**Explanation:** As per IMS staff interviews, the company is in the process of developing a child labor monitoring and remediation plan. Under this plan, the identified children will be removed and rehabilitated. The assessors did not have a chance to verify this system. The young worker observed in the fields was yet to be identified by company staff.

Sources: interviews

**Plan Of Action:** See the Plan of Action for CL.1.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Harassment or Abuse: Grievance Procedure

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

#### Noncompliance

**Explanation:** Nestlé has developed a grievance process at the cooperative level. However, workers are not aware of the grievance procedure, as they do not participate in training sessions where the grievance procedure is communicated and explained.

Sources: interviews, document review

**Plan Of  
Action:**

See the Plans of Action for GEN 1 and GEN 2.

**Deadline  
Date:**

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

**Health and Safety: General Compliance**

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

**Noncompliance**

**Explanation:** Due to the lack of government infrastructure, local rural communities’ access to basic services, such as clean drinking water, health care, etc., is very low. As a result, there is no potable water at the village and farm levels. Water is drawn from wells and creeks and consumed without treatment. There are no first aid kits available in the village and the nearest health center is 5 kms away with no means of transportation.

Sources: grower and worker interviews; observations

**Plan Of Action:**

1. UCDG has a first aid procedure in accordance with UTZ certification:
  - a) UCDG is distributing 20 first aid kits to villages and the Red Cross is training local first aiders in a selection of villages. They will make sure the kits are complete and will communicate the procedure to farmers in the field schools, together with basic first aid.
  - b) UCDG’s evacuation plan mentions that first aiders are to inform the cooperative in cases of severe injury.
2. Through the first aiders, the cooperative will remind members and workers of this procedure during farmer field school sessions.

Drinking water: This is a widespread problem in rural areas of the Ivory Coast. A Nestlé survey showed that around 37% of individuals do not have access to clean drinking water. We have a project with the International Federation of the Red Cross to refurbish water wells, build sanitation infrastructure, and educate children and adults about the importance of hygiene, which has been active in the Gagnoa area.

Footbridges: This is also typical of rural areas. While child labour remains our focus, we will not prioritize this issue.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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.

#### **Uncorroborated Evidence of Noncompliance**

**Explanation:** Workers do not participate in training sessions; therefore, they are not aware of any H&S documents and procedures.

Sources: interviews

**Plan Of Action:** 1. See the Plans of Action GEN 1 and GEN 2 regarding explaining the supplier COC to workers. See the Plan for Action for H&S.1 regarding first aid procedures.

2. We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. During the training, we will investigate how the individuals responsible for first aid run the H&S management system.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** There is no H&S management system available for growers and workers.

Sources: grower and worker interviews; record review

**Plan Of Action:** We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. During the training, we will investigate how the individuals responsible for first aid run the H&S management system.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**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.

**Uncorroborated Evidence of Noncompliance**

**Explanation:** There is no proof that workers are aware of the H&S requirements, as they do not attend the farmer field school training sessions.

Sources: grower and worker interviews; record review

**Plan Of Action:** See the Plans of Action for H&S.1 and GEN 2.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### 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:** No first aid kit is available in the village. Additionally, the nearest health care clinic is 5 kms away and there are neither paved roads nor modes of transportation.

Sources: grower and worker interviews; observations

**Plan Of Action:** See the Plan of Action for H&S.1.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment (PPE), such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

#### Noncompliance

**Explanation:** Monitors observed that both growers and workers, mainly women, do not have suitable protective equipment, like boots, while working on the farms.

Sources: grower and worker interviews; observations

**Plan Of Action:**

1. The importance of PPE will be reinforced in farmer training.
2. As part of our response to FLA's gender report (<http://www.fairlabor.org/report/nestle-womens-roles-assessment-cocoa>), we will investigate the root causes with selected women's groups and devise related solutions by 2015.

**Deadline Date:** Farmer training by March 2015, root cause investigation by December 2015.

**Action Taken:**

**Plan Complete:**

**Plan Complete 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

**Explanation:** Growers are aware of the banned chemicals and take precautions to segregate the chemicals from their workplace and living quarters. However, it was noticed that empty chemical containers are not properly disposed of, as they are either buried in the ground or thrown out into the wild.

Sources: grower and worker interviews; observations

**Plan Of Action:** The proper disposal of chemical containers is a critical part of UTZ COC. In fact, in the absence of national methods of collection and disposal of these containers, burial in the ground after washing and piercing the container is considered an acceptable practice. Throwing the containers out into the wild is not acceptable and this message will be reinforced in farmer trainings, in conjunction with our supplier of phytosanitary goods.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during peak season.

Sources: grower and worker interviews; document review

**Plan Of Action:** Our research shows that 45% of farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue.

1. In accordance with the requirements of UTZ certification, the cooperative has agreed to emphasize the importance of working no more than the maximum number of working hours.

2. We will discuss solutions for recording hours with the cooperative during 2015.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Wages, Benefits and Overtime Compensation: General Compliance**

WBOT.1 Growers shall comply with all local laws, regulations and procedures concerning the payment of wages and benefits, including overtime compensation. In any case where laws and the FLA Workplace Code of Conduct are contradictory, the standard that provides the greatest protection for workers shall apply. Where provisions are lacking, growers shall take measures to reasonably accommodate matters concerning the payments of wages and benefits, including overtime compensation.

#### **Noncompliance**

**Explanation:** A young worker explained that his father (who lives in Burkina Faso) sent him to work on the farm. Therefore, he has worked on the farm for 3 years, with his salary going directly to his father in Burkina Faso. Subsequently, this young worker receives nothing personally.

Sources: grower and worker interviews

**Plan Of Action:** See the Plan of Action for CL.1.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No records are maintained at the farm level regarding wage payments, as neither the cooperative nor the company has trained growers on them. Subsequently, there is no way to determine how many additional causal or daily workers work on the farms and what kind of compensation is made to them.

Sources: grower and worker interviews; record review

**Plan Of Action:** Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue. We run farmer field schools, which cover better farming practices and introduce some accounting basics related to farm costs. Currently, our priority is on child and forced labor, along with issues affecting certification compliance, H&S, and our supplier COC. Therefore, while wages, their records, and sharecropping arrangements all merit closer attention, looking into them this year will distract both our resources and focus. Additionally, typical wage rates are above the minimum wage.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



[2013]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Soubre (Nawa)  
**COMMUNITY:** Noekro  
**MONITOR:** FLA  
**AUDIT DATE:** October 11 – 13, 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF WORKERS:** 4  
**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/4  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 81.5 HA  
**PROCESSES:** Harvesting, Drying, Pod Picking

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under UTZ COC, along with FLA Workplace Code and Benchmarks, which are applied at the farms. Currently, Nestlé’s illustrated code is the most widely distributed one, and the code most used by growers. Therefore, there is a risk of the farms not implementing UTZ COC and FLA Workplace Code and Benchmarks.

Sources: worker interview, document review, visual observation

**Plan Of Action:**

1. Our illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation in the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These pamphlets will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified format regarding policy and procedure creation, particularly regarding H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section in which lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
4. As the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015
5. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline** March 2015

**Date:**

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**

**Code Awareness:**

GEN 2 Ensure that all company growers as well as supply chain partners 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:** IMS (Internal Monitoring System) staff has made efforts to inform and raise awareness amongst growers regarding company’s code of conduct. Nestlé’s illustrated COC was distributed to all growers in the certification program and the UTZ COC is displayed at the cooperative. However, workers and sharecroppers do not have sufficient knowledge on Nestlé’s COC. No training was conducted for workers, sharecroppers or grower’s family members who are involved in production process at the farms. Regular updating of training and refresher courses on labor issues was also not organized for the cooperative staff implementing the internal monitoring program.

