



[2016]

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

Company: Nestlé

Country: Côte d'Ivoire

Commodity: Cocoa

Production Process: Harvesting

Assessment Locations: Guémon Region (Duékoué)
Kahen, Pinhou, Teady Villages

Monitor: Societal Compliance Initiatives (SCI)

Assessment Dates: 20-28 September 2016

Number of assessed farms: 60

Total area covered: 251.73 ha

Number of farmers interviewed: 60

Total number of workers: 143

Number of workers interviewed: 14

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

Employment Relationship

Compliance Status

Section	Benchmark	Compliance status	Farms
Human Resource Management System	ER.1.1	In compliance	
	ER.2.1 (PR)	In progress	All Farms
	ER.2.1.1(PR)	In progress	All Farms
Recruitment and Hiring	ER.3.1	Risk of Noncompliance	All Farms
	ER.3.1.1	Risk of Noncompliance	All Farms
	ER.3.1.2	In compliance	
	ER.4	N/A	
	ER.5.1	N/A	
	ER.5.2	N/A	
	ER.5.3	In compliance	
	ER.6 (PR)	Not Initiated	All Farms
	ER.7.1	In compliance	
	ER.7.2	In compliance	
	ER.7.3	In compliance	
	ER.7.4	In compliance	
	ER.7.5	In compliance	
	ER.7.6	In compliance	
	ER.7.7	In compliance	
ER.7.8	In compliance		
Terms and Conditions	ER.9.1	In compliance	
	ER.9.2	In compliance	
	ER.9.2.1	In compliance	
	ER.9.2.2	In compliance	
	ER.9.2.3	In compliance	
	ER.9.3	In compliance	
	ER.9.3.1	In compliance	
	ER.9.3.2	In compliance	
	ER.9.3.3	In compliance	
	ER.10	In compliance	
	ER.11	In compliance	
	ER.12.1	In compliance	
	ER.12.1.1	In compliance	
	ER.12.2	N/A	
	ER.13.1	In compliance	
	ER.13.2 (PR)	N/A	
	ER.13.3 (PR)	N/A	
Administration	ER.15.1	In compliance	
	ER.15.2	In compliance	
	ER.15.2.1	In compliance	
	ER.16.1	In compliance	
	ER.16.2	In compliance	
	ER.17.2 (PR)	N/A	
	ER.17.3 (PR)	In compliance	
ER.17.4 (PR)	In compliance		
Worker Involvement	ER.18.1	In compliance	
	ER.18.2 (PR)	In compliance	
Right to Organize and Bargain	ER.19	In compliance	
Work Rules and Discipline	ER.20.1	Noncompliance	All Farms

	ER.20.2	Noncompliance	All Farms
	ER.20.3 (PR)	Not Initiated	
	ER.20.4	Noncompliance	All Farms
	ER.20.6	Noncompliance	All Farms
	ER.20.7	Noncompliance	All Farms
	ER.20.8	Noncompliance	
	ER.20.9 (PR)	Not Initiated	All Farms
	ER.20.11	Noncompliance	All Farms
Access to Training for Family Members	ER.21	In compliance	
HSE Management System	ER.24.1.	In compliance	
	ER.24.2 (PR)	In compliance	
	ER.24.3	In compliance	
	ER.24.4 (PR)	In compliance	
	ER.24.4.1 (PR)	In compliance	
	ER.24.4.2 (PR)	In compliance	
	ER.24.4.3 (PR)	In compliance	
	ER.24.4.4 (PR)	In compliance	
	ER.24.4.5 (PR)	Not Initiated	All Farms
	ER.24.4.6 (PR)	In compliance	
	ER.24.5 (PR)	In compliance	
Grievance Procedures	ER.25.1 (PR)	In compliance	
	ER.25.2 (PR)	In compliance	
	ER.25.3	Noncompliance	All Farms
	ER.25.4	In compliance	

