



FAIR LABOR
ASSOCIATION™

ARE COMPANIES' PROGRAMS IMPACTING CHANGE IN THE LIVES OF HAZELNUT WORKERS?

*Fair Labor Association's Social Impact
Assessment of Nestle's, Olam's and
Balsu's Programs in Turkey.*

EXECUTIVE REPORT

June 2019

TABLE OF CONTENTS

I.	An Innovative Approach.....	1
II.	In Context: The FLA Program and the Social Impact Assessment.....	2
III.	Assessment of Intervention Areas.....	6
	1. Summer Schools	7
	2. Worker Training	11
	3. Labor Intermediary Training	13
	4. Training for Farm Workers and Women in the Local Community	14
	5. Renovation Projects.....	15
	6. Conclusion	17
IV.	Annex 1: Social Impact Assessment Project in Turkey.....	19
V.	Annex 2: Balsu Implementation Plan for 2019.....	28
VI.	Annex 3: Olam Implementation Plan for 2019.....	34



I. AN INNOVATIVE APPROACH

Between 2015 and 2018, Nestlé and its hazelnut suppliers in Turkey, Olam, and Balsu—members of the Fair Labor Association (FLA)—participated in an ambitious project, *Piloting the United States Department of Agriculture Guidelines for Eliminating Child Labor and Forced Labor in Turkey's Hazelnut Sector*. Turkey is the world's leading producer of hazelnut.

The pilot program – run by the FLA and supported by the U.S. Department of Labor's Bureau of International Labor Affairs (USDOL-ILAB) – provided insight into the workforce and working conditions in the hazelnut sector, which accounts for 20 percent of Turkey's agricultural exports. The project led to a comprehensive assessment of the companies' internal management programs and a series of remediation interventions aimed at improving the working and living conditions of harvest workers and reducing the risk of child and forced labor in their hazelnut supply chain.

The FLA has conducted regular Independent External Monitoring (IEM) assessments of social compliance in the hazelnut supply chain of Nestlé, Olam, and Balsu in Turkey since 2013. As the FLA-USDOL project reached its completion in June 2018, the project partners decided to delve deeper during the 2018 harvest, beyond traditional social compliance audits, and conduct a Social Impact Assessment study.

The approach, adopted for the first time by the FLA, reflects the growing need of companies and labor organizations to measure the real impact of interventions on workers' living and working conditions. Regular inspections can reveal labor rights violations, but the limited scope of traditional social compliance evaluations often fails to demonstrate the full effect of remediation interventions on workers' wellbeing.

SOCIAL IMPACT ASSESSMENT: A LOOK AT THE METHODOLOGY

Between August 6 and 17, 2018, the assessment team interviewed 455 people:

- 110 workers (aged 16 and over), 12 children, 11 garden owners, 2 labor intermediaries, 7 supervisors and 17 key local informants in the Balsu supply chain. The fieldwork was concentrated in the villages of Beyören and Balatlı.
- 125 workers (aged 16 and over), 8 children, 9 garden owners, 2 labor intermediaries, 7 supervisors and 32 key informants in the Olam Progida supply chain. The fieldwork focused mainly in the villages of Esmahanım, Uğurlu, Dereköy, Ardiçdibi and Kirazlı.

The assessment team did not encounter local workers (from the same villages) during field research. The study data collected refers to seasonal migrant workers and their families. Most come from the Southeast region of Turkey and migrate for the harvest season to the Black Sea region of Turkey returning home during winter months.

One counterfactual location (control group), where no intervention had been carried out, was selected in Cumayeri district, part of the Olam supply chain, to serve as a control point. In that setting, 103 workers, five farmers and five supervisors were interviewed.

The FLA examined the historical data collected during IEM visits from the selected farms and analyzed this information against the FLA Code of Conduct and benchmarks for the agricultural sector. The team also conducted interviews with companies' staff.

(See detailed methodology in Annex 1)

For this social impact assessment, the FLA team used elements of existing methodologies and adapted them to the hazelnuts context to evaluate progress made in building on the gains made in the 31 month DOL program and reflect on the work that the companies have been doing since 2013. During the August 2018 harvest, the research team collected qualitative and quantitative data from a selection of villages in Olam's and Balsu's supply chains. FLA has previously visited the same villages to conduct our annual IEM assessments and these villages have also been part of the DOL project. The SIA involved relevant target groups and stakeholders using in-depth interviews, and focus group sessions and data collection through observation sessions and structured questionnaires.

Piloting the impact assessment offered an opportunity to evaluate the broader impact of remediation interventions carried out in Nestlé's hazelnut supply chain. The findings enabled the three companies to revise their social compliance programs and write new Corrective Action Plans (implementation plans) to enhance the effectiveness of interventions in the hazelnut supply chain.

In addition, the revised methodology will allow the FLA to refine and improve its methodology.

At the time the Social Impact Assessment was conducted, interventions had only run for six to 24 months—a short period to observe substantial social change. Despite a short time frame, it was important to measure which interventions are mostly likely to bring about immediate positive impact. Further, some challenges and limitations, including the scarcity of regional or intervention-specific data, affected the depth of the information collected, the analysis and the scope of the study. Nonetheless, we believe it is important to track and assess progress and impact as part of our ongoing follow up to our collaboration with the companies, Department of Labor, and Government of Turkey.

This report summarizes the findings of individual reports evaluating the impact of social interventions within the supply chains of Balsu and Olam in Turkey. In addition to documenting trends in labor issues such as child labor, the study identifies factors that underpin successful remediation interventions, such as cooperation between private sector companies, civil society organizations, and government agencies.

The lessons learned in the course of the FLA-USDOL project and the results of the study help Nestlé and its suppliers fine-tune their interventions. They may aserve to inspire other companies and labor organizations to follow in the project partners' footsteps and measure the direct impact of remediation on workers' living and working conditions.

II. IN CONTEXT: THE FLA PROGRAM AND THE SOCIAL IMPACT ASSESSMENT

Each summer, tens of thousands of seasonal workers, most of them traveling in family groups from the Southeast region of Turkey, migrate to the Black Sea region to harvest hazelnuts. During the harvest, which lasts 30 days to 45 days, workers toil for long hours in the heat and often live in unsuitable accommodations. Without employment contracts, workers are vulnerable to exploitation. Children sometimes work alongside their parents, to the detriment of their personal development.



Key issues affecting seasonal agricultural workers include:

- **Low level of education:** While literacy has been almost universally achieved, high school graduation rates among hazelnut workers are much lower than the national average, limiting the workers' options for decent employment;
- **Long working hours:** During the harvest, most workers are routinely expected to work 10 hours to 12 hours, seven days a week. They receive no additional compensation for the excessive overtime.
- **Risk of child labor:** Children often travel to the hazelnut gardens with their parents. Unless safe spaces are provided, they risk being enrolled as harvest workers alongside their relatives to contribute to the household income.
- **Labor intermediary system:** In most cases, workers are hired through a labor intermediary and have to pay a percentage of their wages, usually 10 percent, as commission.
- **Delayed wage payments:** Daily wages are often paid as a lump sum at the end of the harvest season, forcing the workers to borrow money to sustain themselves in the meantime.

FLA-USDOL PROJECT RESULTS

- 2,470 Harvest workers reached
 - 509 Children provided safe spaces
 - 89 Labor contractors registered
 - 24 Housing renovations completed
 - 287 Farmers received training
 - 219 Labor contractors received training
 - 256 Community members attended trainings
 - 139 Government officials received training
 - 34 Company personnel trained
 - 123 Teachers trained within the efforts of eliminating child labor and improving working and living conditions.
- **Lack of formal contracts:** Without formal work agreements, workers may be vulnerable to pressure and abuse, particularly when several members of the household are dependent on the same employer.
 - **Poor living conditions:** Accommodation for seasonal workers are often inadequate, lacking access to clean water and sanitation facilities for workers and their families.

Nestlé, Balsu, and Olam have been working with the FLA since 2012 to develop internal monitoring mechanisms for their supply chains to promote decent work and eliminate child and forced labor. The FLA-USDOL project allowed the companies to deepen their knowledge of the hazelnut workforce, strengthen their understanding of systemic issues, test new and innovative interventions, and scale existing efforts, in cooperation with the FLA, Government of Turkey and civil society organizations over a 31-month period.



KNOWING THE WORKFORCE

The Social Impact Assessment study, developed to measure the impact of the companies' activities and interventions, collected detailed information about the active workforce in the areas selected for field work. While traditional assessments collected information on the number of workers, their ages and gender, we learned from our collaboration with the Department of Labor that designing effective interventions requires data capture of workers' migratory status, the role of labor intermediaries, and their places of origin.

According to worker profiling conducted in 2016, less than one percent of the workers in the hazelnut gardens identified as Syrian.¹ The Social Impact Assessment revealed that workers involved in the harvest in the Düzce-Sakarya region are Turkish citizens mainly coming from Mardin, Diyarbakır, Şırnak, Batman, Bitlis and Şanlıurfa. Women slightly outnumber men across the overall sample.²

The majority of workers are 18 years old and above, according to the study (See Figure 1). Data from the prior four years showed that workers aged 16 and 17 constitute the second largest age group among the harvest workforce. (See Figure 3 and Figure 4)³.

1 <http://www.fairlabor.org/report/hazelnut-workers-turkey-demographic-profiling-duzce-ordu-and-sakarya-2016>

2 Overall data collected from Balsu and Olam intervention points (villages proposed for this study by the companies) were taken into account in this section.

3 Report available at: http://www.fairlabor.org/sites/default/files/documents/reports/hazelnut_executive_summary_turkey_2017.pdf

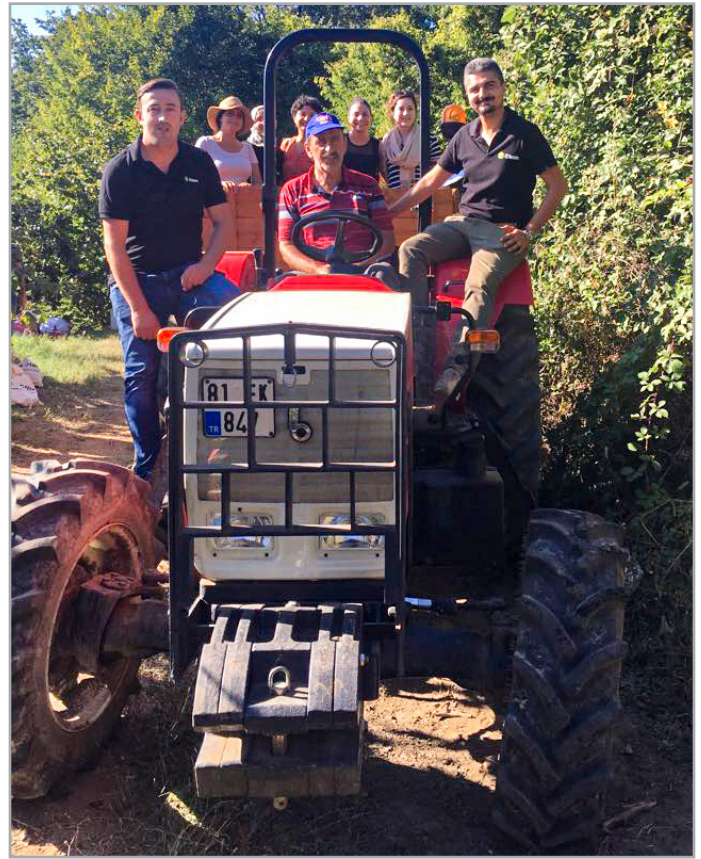


Figure 1: Aggregated Age Breakdown of Workers found in the supply chains of Olam and Balsu farmers in studied villages (in Numbers)

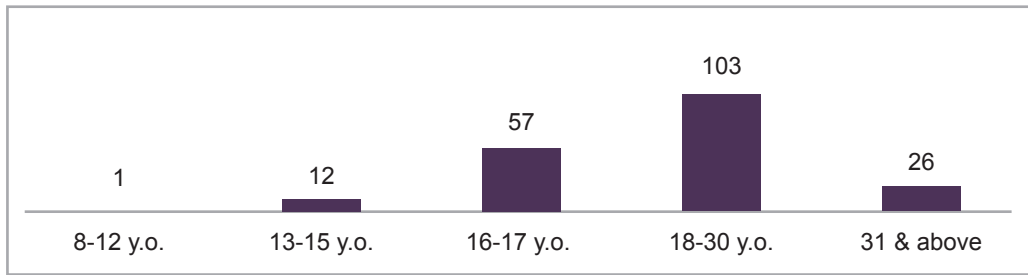
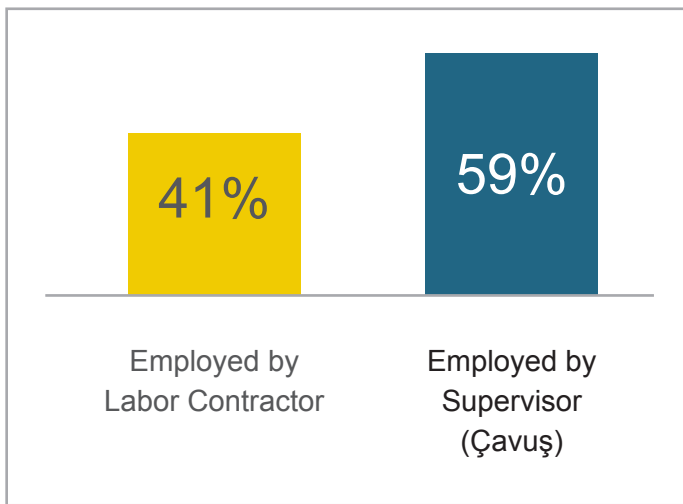


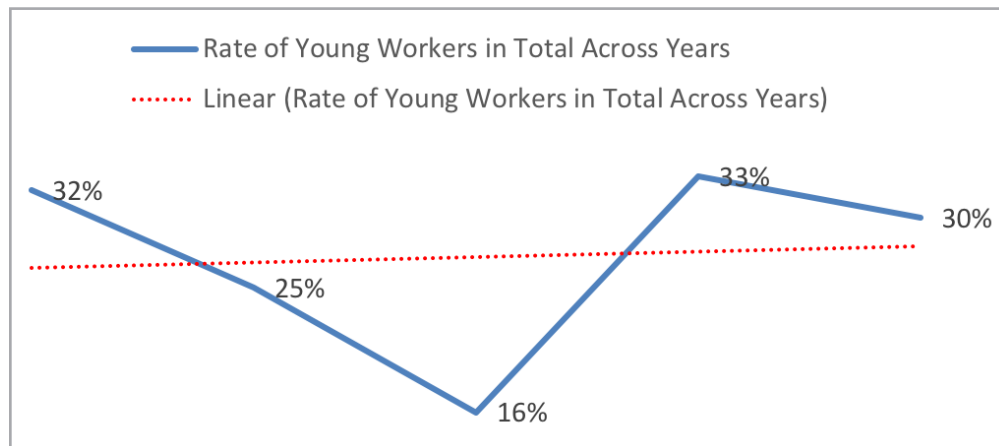
Figure 2: Type of Recruitment of Seasonal Migrant Workers



