



Grupo Bimbo's Global Agriculture Policy



NOURISHING A BETTER WORLD

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Dear suppliers:



Grupo Bimbo's purpose is to "build a sustainable, highly productive and deeply humane company", so it's of great interest to us to continue working towards this goal with the active participation of you as suppliers.

In 2017 we launched our Global Agriculture Policy, which was formally presented in the framework of our Global Vendors Meeting. We are aware there are many challenges that we need to work on together; the aim of this document is to provide guidance and outline Grupo Bimbo's expectations.

We are aware of the complexity around implementing sustainable agriculture practices across supply chains. Therefore, our company has released the "Grupo Bimbo Agricultural Toolkit", which includes information on environmental, social and labor issues and best practices. For each key topic, you will find an associate factsheet.

We have engaged with Earthworm Foundation, a global non-profitable organization, to support us in developing this Toolkit based on their experience in many commodities around the world.

At Grupo Bimbo, we believe that actions such as collaboration open communication with our suppliers are very important to achieve sustainability. So please do not hesitate to contact us with any questions regarding the implementation of the Global Agriculture Policy.

We appreciate your attention and collaboration to put this document into action.

David Hernández Flores.

Grupo Bimbo Global Procurement.

About Earthworm

This Toolkit was created together with Earthworm Foundation. Earthworm Foundation (EF), previously known as The Forest Trust, is a global non-profit organization that works with individuals from the farm to the boardroom to build supply chains that work for people and nature. EF starts from bold values-based commitments that drive it and its partners to design and implement solutions that can reach positive impact at scale, from producers to consumers.



Earthworm

Grupo Bimbo's Global Agriculture Policy Introduction

Supply chain resilience for People & Planet

Agriculture is the 2nd largest contributor to global climate change.

Approximately 1/5th of global greenhouse gas emissions come from land use – mainly through deforestation for agricultural land, land degradation, and emissions from livestock.

Where do greenhouse gas emissions come from?



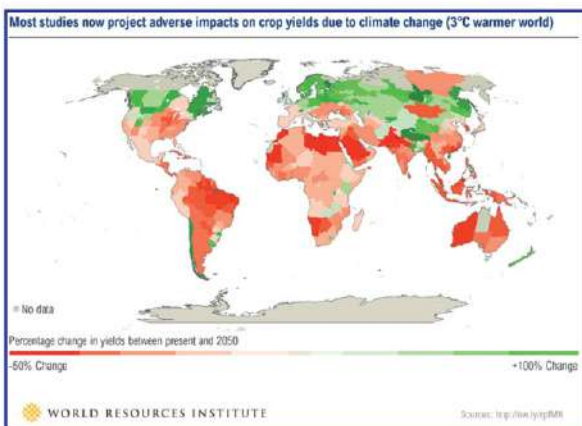
1 billion people work in agriculture globally, about half as hired employees.

Ensuring human rights protection in the agricultural sector is of critical importance.

- About 60% of global child labor occurs in the agriculture sector.
- Migrant and temporary labor is common, which increases risks of human trafficking, unsafe working conditions, or wage violations. [Learn more here.](#)

Climate change increases the risk of hunger and impacts food security & nutrition around the globe.

At the same time, scientists estimate that crop production must increase by up to 70% by 2050 to meet growing demand. [Learn more here.](#)



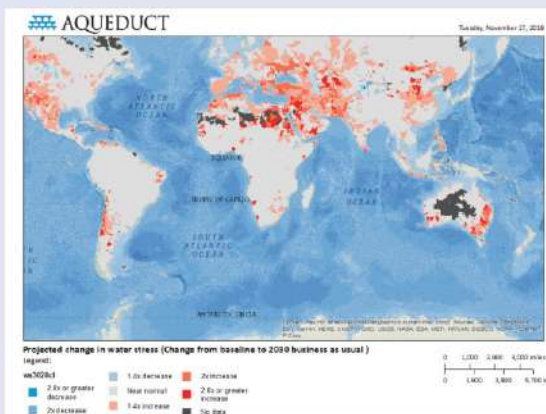
Agricultural best practice is key to keeping carbon out of the atmosphere & under our feet.

Soil is the largest terrestrial carbon sink – holding more carbon than forests and the atmosphere combined.

Additionally, farming for healthy soil increases the retention of water and nutrients, reduces erosion, and ultimately increases food security and protects ecosystems. [Learn more here.](#)

Our water resources are under threat.

Under a business as usual emissions scenario, water stress will increase significantly in many regions across the globe. This is a risk to both large and small farmers.



Shared responsibility - a supply chain approach

Grupo Bimbo expects its suppliers to take an active role in identifying and solving challenges throughout the supply chain. We share responsibility for transforming agricultural practices on the ground in order to support thriving communities, healthy ecosystems, and the long-term success of our businesses.



Corporate commitments – defining the values that will guide you.

Internal capacity – change requires responsible sourcing & sustainability teams with the time, knowledge, and creativity to tackle complex challenges.

Supply chain mapping – understanding where products come from is the first step to identifying and addressing key challenges on the ground.

Supplier engagement – suppliers are the connection to agricultural production. Communicate expectations regarding best practice. Understand supplier challenges and strategies for implementing solutions. Prioritize supplier engagement so that resources are well spent.

Pilot & scale solutions – when solutions to a problem exist, push for and incentivize implementation. Some challenges require new solutions. Partner with suppliers to pilot new solutions and then seek out opportunities to go to scale.

Monitor results – develop systems for monitoring progress and verifying that the desired change is implemented.

Report publicly on progress

Additional resources

See pages 12-43 of the [OECD Sustainable Manufacturing Toolkit](#) for guidance on preparing for, measuring, and improving results. Although the focus is manufacturing, the framework has applicable lessons for agricultural supply chains.



Supply Chain Mapping - a traceability framework

For a company that is a tier or two (or more) removed from agricultural production, the first step to improving practices on the ground is to understand your supply chain. This involves identifying sourcing origins (i.e. the regions and/or farms where the agricultural products you use are grown) and the meaningful nodes in the supply chain from the perspective of leveraging change.

It's important to note that Grupo Bimbo is not looking for segregated supply chains with drop for drop or grain for grain traceability. Instead, we are looking for suppliers who understand the big picture of their sourcing origins in order to engage with suppliers to drive change.

As supply chains can vary greatly from commodity to commodity, we cannot prescribe a single traceability approach. Below is a generic supply chain map.



Smallholder Engagement

Principle:

The engagement with smallholder farmers should aim to improve business relationships, promote responsible farming practices and support livelihoods.

Key message:

Smallholder farmers are critical stakeholders in agricultural supply chains.

Definition

Smallholders are independent or out-grower farmers who run family farms with very few additional or seasonal workers. Definitions linked to land size depend on national contexts and the crop or livestock being produced. Thresholds vary between 2 and 50 hectares.

Common challenges faced and managed by smallholders include:

- Weak connections and poor or non-optimized relationships with other stakeholders in the supply chain, including first buyers (meaning inefficiency in terms of logistics, costs, etc.).
- Limited finances and collateral and poor access to financial tools and favourable loans.
- Lack of resources and access to information and knowledge that leads to unsustainable practices.
- Low land and labor productivity as well as unsafe and informal working practices.
- Degraded natural resources (deforestation, water pollution).
- Lack of resilience to economic fluctuations and environmental hazards.

Why engage with smallholders

Global food production relies heavily on smallholders. Yet their value and contribution to societies and industries is often not recognized. At the same time, every



actor in the supply chain contributes intentionally or unintentionally, to the growing environmental footprint of agriculture.

Farmers should be considered as a key partner in promoting economic development, improving social conditions, reducing environmental pressures and conserving important ecosystems.

Farmers that are well connected and supported can contribute to greater productivity. Responsible business practices require everyone's involvement. Strong connections between farmers and companies are essential for Responsible production is a broad umbrella that include social, environmental, and economic dimensions.

Background

Over 80%¹ of the cocoa and 40% of the palm oil produced worldwide comes from smallholders.

Globally, about 84% of farms are smaller than 2 ha, and they operate about 12% of farmland.

In countries at lower levels of income smaller farms operate a far greater share of farmland than do smaller farms in the higher income countries.³

Agriculture is the world's leading cause of deforestation. Commercial agriculture accounts for 40% of forest loss, while local subsistence farming accounts for 33%.⁴

How can buyers engage with smallholders?

Reliable, efficient, and resilient supply chains are built upon a solid supplier base. Buyers can better understand their supplier using the following approaches:



- Map your supply chain to know the % of direct and indirect sourcing that comes from smallholders.
- Maintain an up-to-date supplier database based on surveys, interviews, group meetings and GPS data that includes production information as well as farmer information.
- Open bidirectional communication: Create a strategy and SOPs for regular communication with suppliers. This can include scheduled meetings with groups, town-halls, or farmer representatives.

- Innovative communication: Find practical ways of regularly sharing information, from community sign boards to use of ICT (Information and Communication Technology).
- Dedicate a full or part-time team for regular visits to communities and farms to provide a direct line of communication.
- Develop and socialize a formal grievance procedure to ensure a means of raising and addressing serious issues.
- Provide training and coaching that are well targeted to farmers' needs: this may include agronomic support for best practices, environmental management techniques, occupational safety, farm management, etc.



- Improve farmers access to tools and inputs needed to improve their production.
- Improve communication and the exchange of real-time information between buyers and smallholder suppliers to improve transparency and trust within the supply chain.

- Based on the identified challenges and the opportunities for improvement, buyers can support farmers with training and capacity building with a value creation approach (win-win activities).



As first buyers have the closest contact with the smallholder suppliers, it is crucial that they develop a strong understanding of them (location, production, quality potential, operational context).

Support financial knowledge, business planning, diversification activities to improve farmer resilience.

Provide training to encourage sustainable soil, water, and environmental practices to reduce pressure on natural resources.

1. Swiss Contact, 2016. Cocoa Value Chain Development. https://issuu.com/swisscontact5/docs/cocoa_promotion_brochure
 2. Roundtable on Sustainable Palm Oil, 2018. RSPO Smallholder Definition. <https://rspo.org/smallholders/rspo-smallholders-definition>
 3. World Development, 2016. The Number, Size, and Distribution of Farms, Smallholder Farms, and Family Farms Worldwide. <https://www.sciencedirect.com/science/article/pii/S0305750X15002703>
 4. Food and Agriculture Organization, 2016. State of the World's Forest. <http://www.fao.org/3/a-c0176e.pdf>

Healthy Soils

Principle:

Protect or improve soil health by avoiding monocultures, preventing degradation and erosion, reducing runoff, and protecting soil fertility and biodiversity. As feasible, implement crop diversification and intercropping, conservation agriculture, no till, establishing ground cover, and agroforestry.



Key message:

Restoring soil health can reduce costs for farmers, capture carbon, and enable sustainable food production into the future.

