



[2017]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**Company:** Nestle

**Country:** Ivory Coast

**Crop:** Cocoa

**Production Process:** Harvesting

**Cooperative:** COOPAZA

**Assessment Locations:** Région de la l'Indenié-Djuablin, Département d'Abengourou, Sous-préfecture de Zaranou.

**Monitors:** Societal Compliance Initiative (SCI)

**Assessment Dates:** 1 to 7 February 2018

**Number of assessed farms:** 40

**Total area covered:** 146 ha

**Number of farmers interviewed:** 40

**Total number of workers:** 72

**Number of workers interviewed:** 12

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		
	ER.9.2.1	In compliance	
	ER.9.2.2	In compliance	
	ER.9.2.3	In compliance	
	ER.9.3		
	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	Risk of Noncompliance	Farms 18,24,27,29,32,37
	ER.13.2 (PR)	N/A	
	ER.13.3 (PR)	N/A	
Administration	ER.15.1	In compliance	
	ER.15.2	N/A	
	ER.15.2.1	N/A	
	ER.16.1	In compliance	
	ER.16.2	In compliance	
	ER.17.2 (PR)	N/A	
	ER.17.3 (PR)	N/A	
	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	N/A	

Work Rules and Discipline	ER.20.1	In compliance	
	ER.20.2	In compliance	
	ER.20.3 (PR)	In compliance	
	ER.20.4	In compliance	
	ER.20.6	In compliance	
	ER.20.7	In compliance	
	ER.20.8	In compliance	
	ER.20.9 (PR)	N/A	
	ER.20.11	In compliance	
Training	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)		
	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	
	ER.25.1 (PR)	In compliance	
Grievance Procedures	ER.25.2 (PR)	In compliance	
	ER.25.3	Noncompliance	All Farms
	ER.25.4	Noncompliance	Farms 18,24,27,29,32,37

## Employment Relationship Assessment Summary

### Proof of Age Documentation

#### Benchmarks:

**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.

**ER.3.1.1:** Employers shall take reasonable measures to ensure such documentation is complete and accurate.

**Risk of  
Noncompliance  
in all farms**

#### Findings/Noncompliance Explanation

90

The monitors did not identify any young hired worker on the farms at the time of the assessment. However, according to the testimony of some interviewed farmers, they generally base their judgment on the physical appearance of the workers when they have to recruit one. None of the interviewed farmers maintains documents necessary to verify and confirm the date of birth of the workers they employ. No mechanism is implemented by the cooperative to fill this gap of farmers who operate in the informal sector.

Source : Interviews

#### Company Action Plans:

128 words

1. Cooperatives have a register of certified farmers that also list their workers. Together with the suppliers Nestlé will continue to raise awareness among cooperatives of these important factors:

- Annually updating the register of farmers, by including the ages of the workers.
- Keeping a copy of workers' identity documents on file to maintain age verification documentation.
- Having the farmers involve the delegates and the producer relays (PR) in the

	<p>recruitment of their permanent or temporary workers.</p> <ul style="list-style-type: none"> <li>For workers with no identity documents, and who are from the same village, two people from the community (i.e., branch delegate and village chief) should certify the worker's age orally or in writing.</li> </ul> <p>2. Raising farmer's awareness on workers' age verification and keeping of a copy of age documentation.</p>
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<b>Deadline Date:</b>	August 2019
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### Supervisor Training