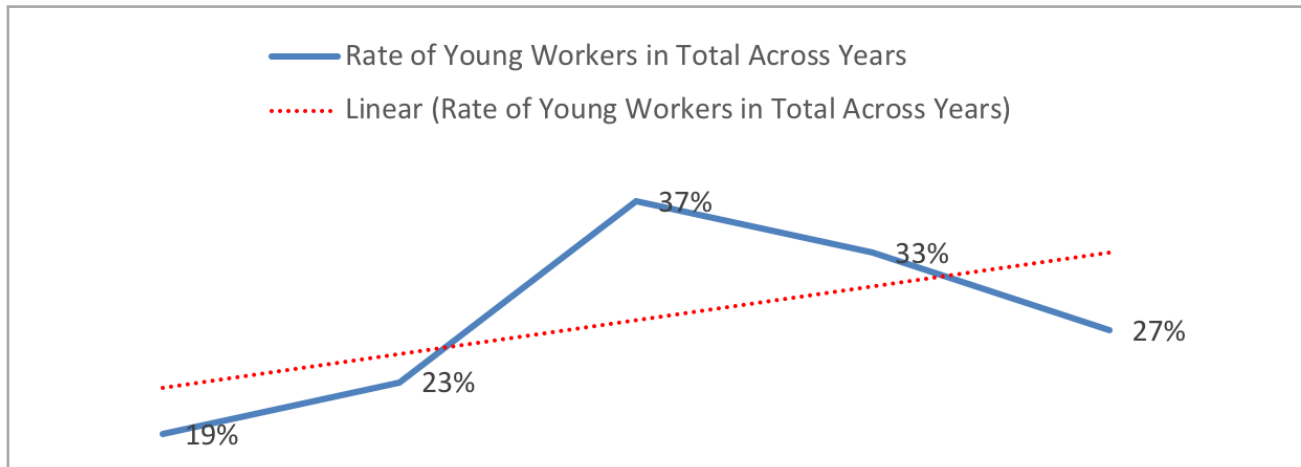
All workers interviewed within this study were hired through labor intermediaries, individuals who become central figures in employment relations because workers have no way of establishing direct contact with the hazelnut garden owners.

Traditionally, labor intermediaries would bring large groups of workers. However, an emerging trend is a sub-group of labor intermediaries known as “supervisors” (çavuş), who serve a dual role: working in the hazelnut gardens and managing other workers. Supervisors tend to work with smaller groups, 10 workers to 20 workers, and establish their own connections with hazelnut producers.

Figure 3: Rate of Young Workers in Total Across Years in Olam’s Supply Chain



Data collected from Sakarya region during IEMs were taken into account for this comparison. Records for Western Black Sea region starts from year 2014 as data was not collected during 2013 IEM from this region.

Figure 4: Rate of Young Workers in Total Across Years in Balsu's Supply Chain

* Data collected from Beyören or/and Balatlı villages during IEMs were taken into account to ensure an even comparison. Records start from year 2014 as no individual data was collected for two villages during the 2013 IEM.

III. ASSESSMENT OF INTERVENTION AREAS

THE POWER OF PARTNERSHIP

An important takeaway of the FLA-USDOL project was the forging of partnerships to address deeply-rooted systemic issues, such as child labor and forced labor. Combined and sustained efforts on the part of private sector companies, government agencies, and civil society organizations are required to effect significant societal change, something companies cannot achieve acting alone.

Most project activities were conducted in a collaborative manner. For example, the Ministry of National Education provided school buildings and teachers for summer school activities for the children of seasonal workers. Civil society organizations, such as the Young Life Foundation and the International Labour Organization, implemented school programs while company field workers identified children and referred them to the schools.

Interviews conducted by the Social Impact Assessment team with local authorities in Akçakoca, Kocaali, and Karasu confirmed that local officials are aware of their responsibility to provide social support interventions such as mobile facilities to address the health needs of harvest workers. However, researchers found that their efforts are hampered often by limited resources, and in recent years, significant public sector restructuring and staff turnover.

As a result, local officials welcomed the social programs designed by Balsu and Olam and the activities carried out in cooperation with civil society organizations. Increasingly, government agencies view the companies' social compliance teams as their "eyes and ears" in the field. Through steady engagement with local authorities and civil actors on the ground, companies can increase the impact of their remediation interventions and bring them to scale.

Balsu and Olam, using the workforce data collected via the project, developed interventions for specific groups. These interventions were assessed through the Social Impact Assessment study.

1. Summer Schools
2. Worker Trainings
3. Labor Intermediary Trainings
4. Farmer trainings and Training for Women in Local Communities
5. Renovation Projects

1. SUMMER SCHOOLS

Target group: Children

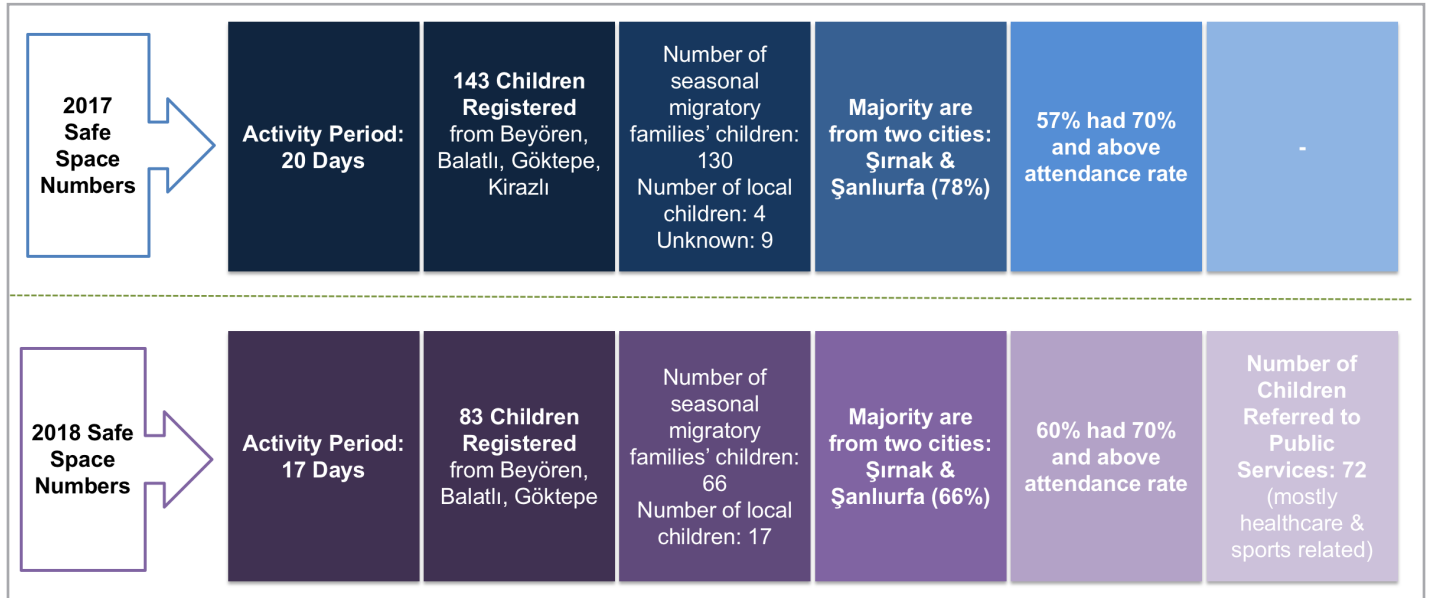
Objective: Reduce child labor by providing a safe space for children of seasonal migrant workers.

Overview: Among interventions carried out by Balsu and Olam to address child labor in their supply chains, providing summer schools for children, also known as safe spaces, are the most established. The schools fill a necessary gap that the hazelnut workers face around child care. They feel comfortable leaving the kids in these safe spaces, where the basic needs of their children are met. Our assessment found this to be the most effective intervention in reducing child labor.



Figure 5: Esmahanım Summer School Numbers at a Glance

2015 SAFE SPACE NUMBERS	2016 SAFE SPACE NUMBERS	2017 SAFE SPACE NUMBERS	2018 SAFE SPACE NUMBERS
30 Children Registered from Esmahanım, Dilaver, Davutağa, Uğurlu, Kozluk villages	34 Children Registered from Esmahanım, Dilaver, Davutağa, Uğurlu, Kozluk villages	78 Children Registered from Esmahanım, Dilaver, Davutağa, Uğurlu, Kozluk, Yenice, Kepeç, Hemşin villages	91 Children Registered from Esmahanım, Dilaver, Davutağa, Uğurlu, Kepeç, Küpler and Orta Mahalle
Number of seasonal migratory families' children: 17 Number of local children: 13	Number of seasonal migratory families' children: 19 Number of local children: 15	Number of seasonal migratory families' children: 47 Number of local children: 31	Number of seasonal migratory families' children: 82 Number of local children: 9
Majority are from two cities: Mardin & ŞanlıŞanlıurfa	Majority are from two cities: Şırnak & Diyarbakır	Majority are from two cities: Şırnak, Batman and Mardin	Majority are from two cities: Şırnak, Diyarbakır, Mardin
30 children attended the school for at least 7 days	34 children attended the school for at least 7 days	78 children attended the school for at least 7 days	91 children attended the school for at least 7 days

Figure 6: Beyören Summer School Numbers at a Glance

According to the findings of the FLA studies conducted in 2017 and 2018, access to summer schools in Akçakoca grew from 22.9 percent of the target group in 2017 to 42 percent in 2018. Summer school staff said some children have been attending summer schools

"I would definitely be working in the garden if it were not for the school"

M. is 13 years old. He traveled for the 2018 harvest in Beyören from Mardin-Dargeçit, accompanied by his mother, younger sister, elder brothers, and cousins. The family has been making the journey to work in the region for the last couple of years. The previous year, M. worked in the hazelnut gardens with his family until the Young Life Foundation team visited his family's home and convinced his parents to send him to the summer school.

This year, M. insisted on returning to the safe space and his family agreed. M. enjoys attending summer school. He particularly enjoys the afternoon arts and crafts workshops and playing games with other children. He knows that were it not for the school, he would be working in the heat from 7 a.m. to 7 p.m. M. is determined to attend summer school again next year.

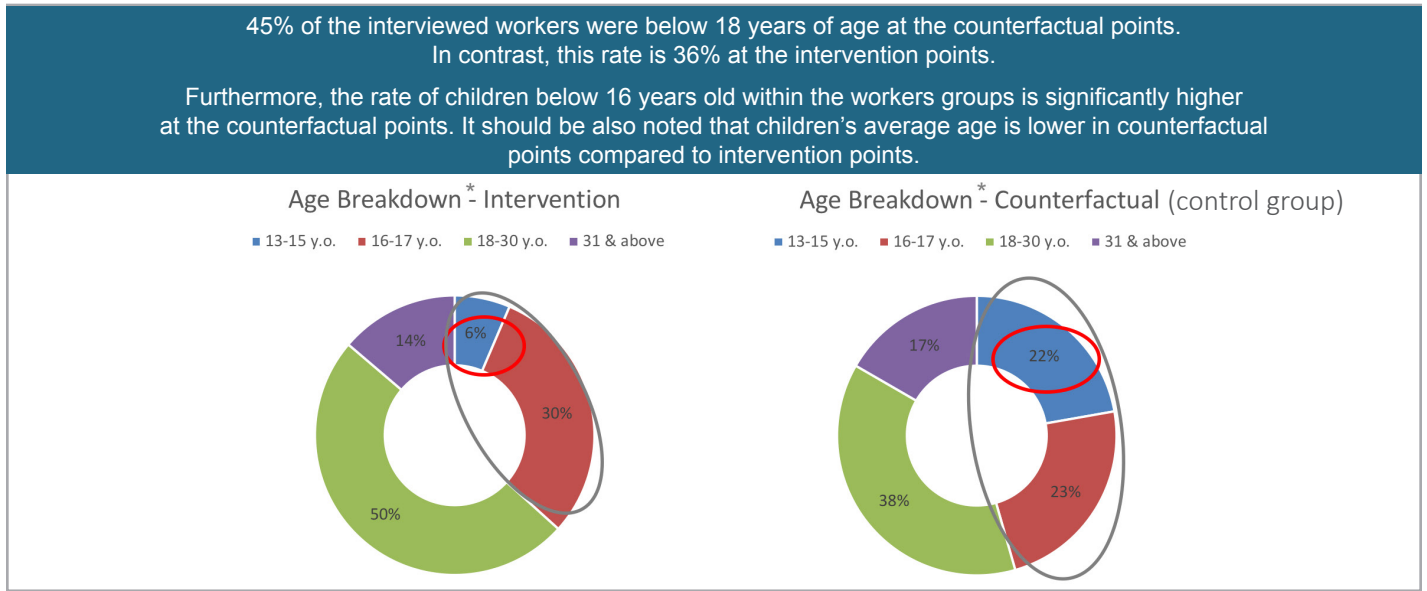
for the past four years, although data are not available for the earlier years. In Beyören, 33 of the 83 children (40 percent) who attended school in 2018 were also participants in 2017.

Summer schools provide a good service package that includes educational activities to support the children's school work, provides regular meals, and facilitates peer socialization through creative workshops and sports activities. By working with labor intermediaries, Balsu social workers were able to reach additional worker families and encourage them to send their children to summer school.

Olam worked with the International Labour Organization as an implementing partner. Balsu teamed with the Young Life Foundation and ILO to run the summer schools in 2018.

The assessment team examined several aspects of the summer schools in Beyören and Esmahanım, including physical space available, educational content, cultural diversity, provision of nutritious food, and hygiene education, and found they met the companies' performance indicators.

Figure 7: Comparison of Age Breakdown in Olam's Supply Chain



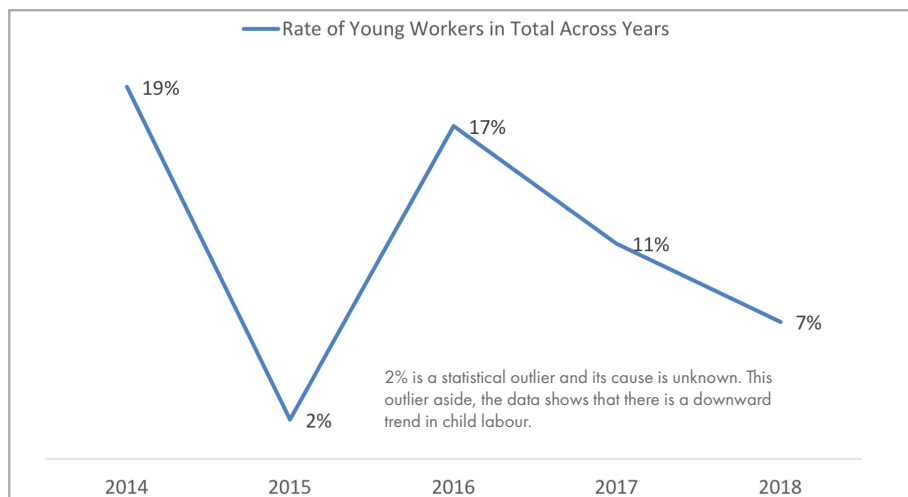
*No workers below 13 years old were found at the intervention points and at the counterfactual point (control group). Therefore the age breakdowns start with 13-15 years old group.

