



[2015]

FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

COMPANY: Nestlé
COUNTRY: Ivory Coast
PROVINCE: Nawa
COMMUNITIES: Brouagui, Anassou, Behitanou
MONITOR: Societal Compliance Initiative
AUDIT DATE: October 15-23, 2015
PRODUCTS: Cocoa
NUMBER OF GROWERS/WORKERS INTERVIEWED: 60/13
NUMBER OF FARMS VISITED: 60
TOTAL AREA COVERED IN AUDIT: 232 ha
PROCESSES: Harvesting

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

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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: Nestlé published a toll-free number on its illustrated Code of Conduct COC to enable producers and workers to report any non-compliance they witness in their communities and potential grievances. Nestlé added a non-retaliation clause to its COC to protect anyone who raises grievance or report non-compliance. However, the toll-free line is difficult to use for illiterate people, leading to multiple relays, and is in English. Additionally, the visited communities are not covered by fixed network phone service, which is the only channel from which calls to the hotline can be made.

Source: Observations; Record review; Interviews with IMS staff and producers; Trial phone calls

Plan Of Action: Nestlé has been looking for a nation-wide solution to help all farmers and workers’ raise their concerns through an effective grievance mechanism. This is made difficult by the fact that the mobile network is fragmented with three different mobile companies sharing the network, including in remote rural areas.

While Nestlé continues to look for a solution at the national level Nestlé will:

- Engage the cooperative to continue to raise farmers’ and farm workers’ awareness on all existing grievance procedures at the cooperative level through the system of lead farmers and farmer field schools.
- Engage the cooperative to provide suggestion boxes in all cooperative sessions and raise farmers’ and farm workers’ awareness around these boxes, including how to proceed in case of illiteracy.
- Pilot a new approach starting in March 2017 in one cooperative (not the one in this assessment’ scope) that would empower the Community Liaison People to collect grievances from community members and pass them on to the cooperative, Nestlé ‘s suppliers or to Nestlé directly, as appropriate.

Deadline Date: March 2017

Child Labor: General Compliance Child Labor

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

Noncompliance

Explanation: Nestlé has developed an illustrated Code of Conduct (COC) to help producers and workers understand child labor requirements. The illustrated COC is widely distributed in form of posters and leaflets in the communities of this cooperative.

Nestlé and its partner implemented a Child Labor Monitoring and Remediation System (CLMRS) in the cooperative by. This system is designed to train, educate and monitor the producers and to implement remediation actions whenever child labor occurs.

However, some violations of child labor provisions still arise in some communities. During their visit to the community of Brouagui, monitors observed a 10-years old child who was present at a farm with people who were opening cocoa pods. This child was not observed in a work situation but was holding a machete. In addition, the child does not attend school. Another girl at the age of 15 years, according to her grandmother who was one of the interviewed producers - was drying cocoa beans at their home. The activity undertaken by that girl is light and socializing. However, she dropped out of school this year although she was admitted to the next grade. These situations constitute violations of the law on education in Côte d'Ivoire, which obliges parents to enroll all children in school up to the age of 16. They also represent noncompliance according to Nestlé's and FLA's COC, which state that "the use of family labor should not compromise the education and development of children."

Source: Observations; Interviews with producers and with the concerned children

Plan Of Action: The CLMRS has been up and running in this cooperative since December 2015 with a Child Labor Agent and 24 Community Liaison People actively monitoring the child labor situation on the ground. This includes conducting awareness sessions on child labor for the entire community and designing and implementing remediation activities according to the issues and needs identified in each community.

Additional sessions will be conducted in the future including on the following topics:

- Minimum age of admission to employment.
- The effects of hazardous work on the children's bodies.
- The importance of birth certificate and education for children

Deadline Date: November 2016

Harassment or Abuse: Grievance Procedure

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

Noncompliance

Explanation: According to the information collected during the assessment, following the non-voluntary deductions made on their certification premium, producers raised complaints to the delegates of their sections; however, these complaints were not followed-up on. This shows a lack of dialogue and follow-up of complaints between the cooperative and the producers. No appeal process or alternative channel is known by the producers to enable them to bring their grievance to higher level.

Source: Interviews with producers, cooperative management and IMS staff; Record review

**Plan Of
Action:**

See GEN 3

- 1- Nestlé will engage the cooperative to update and display the grievance procedure, and sensitize farmers and workers during field school sessions
- 2- Nestlé will conduct targeted consultations in 2 communities of 2 cooperatives in order to better understand farmers' and farm workers' expectations and challenges when it comes to grievance mechanism. The results of these consultations will be discussed with the cooperative management to improve the way farmers and farm workers can lodge complaints and the way these are handled by the cooperative management.

**Deadline
Date:**

June 2017

Health and Safety: Access to Safety Equipment and First Aid

H&S.6 Company should ensure that growers and workers have access to safety equipment and first aid.

Noncompliance

Explanation: The cooperative has recruited, trained and made available first aid officers to its producer members. First aid kits are made available to handle emergencies. However, during the visits, monitors found that the Anassou location has no first aid kit and has no responsible person dedicated to the task. This section is intended to be covered by equipment available in Brouagui, which is 15 Km away from Anassou. In addition, the first aid kit available in the Brouagui location lacks some medicine for an efficient management of emergencies in both communities.

Source: Observations; Interviews with producers and IMS staff

Plan Of Action: Nestlé will engage the cooperative to extend the Health & Safety policy including procedures and responsibilities to all the communities, and to provide and equip all first aid kits in communities that have no health center nearby.