Definitions

Healthy soils function as a living system. Healthy soils have a diversity of soil organisms, which can help control pests, prevent plant disease, increase soil capacity for holding water & nutrients, decrease erosion, and improve crop production. Healthy soils also maintain or increase soil carbon, which is important to mitigating climate change.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Farmers are building and maintaining healthy soils through many different agricultural practices with many different names in many parts of the world (agroforestry, conservation agriculture, no-till agriculture, organic farming, regenerative agriculture). Some of the key pillars to healthy soils include:
 - Limiting or eliminating soil tillage.
 - Maintaining soil cover through cover-cropping or crop residues (e.g. straw).
 - Diversifying cropping systems (e.g. crop rotation or agroforestry).
 - Reducing and/or optimizing synthetic nitrogen inputs, for example by introducing nitrogen rich cover-crops such as legumes into crop rotations.
 - Reducing pesticide use, which can decrease soil biodiversity by harming non-target organisms.
 - Increasing and managing soil carbon, e.g. through organic fertilizer application or cover cropping.



- Not a farmer but purchase agricultural products? Engage with direct & indirect suppliers in order to understand and document farming practices affecting soil health in your supply chain.

Background

By 2050, agricultural production must increase by 60 percent globally – and by almost 100 percent in developing countries – in order to meet food demand alone. Sustainable soil management could produce up to 58% more food while preserving resources for the next generation.¹

Healthy soils can provide health benefits to people by controlling disease, and increasing the quality of food, air, and water.²

Nearly 80% of all carbon stored in terrestrial ecosystems is found in soil. If agricultural soils are not managed appropriately, they release carbon into the atmosphere, contributing to climate change.

Estimates for the U.S. alone suggest healthy soils could deliver nearly \$50 billion in benefits annually.⁴

Additional information and resources

- [Cover Crops for Sustainable Rotations](#)
- [The Sustainable Agriculture Network](#)
- [Conservation Agriculture from the FAO](#)
- [Regenerative agriculture](#)
- [A roadmap to U.S. soil health](#)



1. Food and Agriculture Organization, 2015. Healthy soils are the basis for healthy food production. <http://www.fao.org/3/a-i4405e.pdf>

2. Nature Magazine, 2015. Soil biodiversity and human health. <https://www.nature.com/articles/nature15744>.

3. Nature Magazine, 2012. Soil Carbon Storage. <https://www.nature.com/scitable/knowledge/library/soil-carbon-storage-84223790>

4. The Nature Conservancy, 2018. Healthy Soils Could Deliver Nearly \$50 Billion in Benefits Annually. <https://www.nature.org/en-us/explore/newsroom/healthy-soils-could-deliver-nearly-50b-in-benefits-annually/>

Water Management

Principle:

Water is used responsibly for crop production. Impacts on water quality and quantity are prevented or mitigated through implementation of water management plans, including additional conservation measures in water-stressed areas. Ground and surface water are protected from agrochemical, nutrient, and soil runoff. Long-term access of water resources to local communities is guaranteed.



Key message:

Responsible water management is key to meeting growing food demands in a water-stressed future.

Definitions

Responsible water use in agriculture aims to ensure that water availability – quantity and quality – matches water needs¹ and that water resources are allocated “efficiently and equitably and used to achieve socially, environmentally and economically beneficial outcomes.”²

What is expected at sites?

- Applicable national legislation is understood and applied.
- Sites have a water management plan, which incorporates information regarding current and future water availability and water needs, both for agricultural production and local consumption/use. This plan should also incorporate measures to protect the quality of surrounding water bodies from soil, agrochemical, or nutrient pollutants. Appropriate irrigation scheduling and application techniques should be developed to conserve water. Specifically:

- Reduce water loss, e.g. through upgrading old, leaky systems and monitoring water application networks.



Image credit: Earthworm Foundation

It is important to maintain or restore riparian buffer zones in order to protect water resources.

Background

Globally, agriculture accounts for about 70% of freshwater withdrawal.³

Currently, irrigation efficiency is very low; crops use less than half of the water that is applied.

More than 4 billion people are faced with severe water shortages for at least one month out of every year.³ By 2025, approximately 1.8 billion people will be living in a region or country with absolute water scarcity.⁴

Climate change is expected to increase water demand for agriculture, limit crop productivity, and increase water scarcity in many regions.⁵

By 2050, irrigated food production is expected to increase by more than 50%, but water used for agriculture can only increase by 10%.⁶



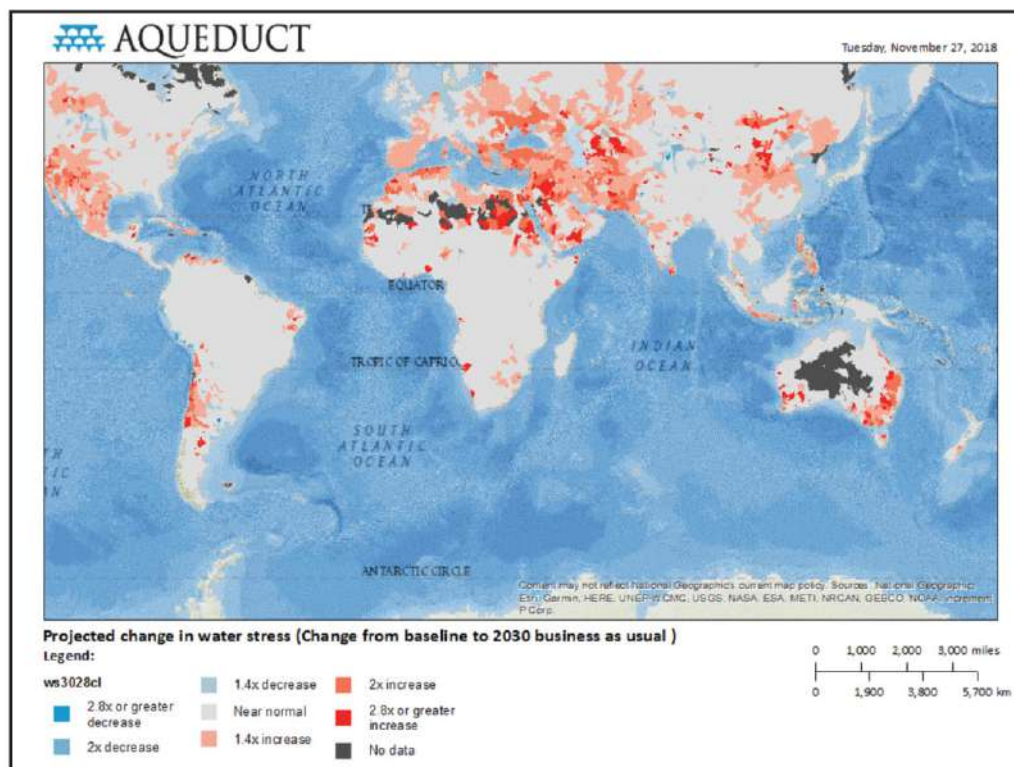
- + Improve efficiency of irrigation systems & increase water use efficiency, e.g. through localized irrigation systems such as drip irrigation or micro-sprayers.
- + Where water resources are scarce, adopt innovative irrigation techniques such as regulated deficit irrigation or subsurface irrigation.
- Sites engage with the public (including civil society organizations) to seek input and participation regarding water management plans in order to ensure equitable access to water resources, prevent future conflict, and provide a mechanism for resolving conflicts that do arise.

Local watershed management committees/boards are a common structure for this public participation.

- Sites monitor water consumption and quality, and adapt management plan according to results.
- Riparian buffer zones are protected and/or restored according to legal requirements and crop-specific best management practices (e.g. palm oil).

Additional information and resources

- [Aqueduct Water Risk Atlas](#)
- [SAI Platform Water Working Group](#)
- [FAO: Water for Sustainable Food and Agriculture](#)
- [USAID: Agricultural Water Management](#)



Projected change in water stress by 2030 under a business as usual scenario ⁷

1. Agriculture and Agricultural Science Procedia, 2015. Sustainable Water Management in Agriculture under Climate Change. <https://www.sciencedirect.com/science/article/pii/S2210784315000741>

2. OECD, 2010. Sustainable Management of Water Resources in Agriculture. <https://www.oecd.org/agriculture/44921825.pdf> and <http://www.oecd.org/greengrowth/sustainable-agriculture/49040929.pdf>.

3. Food and Agriculture Organization, 2016. Coping with water scarcity in agriculture: a global framework for action in a changing climate. <http://www.fao.org/3/a-i6459e.pdf>

4. The World Bank, 2018. Water. <http://www.worldbank.org/en/topic/water/overview>

5. Food and Agriculture Organization, 2008. Climate change, water and food security. <http://www.fao.org/docrep/014/i2096e/i2096e.pdf>.

6. Food and Agriculture Organization, 2017. Water for Sustainable Food and Agriculture. <http://www.fao.org/3/a-i7959e.pdf>.

7. World Resources Institute. Aqueduct. <http://www.wri.org/applications/maps/aqueduct-atlas/>

8. Roundtable for Sustainable Palm Oil, 2017. RSPO Manual on Best Management Practices (BMPs) for the Management and Rehabilitation of Riparian Reserves. <https://www.rspo.org/key-documents/supplementary-materials>

No Deforestation

Principle:

Protect forests and natural habitats by preventing conversion of High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests.



Key message:

Forests must be protected when new farms or plantations are established.



Image credit: Earthworm Foundation

Definitions

As defined by the High Conservation Value Resource Network, HCV areas are "biological, ecological, social or cultural values which are outstandingly significant or critically important at the national, regional or global level." There are six HCV categories: (1) concentrations of biological diversity, (2) landscape-level ecosystems and mosaics, (3) rare, threatened, or endangered ecosystems, (4) basic ecosystem services in critical situations, (5) sites and resources fundamental for basic necessities of local communities or indigenous peoples, and (6) sites of global or national cultural/archeological/historical significance.¹

As defined by the High Carbon Stock resource site, the HCS Approach is "a methodology that distinguishes forest areas for protection from degraded lands with low carbon and biodiversity values that may be developed."²

Background

An estimated 7.3 million hectares – approximately the size of Panama – are lost each year.³