Findings: All stakeholders interviewed credited the summer schools for a decline in child labor (Figures 8 and 9). Based on IEM data, the ratio of children working in the hazelnut gardens in 2018 was the lowest in years, at six percent to seven percent.

The incidence of workers below the age of 13 to 15 in intervention areas, six percent—compared to 22 percent in the counterfactual location (control group)—suggests that summer schools are keeping children away from the hazelnut gardens.

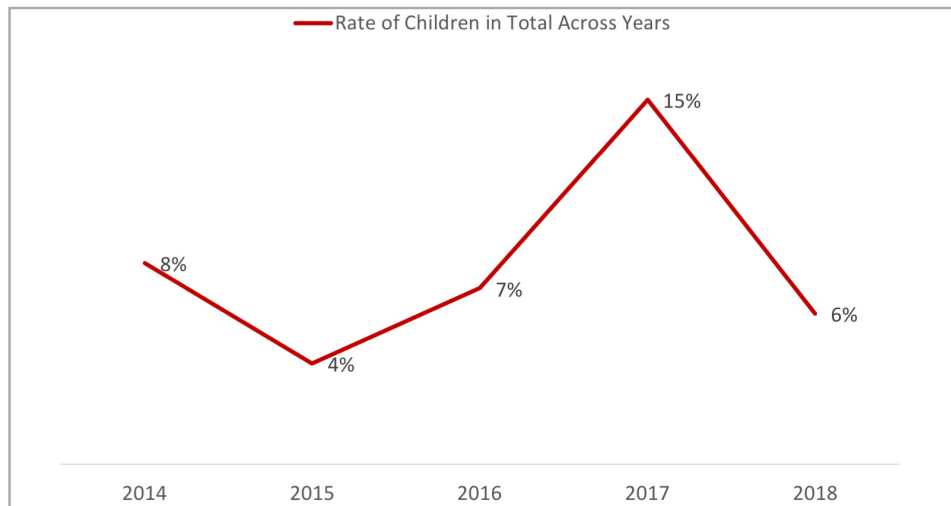
Attracting children, ages 13 to 15, who are considered most at risk of child labor, and securing their regular attendance at summer schools remains a challenge, especially in Esmahanım. Activities may need to be adapted to meet their educational needs. When parents notice a marked improvement in their children's educational attainment, they are more likely to support summer school attendance rather than involving them in income-earning activities. By using university students as instructors, the Young Life Foundation promotes role models for children ages 11 to 15 and encourages their participation in the summer schools.

Figure 8: Rate of Children in Total Across Years - Balsu Supply Chain



Data solely collected from Beyören or/and Balatlı villages during IEMs were taken into account to ensure an even comparison. Relevant records start from year 2014 as no separate data was collected for two villages during 2013 IEM

Figure 9: Rate of Children in Total Across Years - Olam Supply Chain



Data collected from Sakarya region during IEMs were taken into account for this comparison. Records for Western Black Sea region start from year 2014 as data was not collected during 2013 IEM from this region.

Recommendations: The FLA suggested that each company work closely with the summer school implementing partners and the local government to closely monitor children’s attendance and to increase the area of coverage. Each company should undertake monitoring and evaluation, setting annual targets and indicators. Partnering with the local governments is essential to ensure long-term sustainability of summer schools as they are critical in providing the necessary infrastructure and can assist in monitoring the number of total child labor in the region. The team suggested that Olam mobilize additional resources to increase the capacity of the summer school and host more children, particularly at-risk children ages 13 to 15, and address infrastructure issues that affect daily operations at the school. The assessment team recommended that Balsu set clear standards for the provision of nutritious food and hygiene education.

Figure 10: Comparison of summer school attendance between intervention point and the counterfactual point for Olam

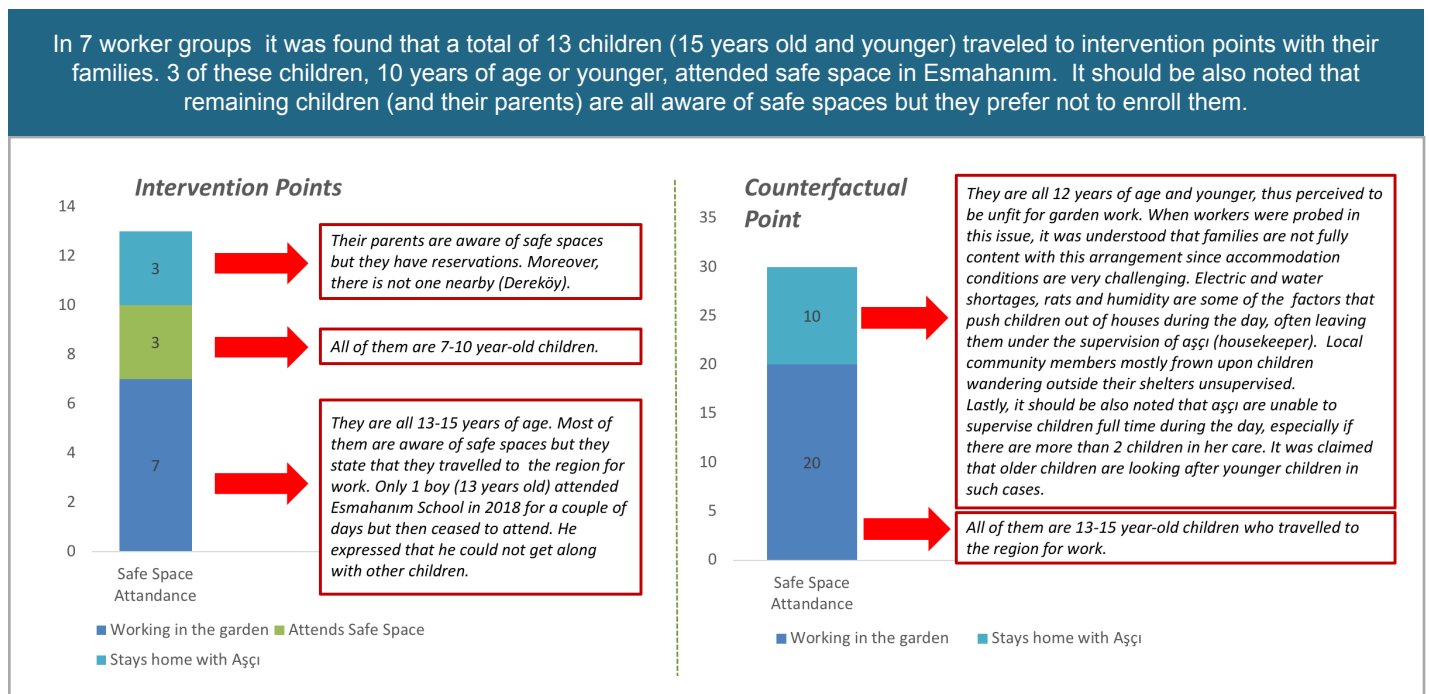
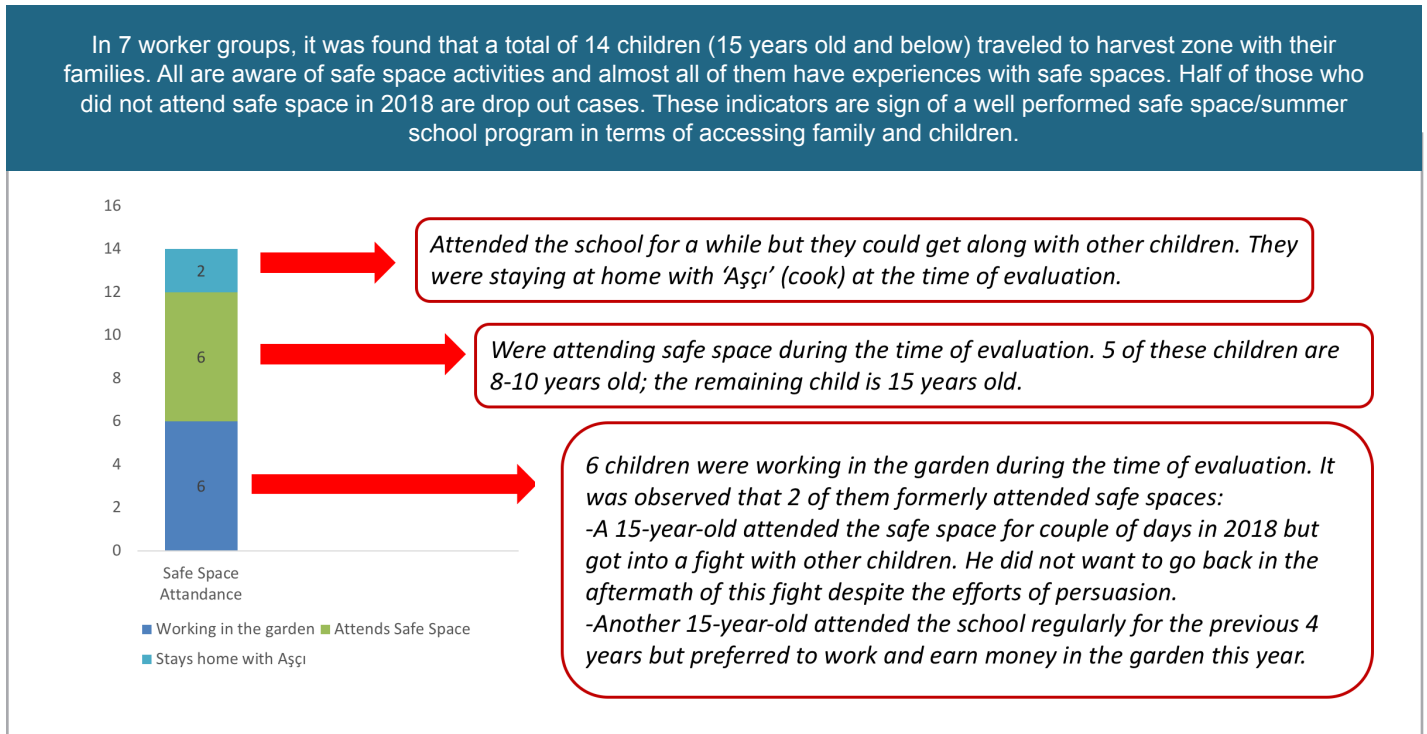


Figure 11: Summer School attendance in Balsu's Supply Chain

2. WORKER TRAINING

Target group: Adult workers

The research team examined two training programs as part of the Social Impact Assessment study. One training program was conducted during the harvest in the Balsu supply chain. The second training program, Women Ambassadors of Agriculture implemented in cooperation with the Foundation for the Support of Women's Work (KEDV), was organized in the city of origin for workers involved in the Olam supply chain.

Balsu Worker Training

Objective: Increase male and female workers' awareness of labor rights, child labor, and occupational health and safety.

Overview: Balsu launched training activities in 2014. Balsu reached 1,219 workers in 2017 (a year of high hazelnut yield, requiring a larger workforce) and 915 workers in 2018 (a low-yield year).



Findings: The research team did not record definitive results as activities were ongoing at the time of the assessment. Researchers noted that workers' awareness of issues such as occupational health and safety, working hours, wages and child labor had increased, but they found that after training, just 14 percent of participants recalled information about grievance mechanisms.

Recommendations: The FLA recommended engaging with all harvest actors (workers, labor intermediaries, and garden owners) on a sustained basis, rather than through brief interventions. Because workers may not be receptive to training during the short and busy harvest period, it is important to offer awareness raising and training activities in the workers' cities of origin.

Olam Women Ambassadors of Agriculture Program

Objectives: Address child development and educational needs (especially in early childhood); improve the communications skills of the women and their children; and increase awareness of available programs and services, such as health and education.

Overview: Olam conducts training activities throughout the year. During the harvest, worker training sessions are organized in the Black Sea region. In the winter, the company reaches out to seasonal migrant workers in their cities of origin.

The Women Ambassadors of Agriculture program, implemented by KEDV, was conducted originally for four months in Mardin as part of the FLA-USDOL project. Olam expanded the program to other target cities to reach more women workers.

Findings: KEDV assessed the household needs of 105 women and shared the findings with local authorities. In Kiziltepe, Mardin most participants were already receiving some social aid benefits. Seventeen children were identified for referral to daycare facilities, although referrals were not complete when the assessment was conducted.

In the counterfactual location (control group) in the Olam supply chain, health and safety risks were not addressed.

KEDV reports and FLA IEM and assessment results suggest that women workers' financial literacy, awareness of labor rights and gender issues increased due to the program, largely meeting the outcome and impact level targets set for this phase. However, the evaluation team found few beneficiaries among the workers they interviewed during the 2018 harvest. This finding suggests a weak link between the program and the harvest worker community and raises questions about the sustainability of the program.

Recommendations: Worker training is a broad intervention area that can have different types of beneficiaries and different objectives. Training sessions can cover topics like occupational health and safety-related activities or other issues, such as wages, working hours, and employment contracts. Training can target the overall workforce or address the specific needs of groups such as women or young workers. Training can take place in the workers' places of origin during the quieter months, when participants have more time and energy, or in the harvest areas where workers need guidance on issues such as wages, hours of work or occupational health and safety.

The FLA suggested that Olam extend the training of Women Ambassadors of Agriculture over a longer period and provide mentoring for the participants afterwards. FLA also recommended offering the program in other locations and reconsidering criteria for the selection of beneficiaries.

3. LABOR INTERMEDIARY TRAINING

Target group: Labor intermediaries

Objective: Increase labor intermediaries' awareness of labor rights, occupational health and safety, child labor, grievance mechanisms, employment contracts, and working conditions.

Overview: Balsu and Olam, aware of the crucial role labor intermediaries play in the hazelnut sector, deployed considerable efforts to make them allies who would promote the core values of the companies' social programs in the field.

The Young Life Foundation ran an awareness training program for labor intermediaries in Mardin (the center for the provinces of Diyarbakır, Şanlıurfa, Şırnak and Batman) for Balsu in March 2018. Thirty intermediaries from the region participated in intensive training over two days covering topics such as child labor, occupational health and safety, agricultural intermediary certification, and legal regulations. The training reached 57 percent of labor intermediaries operating in the Balsu supply chain in Akçakoca, Düzce.

Following a mapping project conducted during the 2017 harvest, the Pikolo Association, implementing partner for Olam, organized an awareness training for labor intermediaries in Şanlıurfa and Mardin in January and February of 2018. Eighty-four intermediaries from Mardin, Şanlıurfa and neighboring cities participated in a day of intensive training. Following the session, 72 participants were registered by Turkey's employment agency, İŞKUR.