Sources: grower and worker interviews

**Plan Of Action:** The cooperative will update the list of workers (both family and permanent workers will be included). However, it must be noted some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section where lead farmers introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

2. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan coops will distribute the COC to their farmers and workers, during farmer field schools, either through section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable company employees, supervisors and employees of supply chain partners (cooperatives) to report to the company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Even though a noncompliance reporting mechanism is available to growers, as mentioned in Nestlé's illustrated COC (there is a toll-free number), it is still not accessible to workers, as the COC is only distributed to growers. However, according to growers, this toll-free number does not function where they live. A non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: grower and worker interviews

**Plan Of Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected with the new version.
2. The new poster will be displayed at each section level warehouse and we will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:
  - a) UTZ requires the cooperative to make a registration of complaints, which is managed by 1 dedicated person;
  - b) This registration is available to all members of the cooperative and to anyone involved in the community;
  - c) The complaints are all related to the application of the code (discrimination, non-payment of the premium, etc.);
  - d) The system has to be known by all members.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained in August on this topic. Non-compliances can be reported through the cooperative complaints' procedure and our hotline. Deadline: November 2014
5. The person responsible in the cooperative for the certification (ADG) will go to the farmer field schools to remind farmers of this mechanism.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Child Labor: General Compliance Child Labor

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

### Uncorroborated Evidence of Noncompliance

**Explanation:** Monitors did not observe any **hired** child labor or young workers on the visited farms. However, farmer interviews found that child/young workers from farmers' families (immediate and extended family) are involved in all types of farm work related to cocoa production. During the farm and community walkthrough, monitors met with 3 girls (ages 10 – 15) carrying wet beans from the farms to the village; observed children selecting beans in the village; and observed a young worker helping his father with the cocoa harvest. None of the children were attending school at the time of the visit.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Child Labor: Removal and Rehabilitation of Child Laborers

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

### Noncompliance

**Explanation:** Currently, neither the company nor the cooperative have a system in place that works to cease child labor on the farms.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



## Harassment or Abuse: Discipline/Fair and Non-discriminatory Application

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

### Noncompliance

**Explanation:** The disciplinary rules developed by the company were not found at the farm level.

Sources: grower and worker interviews

**Plan Of Action:** 1. During the training sessions organized by Nestlé and the Tier 1 supplier, ADGs will be informed on the disciplinary system requirements. As a training activity, lead farmers and ADGs will develop procedures at the farm level. The procedures will also actively be discussed with farmers.

2. The procedures created and confirmed by the cooperative will be introduced during information sessions and farmer trainings.

See also the Plan of Action for GEN 1.

**Deadline** January 2015

**Date:**

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**

### Harassment or Abuse: Discipline/Worker Awareness

H&A.3 Grower will follow disciplinary practices that are fair and are clearly understood by the workers. The grower will take necessary steps to ensure that the farm's disciplinary procedure is clearly understood by the workers.

#### Noncompliance

**Explanation:** Neither workers nor sharecroppers are trained on disciplinary procedures and practices.

Sources: grower and worker interviews

**Plan Of Action:** 1. During the training sessions organized by Nestlé and the Tier 1 supplier, ADGs will be informed on the disciplinary system requirements. As a training activity, lead farmers and ADGs will develop procedures at the farm level. The procedures will also actively be discussed with farmers.

2. The procedures created and confirmed by the cooperative will be introduced during information sessions and farmer trainings.

See Plans of Action for GEN 1, GEN 2, GEN 3, and H&A.2.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Non-Discrimination: Employment Decisions

D.2 All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

### Noncompliance

**Explanation:** At the cooperative level, assessors noted that no women are represented on the cooperative's board, even though all family members (especially women) are involved in farm work. No women are involved in decision making at the cooperative level. All the IMS staff are also men, which may prevent them from tackling female-specific issues.

Sources: grower and worker interviews; observations

**Plan Of Action:** This is a widespread issue in cooperatives and an aspect of the gender disparity in these rural areas. We are collecting data on the position of women in our supply chain and publishing it on the Nestlé website (<http://www.nestle.com/asset-library/documents/creating-shared-value/responsible-sourcing/action-plan-women-in-cocoa-supply-chain.pdf>) to gain a better understanding of the situation and how to best address it. We will work out how to incorporate gender issues into the Nestlé Cocoa Plan once we review FLA's recommendations in the gender report that we have commissioned, which is located here: <http://www.fairlabor.org/report/nestle-womens-roles-assessment-cocoa>

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Non-Discrimination: Sex-Based Wage Discrimination

D.3 There shall be no differences in remuneration for men and women workers for work of equal value. Remuneration (wages, compensation) includes the basic minimum or prevailing industry wage and any additional payments to be made directly or indirectly, whether in cash or in kind, by the grower to the worker and arising out of the workers' employment. Such additional payments include wage differentials or increments based on seniority or marital status, cost of living allowances, housing or residential allowances, family allowances, benefits in-kind such as the allotment and cleaning of work clothes or provision of fire wood, spices, raw material for food, equipment, and other benefits.

#### Noncompliance

**Explanation:** Female members of the growers' families, workers, and sharecroppers are not involved in training sessions. It was noted that the women do not have access to the same farm equipment (PPE) as men while working on the farms.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** Please see the Plan of Action for D.2.

Additionally, women will be encouraged to join farmer trainings during community sensitizations run by ADGs on working conditions, HIV/AIDS, malaria, etc. Children and women are invited to these sessions. Additionally, there will be a particular focus on protective equipment.

**Deadline Date:** December 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Health and Safety: General Compliance Health and Safety

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

### Noncompliance

**Explanation:** Due to the lack of government infrastructure, local rural communities' access to basic services, such as clean drinking water, health care, etc., is very low. There is no clean drinking water in the village. Additionally, the nearest health center is 12 km over an unpaved road and the village has no means of transport. The training received by growers focuses primarily on H&S requirements for activities performed on cocoa plantations.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** . The cooperative has a procedure in place for first aid and evacuation, with first aid kits available in both the Buyo and LBS sections (LBS is the name of the village). Buyo is where the cooperative's HQ is located and where there is a main hospital. There is also a health center in LBS, which is 20 km from Buyo; Rafaelkro is 3 km from Buyo.

2. The cooperative will distribute more first aid kits and train lead farmers as those responsible for first aid.

3. The cooperative (ADGs and lead farmers) will remind members of this procedure during sensitization sessions and farmer field school sessions.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## 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:** No management system exists for ensuring H&S at the farm level.

Sources: IMS staff and grower interview; record review

**Plan Of  
Action:**

1. We will start by making sure the first aid procedure is working (see H&S.1).
2. We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. We will investigate during the training how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities, procedures, reporting for all H&S matters (chemical handling, PPE, first aid, accident handling, etc.).
3. The person responsible for the H&S management system will inform farmers and workers during farmer field school sessions.

**Deadline  
Date**

January 2015

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

**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:** The H&S policy, which was included in Nestlé’s COC, has been shared with growers. There is no proof at the farm level, which shows that workers and sharecroppers are also informed on these issues.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** See Plans of Action for GEN 2 and H&S.4.

**Deadline Date** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## 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:** There are no first aid kits and safety equipment available at the farms. Neither farmers nor workers have access to these items.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** See H&S.1 for information on first aid kits.

1. The importance of PPE will be reinforced in farmer training.
2. As part of our gender response to the FLA gender report, we will investigate the issue with selected women's groups and devise solutions by 2015 (see D.2).

**Deadline Date:** Farmers' training by March 2015, root cause investigation by December 2015.

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



## Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment (PPE), such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

### Noncompliance

**Explanation:** Chemical application needs to be conducted by trained and equipped personnel, as it is written in the cooperative's procedure and mentioned in Nestlé's COC. However, some workers were found using chemicals without suitable equipment and training. Female workers involved in family farm work to help their husbands in particular do not have PPE.

Sources: grower and worker interviews; farm walkthrough

**Plan Of Action:** See H&S.1 for information on first aid kits.

1. The importance of PPE will be reinforced in farmer training.

2. As part of our gender response to FLA's report on gender we will investigate the issue with selected women's groups and devise solutions by 2015 (see D.2).

For pesticide spraying specifically, we hope to extend our project with Syngenta to this cooperative, in which Syngenta trains and provides PPE for specific individuals who spray cooperatives' members' farms. Further PPE will be made available at the cooperative level for the spraying of other crops.

**Deadline Date:** December 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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

**Explanation:** Growers were provided training on chemical management. They are aware of banned substances, but no proper chemical storage in the visited area was observed. Growers were storing chemicals in their living quarters. On the farms, not all growers follow safe disposal practices for empty chemical containers.

Sources: grower and worker interview; farm walkthrough

**Plan Of Action:** The proper storage of chemicals is a critical part of the UTZ COC; this will be followed up with the cooperative, which will emphasize this point during farmer trainings. Cabb has 3 designated locations for chemical storage, Buyo, LBS, and Nouffoukro. Applicators transport chemicals from these places to the villages. Chemicals should not be stored at the village level. This will continue to be emphasized in farmer field schools to ensure that farmers are fully aware and comply.