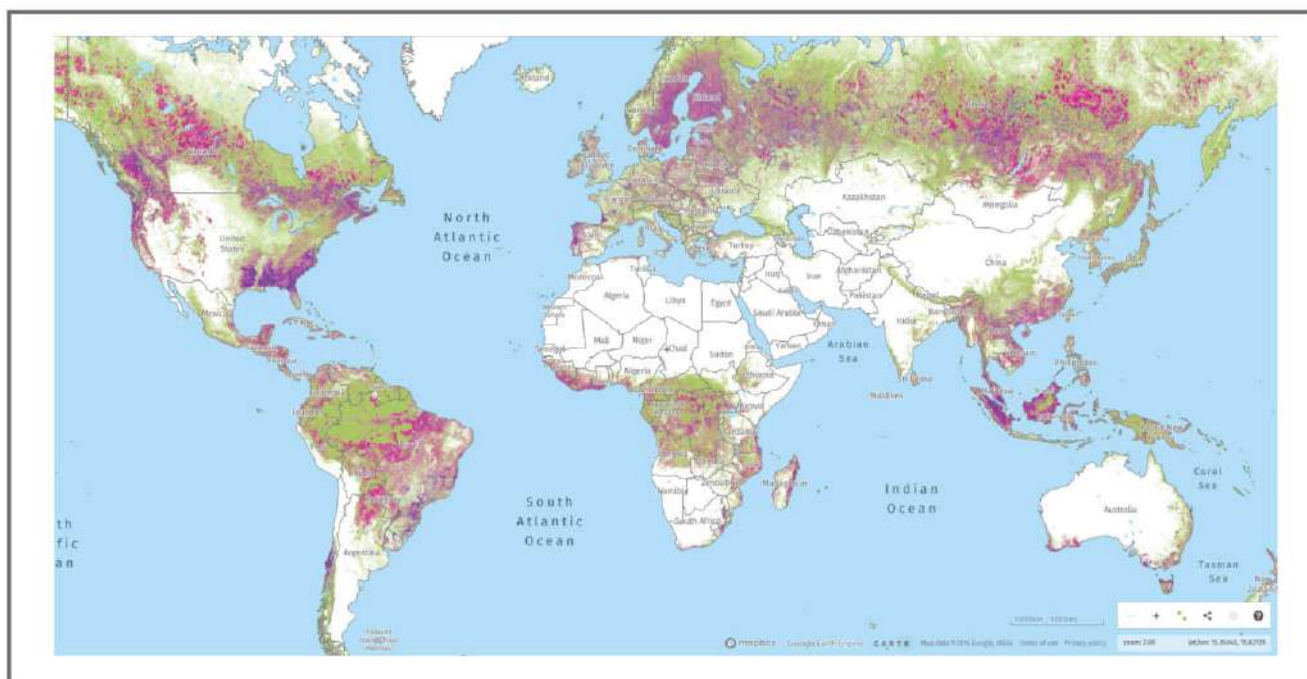
Agriculture and timber extraction are the largest drivers of deforestation globally. Commercial and subsistence activities account for 40% and 33%, respectively.⁴

Forest loss is significantly impacting our climate, contributing approximately 15% of global greenhouse gas emissions and disrupting global water cycles.⁶

What is expected at sites?

- Applicable national legislation is understood and applied.
- Conduct HCV & HCS assessments (now possible to conduct as a single process through the HCS Approach) before agricultural development.





Global Tree Cover Change ⁷

Tree cover data from 2010. Tree cover loss data 2001-2017 (>30% canopy density).
Tree cover gain data from 2001-2012.



Additional information and resources

Satellite monitoring services:

- [Starling: verify your forest impact](#)
- [Google Earth](#)





Image Credit: The High Carbon Stock Approach: <http://highcarbonstock.org/the-high-carbon-stock-approach/>

Additional information and resources

Satellite monitoring services:

- [Starling: verify your forest impact](#)
- [Global Forest Watch](#)
- [Google Earth](#)



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1. HCV Resource Network, 2018. What are High Conservation Values? <https://www.hcvnetwork.org/about-hcvf/what-are-high-conservation-value-forests>.
2. The High Carbon Stock Approach, 2018. <http://highcarbonstock.org/the-high-carbon-stock-approach/>
3. Food and Agriculture Organization, 2018. The State of the World's Forests. <http://www.fao.org/3/I9535EN/I9535en.pdf>
4. The REDD Desk, 2018. Drivers of Deforestation. <https://theredddesk.org/theme/drivers-deforestation>.
5. Scientific American, 2018. Deforestation and Its Extreme Effect on Global Warming. <https://www.scientificamerican.com/article/deforestation-and-global-warming/>.
6. World Resources Institute, 2018. Tropical Forests and Climate Change: The Latest Science. <https://wriorg.s3.amazonaws.com/s3fs-public/ending-tropical-deforestation-tropical-forests-climate-change.pdf>
7. Global Forest Watch, 2014. World Resources Institute. Accessed on April 2 2019. www.globalforestwatch.org.

Responsible Pest Management

Principle:

Agrochemical use is limited and responsible pest management implemented with the goal of reducing agrochemical inputs to protect human health and the environment. The following must be eliminated: Paraquat, any chemical/pesticide categorized as World Health Organization Class 1a or 1b, listed by the Stockholm or Rotterdam Conventions, or not allowed by law.



Key message:
Regulating agrochemical use and application techniques protects human health and the environment.

Definitions

Paraquat, (chemical formula $[(C_6H_7N)_2]Cl_2$), is a toxic herbicide.

World Health Organization Class 1a or 1b pesticides ¹:

- Class 1a: Extremely hazardous* pesticides: listed on pages 19-20 of The WHO Recommended Classification of Pesticides by Hazard and guidelines to Classification 2009.
- Class 1b: Highly hazardous* pesticides: listed on pages 21-23 of The WHO Recommended Classification of Pesticides by Hazard and guidelines to Classification 2009.



"The World Health Organization classifies a hazard as: "the acute risk to health (that is, the risk of single or multiple exposures over a relatively short period of time) that might be encountered accidentally by any person handling the product in accordance with the directions for handling by the manufacturer or in accordance with the rules laid down for storage and transportation by competent international bodies."

The Stockholm Convention on Persistent Organic Pollutants (POPs) is an international treaty designed to restrict or eliminate POPs because of their ability to bioaccumulate and impact human health and the environment. See Stockholm Convention Annex A for a list of chemicals that must be eliminated.²

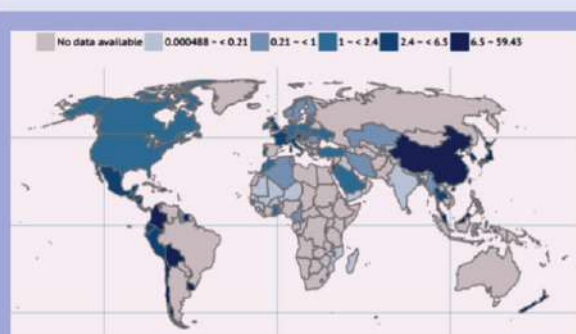
The Rotterdam Convention is a multilateral treaty that outlines shared responsibility associated with the import and export of hazardous chemicals (to human health or the environment). See Annex III of the Convention for a list of these chemicals.³

Integrated pest management is an ecosystem-based strategy that combines various techniques (e.g. biological control, habitat manipulation, modification of cultural practices, or the use of resistant crop varieties) to avoid pest damage. If monitoring indicates that pesticides are needed, they are applied using established guidelines and with the goal of eliminating only the target pest.⁴

Background

Agrochemicals vary greatly in the risks they could pose to human health and the environment. A number of factors determine these risks, including the chemical compound, formulation (liquid vs powder vs pellets, etc.), concentration, application technique, and personal protective equipment worn by farm workers. For these reasons, it is important not only to eliminate the most harmful agrochemicals in the supply chain, but also to ensure that farmers have access to information and equipment needed to protect themselves from exposure and minimize impacts on soil and water health.

Developing countries are often at highest risk because poor farmers often use highly hazardous pesticide and/or do not use proper personal protective equipment.⁵



Use of pesticides per hectare of arable land, kg/ha, from 2005-2009⁸

What is expected at sites?

- Applicable national legislation is understood and applied.
- Sites should have policies & processes in place to ensure that agrochemicals (pesticides, herbicides)

containing the chemicals and/or compounds listed above are not purchased or applied.

- † Farms should keep and regularly update an inventory of all agrochemicals used in operations.

- If one or more of the agrochemicals in question is found to be used at a site, an alternative must be identified and a time bound plan made for phasing out its use.
- See the "Health & safety" factsheet for more information on Personal Protective Equipment for workers.
- Farms should move away from indiscriminate use of agrochemicals to a system of integrated pest management. The University of California Division of Agriculture and Natural Resources provides useful guidance on [implementing integrated pest management \(IPM\)](#). There are 6 major components of an IPM program:

- † Pest identification.
- † Monitoring and assessing pest numbers and damage.
- † Guidelines for when management action is needed.
- † Preventing pest problems.
- † Using a combination of biological, cultural, physical/mechanical and chemical management tools.
- † After action is taken, assessing the effect of pest management.

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1. The World Health Organization, 2009. The WHO Recommended Classification of Pesticides by Hazard and Guidelines for Classification. http://www.who.int/ipcs/publications/pesticides_hazard_2009.pdf?ua=1

2. Stockholm Convention, 2008. All POPs listed in the Stockholm Convention. <http://chm.pops.int/TheConvention/ThePOPs/AllPOPs/tabid/2508/Default.aspx>.

3. Rotterdam Convention, 2010. Annex III Chemicals. <http://www.pic.int/TheConvention/Chemicals/AnnexIIIChemicals/tabid/1132/language/en-US/Default.aspx>.

4. University of California, 2010. What is Integrated Pest Management (IPM)? <https://www2.ipm.ucanr.edu/What-Is-IPM/>

5. Food and Agriculture Organization, 2017. Water pollution from agriculture: a global review. <http://www.fao.org/3/a-i7754e.pdf%5d>

6. Reprod Biol Endocrinol, 2006. Pesticide exposure: the hormonal function of the female reproductive system disrupted? <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1524969/>

7. Food and Agriculture Organization, 2011. The State of Food and Agriculture. <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC1524969/>

8. Food and Agriculture Organization, 2017. Food and agriculture data. <http://www.fao.org/faostat/en/#home>.

Air Quality

Principle:

Promote high air quality associated with agricultural operations, including through appropriate management of soil, manure, agrochemicals, and machinery in order to protect human health and the environment.

Optimize energy use and minimize greenhouse gas emissions in crop production, field activities, and the management of herd and agricultural waste. Maximize the use of renewable energy as available.

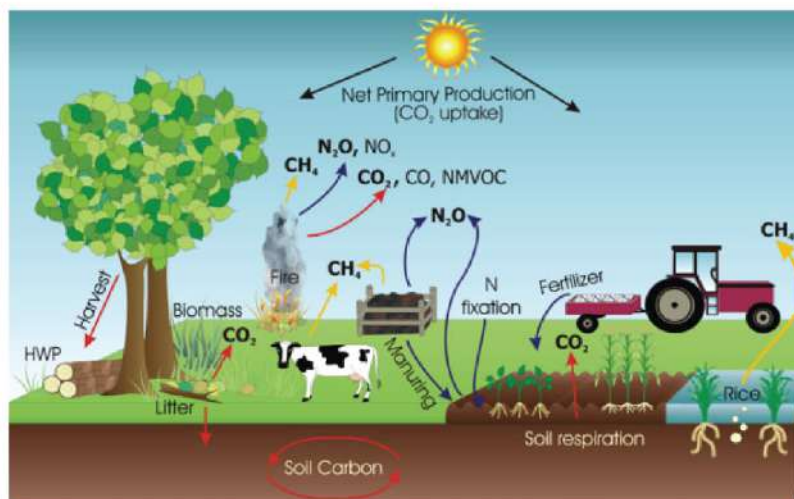


Key message:

Optimizing management of farm machinery, agricultural soils, and agrochemical application can improve air quality, benefiting workers, neighbors, and the planet.

Definitions

Common agricultural air pollutants include particulate matter (PM), emissions from combustion such as carbon dioxide (CO₂), volatile organic compounds (VOCs), and nitrogen oxides (NO_x -also associated with heavy application of nitrogen fertilizers and methane (CH₄) from livestock and manure.