Findings: The FLA team examined the training delivered to labor intermediaries in 2018 by each company. To reinforce the messages of the training, each company maintained regular contact with the labor intermediaries through their social teams and implementing partners following the training. Labor intermediaries interviewed by the assessment team said that as a

LABOR CONTRACTOR

"They made me question my way of doing business, my role in the system, the change I can drive"

T. is a labor contractor from the Mardin-Midyat region. He took over from his father, handling a large group of workers who are mostly from the same tribe. He says his family has always run this business fairly, protecting the rights of their workers without alienating garden owners. Or so he thought, when he participated in the training conducted by the Pikolo Association. What he learned made him question the way he runs his business, his role in seasonal agricultural work and how he could contribute to change the system. Olam provided consulting services after the training, which encouraged him to take concrete steps ahead of the 2018 harvest. During his negotiations with the garden owners, he insisted on better housing conditions as a condition for supplying workers.

result of the training efforts they were more motivated to protect workers' rights and combat child labor.

The labor intermediaries interviewed in the Balsu supply chain reported bringing 650 workers to Akçakoca and Düzce in 2018 to cover the needs of two villages. The ratio of children in farms supplying Balsu declined to seven percent in 2018. Most people interviewed during the assessment acknowledged that labor intermediaries had become more sensitive to child labor. The assessment established that further training and awareness building interventions are required for both labor contractors and workers on managing reasonable hours of work and systematic reduction of the commission paid to the labor contractor.

Our assessment highlighted encouraging signs of improvements and emerging good practice. Eleven labor intermediaries trained by Olam signed 15 contracts with farmers and workers⁴ to regulate harvest workers' working and living conditions and the modalities of the agreement between the farm and the labor intermediary. These unprecedented tri-partite contracts mark significant progress in hazelnut agriculture where employment is traditionally informal, leaving workers vulnerable to pressure and abuse. Workers continued to work excessive hours, although some intermediaries tried to end the working day early (by a half-hour). Sixty-six percent of workers identified during the garden visits in villages supplying Olam were employed via a supervisor who did not deduct a service fee from the workers' wages as was customary, unlike traditional labor intermediaries. However, most of these workers stated that they would have to pay for transportation and food costs.

In the villages where the social impact assessment was carried out, a broad consensus developed against child labor. This suggests that the labor intermediaries' increased sensitivity to child labor did not threaten their interests.

Recommendations: The assessment team recommended that each company continue to engage with labor intermediaries and identify additional labor intermediaries in the supply chain. In addition to training sessions, long-term consulting services should be provided to the intermediaries to ensure they abide by regulations, register themselves and their workers, and endeavor to improve working and living conditions.

4. TRAINING FOR FARMERS AND WOMEN IN THE LOCAL COMMUNITY

Target group: Male and Female Farmers Local Community Members

Objective: Build capacity in the local farming community; reduce child labor and improve working conditions; develop additional sources of livelihood for women in the farming community.

Overview: The FLA team assessed two training programs: a one-session training module, aimed at male farmers, from Olam; and Strong Women Strong Agriculture, a Balsu capacity-building program designed to empower female farmers and wives of farmers and increase their awareness of social compliance issues delivered as a series of training sessions conducted over six week to eight weeks.

Findings: Each program was launched in 2018 following the conclusion of the DOL-FLA intervention. The assessment team concluded that at this early stage, the two training programs had not yet delivered discernible impact.

However, training for farmers is considered to be a key support function for social



⁴ Please note that one labor intermediary can sign a contract more than one farmer and worker groups.

FEMALE FARMER

“We have been employing seasonal workers for many years and I always thought I could do little for them”

S. always felt sadness when she witnessed the hardship suffered by the seasonal workers that her family employs for the harvest. The harvest is a short and chaotic period for all involved and she did not know how to help them. She knew that company projects had been launched in recent years to improve working conditions, but she had little information about them. When she attended the Strong Woman Strong Agriculture program, she felt the urge to find out more about these projects and how she could support them. Even if her husband remains the main decision maker, she is now using her newly-acquired knowledge during the harvest to talk to workers about child labor and encourage that children be sent to the safe space.

programs broadly. Training, by delivering company services to the local community, dispels the perception that social programs benefit only seasonal migrant workers. This notion, coupled with the discontent stemming from fluctuating hazelnut prices, has occasionally hindered social interventions in the harvest zone.

Women beneficiaries of the Strong Woman Strong Agriculture program looked more favorably upon summer school activities and directed children in their own circles toward the safe spaces. Training is viewed as a valuable platform to promote discussion and make the local community feel included, but continuous follow-up will be required to bring lasting results.

Recommendations: The assessment team suggested to Olam that setting transparent criteria for the selection of beneficiaries would be useful because the allocation of limited resources is a sensitive issue in local communities. The assessment team suggested that Balsu extend the training period for the Strong Women Strong Agriculture project and provide post-training mentoring for participants. The company could also offer the program in other locations.

5. RENOVATION PROJECTS

Target group: Worker families

Objective: Improve the living conditions of seasonal migrant workers.

Overview: Balsu and Olam renovated housing facilities for workers in selected villages and installed toilets and bathrooms in several accommodations. Summer schools were created to enable workers' children a safe space while their parents are working on the farms.

Findings: Workers staying in renovated houses expressed satisfaction with the upgraded facilities, which provided access to clean water, electricity, and a bathroom with proper toilets. Balsu renovated 20 houses in seven villages. Olam renovated five housing facilities in Esmahanım and



two in Karasu between 2017 and 2018. Workers were particularly pleased with additional appliances at these facilities, such as refrigerators and washing machines. The renovations improved worker families' living standards and created a better environment for their health and wellbeing. Workers' accounts of past living experiences and observations from the assessment team in the Olam counterfactual location (control group) show that improving accommodations for workers and making shelters safe for families is an important factor to reduce child labor. Parents may opt to take their children to the hazelnut gardens in the absence of a secure and adequate accommodation or a summer school nearby.

Recommendations: Housing renovations were supported by funding from the FLA-USDOL project. Companies are discussing if they can be continued and if the local government can play a role in this. The assessment team recommended that companies work with their supply chain partners, growers and local government offices to provide mobile sanitary facilities where seasonal workers are housed. They should raise noncompliance issues with the farmers when observed. Companies were urged to publicize selection criteria, as the interventions created expectations among workers and hazelnut garden owners.

Figure 12: Balsu's Renovation Work in Numbers

NUMBER OF HOUSES RENOVATED	VILLAGE	NUMBER OF BENEFICIARIES
3	Beyören	47
5	Balatlı	77
5	Altunçay	72
1	Demiraçma	20
3	Melenağzı	50
1	Göktepe	20
2	Yeşilköy	27
Total: 20		Total: 313

NUMBER OF WASHING MACHINES	VILLAGE	NUMBER OF BENEFICIARIES
2	Beyören	37
1	Balatlı	16
1	Göktepe	20
Total: 4		Total: 73

FOUNTAIN-VILLAGE	NUMBER OF BENEFICIARIES
Beyören	1
Balatlı	2
Altunçay	1
	Total: 4

NUMBER OF MOBILE WC	VILLAGE	NUMBER OF BENEFICIARIES
1	Beyören	15
2	Balatlı	35
1	Demiraçma	15
Total: 4		Total: 65

Photos of Olam's Renovation Work

Accommodation conditions was a major source of complaint at the counterfactual points. Workers expressed that they live in 'degrading conditions' and 'they just hang on because they need the money'.



In comparison, Olam's renovation projects are shown as best case examples in the region. The projects mostly aimed at an overall transformation of the selected houses.



CONCLUSIONS

The FLA designed the pilot Social Impact Assessment study to delve deep into the interventions of the partner companies to determine if the actions undertaken by Nestlé and its suppliers Balsu and Olam improved working and living conditions and helped prevent child labor in the supply chain.

Some efforts to mitigate the risk of child labor have been successful. Summer schools are one of two intervention areas where impact target was achieved. As a result of the concentrated efforts of the companies, a consensus has developed against child labor in the intervention area. Although support at the government level remains low due to insufficient resources and restructuring in the public sector, local authorities have become more willing to engage with other actors to address the issue. Cultural norms and entrenched societal problems such as poverty could undermine these efforts as they prevent rapid improvements in the living and working conditions of young workers, a group that accounts for a large percentage of the hazelnut workforce.

Summer schools fill a gap by providing a safe environment where children are supervised, and their basic needs are covered while family members work in the hazelnut gardens. Nestlé, Balsu, and Olam's support for these safe spaces contributed to positive change on child labor. Assessors documented both an increase in the number of children attending summer schools since their establishment four years ago and a downward trend in children working in the hazelnut gardens. In the counterfactual location (control group), where no interventions have taken place, the percentage of child labor was three times higher than in location where the impact assessment was conducted.

Other interventions, such as those targeting labor intermediaries and female community members, support summer schools by promoting their benefits across the supply chain. While successful, summer schools could benefit from improvements and expansion.

Worker training interventions are broad and complex. No model fits all situations. Companies must experiment while conducting assessments to determine the approach best suited to their supply chain.

Occupational health and safety-related activities evaluated within the scope of “worker training” was identified as effective. The occupational health and safety training component made a strong impression on workers and resulted in application in daily activities of what they learned. The distribution of personal protective equipment by companies strengthened the impact of training, and satisfied workers and garden owners.

Other labor issues covered during training, such as wages, working hours, and employment contracts have not yet achieved their desired result, in part, because they are not under the control of a single actor. Improvements will require sustained efforts to raise awareness and create agreement across the supply chain. In the absence of government-level determination to break the stalemate, companies feel short-handed to address these systemic challenges that are just not in hazelnuts but in the broader agricultural sector. Government interventions along side business practices is critical to address chronic issues including wages, working hours and employment contracts.

Labor intermediary training is a new area, and assessment findings show that the pace of change is slow. Nonetheless, training activities have turned some labor contractors into social compliance partners. Olam chose to make employment contracts a primary objective of its sustainability program. Activities carried out with labor intermediaries, workers, and hazelnut farmers resulted in six labor intermediaries, 24 garden owners, and 241 workers signing tripartite contracts in 2018. In addition, 10 workers signed employment agreements directly with hazelnut garden owners.

Balsu's Strong Women, Strong Agriculture program occupies a unique place among interventions. The training is perceived mostly as promoting the well-being of the local community, but in reality, social compliance topics are included among its modules. While the program hasn't achieved its objectives to date, it is popular for promoting women's empowerment and defuses tension caused by assessment fatigue and price uncertainty.

The assessment team concluded that farmer training carried out by Olam is still “in progress” as an intervention. More engaging training methods have recently been introduced, which may increase impact.

Renovation is another intervention area that achieved direct impact in workers' lives by addressing the dire need for safe and sanitary housing. Improvement in accommodation conditions touches upon a very basic human need and has an immediate effect on the health and well-being of worker families.

Having a counterfactual location (control group) in the Olam supply chain allowed the assessment team to measure the overall impact of the Olam Sustainability Program. They concluded that its different components complement each other and contribute to create a safety net encompassing key issues in the supply chain, even if on some issues, targets have not yet been reached.

Balsu and Olam, as a result of the study findings, have each drawn new implementation plans (as detailed in the appendices) to address shortcomings, test new activities, and enhance the impact of their remediation interventions to improve working conditions and eliminate child labor in the hazelnut supply chain.

ANNEX 1: SOCIAL IMPACT ASSESSMENT PILOT IN TURKEY

BACKGROUND

The Fair Labor Association (FLA), as part of the due diligence obligations of its affiliated companies and suppliers, on an annual basis verifies working conditions and labor standards in members' supply chains. Affiliates have to provide a follow-up action plan to address the gaps. FLA publishes the results and the affiliates follow-up plans.

Nestlé¹ and its two hazelnut suppliers Olam² and Balsu's are FLA affiliates, since 2012. Their internal social compliance programs are verified through the FLA's Independent External Monitoring (IEM) visits. During the IEM visits, farm data is collected and benchmarked against the [FLA Code of Conduct and Benchmarks for the agriculture sector](#) and the company's internal management system is benchmarked against the [FLA Principles of Fair Labor and Responsible Sourcing](#).

In 2018, the FLA and the three affiliates piloted an enhanced data collection method that focuses on measuring impact³ and moves beyond legal compliance audits⁴. Through this Social Impact Assessment (SIA) pilot, FLA delved deep into the evaluation of the interventions to determine if the actions undertaken by Nestlé, Olam, and Balsu in their respective supply chains have led to improvement in the conditions for the workers.

The objective was to gauge the effectiveness and impact of each of companies' interventions, but not to compare between the suppliers. One of the primary drives of the companies and FLA in piloting the SIA was to identify promising solutions (what works, for whom and where), and positive pilots, although not statistically significant or transposable globally. An overview of the purpose and main evaluation questions is provided in the FLA's SIA Overview document⁵.

This document provides the specifics of the process and methodology used in the hazelnuts sector, in Turkey.

APPROACH IN THE TURKEY SIA PILOT

The FLA's SIA pilot focused on measuring the impact of interventions activities implemented by two hazelnut suppliers of Nestle - Olam and Balsu- under the guidance of Nestlé. Interventions addressing child labor; working and living conditions of seasonal migratory agriculture workers were selected that often targeted several beneficiaries (e.g. seasonal migrant workers; child labor; children at risk of child labor; farmers; female workers; labor intermediaries) and areas (e.g., health and safety; child labor; living conditions; labor rights). The methodology followed a combination of the logic model approach to map the theory of change and the counterfactual analysis to estimate the impact of the interventions.

1 IEM report of Nestlé (2017) can be accessed here: <http://www.fairlabor.org/report/2017-assessments-shared-hazelnut-supply-chain-turkey-nestle-balsu-and-olam>

2 All IEM reports of Nestlé, Balsu and Olam can be accessed here: <http://www.fairlabor.org/transparency/workplace-monitoring-reports>

3 Impact looks at the wider effects of the program - social, economic, technical, environmental - on individuals, gender- and age groups, communities and institutions. Impacts can be positive and negative, primary and secondary, intended and unintended, macro (sector) and micro (household, individual), short or long-term. - <http://www.oecd.org/dac/evaluation/2754804.pdf>

4 During 2015 - 2018, the three companies participated in a USDOL-ILAB funded project, implemented by the FLA that led to an in-depth assessment of the companies' internal management programs and work place conditions. Conducting the IEMs in 2018, hence had limited value addition.

5 The FLA's SIA Overview Document is not attached to this report and can be requested from the FLA.

Logic model: The FLA team followed the logic model to map the theory of change by outlining the linkage from inputs and activities, to outputs and outcomes and to impact. Table 1, illustrates a sample logic model for an activity in Turkey.

Counterfactual analysis: To estimate the impact, comparisons were made against the conditions where the intervention activities did not take place. The counterfactual analysis allowed answering the questions such as “what would the situation be if the intervention had not taken place?” and “what outcomes could be directly attributed to the intervention?”

Historical data analysis: Farm data was reviewed and analyzed against the FLA Code of Conduct and Benchmarks for the agriculture sector. Particularly the data related to child labor and young workers. Data collected from 2014-2017 IEMs from the same villages was collated, where the SIA was planned.