**Deadline Date** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who received a part of the final harvest. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Instances were found where some of the illiterate growers were maintaining wage records on their farms with the help of some literate community members.

Sources: grower and worker interviews

**Plan Of Action:** Our research shows 45% of farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records is a widespread issue. Our research also shows that in a survey of over 600 workers, the average working day was 8 hours, including breaks, for 5 days a week. In accordance with the requirements of UTZ Certification, the cooperative has agreed to emphasize the importance of working no more than the maximum number of working hours. We will discuss solutions for recording hours with the cooperative during 2015.

**Deadline Date** December 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



2013

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

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Sud Comoe  
**COMMUNITY:** N'zerekou  
**MONITOR:** FLA and Jean-Baptiste Appia  
**AUDIT DATE:** December 16 – 20, 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF GROWERS/WORKERS:** 20/11  
**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/11  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 65.5 HA  
**PROCESSES:** Harvesting, Pod Opening, Cocoa Drying, Cocoa Farm Clearing

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC and is the one most used by growers, as compared to the other COCs. Therefore, there is a risk in farms not implementing UTZ and FLA COCs.

Sources: worker interviews, document review, visual observation

**Plan Of Action:** 1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and the environment. We are adding non-discrimination and non-retaliation to the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. The revised leaflets will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014

2. Nestlé and Tier 1 suppliers will prepare a training module, which will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified formula for policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014

3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions for each section, where lead farmers will introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

4. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

5. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers, during farmer field schools, either through section heads or community liaison individuals, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 2 Ensure that all Company growers as well as supply chain partners 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:** IMS (Internal Monitoring System) staff has made efforts to inform and raise awareness amongst farmers regarding Nestlé’s COC through farmer field schools and the International Cocoa Initiative’s (ICI)-implemented Child Labor Monitoring and Remediation Program. However, family members and sharecroppers who are workers in the visited area do not have sufficient knowledge on Nestlé’s COC. No training has been conducted for them and they do not attend the trainings organized for growers.

Sources: grower and worker interviews; observation

**Plan Of Action:** See the Plan of Action for GEN 1, #3, #4, and #5.

The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted some workers only come a day at a time; therefore, the list cannot have 100% coverage.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Code Awareness:

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

#### Noncompliance

**Explanation:** The cooperative has implemented a communication channel allowing growers and workers to use suggestion boxes to confidentially lodge a complaint or report noncompliances. Nestlé has also published a toll-free number on Nestlé's illustrated COC to enable growers and workers to directly contact the company. However, the COC is only either distributed to growers or displayed at the cooperative. The COC is not available on farms or in the camps, places in which most workers are to be found. Growers reported that the toll-free number does not work from their places of residence. Finally, a non-retaliation policy has neither been developed nor communicated to growers and workers, in case they wish to report noncompliances.

Sources: interviews, record review, observation

#### Plan Of Action:

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected with the new version.
2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under UTZ COC:
  - a) UTZ requires the cooperative to make a register of complaints that is managed by 1 dedicated individual;
  - b) This register is available to all cooperative members and to anyone involved in the community;
  - c) All complaints are related to application of the code (discrimination, nonpayment of the premium, etc.);
  - d) The system has to be known by all members.

#### Application in St Joseph:

- a) The individual responsible within St Joseph at the section level is the section head who has been trained by the ADG (group administrator);
  - b) The section delegate receives all complaints that come from members;
  - c) The section delegate is the person that solves issues at their level; however, if the problem is not solved, the section head is to raise it with the ADG. If at this stage, there is still no satisfaction, the manager becomes involved. If the issue remains still pending, the board will meet to discuss it.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained on this topic in August. Noncompliances can be reported through the cooperative's complaint procedure and our hotline. Deadline: November 2014
  5. The individual responsible in the cooperative for the certification (ADG) will make a round of the farmer field schools to remind farmers of this mechanism. Deadline: January 2015

**Deadline**  
**Date:**            [January 2015](#)

**Action**  
**Taken:**

**Plan**  
**Complete:**

**Plan**  
**Complete**  
**Date:**

**Code Awareness: Others**

(Company Internal Grievance Policy and Procedures)

**Noncompliance**

**Explanation:** Even though there is a grievance policy and procedure at the cooperative level, growers feel that their grievances are neither heard nor resolved by the cooperative. Monitors noticed that there is a lack of communication from the cooperative management towards the growers. A number of complaints have been made to the cooperative about a lack of premium payments from the past 3 years; however, monitors could not find any documents related to the complaints and growers are not aware why they are not being paid premiums.

Sources: interviews, document review

**Plan Of Action:** See also the Plan of Action for WBOT.1. We investigated this allegation with the cooperative. We found the 2011 AGM (General Assembly) minutes describing the consultation about building a health center in an area without one for 40 km. The sections discussed this and then agreed to the plans. We found a list of farmer deliveries and premiums due from both Ahoulou and N'zérékou, together with carbon copies in receipt books of premiums paid to each farmer.

1. We will encourage the cooperative to make sure farmers are aware of decisions after General Assembly meetings.
2. Nestlé will carry out further investigation with farmers in the N'zérékou section regarding the allegation about the IMS report, which was signed by all parties.
3. For grievance or retaliation policy see the Plans of Action for GEN 1 and GEN 2.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: General Compliance

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

#### Uncorroborated Evidence of Noncompliance

**Explanation:** During the farm visits, no children were found working on the farms. However, during the visit to the camps, many children and young workers from growers' families and sharecroppers' households were found in the camps that do not attend school and have no birth certificates to establish their ages.

Sources: interviews, observation

**Plan Of Action:** We have begun our child labor monitoring and remediation system in this cooperative and will follow up on all children involved on these farms. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Discipline/Fair and Non-discriminatory Application**

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

**Noncompliance**

**Explanation:** [The cooperative has developed a disciplinary process; however, the process does not allow for workers to make appeals against termination from the cooperative's list of suppliers.](#)

[Sources: interviews, record review](#)

**Plan Of Action:** [See the Plans of Action for GEN 1 and GEN 2.](#)

**Deadline Date:** [January 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** Workers (sharecroppers and growers' family members) do not have access to H&S documentation; therefore, they are not aware of H&S requirements.

Sources: interviews, document review

**Plan Of Action:** The cooperative has already conducted a risk analysis at the farm level. According to risk analysis results, the cooperative will prepare an H&S procedure. Nestlé and Tier 1 supplier will assist the cooperative on system creation and will provide guidance on the requirements and basic content of the H&S management system during ADG training. After creating the procedures, ADGs will share them with farmers and workers during farmer trainings.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### 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:** No management system has been defined for ensuring H&S.

Sources: interviews, document review

**Plan Of  
Action:**

1. See the Plan of Action for H&S.2 regarding training aspects.

2. There is a procedure in place to comply with UTZ certification requirements on safety. At St Joseph, in cases of accident or serious illness, there are individuals responsible at the cooperative and section levels (13 people in total) that are contacted by phone or any other means. After receiving first aid, an available vehicle or motorbike will be used for evacuation to the closest health center. Concerns for members' H&S triggered the cooperative to build a health center in the N'zérékou section for aid to be closer to growers (the individuals responsible will be trained before June 2014). 11 first aid kits are being distributed to all sections. All cooperative staff members will have their full treatment reimbursed. In cases where a member needs treatment, the cooperative pays for the treatment and the amount is deducted from their future bean deliveries.

3. The cooperative (section delegate) will remind members of this procedure during sensitization sessions and farmer field school sessions.

**Deadline  
Date:** January 2015

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

### 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:** Workers are not aware of H&S policies, as they do not attend training sessions. Additionally, there is a lack of trainers, as an adequate number of training sessions are not conducted.

Sources: interviews

**Plan Of Action:** See the Plans of Action for H&S.2 and H&S.4.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** There are no first aid kits available for growers and workers in the village. The nearest health services are located 20 km away.

Sources: interviews, observation

**Plan Of Action:** See the Plans of Action for H&S.2 and H&S.4.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: Medical Facilities

H&S.12 Medical facilities shall be established and maintained as required by applicable laws. In case of no local law, the company should ensure that the growers could approach them in case of medical emergencies and have the local medical officer's contact address available to the growers and workers. In the case of a medical emergency, e.g. injury or sudden illness, employers will not unreasonably delay allowing a worker to have access to medical treatment.