Employment Relationship Assessment Summary

Proof of Age Documentation		
<p>Benchmarks:</p> <p><i>ER.3.1: Employers shall verify proof of age documentation for all young workers in the farm at the time of their employment and work towards collecting and maintaining all documentation necessary to confirm and verify date of birth of all workers, including long term and casual workers.</i></p> <p><i>ER.3.1.1: Employers shall take reasonable measures to ensure such documentation is complete and accurate.</i></p>		<p>Risk of Noncompliance in all farms</p>
<p>Findings/Noncompliance Explanation:</p>	<p>During the assessment, monitors did not meet any hired young workers. However, according to farmer interviews, recruitment of workers is generally based on their own declarations or their physical appearance. This situation is the consequence of the local culture and the lack of existing identification documents for most workers. Thereby, no verification of age documentation for young workers and no collection and maintenance of documentation is necessary to confirm and verify date of birth of workers in farms. No mechanism is experienced by the cooperative to overcome this issue.</p> <p><u>Source:</u> Interview with farmers</p>	
<p>Company Action Plan:</p>	<p>Identification in rural areas is a real problem in Côte d'Ivoire. This situation is more of a concern among workers.</p> <p>Cooperatives have a register of certified farmers. We will continue to raise awareness among cooperatives on the importance of</p> <ul style="list-style-type: none"> - Annually updating the register of farmers by indicating the ages of the workers, if any, and by keeping a copy of their identity document on file, - Having the farmers involve the delegates and the PR in the recruitment of their permanent or temporary workers, 	

	<ul style="list-style-type: none"> - For laborers with no identity documents, two people from the community (i.e., Branch Delegate and Village Chief) should certify the worker's age orally or in writing, - Raising farmers' awareness on workers' age verification.
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Deadline Date:	December 2018
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Work Rules and Discipline

<p>Benchmarks:</p> <p><i>ER.20.1: Employers shall have disciplinary rules and practices that embody a system of progressive discipline (e.g. a system of maintaining discipline through the application of escalating disciplinary action moving from verbal warnings to written warnings to suspension and finally to termination).</i></p> <p><i>ER.20.2: Any person supervising workers shall be aware of the disciplinary rules and practices.</i></p> <p><i>ER.20.4: The disciplinary system shall be applied in a fair and nondiscriminatory manner and include a management review of the actions by someone senior to the manager who imposed the disciplinary action.</i></p> <p><i>ER.20.6: Disciplinary rules and practices shall be clearly communicated to all workers.</i></p> <p><i>ER.20.7: Workers must be informed when a disciplinary procedure has been initiated against them.</i></p> <p><i>ER.20.8: Workers have the right to participate and be heard in any disciplinary procedure against them.</i></p> <p><i>ER.20.11: The disciplinary system shall include a third-party witness during imposition, and an appeal process. In case of smallholder settings, existing appeal mechanism at community level is acceptable.</i></p>	<p>Noncompliance in all farms</p>
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Findings/Noncompliance Explanation:	<p>Apart from the disciplinary procedure developed in the framework of the certification initiatives in force in the cooperative to govern the relations between the cooperative and its farmer members, no rules of disciplinary practice govern the relations between farmers and their workers in the visited farms.</p> <p><u>Source:</u> Review of the cooperative's disciplinary procedure, Interview with farmers, workers, and IMS staff</p>
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Company Action Plan:	<p>Nestlé has developed, with the Administrators Group (ADG) of cooperatives, a template of contract of employment between farmers and laborers, which includes disciplinary measures that each cooperative may adapt.</p> <p>We will engage all cooperatives to encourage the use of this contract template by their farmers and assist them, if needed, through field representatives and staff, during the hiring of permanent workers.</p> <p>Considering local practices in dispute settlement, we will encourage the cooperatives to involve local witnesses as guarantors in the implementation of disciplinary procedures between the farmers and their workers.</p> <p>When settling a dispute, the presence of delegates and lead farmers is required, and a report must be written, signed, and filed at the headquarters of the cooperative.</p> <p>Given that most farmers and workers are illiterate, we will encourage the cooperatives to strengthen the documentation and archiving of information relating to the relations between farmers and workers (contracts of employment, complaints, volume of beans, payments...) with the involvement of the Branch Delegates, Producers Relays (PRs), and Community Relays (RCs).</p> <p>These updated policies and procedures will be widely disseminated and will be part of the training schedule in farmers' field schools.</p>
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Deadline Date:	December 2018
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Grievance Procedures

<p>Benchmarks:</p> <p><i>ER.25.3: FLA-affiliated companies shall make sure that a confidential non-compliance reporting mechanism is available for farmers and workers in the supply chain (such as members of cooperatives or suppliers of seed organizers). Through</i></p>	<p>Noncompliance in all farms</p>
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this channel, any code violation can be communicated to the company if the local and farm level grievance redress mechanisms fail to sufficiently address the issue.

Findings/Noncompliance Explanation:

According to monitors, there is no functional confidential non-compliance reporting mechanism available for farmers and workers in the supply chain that could help supply chain actors to communicate any code violation to Nestlé.