Reference benchmarks: Areas related to seasonal migrant workers, farmers, and local community were selected as reference benchmarks because they include the environment in which child labor and young workers operate. These benchmarks were measured against FLA Code of Conduct elements such as working hours, child labor, compensation, etc..

Table 1: Logic Model Example from Turkey

Key Project Area	Description of activities	Budget (Input)	Outputs	Outcomes	Outcomes indicators	Impact	Impact Indicator
Summer schools: 2018	Establishing summer school for children of workers (both local and migrant).	180,000 TRY, Engagement with Young Life Foundation (GHV).	3 summer school be established, benefiting 210 children.	Access to education and safe areas for children during harvest facilitated.	<p>Indicator 1. Minimum of 80% children attend curricula/activities.</p> <p>Indicator 2. # of children found during internal monitoring referred to the summer school.</p> <p>Indicator 3. # of children provided with nutritious lunch.</p> <p>Indicator 4. # of children improved behavior in terms of hygiene.</p> <p>Indicator 5. # of children provided with child care services.</p> <p>(Provide gender and age segregation for all applicable indicators, if possible.)</p>	Contribute to reducing child labor by providing safe space.	Indicator: # of children found in the hazelnut garden – (Provide gender and age segregation for all applicable indicators, if possible.)

IMPLEMENTATION STEPS

Both suppliers undertook several interventions and related activities in the supply chain through which they supply to Nestlé⁶. Many of these activities have been implemented over several years. For the purpose of this assessment, FLA and the three companies decided to focus mainly on child labor, as well as working and living conditions of season migrant workers. Within this context, the SIA pilot in the hazelnut supply chain in Turkey was carried out using the following steps:

⁶ Both Olam and Balsu supply hazelnuts to a number of buyers including Nestle. They source from a number of farmers, intermediaries and manavs. 100% traceability of all hazelnuts farmers is a work in progress. At the moment both suppliers mainly implement the FLA program in the supply chain from which they procure for Nestle. This supply chain is 100% transparent. As part of the FLA-USDOL Project, interventions also took place mainly in this part of the supply chain.

STEP I: PLANNING AND SCOPING OF SIA

FLA held initial conversations with company staff, both in the region and at the headquarters. The objective was to get an overview of the various activities undertaken and determine the criteria for activity selection. Some key selection criteria were discussed for selection of the interventions area. These included:

- number of years of implementation (five or more),
- activity to obtain a certain level of maturity before impact can be measured,
- focus area (e.g., child labor, working and living conditions).

Based on the conversations and in cooperation with Nestle, Olam and Balsu, FLA developed the scope and goal of the SIA and drafted the initial evaluation questions. FLA scoped the companies' programs and activities by collecting detailed intervention data. To achieve this, the companies completed a logic framework template, that the FLA developed and provided them to populate with information. It included the following:

- Description of the intervention (activity)
- Target group (profile and number, e.g., 100 seasonal migrant workers, 10 labor contractors, etc.)
- Area of intervention (exact location - name of the villages, farmers etc.)
- Time period (activity start date and end date (if applicable))
- Intended objective, outputs, and outcome of the intervention (Nestlé's expectations and Suppliers' interpretation)
- Key Performance Indicators

FLA team reviewed the information to develop in-depth evaluation questions, identify evaluation priorities and refined indicators that will be evaluated during the SIA. Furthermore, FLA team examined the overall context and identified important stakeholders who should be contacted during the assessment (for e.g. duty bearers - government institutions, companies; right holders - beneficiaries, workers, farmers, community members; other stakeholders - Civil Society Organisations, experts.)

STEP II: PREPARATIONS FOR FIELD WORK

Inception Report

FLA conducted a desk review of the documents submitted by the companies, reviewed 5-year historical data from the IEMs and other FLA studies for the intervention location and considered available secondary data.

Assessment Team

FLA developed a Terms of Reference for evaluators (rational, work plan, requirements of the mission, skill set of evaluators, etc.) and recruited a team with relevant expertise and experience in field research, local context knowledge and language skills. This team

was supported in the field by the FLA staff alongside a stop backstopping for tools, data collection methodology, data analysis, quality review, and reporting.

Data Collection Methodology and Tools

For each evaluation question and intervention, the FLA team determined the most appropriate data collection methodology (e.g., qualitative, quantitative, transect walks, etc.) and designed a tailor-made questionnaire. The survey questionnaire was a combination of mostly close-ended questions based on the FLA benchmarks with multiple-choice answers coded for quantitative analysis, plus some open-ended questions for qualitative data collection. Refer to Figures 1 and 2 for specific methodology overview.

FLA developed data-collection tools to measure improvements on the ground and understand workers' perception of these improvements and their satisfaction level. The impact evaluation required a combination of tailor-made assessment methods, tools, and data collection techniques.

Target Locations

The FLA and the three companies selected the locations for data collection. FLA selected two locations—one in each supplier's supply chain (Olam and Balsu)—where the companies had implemented programs for the past 4-5 years as well as one counterfactual location (control group) where no interventions had been carried out.

Sample Selection

The selection and sample size depended on the evaluated interventions and the data collection process. FLA applied purposive sampling during the quantitative data collection from the field. First, a target location was identified among villages where the companies have been active in the past five years. Next, a sample of farms was selected from the identified villages.

Figure 1: Olam SIA Methodology

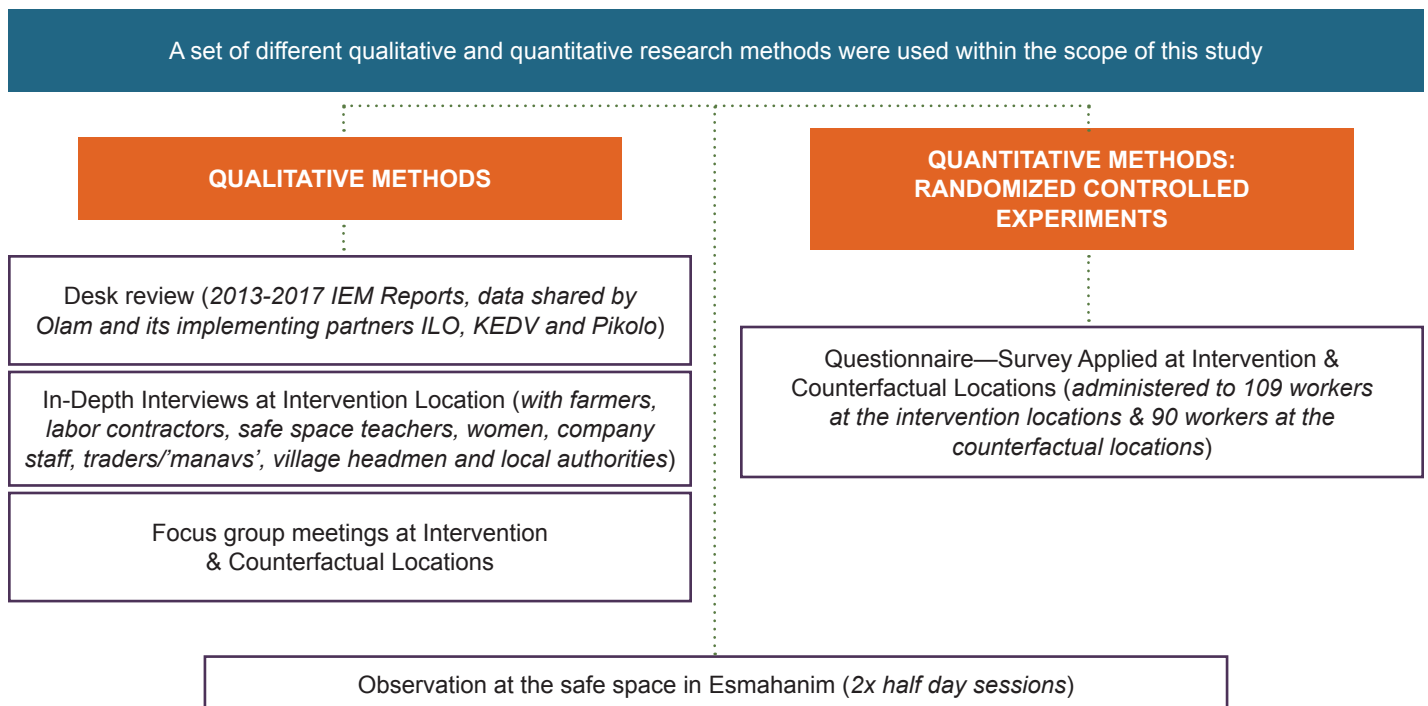
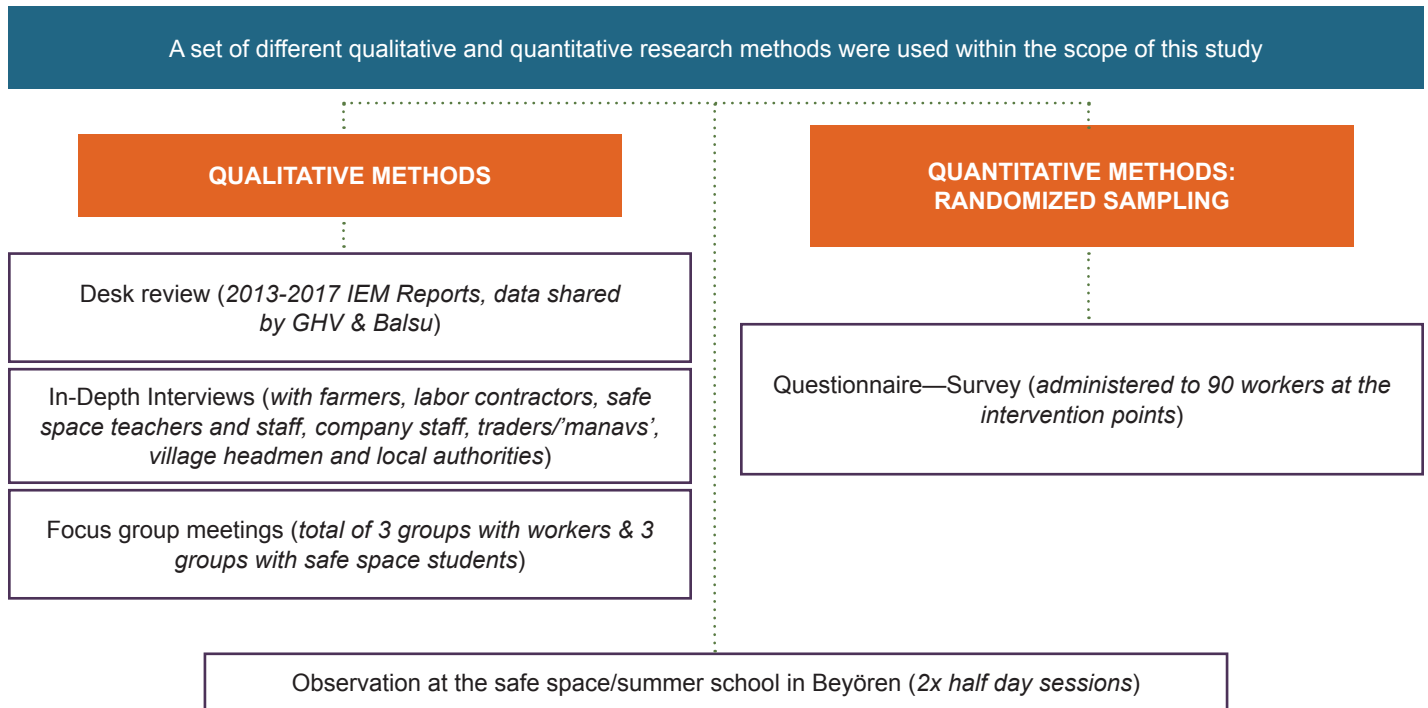


Figure 2: Balsu SIA Methodology

STEP III: SAMPLE SIZE AND DATA COLLECTION

Field level data collection was scheduled at the time of peak harvest season (between August 6 and 17, 2018) to capture perspectives from most workers present in the farms. Hazelnuts harvest each year lasts about four weeks. Some data was collected earlier, through interviews with the company and supplier staff, and data related to labor contractors and migrant worker families.

In total:

- 110 workers (16 years old and above) including 90 with whom the survey was conducted and 20 other worker who was interviewed), 12 children, 11 hazelnuts garden owners, 2 labor contractors, 7 supervisors and 17 key informants from company staff, local authorities and implementing partners were interviewed in the Balsu supply chain. The fieldwork mainly took place in the selected intervention areas - Beyören and Balatlı villages.
- 125 workers (16 years old and above including 109 workers with whom the survey was conducted and 16 other workers were interviewed), 8 children, 9 garden owners, 2 labor contractors, 7 supervisors and 32 key informants from company staff, local authorities and implementing partners were interviewed in Olam supply chain. The fieldwork mainly took place in the selected intervention areas - Esmahanım, Uğurlu, Dereköy, Ardiçdibi and Kirazlı villages.

- The evaluation team visited a counterfactual⁷ point for the evaluation only in the Olam supply chain. Accordingly, 103 workers (with 90 the survey was administered and 13 workers were additionally interviewed), 5 farmers and 5 supervisors were interviewed in Cumayeri district⁸.

In total 455 persons were interviewed during the SIA. The evaluation team did not encounter local workers from the same or neighboring villages in the gardens they visited within the scope of this study; therefore, all data collected refers to seasonal migratory agricultural workers and their families, who migrate mainly from south-east of Turkey to work on the hazelnuts harvest.

In the absence of baseline data, the team used the worst case scenario as a minimum standard value (for e.g., zero Personal Protective Equipment distribution prior to the company interventions to measure absolute change). In addition, the team used the recall method, the interviewed individuals are asked to recall the situation before a certain activity took place. In this case, the team asked community members and seasonal migrant workers about their situation prior to the intervention and how it has changed due to the intervention.

Both quantitative and qualitative data were collected. While desk review, in-depth interviews and focus group discussion were used for qualitative data collection, a standardized survey was undertaken with the target beneficiary groups both in the intervention areas and counterfactual areas. Wherever possible, performance indicators for each social impact area, for instance the number of seasonal migrant workers in the region, number of working hours per week number of children in labor, wage paid, were collected both from primary and secondary resources. Specific quantitative and qualitative information was then obtained from companies (e.g., progress reports and audit reports).

STEP IV: DATA ANALYSIS, DEBRIEFING AND DEVELOPMENT OF IMPLEMENTATION PLAN (CORRECTIVE ACTION PLANS)

Quantitative and qualitative data was collected on worker profile (e.g. gender and age of workers; number of young workers and children working in the fields over time; options for children during the day; number of children in the regions) and intervention activities (e.g. awareness on safe space/ schooling program; school registration and attendance rates; educational content at school; food provisions at school).