Farming emissions come from a variety of sources that differ depending on the type of farm. Image credit: IPCC

Background

Farms emit about 13% of global greenhouse gas emissions, mostly in the form of methane and nitrous oxide.³

10 countries – China, Brazil, United States, India, Indonesia, Russia, Democratic Republic of Congo, Argentina, Myanmar, and Pakistan – contribute 51% of global agricultural emissions. (data from 2011).

Crop management practices like conservation agriculture (see soil factsheet) and improved fertilizer management offer the biggest opportunities to reduce agricultural greenhouse gas emissions.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Implement measures to prevent or mitigate the particulate matter emissions generated when high wind speeds or machinery break apart soil and create dust that is more easily suspended in the air.
 - Maintain soil surface cover, for example by leaving harvest residue or planting cover crops.
 - Reduce in-field passes, i.e. the number/frequency of operations such as tilling, planting, weeding, fertilizing, harvesting, etc. conducted on a given field. Opportunities to modify operations include:
 - └ Applying conservation tillage.
 - └ Increasing equipment efficiencies.
 - └ Adjusting bed/row spacing to optimize field space.
 - └ Combining operations.
 - Consider soil conditioning and timing to increase soil moisture and avoid soil-disturbing activities during times of high wind. Useful soil conservation practices include:
 - └ Cover crops.
 - └ Nutrient management.
 - └ Residue and tillage management.
 - └ Irrigation water management.
 - Address unpaved roadways and other open areas to reduce airborne soil particles. Techniques include:
 - └ Use of dust suppressants directly on roads.
 - └ Managing frequency, duration, and intensity of vehicles.
 - └ Planting vegetation along roads to trap dust particles.
 - Create vegetative or artificial wind breaks to disrupt wind flow and filter dust particles.
- Implement measures to prevent or mitigate particulate matter generated by fire and smoke.
 - Where prescribed burns are used, identify sensitive areas such as roads, schools, towns, natural areas such as forests etc. and schedule burns to correspond with wind conditions that avoid these areas.
 - Where burning is not a natural component of ecosystem health or where proximity to human development makes controlled burns dangerous, employ other strategies for clearing such as mowing (or in a forestry context, thinning, selective timber harvest, etc.) or reduce the need for clearing by adopting practices such as crop residue retention (see soils factsheet).
- Implement measures to prevent or mitigate the emissions of Volatile Organic Compounds, Nitrogen Oxides, and other air pollutants generated by motorized vehicles/equipment.
 - Properly maintain and operate equipment.
 - Replace old equipment as needed & feasible with lower emitting alternatives.
 - Reduce in-field passes (see above) through practices like zero tillage, conservation agriculture etc.
- See the agrochemicals factsheet for guidance on responsible application, handling and storage.
- Implement measure to increase energy efficiency and decrease greenhouse gas emissions.⁵
 - Conduct an energy assessment in order to identify opportunities for energy savings.
 - Measure and track greenhouse gas emissions.⁶
 - Use and/or produce renewable energy, for example through anaerobic digestion, electrification, geothermal, gasification, wind, solar, biofuels.
 - Manage manure to reduce methane and nitrous oxide emissions by:
 - └ Covering storage facilities.
 - └ Optimizing application to the soil.
 - └ Capturing & combusting methane.
- See soil factsheet for information on managing soils for carbon.

1. United States Environmental Protection Agency, 2018. Agriculture and Air Quality. <https://www.epa.gov/agriculture/agriculture-and-air-quality>.
2. Science Magazine, 2018. Agriculture is a major source of NOx pollution in California. <http://advances.sciencemag.org/content/4/1/eaao3477.full>.
3. World Resources Institute, 2014. Everything you need to know about agricultural emissions. <https://www.wri.org/blog/2014/05/everything-you-need-know-about-agricultural-emissions>.
4. University of California, 2010. Airborne particles in the San Joaquin Valley may affect human health. <http://calag.ucanr.edu/Archive/?article=ca.v064n01p12>.
5. Government of British Columbia. Reducing Agricultural Greenhouse Gases. <https://www2.gov.bc.ca/gov/content/industry/agriculture-sea-food/agricultural-land-and-environment/climate-action/reducing-agricultural-ghgs>.
6. Greenhouse Gas Protocol, 2014. Agricultural Guidance. <https://ghgprotocol.org/agriculture-guidance>.

Additional information and resources

- [Agricultural Air Quality Conservation Measures](#)
- [Greenhouse Gas Protocol: Agricultural Guidance](#)



Waste Management

Principle:

Use waste storage, treatment, and disposal practices that do not pose risks to human or ecosystem health. Recycle all materials possible. Organic waste should be composted or otherwise processed for use as organic fertilizer or bioenergy.

Reduce postharvest losses and food waste by developing a quality control and management system from the field to storage, transportation, processing, and delivery.



Key message:

There are opportunities to reduce waste at every stage in agricultural production, distribution, manufacturing, and consumption.

Definitions

Here, waste refers to all excess material associated with any aspect of agricultural production as well as any food loss or food waste.

Food loss refers to a decrease in quantity or quality (nutritional value) of food intended for human consumption. For example, harvested bananas that fall off a truck are a food loss. Food loss is often caused by lack of access to markets, poor infrastructure & logistics, insufficient supply chain knowledge and management capacity, and other inefficiencies.

Food waste refers to food that is appropriate for human consumption but is discarded, often due to oversupply and subsequent food spoilage or the shopping/eating habits of individuals.

Hazardous wastes characteristically exhibit at least one of four traits: ignitability, reactivity, corrosivity, toxicity. Detailed lists of hazardous wastes are typically provided by national regulatory bodies (e.g. the U.S. Environmental Protection Agency ¹).



Background:

We produce enough food each year to feed the entire human population – and yet hunger is still an urgent global development challenge.

198 million hectares – about the size of Mexico – are used each year produce food that is never eaten. ²

The direct economic cost of food loss & waste (excluding fish and seafood), is about 750 billion USD, or the equivalent to Switzerland's GDP.

"Food losses that occur during harvest, post-harvest, and processing phases are most likely in developing countries, due to poor infrastructure, low levels of technology and low investment in the food production systems. In developed countries, food waste mostly occurs further along the supply chain, at the retailing and consumption levels." ³



Global food loss and waste

By 2050, the world will need about 60 percent more calories per year in order to feed a projected 9 billion people.
Cutting the rate of global food loss and waste could help close this food gap while creating environmental and economic benefits

FOOD WASTE



24%

Calories produced for people that are never consumed

ENVIRONMENTAL WASTE



198m

Hectares used to produce food we don't eat (about the size of Mexico)

FINANCIAL WASTE



\$1600

Value of food thrown out by the average U.S. family per year

<https://www.wri.org/blog/2014/05/everything-you-need-know-about-agricultural-emissions>

Expectations for suppliers

- Applicable national legislation is understood and applied.
- Sites implement a waste management plan, including the following elements:
 - Documentation of origin, volume, and disposal method for all waste streams.

Specific storage and disposal methods must be developed and implemented for any hazardous material (see agro-chemical factsheet for related material).
 - Improve communication along the supply chain to better match demand and supply of food.
 - Improve organization among institutions such as farmer's cooperatives or industry association in order to facilitate more efficient planning, improve quality control, achieve economies of scale, etc.
 - Develop improved food harvest, storage, processing and transportation processes.
- System for separating different waste types in order to facilitate re-use, recycling or composting.
- Farms and infrastructure are kept clean and free of waste accumulations outside of designated storage and disposal sites.
- Waste is not burned, unless in incinerators designed for the specific waste type.
- Implement strategies to measure and reduce food loss & waste. For example:
 - Collect information regarding the volume of food waste at each node of the supply chain.



Additional information and resources

- [FAO Toolkit for Reducing the Food Waste Footprint](#)
- [Sustainable Agriculture Standard](#)



1. United States Environmental Protection Agency, 2019. Defining Hazardous Waste: Listed, Characteristic and Mixed Radiological Wastes. <https://www.epa.gov/hw/defining-hazardous-waste-listed-characteristic-and-mixed-radiological-wastes>.
2. World Resources Institute, 2013. By the Numbers: Reducing Food Loss and Waste. <https://www.wri.org/blog/2013/06/numbers-reducing-food-loss-and-waste>
3. Food and Agriculture Organization, 2018. Food Loss and Food Waste. <http://www.fao.org/food-loss-and-food-waste/en/>.

Child Labor

Principle:

Child labor is not accepted, used, or promoted, and appropriate measures are taken to prevent the use of such labor.



Key message:

The interests of the child should be put first.

Definition

"...work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development" - International Labor Organization (ILO).¹

What is a child worker?

- This is the employment of someone under the age of 15, or under the national minimum age, whichever is higher.

What is a young worker?

- Where permitted under ILO C1381, children aged between 15 and 18 may be employed - these are called 'young workers'.
- Young workers cannot be employed in hazardous activity, and safeguards must be in place to protect their health and development.



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Hazardous activity

Hazardous child labor is "work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of children." ²

Child workers - rights

Although in some cases children over the age of 13 can be employed in some light work, if the local minimum age is higher this should always be followed. Additional to the safeguards for all young workers, child workers cannot work over six hours a day, must have 30 minutes rest every three hours, and cannot work between 8pm and 7am.

Background

The ILO estimates that around 168 million children and young workers were illegally employed in 2012.

Of this, nearly 60% of illegal child laborers were employed in the agricultural sector.

Around 7.2% were employed in industry.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Sites should have processes in place to ensure that everyone employed is over the required minimum age. These should include:
 - Child labor and young worker policies
 - Procedures for proving worker ages before employment
 - Employment records, including evidence of worker ages
 - A child labor remediation action plan
- Where young workers are employed, sites should:
 - Keep a register of young workers
 - Keep a record of young workers' roles and working hours
 - Identify non-hazardous roles and activities
 - Make sure young workers are only employed in non-hazardous activities
 - Ensure that young workers' education is not disrupted
 - Ensure that young workers have at least 30 minutes rest after four hours of work
 - Make sure that young workers don't work over seven hours a day
 - Ensure that young workers don't work during the hours of 8pm to 6am
 - All children should be prevented from entering hazardous working environments and

family accommodation should be separated from these areas.

How to identify child labor?

Child labor and exploitation of young workers can be challenging to identify. Methods to do this include:

- Visual observation
- Requesting proof of age and keeping records
- Reviewing attendance registers
- Staff and worker interviews

What if child labor is found?

- Provide alternative non-hazardous work for young workers over the age of 15, ensuring it is not harming the health and development of the child.
- Provide appropriate light work for young workers over the age of 13, which does not harm their health, education or development.
- Provide alternative opportunities such as easier access to education.
- Change the location of work to prevent 'hidden' child labor.
- Completely remove children from employment, especially if under the minimum age or in hazardous work. Ensure the child does not end up in worse forms of employment.