#### Noncompliance

**Explanation:** The village has neither a medical facility nor a health infrastructure. The closest health center is located in Aboisso-cómoé, 20 km from the village. According to growers and workers, in cases of injury, they cannot access the health care center, as it is located too far away and is expensive to use.

Sources: interviews, observations

**Plan Of Action:** See the Plans of Action for H&S.2 and H&S.4.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during peak season.

Sources: interviews, document review

**Plan Of Action:** Literacy is a widespread issue in the Ivory Coast's cocoa sector. Additionally, most workers (sharecroppers, occasional/temporary workers, etc.) live in a separate location (near the farm or in the village); therefore, it is not easy to register the times when work activities start and end each day. Additionally:

1. At the cooperative level, communicate to workers regarding working hours, public holidays, and leave. This is also part of the certification requirements.
2. Hold an awareness session at the farmer field school to make sure workers do not work more than 8 to 10 hours a day and more than 48 hours a week (national law).
3. Best labor practices will be covered in the CL Monitoring and Remediation sensitization sessions.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Wages, Benefits and Overtime Compensation: General Compliance**

WBOT.1 Growers shall comply with all local laws, regulations and procedures concerning the payment of wages and benefits, including overtime compensation. In any case where laws and the FLA Workplace Code of Conduct are contradictory, the standard that provides the greatest protection for workers shall apply. Where provisions are lacking, growers shall take measures to reasonably accommodate matters concerning the payments of wages and benefits, including overtime

#### **Noncompliance**

**Explanation:** Interviewed growers had not received their premiums for 3 years. The cooperative's management confirmed this information, stating they decided to use these funds to build a health center in N'zérékou (located 20 km away) and to install a water pump in the main camp (Vatican City) without consulting growers. Growers are not aware that the premiums are being used for building a community hospital.

Sources: interviews

**Plan Of Action:** See the Plan of Action for Code Awareness (Other).

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Wages, Benefits and Overtime Compensation: Timely Payment of Wages**

WBOT.3 All wages, including overtime compensation shall be paid within legally defined time limits. When law does not define time limits, compensation shall be paid at least once a month or as agreed between the worker and the grower.

#### **Noncompliance**

**Explanation:** Interviewed growers reported that the cooperative does not pay their income on time. Therefore, in order to meet emergency financial needs, they end up selling their beans to other suppliers and companies.

Sources: interviews

**Plan Of Action:** This problem is related to the delay in payment that is part of the traditional system in the cooperative scheme. In this system, farmers bring their products and wait until the cooperative loads it on a truck to deliver to the trader before being paid; subsequently, this can take some time, especially when there are not a lot of deliveries to the cooperative.

1. Through section heads, the cooperative will proceed with giving explanation sessions to farmers so that they do not feel that they are being mistreated.
2. There will be also some efforts made to move the cocoa beans much faster, in order to reduce payment delays. Additionally, the cooperative must communicate on payment delays.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who receive a part of the final harvest income. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on any document maintenance.

Sources: interviews, record review

**Plan Of Action:** Our research shows that about 45% of Ivory Coast's cocoa farmers are illiterate and running very small farms with the infrequent use of paid labor; therefore, the lack of records will be a widespread issue.

1. During farmer field schools, there is an awareness session on labor contracts. St Joseph will improve this session regarding issues such as why it is important to have a written (or as a default, a verbal) contract with workers. A template of a simple written contract will be available at the section warehouse (including at least the names of the producers and workers; type of task; agreed remuneration, etc.). St Joseph will improve this session with issues around wages and will recommend for farmers to record payments in kind or in cash.

2. Nestlé and the Tier 1 supplier will train ADGs in August on how to organize this session. (See the Plan of Action for GEN 1, #2.)

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



## Wages, Benefits and Overtime Compensation: Others

Others

### Uncorroborated Evidence of Noncompliance

**Explanation:** Growers and workers reported that their income is not sufficient to meet their basic needs, and that they have additional incomes to improve their lives, spend on health care, and meet social compliance standards, as demanded by the company. They added that the cooperative does not provide assistance when there are emergencies such as sickness, payment of school fees, farm inputs, etc.

Sources: interviews

**Plan Of Action:** The cooperative pays the guaranteed price fixed by the government and a premium when the delivery is bought as certified cocoa. Farmer members are benefiting from some services offered the cooperative, such as plants to regenerate their plantations and phytosanitary products. There is an evacuation procedure for accidents or serious illness. (See the Plan of Action for H&S.4.)

The cooperative will remind farmers of the H&S procedures and furnish the first aid kits at the section level. St Joseph has a contract with a phytosanitary product provider to get products available on credit, which will be available to members. A health center is under construction at N'zérékou and more services, like loans at the start of the school year, will be considered by the cooperative.

**Deadline** October 2014

**Date:**

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**



2013

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

**COMPANY:** Nestlé  
**COUNTRY:** Ivory Coast  
**PROVINCE:** Belier  
**COMMUNITY:** Gbelissou  
**MONITOR:** FLA  
**AUDIT DATE:** 22 – 26 November 2013  
**PRODUCTS:** Cocoa  
**NUMBER OF GROWERS/WORKERS:** 20/2  
**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/2  
**NUMBER OF FARMS VISITED:** 20  
**TOTAL AREA COVERED IN AUDIT:** 53.25 HA  
**PROCESSES:** Harvesting, Cocoa Drying

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** The Nestlé Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé's illustrated COC is the most widely distributed code and is more often used by growers as compared to the other codes. Therefore, there is a risk in farms not implementing UTZ and FLA COCs.

Sources: worker interview, document review, visual observation

**Plan Of  
Action:**

1. Nestlé's illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination to the next leaflet revision. The revised version of the COC will be distributed to farmers, women, and workers during introductory sessions (see Action 3) in villages.

2. Nestlé and Olam will prepare a training module, which will cover supplier COC principles, grievance channel, non-retaliation policy, internal monitoring, and a simplified formula for policy and procedure creation, particularly on H&S and disciplinary actions. The training will be given to group administrators (ADGs) and farmer trainers by Nestlé and/or Olam representatives. Training manuals will be prepared with visual materials considering illiterate workers and farmers and will be provided to participants. Deadline: August 2014

3. After the training of trainers' session that will be provided by Nestlé and Olam, ADGs will discuss the training schedule and program with the Administrative Council. Farmer trainers and ADGs will organize information/introductory sessions in each section where they will introduce the farmer field schools and provide brief information on supplier COC, emphasizing child labor, H&S, and grievance channel, including the non-retaliation policy. Deadline: November 2014

4. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and farmers who are not in the certification program will be particularly encouraged to join farmer field schools. An announcement will be done through selected farmers from farmer trainings ("chef de class") in order to reach all residents in the village, including workers. Deadline: November 2014

5. The cooperative has 6 sections and covers 36 villages. Each section has farmer trainers and farmer training schools are organized. The schools are open for all farmers, whether they are part of UTZ Certification or not. This fact will be underlined during the information sessions. Deadline: November 2014

6. The cooperative will provide a timeline for training sessions and Olam/Nestlé representatives will join some of the trainings in order to support trainers during information sessions. Deadline: November 2014

7. During farmer school and trainings, supplier COC principles will be explained in more detail with illustrated materials, procedures, and processes that will facilitate information recording. Workers will also be invited to the farmer training school. Deadline: November 2014

**Deadline**

**Date:** November 2014

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**



**Code Awareness:**

GEN 2 Ensure that all Company growers as well as supply chain partners 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:** IMS (internal monitoring system) staff has made efforts to inform and raise awareness amongst growers regarding company's COC through farmer field schools and the ICI (International Cocoa Initiative)-implemented Child Labor Monitoring and Remediation Program. However, family members and sharecroppers who are workers in visited areas do not have sufficient knowledge on company's COC and no training has been conducted for them. Regular updating of labor issue-related training and refresher courses was not organized for growers and workers due to lack of trainers.

Source: grower and family member interviews

**Plan Of Action:** The cooperative will discuss the possibility of increasing the number of farmer trainers during the council meeting.

See also the Plan of Action for GEN 1, #3, #4, #6, and #7.