Once data was collected, the FLA team (i) grouped and summarized the information to identify similarities and differences, consistent pattern, trend or abnormalities, unusual stories in relation to the child labor and other working conditions, (ii) evaluated the data for causal relations through comparisons of different sets of data (e.g. current vs. historical; intervention areas vs. counterfactual), and (iii) qualitatively analyzed for drivers, processes and key factors in the causal relation to develop plausible explanations.

⁷ Counterfactual: outputs and outcomes in the absence of the intervention. The counterfactual is necessary for comparing actual outputs and outcomes to what they would have been in the absence of the intervention.
Source: <http://www.oecd.org/dac/evaluation/dcdndep/37671602.pdf>

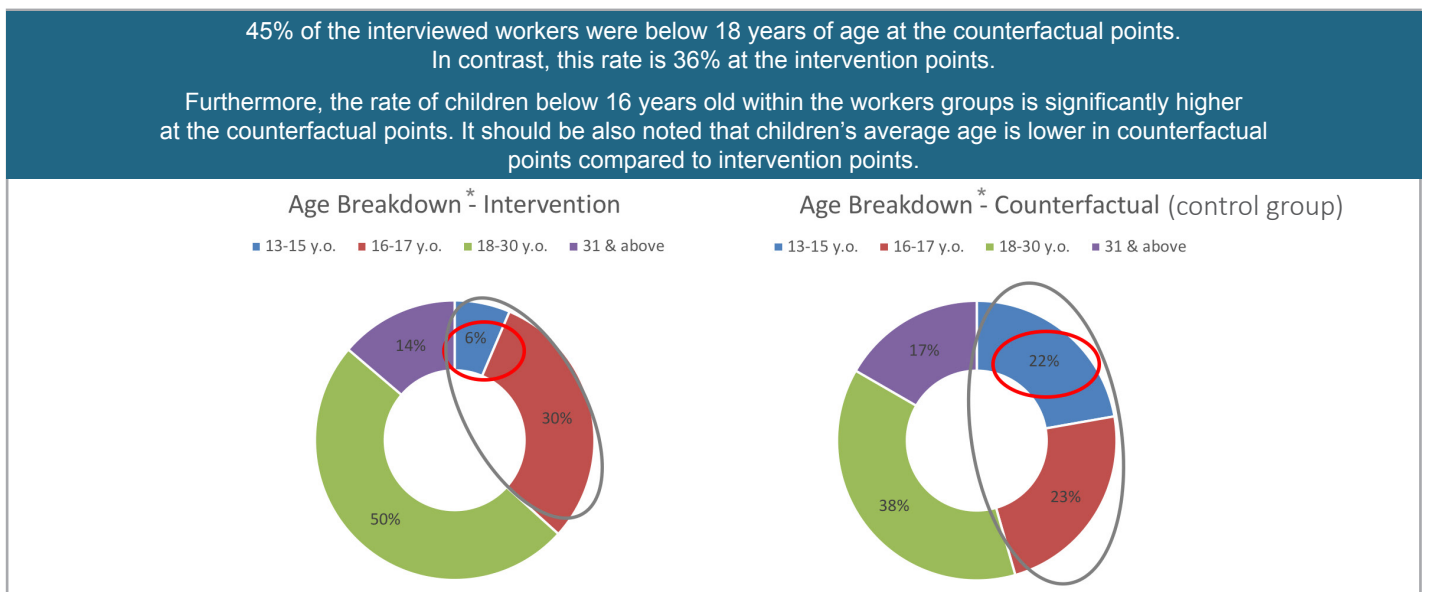
⁸ Counterfactual analysis proved extremely challenging and will not be part of the FLA SIA methodology in the future.

For example, the number of children engaged in work showed a decreasing trend over the five-year period; however, one year (2015) appeared to be an outlier (see Companies individual reports).

The age of children attending school was analyzed. As the interviews confirmed, younger children (age of 12 and below) registered in the summer school in larger numbers, as compared to the older children. When two consecutive years of attendance was analyzed, attendance of this young age group was also higher than older children. The interviews also confirmed that children above the age of 12 were more often able to work a full day, like adults, and therefore were less likely to attend school.

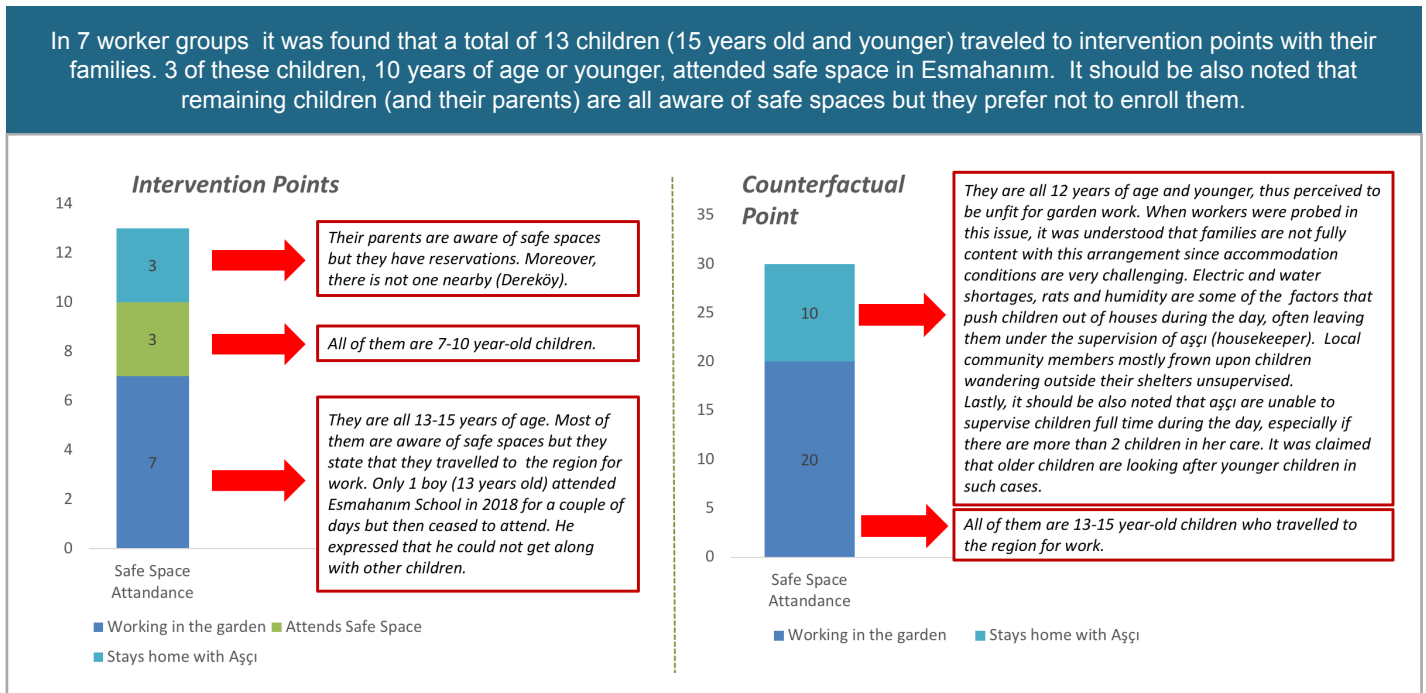
Comparison between intervention areas and the counterfactual areas in Figure 3 (age breakdown) and Figure 4 (number of child labor found and number children attend in summer schools). The FLA team emphasized the importance of visiting the counterfactual areas in order to see the real impact of the suppliers' social compliance programs and to provide a healthy and sound comparison, even though it was challenging to find a counterfactual location (control group) and collect data.

Figure 3: Age Breakdown



*No workers below 13 years old were found at the intervention points and at the counterfactual point (control group). Therefore the age breakdowns start with 13-15 years old group.

Figure 4: Comparison of summer school attendance between intervention point and the counterfactual point for Olam



Both quantitative and qualitative analyses and findings were presented in a draft report to the three companies. After the draft report, FLA organized a workshop with Nestlé, Olam and Balsu to further discuss the findings and learnings and determine the next steps.

Both Olam and Balsu, developed and submitted follow up implementation plans (corrective action plans) to the FLA within 60 days of receiving the reports. The staff reviewed the implementation plans and organized additional face-to-face meetings to provide feedback and finalize the implementation plans.

STEP V: PUBLIC REPORTING

Based on the two individual reports from Olam and Balsu, FLA consolidated the results in one single report (also called the Executive Summary). This will be made public alongside the implementation plans of the individual companies, in line with the FLA's Transparency Requirements.

LESSONS LEARNT IN THE SIA PILOT

This pilot brought several learnings and helped identify the challenges and limitations in the SIA methodology, used.

- SIA methodology helped the companies understand the logic model and that they need to define specific output and outcome indicators while planning interventions. In several cases, interventions are done in an ad hoc manner without targeted planning. During the SIA process, company staff became aware equipped to define their theory of change and what measurable impact they are expecting.

- The use of historic data within the SIA helped the FLA to measure the impact of interventions over time and understand trends e.g. on the use of child labor.
- SIA helped identify which interventions are positive and most impactful in the current context and could inform companies' future interventions and use of resources.
- SIA also helped uncover the sentiments and perceptions of various stakeholders about how they view companies' interventions. This is not always possible to measure in compliance based monitoring. It also helped uncover where growers felt isolated and where they felt included.
- SIA is resource intense and can only be applied after interventions are mature, or completed. Hence, the SIA methodology cannot replace the FLA IEMs that conducts a situational analysis. Rather SIA can be used as a verification process to measure the impact after the remediation plans or interventions have been put in place. For verification, it proved to be much stronger methodology as compared to compliance focused verifications.
- In the current SIA pilot process, there was lack of a baseline assessment conducted prior to the interventions. This limits the analysis of intended outcomes and impact of the companies' interventions. Hence, if the long term vision is to conduct SIA, a baseline assessment is highly recommended, they could be used as a reference starting point.
- In this pilot, FLA team faced difficulties in identifying a control group for counterfactual analysis. In the Western Black Sea region, most of the hazelnut production areas are dominated by at least one major hazelnut buyer (Olam, Balsu or another company/supplier), which means that most areas have been affected by interventions.
- FLA recognizes the limitations of the logic model since social impact is complex and rarely a linear process.
- In this SIA, FLA could not control for exogenous factors (e.g., government policies, labor market dynamics, commodity rate changes etc.) on the outcomes and impact of interventions. For examples, the companies may have tried to enforce minimum wage payments for seasonal migrant workers; however, the positive impact of such an intervention would have been nominal if the local government had set wages below the minimum wage. Another example is the number of child labor in the supply chain may have decreased, but the extent to which this trend can be associated with the efforts of the companies, government or local stakeholders establishing summer schools is difficult to isolate.

ANNEX 2: BALSU IMPLEMENTATION PLAN FOR 2019

Balsu became an FLA affiliate supplier in 2013. Since 2014, Balsu has steadily worked to improve working conditions in its hazelnuts supply chain, in Turkey, including employment relations with seasonal agriculture workers, through its continuously evolving program “Balsu Sustainable Agriculture and Trainings” (SAT).

In addition to a certification program, developed to increase productivity and quality in the hazelnut farming, Balsu implements several activities as part of its social compliance program, such as the distribution of personal protective equipment (PPE), provision of clean water, renovation work in villages and hazardous waste management.

Balsu provides training and conducts awareness raising activities for hazelnut farmers, traders, labor contractors and seasonal migratory agricultural workers to promote decent work standards. Since 2015, Balsu has been delivering training on good social practices, good agricultural and environmental practices as well as occupational health and safety to farmers.

The Balsu social compliance program consists of ten main components:

1. Farmer program
2. Worker and labor contractor program
3. Promoting written employment contracts
4. Strengthening internal capacity of Balsu’s social compliance team
5. Child labor elimination program including summer schools
6. Young workers
7. Engaging with key stakeholders
8. Workers’ living conditions (covered under workers and labor contractor program)
9. Occupational Health and Safety & Environment (covered under several programs mentioned above)
10. Grievance mechanism

1. FARMER PROGRAM

FLA Code of Conduct areas addressed under this component: Employment Relationship; Child Labor; Forced Labor; Health, Safety and Environment; Hours of Work; Discrimination; Compensation.

Farmer Training and Outreach: Training sessions for farmers on good social practices cover topics such as workers’ rights, children’s rights, working hours, wages, discrimination, child labor, and registered employment. All participating farmers receive a farmer’s handbook and information brochures. Balsu will share sample worker employment contracts and inform farmers of disciplinary procedures. Balsu expects farmers in its supply chain to handle records, including workers’ records, through the company’s online system. Balsu will also ensure that all its farmers are certified in chemical application. Balsu will train farmers accordingly, aiming to reach 2,500 farmers in 2019.

Strong Women Strong Agriculture Project: Launched during the FLA-USDOL pilot, the “Strong Women Strong Agriculture” project will continue in 2019 with support from a government grant. Fifty female farmers will be selected and trained on Good Agricultural Practices (GAP), quality and productivity, occupational health and safety, ecology and environment, good social practices and woman empowerment, enabling them to influence their communities on these issues. The women will also be taught first aid. Balsu aims to have at least one person with first aid knowledge in each hazelnut garden.

Communication with farmers: Balsu will maintain regular communication with farmers in five villages (Balatli, Beyoren, Altunçay, Melenağzı, Demiracma) through a printed monthly newsletter. In addition, a digital version of the newsletter, disseminated via WhatsApp and text messages, will reach 2,500 farmers in 35 villages. The newsletter consists of four sections that focus on good social practices, good agricultural practices, environmental protection and hazardous waste management as well as occupational health and safety issues.

Health, Safety and Environment: The company distributed Balsu and Nestlé warning signboards, indicating when it would be safe to re-enter the orchard after it has been sprayed. All farmers enrolled in the Balsu SAT program are certified for Good Agricultural Practices (GAP) and have been trained by the SAT team on the use of chemicals. In 2019, Balsu will continue to expand and further improve the environmental and occupational health and safety program to include safe transportation for seasonal agricultural workers, prevention of chemical waste in villages, implementation of Balsu Occupational Health and Safety (OHS) procedures in hazelnut orchards, access to clean water and conformity of accommodation to OHS standards. In cooperation with the Duzce University, Balsu submitted a funding application to the European Union – Occupational Health and Safety Promotion Grant Scheme. The aim of the project is to, 1. establish an Occupational Health and Safety culture amongst farmers who take part in the spraying activities of plant products in hazardous sector, 2. prevention of occupational accidents and diseases, 3) improvement of working conditions, and 4. raising awareness/capacity building on OHS.

2. WORKER AND LABOR CONTRACTOR PROGRAM

FLA Code of Conduct areas addressed under this component: Employment Relationship; Non-discrimination; Compensation; Health, Safety and Environment.

