



[2018]

## FAIR LABOR ASSOCIATION INDEPENDENT EXTERNAL MONITORING AGRICULTURAL REPORT

**Company:** Olam

**Country:** Ivory Coast

**Commodity:** Cocoa

**Production Process:** Post Harvesting

**Assessment location:** Région du GUEMON, préfecture de DUEKOUE

**Monitor:** Societal Compliance Initiatives

**Assessment Dates:** 12-20 March 2019

**Number of assessed farms:** 60

**Total area covered:** 205.5 ha

**Number of farmers interviewed:** 60

**Total number of workers:** 40

**Number of workers interviewed:** 21

**Note :** This year's IEMs visits took place during a transitional period between the end of the harvest period and the establishment of new plots. Some producers were in their last harvest, others were clearing new plots while still others were at rest waiting for the first rains to start crops. This allowed observation of people involved in activities other than those seen during the normal harvest period.

To view more about the FLA's work with Olam, 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	Noncompliance	All Farms
	ER.3.1.1	Noncompliance	All Farms
	ER.3.1.2	In compliance	
	ER.4	In compliance	
	ER.5.1	In compliance	
	ER.5.2	In compliance	
	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	Noncompliance	Farms 4,7,8,13,17,18,22,23,26,28,30,31,34,36,43,52
	ER.12.1.1	In compliance	
	ER.12.2	In compliance	
	ER.13.1	In compliance	
ER.13.2 (PR)	In compliance		
ER.13.3 (PR)	In compliance		
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)	Not Initiated	All Farms
	ER.17.3 (PR)	In compliance	
	ER.17.4 (PR)	In compliance	
Worker Involvement	ER.18.1	In compliance	
	ER.18.2 (PR)	In compliance	
Right to Organize and Bargain	ER.19	In compliance	
Work Rules and Discipline	ER.20.1	Noncompliance	All Farms
	ER.20.2	Noncompliance	All Farms
	ER.20.3 (PR)	Not Initiated	All Farms
	ER.20.4	Noncompliance	All Farms
	ER.20.6	Noncompliance	All Farms

	ER.20.7	Noncompliance	All Farms
	ER.20.8	Noncompliance	All Farms
	ER.20.9 (PR)	Not Initiated	All Farms
	ER.20.11	In compliance	
Access to Training for Family Members	ER.21	In compliance	
HSE Management System	ER.24.1.	Noncompliance	Farms 4,7,8,13,17,18,22,23,26,28,30,31,34,36,43,52
	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	
Grievance Procedures	ER.24.5 (PR)	In compliance	
	ER.25.1 (PR)	In compliance	
	ER.25.2 (PR)	Not Initiated	All Farms
	ER.25.3	In compliance	
	ER.25.4	In compliance	

### Employment Relationship Assessment Summary

Proof of Age Documentation	
<p><b>Benchmarks:</b></p> <p><b>ER.3.1:</b> Employers shall verify proof of age documentation for all young workers in the farm at the time of their employment and work towards collecting and maintaining all documentation necessary to confirm and verify date of birth of all workers, including long term and casual workers.</p> <p><b>ER.3.1.1:</b> Employers shall take reasonable measures to ensure such documentation is complete and accurate.</p>	<b>Noncompliance in all farms</b>
<p><b>Findings/Noncompliance Explanation:</b></p> <p>During the farm visits, the monitors did not meet any employed young workers. However, the producers interviewed told them that they sometimes recruit casual workers, some of whom may be young. They recognize that, in general, they only base on the physical appearance of the workers, without any verification of their age or keeping documents that can prove that they are the minimum legal age required for employment. At the level of the cooperative that organizes these producers, no mechanism is experienced to overcome this insufficiency of producers who operate in the informal sector.</p> <p><u>Source:</u> Document review, Interviews.</p>	
<p><b>Company Action Plan:</b></p> <p>Olam will sensitize all the suppliers on the importance of collecting and keeping worker identification documents by their producer members. Olam has started working with the ADGs (Group Administrators) by elaborating a standard working contract to be signed by all the new hires. The contract will be signed along with the presentation of copy of the worker personal identity card or birth certificate</p> <p>Olam will encourage suppliers to make all producers aware of the importance of keeping copies of workers' identification documents.</p>	
<p><b>Deadline Date:</b></p>	December 2020