**Deadline Date** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Nestlé has provided a toll-free number as a noncompliance reporting mechanism; it is included on Nestlé’s illustrated COC. However, the COC is only distributed to growers or displayed at the cooperatives. Therefore, at present, this reporting mechanism is only accessible by growers; workers do not have access to this number. Furthermore, according to grower interviews, they find the number difficult to use. A non-retaliation policy has neither been developed nor communicated to either growers or workers in case they wish to report non-compliances.

Sources: IMS center staff, grower, and worker interviews; observation

- Plan Of Action:**
1. On the supplier COC leaflet and poster there was a mistake in the original hotline number; this is being corrected with the new version.
  2. The new poster will be displayed at each section level warehouse. To include workers, we will distribute the leaflet more widely (see GEN 1); workers are welcome to use the hotline, including for cases of retaliation.
  3. Given the fact that FLA requires affiliate companies to create a grievance channel where the grievant could stay anonymous, a toll-free number is one feasible option for open working areas such as farms. However, the cooperative has also developed an open door policy, where farmers/workers could communicate directly with ADGs. Suggestion boxes are also placed in the cooperative building. All types of grievance channels will be explained during information sessions with members.
  4. Olam/Nestlé will prepare farmer production notebooks in which farmers can register information on production and labor. The notebook will have visuals on supplier COC and the grievance channel’s toll-free number. One notebook will be provided for each cooperative, in order for them to share this information with farmers.

See also the Plan of Action for GEN 1, #3, #4, and #7.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Forced Labor: General Compliance

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

#### Uncorroborated Evidence of Noncompliance

**Explanation:** During the visit, no clear evidence of forced labor was found. However, growers engage family members, sharecroppers, and their family in work; subsequently, none of them have either a (written or verbal) contract with growers. In some instances, wages are not determined at the beginning of the season. In these cases, workers do not know how much they will receive until the end of the harvest; therefore, they feel mentally coerced to keep working on the farms in order to receive the final payment. It was also reported during interviews that although their (growers' family members) needs are conveyed (although in some cases they are not), as they have no determined wages and benefits, they are not able to organize their lives due to the uncertainty of their income.

Sources: interviews

**Plan Of Action:** The cooperative is providing a simple working contract document to farmers. The contract document requires farmers to complete information on the duration of work and wages. The document will be revised and a simplified version of disciplinary actions and working hour limits will be added as a note. This contract document will be introduced during farmer training school by farmer trainers.

See also the Plans of Action for GEN 1, #3, #4, and #7, and GEN 3, #2.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Child Labor: General Compliance

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

### Noncompliance

**Explanation:** Monitors did not observe any **hired** child labor or young workers on the visited farms. However, during farm tours, monitors met children on the farm with their parents. Grower interviews found that child/young workers from growers' families (both immediate and extended) and sharecroppers' families are involved in farm work, such as cocoa picking and land cleaning. Additionally, some of these children and young workers do not attend school. One of the grower's sons, who is less than 14 years old and should be in primary school, was found carrying water for cooking on the farm. His father mentioned that he goes with him to the field because he refuses to go to the school.

Despite the large number of children, there is a lack of educational facilities. However, people in the area do send their children to school. The schools' directors confirm that their enrollments are around 95%. Yet, there are no opportunities for children who fail at school; therefore, when they fail, they become involved with work in the field, regardless of their age.

Sources: interviews, farm walkthrough

**Plan Of Action:**

1. Nestlé is working in cooperation with the ICI on the elimination of child labor. In case child labor is found during monitoring or follow-up visits by farmer trainers or ADGs, ICI will be informed immediately. The farmer's questionnaire is done with farmers by community liaison individuals, who report to ICI, in order to detect the reasons behind these cases of child labor. Remediation activities are proposed by ICI to Nestlé on a case-by-case basis. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>
2. Farmer trainers and ICI inform farmers on child labor definitions in order to raise awareness.

See also the Plan of Action for GEN 1, #7.

**Deadline Date** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Discipline/Fair and Non-discriminatory Application**

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

**Noncompliance**

**Explanation:** Disciplinary rules developed by the company were not found at the farm level.

Source: interviews, document review

**Plan Of Action:** During the training sessions organized by Nestlé and Olam, ADGs and farmer trainers will be informed on the disciplinary system requirements. As a training activity, farmer trainers and ADGs will develop suitable procedures for the farm level. These procedures will also be actively discussed with farmers. The procedures that will be created and then confirmed by the cooperative will be introduced during information sessions and farmer trainings.

See also the Plans of Action for GEN 1, #2 and #7, and F.1, #1.

**Deadline Date** December 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Discipline/Worker Awareness**

H&A.3 Grower will follow disciplinary practices that are fair and are clearly understood by the workers. The grower will take necessary steps to ensure that the farm's disciplinary procedure is clearly understood by the workers.

**Noncompliance**

**Explanation:** [Neither workers nor sharecroppers are trained on disciplinary procedures and practices.](#)

[Source:](#) interviews, document review

**Plan Of Action:** [See Plans of Action for GEN 1, #2, #3, and #4; F.1 #1; and H&A.2, #1.](#)

**Deadline Date** [November 2014](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Health and Safety: General Compliance Health and Safety

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

### Noncompliance

**Explanation:** Although growers have received training on H&S requirements, they do not implement or practice the necessary activities to comply with them; at times, this is due to a lack of infrastructure. Additionally, there is very limited access to health centers and women do not use adequate gear.

Sources: interviews, observations

**Plan Of Action:**

1. Farmers will be informed of H&S requirements through refresher trainings in farmer school. (See also the Plan of Action for GEN 1, #7.) The importance of personal protective equipment (PPE) usage will be underlined during trainings to all family members.
2. Women will be encouraged to participate in farmer training schools during the information sessions that are held in villages.
3. There are 2 health centers in the area and all farmer trainers were trained on first aid. During farmer trainings, farmers will be re-informed of the health centers' locations and will educate staff on first aid.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** None of the documents establishing H&S policies or procedures are accessible to workers (sharecroppers and family members). One of the reasons for this is that workers do not attend any training sessions where documents and procedures are explained and transmitted.

Sources: interviews, record review

**Plan Of Action:** See the Plan of Action for GEN 1, #2, #3, #4, and #7.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### 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:** No management system has been defined for ensuring H&S.

Sources: interviews, record review

**Plan Of Action:** The cooperative has already conducted a risk analysis at the farm level. According to risk analysis results, the cooperative will prepare H&S procedures. Olam/Nestlé will assist the cooperative on system creation and provide guidance on requirements and basic content of the H&S management system during the training of both ADGs and farmer trainers. After creating procedures, ADGs and farmer trainers will share them with farmers and workers during farmer trainings.

**Deadline Date** September 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** Growers in the visited area work with their family members and sharecroppers. There is no proof of workers' awareness of H&S requirements, as they do not attend the farmer field school training sessions.

Sources: interviews

**Plan Of Action:** See the Plan of Action for GEN 1, #2, #3, #4, and #7.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## 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:** There is no safety equipment for all growers and workers (mainly women). Although there is a first aid kit available in the village, which is maintained by the cooperative, and the Producer Relay is trained on first aid, this information is only accessible to growers, not workers.

Sources: interviews, observations

**Plan Of Action:**

1. The cooperative has already provided first aid trainings to farmer trainers. The refresher course will be organized in 2014. The information will be shared during farmer trainings.
2. The majority of the farmers use PPE. However, women prefer not to change out of their traditional clothes. Additionally, while they have access to PPE, they do not have sufficient information on the farm level risks. In order to change the prevailing mindset and help women get their own PPE, the cooperative will propose giving model boots and shirts to selected farmer's wives, so they can set an example. Women will also be encouraged to join farmer trainings during information/introductory sessions.

See also the Plan of Action for GEN 1, #2, #3, #4, and #7.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment (PPE), such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

#### Noncompliance

**Explanation:** [Women were found working in farms without suitable equipment \(footwear\).](#)

[Sources: interviews, observations](#)

**Plan Of Action:** [See the Plan for Actions for H&S.6 and GEN 1, #2, #3, #4, and #7.](#)

**Deadline Date** [November 2014](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance Hours of Work

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of working hours during the peak season.

Sources: worker and grower interviews; document review

**Plan Of Action:** Nestlé has conducted research on the average daily work time at the farm level in Ivory Coast for their program regarding rural development frameworks. Due to weather conditions, workers could not work office work hours (8:00 am – 6:00 pm). Depending on circumstances, they prefer to work early in the morning and late in the afternoon. Therefore, farmers and workers will be informed on the weekly working time limits and minimum wages during farmers' trainings.