Labor Contractor Training: Balsu plans to train labor contractors and seasonal agricultural workers in Mardin and Şırnak ahead of the 2019 harvest season. The training will emphasize the need for transparency in the calculation of food and accommodation costs to achieve a real daily wage. It will also provide information about the calculation of overtime pay. To prevent labor contractors deducting a 10% commission from workers' daily wages, the company will request that farmers pay the labor intermediaries for their recruitment services. The remuneration of labor contractors will also be written into the contract signed between farmer and labor contractors. All of the labor intermediaries trained in 2019 will be issued a labor contractor certificate (by Balsu). The basic training module offered by Balsu covers working conditions, wages, working hours and special arrangements for young and pregnant workers. To increase the effectiveness of training sessions in 2019, the essential elements of the training will be shared with the labor intermediaries identified in the supply chain in 2018 and 2019 via WhatsApp. Representatives of the Ministry of Family, Labor and Social Services, Mardin İş-KUR (Employment Agency) and Duzce University will be involved to make a presentation on child labor, youth worker, fair wages, working hours, registered employment and certification issue.

Worker Training: Workers will be informed about working hours, working days, remuneration and weekly time off, employee rights, child rights, first aid, occupational health and safety, contracted employment, grievance mechanisms, who to call in case of emergency and risk factors in the region (for instance, dangerous cross-currents along the Black Sea shore). Although non-discrimination is not a topic that Balsu plans to prioritize in 2019, the issue will be raised with workers and contractors. An information brochure covering non-discrimination, working conditions and fair remuneration will be distributed to about 1,000 workers.

The Balsu Occupational Health and Safety training module addresses issues such as working with machinery and agricultural equipment, transportation safety, prevention of occupational accidents, general environmental risks, biological exposure in agriculture, environment and weather conditions, emergency assistance facilities, use and importance of personal protective equipment. Balsu provides workers in Mardin and Şırnak with personal protective equipment, a first aid kit, and hygiene kits. Balsu will deliver occupational health and safety training to 200 workers, as well as 50 labor contractors, and distribute information brochures before they start migrating to the Black Sea Region for harvest season

3. PROMOTING WRITTEN EMPLOYMENT CONTRACTS

FLA Code of Conduct area addressed under this component: Employment Relationship; Compensation; Hours of Work.

Templates of the employment agreement that workers and farmers are expected to sign, containing detailed information on working hours, wages and deductions, will be shared with workers, farmers and labor contractors. Training on good social practices carried out in Mardin and Cizre with labor contractors and workers' groups will also address wages.

4. STRENGTHENING INTERNAL CAPACITY AT BALSU

FLA Code of Conduct areas addressed under this component: Employment Relationship; Child Labor; Forced Labor; Compensation; Hours of Work; Discrimination.

Revision of Policies and Procedures: Balsu revised its internal company policies and procedures on child and forced labor, as well as discrimination. It integrated forced labor discrimination-related indicators under working hours, compensation, contracts and recruitment benchmarks between February-May 2018. A total of 14 internal documents related to social compliance were reviewed, including worker registration, templates for worker and farmer contracts, employment and working conditions procedures. The sample worker contract, which includes information on disciplinary procedures and dissolution, will be shared with labor contractors, workers and farmers during workshops in 2019.

Building Staff Capacity: Within the scope of the project entitled "Integrated Model for the Elimination of Worst Forms of Child Labor (WFCL) in Seasonal Agriculture in Hazelnut Harvesting in Turkey," conducted by the International Labor Organization (ILO), nine staff members of Balsu, including the Social Assessment Team and a seasonal social worker, will receive capacity building training, in 2019.

Monitoring: In 2019, Balsu will continue to conduct annual internal audits for all farmers, in addition to third-party audits, to detect and prevent child labor. The company will also employ seasonal social workers. In addition, the GoBalsuFarm Traceability Program will enable the company to monitor working hours more effectively and keep workers within regular hours. Farmers will be trained in the use of GoBalsuFarm during farmer training sessions in 2019.

5. CHILD LABOR ELIMINATION PROGRAM

FLA Code of Conduct area addressed under this component: Child Labor.

Summer School Program: In 2014, Balsu launched a project entitled “In a Nutshell” project in cooperation with the Young Lives Foundation. This led to the creation of safe spaces/ summer schools, in the hazelnut sourcing villages designed for children at risk and child laborers during the harvest period. The summer schools provide activities for all age groups. Children are supported academically through alternative learning methods and workshops offering psychosocial activities. Transport from the surrounding villages to the school location is provided by Balsu and children receive a free meal.

The number of children attending the safe spaces fluctuates, depending on the yield expectations for the harvest and number of workers were hired. Balsu aims to welcome 300 children in three safe spaces in Düzce and Sakarya in 2019. Ahead of the 2019 harvest period, the Balsu social worker team will identify potential child labor cases with the help of labor intermediaries in order to plan social activities more accurately.

Teachers’ Training: With support from the Ministry of National Education (MoNE), Balsu and the Young Lives Foundation will train 20 teachers who work in Midyat, Mazidagi, Derik, Kiziltepe and Nusaybin (Mardin and Sirnak provinces). The aim is to increase the teachers’ awareness of child labor issues, encourage them to inform families and mobilize relevant public institutions, such as school commissions, on seasonal migration and child labor monitoring.

Case Management: Balsu social workers conduct training with seasonal agricultural workers and register them in the company system. They follow up on the complaints about child labor received during worker registration, keeping demographic information about the children and their parents, background about the cases and contact information. The children will then be followed in their places of origin with the support of the labor contractors and teachers. Balsu will establish two Village Social Development Support Centers in Balatli and Beyoren villages, which will serve as children referral centers.

Supplier Development Program: As part of its supplier development program, Balsu will encourage farmers supplying hazelnuts to sign a protocol pledging to work against child labor.

6. YOUNG WORKERS

FLA Code of Conduct area addressed under this component: Child labor; Hours of Work.

Balsu adopted working standards for young workers (age 16 and 17), requiring fewer working hours and limiting their involvement to light tasks. Primary documents, such as the farmer risk assessment handbook and supplier contract, were revised to comply with the FLA benchmarks. The company will carry out a needs assessment with 20 young women workers and conduct an awareness-raising workshop on young workers’ rights with 50 young female workers. During discussions with young female laborers in Mardin and Sirnak, information about the effect of long working hours on young workers and the risk it poses to their development will be conveyed.

7. ENGAGING WITH KEY STAKEHOLDERS

FLA Code of Conduct area addressed under this component: Employment Relations; Child Labor; Hours of Work; Compensation.

In 2019, Balsu plans to hold two meetings to discuss child labor with key stakeholders including local governorates and district public offices in Akçakoca and Kocaali. The company signed a cooperation protocol with Düzce University to work on projects targeting rural development, women's empowerment and child labor prevention.

Balsu plans to hold meetings with district governors to follow up on issues like wages, working hours, working conditions and employment contracts. In 2019, Balsu will bring together local authorities and labor contractors in seven districts (Akçakoca, Gölyaka, Cumayeri, Kocaali, Gümüşova, Alaplı, Hendek) in the provinces of Sakarya, Düzce and Zonguldak to discuss extending the provisions of labor law to agriculture, to ensure better supervision of working age. The company also plans to hold one-on-one meetings with representatives of 27 local institutions and organize four province-level roundtable discussions with the participation of local authorities.

8. GRIEVANCE MECHANISM

FLA Code of Conduct area addressed under this component: Employment Relations (Grievance Mechanisms).

Balsu's social workers, who have been trained in grievance management, will handle complaint cases. Every year, a Kurdish-speaking social worker is employed during the harvest to ensure that language is not a barrier to complaints. Social workers also reach out to labor contractors before they travel to the harvest area with the seasonal agricultural workers. There is a free, hotline 0800 number to enable workers, labor contractors and farmers to access Balsu's Complaint and Support Line in 4 language (Turkish, Arabic, Kurdish and English). Balsu also receives requests and complaints via mail. Figure 1 and 2 provide an overview of Balsu's grievance mechanism.

Figure 1: Overview of Balsu's Grievance Mechanism

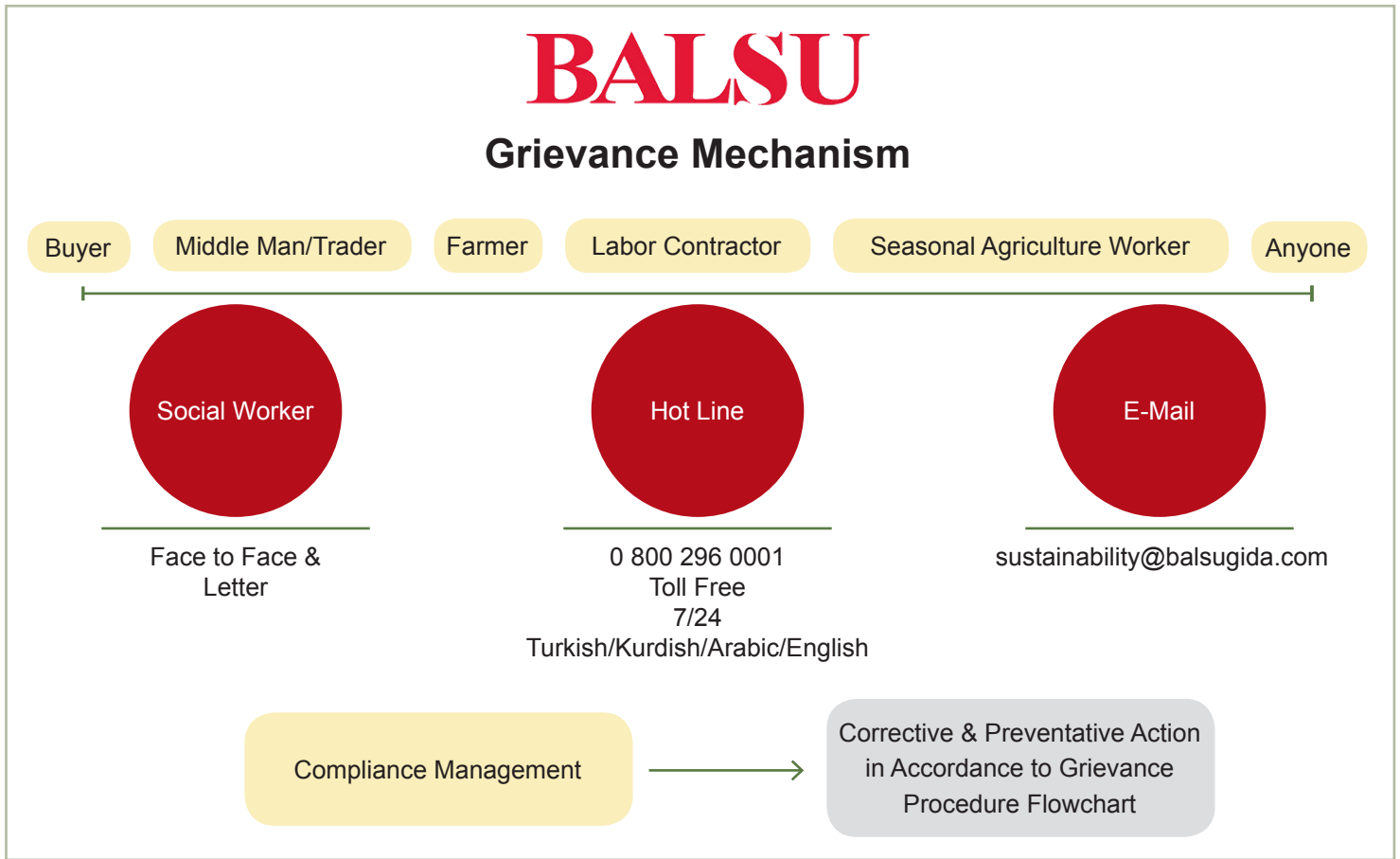
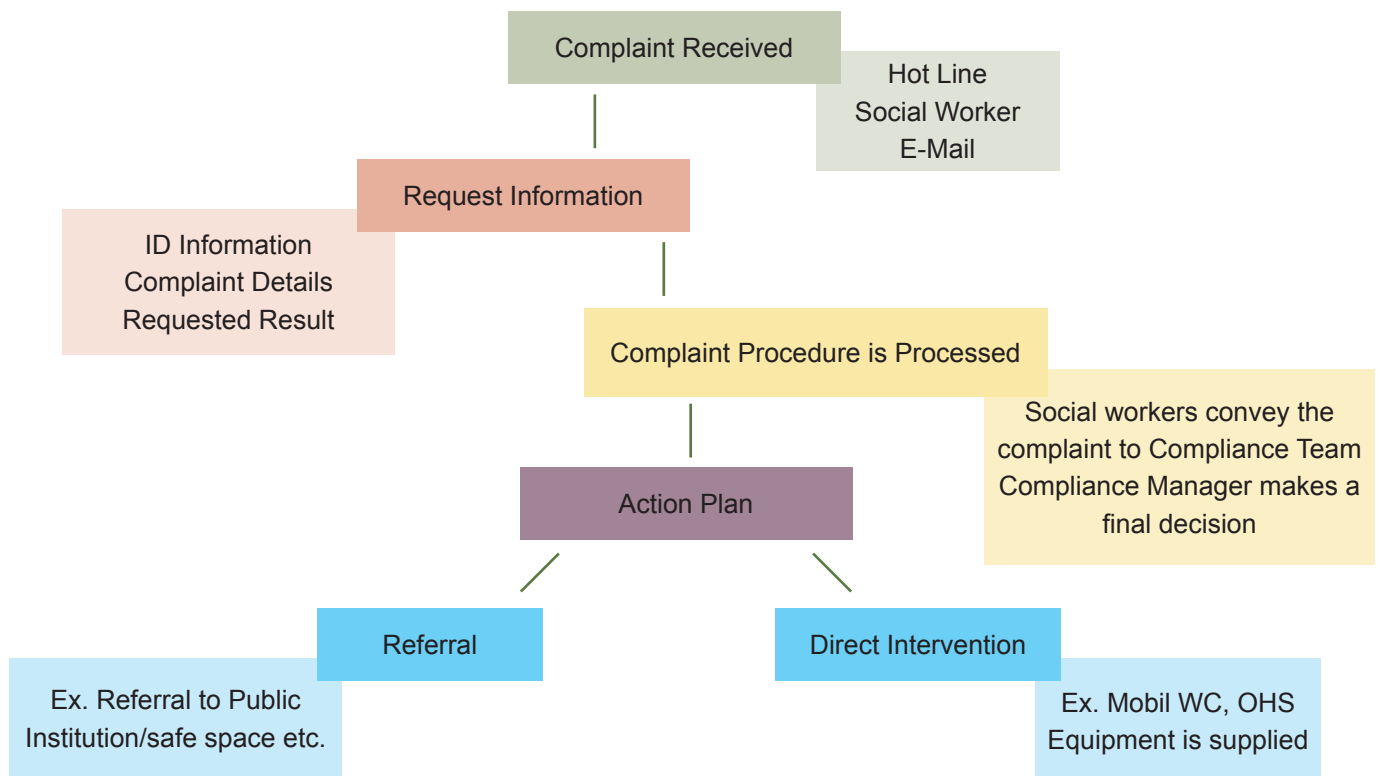


Figure 2: Balsu's Grievance Mechanism Redressal Process



ANNEX 3: OLAM IMPLEMENTATION PLAN FOR 2019

Olam became an FLA affiliate in 2012. Since 2013, Olam has been running a social compliance and good agricultural practice program in their hazelnuts supply chain in Turkey.