<p><b>Benchmarks:</b></p> <p><i>ER.13.1: Farmer, sharecropper or any kind of supervisor who is leading workers shall have knowledge of the local labor laws and the FLA Code.</i></p>	<p><b>Risk of Noncompliance in six farms</b></p>
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<p><b>Findings/Noncompliance Explanation</b></p> <p><b>126</b></p>	<p>To enable farmers to gain knowledge on local labor laws and the elements of the various standards in force, the cooperative organizes training and awareness sessions. It has posters of Nestlé CoC in some of its warehouses that are regularly visited by farmers and workers. It even distributes flyers about the CoC. However, the assessment reveals that despite these efforts, 15% of the farmers interviewed during the monitoring and who are supposed to supervise their workers, whether they are family or contractual, are not yet able to demonstrate knowledge of the laws and elements of Nestlé's Code of Conduct. According to the testimonies collected from them, they do not take part in the trainings organized for them and did not receive the flyers either.</p> <p><u>Source</u> : Interviews</p>
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<p><b>Company Action Plans:</b></p> <p><b>159 words</b></p>	<ol style="list-style-type: none"> <li>Each year, Nestlé provide Code of Conduct (CoC ) flyers and posters to farmers and sections. To monitor the distribution of the CoC, Nestlé provided the first level suppliers with two types of forms: one for distribution to cooperatives, and another for distribution to farmers and workers. Throughout 2017, Nestlé provided a total of 12 posters and 800 flyers to be distributed to farmers and workers in this cooperative.</li> <li>In addition, a plan of action for the implementation of the internal monitoring system's (IMS) requirements—including the provision of Nestlé's CoC—exists and is reviewed during field visits.</li> <li>As the number of farmers and workers in cooperatives is increasing every year, we will: <ul style="list-style-type: none"> <li>Continue to make available the Nestlé CoC,</li> <li>Increase awareness during farm workers' training sessions.</li> <li>Organize some training sessions in villages, with Nestlé Digital Green videos to increase farmers' and farm workers' participation.</li> </ul> </li> </ol>
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<b>Deadline Date:</b>	August 2019
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### Grievance Procedures

<p><b>Benchmarks:</b></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 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.</i></p>	<p><b>Noncompliance In All Farms</b></p>
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**ER.25.4:** The company shall create awareness of this communication and non-compliance reporting mechanism to its service providers and suppliers.

**In six farms**

**Findings/Noncompliance  
Explanation**

161

Nestlé has published a confidential telephone number to allow anyone to contact them directly in order to report any grievance or non-compliance in their supply chain. But currently, this number remains inaccessible to farmers and workers in the assessed rural areas. Indeed, to reach the final recipient, the call must pass through at least three levels of interlocutors. In addition, the language of communication is English, which is not understood by farmers or workers. Also, the phone number is accessible only through a landline, which is rarely available in rural areas. According to the head of the Nestlé local internal monitoring system, actions are underway to address this issue. But for the time being, no operational mechanism is available for the use of farmers and workers.

Moreover, the existing mechanism is not known by some farmers and workers. As proof, six of the farmers and none of the workers interviewed by the monitors were aware of this mechanism.

Source : interviews, phone test

**Company Action Plans:**

116 words

Nestlé and two of its supplying cooperatives are piloting suggestion boxes over the next year:

1. Nestlé will ask eight more cooperatives to establish suggestion boxes in all branches and warehouses and to raise the awareness of farmers and workers on a functioning grievance mechanism.
2. In addition, in order to test an alternative grievance mechanism, Nestlé cooperatives will involve the RCs in the anonymous collection of complaints.
3. These complaints are analyzed at cooperative level and an action plan is developed to respond. Currently we have this alternative in two cooperatives. Their action plans are monitored with Nestlé's support.

Depending on the results, Nestlé will ask suppliers to extend the model to other cooperatives.

**Deadline Date:**

December 2019

## Child Labor

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	CL.1	Noncompliance	Farms 1,2,18,27,29
Minimum Age	CL.2	In compliance	
Immediate Family Members	CL.3	Noncompliance	Farms 1,2,18,27,29
Right to Education	CL.4.1 (PR)	In compliance	
Young Workers	CL.5	In compliance	
	CL.6.1	In compliance	
	CL.6.2	Risk of Noncompliance	All Farms
	CL.7	Noncompliance	Farms 1,2,18,27,29
Apprenticeships and Vocational Training	CL.8.1 (PR)	In compliance	
	CL.8.2 (PR)	In compliance	
Children on Premises	CL.9	In compliance	
Removal and Rehabilitation of Child Laborers	CL.10.1	In compliance	
	CL.10.2 (PR)	In compliance	

### Child Labor Assessment Summary

#### General Compliance / Immediate Family Members

##### Benchmarks:

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

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

- The work is not dangerous and not harmful to their health or development;
- The work does not prejudice their attendance at school and is done within reasonable time limits after school or during holidays
- The work is appropriate to the child's age and physical condition and does not jeopardize the child's social, moral or physical development;

The child's parents provide supervision and guidance.

