











PROJECT HIGHLIGHTS

This report tells the story of Nestlé, the world's largest food and beverage company, and its two hazelnut suppliers in Turkey, Olam and Balsu, as they pilot-tested the United States Department of Agriculture Guidelines for Eliminating Child Labor and Forced Labor in Agricultural Supply Chains (USDA Guidelines) in Turkey's hazelnut supply chain. This project was a partnership between the three companies and the Fair Labor Association (FLA), funded by the United States Department of Labor (USDOL).

Hazelnuts are grown in the Black Sea region of Turkey. In the summer, tens of thousands of seasonal migrant workers, mostly from the Southeast region bordering Syria, travel across the country to harvest hazelnuts for 30-45 days. Children often work alongside their parents in the hazelnut gardens.



COLLABORATION MAXIMIZES IMPACT

Addressing systemic issues like child labor and forced labor requires a multi-stakeholder approach. By working together on this project, companies, farmers, labor contractors, local and national government, and civil society groups were able to achieve greater results. Collaboration is essential to ensure long-term sustainability and scalability of social compliance programs.



STRONG PROGRAMS DEPEND ON SOLID DATA

In addition to commodity mapping, robust data collection on worker demographics, migrant workers' movements, and workplace conditions provide critical context for companies as they assess risks and design strong remediation programs to protect human rights throughout their supply chains.



UNDERSTANDING WORKERS' NEEDS IS CRUCIAL

Not every workforce faces the same human rights issues. In this project, companies needed to understand the unique challenges confronting a young, seasonal, migrant workforce in order to address their needs. To build a successful program that protects workers, companies need functioning channels for workers to communicate their concerns.



PROCESSES AND PROGRAMS **REQUIRE FLEXIBILITY**

Risk assessment and standard setting are continuous processes. Companies must take into account changes in the local environment and periodically review their systems and approaches. Adjusting remedial interventions to take advantage of new information acquired through research or exchanges with stakeholders boosts their effectiveness.

Nestlé, Olam, and Balsu successfully demonstrated the effectiveness of the USDA Guidelines as a practical framework to help agricultural firms, large and small, national or multi-national, to improve their social compliance systems and reduce the risks of child and forced labor in their supply chains. The USDA Guidelines are applicable in any country and to any agricultural commodity, from coffee in Guatemala to palm oil in Malaysia, cotton in India to cocoa in Cote d'Ivoire.



ABOUT THE USDA GUIDELINES

- Developed by a multi-stakeholder consultative group appointed by the U.S. Secretary of Agriculture, the USDA Guidelines were officially adopted in 2011. They are organized around seven elements.
- The USDA Guidelines embody a practical approach for companies developing internal management systems to address child and forced labor-related issues.
- The USDA Guidelines provide a robust framework to engage stakeholders across agricultural supply chains.
- The USDA Guidelines have many similarities to the methodology developed and applied by the FLA during the past decade.

THE USDA GUIDELINES ARE ALIGNED WITH OTHER VOLUNTARY PRINCIPLES AND FRAMEWORKS INCLUDING:

- The United Nations Guiding Principles on Business and Human Rights
- The OECD-FAO Guidance for Responsible Agricultural Supply Chains
- The Principles of Fair Labor and Responsible Sourcing developed by the FLA
- The U.S. Department of Labor Comply Chain: Business Tools for Labor Compliance in Global Supply Chains application

STANDARDS SUPPLY CHAIN MAPPING AND RISK MANAGEMENT COMMUNICATION **MONITORING** REMEDIATION **INTERNAL REVIEW**

INDEPENDENT

THIRD-PARTY REVIEW

WHY ADDRESSING CHILD AND FORCED LABOR MATTERS TO BUSINESS

Moving beyond voluntary guidelines like the USDA Guidelines, new emerging legislative frameworks around the world require companies to disclose their supply chains, identify human rights issues, and address them wherever they occur in their supply chain.

Consumers, increasingly selective in their purchasing behavior, will continue to drive change and pressure companies to embrace sustainable and ethical business practices.

A survey of 3,023 consumers aged 18+ in the United States, the United Kingdom, and Italy shows that consumers are increasingly sensitive to responsible sourcing and it affects their purchasing behavior:





92% believe companies should be transparent about product sourcing



74% say they try to purchase products that are responsibly sourced



80% say they are likely to seek out products or ingredients that follow standards or regulations that ensure suppliers do not employ child or forced labor



67% say eliminating the use of child labor is an urgent issue to address



48% say they purchase hazelnuts always or often



55% consider whether nuts are responsibly sourced before making purchasing decisions



48% would boycott products upon learning that a company sourced hazelnuts from farms that employ child or forced labor, and 33 percent would urge others to follow suit

WHAT IS CHILD LABOR?

- Child labor refers to engagement of children in employment prohibited under International Labour Organization (ILO) Conventions 138 and 182.
- ILO sets the minimum working age for children at 15 for most activities and 18 for hazardous work.
- Young laborers must be protected from conditions that can harm their physical, mental, emotional, or moral wellbeing.
- They must not work excessive hours.
- ILO Conventions do not ban age-appropriate tasks that pose low risk and do not interfere with the child's development.

