COVID-19: IMPACT ON AGRICULTURAL WORKERSFindings from FLA Assessments in the Agriculture Sector

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Fair Labor Association (FLA) assessed the impacts of COVID-19 on agricultural workers during 2020-2021. FLA assessments gathered data from 842 growers producing commodities for seven FLA affiliate companies in 10 countries and included interviews with nearly 900 individuals, including workers, their family members and community members.

Violations of the FLA Workplace Code of Conduct and Benchmarks for the Agriculture Sector were identified. The most common violations included a lack of written contracts, young workers (ages 15 to 17) performing hazardous tasks or working beyond permitted hours, health and safety risks related to COVID-19, and limited access to social protection for workers testing positive for the COVID-19 virus.

Further, FLA documented trends among agriculture workers, such as increased expenses that increased debt and complications for migrant works resulting from policies implemented to reduce the spread of the COVID-19 virus. The review also revealed a range of responses to the pandemic by FLA member companies, including best practice examples such as the development of guidelines and trainings for workers, the adoption of safety measures such as swab tests, provided personal protective equipment such as masks, and the establishment of channels for workers to report contracting COVID-19.

This report provides an overview of FLA's assessment findings and presents recommendations companies can implement in response to the pandemic and to build capacity to address similar health emergencies in the future.



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I. INTRODUCTION

FLA undertakes annual independent external assessments in a representative sample of the upstream commodity supply chains of companies participating in its <u>Agriculture Program</u>. FLA schedules assessments for in-scope commodities¹ based on the peak production season when a high number of workers are participating in production (e.g., harvesting) or performing high-risk activities (e.g., chemical application).

FLA approved independent external assessors and FLA regional staff undertake in-person farm-level visits. Pandemic restrictions prevented regular in-person visits during 2020 and 2021. In some countries, in-person visits were prohibited. In others, safety protocols limited the time that could be spent at the farms. In these cases, data were collected virtually.

FLA identified COVID-19-related risks early in 2020. The risks were based on external reports² and interviews with stakeholders and workers. As a result, FLA designed its assessments to increase

understanding of the impact of COVID-19, including changing worker demographics, heightened risk of child labor, and increased risks for migrant workers. Focus areas included hours of work, health and safety, access to grievance mechanisms, and access to social protection and public services.

Data gathering included interviews with workers and growers, reviews of FLA member companies' human rights due diligence (HRDD) systems, and feedback from civil society organizations. This report presents summary findings. Individual reports are available on FLA website.

¹ FLA affiliated companies source a variety of agricultural commodities. Each company brings in high-risk commodities within the scope of the FLA Agriculture Program, based on a risk-assessment. The in-scope commodities are subject annually to FLA's due diligence activities. FLA conducts independent external assessments and reports results publicly.

² https://www.ilo.org/ipec/Campaignandadvocacy/wdacl/2020/lang—en/index.htm https://www.ilo.org/sector/Resources/publications/WCMS_742023/lang—en/index.htm https://www.nytimes.com/2020/04/02/us/coronavirus-undocumented-immigrant-farmworkers-agriculture.html

 $[\]underline{\text{https://www.iom.int/resources/covid-19-policies-and-impact-seasonal-agricultural-workers}}$

II. FARM-LEVEL INDEPENDENT EXTERNAL ASSESSMENTS (IEA) CYCLE

FLA uses quantitative and qualitative data collection techniques during farm-level assessments. Locally based FLA approved assessors conduct in-person visits, documentation review, interviews, and visual inspections. FLA conducts five types of farm-level assessments. During the 2020-21 assessment cycle, FLA assessors collected data virtually and company staff collected data in FLA-provided tools in countries such as Romania and Ukraine, where COVID-19 prevented assessor access. FLA staff observed interviews virtually as appropriate and consulted with local stake-holders, conducted management interviews, and

performed online document reviews to triangulate information.

FLA gathered information from 842 growers in 10 countries (Table 1). Most were smallholder farms with small numbers of workers. Complementary data were gathered from 891 individuals including hired workers, family members working on farms, and community stakeholders (such as community leaders, local school representatives, local administrative authorities, women's associations, youth associations, health clinics). This approach helped build a comprehensive understanding of the situation and captured local stakeholder testimonials.