**Noncompliance  
in five farms**

##### Findings/Noncompliance Explanation

118

During farm visits, the monitors observed a 15-year-old child sharpening a machete that serves as a tool for weeding on the farm owned by his father. In addition, they heard testimonies from three farmers that three of their children under the age of 18 were involved in all kinds of field work such as weeding, harvesting, and transporting cocoa pods and beans, which are considered dangerous by national legislation and ILO Convention 138. Another farmer denounced the practices of his sharecropper who, despite sensitization, refuses to send his three children aged 13, 15 and 17 to school. He associates them to all his production activities including hazardous works for their health and growth.

Source: interviews, observation

##### Company Action Plans: 91 words

1. Since 2017, we have had two new law decrees on hazardous work and light work. With these changes, producer training and awareness tools are being updated. Through the CLMRS:
  - ASR and RC are being trained on two new law decrees and new awareness tools.

	<ul style="list-style-type: none"> <li>We will continue the refreshing and training of all Nestlé partners on the new law on child labor.</li> <li>We will continue to raise awareness of child labor among farmers and their workers.</li> </ul> <p>2. We will work with the cooperative to continue monitoring the conditions of identified children.</p>
<b>Deadline Date:</b>	December 2018
<b>Young Workers</b>	
<b>Benchmarks:</b> <b>CL.6.2:</b> Employers shall maintain a list of all young workers, their entry dates, proof of age and description of their assignment.	
<b>CL.7:</b> 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.	
<b>Risk of Noncompliance in all farms</b>	
<b>Noncompliance in five farms</b>	
<b>Findings/Noncompliance Explanation</b> <b>131</b>	<p>The monitors did not identify any young hired workers in the visited farms. However, following interviews with farmers, they noted that they were unaware of the provisions regarding the employment of young workers, including the maintenance of a list of entry dates, proof of age and the description of the tasks they perform. Therefore, the monitors believe that there is a risk of not complying with this requirement if they recruit young workers. In addition, according to the testimony and denunciations of some farmers, children under 18 are given farm work, including some which are considered dangerous for their age and can harm their health, such as land clearing and cocoa pod picking. Monitors observed one of these children working at the time of the assessment.</p> <p><u>Source:</u> interviews, observation</p>
<b>Company Action Plans:</b> <b>337 words</b>	<ol style="list-style-type: none"> <li>The cooperative joined the CLMRS in April 2014 with 28 active RCs who cover farmers located in 46 villages. Data collection has led to the identification of 5,052 children aged 5 to 17, of which 3,724 are enrolled in school (73.7%). Visits to farms and households have identified 1,800 child workers. To address this number of child workers, the following remediation actions have been initiated:             <ul style="list-style-type: none"> <li>⇒ Over 466 community and outreach awareness sessions among farmers and community members</li> <li>⇒ 917 school kits distributed to child workers</li> <li>⇒ 15 additional birth certificates established for children both in and out of school</li> <li>⇒ Twelve groups of women (total 340) have benefited from income-generating activities to support the education of children</li> <li>⇒ Eight SCGs of 10 members each have received working materials to set up an adult workforce as an alternative to child labor in eight communities.</li> </ul> </li> <li>Since 2017, there have been two new law decrees on hazardous work and light work. With these changes, producer training and awareness tools are being modified. Through the CLMRS:             <ul style="list-style-type: none"> <li>⇒ ASR and RC have been trained on two new law decrees and new awareness tools.</li> </ul> </li> </ol>

	<p>⇒ We will continue the refreshing and training of all Nestlé partners on the new law on child labor.</p> <p>⇒ We will continue to raise awareness of child labor among farmers and their workers.</p> <p>3. Nestlé has developed, with the ADG of cooperatives, a template of an employment contract between farmers and workers, which includes disciplinary measures that each cooperative may adapt to its specific environment.</p> <p>⇒ We will encourage all the cooperatives to ask their members to use this contract template and to assist them.</p> <p>⇒ Considering local practices in recruitment, Nestlé and one of the suppliers will support technically the drafting of recruitment procedures and policies with two cooperatives.</p> <p>⇒ These policies and procedures will be widely disseminated and will be part of the training schedule in farmers' field schools.</p> <p>4. We will continue to work with the cooperative, monitoring the conditions of the identified children.</p>
<b>Deadline Date:</b>	August 2019