Image credit: Earthworm Foundation

Additional information and resources

- [ILO Minimum Age Convention](#)
- [ILO Handbook on Hazardous Child Labor](#)
- [Child Labor from Tools for Transformation](#)



Light family work is considered a normal and positive part of life in many parts of the world

1. International Labor Organization, 2015. What is child labor? www.ilo.org
2. International Labor Organization, 2015. Hazardous Child Labour. www.ilo.org

Forced and Bonded Labor

Principle:

Forced labor, bonded labor and human trafficking are not accepted, used or promoted, and appropriate measures are taken to prevent the use of such labor. Remedial actions are in place in the event that such labor or trafficking is found, to ensure that victims are referred to existing services for support and assistance.



Key message:

Workers must be able to freely leave employment after due notice is given.

Definitions

Forced labor is work or service that people are forced to do, under threat or penalty.¹

Bonded labor is a form of forced labor, where individuals are forced to work as security against a debt.²

Background

The ILO estimates that nearly 21 million people are subject to forced labor.³

Around 26% of these are below the age of 18 year.⁴

The majority occurs in the Asia-Pacific region (56%).⁴

9.1 million internal and international migrants are victims of forced labor.⁴

Forced labor is a serious violation of human rights, condemned by the ILO Forced Labor Convention (1930).³



What is expected at sites?

- Applicable national legislation is understood and applied.
- Employment policies prohibiting forced and bonded labor.
- Signed contracts with workers stating terms of employment. Migrant workers should sign contracts before leaving home countries.
- Accurate records of wage payment, calculations and pay slips are kept.
- Deductions, deposits, loans or advancements should be clear, legal, agreed in advance, and documented.
- Procedures for the safekeeping of documents, money, or other valuables - these should be voluntary and access should not be restricted (return should be within 24 hours of request).
- A due diligence procedure for recruitment agencies and subcontractors.
- Workers must receive at least the minimum wage for standard working hours.
- Workers must receive at least the hourly minimum wage multiplied by the number of hours worked.

Indicators of forced or bonded labor, and what to do?

There are many potential indicators of forced and bonded labor. These include:

- Retention of personal documents, unclear debt and advancement systems, or withholding wages: Return any documents, monies or belongings. Introduce voluntary safekeeping schemes. Provide secure storage areas to workers for storing documents.
- Deposits and fees: These should be legal and not restrict workers' ability to leave after due notice.
- Workers do not understand their terms of employment, including overtime and leave: Provide all workers with contracts in appropriate languages, and explain terms of employment by alternative means if necessary.
- Signs of abuse, harassment and violence: Introduce and provide training on harassment and abuse policies, access to remedy and grievance procedures, and harassment and abuse monitoring systems.
- Accommodation is locked at night: Remove any barriers to individuals' free movement outside of the site.

Inform local authorities where there are indications of forced and bonded labor.

Document retention and safekeeping?

- If workers are unable to leave employment because they are unable to access their documents, this is a strong indicator of forced labor.
- All documents should be returned to workers.
- A voluntary safekeeping scheme can be introduced to look after documents. However, workers must be able to access them within 24 hours.
- Records of workers' consent to participate in safekeeping schemes should also be kept.



Image credit: Earthworm Foundation

After the Asia-Pacific region, Africa has the highest levels of forced and bonded labor

Additional information and resources

- [ILO Forced Labor Convention](#)
- [ILO Indicators of Forced Labor](#)



1. Anti-slavery, 2016. Forced labor. www.antislavery.org
2. End Slavery Now, 2016. Bonded Labor. www.endslaverynow.org
3. International Labor Organization, 2016. Forced labor, human trafficking and slavery. www.ilo.org
4. International Labor Organization, 2016. Statistics and indicators of forced labor and trafficking. www.ilo.org

Wages and Working Hours

Principle:

All workers are paid a wage equal to or exceeding the legal minimum wage.

All workers (including workers paid piece rate) do not work more than national legal maximum hours; overtime hours are worked on a voluntary basis, and workers have at least one day off in seven.



Key message:
Wages and working hours must be legal and agreed by contract.

Definition of minimum wage

Minimum wage: "The lowest wage permitted by law or by a special agreement".¹

Working hours: "The amount of time someone spends at work during a day".²

What does 'minimum wage' mean?

- The minimum wage is the lowest payment per hour that an employee can legally receive.
- All employers must pay the minimum wage or above.
- The national or local minimum wage often varies according to age and job type.

The importance of a minimum wage

- Minimum wages are designed to protect workers and their families.
- They are intended to ensure that employees have enough income for a basic standard of living.
- Paying the minimum wage is a legal requirement in most countries



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Background:

The average (median) income per person is just under \$3,000 USD per year.³

However, around 10% of the world's population lives on less than US \$1.90 a day (Purchasing Power Parity).⁴

Many countries have followed the International Labour Organization (ILO) Hours of Work Convention - limiting working hours to a maximum of 48 hours per week.

Estimates of working hours in most countries are less than 48 hours per week.⁵

However, poor enforcement in some sectors and countries means that significant challenges still exist.

Wages and working hours

- A worker must receive at least the minimum wage for standard working hours.
- Workers must receive at least the hourly minimum wage multiplied by the number of hours worked.
- This applies to all workers, regardless of if they are paid by the hour, on a salary, or for pieces produced.
- The wage must be paid for hours worked, before taking into account extra payment for overtime.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Timesheets and attendance records for working hours, overtime and days off.
- Documented process for determining legal wages.
- Maintained payrolls describing payments, calculations and hours.
- Pay slips provided to workers, detailing records of payment, deductions, bonuses and overtime.
- Workers receive at least one day off per week.
- Overtime is voluntary, agreed with workers in advance and is documented.

What if wages are insufficient or working hours excessive?

- There can be many factors that might lead to excessive working hours or insufficient wage payment.
- However, it is the legal requirement of employers to pay minimum wages, correctly compensate overtime, and ensure hours are not excessive.
- Discussions between sites and workers' representatives should seek to address issues with wages and working hours.
- They should also try to understand the underlying drivers of excessive working hours or inadequate wages, and seek to address these issues.
- When it has been identified that minimum wage is insufficient, it is recommended that employers pay workers a living wage

Additional information and resources

- [ILO Hours of Work \(Industry\) Convention](#)
- [Resources on Wages and Working Hours offered through Tools for Transformation](#)
- [Global living wage](#)



Overtime payment

- Overtime must be voluntary.
- Any hours worked that exceed normal agreed working hours are considered as overtime.
- In most countries it is a legal requirement that workers should be paid more per hour for overtime.
- However, total hours worked (normal hours worked plus overtime) cannot exceed legal limits.
- The ILO suggests that total working hours (including regular and overtime hours) should not exceed 60 hours per week.

Piece rate workers

- Regardless of the way workers are paid, they must receive at least the minimum wage for the hours worked.
- For piece rate workers, sites must calculate the normal number of pieces that are produced over a time period. They must then pay workers enough for each piece to ensure that they earn the minimum wage over an eight-hour shift.
- If workers work more than eight hours, they must be paid more per piece produced to reflect overtime rates.

The living wage

- In some cases the legal minimum wage may not be sufficient to support a reasonable quality of life.
- In these cases, employers can voluntarily decide to pay a 'living wage'.
- This is an amount over the minimum wage, which reflects the cost of living and supports the welfare of workers and their families.



1. Oxford Dictionaries, 2015. Minimum wage. <http://www.oxforddictionaries.com>
2. Cambridge Dictionaries Online, 2016. Working hours. www.dictionary.cambridge.org
3. Gallup, 2013. Worldwide, Median Household Income About \$10,000. www.gallup.com
4. The World Bank, 2015. World Bank Forecasts Global Poverty to Fall Below 10% for First Time; Major Hurdles Remain in Goal to End Poverty by 2030. www.worldbank.org
5. S. Lee, D. McCann & J.C. Messenger, 2007. Working Time Around the World: Introduction. Routledge.

Harassment and Abuse

Principle:

All associates have the right to live in an environment of respect, free of all types of violence, harassment, and abuse. Company policies to prevent and follow-up on harassment and abuse contribute to the wellbeing and safety of associates.



Key message:

Work places must be free of violence, harassment and abuse.

Definitions

- **Workplace harassment:** Behavior that denigrates, discredits or belittles employees and that puts their mental and physical integrity at risk, as well as their career development.
- **Sexual Harassment:** Any unwelcome verbal, visual or physical behavior of a sexual nature, where submission or rejection of such conduct becomes a work condition, or where such behavior creates a hostile, offensive or abusive work environment.
- **Physical violence:** Any physical aggression against one or more people, which undermines their dignity, damages their health and/or creates a hostile work environment. All types of violence have a psychological impact on the person.
- Women suffer three times more workplace harassment than men.¹
- According to the International Labor Organization (ILO) data, lower-level workers are more exposed to becoming victims of acts of violence in the workplace.
- Almost 70 percent of the people consulted considered verbal aggression as the main form of violence according to a study performed by the ILO.²
- Both, associates and employers increasingly recognize psychological attacks are a serious form of violence. Psychological violence includes group intimidation or "mobbing."³



Indicators:

Observing incidents of harassment and abuse can be challenging, but indicators can include:

- Offensive, intimidating or sexual language, sounds, gestures or other forms of communication
- Unwanted sexual contact or advances
- Displaying offensive images such as pornography or indecent images
- Hitting, punching, or other forms of assault
- Offensive jokes or pranks
- Shouting, embarrassing or criticizing a person in an unfair manner
- Ignoring or isolating individuals
- Providing excessive or inappropriate work
- Coercion and/or bribery

What is expected at sites?

- Applicable national legislation is understood and applied.
- Policy covering harassment and abuse, which includes definitions for harassment and abuse. This should be regularly reviewed and updated.
- Company management leads by example, fostering a culture of zero tolerance and accountability around harassment and abuse.
- Training on the harassment and abuse policy provided to all workers, including clear consequences if policy is violated.
- Standard operating procedures on investigating incidents and providing access to remedy - this should protect workers' anonymity and dignity.
- Documentation of complaints and follow-up involving harassment abuse.



A work environment free from bullying, harassment and abuse is often more productive

Additional information and resources

[Harassment and Abuse offered through Tools for Transformation](#)



1. The Free Dictionary, 2015. Abuse. www.medical-dictionary.thefreedictionary.com

2. Oxford Dictionaries, 2015. Abuse. www.oxforddictionaries.com

3. International HR Forum, 2011. Workplace Bullying: A Global Issue. www.internationalhrforum.com

4. World Health Organization, 2013. Global and regional estimates of violence against women: prevalence and health effects of intimate partner violence and non-partner sexual violence. <http://apps.who.int/iris/handle/10665/112679>

Diversity and Labor inclusion

Principle:

Diversity in the work place is valued and a culture of inclusion is fostered. Workers are protected from any discrimination that would constitute a violation of their human rights; working practices are established that safeguard against any unlawful or unethical discrimination; and migrant workers are treated no less favorably than other workers performing similar tasks.



Key message:

Respecting diversity is about valuing the differences between people.

Definitions

Diversity is all the characteristics that make us different, unique and unrepeatable.