Table 1: FLA 2020-21 AGRICULTURE DUE DILIGENCE CYCLE (AUGUST 2020 TO JULY 2021)					
COUNTRY	COMMODITY	DATA COLLECTOR	ASSESSMENT Type	# OF GROWERS Interviewed (842)	# OF PEOPLE Interviewed (891)
Hungary	Sunflower & Corn	Company	IEM	17	16
Ukraine	Sunflower & Corn	Company	IEM	26	17
Turkey	Sunflower	Independent Assessor	IEV	10	18
Netherlands	Vegetables	Independent Assessor	Baseline Mapping	5	7
Turkey	Hazelnut	Independent Assessor	IEV	11	48
Turkey	Hazelnut	Independent Assessor	IEM	12	61
Turkey	Hazelnut	Independent Assessor	IEM	12	65
Turkey	Hazelnut	Independent Assessor	IEV	12	55

COUNTRY	COMMODITY	DATA COLLECTOR	ASSESSMENT Type	# OF GROWERS Interviewed (842)	# OF PEOPLE Interviewed (891)
Côte d'Ivoire	Сосоа	Independent Assessor	Social Impact Assessment	172	220
Guatemala	Coffee	Independent Assessor	Baseline Mapping	16	52
Côte d'Ivoire	Cocoa	Independent Assessor	Social Impact Assessment	150	95
Malaysia ³	Palm 0il	Independent Assessor	Validation Assessment	1	113
Indonesia	Cocoa	Independent Assessor	Baseline Mapping	1777	60
Papua New Guinea	Сосоа	Independent Assessor	Baseline Mapping	192	30
India	Corn	Independent Assessor	IEM	20	22
India	Tomato	Independent Assessor	IEM	9	12

³ Covers one palm oil company's headquarters' sustainability office located in Kuala Lumpur, and two operational offices located in Peninsular Malaysia and East Malaysia. All of them belong to one palm oil company.

ABOUT FLA ASSESSMENTS

FLA determines the type of assessment based on the status of supply chain mapping and traceability; the maturity of a company's labor standards program in the country and commodity; and known labor risks in the country.

For example, FLA conducts baseline mapping in the supply chains of companies with limited traceability and in a new commodity and country. A social impact assessment is conducted for companies with internal programs operational for several years.

Baseline Mapping is used in the preliminary stage of a company's affiliation or when a new country or commodity joins the Agriculture Program. Baseline mapping allows for a better understanding of the supply chain, the stakeholders involved, status of company's supply chain and labor standards management system, workers' profile, and labor risks. The results aid the company in developing or refining its monitoring and remediation program.

Independent External Monitoring (IEM) starts when a company has begun implementation of its internal monitoring and remediation program. An IEM allows the assessment of labor conditions at the farm level and first level processing if it overlaps with the farms based

on the FLA Agriculture Workplace Code of Conduct and Monitoring Benchmarks for the Agriculture Sector. FLA gathers further data through community stakeholder interviews with civil society organizations, government officials, community leaders, and supply chain actors. FLA examines internal monitoring systems at the country level against FLA's Principles of Fair Labor and Responsible Sourcing for Agricultural Supply Chains.

Independent External Verification (IEV) is conducted in a farm or cluster of farms, where FLA has previously conducted an IEM and after the completion of company's corrective action plan. IEVs verify the effective implementation of a company's corrective action plan and assess if the actions have addressed non-compliances.

Social Impact Assessment (SIA) follows several IEM and IEV cycles, and a company's remediation implementation. An SIA delves deeper into company's interventions to determine if they have improved conditions for workers. For advanced compliance programs there is an expanding demand to measure the impact on worker well-being. This goes beyond assessing legal compliance. Improvements are measured against outcome, output, and impact indicators, and gauged against farmers' and workers' perceptions and satisfaction of interventions.