## Health, Safety and Environment

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HSE.1.	In compliance	
Documents, Permits and Certificates	HSE.2 (PR)	In compliance	
	HSE.3.1	N/A	
	HSE.4 (PR)	N/A	
Evacuation Requirements and Procedure	HSE.5.1 (PR)	N/A	
	HSE.5.2	Noncompliance	Farms 11,2,7,8,10,12,14,17 to 22.24,25,27,28, 30 to 36, 38 to 40
Safety Equipment and First Aid	HSE.6.1 (PR)	In compliance	
	HSE.6.2 (PR)	In Progress	All Farms
	HSE.16.3 (PR)	In Progress	All Farms
Personal Protective Equipment	HSE.7 (PR)	In Progress	Farm 34, 37, 40
	HSE.8	Noncompliance	Farms 11,2,7,8,10,12,14,17 to 22.24,25,27,28, 30 to 36, 38 to 40
Chemical Management	HSE.9.1	In compliance	
	HSE.9.2	In compliance	
	HSE.9.2.1	In compliance	
	HSE.10	Noncompliance	Farm 34, 37, 40



	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	In compliance	
	HSE.17.2 (PR)	N/A	
	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	Noncompliance	Farm 34, 37,40
	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

Evacuation Requirements and Procedure		
<b>Benchmarks:</b> <i>HSE.5.2: Where appropriate, workers shall be trained in evacuation procedures at least once per year.</i>		Noncompliance in twenty-seven farms
<b>Findings/Noncompliance Explanation</b> 55	The cooperative has an evacuation procedure. Farmers are trained and sensitized on it during farmers’ farm school. However, some farmers and none of the contract workers interviewed by the monitors are not aware of this procedure because they do not participate in the training sessions that serve as channels for communicating information.  <u>Source:</u> interviews, record review	
<b>Company Action Plans:</b> 125 words	1) Nestlé and the suppliers will explain the evacuation procedure during farmer field schools, which should also consider the risk of bushfire. Farmers will be tasked to convey the message to workers and family members  2) As part of the CLMRS, the module on bushfire provided by the RCs to the farmers/workers and their families, considers this issue. These awareness-raising actions will continue within the communities and their families.  3) In addition, Nestlé will develop a series of videos, one of which will focus on bushfire. This video will be shown in some sections as a test and will serve to raise the farmers’ awareness of the issue. Depending on the video’s success we will extend it to other communities and cooperatives.	
<b>Deadline Date:</b>	August 2019	
Personal Protective Equipment		
<b>Benchmarks:</b> <i>HSE.8: Workers shall be provided with training on the use and maintenance of personal protective equipment.</i>		Noncompliance in twenty-seven farms

<b>Findings/Noncompliance Explanation</b>  <b>56</b>	<p>The monitors noted that the cooperative organizes training for the benefit of its farmers and their workers on health, safety, and environment. Unfortunately, some farmers, and the majority of workers do not participate in these training sessions. As a result, they are not trained in the use and maintenance of personal protective equipment.</p> <p><u>Source:</u> interviews, record review.</p>
<b>Company Action Plans:</b>  <b>104 words</b>	<ol style="list-style-type: none"> <li>1. A plan of action for the implementation of the Internal Monitoring System's (IMS) requirements, including the provision of Nestlé's CoC, exists and is reviewed during field visits.</li> <li>2. As the number of farmers and workers in cooperatives is increasing every year, we will: <ul style="list-style-type: none"> <li>▪ Increase awareness during farm workers' training sessions.</li> <li>▪ Organize training sessions in villages to increase farmers' and farm workers' participation.</li> </ul> </li> <li>3. In addition, Nestlé will develop a series of videos, some of which will relate to health and security. They will be shown in the sections and will serve to raise awareness of the issue among farmers.</li> </ol>
<b>Deadline Date:</b>	August 2019
<b>Chemical Management / Machinery Safety</b>	
<p><b>Benchmarks:</b></p> <p><i>HSE.10: Workers shall receive training, appropriate to their job responsibilities, concerning the hazards, risks and the safe use of chemicals and other hazardous substances.</i></p> <p><i>HSE.14.2: Where appropriate, workers shall receive training in the proper use and safe operation of machinery, tractors, equipment and tools they use.</i></p>	
<b>Noncompliance in three farms</b>	
<b>Findings/Noncompliance Explanation</b>  <b>59</b>	<p>The cooperative trains the applicators who are responsible for agrochemical treatment of the farmers' farms. However, some farmers use private applicators and workers who are not authorized to carry out agrochemical treatment of farms. They use machines for the treatment of farms, while they have not received adequate training related to this activity.</p> <p><u>Source:</u> Interviews</p>
<b>Company Action Plans:</b>  <b>278 rds</b>	<ol style="list-style-type: none"> <li>1. As part of the CLMRS, the farmers/workers and their families have been trained by the RCs on a module of risks associated with the use of phytosanitary and pharmaceutical products. These awareness-raising actions will continue within communities and families.</li> <li>2. The flyers and posters on the Nestlé CoC contain images on the use of phytosanitary products and proper equipment.</li> <li>3. The cooperative has a team of eight sprayers with personal protective equipment, who are trained on the rational use of agrochemicals and farm treatment. This number will be increased to 32.</li> <li>4. Awareness-raising sessions will be conducted by the lead farmers and the RCs to educate farmers and their laborers on: <ul style="list-style-type: none"> <li>- the use of the applicators of the cooperative for the agrochemical treatment of farms,</li> <li>- the importance of the proper storage of spraying machines and the proper</li> </ul> </li> </ol>