Discriminatory actions are any that may harm the dignity of the person or create an intimidating, hostile, humiliating or offensive environment based on race, color, religion, disability, sex, age, country of origin, sexual preference, marital status, pregnancy, personal characteristics of the individual or any other classification protected by local law.



What does respecting diversity mean?

- Respecting diversity means treating people equally, based only on characteristics that relate to how they do their job.
- This means treating people equally during recruitment, in the role, and once they have left.
- Respecting diversity also means recognizing and valuing the differences between people.

Background

Only 44% of people with a disability are employed in the world.¹

A 2018 study revealed that women earn 37.4% less than men.²

Having diverse talent at all levels of the organization shows respect for diversity.³

Several companies have made significant progress in inclusion and diversity issues, 29.8% of them, mainly global companies, have already established policies on this issue.⁴

According to the Macroeconomic Benefits of Gender Equity study by the International Monetary Fund, diversity in working groups foster the generation of a better work environment and provides different points of view.⁵



Having a mix of different people in all levels of an organisation can indicate respect for diversity

Expected at sites?

- Applicable national legislation is understood and applied.
- Non-discrimination policies that ensure that hiring, employment and termination decisions are only based on workers ability, and prohibits discrimination.
- Policies should highlight non-discrimination in wages, working hours job roles and maternity leave. Workers should not be discriminated against based on their employment status.
- Workers are trained in understanding the companies non- discrimination policy and identify if they have suffered discrimination.
- The non-discrimination policy is implemented - workers that believe they or others are subject to discrimination have access to grievance mechanisms and remedy.
- The company has a training program in place that provides the opportunity for all workers to attain any position within a company, determined only by their working ability.
- The company makes reasonable provisions to provide work opportunities to disables individuals.

Why is respecting diversity important?

- Many countries have laws against discrimination in the workplace - companies breaking these laws may face legal challenges.
- Discrimination against individuals, based on things that are not related to their job, is widely considered a breach of human rights.
- Respecting diversity can also have many benefits for a company:

- Increasing the morale of existing and new workers.
- Increasing the range of candidates available for employment, therefore allowing the best to be employed.
- Providing new and innovative ways of thinking and doing things, which can increase productivity.

Some indicators of discrimination and what to do?

- Discrimination can be challenging to identify for victims and companies.
- Indicators of discrimination can include:
 - Not hiring the most suitable candidate could be the result of discrimination: ranking candidates against a list of objective indicators of working ability.
 - Individuals being paid less than others who are equally qualified and doing the same work: used payment scales that ensure that all individuals earn equal wage for the same job roles.
 - Abusive behavior or harassment against individuals: give warning or terminate employment of those that are committing the abuse or harassment, and provide training on non- discrimination.
 - Low moral, increased levels of sick-leave, or termination of employment may indicate discrimination: sensitively discuss the potential issue with employees, provide training in the non-discrimination policy, issues penalties or termination of contract if appropriate.
- There are many other indicators of discrimination, many of which are challenging to identify.
- If there is a suspicion of discrimination, sites should talk with workers and their representatives to understand and resolve the issues.



Workers on short term contracts have the same labour rights as those in long term employment

Additional information and resources

- ILO: Promoting diversity and inclusion through workplace adjustments: A practical guide



1. <https://www.un.org/disabilities/documents/toolaction/employmentfs.pdf>
 2. https://www.ilo.org/global/about-the-ilo/newsroom/features/WCMS_650551/lang-en/index.htm
 3. <https://www2.deloitte.com/insights/us/en/deloitte-review/issue-22/diversity-and-inclusion-at-work-eight-powerful-truths.html>
 4. <https://pdfs.semanticscholar.org/eb54/068c392a86ad8c465ba003aaf477af386ca.pdf>
 5. <https://www.oecd.org/g20/topics/employment-and-social-policy/ILO-IMF-OECD-WBG-Achieving-stronger-growth-by-promoting-a-more-gender-balanced-economy-G20.pdf>

Freedom of Association

Principle:

All workers, regardless of rank or job grade, have the right to form and join trade unions of their choice, and to bargain collectively. Where the right to freedom of association and collective bargaining are restricted under law, parallel means of independent and free association and bargaining are made available to all workers.



Key message:

Collaborating with workers' representatives provides broader views and can help increase motivation and morale at sites.

Definitions

Freedom of association: "Freedom of association is the right of workers ... to freely form and join workers organizations such as trade unions, worker associations and worker councils or committees for the promotion and defense of occupational interests." ¹

Collective bargaining: "Negotiation of wages and other conditions of employment by an organized body of employees." ²

What is freedom of association?

- It is the right of people to be able to come together, to form or join informal or formal groups, for the purpose of collective action.
- It is widely regarded as fundamental to a free and fair society, which permits groups to act together towards a common cause or interest.
- All workers have the right to form or join groups that represent their interests. They also have the right to elect



Image credit: Earthworm Foundation

their own representatives.

- These groups can be trade unions, workers' committees, or other bodies, although their legal status varies.

What is collective bargaining?

- Collective bargaining is facilitated by freedom of association.
- Collective bargaining is where workers collectively negotiate with employers over terms of employment, grievances, or other matters.
- These negotiations can lead to agreements that reflect both workers' and employers' interests.

Background

Freedom of association and collective bargaining is a fundamental human right.³

Many countries still restrict individuals from forming workers' unions.⁴

Trade union membership is increasing in many countries outside Europe and North America.⁵

What if there are legal barriers to unions?

- In some countries, there are restrictions on the unionization of some groups of workers. These restrictions include preventing certain groups from forming unions or selecting their own representatives, or only permitting state-managed unions.
- In these cases, whilst adhering to national laws, it is important that companies provide alternative means of workers' dialogue. This should include:
 - allowing workers to form their own workers' committees and elect their own representatives,
 - not discriminating against workers because of their committee membership.

Why is freedom of association and collective bargaining important?

- Freedom of association and collective bargaining allows workers to protect the wellbeing of themselves and their families.
- This limits the capacity of companies to exploit individuals or groups of workers.
- It allows workers and employers to come to agreements that reflect the interests of both parties.

- Sites that allow and facilitate workers to collectively bargain generally have higher morale, greater productivity and are more able to work together to solve challenges.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Mechanisms that allow workers to express their views about working conditions and terms of employment. This can include regular meetings between workers' representatives and site management, and should be more than a suggestions box or hotline.
- Subject to legal requirements, all workers have the right to join, form and collectively bargain within trade unions or workers' committees.
- Workers are not discriminated against for being union or workers' committee members.
- Workers are able to freely select their own representatives – their representatives should not be appointed by the site management.
- Workers are made aware of their rights to freedom of association and collective bargaining.
- Workers' rights are written in appropriate languages, and posted in a public place.

Non-discrimination of union members

- Discrimination against individuals based on any factor not related to their job performance is illegal in many countries.
- This includes discrimination against individuals based on union or committee membership.
- Workers that are part of unions or workers' committees cannot be treated differently to non-members.
- This must be reflected in sites' non-discrimination policies and training.
- Union or committee members should receive the

same terms of employment, pay and working conditions as non-members.

- Any worker who feels discriminated against should be allowed to lodge a grievance, which is dealt with through the grievance procedure.

Additional information and resources

- [ILO Freedom of Association and Protection of the Right to Organize Convention](#)
- [ILO Right to Organize and Collective Bargaining Convention](#)



1. Responsible Jewelry Council, 2013. (COP 19) Freedom of Association and Collective Bargaining. www.responsiblejewellery.com/
2. Concise Oxford English Dictionary, 2011. Collective bargaining. Oxford Dictionaries.
3. United Nations, 1948. The Universal Declaration of Human Rights. www.un.org.
4. International Labour Organization, 2008. Review of annual reports under the follow-up to the ILO Declaration on Fundamental Principles and Rights at Work. www.ilo.org
5. The Federation of International Employers, 2016. Trade Union Trends Across The World. www.fedee.com

Health and Safety

Principle:

Workers are protected from exposure to occupational health and safety hazards that are likely to pose a risk of permanent injury, illness or death.



Key message:
Prevention is the key to tackling health and safety hazards.

Definition

"Occupational health deals with all aspects of health and safety in the workplace and has a strong focus on primary prevention of hazards."¹

What is health and safety management?

- Health and safety (H&S) management is about following procedures intended to prevent accidents, injury or illness in the workplace.
- Prevention of harm is central to H&S.
- Prevention involves identifying, assessing and controlling H&S risks.

How to identify health and safety hazards?

- Walking around sites and speaking to workers is a good first step towards identifying H&S hazards. Other steps for identifying H&S hazards include:
 - Checking manufacturers' instructions for chemicals, machinery or other equipment.
 - Reviewing accident records regularly to identify patterns in accidents.
 - Thinking about activities which are not conducted frequently but could be hazardous.
 - Identifying the causes of bad health, such as the long-term health effects of chemical inhalation or loud noise.



Image credit: Earthworm Foundation

- Looking at examples of H&S risk assessments others have created (e.g. Health and Safety Executive examples at www.hse.gov.uk/risk/casestudies).

Background²³

A worker dies every 15 seconds from a work-related disease or injury.²

Work-related injury and illness causes 2.3 million deaths per year.

81% of these deaths are the result of illness and disease.

317 million non-fatal accidents occur at work every year.

Workplace accidents are much lower when workers feel part of the H&S process.



Respiratory disease, such as silicosis, can be a cause of illness and death in some sectors.

How to control health and safety hazards?

- The hazard should be removed where possible - e.g. by covering electrical wiring.
- Try a less risky alternative - if the hazard cannot be removed, it is often possible to implement less risky alternatives. Install protective equipment - for example, guards and rails on machinery or fences to stop falls.
- Provide healthcare facilities and first aid boxes. These should always be available in case of an accident. Designated individuals should be trained in first aid, with records kept.
- Restrict access to hazardous areas, processes or products.
- Unsafe areas should be off limits to unauthorized personnel, and chemicals should be kept in locked chemical stores.
- Reduce the exposure to the risk - reducing the amount of time or contact with a hazardous process.
- Issue personal protective equipment (PPE). If the hazard cannot be removed, it may be necessary to issue PPE free of charge, with training provided on its use.

What is expected at sites?

- Applicable national legislation is understood and applied.
- Organizational health and safety policies.
- Risk assessments.
- Health and safety emergency response plans, including fire response, and emergency alarms.
- Appropriate fire equipment, including functional fire extinguishers.
- Accident records.
- Training on health and safety, emergency response and PPE usage, together, with records kept.
- Chemical lists controlling hazardous chemical storage and use.
- Clear access to emergency exits and emergency lighting.
- Guards and safety features on equipment and machines.
- Sufficient ventilation.
- Portable water for workers, tested to ensure it is safe for drinking.
- Clean and hygienic toilets, canteens and break areas.
- First aid equipment, access to medical facilities and trained first aid providers.
- Issuing appropriate personal protective equipment (PPE) and records.
- Machine and general site maintenance and records.
- Insurance for workers.

Personal protective equipment (PPE)

- Activities requiring PPE should be identified through risk assessment.
- PPE needs to be appropriate for the task and climate.
- PPE must be used - workers should be trained in proper PPE use and its importance.
- The use of PPE must be enforced by site management.
- PPE should be maintained, not tampered with, and replaced regularly.