WHAT IS FORCED LABOR?

ILO Convention 29 defines forced work as "all work or service which is exacted from any person under the menace of any penalty and for which the said person has not offered himself voluntarily." Indicators of forced labor are often more subtle and can include:

- excessive hours of work or forced overtime
- non-payment of minimum wages
- deductions from wages
- payment of wages delayed or withheld indefinitely
- debt owed to employer or recruiter
- deception about the nature of work or location
- physical or psychological coercion
- abuse of vulnerability
- lack of access to identity or travel paperwork
- dependence on employer or recruiter for housing, food, etc.

A single indicator may not signal forced labor. Taken collectively, the presence of these and other indicators might point to a serious forced labor issue.

FACTS AND FIGURES ABOUT CHILD LABOR IN AGRICULTURE

- Around the world, 152 million children aged 5-17 are in child labor (ILO)
- 107.5 million are employed in agriculture (subsistence or commercial farming, herding, fishing, forestry, animal husbandry, and aquaculture). Sixty-nine percent work within their family unit (ILO)
- In Turkey, in 2012, nearly 900,000 children were employed, including
 - 292,000 children aged 6-14
 - 601,000 children aged 15-17
 - 45 percent who worked in agriculture
 - 31 percent who were employed in services
 - 24 percent who worked in industry (Turksat: Turkish Statistical Institute)

TWO MILLION FARMERS, TENS OF THOUSANDS OF HARVESTERS

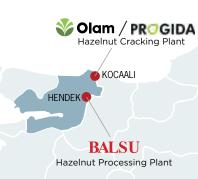
Every summer, tens of thousands of seasonal agricultural workers converge on the green hills of Turkey's Black Sea region to harvest hazelnuts, a commodity that accounts for 20 percent of Turkey's agricultural exports. Turkey is the world's leading producer of hazelnuts, currently supplying some 70 percent of the global market.

The majority of harvesters are from the Southeast region bordering Syria, and they tend to travel as family groups, moving from crop to crop for 6-8 months per year. Children of migrant families often work alongside their parents, contributing to the household income, to the detriment of their personal development.

It is in this setting that Nestlé and its two hazelnut suppliers in Turkey—Olam and Balsu—piloted the USDA Guidelines, in partnership with FLA. Lasting 31 months, the project was funded by the USDOL.

THE FAIR LABOR ASSOCIATION (FLA) is a non-profit organization established in 1999 with the mission to combine the efforts of business, civil society organizations, colleges and universities to promote and protect workers' rights and improve working conditions globally through adherence to international standards.

THE U.S. DEPARTMENT OF LABOR'S BUREAU OF INTERNATIONAL LABOR AFFAIRS (ILAB) promotes a fair global playing field for workers in the United States and around the world by enforcing trade commitments, strengthening labor standards, and combating international child labor, forced labor, and human trafficking. Since 1995, the Office of Child Labor, Forced Labor, and Human Trafficking (OCFT) has funded over 300 projects to combat exploitive child labor. These projects have been implemented by more than 80 organizations in nearly 100 countries.



Nestlé sources about 70 percent of its hazelnuts from Turkey from over 2,000 farms through Olam and Balsu. During the harvest period, which lasts 30-45 days, each farm employs up to 10 seasonal workers. Groups of workers travel from one farm to the next. Altogether, thousands of seasonal migrants work in Nestlé's hazelnuts supply chain. In addition, farms also employ local workers from the Black Sea region.



A MULTI-STAKEHOLDER APPROACH

Since 2012, the three FLA-affiliated firms— Nestlé, Olam, and Balsu—have been building internal monitoring mechanisms with the FLA to address decent work principles, including child and forced labor, in their hazelnut supply chain.

The USDOL-funded project provided the companies with an opportunity to deepen their understanding of systemic issues, pilot new interventions, scale up existing efforts, and broaden their impact in cooperation with the FLA, public agencies, and civil society organizations.

Between December 2015 and 2018, the project partners carried out activities in the Black Sea and Southeast regions that have:

- enhanced the transparency of the companies' hazelnut supply chain
- enabled the collection of extensive information for risk identification, management, and mitigation
- improved companies' standards and benchmarks related to child and forced labor
- communicated companies' standards on labor rights to various stakeholder groups (farmers, labor contractors, local authorities, and workers)
- implemented innovative remediation strategies in cooperation with nongovernmental organizations (NGOs) and local authorities

This project was conducted with the support of the Turkish government.

On February 20, 2018, Turkey declared 2018 the "Year to Combat Child Labor"

The Turkish government aims to raise awareness of the issue, which affects close to 1 million children in Turkey. The "National Program Against Child Labor" will focus on creating more effective policies to tackle child labor. It is expected to run for five years until the country's centenary in 2023.