	<p>management of empty chemical containers.</p> <ol style="list-style-type: none"> <li>Code of conduct will emphasize on the safe use of chemicals and collection of empty containers. These recommendations are reported when a non-conformity is identified. The cooperative must put in place proper measures to address cases of non-compliance.</li> <li>In addition, Nestlé has developed a video related to the use of Argo chemicals. These videos will be shown in the villages and will serve to raise the awareness of the farmers.</li> <li>Nestlé will ask for two cooperatives to be trained with the digital material to implement a reporting system based on the presence of empty containers during internal inspection.</li> <li>In addition to certification audits, we will also pilot the monitoring aspect in two cooperatives that are involved in the video training.</li> </ol>
<b>Deadline Date:</b>	August 2019

## Compensation

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	C.1.1	In compliance	
	C.1.2	In compliance	
	C.1.3	In compliance	
	C.1.4 (PR)	In compliance	
Minimum Wage/Fair Compensation	C.2.1	Risk of Noncompliance	Farms 1,2,7,8,10,12,20,21,22,24,26,27,29,31,32,33,34,35,36, 39
	C.2.2	N/A	
	C.2.3	In compliance	
	C.2.5 (PR)	Not Initiated	All Farms
	C.2.6 (PR)	Not Initiated	All Farms
	C.3	In compliance	
Farmer/Producer Income	C.4 (PR)	In Progress	All Farms
Wage Payment and Calculation	C.6	In compliance	
	C.7.1	In compliance	
	C.7.2	In compliance	
	C.7.3 (PR)	Not Initiated	All Farms
	C.7.4 (PR)	In compliance	
	C.7.5	In compliance	
	C.8.1	In compliance	
	C.8.2	In compliance	

	C.8.3	N/A	
	C.8.4 (PR)	N/A	
	C.9 (PR)	N/A	
	C.10.1	N/A	
	C.10.1.1	N/A	
	C.10.2	N/A	
	C.10.3	N/A	
Workers Awareness	C.11.1.1	In compliance	
	C.11.1.2	In compliance	
	C.11.1.3	In compliance	
	C.11.1.4	In compliance	
	C.11.1.5	In compliance	
	C.13 (PR)	In compliance	
Fringe Benefits	C.12.1	In compliance	
	C.12.2 (PR)	In compliance	
	C.12.3	In compliance	
	C.12.4	In compliance	
	C.12.5	In compliance	