III. FINDINGS

Findings from assessments conducted in Guatemala, Hungary, India, Indonesia, Ivory Coast, Malaysia, Netherlands, Papua New Guinea, Turkey, and Ukraine are presented in this section.

COVID-19-RELATED EXPENSES AND INCOME IMPACTS

Agricultural workers reported increased economic burden on their families due to the COVID-19 pandemic. Across assessed countries, workers and their families reported increased expenses resulting from a shift to online education, the purchase of disinfectants and other sanitation products, and childcare needs due to school closures or the reduction of government-provided childcare services. The cost of transportation was also higher for many workers because of reduced availability of public transportation or choices to avoid public transportation for fear of crowds. Workers reported their wages remained flat even as they faced increased costs.

In Turkey, 55 percent the workers interviewed (N=247) reported that transportation costs quadrupled for migrant families harvesting hazelnuts. Increased costs made it difficult for workers to decide if they should travel from southeast Turkey to the Black Sea region for the harvest season. The increased expenses would reduce the savings families use to make it through

the winter months. Twenty-eight percent of workers in Turkey reported relying on financial support and loans to deal with the impact of COVID-19.

In Malaysia, the government implemented travel restrictions in phases such as "movement control order (MCO)," "conditional MCO," "enhanced MCO," and "recovery MCO." Borders were closed and foreign migrant workers were not permitted to travel inside or outside of the country. The government imposed limits on working hours. The limitations negatively impacted workers' incomes to control the spread of COVID-19 within palm plantations. Before COVID-19, workers earned more than minimum wage if they worked longer to surpass the set target production. Some workers reported earnings below the legal minimum wage due to the inability to work, even though the employer should ensure the legal minimum wage.⁴

MOVEMENT RESTRICTIONS ON WORKERS

Farm work continued with local workers when government-mandated travel restrictions limited the movement of migrant workers. In countries such as Malaysia, Turkey, and Ukraine, border closures meant migrant workers could not travel across borders to participate in harvest season production. Farmers in Ukraine said they addressed the labor shortage by recruiting more local and domestic

migrant workers compared to the previous year.

In Turkey's hazelnut sector, labor openings were filled by workers from ethnic groups such as the Abdal, Don, and Roma communities, which do not normally participate in agriculture work. These workers replaced positions held in past years by seasonal migrant workers from Georgia.

⁴ Companies were required by the MCO to pay a monthly minimum wage of RM1,100 (US\$ 260) or RM42.31 per day (US\$10) or RM5.77 per hour (US\$1.40).

The remote location of farms in Hungary and Ukraine and prolonged travel restrictions limited FLA member companies from conducting inperson farm visits and verifying written worker contracts. Companies suspected the practice of written contracts for workers was temporarily abandoned by the growers during the pandemic

due to the hiring of non-traditional or atypical workers.

Interviews with workers in Turkey revealed that every worker from the Abdal, Don, and Roma communities were undocumented. These farm workers were employed informally without written contracts.

OBSERVED IMPACT	REPORTED IN	OUTCOMES
Non-traditional workers community	Malaysia Turkey Ukraine	Migrant workers involved in seasonal work were unable transit to workplaces due to border closures and restrictions. Local, ethnic, or domestic migrant workers filled the seasonal jobs during the pandemic.
Informality of employment relationship	Hungry Ukraine Turkey	Farmers temporary suspended issuing written contracts to workers. Interviews found that workers from ethnic groups were employed informally without written contracts.

The Government of Turkey limited travel to labor contractors, the intermediaries who hire workers for seasonal harvests⁵ with a valid government registration. The government order motivated some labor contractors, who previously operated without a legal permit, to register with Turkey's Ministry of Labor and Social Security.

In southeast Asia, the pandemic closure of worker transit and migration between Malaysia and Bangladesh, India, and Indonesia, meant no new foreign migrant workers arrived in Malaysia in 2020

and most of 2021. For migrant workers already in Malaysia, their work permits expired. A Labor Recalibration Program launched by the Malaysian government in November 2020 registered migrant workers for employment by eligible companies in critical sectors such as construction, manufacturing, plantation, and services. The program provided these workers with legal and social protections.