2,470 Harvest workers reached



509 Children provided safe spaces



89 Labor contractors registered



24
Housing renovations completed

287
Farmers
received
training

219Labor contractors received training

256Community
members attended
trainings

139
Government
officials received
training

34 Company personnel trained

123 Teachers trained

"Through research studies and trainings carried out within the scope of the project that we have been conducting since 2016 with FLA, we have made a considerable contribution to fighting child labor in our country, especially in hazelnut agriculture.

It is obvious that the consequences of the project will positively contribute to the direction of the policies of our Ministry and country in fighting child labor."

 Nurcan Önder, Director of Labor, Turkish Ministry of Labor and Social Security

LESSONS LEARNED **SETTING STANDARDS**

- Risk assessment and standard setting are continuous processes that require regular updating. For example, since the start of the Syrian conflict, the influx of foreign labor in Turkey has significantly increased risks related to child and forced labor. It is also essential to have standard practices for labor contractors and recruitment services where there are migrant workers.
- · Local practices are not always aligned with international standards. In Turkey, the minimum age of work is 15 for children who have completed their primary education. However, Turkey has defined seasonal commercial work in agriculture as one of the worst forms of child labor. That is, for children migrating to work in agriculture outside family farms, the minimum age is 18. Nevertheless, based on an informal understanding between the various regulatory authorities and international

- bodies, everyone uses 16 years as the minimum working age for migratory labor.
- Forced labor often cannot be defined by a single indicator, but rather by a set of indicators. To identify this hidden phenomenon, a deep understanding of the local environment and local practices is required. For example, many company standards include the payment of recruitment fees, loan advancements, documentation retention, and lack of freedom of movement as forced labor indicators. Other practices, such as deception about the nature of work, unsafe transportation, partial payment of wages or withholding of wages until the end of the season, excessive hours of work, and abuse of vulnerability, may not be among measurable indicators of forced labor, ILO. however, considers these practices strong indicators of forced labor.

MEET SAADET, 16, SEASONAL AGRICULTURAL WORKER FROM MARDIN

"We complied without a word. He threatened to withhold our wages."

The last labor contractor who recruited Saadet and her family for the hazelnut harvest refused to pay them wages totaling \$3,000 TL (\$750 USD). The family rejected his offer to pay them only a third of what was due them.

Six family members, including two of Saadet's siblings aged 17 and 15, had worked 12 hours a day in the hazelnut gardens. When Saadet or her relatives went to the toilet, the labor contractor accused them of slacking. He pushed them hard, forcing them to work in the rain and skip their daily breaks.

Saadet and her family were deceived by labor contractors on prior occasions. One year, another contractor told them they would harvest cherries. In fact, he had hired them to work in the cumin fields, which is tougher work. He also lied about accommodations. The family ended up living in a Ford Transit van during their stay.

The first year they worked in the hazelnut gardens, another labor contractor cut their income by nearly a third after they completed the job. Saadet has other painful stories to tell, but she knows her family has no choice they must keep working as seasonal migrant workers.

LESSONS LEARNED **SUPPLY CHAIN MAPPING AND**

TRACEABILITY

- By undertaking the implementation of the USDA Guidelines, Olam and Balsu hope to remain preferred suppliers to Nestlé, while also selling hazelnuts to other buyers. Nestlé can incentivize their efforts through continued business, and by helping them build their technical capacity. Nestlé benefits from the increased collaboration: Olam and Balsu internalize Nestlé's standards and thev become low risk, self-managing suppliers.
- When companies train and empower their **supply chain partners** and provide tools for data collection, supply chain mapping becomes a collaborative effort and a common responsibility.
- Harnessing technology to create technical alignment between traceability and risk assessment promotes efficiency in data collection.

WORKFORCE TRACEABILITY

Within the scope of the USDOL project, Balsu developed a traceability software system called GoBalsuFarm, which enables tracking agricultural activities and recording geographical information.

A key feature of this new system is the ability to combine supply chain (and farmer) traceability with workforce traceability. Company staff can record workers' profiles, including their age and gender, as well as the GPS coordinates of their working areas. Balsu tested the system during the 2017 harvest. The system is now ready to be deployed in all hazelnut gardens supplying to Balsu.

"Today, we have 100 percent traceability over our hazelnut supplychain in Turkey. That means that we know exactly where every nut that we buy from Olam and Balsu comes from. If you don't know where your raw materials come from, there is no way that you can be aware of the issues you face in your supply chain, let alone come up with effective remediation actions."

- Yann Wyss, Senior Manager, **Environment and Impact, Nestlé**

LESSONS LEARNED

WORKFORCE MAPPING

From early summer to late fall, hundreds of thousands of people leave their home cities and villages and travel across the country, following the harvest seasons of various crops, working in farms and orchards throughout Turkey. Research conducted by Pikolo Association, a local NGO established by teachers to address child labor issues, showed that seasonal migrant laborers involved in the hazelnut harvest also work in other agricultural supply chains, often managed by the same labor contractor:

"Many people in the past have been looking at human rights and the supply chain. The game changing moment is when you get the mid-tier collaborating."