### Assessment Summary

Minimum Wage/Fair Compensation		
<p><b>Benchmarks:</b></p> <p><i>C.2.1: Employers shall pay workers at least the legal minimum wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher, for regular working hours (not including overtime). Hourly or daily compensation shall be calculated based on the basis of the legal minimal wage, the prevailing industry sector wage, or the wage pursuant to Collective Bargaining Agreements that are in force, whichever is higher. Workers should also be informed by the employer about the legal minimum wage applicable to them.</i></p>		Risk of Noncompliance in twenty farms
<p><b>Findings/Noncompliance Explanation</b></p> <p><b>111</b></p>	<p>On the visited farms, farmers pay their contract workers at least the prevailing wage which is practiced in the region for their sector of activity. However, these wages may be lower than the legal minimum wage for workers in the agricultural sector if farmers are not providing in-kind benefits such as housing, food, and support in cases of illness. It would be difficult for farmers to pay higher wages to their hired workers given the low level of their own income and the high fluctuation of cocoa price. Solutions to raise the income of farmers must first be found in order to improve workers’ compensation.</p> <p><u>Source:</u> interviews, record review</p>	
<p><b>Company Action Plans:</b></p> <p><b>159 words</b></p>	<p>1. Since 2009, Nestlé has been implementing projects through the better farming pillar to increase farmers’ productivity. Currently in this pillar we have:</p> <ul style="list-style-type: none"><li>▪ The cocoa nurseries project: over 10.5 million high-yield cocoa plantlets have been distributed to farmers since 2009 to improve their incomes.</li><li>▪ The demo plots project: currently we have 12 demonstration farms operating to good agricultural practices.</li><li>▪ The establishment of 10 professional pruning gangs in cooperatives trained by our agronomists to help farmers implement pruning techniques.</li><li>▪ The Elite Farmer Project: Seventy elite farmers are been trained in good agricultural practices and entrepreneurial skills. They serve as examples of</li></ul>	

	<p>good agriculture practices for their peers.</p> <p>2. Nestlé will:</p> <ul style="list-style-type: none"> <li>Continue to train them in good agricultural practices.</li> <li>Increase awareness during farm workers' training sessions.</li> </ul> <p>3. In addition, Nestlé is developing a series of videos, some of which focus on good agriculture practices. They are to be shown in the sections.</p>
<b>Deadline Date:</b>	August 2019

### Overview - Farms vs. Non-compliances

Total number of Farms: 40

	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%	100%	0%	100%	100%	50%	
Farm 1	3	0	0	0	4	0	2	0	1	10
Farm 2	3	0	0	0	4	0	2	0	1	10
Farm 3	3	0	0	0	1	0	0	0	0	4
Farm 4	3	0	0	0	1	0	0	0	0	4
Farm 5	3	0	0	0	1	0	0	0	0	4
Farm 6	3	0	0	0	1	0	0	0	0	4
Farm 7	3	0	0	0	1	0	2	0	1	7
Farm 8	3	0	0	0	1	0	2	0	1	7
Farm 9	3	0	0	0	1	0	0	0	0	4
Farm 10	3	0	0	0	1	0	2	0	1	7
Farm 11	3	0	0	0	1	0	0	0	0	4
Farm 12	3	0	0	0	1	0	2	0	1	7
Farm 13	3	0	0	0	1	0	0	0	0	4
Farm 14	3	0	0	0	1	0	2	0	0	6
Farm 15	3	0	0	0	1	0	0	0	0	4
Farm 16	3	0	0	0	1	0	0	0	0	4
Farm 17	3	0	0	0	1	0	2	0	0	6
Farm 18	5	0	0	0	4	0	2	0	0	11
Farm 19	3	0	0	0	1	0	2	0	0	6
Farm 20	3	0	0	0	1	0	2	0	1	7
Farm 21	3	0	0	0	1	0	2	0	1	7
Farm 22	3	0	0	0	1	0	2	0	1	7
Farm 23	3	0	0	0	1	0	0	0	0	4

Farm 24	5	0	0	0	1	0	2	0	1	9
Farm 25	3	0	0	0	1	0	2	0	0	6
Farm 26	3	0	0	0	4	0	0	0	1	8
Farm 27	5	0	0	0	1	0	2	0	1	9
Farm 28	3	0	0	0	1	0	2	0	0	6
Farm 29	5	0	0	0	4	0	0	0	1	10
Farm 30	3	0	0	0	1	0	2	0	0	6
Farm 31	3	0	0	0	1	0	2	0	1	7
Farm 32	5	0	0	0	1	0	2	0	1	9
Farm 33	3	0	0	0	1	0	2	0	1	7
Farm 34	3	0	0	0	1	0	4	0	1	9
Farm 35	3	0	0	0	1	0	2	0	1	7
Farm 36	3	0	0	0	1	0	2	0	1	7
Farm 37	5	0	0	0	1	0	2	0	0	8
Farm 38	3	0	0	0	1	0	2	0	0	6
Farm 39	3	0	0	0	1	0	2	0	1	7
Farm 40	3	0	0	0	1	0	4	0	0	8
TOTAL	132	0	0	0	55	0	60	0	20	267