EMPLOYMENT OF YOUNG WORKERS

The number of young workers (ages 15 to 18) in agricultural production increased during COVID-19, based on field-level findings.

Young workers were involved in all types of farm activities including hazardous tasks such as the use of machinery, picking heavy loads, and working on steep hills — all tasks prohibited for their ages. Young

workers labored similar hours as adult workers, despite local regulations limiting hours of work for young workers.

Some stakeholders reported that child labor increased during the pandemic. The partial or full closure of educational and childcare facilities were likely contributing factors. Without options for

⁵ Each year labor contractors travel with workers from southeast Turkey to communities across the country to harvest commodities. Labor contractors work on a commission to helping workers find work.

school or childcare, parents did not have a safe space for children, and some brought them to production areas.

FLA did not document a substantive increase in child labor on the farms producing for FLA companies,

despite stakeholder reports. In 2020, at the onset of the pandemic, FLA issued <u>practical guidance</u> for companies and suppliers on COVID-19 and <u>child labor</u>. FLA followed up with the companies to ensure that children are not employed on the farms.

AWARENESS COVID-19 INFORMATION AND SERVICES

The COVID-19 outbreak began prior to the start of the 2020 peak season for most commodities within FLA's assessment scope. During farm visits in this period, the FLA team recognized that most workers in rural and urban areas were aware of basic information about COVID-19 pandemic.

Social media channels like Facebook and YouTube were reported to be the most used to access pandemic information by workers in Hungry, Netherlands, Turkey, and Ukraine. Traditional media such as print, television and radio and government-run awareness campaigns were more likely to spread COVID-19 information in Côte d'Ivoire, Guatemala, and Malaysia.

FLA noted instances of its affiliated companies raising awareness of COVID-19 measures and training farmers and workers. Companies developed health and safety guidance in line with country requirements and produced informational materials. The materials included information about social distancing, adjustments to working hours, and procedures for worker transportation. Training covered awareness building, sanitization, and proper use of personal protective equipment.

Awareness and educational measures taken by national governments and companies were successful to varying degrees:

► FLA found that migrant workers were less aware of government-imposed precautions and movement

FLA issued <u>COVID-19</u> <u>guidance for the Malaysian palm sector</u>, considering the scale of migrant workers in that supply chain.

FLA and the International Organization for Migration <u>organized</u> <u>a webinar</u> to educate on how to better manage migrant workers during COVID-19.

restriction orders. In Malaysia, reports⁶ suggested that migrant workers faced detention due to expired work permits, increased stress, and mental breakdown because of isolation on plantations, forced overtime, and illegal repatriation.

- Reports⁷ from India documented a mass exodus of migrant workers leaving urban areas and returning to their home villages. Several thousand domestic migrant workers walked for several hundred kilometers to reach their homes. Agriculture activities continued with precautions in rural areas. Farmers and workers reported that several workers who returned to their villages began working at local farms.
- During the early stage of the pandemic, local authorities advised against the use of printed material to prevent virus transmission. Concerns of virus transmission prevented dissemination

⁶ https://www.reuters.com/article/us-health-coronavirus-malaysia-palmoilidUSKCN25E0A4

⁷ https://www.nature.com/articles/s41599-021-00915-6

- of written materials on some farms in Turkey. In countries with limited access to smartphone and/ or internet connections (such as Côte d'Ivoire, India, Malaysia, and Turkey) workers were not able to access current information.
- In Guatemala, the government employed a four-tier, color-coded system for classifying municipalities to determine restrictions based on COVID-19 cases. Most municipalities were "red" (highest level of restrictions), or "orange: (second highest level). With red and orange alerts, public transportation operated at limited capacity. Most public and private venues remained closed or operated at limited capacity. Schools were closed and shifted to online classes or homework-based studies. The government announced emergency relief funds, but they had not been issued at the time of the FLA assessment.
- Worker trainings had just begun in several countries at the time of the assessments. FLA member companies' local staff faced challenges, including isolation, social-distancing, and movement control orders. As a result, they reported not being able to carry out their usual field-level activities, including training and awareness sessions.
- ➤ COVID-19 trainings focused on sanitation requirements, social distancing, and personal protective equipment use. The trainings did not include social protection coverage that workers have (or should have) if they contracted COVID-19. Worker interviews revealed low awareness of what would happen if they contracted the virus. Workers did not know who to contact or whether they would receive sick leave benefits.