- Hanna Jager, Global Responsible Sourcing Lead, Paper, Vanilla and Hazelnut, Nestlé



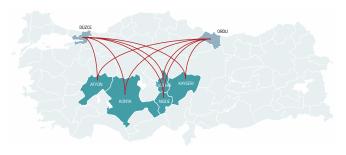
16 PERCENT ALSO WORK
IN THE SUGAR BEET SUPPLY CHAIN



34 PERCENT ARE ALSO EMPLOYED IN THE CITRUS SUPPLY CHAIN



38 PERCENT ARE ALSO INVOLVED IN THE APPLE SUPPLY CHAIN



27 PERCENT ALSO WORK IN POTATO PRODUCTION



MEET REMZIYE, 38, SEASONAL MIGRANT WORKER, MOTHER OF NINE, IN TRANSITION 6-8 MONTHS A YEAR

"Children should be able to play"

Every spring, Remziye and her family leave their home in Şanlıurfa to work as seasonal migrant workers. Remziye and her husband have nine children, aged 9 to 23.

First, they work for three months in the sugar beet fields in Konya in central Turkey. They live in tents with no access to running water. Recruited through a labor contractor, they have no employment contract. They only learn how much they will earn when they reach the farms that hired their labor. Seven family members, including Remziye's 12-year-old daughter, work 11-12 hours a day. Collectively, they earn around \$300-350 TL per day (\$75-90 USD).

Later in the season, the family moves on to Ordu for the hazelnut harvest. Some farmers provide accommodation, Remziye says, but the houses are often in poor condition. Last year, family members were delighted when a new shower was installed as a part of this project. Hazelnut harvesters work 10 ½ hours a day in the hazelnut gardens. Each family member gets \$60 TL/day, from which the labor contractor deducts a \$5 TL commission. Wages are only paid at the end of the season.

Because the family is away from home for several months harvesting agricultural products, the children miss several weeks of school every year. Only one of Remziye's children has so far reached high school level. During the last hazelnut harvest, Remziye sent three of her children to the safe space set up by the Genç Hayat Foundation and Olam. "It was wonderful. Our income was reduced, but we were able to work without worrying about the children. They were very happy," she says. "If the safe space is open, we'll definitely send them again this year. Children should be able to play."

KEY PLAYERS: THE LABOR CONTRACTORS

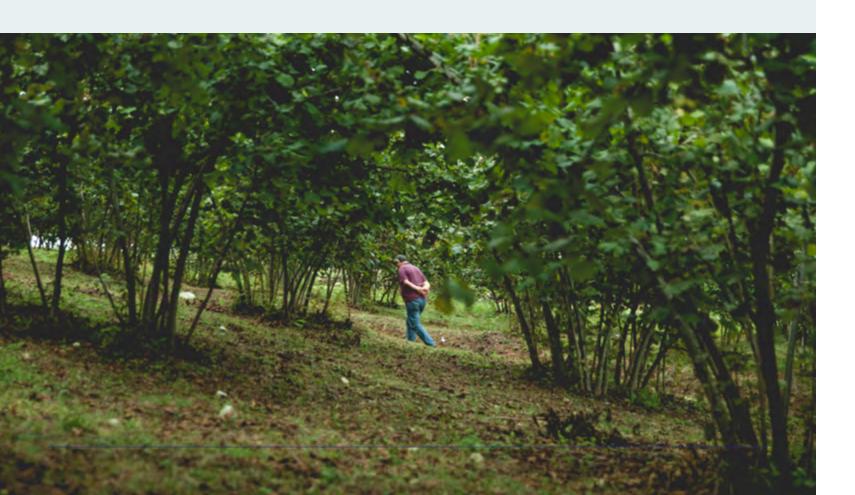
Commissioned by project partners, the civil society organization Pikolo Association conducted field research on labor contractors during the 2017 harvest. Pikolo focused on farms in 46 villages supplying Nestlé. Researchers surveyed 277 labor contractors and recruiters who collectively had brought together 14,000 workers.

Until this study, the labor contractors' role in the supply chain was not well understood. They have since emerged as influential players who can play a crucial role in reducing child and forced labor.

Main findings:

 Only 15 of the 277 labor contractors were registered with the Turkish Employment Agency, as required by law. None of them fulfilled the legal obligations that registration entails.

- 98 percent of labor contractors had previously worked as seasonal migrant workers; 73 percent were unaware of the laws regulating agriculture and their profession.
- A new category of labor contractors, who recruit smaller worker groups of around 20 workers, is challenging established labor intermediaries who traditionally brought up to 150 harvesters. Crucially, the new labor contractors do not deduct a 10 percent commission from the minimum wages paid to workers, but get paid by producers.
- The study exposed the magnitude of child labor in the hazelnut sector and highlighted specific risk areas in the recruitment process. In the western Black Sea region, children made up 8.5 percent of the workforce. Their share was 6.4 percent in the eastern region.



As a result of this study, Olam decided to develop the labor contractors' capacity to contribute to the prevention of child and forced labor in the supply chain. The company now provides awareness-raising training. In addition, it actively encourages labor contractors to register with the authorities and offers advisory services to help them meet their responsibilities.