Currently, Nestlé has set up a toll-free number so supply chain actors can voice their grievances using this number. However, in practice, the system in place is very complicated to use and no one is using it. To reach the final recipient (based in Switzerland at Nestlé headquarters), the call must go through at least three levels of interlocutors. The language of communication is English, whereas the farmers and workers cannot understand or speak it. Finally, the number is only accessible via a landline, whereas the landline network does not cover all rural areas.

According to Nestlé's local staff, the company is seeking alternative ways to improve the existing channel.

Source: Interviews, observation

Company Action Plan:

Nestlé encourages cooperatives to maintain suggestion boxes in all branches and warehouses of cooperatives and to raise the awareness of farmers and workers.

- Nestlé is involving the RCs in the anonymous collection of complaints through a pilot action in two communities.
- With the agreement of its suppliers, Nestlé will encourage the modification of cooperatives' farmer inspection forms by adding a question, allowing the farmers to express their grievances.

Deadline Date:

December 2018

Child Labor

Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	CL.1	In compliance	
Minimum Age	CL.2	In compliance	
Immediate Family Members	CL.3	In compliance	
Right to Education	CL.4.1 (PR)	In Progress	Farm 57
	CL.4.2 (PR)	In compliance	
Young Workers	CL.5	In compliance	
	CL.6.1	In compliance	
	CL.6.2	In compliance	
	CL.7	Risk of Noncompliance	Farm 21,45,48,59
Apprenticeships and Vocational Training	CL.8.1	In compliance	
	CL.8.2	In compliance	
Children on Premises	CL.9	In compliance	
Removal and Rehabilitation of Child Laborers	CL.10.1	In compliance	
	CL.10.2 (PR)	In compliance	

Child Labor Assessment Summary

Hazardous Work for Young Workers	
<p>Benchmarks:</p> <p><i>CL.7: No person under the age of 18 shall undertake hazardous work, i.e., work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of persons under the age of 18. Such work includes, but is not limited to, the application of agricultural chemicals, pesticides, and fertilizers, use of farm equipment tools and machinery, lifting or moving of heavy materials or goods, or carrying out hazardous tasks such as underground or underwater or at dangerous heights. Every activity performed by a young worker must be supervised by an adult.</i></p>	<p>Risk of Noncompliance in 4 farms</p>
<p>Findings/Noncompliance Explanation:</p>	<p>During farmer interviews, four explained to monitors that some of their children (5 in total), aged 16-18 years old, are involved in production activities and participate in all tasks. including weeding and picking cocoa pods using cutting tools. In addition, they recognized the daily working time of these young family workers is not determined. On the day of farms visits, the young workers were not present on the farms, and monitors could not further assess the hazardous status of their involvement in farm's activities, regarding applicable laws, regulations, and code benchmarks. However, farmers' testimonies show a high risk of involvement in hazardous work and long working hours for these young workers.</p> <p><u>Source:</u> Interview with farmers</p>
<p>Company Action Plan:</p>	<p>The assessed farmers are members of a purchasing center that integrated the Child Labor Monitoring and Remediation System (CLMRS) in the last quarter of 2016. Project implementation has just started with the training of 53 Community Relays (RCs) and an ASR.</p> <p>The activities will continue with:</p> <ul style="list-style-type: none"> - Data collection and the identification of farmers, workers, and their dependents, - The identification of workers' children and children at risk, - Awareness-raising on hazardous work prohibited to children and the importance of education, and - The establishment of monitoring and remediation actions. <p>The farmers' children interviewed by the auditors have been identified after the visit of the auditors. The situation of these children will be monitored by the RCs as part of the implementation of the CLMRS, and remediation actions will be put in place. Such actions will include:</p> <ul style="list-style-type: none"> - Awareness-raising campaigns and monitoring of the situation of children, - The establishment of birth certificates, - Education or literacy training support.
<p>Deadline Date:</p>	<p>June 2018</p>