Risk assessments

- A process for identifying things that might cause harm to workers and the public.
- It involves prioritizing the most likely and harmful risks.
- These risks can then be controlled through H&S management.



Appropriate personal protective equipment should be used to help manage health and safety

Additional information and resources

- [ILO Occupational Safety and Health Convention](#)
- [Health and Safety resources available through Tools for Transformation](#)



1. World Health Organization, 2016. Occupational health. www.who.int
2. International Labour Organization, 2016. Safety and health at work. www.ilo.org
3. Health and Safety Executive, 2016. Facts and figures. www.hse.gov.uk

Safe Accommodation

Principle:

Where accommodation is provided, it is safe, hygienic and conditions are acceptable.



Key message:

Workers' housing must be kept clean and well maintained

Workers' accommodation

"...adequate and decent housing accommodation and a suitable living environment".¹

Why is accommodation important?

- Accommodation is often provided to workers, especially when sites operate away from communities or employ migrant workers.
- Suitable living conditions are important for protecting workers and their families' wellbeing and health.
- Accommodation must be safe, hygienic and offered at a reasonable cost to employees.
- It should offer privacy and reasonable amounts of personal and family space.
- Everyone has the right to accommodation adequate for their health and wellbeing

What is expected at sites?

- Applicable national legislation is understood and applied.
- Risk assessments carried out to identify hygiene and injury hazards.
- Accommodation is of sound construction, with safe electrical wiring.
- Accommodation is separate from work and storage areas.
- There is access to basic services including toilets, bathing and laundry facilities, running water, electricity, and kitchen facilities – these should be hygienic and regularly cleaned.
- Adequate fire prevention and detection, and fire-fighting equipment.
- Safe access to the accommodation and sufficient exit routes.
- Protection from pollution, noise, waste or similar.



Background:

According the United Nations Declaration of Human Rights: "Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including... housing."²

The ILO Workers' Housing Recommendation states that accommodation should be provided fairly to everyone.³

The ILO Migration for Employment Convention states that migrant workers receive the same standard of accommodation as non-migrant workers.⁴



How to decide on fair prices and rents

Fair prices can be determined by comparing local prices.

They should be agreed between sites and workers and their representatives.

They should consist of a reasonable amount of workers' income, and not be used to make profit for the site.

(continued) What is expected at sites?

- Segregated accommodation for single men and women.
- Potable drinking water is available.
- There is freedom of movement, and accommodation is lockable from the inside.
- There is separation between living areas and work sites to stop children roaming into the production area.
- Where a price is charged for living in accommodation, or for associated services and utilities, the cost must be in line with local prices.
- The cost of products sold at company stores and cafeterias must be reasonable.
- If sites are far from communities, significant effort should be made to provide transport to local communities.
- The average living space is at least 3.8m² per adult. Separate self-contained accommodation is provided for families.
- Lock boxes or lockers are provided for valuables and belongings.
- Workers and their families have access to leisure facilities.

What if accommodation is not safe or prices are unfair?

- If accommodation is structurally unsafe or hazardous, occupants should be moved to temporary accommodation until safe permanent housing is provided.
- Issues with cleanliness and hygiene should be immediately remedied. This may include installing toilets, washing, bathing and plumbing. It may also include recommending a housekeeping schedule for workers to implement.
- Additional housing should be constructed if there is insufficient space, segregation or privacy for families.
- If the cost of rent, services, shops or cafeterias are higher than local prices, these should be reduced through discussion with workers and their representatives.
- The costs of services and goods should reflect local prices, constitute a reasonable proportion of workers income, and not be used to generate profits for sites.

Accommodation for migrant workers

Migrant and non-migrant workers must receive the same standard of accommodation.

Employers often have to show proof to government agencies that they can provide satisfactory housing to migrant workers.

Schools, medical facilities and other services should be provided where there are a large number of families, and if the site is remote from other communities.



Safe and hygienic accommodation is important for workers' wellbeing and productivity at sites

Additional information and resources

- [ILO Workers' Housing Guidance](#)
- [Resources on Accommodation from Tools for Transformation](#)



1. International Labour Organization, 2014. ILO Helpdesk: workers' housing. www.ilo.org
2. The United Nations, 1948. The Universal Declaration of Human Rights. www.un.org
3. International Labour Organization, 2016. Workers' Housing Recommendation, 1961. www.ilo.org
4. International Labour Organization, 2016. Migration for Employment Convention, 1949. www.ilo.org

Employment Contracts

Principle:

All workers are given in writing, in a language they understand, the details of their working conditions, including as a minimum, the nature of the work to be undertaken, rate of pay and pay arrangements, working hours, vacation and other leave, and other benefits of employment.



Key message:

Employment contracts must be understood and signed by workers, who are given copies to keep.

Definition

"A written agreement between an employer and an employee, that, taken together with the rights of each under statute and common law, determines the employment relations between them".¹

What is an employment contract and why have one?

- Employment contracts describe the relationship between an employer and a worker. It describes the roles and responsibilities of the worker, their working hours, pay and other terms of employment.
- Employment contracts are important for workers to know what is expected of them.
- Contracts provide security and protection for employers and employees.
- An employment contract should be understood and signed by the worker, who should also receive a copy of it.



What is expected at sites?

- Applicable national legislation is understood and applied.
- Contracts should be signed by all workers and be in an appropriate language. Copies should be kept by the employee and employer.
- Terms of employment should be explained to workers who are unable to read or understand their contracts - this must be recorded.
- Signed contracts should be stored securely and accessibly.
- Any changes to contracts should be made after informing and seeking consent from workers.

Background

Over 60% of the world's workforce do not have contracts.²

Among those who have contracts, only around half have permanent contracts.²

Formal contracted employment is becoming more common in emerging and developing countries.²

Yet, only around one quarter of workers are in a stable employment relationship.²

What should be in an employment contract?

- Names of the employer and worker.
- Job title and description.
- Place of work.
- Employment start date, and end date if on a fixed term contract.
- Rates of pay or the way pay is calculated, including overtime pay.
- Dates and methods of payment.
- Description of additional benefits, fees, deposits, advancements, etc.
- Expected working hours, days and overtime procedures.
- Terms of holiday entitlement, sick leave, other time off, and how payment is calculated during these periods.
- Notice periods before workers' leave.

Short-term contracts

- Short-term contracts are contracts that only guarantee employment over short periods of time.
- Workers on short-term contracts should not be discriminated against. This includes ensuring that all workers are on equal pay, working hours and terms of employment regardless of their contract length.
- The site should not discriminate against groups - such as women or migrants - through the use of short-term contracts.
- The use of short-term contracts should be avoided where possible; long-term contracts should be introduced.
- Short-term contracts should not be repeatedly given to regular workers.
- A credible plan should be developed by the sites, in dialogue with workers' representatives, to transition all workers onto long term contracts where possible.
- All new workers should be placed onto long-term contracts.
- A probationary period of up to six months for new workers is acceptable.

Subcontractors

- Sites should perform a due diligence check on all third parties before their services are used.
- Due diligence includes:
 - talking with the subcontractor about the terms under which they employ workers. If the subcontractor describes practices that are illegal or consistent with exploitation, their services should not be used.
 - speaking with subcontracted employees to identify any indicators of exploitation or illegal practice.
 - speaking with other companies that have used the subcontractor, to check if there is any history of exploitation or illegal practices.
 - Sites should sign contracts with subcontractor agencies outlining the terms under which subcontracted workers are employed.
 - Subcontracted workers should sign and be provided with copies of contracts describing terms of employment.
 - These should be in an appropriate language for the workers, and explained to illiterate workers.
 - Subcontracted workers must understand and sign their contracts before they leave their country or home area.
 - Sites are responsible for ensuring that subcontracted workers are employed according to the terms of their contract and are receiving full payment for their work.



The terms of employment should be understood by the worker before they sign any contract

Additional information and resources

- [Employment Contracts at Tools for Transformation](#)



Ethical Recruitment

Principle:
Recruitment practices are transparent and fair, and direct recruitment is encouraged.



Key message:
Workers understand and can freely accept or reject employment.



Definitions

Ethical recruitment: A process of hiring workers that is based on transparency and fairness, upholding honesty, responsibility, respect and trust.

Human trafficking: the United Nations Convention against Transnational Organized Crime describes human trafficking as the acquisition, holding or transport of people by improper means such as force, fraud or deception, with the aim of exploiting them.¹

What should ethical recruitment practices involve?

- The recruitment process is documented and transparent
- Recruitment is free from discrimination on factors not relating to job performance, such as gender, race, age and beliefs.
- Workers should sign contracts and understand their terms of employment before starting work, or leaving their location of origin.
- Recruitment fees and deposits are legal and reasonable - sites should work towards removing any fees.
- Appropriate due diligence is performed on agents and third parties.
- Sites should aim to employ all workers on permanent contracts.

What is unethical recruitment?

- A wide range of recruitment practices can be unethical.
- They are often deceptive, and include:

- The trafficking or forced migration of workers.
- Knowingly promising a job that does not exist.
- Charging illegal or unreasonable employment fees – sometimes leading to debt bondage.
- Not disclosing or misleading workers about terms of employment, such as wages and working hours.
- Recruitment processes that are unclear and not documented.
- Failure to provide written contracts.

Background²³

Migrants are often more vulnerable to exploitation such as low wages, poor working conditions and excessive hours.

There are around 150 million migrant workers globally.

Around 20.4 million of these are in low and lower-middle income countries.

9.1 million internal and international migrants are victims of forced labor.

What is expected at sites?

- Applicable national legislation is understood and applied.
- All work visas for migrant workers correctly reflect the nature and length of employment.
- A recruitment policy describing ethical recruitment practices.
- Applicable national legislation is understood and applied.
- Recruitment records - including fees, contracts and pay slips.
- Subcontractor records - including fees, contracts, pay slips and documentation of legal hiring.
- Documented due diligence of third parties.

Recruitment through third parties

- The same recruitment practices that apply to direct workers also apply to subcontracted and migrant workers.
- Sites are responsible for checking this through due diligence, which includes:
 - Talking with the subcontractor about the terms under which they employ workers, requesting ethical recruitment policies and checking that they do not charge recruitment fees to workers.

- Speaking with subcontracted employees to identify any indicators of exploitation or illegal practice.
- Speaking with other companies that have used the subcontractor to check if there is any history of exploitation or illegal practices.
- Checking that the third party is fully licensed and has no history of criminal activity in the past three years.

What if unethical recruitment practices are discovered?

- Charging any illegal or unreasonable employment fees must be stopped immediately.
- Any document or monies held must be returned to employees.
- Workers should be made aware of their terms of employment and contracts. Contracts should be understood, signed and provided to workers.
- Encourage the formation of workers' committees to identify and address issues.
- Third parties using unethical recruitment practices must implement appropriate ethical practices, or stop using their services.
- Inform local authorities if indicators of human trafficking are identified.