As intermediaries between the workforce and the farmers, labor contractors can facilitate the flow of information about workers and help companies integrate labor-related data into their systems.

Understanding workforce movements and flows across and beyond individual supply chains broadens the scope for effective interventions and opens up new areas for collaboration with other industry actors, including competitors, as well as across sectors.

"I think that one of the most important contributions of the project with respect to strengthening the knowledge base at the national level is to establish a database on agricultural intermediaries and to raise the awareness of agricultural intermediaries (labor contractors) through organized trainings. Expanding the labor contractor database will be an important step in fighting child labor through the gradual increase in the number of registered agricultural intermediaries and effective control over them."

- Nejat Kocabay, Senior Programme Officer, International Labour Organization

MEET MEHMET*, 49, LABOR CONTRACTOR FROM MARDIN

"We are all making the same mistakes, but I am trying to improve."

Mehmet first made the journey to the Black Sea region 33 years ago as a high school student who was trying to earn pocket money for the next school term. He started off as a worker, but quickly rose through the ranks, becoming a labor contractor 27 years ago. Depending on the expected size of the crop, as many as 700 workers will travel with him to Sakarya for the hazelnut harvest.

Mehmet has a side job in electronics and he is quite well off. He does not rely on his income as a labor contractor, but over the years he has built strong relations with his workers and the hazelnut garden owners. Both sides rely on him. He is especially proud to be helping high school and university students who try to finance their studies through agricultural work.

He is aware that he and other contractors have made mistakes over the years. For a long time they did not consider the welfare of young workers. He is trying to improve. Mehmet attended the training on child labor organized by the Genç Hayat Foundation. The information he received shook him and he is now very sensitive to child labor. The training motivated him to obtain his labor contractor certificate from IŞKUR, the state employment agency. He intends to use his new status to speak up for the workers and help them.

* name changed

LESSONS LEARNED

RISK ASSESSMENT AND MONITORING

- Mapping the labor force and conducting household-level surveys enables companies to identify specific risk areas in their supply chain.
- Conducting detailed research helps identify the root causes of child and forced labor issues, and often reduces the need for annual monitoring activities.
- Risk assessment processes must include gender- and child-sensitive indicators.

CHILD-SENSITIVE INDICATORS CAN INCLUDE:

- child rights-based approach
- management systems with robust age verification mechanisms
- remediation policies that are sensitive to children's needs
- number of children removed from the workplace
- contractual clauses prohibiting suppliers from employing child labor
- living wages paid to adult workers
- health and safety statistics disaggregated for workers under 18
- numbers of hours spent in education by children removed from the workplace
- number of suppliers trained on combating child labor

GENDER-SENSITIVE INDICATORS CAN INCLUDE:

- number of toilets, changing rooms, and protection equipment for women
- community programs that target women for service delivery
- · budget allocated to genderspecific programs
- number of initiatives to provide childcare support and/or facilities to workers
- number of community engagement programs targeting women
- percentage of suppliers with gender equality policies or programs
- percentage of suppliers that report on their gender-equality policies and practices

- · As part of their risk assessment, monitoring, and ethical recruitment practices, companies can include the following steps:
- 1. Holding a preliminary discussion with workers on the nature of work and terms and conditions, such as tasks to be performed, hours of work, compensation, and living conditions
- 2. Providing an employment contract in a language understandable to the worker
- 3. Providing safe and free transportation of workers from the home base to the work location
- 4. Processing of paperwork cost-free, such as travel documents, insurance, identity, and age verification documents
- 5. Ensuring that any monetary advances provided to workers for travel or as confirmation of employment presents no risk of debt bondage; no recruitment fees or related costs for workers
- 6. Introducing workers to the farmers (employers) and negotiating acceptable working hours and compensation with farmers
- 7. Providing housing/accommodation for the workers, free of cost and of sufficient quality
- 8. Resolving worker grievances or complaints that may arise while they work on the farms
- 9. Providing access to services, such as medical services, childcare for families, schools for workers' children, or legal advice
- 10. Ensuring that workers receive their actual wages (cash and in-kind benefits) in a timely manner



LESSONS LEARNED

COMMUNICATION AND GRIEVANCE MECHANISMS

- The USDA Guidelines require companies to communicate their standards and principles throughout their supply chain. In the course of this project, awareness-raising activities reached:
 - local and seasonal migrant workers
 - farmers, including women farmers
 - agricultural business communities
 - commodity brokers
 - hazelnut crackers and processors
 - labor contractors
 - government agencies
 - civil society organizations
- Establishing easy channels of communication allows workers to voice their concerns or grievances.

Based on the information acquired during the project. Olam and Balsu pioneered an innovative way to provide awareness-raising trainings to seasonal migrant workers. They organized training sessions in the workers' hometowns during the months when they were not engaged in agricultural work. Previously, such trainings were conducted at the end of the day during the harvest, when workers were tired and less receptive. The Genç Hayat Foundation and the Foundation for the Support of Women's Work (KEDV) were able to contact workers in their places of origin through the labor contractors who had recruited them.