HEALTH AND SAFETY RISKS

FLA assessments showed that some farmers struggled to provide appropriate health and safety assistance during the pandemic. In India and Turkey, farmers did not take steps to identify which workers were most vulnerable to COVID-19 or were working in areas at high risk of an outbreak.

Farmers did not include information on sanitization of tools and equipment. A lack of access to basic needs such as clean water, toilets, and sanitary materials at the workplace was witnessed at several farms.

Training conducted by companies often focused on use of personal protective equipment. Some companies distributed hygiene kits and personal protective equipment at no cost. Some workers reported purchasing equipment on their own.

Maintaining social distance on public or companyprovided transportation and in shared worker accommodations proved challenging, according to interviews.⁸

⁸ FLA issued guidance for health and safety measures to be followed during COVID-19. https://www.fairlabor.org/projects/covid-19-pandemic-workplace-safety-guidance/

IV. COMPANY EFFORTS TO ADDRESS COVID-19

FLA member companies implemented an array of practices in response to COVID-19.

- Some companies added a COVID-19-specific risk assessment component to existing risk analysis procedures.
- Some companies created a task force
 or committee to monitor and report on
 COVID-19 cases in their business operations
 and supply chains. These groups might
 liaise with government health officials to
 obtain advice from authorities and report on
 workforce status.
- Some FLA member companies working in the same country collaborated on standard operating and safety procedures.
 Collaborations on capacity building and awareness raising activities achieved efficiency and scale.
- 4. Companies implemented enhanced safety measures. Worker-centric safety plans included free COVID-19 swab tests, food supplies, and provision of personal protective equipment to workers. Some companies provided free clinical protective equipment and hand sanitizers to growers, subcontractors, and seasonal workers. In some cases, workers

- were equipped with infrared thermometers to facilitate regular temperature checks of fellow workers. Companies organized worker health screenings in collaboration with government agencies and private health clinics. One company converted a research and development lab to produce alcoholbased hand sanitizer using World Health Organization guidelines. The sanitizer was distributed to workers to compensate for shortages of such supplies.
- 5. Companies enhanced communication around COVID-19. One company recruited a professional psychologist to operate a free 'green line' service (in addition to existing grievance channels) to identify grievances related to COVID-19. The service was available to employees in offices, sites, and farms. Companies utilized text messages, WhatsApp messaging groups, and YouTube videos to increase awareness and knowledge of COVID-19 prevention measures. Companies disseminated pandemic-related information using posters at workers' accommodations and workplaces and through native language informational brochures for migrant workers.

V. RECOMMENDATIONS

FLA developed recommendations based on information gathered through agriculture assessments conducted during the COVID-19 pandemic. Companies can adapt these recommendations to their business operations, commodity, and supply chain structures as appropriate.

- Integrate government standard operating procedures for COVID-19 into company occupational safety and health (OHS) measures.
 - Translate documents into the languages commonly used by workers.
 - Raise awareness among workers about their rights and employers' responsibilities, including sick leave entitlements and available social protection measures.
- Build internal staff capacity to effectively monitor and implement a company's COVID-19 response plan.
 - Gather information from workers on a regular basis to identify evolving needs.
 - Equip staff and relevant workers (those in charge of executing the response plan) with appropriate medical supplies and personal protective equipment. Prioritize those individuals for vaccination.
 - Facilitate vaccination drives for farmers and workers.
- Support farmers in identifying workers who are vulnerable to COVID-19.
 - Assist vulnerable workers with following enhanced measures to limit risk and increase protection.
 - Support smallholder farmers by providing free or subsidized personal protective equipment.
 - Assist farmers with or facilitate worker training on COVID-19 measures, such as additional sanitization of tools and equipment.