Terms and Conditions	
<p><b>Benchmarks:</b></p> <p><i>ER.12.1: Employers shall regularly inform workers about workplace rules, health and safety information, and laws regarding workers' rights with respect to freedom of association, compensation, working hours, and any other legally required information, and the FLA Code through appropriate means, including posted in local language(s) throughout the workplace's common areas or in the surrounding community. In the case of workplaces with informal labor structures, these communication and awareness raising activities could be done with support from supply chain intermediaries such as cooperatives, organizers, tier one suppliers or the participating company.</i></p>	<p><b>Noncompliance in 16 farms</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>The assessed cooperative organizes training for producers, their workers, their family members and all the community members. Some of these trainings are about labor standards, in particular health and safety, workers' rights, freedom of association, compensation, working hours, child labor, forced labor. The producers interviewed during the assessment showed a good level of understanding of these standards. On the other hand, none of the workers interviewed (met in 16 of the 60 farms visited) showed a sufficient level of knowledge of labor standards, especially health and safety procedures. They explained to the monitors that they did not take part in the training due to lack of time. In reality, the monitors note their disinterest in training issues because for them, it is a matter of certified producers and not of workers.</p> <p><u>Source:</u> Interview, review of training attendance lists</p>
<p><b>Company Action Plan:</b></p>	<p>Olam will help the suppliers to sensitize all the workers on the importance of training on health and security at work and environment.</p> <p>Workers will be encouraged and organized to attend the training session through the farmers' field school.</p> <p>Olam will ask all CLMRS teams of each supplier level to put more emphasis on the topics on health and security at work when sensitizing workers and their household during the profiling. Olam will make sure that all the workers have received the Olam supplier code leaflet showing more provisions on health and security at work.</p>
<p><b>Deadline Date:</b></p>	<p>December 2020</p>

Work Rules and Discipline	
<p><b>Benchmarks:</b></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 non-discriminatory 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><b>Noncompliance in all farms</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>The assessed cooperative has Olam's code of conduct and that of the certification body. These codes provide for disciplinary procedures that consider only the</p>

	relations between the cooperative and its producers. No formal disciplinary procedure is provided by these codes or by the cooperative to govern relations between producers and their workers who operate in the informal sector.  <u>Source:</u> Interviews, Review of procedures, review of CoC
<b>Company Action Plan:</b>	Olam will work with all the suppliers to develop a disciplinary procedure between producers and workers.  This procedure will be shared with all the workers and producers and explained through the farmer field school.
<b>Deadline Date:</b>	December 2020

HSE Management System	
<p><b>Benchmarks:</b></p> <p><i>ER.24.1: Health, safety and environmental rules shall be communicated to all workers in the local language or language spoken by workers if different from the local language.</i></p>	
Noncompliance in 16 farms	
<b>Findings/Noncompliance Explanation:</b>	<p>The monitors note that apart from the producers, no health, safety and environmental rules are communicated to farm workers. Although the workers are invited to participate in training organized by the cooperative, during which the rules are communicated to the participants, these workers are never present. None of them have the Olam Code of Conduct leaflets that mention these rules. Because of job instability, it is difficult for the company and the cooperative to consider all workers each year. Also, the producers who employ them do not relay the information received during training.</p> <p><u>Source:</u> Interviews.</p>
<b>Company Action Plan:</b>	<p>Olam will help the suppliers to sensitize all the workers on the importance of training on health and security at work.</p> <p>Workers will be encouraged to attend the training session through the farmers' field school.</p> <p>Olam will ask all CLMRS teams of each supplier level to put more emphasis on the topics on health and security at work when sensitizing workers and their household during the profiling. Olam will make sure that all the workers have received the Olam supplier code leaflet showing more information on health and security at work.</p>
<b>Deadline Date:</b>	December 2020

## Child Labor

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	CL.1	Noncompliance	Farm 23
Minimum Age	CL.2	In compliance	
Immediate Family Members	CL.3	In compliance	
Right to Education	CL.4.1 (PR)	In compliance	
Young Workers	CL.5	In compliance	
	CL.6.1	In compliance	
	CL.6.2	In compliance	
	CL.7	Noncompliance	Farm 23
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	
<p><b>Benchmarks</b></p> <p><i>CL.1: Employers shall comply with all national laws, ratified international conventions, fundamental labor rights, regulations and procedures concerning the prohibition of child labor.</i></p> <p><i>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:</i></p> <ul style="list-style-type: none"> <li>• <i>The work is not dangerous and not harmful to their health or development;</i></li> <li>• <i>The work does not prejudice their attendance at school and is done within reasonable time limits after school or during holidays;</i></li> <li>• <i>The work is appropriate to the child's age and physical condition and does not jeopardize the child's social, moral or physical development;</i></li> <li>• <i>The child's parents provide supervision and guidance.</i></li> </ul>	<p><b>Noncompliance in one farm</b></p>
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>According to Ivorian legislation, family members of producers can have access to socializing work from the age of 13. But it should be a light work that does not harm their health. In addition, school is made compulsory for all children up to the age of 16.</p> <p>However, during their field visits, monitors observed on one farm, the eight-year-old nephew of the producer's wife, who was carrying heavy loads of cocoa pods. In addition, this boy did not attend school.</p> <p><u>Source:</u> Observations, interviews, document review</p>
<p><b>Company Action Plan:</b></p>	<p>Forced labor is forbidden as well as child labor; therefore, Olam on yearly basis organizes training on labor practices with all the suppliers in its supply chain.</p> <p>Olam will assist the supplier through its CLMRS to reach the producer in order to check if he has already been profiled over the season and then to understand the activities done by the child and the reason and how it could be remediated so that the child may attend school</p> <p>Through the CLMRS at all the suppliers' level, Olam will emphasis on famers and</p>