WORKER VOICE: FLA CONNECT



The FLA developed a mobile application—FLA Connect that allows laborers to provide ongoing feedback even when on the move via:

🕻 a local mobile number

an online form

live chat

Olam and Balsu established a grievance procedure in four villages supplying Nestlé during the 2017 harvest. Social workers employed by the companies encouraged workers to make use of the FLA Connect tool to relav information related to:

- child and forced labor
- unethical recruitment practices
- workplace harassment and abuse
- health, safety, and transportation issues
- supervisor or farmer bad behavior or misconduct
- adverse changes in employment conditions
- excessive hours of work
- compensation issues
- discrimination
- violations of freedom of association and collective bargaining rights

The technology also pushes information to the workers, enabling them to exercise their rights and survey them during their life cycle as a seasonal migrant labor. It is a tool for empowerment, transparency, and accountability.

LESSONS LEARNED REMEDIATION

- Companies should commit to long-term **interventions** that help address systemic issues, such as lack of childcare services. For example, the project showed that seasonal worker families were willing to send their children to safe spaces during the harvest, as long as safe transportation was available.
- Some of the remediation interventions tried by the companies in the context of this project, with the cooperation of NGOs as implementing partners, can be turned over to local authorities with only minor adjustments. For example, the safe spaces for children were managed by NGOs, but housed in government school facilities. The safe spaces are being taken over by the local authorities and will be run as temporary summer schools during the harvest season.
- Stakeholder engagement and collaboration—at local, national, and international levels: and with other companies, mid-tier actors in the supply chains, NGOs, and local and national authorities—is essential to ensure long-term sustainability of remediation efforts and program expansion.
- Adopting a collaborative approach and forging partnerships with other stakeholders is particularly important for small and medium-sized companies with limited resources for social compliance and remediation activities.
- Establishing safe spaces for children of seasonal migrant workers, most at risk of child labor, kept hundreds of children away from the workplace. When conducted in cooperation with civil society organizations and public agencies, such interventions are a cost-effective and sustainable way of protecting children.

• In addition to safe spaces, it is important to provide children with reliable and secure transportation they can use to reach the safe spaces. The Genç Hayat Foundation, Balsu, and Olam provided a bus service that shuttled from farm to farm and to the workers camp to collect children and take them to the safe spaces. This significantly increased the willingness of parents not to involve their children in work in the farms.



"We conducted a survey in Ordu, almost at the end of the season. Some people were living in terrible conditions, but women worked hard to keep their houses neat. They had rugs to cover the ground. We also saw some places that were in good condition. Olam worked hard in Ordu, and invested to provide better living conditions for workers. We have been trying to pilot better accommodation. There are now government funds available. Governorships can apply for funding to establish accommodation sites."

- Gökçen Durutaş, KEDV

CHILD LABOR MONITORING AND REFERRAL UNITS

Located in villages identified as risk areas, the Child Labor Monitoring and Referral Units, run by the Genç Hayat Foundation, were established in schools affiliated with the Ministry of Education. Aimed at children aged between 10-15 years of age, considered most at risk of child labor, they offer a secure environment where children of seasonal workers can have fun and benefit from educational activities while their adult relatives are harvesting hazelnuts.

Teachers and volunteers identify the children's needs, and mobilize government and local resources to provide services. Safe spaces have a positive impact on parents as well as on the children. They contribute to raising awareness of child labor issues and changing behaviors.

STORIES FROM THE SAFE SPACES FOR CHILDREN RUN BY THE GENÇ HAYAT FOUNDATION

Thirteen-year-old Seda Nur from Adana either had to work in hazelnut gardens or look after her 4-year-old sister during the harvest.

Genç Hayat Foundation staff convinced her family to send her to the safe space. Her parents made alternative childcare arrangements for her younger sister, putting an end to Seda Nur's hidden employment.

At the safe space, volunteers helped Seda Nur prepare for the nationwide entrance exam for secondary education. Her two cousins, who had initially shown no interest in safe space activities, eventually joined the lessons and the creative workshops. All of them attended the safe space for the entire harvest season.

When Polat, 11, from Şanlıurfa, first attended the safe space in Ordu, he was hot-tempered, unwilling to communicate, and behaving aggressively toward his peers, the volunteers, and the administrators.

After he spent a few days at the safe space, Polat's attitude began to change dramatically. He started to share his concerns and problems with the volunteers. He became more inclusive and made friends. At one point, one of his peers shared her hurt feelings about one of their discussions. "I didn't know you felt bad. I'm sorry," he said. He asked for her favorite color and made her a gift using that color during one of the workshops. She reciprocated with a present of her own.

LESSONS LEARNED

COMMUNICATION AND REMEDIATION

A gender-sensitive approach should be integrated in all program components. Women are important agents of social change. Interventions that empower women, whether they are workers or farmers, often have an impact well beyond the individuals involved, and positively affect the broader community.

NEIGHBORHOOD MOTHERHOOD PROJECT

KEDV launched the Neighborhood Motherhood project in Mardin, the place of origin of many migrant workers, to empower women who work in the hazelnut sector. The organization recruited eight young women from the worker community and trained them to reach out to their peers and play a leadership role.