Deadline Date: August 2016

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: Regarding Personal Protective Equipment (PPE): for applicators who are assigned by the cooperative for chemical application of the producers' farms, the identified risks are appropriate and farmers wear the right PPE. For male producers, the mainly used PPE are boots and trousers to protect them from snakebites, thorns and wounds. With that regard, monitors consider that all the risks they face are not taken into account in their protection efforts. Even if monitors recognize the complexity of the situation in the Ivorian context due to the weight of tradition and the households' standard of living, they nevertheless noticed that producers and workers do not protect their eyes at the time of picking cocoa pods although they can get debris in the eyes. Female producers or members of producers' family, by tradition, usually wear sandals when going to farms. Finally, in the cocoa beans collection stores, staff rarely protects their nose and mouth when handling beans, despite the significant amount of dust that emanates from these beans. These risks are not adequately taken into account to raise awareness of producers and workers on health and safety risks.

Source: Observations; Interviews with IMS staff, producers, workers and women

Plan Of Action: Nestlé will engage with the cooperative to continue to raise farmer's awareness on the use of necessary personal protective equipment (PPE), such as eyes and nose protection and boots for women.

In addition, Nestlé will pilot the distribution of eye protection equipment to farmers of 2 communities in 2 cooperatives. This will be done together with farmers' sensitization on the use and advantages of this kind of protection during farmer field school sessions. The level of use of eye protection by farmers will be evaluated after one year.

Deadline Date: March 2017

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: Nestlé has developed provisions on Health & Safety issues on its Code of Conduct COC available at the cooperative. The cooperative, in addition to training and awareness raising sessions on the issue, trained and equipped applicators for handling chemical application in the producers' farms. A chemical store was built for the storage of chemicals. All these efforts seem to lead to positive results in the field since only one of the 60 visited producers in the cooperative was observed engaged in non-compliant practices. During their visit to Brouagui community, monitors observed a producer performing chemical application without any protection. They also observed the presence of empty chemical containers lying on the ground of his farm.

Source: Observations; Interviews with producers and IMS staff

Plan Of Action: After the FLA assessment, the farmer and his family have been sensitized on the use of pesticides, fertilizers, and other hazardous substances and on the importance of personal protective equipment (PPE).
The cooperative have five dedicated "applicators", such as people adequately trained and equipped to use pesticides and fertilizers and to provide their services to farmers.
Nestlé will engage the cooperative to intensify farmers' and workers' awareness raising on the danger posed by chemicals and the importance of using the services of these "applicators".

Deadline Date: July 2016

Health and Safety: Drinking Water

H&S.13 Company should make efforts to create awareness among growers and workers about clean drinking water. Growers shall not place any undue restrictions on drinking water in terms of time and frequency.

Noncompliance

Explanation: In Amani Kouadiokro and Behitanou communities (in Béhitanou section), people fetch water in backwaters and wells due to the lack of drinking water being available in the communities. They do not treat water before consumption. The community members are not trained or educated on the appropriate ways to clean water before consumption.

Source: Observation; Interviews with producers and workers

Plan Of Action: 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. Nestlé has 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.

Nestlé will also engage the coop to raise awareness of farmers about boiling water before drinking.

Deadline Date: August 2016

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: Monitors noted that the cooperative deducts an involuntary fee of 10 fcfa/kg (0.017 USD/kg) on the producers' certification premium to sort the supplied cocoa beans, while the contract between the cooperative and the producers does not contain this provision. According to the contract, the producer has to receive 35 fcfa/kg (USD 0.06 USD/kg) and 5 fcfa/kg (USD 0.01 USD/kg) in the form of chemical product. However in the current situation, the producers only receives 25 fcfa/kg (USD 0.04/kg).

Source: Interviews with producers, cooperative management and IMS staff; Record review

Plan Of Action: The point has been raised to the cooperative and following the discussions it appeared that out of 40F/kg (USD 0.07) to be paid as premium to farmers, 5 F (USD 0.01 USD/kg) were used to purchase phyto/fertilizers (with tier 1 Supplier guidance and support), 10F (0.017 USD/kg) for quality improvement. The remaining 25 paid in cash. The 10F cannot be justified as extra-work for bean quality improvement as the main harvest respect, most of case the minimum quality requirements and farmers are trained to perform well. Moreover, there was no written and signed agreement for this deduction. Therefore, Nestlé will engage with the cooperative to:

1. Display the grievance procedure and sensitize farmers and workers in field school sessions for them to be able to raise their concerns;
2. Pay the premiums according to the contract terms. This year calculations have been made already and commitment to pay the full amount is made by the cooperative top management;

Nestlé will follow up with tier 1 supplier to make sure this is well respected.

See also GEN.3 and H&A.12

Deadline Date: Jun 2017

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: During their visit in the communities, monitors observed that the purchase of producers' beans is well documented by the cooperative. However, payment of workers' wages in the farms are not documented by the producers, while the cooperative has representatives (Delegates and Producers Relays) that cover each of the communities who could assist producers and workers in documenting or establishing of a control mechanism (e.g. with witnesses) for payments to workers.

Source: Interviews with producers, workers and IMS staff; Record review

Plan Of Action: 45% of farmers are illiterate and running very small farms with infrequent use of paid labor; the lack of records is a widespread issue.

However, Nestlé will continue to follow up with the cooperative's commitment to raising farmers' awareness on the importance of written payment records. Nestlé will also engage the cooperatives to assist farmers and workers as witness in workers wage payment.

Together with the cooperatives, Nestlé will develop a template for record payment and pilot-test it with a sample of farmers in two cooperatives.

Deadline Date: July 2017