	<p>worker sensitization on child labor.</p> <p>Olam has intensified for this campaign the action of the CLMRS committees at each supplier level. More focus is put on farms inspections and remediation action and the follow up of the cases identified.</p> <p>During the current season, all the producers and their households will be profiled through a digital app.</p> <p>Olam has distributed its revised code of conduct leaflets and posters to all the farmers in its supply chain.</p>
<b>Deadline Date:</b>	December 2020

## Health, Safety and Environment

### Compliance Status

Section	Benchmark	Compliance status	Farms
General Compliance	HSE.1.	In compliance	
Document Maintenance, Permits and Certificates	HSE.2 (PR)	In compliance	
	HSE.3.1	In compliance	
	HSE.4 (PR)	In compliance	
Evacuation Requirements and Procedure	HSE.5.1 (PR)	In compliance	
	HSE.5.2	Noncompliance	All Farms
Safety Equipment and First Aid	HSE.6.1 (PR)	In compliance	
	HSE.6.2 (PR)	In compliance	
	HSE.16.3 (PR)	In compliance	
Personal Protective Equipment	HSE.7 (PR)	In progress	
	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)	In compliance	
	HSE.17.1	In compliance	
	HSE.17.2 (PR)	In compliance	
	HSE.19 (PR)	In compliance	
	HSE.21 (PR)	In compliance	
	HSE.22 (PR)	In compliance	
Machinery Safety	HSE.14.1	In compliance	
	HSE.14.2	Noncompliance	Farm 7,28,38,39,42,58,59
	HSE.14.3	In compliance	
	HSE.14.4	In compliance	
Ergonomics and Medical Facilities	HSE.15.2 (PR)	In progress	
	HSE.16.2	In compliance	

## Assessment Summary

Evacuation Requirements and Procedure	
<p><b>Benchmarks:</b> <i>HSE.5.2: Where appropriate, workers shall be trained in evacuation procedures at least once per year.</i></p>	
<b>Noncompliance in all farms</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>Producers assessed are not trained in evacuation procedures. Even if the farms are not enclosed spaces, which require an evacuation plan, threats of bushfires and risks of poisoning, reptile bites and injuries are often recorded during farm work. It would therefore be useful for producers and workers to be aware of the basic evacuation measures to follow.</p> <p>Source: Interviews and observation</p>
<p><b>Company Action Plan:</b></p>	<p>With the support of Olam, the cooperative will initiate the training of a team on fire-fighting systems and treatment of snake bites. The cooperative will equip this team. With the support of the farmers' leaders and the agronomist, the cooperative will set up an evacuation mechanism in each of its sections to evacuate the producers, their families and workers in case of any emergency.</p> <p>This mechanism will be communicated to all producers and workers of the cooperative.</p>
<p><b>Deadline Date:</b></p>	<p>December 2020</p>

Machinery Safety	
<p><b>Benchmarks:</b> <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 7 farms</b>	
<p><b>Findings/Noncompliance Explanation:</b></p>	<p>During their visits, the monitors observed that the only machines required on the farms are those for agrochemical treatment. Applicators who may use these machines for the treatment of producers' farms are trained by the cooperative in this area. However, some producers who do not have the required training, use these machines themselves. This was noted with seven of the 60 farms visited.</p> <p>Source: Interviews</p>
<p><b>Company Action Plan:</b></p>	<p>Olam will help the supplier to sensitize all the producers on the danger of the manipulation of chemicals.</p> <p>Olam will help the supplier to encourage all the producers on the use of applicators instead of applying the chemical themselves.</p> <p>The supplier will organize the applicators or even hire more applicators so that there will be enough applicators to meet the needs of all the producers.</p>

<b>Deadline Date:</b>	December 2020
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### Overview - Farms vs. Non-compliances