Health, Safety and Environment

Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HSE.1.	Noncompliance	Farm 3,11,12,13,14,30,32,33,34,35,36,38,46
Documents, Permits and Certificates	HSE.2 (PR)	In compliance	
	HSE.3.1	N/A	
	HSE.4 (PR)	In compliance	
Evacuation Requirements and Procedure	HSE.5.1 (PR)	N/A	
	HSE.5.2	In compliance	
Safety Equipment and First Aid	HSE.6.1 (PR)	Not Initiated	All Farms
	HSE.6.2 (PR)	Not Initiated	All Farms
	HSE.16.3 (PR)	Not Initiated	All Farms
Personal Protective Equipment	HSE.7 (PR)	In Progress	All Farms
	HSE.8	In compliance	
Chemical Management	HSE.9.1	In compliance	
	HSE.9.2	In compliance	
	HSE.9.2.1	In compliance	
	HSE.10	In compliance	
	HSE.11.1	In compliance	
	HSE.11.2	In compliance	
Protection Reproductive Health	HSE.12.1	In compliance	
	HSE.12.2 (PR)	In compliance	
Infrastructure	HSE.13 (PR)	N/A	
	HSE.17.1	Noncompliance	All Farms
	HSE.17.2 (PR)	Not Initiated	All Farms
	HSE.19 (PR)	In compliance	
	HSE.21 (PR)	In compliance	
	HSE.22 (PR)	N/A	
Machinery Safety	HSE.14.1	In compliance	
	HSE.14.2	In compliance	
	HSE.14.3	In compliance	
	HSE.14.4	In compliance	
Ergonomics and Medical Facilities	HSE.15.2 (PR)	Not Initiated	All Farms
	HSE.16.2	In compliance	

HSE Assessment Summary

General Compliance	
Benchmarks: <i>HSE.1: Employers shall comply with all national laws, regulations and procedures concerning health, safety, and the environment.</i>	
Noncompliance in 13 farms	
Findings/Noncompliance Explanation:	According to the Nestlé Code of Conduct in force in this cooperative, farmers must adopt proper management of empty chemical products and avoid throwing them; however, during their assessment, monitors found empty containers of chemicals displayed in three of the assessed farmers. They also registered six farms where

	<p>chemical application occurred without informing people on premises of the risks of potential hazards and preventing access on those farms without suitable protection.</p> <p>Moreover, monitors observed two farmers performing chemical application without personal protective equipment. They did not protect their nose, hands, and feet and were not wearing any suitable clothes. Finally, six other farmers did not wear protective gear, such as boots, while operating in their farms.</p> <p><u>Source:</u> Interviews and observation</p>
Company Action Plan:	<p>As part of the CLMRS, the farmers/workers and their families have been trained by the RCs on a module on risks associated with the use of phytosanitary and pharmaceutical products. These awareness-raising actions will continue within communities and families.</p> <p>The flyers and posters on the Nestlé Code of Conduct contain images on the use of phytosanitary products and proper equipment.</p> <p>The cooperative has a team of 16 applicators with personal protective equipment, who have been trained on rational use of agrochemicals and farm treatment.</p> <p>Awareness-raising sessions will be conducted by the lead farmers and the RCs to educate farmers and their laborers on:</p> <ul style="list-style-type: none"> - The use of the applicators of the cooperative for the agrochemical treatment of farms, - The importance of wearing boots and safety glasses during farm work, - In addition, Nestlé will develop a series of videos as part of its Digital Green project. One of the videos will relate to the use of agro chemicals. These videos will be projected in the sections and will serve as a basis for raising the awareness of the farmers.
Deadline Date:	July 2018

Access to Water and Sanitation

Benchmarks:

HSE.17.1: Safe and clean potable water for drinking shall be freely available at all times, within reasonable distance of the workplace. For farm settings in water-stressed regions where access to potable water is not always guaranteed, employers shall work with local authorities and other partners to provide clean water in sufficient volume and quality to guarantee the wellbeing of hired and family workers.

**Noncompliance
in all farms**

Findings/Noncompliance Explanation:	<p>The assessed communities do not have access to clean potable water. Consequently, farmers' and workers' source water from unprotected (uncovered) wells and from rivers for drinking purpose.</p> <p>In absence of providing communities with sources of potable water, no provision is made to sensitize and train farmers and workers on methods of treatment to disinfect water before its consumption.</p> <p><u>Source:</u> Interviews, observation</p>
Company Action Plan:	<p>We will encourage the cooperatives to continue to raise awareness among the farmers, the laborers, and their families on water purification techniques, including boiling water before drinking it.</p> <p>In addition, Nestlé will develop a series of videos as part of its Digital Green project, of which one will relate to water treatment. These videos will be projected in the sections and will serve as a basis for raising the awareness of farmers.</p>

Deadline Date:

July 2018

Overview - Farms vs. Noncompliances

Total number of Farms: 60

	Employment Relationship	Non-discrimination	Harassment or Abuse	Forced Labor	Child Labor	Freedom of Association and Collective Bargaining	Health, Safety and Environment	Hours of Work	Compensation	Total
% of farms with non-compliances or risk of non-compliances	100%	0%	0%	0%	7%	0%	100%	0%	0%	
Farm No. 1	10	0	0	0	0	0	1	0	0	11
Farm No. 2	10	0	0	0	0	0	1	0	0	11
Farm No. 3	10	0	0	0	0	0	2	0	0	12
Farm No. 4	10	0	0	0	0	0	1	0	0	11
Farm No. 5	10	0	0	0	0	0	1	0	0	11
Farm No. 6	10	0	0	0	0	0	1	0	0	11
Farm No. 7	10	0	0	0	0	0	1	0	0	11
Farm No. 8	10	0	0	0	0	0	1	0	0	11
Farm No. 9	10	0	0	0	0	0	1	0	0	11
Farm No. 10	10	0	0	0	0	0	1	0	0	11
Farm No. 11	10	0	0	0	0	0	2	0	0	12
Farm No. 12	10	0	0	0	0	0	2	0	0	12
Farm No. 13	10	0	0	0	0	0	2	0	0	12
Farm No. 14	10	0	0	0	0	0	2	0	0	12
Farm No. 15	10	0	0	0	0	0	1	0	0	11
Farm No. 16	10	0	0	0	0	0	1	0	0	11
Farm No. 17	10	0	0	0	0	0	1	0	0	11
Farm No. 18	10	0	0	0	0	0	1	0	0	11
Farm No. 19	10	0	0	0	0	0	1	0	0	11
Farm No. 20	10	0	0	0	0	0	1	0	0	11
Farm No. 21	10	0	0	0	1	0	1	0	0	12
Farm No. 22	10	0	0	0	0	0	1	0	0	11
Farm No. 23	10	0	0	0	0	0	1	0	0	11
Farm No. 24	10	0	0	0	0	0	1	0	0	11

Farm No. 25	10	0	0	0	0	0	1	0	0	11
Farm No. 26	10	0	0	0	0	0	1	0	0	11
Farm No. 27	10	0	0	0	0	0	1	0	0	11
Farm No. 28	10	0	0	0	0	0	1	0	0	11
Farm No. 29	10	0	0	0	0	0	1	0	0	11
Farm No. 30	10	0	0	0	0	0	2	0	0	12
Farm No. 31	10	0	0	0	0	0	1	0	0	11
Farm No. 32	10	0	0	0	0	0	2	0	0	12
Farm No. 33	10	0	0	0	0	0	2	0	0	12
Farm No. 34	10	0	0	0	0	0	2	0	0	12
Farm No. 35	10	0	0	0	0	0	2	0	0	12
Farm No. 36	10	0	0	0	0	0	2	0	0	12
Farm No. 37	10	0	0	0	0	0	1	0	0	11
Farm No. 38	10	0	0	0	0	0	2	0	0	12
Farm No. 39	10	0	0	0	0	0	1	0	0	11
Farm No. 40	10	0	0	0	0	0	1	0	0	11
Farm No. 41	10	0	0	0	0	0	1	0	0	11
Farm No. 42	10	0	0	0	0	0	1	0	0	11
Farm No. 43	10	0	0	0	0	0	1	0	0	11
Farm No. 44	10	0	0	0	0	0	1	0	0	11
Farm No. 45	10	0	0	0	1	0	1	0	0	12
Farm No. 46	10	0	0	0	0	0	2	0	0	12
Farm No. 47	10	0	0	0	0	0	1	0	0	11
Farm No. 48	10	0	0	0	1	0	1	0	0	12
Farm No. 49	10	0	0	0	0	0	1	0	0	11
Farm No. 50	10	0	0	0	0	0	1	0	0	11
Farm No. 51	10	0	0	0	0	0	1	0	0	11
Farm No. 52	10	0	0	0	0	0	1	0	0	11
Farm No. 53	10	0	0	0	0	0	1	0	0	11
Farm No. 54	10	0	0	0	0	0	1	0	0	11
Farm No. 55	10	0	0	0	0	0	1	0	0	11
Farm No. 56	10	0	0	0	0	0	1	0	0	11
Farm No. 57	10	0	0	0	0	0	1	0	0	11
Farm No. 58	10	0	0	0	0	0	1	0	0	11
Farm No. 59	10	0	0	0	1	0	1	0	0	12
Farm No. 60	10	0	0	0	0	0	1	0	0	11
TOTAL	600	0	0	0	4	0	73	0	0	677