See also the Plans of Action for GEN 3, #2, and F.1.

**Deadline Date** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who received a part of the final harvest. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on document maintenance.

Sources: interviews, record review

**Plan Of Action:** See Plans of Action for GEN 1, #3, #4 and 6; GEN 3, #2; and F.1.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



2013

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé

**COUNTRY:** Ivory Coast

**PROVINCE:** Belier and Yamoussoukro

**COMMUNITY:** Toumbokro

**MONITOR:** FLA and Jean Baptiste APPIA

**AUDIT DATE:** November 17 – 21, 2013

**PRODUCTS:** Cocoa

**NUMBER OF GROWERS/WORKERS:** 20/11

**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/11

**NUMBER OF FARMS VISITED:** 20

**TOTAL AREA COVERED IN AUDIT:** 71.5 HA

**PROCESSES:** Harvesting, Pod Opening, Cocoa Drying, Farm Cleaning

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

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to other supply chain partners.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under the UTZ and FLA COCs that are applied on the farms. Currently, Nestlé’s illustrated COC is the most widely distributed COC and the one most used by growers, as compared to other COCs. Therefore, this is a risk of farms not implementing UTZ and FLA COCs.

Sources: interviews, document review

**Plan Of  
Action:**

1. Nestlé’s illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination to the next leaflet revision. The revised version of the code will be distributed to farmers, women, and workers during introductory sessions (see Action 3) in villages.
2. Nestlé and Olam will prepare a training module, which will cover supplier COC principles, grievance channel, non-retaliation policy, internal monitoring, along with a simplified formula regarding policy and procedure creation, particularly on H&S and disciplinary actions. Nestlé and/or Olam representatives will give training to group administrators (ADGs) and farmer trainers. Training manuals will be prepared with visual materials, in order to accommodate illiterate workers and farmers, and will be provided to participants. Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Olam, ADGs will discuss the training schedule and program with the Administrative Council. Farmer trainers and ADGs will organize information/introductory sessions for each section, where they will introduce the farmer field schools and provide brief information on supplier COC, with emphasis on child labor, H&S, and grievance channel, including the non-retaliation policy. Deadline: November 2014
4. Since introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and farmers who are not in the certification program will particularly be encouraged to join farmer field schools. An announcement will be done through selected farmers from farmer trainings (“chef de class”) in order to reach all residents in the village, including workers. Deadline: November 2014
5. The cooperative has 6 sections and covers 36 villages. Each section has farmer trainers and farmer training schools are organized. The schools are open for all farmers, whether they are part of UTZ certification or not. This fact will be underlined during information sessions. Deadline: November 2014
6. The cooperative will provide a timeline for training sessions and Olam/Nestlé representatives will join some of the trainings in order to support trainers during information sessions. Deadline: November 2014
7. During farmer school and trainings, supplier COC principles will be explained in more detail with illustrated materials, procedures, and processes that will facilitate information recording. Workers will also be invited to the farmer training school. Deadline: November 2014

**Deadline**

**Date:** November 2014

**Action**

**Taken:**

**Plan**

**Complete:**

**Plan**

**Complete**

**Date:**

**Code Awareness:**

GEN 2 Ensure that all Company growers as well as supply chain partners 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:** IMS (Internal Monitoring System) staff has made efforts to inform and raise awareness amongst farmers regarding Nestlé’s COC through farmer field schools and the International Cocoa Initiative’s (ICI)-implemented Child Labor Monitoring and Remediation Program. However, family members and sharecroppers who are workers in the visited area do not have sufficient knowledge on Nestlé’s COC, as no training has been given to them. Worker interviews found that, except for some H&S measures, they were not aware of other workplace standards or labor laws.

Sources: interviews, document review

**Plan Of Action:** The cooperative will discuss the possibility of increasing the number of farmer trainers during the council meeting.

See also the Plan of Action for GEN 1, #3, #4, #6, and #7.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of supply chain partners (cooperatives) to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Nestlé has provided a toll-free number as a noncompliance reporting mechanism, that is included on Nestlé’s illustrated COC. However, the COC is only either distributed to growers or displayed at cooperatives. At present, the reporting mechanism is only accessible by growers; workers do not have access to the number. Furthermore, according to grower interviews, they find the number difficult to use. Additionally, a non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report noncompliances.

Sources: interviews, document review

**Plan Of  
Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed at each section level warehouse. We will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Given the fact that FLA requires affiliate companies to create a grievance channel where the grievant could stay anonymous, a toll-free number is one feasible option for open working areas, such as farms. However, the cooperative has also developed an open door policy, where farmers and workers could communicate directly with ADGs. Suggestion boxes are also placed in the cooperative building. All types of grievance channels will be explained during information sessions with members.
4. Olam/Nestlé will prepare farmer production notebooks in which farmers can register information on production and labor. The notebook will have visuals on supplier COC and the toll-free number of the grievance channel. One example will be provided to each cooperative in order for them to share with farmers.

See also the Plan for Action for GEN 1, #3, #4, and #7.

**Deadline  
Date:** November 2014

**Action  
Taken:**

**Plan  
Complete:**

**Plan  
Complete  
Date:**

## Child Labor: General Compliance

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

### Uncorroborated Evidence of Noncompliance

**Explanation:** Monitors did not observe any **hired** child labor or young workers on the visited farms. Farmer interviews found that child/young workers from farmers' families (both immediate and extended) and sharecroppers' families are involved in farm work during their school vacation. Some of the children and young workers either do not attend school or fail at school and are involved in farm work, as there are no other alternatives available in the village.

Sources: interviews

**Plan Of Action:** 1. Nestlé is working in cooperation with the ICI on the elimination of child labor. If cases of child labor are found during monitoring or follow-up visits by farmer trainers or ADGs, the ICI will be informed immediately. Farmers complete the farmer's questionnaire with community liaison individuals that report to ICI in order to detect the reasons behind the child labor. Remediation activities are proposed by ICI to Nestlé on a case-by-case basis. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

2. Farmer trainers and the ICI inform farmers on child labor definitions in order to raise awareness.

See also the Plan of Action for GEN 1, #7.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



### Harassment or Abuse: Grievance Procedure

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

#### Noncompliance

**Explanation:** According to the cooperative's disciplinary policy and procedure, if a cooperative member is repeatedly non-compliant, the Approval Committee meets about their case. After several verbal warnings, a first-degree penalty, such as withdrawal from the project, may be imposed on the concerned grower. If the issue persists, the grower may be removed from the list of cooperative suppliers. Neither grower interviews nor record review mentioned the opportunity to reply or make appeals against termination.

Sources: interviews, document review

**Plan Of Action:** During the training sessions organized by Nestlé and/or Olam, ADGs and farmer trainers will be informed of the disciplinary system requirements. As a training activity, farmer trainers and ADGs will develop suitable procedures at the farm level. These procedures will also be actively discussed with farmers. After having been approved by the cooperative, these procedures will be introduced during information sessions and farmer trainings.

See also the Plan of Action for GEN 1, #2 and #7.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Non-Discrimination: Employment Decisions

D.2 All employment decisions shall be made solely on the basis of a person's qualifications, in terms of education, training, experience, demonstrated skills and/or abilities, as they relate to the inherent requirements of a particular job.

### Uncorroborated Evidence of Noncompliance

**Explanation:** At the cooperative level, it was noted that: a) there are no female members on the cooperative board and b) no women are involved in decision making at the cooperative level, even though women make up a majority of the workforce. IMS staff members are also all men, which may prevent cooperatives from tackling problems that are specific to women.

Sources: interviews

**Plan Of Action:** This is a widespread issue in cooperatives, and is one aspect of the gender disparity in these rural areas. We are collecting data on the position of women in our supply chain and publishing on Nestlé.com (<http://www.nestle.com/asset-library/documents/creating-shared-value/responsible-sourcing/action-plan-women-in-cocoa-supply-chain.pdf>). We will work out how to incorporate gender issues into the Nestlé Cocoa Plan once we have reviewed the recommendations from FLA in the gender report we commissioned (<http://www.fairlabor.org/report/nestle-womens-roles-assessment-cocoa>).