**Total number of Farms:**

	Employment Relationship	Non-discrimination	Harassment or Abuse	Forced Labor	Child Labor	Freedom of Association and Collective Bargaining	Health, Safety and Environment	Hours of Work	Compensation	Total
<b>% of farms with non-compliances or risk of non-compliances</b>	100%	100%	0%	100%	13%	0%	100%	0%	100%	
Farm No. 1	9	0	0	0	0	0	1	0	0	10
Farm No. 2	9	0	0	0	0	0	1	0	0	10
Farm No. 3	9	0	0	0	0	0	1	0	0	10
Farm No. 4	11	0	0	0	0	0	1	0	0	12
Farm No. 5	9	0	0	0	0	0	1	0	0	10
Farm No. 6	9	0	0	0	0	0	1	0	0	10
Farm No. 7	11	0	0	0	0	0	2	0	0	13
Farm No. 8	11	0	0	0	0	0	1	0	0	12
Farm No. 9	9	0	0	0	0	0	1	0	0	10
Farm No. 10	9	0	0	0	0	0	1	0	0	10
Farm No. 11	9	0	0	0	0	0	1	0	0	10
Farm No. 12	9	0	0	0	0	0	1	0	0	10
Farm No. 13	11	0	0	0	0	0	1	0	0	12
Farm No. 14	9	0	0	0	0	0	1	0	0	10
Farm No. 15	9	0	0	0	0	0	1	0	0	10
Farm No. 16	9	0	0	0	0	0	1	0	0	10
Farm No. 17	11	0	0	0	0	0	1	0	0	12
Farm No. 18	11	0	0	0	0	0	1	0	0	12
Farm No. 19	9	0	0	0	0	0	1	0	0	10
Farm No. 20	9	0	0	0	0	0	1	0	0	10
Farm No. 21	11	0	0	0	0	0	1	0	0	12
Farm No. 22	9	0	0	0	0	0	1	0	0	10
Farm No. 23	11	0	0	0	2	0	1	0	0	14
Farm No. 24	9	0	0	0	0	0	1	0	0	10
Farm No. 25	9	0	0	0	0	0	1	0	0	10
Farm No. 26	11	0	0	0	0	0	1	0	0	12
Farm No. 27	9	0	0	0	0	0	1	0	0	10
Farm No. 28	11	0	0	0	0	0	2	0	0	13

Farm No.	29	9	0	0	0	0	0	1	0	0	10
Farm No.	30	11	0	0	0	0	0	1	0	0	12
Farm No.	31	11	0	0	0	0	0	1	0	0	12
Farm No.	32	9	0	0	0	0	0	1	0	0	10
Farm No.	33	9	0	0	0	0	0	1	0	0	10
Farm No.	34	11	0	0	0	0	0	1	0	0	12
Farm No.	35	9	0	0	0	0	0	1	0	0	10
Farm No.	36	11	0	0	0	0	0	1	0	0	12
Farm No.	37	9	0	0	0	0	0	1	0	0	10
Farm No.	38	9	0	0	0	0	0	2	0	0	11
Farm No.	39	9	0	0	0	0	0	2	0	0	11
Farm No.	40	9	0	0	0	0	0	1	0	0	10
Farm No.	41	9	0	0	0	0	0	1	0	0	10
Farm No.	42	9	0	0	0	0	0	2	0	0	11
Farm No.	43	11	0	0	0	0	0	1	0	0	12
Farm No.	44	9	0	0	0	0	0	1	0	0	10
Farm No.	45	9	0	0	0	0	0	1	0	0	10
Farm No.	46	9	0	0	0	0	0	1	0	0	10
Farm No.	47	9	0	0	0	0	0	1	0	0	10
Farm No.	48	9	0	0	0	0	0	1	0	0	10
Farm No.	49	9	0	0	0	0	0	1	0	0	10
Farm No.	50	9	0	0	0	0	0	1	0	0	10
Farm No.	51	9	0	0	0	0	0	1	0	0	10
Farm No.	52	11	0	0	0	0	0	1	0	0	12
Farm No.	53	9	0	0	0	0	0	1	0	0	10
Farm No.	54	9	0	0	0	0	0	1	0	0	10
Farm No.	55	9	0	0	0	0	0	1	0	0	10
Farm No.	56	9	0	0	0	0	0	1	0	0	10
Farm No.	57	9	0	0	0	0	0	1	0	0	10
Farm No.	58	9	0	0	0	0	0	2	0	0	11
Farm No.	59	9	0	0	0	0	0	2	0	0	11
Farm No.	60	9	0	0	0	0	0	1	0	0	10
TOTAL		572	0	0	0	2	0	67	0	0	641