With the help of labor contractors involved in the Pikolo survey, KEDV identified 100 households whose members work in Olam's supply chain. Conducting home visits, the young community leaders assess needs and provide information on child development and labor rights, with the help of Olam experts. The training includes financial literacy to help the target group of women workers budget and avoid the debt trap common among seasonal agricultural workers.

KEDV convinced local public agencies—governorship, health authorities, department for the family and social policies—to form an advisory group. During regular meetings, the Neighborhood Mothers submit cases in need of assistance, identified during home visits, to the advisory group.

"We tell women that it is important to have a contract, which makes it easier for them to defend their rights and access public services. Often workers only learn a week or two after they've started working how much they will be paid. They have already borrowed money to buy food. We also tell them children shouldn't work."

 Ayten, 23, seasonal migrant worker and Neighborhood Mother

"For the trip to the harvest, 30 people are crammed with their luggage into school minibuses designed for 15 people. Each worker has to pay \$100 TL (\$25 USD) for transport (note: the equivalent of approximately two days of net wages). Before we leave, we go to the market and stock up on pasta and bulgur (cracked wheat). Between transportation and food, almost 1,000 TL (\$250) are spent before we even leave."

Medya, 18, Neighborhood Mother in Mardin.
 For the past 4-5 years, she has harvested hazelnuts in the Black Sea region with four siblings, aged 17-21.

"This year, our company started a women's program. Women farmers were saying: 'we are the ones working in the gardens.' We have now worked with 100 women and involved the Ministry for the Family and Social Affairs.

We teach the women farmers about health and safety, good hazelnut production, and other topics, but most importantly, we also have a social module to train about relations with workers, child labor, and how contracts should be drawn.

These issues were new to the women. They take them more seriously than men, and provide feedback. They say 'I agree or I don't agree.' Men tend to talk less and they don't spread the word as much. They don't try to change the community.

We have to reach the women the farmers' wives, their sisters, their daughters—because they are influential or even decision makers."

- Esra Saricicek Cakar, Sustainability Manager, Balsu



INTERNAL REVIEW AND HUMAN RESOURCES

- Nestlé, Olam, and Balsu have developed internal standards and responsible sourcing guidelines. In the course of the project, the buyer and the suppliers played complementary roles in field-level monitoring. Nestlé strategically opted not to get involved in field-level monitoring, as its two FLA-affiliated suppliers already carried out this function.
- The three companies involved in the project designated staff members to take charge of social compliance and sustainability issues. By identifying specific people and assigning the responsibility to focus on the USDA Guidelines, companies can facilitate effective implementation.
- When multiple partners with diverse expectations, skills, and capabilities are working together, one partner must play a coordinating role. In the current project, the FLA performed this "backbone function." In the absence of a third-party facilitator, companies at the top of the value chain are best placed to facilitate and coordinate the work of multiple stakeholders.
- Companies should experiment with new methods to gain the trust and confidence of workers and maximize the impact of their field interventions. For the 2017 harvest, Olam and Balsu hired social workers. Their role was to reach out to workers, farmers, and the local community to disseminate company standards and boost engagement with local stakeholders.

- The three companies actively engaged with the local authorities and government ministries. Child and forced labor are thorny issues for governments as well as for private sector companies. Both sides benefit from cooperating to address systemic causes.
- "As competitors, Balsu and Olam sometimes found it hard to work together. At the same time, we all know that we can have a greater impact together. It is a fruitful and good cooperation. Together, you are more likely to affect the people you are dealing with. When our three companies, Nestlé, Olam, and Balsu, together with the FLA, go to a ministry together, people listen to them. It's an advantage."
- Burcu Turkay, Sustainability Manager, Olam

COMPANY COLLABORATION

In the course of the USDOL-funded project, locally based staff members from Nestlé, Olam, and Balsu were able to achieve a high degree of coordination through regular in-person meetings. By reaching out together to local authorities, they also wielded greater influence. Through the appointment of a Local Responsible Sourcing Manager in the field, Nestlé gained deeper insight into the challenges faced by its suppliers.

FUTURE FOCUS

By investing time and effort into this pilot project, Nestlé, Olam, and Balsu, in partnership with the FLA, have shown the way forward for agricultural companies wishing to embrace ethical sourcing practices. They have demonstrated the effectiveness of the USDA Guidelines as a practical roadmap to lead companies as they set up risk assessment, monitoring, and remediation systems to reduce the risk of child labor and forced labor in their supply chains.

The USDOL-funded program enabled hundreds of children at risk of child labor to enjoy carefree days in safe spaces away from hazelnut gardens during the harvest. Numerous women farmers, labor contractors, seasonal farm workers, and public officials, have acquired new knowledge of labor rights and child protection.

Research has unveiled exciting new avenues for long-term collaboration within and beyond the hazelnut supply chain. NGOs involved in the project have built up their internal capacity and broadened the scope of their actions by working hand-in-hand with the private sector.