The cooperative has agreed to widely distribute a note, which encourages female farmers to become members of the cooperative board by March 31, 2015.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: General Compliance Health and Safety

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

#### Uncorroborated Evidence of Noncompliance

**Explanation:** Although there is a private health care facility in the village, growers and workers find it very expensive to use. While the cooperative has provided first aid kits, only the farmer trainers are trained in first aid. According to workers, they get injured several times during farm work and cannot afford to go to the private clinic. Furthermore, there are no government-sponsored health clinics present in the village.

Sources: interviews, observation

**Plan Of Action:** Nestlé/Olam will organize a needs' assessment visit to cooperative sections to observe the communities' need for health centers and will contact the local authorities in case health care is inaccessible.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No management system that ensures H&S has been defined or available for review.

Sources: interviews, document review

**Plan Of Action:** The cooperative has already conducted a risk analysis at the farm level. According to risk analysis results, the cooperative will prepare H&S procedures. Olam/Nestlé will: a) assist the cooperative on system creation and b) provide guidance on the requirements and basic content of an H&S management system during ADG and farmer trainer training.

**Deadline Date:** September 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: Personal Protective Equipment

H&S.7 All necessary personal protective equipment (PPE), such as gloves, eye protection, respiratory protection, etc., should be made available to relevant workers to prevent unsafe exposure (such as inhalation or contact with solvent vapors, dust, etc.) to health and safety hazards.

#### Noncompliance

**Explanation:** Women were found working in farms without suitable equipment, such as boots; in contrast, men were wearing them.

Sources: interviews, observation

**Plan Of Action:**

1. Farmers will be informed on H&S requirements through refresher trainings in farmer training schools. (See also the Plan of Action for GEN 1, #7.) The importance of PPE usage for all family members will be underlined during trainings.
2. Women will be encouraged to participate in farmer training schools during information sessions, which will be held in villages.
3. The majority of farmers use PPE. However, women do not prefer to change out of their traditional clothes. They have access to PPE, but do not have sufficient information on the risks at the farm level. In order to change this mindset, the cooperative will propose models of boots and shirts to selected farmer's wives, in order to set an example. Women will be encouraged to join farmer trainings during information/introductory sessions.

See also the Plan of Action for GEN 1, #2, #3, #4, and #7.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Hours of Work: General Compliance

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

#### Noncompliance

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during the peak season.

Sources: interviews, document review

**Plan Of Action:** Nestlé has conducted research on the average daily work time at the farm level in Ivory Coast for their program on rural development frameworks. Due to weather conditions, workers could not work office hours (8:00 am – 6:00 pm). Depending on circumstance, workers prefer to work early in the morning and late in the afternoon. Therefore, farmers and workers will be informed on the weekly working time limits and minimum wages during farmer’s trainings.

See also the Plan of Action for GEN 3, #4.

**Deadline Date:** November 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### **Wages, Benefits and Overtime Compensation: General Compliance**

WBOT.1 Growers shall comply with all local laws, regulations and procedures concerning the payment of wages and benefits, including overtime compensation. In any case where laws and the FLA Workplace Code of Conduct are contradictory, the standard that provides the greatest protection for workers shall apply. Where provisions are lacking, growers shall take measures to reasonably accommodate matters concerning the payments of wages and benefits, including overtime.

#### **Noncompliance**

**Explanation:** Farmers reported that they have not received any premiums from the cooperatives. Cooperatives responded that due to financial difficulty, they were not able to provide timely payments and premiums to growers.

Sources: interviews, document review

**Plan Of Action:** The cooperative held an annual general meeting to inform farmers about the situation during the 2011/12 seasons; it is now committed to pay premiums and other payments on time.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Wages, Benefits and Overtime Compensation: Timely Payment of Wages**

WBOT.3 All wages, including overtime compensation shall be paid within legally defined time limits. When law does not define time limits, compensation shall be paid at least once a month or as agreed between the worker and the grower.

**Noncompliance**

**Explanation:** All wages, including overtime compensation, shall be paid within legally defined time limits. When the law does not define time limits, compensation shall be paid at least once a month or as agreed upon between workers and growers.

**Plan Of Action:** Report results were discussed with cooperative representatives and the cooperative will prioritize accelerating farmers' payments.

**Deadline Date:** October 2014

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**





[2013]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**COMPANY:** Nestlé

**COUNTRY:** Ivory Coast

**PROVINCE:** Indenie

**COMMUNITY:** Satrikan

**MONITOR:** FLA and Jean-Baptiste Appia

**AUDIT DATE:** December 8 – 12, 2013

**PRODUCTS:** Cocoa

**NUMBER OF GROWERS/WORKERS:** 20/11

**NUMBER OF GROWERS/WORKERS INTERVIEWED:** 20/11

**NUMBER OF FARMS VISITED:** 20

**TOTAL AREA COVERED IN AUDIT:** 82 HA

**PROCESSES:** Harvesting, Pod Picking (Delodging), Pod Opening, Cocoa Bean Drying

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**Code Awareness:**

GEN 1 Establish and articulate clear, written workplace standards. Formally convey those standards to Company Growers as well as to Seed Organizers.

**Noncompliance**

**Explanation:** Nestlé’s Code of Conduct (COC) does not mention the non-discrimination code element, although this element is covered under UTZ COC, along with FLA Workplace Code and Benchmarks, which are applied at the farms. Currently, Nestlé’s illustrated code is the most widely distributed one, and the code most used by growers. Therefore, there is a risk of the farms not implementing UTZ COC and FLA Workplace Code and Benchmarks.

Sources: worker interviews, document review, visual observation

**Plan Of Action:**

1. Our illustrated COC, which we have distributed to all farmers in our Nestlé Cocoa Plan supply chain, contains sections on corruption; forced labor; child labor; punishment and sexual abuse; payment; health and safety (H&S); and environment. We are adding non-discrimination and non-retaliation in the next leaflet revision, which will be accompanied by an explanatory note to suppliers emphasizing their role in its implementation. These pamphlets will be completed and distributed to all of our Tier 1 suppliers. Deadline: November 2014
2. Nestlé and Tier 1 suppliers will prepare a training module that will cover supplier COC, grievance channel, non-retaliation policy, along with a simplified format regarding policy and procedure creation, particularly regarding H&S and disciplinary actions. The training will be given to group administrators (ADGs). Deadline: August 2014
3. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section in which lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014
4. As the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015
5. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**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:** The IMS (internal monitoring system) staff has made efforts to inform and raise awareness amongst growers regarding Nestlé’s COC. Nestlé’s illustrated COC has been distributed to all growers in the certification program. However, workers and sharecroppers do not have sufficient knowledge of Nestlé’s COC. No training was conducted for workers, sharecroppers or growers’ family members who are involved in the production process.

Sources: grower and worker interviews

**Plan Of Action:** The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted that some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers’ session that will be provided by Nestlé and Tier 1 suppliers, ADG will discuss the training schedule and program with the cooperative board. ADG will organize information/introductory sessions in each section where lead farmers introduce the farmer field school. The ADGs will provide brief information on supplier code, grievance procedures, etc. Deadline: November 2014

2. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the code to their farmers and workers, during farmer field schools, through either section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Code Awareness:**

GEN 3 Develop a secure communications channel, in a manner appropriate to the culture and situation, to enable Company employees, Supervisors and employees of Seed organizers to report to the Company on noncompliance with the workplace standards, with security that they shall not be punished or prejudiced for doing so.

**Noncompliance**

**Explanation:** Although Nestlé published a toll-free number in its COC to allow growers and workers to raise complaints/grievances or report non-compliances, neither growers nor workers are aware of it. Additionally, a non-retaliation policy has neither been developed nor communicated to growers and workers in case they wish to report non-compliances.

Sources: interviews, record review

**Plan Of Action:**

1. On the supplier COC leaflet and poster there was a mistake in the original hotline number, which is being corrected in the new version.
2. The new poster will be displayed in each section level warehouse and we will distribute the leaflet more widely to include workers (see GEN 1), who are welcome to use the hotline, including for cases of retaliation.
3. Additionally, there is a reporting mechanism within the cooperative under the UTZ COC:
  - UTZ requires the cooperative to make a registration of complaints, which is managed by 1 dedicated person;
  - This registration is available to all cooperative members and to anyone involved in the community;
  - The complaints are all related to the application of the code (discrimination, non-payment of the premium, etc.);
  - The system has to be known by all members.
4. We will recommend a non-retaliation policy to the cooperative and ADGs will be trained in August on this topic. Non-compliances can be reported through the cooperative complaints' procedure and our hotline. Deadline: November 2014
5. The person responsible in the cooperative for the certification (ADG) will go to the farmer field schools to remind farmers of this mechanism.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



## Child Labor: General Compliance

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

### Uncorroborated Evidence of Noncompliance

**Explanation:** Monitors did not observe any **hired** child labor or young workers on the visited farms. However, interviews with farmers found that child/young workers from farmers (both immediate and extended) and sharecroppers' families are involved in farm-work, such as cocoa picking, wet bean transportation, and land cleaning. Additionally, some of these children and young workers do not attend school.