- Establish a support system and offer assistance to boost morale among workers who need emotional, social, psychological support.
 - Create a referral system to allow workers to contact external support agencies and public services.
- Enhance documentation of working conditions, such as hours of work, wages, and grievance mechanisms.
 - Ensure that existing labor shortages do not result in involuntary or compulsory overtime work or the hiring of undocumented workers.
- Review and upgrade workers' accommodations, including limiting the of number workers sharing the same unit (house and/or room).
 - Ensure workers and their dependents have access to basic services such as potable water, food, electricity, and other essentials at the workplace, accommodations, learning centers, and creches.
- Be aware that migrant workers are at the highest risk of labor violations.
 - As migration corridors reopen, design clear and rights-based procedures to recruit and receive newly recruited migrant workers.
 - Ensure that any repatriation of workers (for valid reasons) is aligned with the expected standards, including covering the cost of repatriation, full observance of safety protocols, and with adequate personal protective equipment supply.

- 8. Ensure all undocumented migrant workers in the process of regularization (or legalization of their employment status) are provided with support and protection.
 - Include legal and administrative advice, access to a consular service, and other administrative support.
 - This support is especially important in Malaysia.

- Understand and address living wage gaps so that workers can build savings.
 - Ensure that additional work costs related to COVID-19 are covered, including payments or reimbursements to cover the inflated costs for transportation or childcare.



Annex: LESSONS LEARNED FROM VIRTUAL COMPLIANCE CHECKS

Virtual compliance checks conducted during the global pandemic in Malaysia and Ukraine provide lessons for conducted assessments virtually, including the importance of planning ahead and being flexible in response to conditions.

TIME AND PLANNING

Virtual compliance checks take longer. An in-person assessment traditionally takes an FLA team of two people four days in the field (64 hours). A virtual compliance check can require two people working a cumulative 96 hours over a span of three to four weeks to collect and verify data. The virtual assessment, however, allows for additional time for in depth document review by the assessors.

A virtual compliance check requires more planning. In the case of in-person visits, the assessors can approach and interview workers more easily.

Given that the workers have be selected from a list, the interviews must be arranged online, and a time of the day must be set in coordination with management and workers.

In some cases, assessment activities may be disrupted (e.g., power outage, workers do not show for a scheduled interview, or documentation cannot be accessed by the staff (as it is maintained only in paper form).

RELIANCE ON COMPANY STAFF

Virtual compliance checks rely on company staff to ensure smooth data collection. Reliance on company staff reduces the control that an assessor has in the process.

FLA undertakes both announced and unannounced visits to farms. It is not possible to organize an unannounced virtual compliance check.

MANAGEMENT INTERVIEWS AND DOCUMENTATION REVIEW

Company management are not familiar with online assessments. Communication prior to the actual assessment interviews is important.

A written plan of the steps and timeline is a useful way to set expectations. FLA assessors found that once expectations were explained, data collection from management and documentation review was implemented

more easily. Typically, company management had access to computers, online communication tools with video and audio capabilities, and access to documentation in electronic form.

WORKER INTERVIEWS

Worker engagement and feedback virtually posed some challenges.

For example, there was limited time to build rapport with the interviewee. Video or voice call interviews limit the ability to read a worker's body language. Another barrier is ensuring an appropriate interview environment, which can be challenging due to presence of supervisors or internet connectivity issues in remote farming locations. To overcome this barrier, ensure that workers have access to communication devices and connectivity and interview them individually.

FLA contacted some workers after working hours when they were at home and near a regular phone connection. That environment allowed workers to be more open to discussing concerns.

If the assessor can establish trust, workers are more willing to share information on the phone as they feel more secure in the privacy of their homes or similar locations.

DATA COLLECTION

Shorter and focused data collection tools proved to be better for virtual assessments.

To achieve this, identify priority areas and prepare topical surveys and assessment tools. In the case of FLA farm-level assessments, there are several topics that FLA verifies on company level actions (e.g., training farmers and workers on decent work, monitoring and worker profiling, remediation action) during field-level assessments. These areas were not included in the virtual assessments since FLA was aware that the pandemic limited their implementation.