Olam sustainability team has been an implementing partner for Nestlé to promote responsible sourcing of hazelnuts. A major breakthrough occurred during the 2018 harvest when Olam introduced Employment Contracts for hazelnut workers—a first not just for the hazelnut sector, but also for Turkish agriculture sector. This important step addresses informal employment in the hazelnut sector—a deep-rooted systemic issue that undermines the rights of workers and raises the risk of child labor and forced labor.

In cooperation with civil society organizations, Olam has developed several interventions to improve employment relations and working conditions in its hazelnuts supply chain. The Seasonal Migrant Workers Training project reaches seasonal migrant workers in their cities of origin. Another activity carried out with the Foundation for the Support of Women's Work (KEDV) during the harvest, benefits women workers. Furthermore, Olam is reaching out to labor contractors through a the work with the Pikolo Association.

In recognition of its efforts, Olam was awarded the “Most Sustainable Supplier Award” at the 2019 Nestlé UK and Ireland Supplier Award.

Olam's social compliance program comprises of the following elements:

1. Labor intermediary training and consulting program
2. Worker programs
3. Farmer programs
4. Engaging with key stakeholders
5. Grievance mechanism
6. Summer schools
7. Environment
8. Sanitation program

1. LABOR INTERMEDIARY TRAINING AND CONSULTING PROGRAM

FLA Code of Conduct areas addressed under this component: Employment Relationship; Forced Labor; Child Labor; Hours of Work; Health, Safety and Environment; Compensation.

Labor Intermediary Mapping: Labor contractors are key intermediaries involved in all stages of the seasonal migrant worker life cycle, from recruitment to repatriation. Increasing their awareness on decent work issues such as child labor and forced labor could be significant in reducing risks during the employment of seasonal migratory workers. During the 2018 harvest, the Pikolo Association and Olam social workers identified new labor contractors in their hazelnuts supply chain. In 2019, this new group of 87 labor contractors will be trained in three groups in Diyarbakır, Şanlıurfa and Mardin and registered by the Turkish Employment Agency (İŞKUR) of Ministry of Family, Labor and Social Services.

Labor Intermediary Trainings and Consulting: Commissioned by Olam and carried out by the Pikolo, the training for newly identified labor contractors will cover a range of topics, including forced and child labor, working hours and compensation. In cooperation with the Ministry of Family, Labor and Social Services and Pikolo, Olam social workers launched a Labor Contractor Consulting Program to support the labor intermediaries throughout the year, encourage them to sign contractual agreements with farmers, submit annual reports to the Employment Agency (ISKUR) and ensure that the workers hired for the hazelnuts harvest have decent working conditions. Olam will continue to provide consulting services to labor contractors. The company will also advocate at the national level for policy to curb irregular employment in the agricultural sector.

Promoting Employment Contracts for Workers: Key components of the Olam social compliance program include the formalization of employment relationships, library projects, university cooperation, contracts for seasonal agricultural workers, occupational health and safety, child labor and young labor issues. 52 contractual agreements were signed between 11 labor contractors and farmers ahead of the 2018 harvest. In 2018, 535 seasonal migrant workers also signed employment contracts, which were approved by the Employment Agency (İŞKUR). The employment agreement contains details about working conditions during the harvest, including a minimum wage guarantee, legal working hours (8 hours), OHS measures, safe transportation, proper meals and decent housing conditions. The agreement also stipulates that no money will be deducted from the workers' wages as a commission for the labor intermediary, which traditionally amounted to 10% of workers' income. Instead, farmers will cover this cost.

Olam is now promoting these contracts at industry meetings convened by the International Labour Organisation (ILO), FLA, the Turkish authorities as well as civil society organizations, so they can be replicated across the agricultural sector in Turkey. In 2019, Olam expects 100 contracts to be signed in both regions.

2. WORKER PROGRAMS

FLA Code of Conduct areas addressed under this component: Non-discrimination; Child Labor; Forced Labor; Employment Relationship; Hours of Work; Compensation; Harassment and Abuse

Worker Trainings: Olam has updated the training content for workers. The new training modules emphasize non-discrimination. At the beginning of 2019, Olam will conduct "Awareness and Social Rights training in Seasonal Agriculture" for 1,000 seasonal migrant workers in Mardin, Diyarbakır, Şırnak and Mersin in cooperation with Eğitim Panda.

Other topics covered during these sessions include forced labor and working hours. Harvest workers will be told that they should only work eight hours a day. If required to work longer, they can claim overtime wages. Olam wants to introduce the concept of overtime and contribute to the enforcement of legal working hours in the hazelnut sector. Workers will also be consulted about the personal protective equipment (PPE) they need. Based on their feedback, the relevant equipment will be made available.

500 Nestlé handbooks; promoting the elimination of child labor, occupational health and safety (OHS), decent working and living conditions, decent transportation and housing conditions during the harvest, will be distributed in Mardin and Diyarbakır. In addition, 1,000 coasters containing visual messages against child labor, OHS, employment contracts, legal working hours, employment through certified labor contractors will be distributed in

local coffee shops and relevant places. 750 FLA brochures in Kurdish and Turkish and 750 brochures from the Ministry of Family, Labor and Social Services, about part-time work and legal regulations for pregnant employees, will also be distributed in the two cities.

Distribution of Journal Cards (Scorecard Table): This intervention will enable workers to register their working hours. These cards will be distributed to the workers to record their working hours each day, so that they are able to identify regular as well as overtime hours.

Women Ambassador of Agriculture: Olam will continue to support this project designed to empower female agricultural workers, implemented in cooperation with KEDV, now renamed as “Women Ambassadors of Agriculture.” As part of this project, a new group of 16 Women Community Leaders, who are not affiliated with labor contractors, will be selected in Mardin and Diyarbakır to serve the needs of the worker community. KEDV will deliver training on workers’ rights, the elimination of child labor and gender equality. The sessions will also cover financial literacy and discourage borrowing money from labor contractors to reduce the risk of debt bondage. Participants will receive a certificate, as well as Nestlé handbooks, FLA brochures and Ministry of Family, Labor and Social Services brochures.

The Women Ambassadors will visit local public institutions in the origin cities to find out about services available to workers. They will inform local officials about the situation of hazelnut workers residing in their districts. To support the workers and their families, KEDV has formed an Advisory Board, composed of representatives of local public institutions such as the District Governorship, the Department for Social Services, the District Directorate for Health, Family and Social Policies, Employment and Education.

The KEDV coordination team meets with Board members biweekly and shares names of worker families requiring access to services, job opportunities or aid programs. Women Ambassadors visit the relevant families to update them on their requests. They also help worker households handle the paperwork for official procedures, deliver documents and/or accompany workers when they visit public institutions. The Women Ambassadors are expected to support workers during the harvest.

Awareness Raising on Harassment and Abuse: Women workers will be made aware of the public institutions and organizations they can contact if they face violence, harassment or abuse. Olam is planning to introduce the early childhood education program run by the KEDV in Mardin and Diyarbakır, inform women workers of municipal services available to their families and strengthen their ties with public institutions

PPE Distribution: 2000 sets of protective personal equipment will be distributed to seasonal migrant workers in Ordu, Sakarya, and Düzce, during 2019.

3. FARMER PROGRAMS

FLA Code of Conduct areas addressed under this component: Non-discrimination; Employment Relationship; Hours of Work; Discrimination.

Training Program for Farmers: In 2018, Eğitim Panda delivered a training-of-trainers to the members of the Olam Sustainability team to help the team revise and update the content of the training modules. In 2019, Olam social workers will train up to 1,000 farmers in Ordu, Giresun, Sakarya and Düzce, using new methods, including interactive games, to highlight the issue of discrimination.

Good Social Practices Folder Distribution: Olam developed Good Social Practices Folders, which contain information about contractual agreements and working hours. These folders will be distributed to the houses of over 1,000 Good Agricultural Practice farmers in Ordu, Sakarya, Düzce and Giresun, where they will also be accessible to seasonal agricultural migrant workers. During the process of internal monitoring, Olam representatives will give farmers detailed explanations about the documents contained in the folder.

Women Farmer trainings: In the spring of 2019, Olam will deliver training to 120 women farmers in four village schools in Ordu (Eastern Black Sea), and Sakarya and Düzce (Western Black Sea), in cooperation with the non-governmental organization Fikir Sanat Atölyesi (FISA). Children will take part in workshops on children's rights, organized in parallel to the women's event.

PPE Distribution: The company will distribute 1,000 professional gas masks, for use during pesticide application, to farmers in the Nestlé supply chain involved in the Good Agriculture Practice Program.

4. ENGAGING WITH KEY STAKEHOLDERS

FLA Code of Conduct areas addressed under this component: Employment Relationship; Non-discrimination; Compensation; Health, Safety and Environment

Establishing partnerships: At the end of 2018, Olam launched a partnership with the Ministry of Family, Labor and Social Services to improve the working and living conditions of seasonal migrant workers in its hazelnut supply chain. A cooperation protocol signed in early 2019 with Düzce University covers several activities in the Western Black Sea Region, including providing university students with year-round vocational training in Olam, developing projects and scientific activities (research, symposium, congress, workshop). It also includes raising awareness of working conditions in hazelnut agriculture in the region, contributing to the educational and social development of seasonal migrant workers' children through courses and social events, and engaging in undertakings that support healthy production of hazelnuts.

Olam has signed another cooperation protocol with the Istanbul Bahcesehir University, to collaborate on issues of child labor and organizing CSR projects together in West and East Black Sea Regions. Olam aims to sign a similar cooperation protocol with Ordu University in the East Black Sea region in 2019. Olam also aims to increase its cooperation with NGOs and the Sustainability team plans to organize joint projects with NGOs, such as Foundation of Community Volunteers (TOG), Habitat, and various local Rotary Clubs.

Local Level Advocacy Promoting Daily Wage Equality: Seasonal workers working in hazelnut farms are often paid less and work longer hours as compared to their local counterparts (workers from the same villages as the hazelnuts gardens). In 2019, Olam plans to inform - about these wage inequalities between local and seasonal workers - the members of the Wage Determination Commission of the Turkish Employment Agency (İŞKUR). Olam will advise the commission to include labor contractors and seasonal migrant workers among their members to ensure that their views are heard.

Wages Research: Farmers and seasonal migrant workers offer different explanations for wage inequality. Olam will commission an academic research study, in cooperation with the Düzce University, to reveal the reasons behind wage inequality in the Western Black Sea region. A similar research study will also be conducted in the Eastern Black Sea region, in cooperation with the Ordu University. Based on the findings and the recommendations, Olam will adopt corrective and preventive measures.

Ensuring Safe Transportation: Olam will work with academics from departments focusing on occupational health and safety and with Teknopark at Düzce University to design safe vehicles for the transportation of workers to the farms. The company has similar plans in the Eastern Black Sea region, where it will work in cooperation with the Ordu University.

5. GRIEVANCE MECHANISM

FLA Code of Conduct areas addressed under this component: Employment Relationship; Harassment and Abuse

Olam introduced a new grievance mechanism, via telephone, and disciplinary procedures as part of its Quality Management System to improve employment relations. In 2018, the company added new documents to its Good Social Practices Folders for farmers, covering Farm Discipline Procedure, Worker Grievance Form, Pregnant and Nursing Worker Working Procedure and Working Procedure for Disabled Workers.

A free of cost, hotline with a 0850 number was set up to enable workers and farmers to access Olam's Complaint and Support Line. During training sessions, this number is communicated verbally and used in social media accounts and relevant websites to raise awareness of its existence. The free hotline number is also printed on the bags containing the promotional materials distributed to workers and farmers. In 2019, the hotline number will be added to company brochures and handbooks.

6. SUMMER SCHOOLS

FLA Code of Conduct area addressed under this component: Child Labor.

Esmahanım Summer School: Olam aims to address the needs of Esmahanım Summer School in the Akçakoca district of Düzce, which it opened four years ago to prevent children from working in hazelnuts harvest and provide them with a safe space. In 2019, academics from the Department of Nutrition and Dietetics of Düzce University will offer their recommendations to create a healthy daily menu for all Olam summer schools, based on the caloric needs and recommended nutritional values for children of various ages. Olam will financially support the renovation of the water infrastructure at the school and will fund addition of a small playground in the school garden.

Cumayeri Summer School: Olam plans to open a new summer school in the Cumayeri district during the 2019 harvest, which should serve the needs of 50 seasonal migrant workers' children as well as 100 farmers' children every year. Cumayeri district was the counterfactual area of the FLA's SIA. Olam has established a digital library at the Ören Şehit Nusret Akar Primary and Secondary School in the same district. Digital libraries combine library services and information technology classes, enabling students to gain access independently at all hours.

Karasu Summer School: During the 2019 harvest, Olam plans to open a new summer school in the Kuzuluk village of Karasu district, which will be used by 100 seasonal workers' children and 500 farmers' children. Olam funded a mini-sports area in this new school in order for children to organize sports activities.

Kirazlı Summer School: At the end of 2018, a digital computer lab and library was established in Kirazlı Primary School in Kocaeli district in collaboration with Bahçeşehir University Bi Soluk Social Responsibility Club. 100 children of seasonal workers and 200 children of farmers who will attend the summer school during the 2019 harvest will benefit from the computer lab/library.

Paralı Summer School: At the end of 2018, Olam renewed the Paralı Cooperatives main building in the village and constructed a training facility in the main building. During 2019 harvest, Olam plans to open a new summer school in Paralı village using the newly constructed facilities. Which will be used by 50 children of seasonal workers and 50 children of farmers.

Workshops in Gümüşova: Olam plans to organize workshops for 30 seasonal workers' children and 20 farmers' children in Gümüşova region, in order to provide them with a safe space.

Agricultural Garden Project in Primary and Elementary Schools: Olam plans to create an "Agricultural Garden" for the Primary and Elementary Schools that are used as summer schools in Kirazlı and Cumayeri. Olam Agricultural Engineers will provide information to a total of 300 children of farmers in both schools and Olam social workers will sensitize them to child rights through games. To raise awareness on seasonal agricultural work and child labor and sustain achievements, both summer schools are setting up student clubs.

7. ENVIRONMENT

FLA Code of Conduct area addressed under this component: Health, Safety and Environment.

To address the issue of waste in Esmahanım Village, Olam and Nestlé donated a garbage truck in December 2018. Olam signed a protocol with Esmahanım village authorities and Akçakoca Municipality to ensure that waste management is carried out throughout the year, resulting in an improved environment for around 250 households.

8. SANITATION PROGRAM

FLA Code of Conduct area addressed under this component: Health, Safety and Environment.

Olam will provide instructions to farmers and seasonal workers for the construction of toilets to serve the sanitary needs of workers during the harvest period. During the Good Social Practices training sessions for farmers, Olam social workers will also show how to build toilets on farms. The company will supply 10 mobile toilets and 5 mobile showers to be used in the Western Black Sea region, in 2019.