Sources: interviews, observations

**Plan Of Action:** We will include this cooperative in the rollout of our child labor monitoring and remediation system (CLMRS) by June 2015. This includes: a) employing a child labor agent at the cooperative, b) selecting community liaison individuals in each community that the cooperative buys from, c) community awareness sessions, d) data gathering on the household level, and e) remediation activities when we find children at risk. See a short description at:

<http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Child Labor: Removal and Rehabilitation of Child Laborers

CL.10 If a child laborer is found working on the farms, the grower and the company shall ensure that the child is immediately removed from the farm and is rehabilitated and brought into the mainstream school system. The grower and company will make efforts to make this rehabilitation sustainable.

#### Noncompliance

**Explanation:** Currently, neither the company nor the cooperative have a system in place that works to cease child labor on the farms.

Sources: interviews

**Plan Of Action:** We will include this cooperative in the rollout of our child labor monitoring and remediation system (CLMRS) by June 2015. This includes: a) employing a child labor agent at the cooperative, b) selecting community liaison individuals in each community that the cooperative buys from, c) community awareness sessions, d) data gathering on the household level, and e) remediation activities when we find children at risk. See a short description at: <http://www.cocoainitiative.org/fr/projects/143-ici-nestle-project-in-cote-d-ivoire>

**Deadline Date:** June 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## Harassment or Abuse: Discipline/Fair and Non-discriminatory Application

H&A.2 Growers shall apply disciplinary rules, procedures and practices developed by the company in a fair and non-discriminatory manner to all workers.

### Noncompliance

**Explanation:** Workers do not participate in training sessions where documents and procedures are explained and transmitted. There is no proof that workers have access to those documents.

Sources: interviews, record review

**Plan Of Action:** The cooperative will update the list of workers (both family and permanent workers will be included). However, it must be noted that as some workers only come for a day at a time, the list cannot have 100% coverage.

1. After the training of trainers' session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section in which lead farmers introduce the farmer field school. ADGs will provide brief information on supplier COC, grievance procedures, etc. Deadline: November 2014

2. Since the introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, particularly women and workers who are not in the certification program will be encouraged to join the farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers during farmer field schools, either through section heads or community liaisons, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Discipline/Worker Awareness**

H&A.3 Grower will follow disciplinary practices that are fair and are clearly understood by the workers. The grower will take necessary steps to ensure that the farm's disciplinary procedure is clearly understood by the workers.

**Noncompliance**

**Explanation:** [Neither workers nor sharecroppers are trained on disciplinary procedures and practices.](#)

[Sources: grower and worker interviews](#)

**Plan Of Action:** [See Plans of Action for GEN 1, GEN 2, GEN 3, and H&A.2](#)

**Deadline Date:** [January 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Harassment or Abuse: Grievance Procedure**

H&A.12 Company shall have in place grievance procedures that allow first an attempt to settle grievances directly between the worker and the grower but, where this is inappropriate or has failed, it is possible for the worker to have the grievance considered at one or more steps, depending on the nature of the grievance and the structure and size of the enterprise. Company shall ensure that workers know the grievance procedures and applicable rules.

**Noncompliance**

**Explanation:** [Workers are not aware of the grievance procedure, as they do not participate in training sessions where it is either communicated or explained.](#)

[Sources: interviews, document review](#)

**Plan Of Action:** [See Plans of Action for GEN 1, GEN 2, GEN 3, and H&A.2.](#)

**Deadline Date:** [January 2015](#)

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### Health and Safety: General Compliance

H&S.1 Growers shall comply with all local laws, regulations, and procedures concerning health and safety. In any case where local laws and the Workplace Code of Conduct are contradictory, the higher standards will apply. The grower will possess all legally required permits.

#### Noncompliance

**Explanation:** Although the village has a public hospital, there are no first aid kits available either on the farms or in camps for growers and workers who are located far from the village. Additionally, there are not any other health facility and no transportation means.

Sources: interviews, observation

**Plan Of Action:** The cooperative will put first aid kits in each village section in place and train a person in each section. It will also publicize the evacuation procedure and give basic first aid training to all farmers.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete 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.

**Uncorroborated Evidence of Noncompliance**

**Explanation:** Workers do not participate in training sessions where documents and procedures are explained and transmitted. There is no proof that the workers have access to those documents.

Sources: interviews, record review

**Plan Of Action:** The cooperative will update the worker list (both family and permanent workers will be included). However, it must be noted some workers only work a day at a time; therefore, the list cannot have 100% coverage.

1. After the training of trainers' session that will be provided by Nestlé and Tier 1 suppliers, ADGs will discuss the training schedule and program with the cooperative board. ADGs will organize information/introductory sessions in each section and lead farmers will introduce it in the farmer field school. The ADG will provide brief information on supplier code, grievance procedures, etc. Deadline: November 2014

2. Since introductory sessions will be organized in villages, all family members and village residents will be invited. During these sessions, women and workers who are not in the certification program will be particularly encouraged to join farmer field schools. Deadline: January 2015

3. All Nestlé Cocoa Plan cooperatives will distribute the COC to their farmers and workers during farmer field schools, through either section heads or community liaison individuals, depending on local preference. Deadline: March 2015

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 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:** No H&S management system is available for growers and workers.

Sources: grower and worker interviews; record review

**Plan Of Action:**

1. We will start by making sure that the first aid procedure is working. (See H&S.1.)
2. We will train ADGs on the H&S management system, as there is already a risk analysis available at the cooperative level. We will investigate during the training how the individuals responsible for first aid can run a H&S management system (setting up clear responsibilities and procedures; reporting for all H&S matters: chemical handling, personal protective equipment (PPE), first aid, handling accidents, etc.
3. The person responsible for the H&S management system will inform farmers and workers during farmer field school sessions.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**



**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:** There is no proof that workers are aware of the H&S requirements, as they do not attend the farmer field school training sessions.

Sources: grower and worker interviews; record review

**Plan Of Action:** See Plans of Action for GEN 2 and H&S.4.

**Deadline Date:** March 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

## 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:** There is no first aid kit available for workers and growers in camps and on the farms. The public hospital is located far from the village (which has no transportation means) if someone is injured.

Sources: grower and worker interviews; observation

**Plan Of Action:** See Plans of Action for H&S.1 and H&S.4.

**Deadline Date:** January 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

**Hours of Work: General Compliance**

HOW.1 Growers shall comply with all local laws, regulations, and procedures concerning hours of work, public holidays, and leave.

**Noncompliance**

**Explanation:** No documents on hours of work are maintained at the farm level; therefore, it is difficult to determine the total number of hours of work during the peak season.

Sources: grower and worker interviews; record review

**Plan Of Action:** Our research shows that about 45% of Ivorian cocoa farmers are illiterate and running very small farms with infrequent use of paid labor; therefore, the lack of records will be a likely be a widespread issue. We run farmer field schools, which cover better farming practices and introduce some basics of accounting related to farm costs. Our priority is on child and forced labor issues, which affect compliance on certification, H&S, and our supplier code. Wages and their records, along with sharecropping arrangements, all merit closer attention, but to do so this year will distract our resources and focus. Typical wage rates are above the minimum wage of 33'000 CFA per month. We will discuss record keeping with the cooperative in 2015.

1. In accordance with the requirements of UTZ Certification, the cooperative has agreed to emphasize the importance of working no more than the maximum working hours.

2. We will discuss solutions for recording hours and wages with the cooperative during 2015.

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**

### 9. 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:** No wage records are maintained at the farm level. Most workers are either family members or sharecroppers who received a part of the final harvest. In the absence of any compensation records, it was difficult to establish any payments made to workers (even casual or short-term workers). Growers are not trained on any document maintenance.

Sources: interviews, record review

**Plan Of Action:** Please see the Plan of Action for HOW.1

**Deadline Date:** Late 2015

**Action Taken:**

**Plan Complete:**

**Plan Complete Date:**