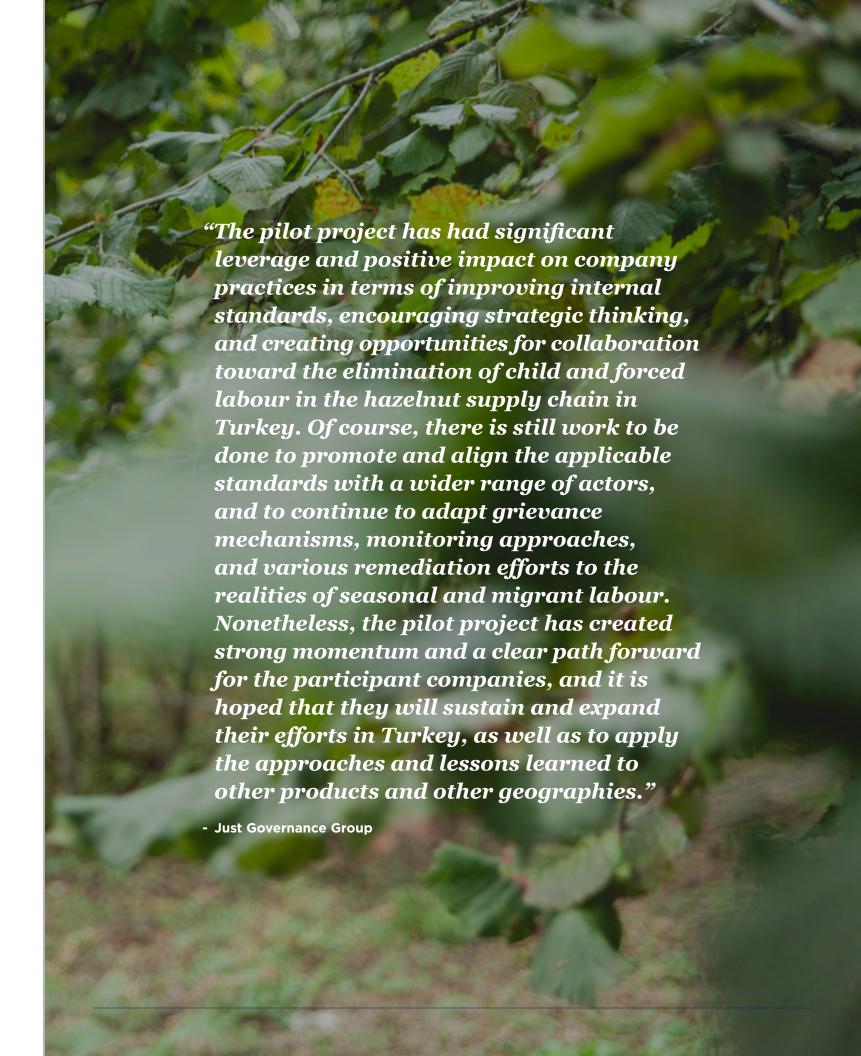
Nestlé, Olam, and Balsu have gained new insights that have already led to lasting changes in their management systems. Building on these foundations, layer by layer, they will continue to develop scalable and sustainable interventions and experiment with new methods to reduce risks in their supply chains, in hazelnuts and beyond.

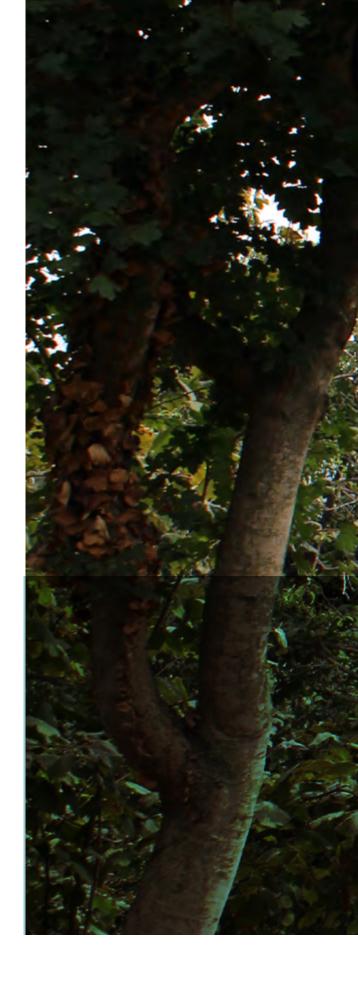
"This project is a real life example of how collaboration can make a real change on the ground.

Not only accelerating our understanding of the root causes but expanding the capacitybuilding actions we were deploying in silos.

We look forward to replicating such success in other commodities and locations."

- Benjamin Ware, Global Head of Responsible Sourcing, Nestlé





ACKNOWLEDGEMENT:

Funding was provided by the United States Department of Labor under cooperative agreement number IL-28101-15-75-K-11.

DISCLAIMER:

This material does not necessarily reflect the views or policies of the United States Department of Labor, nor does mention of trade names, commercial products, or organizations imply endorsement by the United States Government. Ninety-seven percent of the total costs of the project were financed with Federal funds, for a total of \$4,996,000 USD.