Possible indicators of human trafficking⁴

Trafficked individuals might:

- Show signs of physical or other abuse.
- Not possess any travel documents or have false documents.
- Believe they must work against their will.
- Be unable to move or associate freely.
- Show anxiety and fear including of the authorities.
- Receive little or no payment.
- Be unable to speak local languages.
- Do not know their address or location.

Additional information and resources

- ILO Migration for Employment Convention
- United Nations Convention Against Transnational Organized Crime and Protocols Thereto
- Resources on Ethical Recruitment from Tools for Transformation



Ethical recruitment includes ensuring that the recruitment process is free from discrimination.

1. United Nations Office of Drugs and Crime, 2008. United Nations Convention against Transnational Organized Crime. www.unodc.org

2. International Labour Organization, 2015. ILO Global estimates on migrant workers: Executive Summary. www.ilo.org

3. International Labour Organization, 2015. Statistics and indicators on forced labour and trafficking. www.ilo.org

4. United Nations Office of Drugs and Crime, 2009. Human trafficking indicators. www.unodc.org

Free, Prior and Informed Consent

Principle:

When producers are involved in land acquisition, lease, or utilization, they must respect land tenure rights and obtain and demonstrate the Free, Prior and Informed Consent (FPIC) of indigenous and local communities on lands to which they hold legal, communal, or customary rights.



Key message:

Local communities must be consulted and listened to before agricultural expansion occurs.

Definitions

The concept of Free, Prior and Informed Consent (FPIC) is a legal principle, rooted in international law, which sets out a useful and logical framework for organizations to ensure that local peoples' rights are respected and conflicts minimized. First and foremost, the FPIC concept is based upon jurisprudence related to indigenous peoples including, for example, the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP), but also links to the intent of more general legal conventions related to the rights of traditional peoples who govern their affairs based upon customary law. Examples of these wider legal provisions include the Convention on Biological Diversity (CBD), notably in articles 8j and 10c and Article 169 of the International Labor Organization (ILO). Flowing from such international legal conventions, the FPIC concept has been incorporated into the standards of an increasing number of certification bodies' standards relating to timber, pulp and paper production (e.g. the FSC), agribusiness (e.g. RSPO) and, increasingly, conservation.



Image credit: Earthworm Foundation

The legal principle of FPIC entails 4 key aspects as described below:

Free: This means that no type of compulsion or intimidation is present, that people are allowed adequate time to absorb information and make decisions, and that they can decide how to represent themselves. It usually means that companies should not hold meetings with local people where government representatives are present (including any type of security force), especially in those many cases where their presence will prevent local people from speaking up.

Prior: This means that discussions with local people should happen before any operations start. While many companies sign contracts with government before they are able to go to the ground to talk to local people (e.g. concerning land contracts), as soon as these are signed, companies need to engage local people, always prior to the start of any activities that might affect them.



Informed: In order to make decisions, local people need to have all the information they require so that they can give full consideration. This includes information on the processes companies plan to use to engage them, information on all aspects of the project, including potential positive and negative impacts from the company point of view. All this information needs to be in a form that is digestible for communities, and should reach all parts of the community (men and women, elders and youth). Where literacy rates are low, different forms of information sharing with local people need to be developed and used (e.g. posters, films). Local people need adequate time to digest, query and clarify this information, and this includes their right to ask for independent advice from advisors of their choosing.

Consent: Consent means the power to say "yes" to a development or "no." Community responses can also be a "yes but only if (conditions)" or a "no unless (conditions)". Where local people say no, companies should not return again and again to press the question (in some cases, dozens of times) with different mixes of people (e.g. government representatives, or distant elites, see points on "free" above). If communities say "no unless ..." and companies revise their plans accordingly, they can go back to local people to ask for reconsideration of their plans, but without putting undue pressure on communities to reconsider. When applying the FPIC principle, always remember that No means No.

Background

Establishing and maintaining good community relations is essential for all initiatives requiring access to land, or which have the potential to impact upon the rights or livelihoods of people living in their operational areas. This applies to many different sectors including mining and its associated infrastructures; forest timber harvesting; pulp and paper production; plantation-based agro-industries producing crops such as palm oil, rubber, sugar cane, or cotton; and also the establishment and management of conservation projects such as parks and reserves. All these activities have the potential to negatively impact local peoples' human rights, their access to natural resources upon which they rely, the unfair or illegal expropriation of community lands, the undermining of local traditions and customs, and increasing poverty. These negative impacts upon local people can often be very severe, and in the past have regularly resulted in the creation of serious and chronic social conflicts.



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What is expected at sites?

In reality, integrating the FPIC principle into company operations follows a basic logic that best relates to the concept of "being a good neighbor" and "treating people fairly," i.e., as company leaders themselves would want to be treated.

- Understand and apply relevant national legislation.
- Where company operations are likely to impact on local people's land and resources, as early as possible in the process companies should reach out to them to share information on what is planned, and to establish ground rules for discussion.
- Companies need to ensure they focus their local engagement on the specific groups of people who might be affected by their projects, rather than everyone. The number one mistake by companies trying to implement FPIC is that they end up engaging the wrong people (e.g. leaders who do not represent diverse community interests or only those who are easiest to reach). This lack of targeting can lead to excessive cost, but can also integrate into decision making people who have no right to be there, and this is a common source of division and conflict.
- FPIC does not happen only one time with local people. It represents a "way of working" and as a principle should apply to all engagement with communities, as valued and equal partners.
- Where companies want to integrate FPIC into their company culture, a review of existing systems can be undertaken to identify when and where adaptations can be made to incorporate the FPIC ethos through adjustments to existing standard operations procedures (SOPs).
- Where specific actions are planned that require intensive engagement with local people for community assets (e.g. land) or where negative impacts are very likely (e.g. water use, potential

pollution), companies should prepare specific SOPs to clarify the exact procedures for community engagement around those topics to ensure adherence to the FPIC principle.

- Collecting and maintaining good documentation of all local engagement is an essential part of good FPIC practice, both to be able to prove how new FPIC SOPs are being applied properly, but also to ensure that both companies and local people have the same level of information available to them. In company-community interactions, under good FPIC practice it is common for companies and communities to maintain identical files of materials documenting all the information shared, decisions taken and meeting minutes. Finding such documentation held by communities is one of the clearest initial indicators that companies are applying the FPIC principle.



Additional information and resources

• [Forest People's Programme Resources on FPIC](#)



1. United Nations, 1992. Convention on Biological Diversity. <https://www.cbd.int/doc/legal/cbd-en.pdf>
2. International Labor Organization, 1989. C169 – Indigenous and Tribal Peoples Convention. https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:C169
3. FSC. Free, Prior, and Informed Consent. <https://ca.fsc.org/en-ca/standards/forest-management-standard-revision-01/free-prior-and-informed-consent>
4. Roundtable on Sustainable Palm Oil, 2015. Free, Prior and Informed Consent Guide for RSPO members.

Access to Remedy

Principle:

Workers at all levels have access to judicial remedy and to credible grievance mechanisms, without fear of recrimination or dismissal.



Key message:

Grievance mechanisms are important for protecting human rights and supporting continuous improvement at company operations.

Definition

The "means to recover a right or to prevent or obtain redress for a wrong."¹

Background

Accessing remedy is a core part of the human rights system.



Yet, victims of human rights abuses involving business often do not receive remedy.²

What is a grievance mechanism and why is it important?

- A grievance procedure is a set of steps performed when a complaint is raised.
- Grievance and remedy procedures are critical for ensuring that complaints are recognized, addressed and compensated.
- Remedy can help create positive and productive work environments by removing sources of grievance.
- It may also help identify where some employees have acted illegally, and protect companies from legal action.
- It may include apologies, financial and non-financial compensation, disciplinary action, or other ways of recompensing damages.



How to decide on what remedy is appropriate

- If a grievance is substantiated after investigation, remediation should be proposed or negotiated with workers and their representatives.
- The worker and their representative must agree with the proposed remediation. The remedy should reflect the wants and needs of the parties involved.
- Any punishment imposed must follow a clear disciplinary procedure.
- After remedy is provided, the site management should follow up with all parties involved to ensure that grievances are fully addressed.

What is expected at sites?

- Applicable national legislation is understood and applied.
 - A clear access to remedy and grievance policy stating how workers can access judicial remedy, and how they are protected from deportation, dismissal or other forms of punishment.
- Grievance and remedy procedures following United Nations Guiding Principles for Business and Human Rights:
- **Legitimate:** enabling trust from the stakeholder groups for whose use they are intended, and being accountable for the fair conduct of grievance processes;

- **Accessible:** being known to all stakeholder groups for whose use they are intended, and providing adequate assistance for those who may face particular barriers to access;
- **Predictable:** providing a clear and known procedure with an indicative time frame for each stage, and clarity on the types of process and outcome available and means of monitoring implementation;
- **Equitable:** seeking to ensure that aggrieved parties have reasonable access to sources of information, advice and expertise necessary to engage in a grievance process on fair, informed and respectful terms;
- **Transparent:** keeping parties to a grievance informed about its progress, and providing sufficient information about the mechanism's performance to build confidence in its effectiveness and meet any public interest at stake;
- **Rights-compatible:** ensuring that outcomes and remedies accord with internationally recognized

human rights;

- **A source of continuous learning:** drawing on relevant measures to identify lessons for improving the mechanism and preventing future grievances and harms;
- **Based on engagement and dialogue:** consulting the stakeholder groups for whose use they are intended on their design and performance, and focusing on dialogue as the means to address and resolve grievances.³
- Training for workers and site management on their rights and responsibilities as described within the access to remedy and grievance policy.
- Grievance and response records.

Training for workers and site management

- Both site management and workers must be aware of their right to access fair grievance procedures.
- Site management should be trained to deal with workers' grievances and non-discrimination.
- Workers should be trained in their rights to access grievance procedures and remedy, their responsibilities when submitting grievances, and who to contact and how.
- They must be able to contact senior management or HR if they believe their grievance is not being handled fairly.



Additional information and resources

[IFC Compliance Advisor Ombudsman](#)
[Grievance Mechanism Toolkit.](#)



Steps in a grievance procedure

- Procedures may start with an attempt to informally resolve the issue.
- If this is not appropriate or successful, a formal grievance should be made and documented.
- A formal grievance can be written or orally communicated but should be documented within a grievance record.
- This should be reviewed by management (not involved in the grievance) and workers' representatives or unions.
- This may be followed by an investigation of the grievance.
- The management should review the formal grievance, and any materials produced in the investigation.
- The management should then issue a formal response to the grievance, including any remediation.
- The worker and their representatives or unions then review the response and formally accept it if they agree.
- If it is not agreed, they can choose to appeal against the decision.
- Appeals should be addressed by more senior levels in a company. The process should be repeated until the grievance is resolved or remedy is agreed upon.
- Regardless of if remedy is provided, the site should follow up with all parties involved to ensure the issue has been fully resolved.

1. Merriam-Webster, 2016. remedy. www.merriam-webster.com

2. United Nations Office of the High Commissioner, 2016. Initiative on enhancing accountability and access to remedy in cases of business involvement in human rights abuses. www.ohchr.org

3. Guiding Principles on Business and Human Rights. See page 33 for the "Effectiveness Criteria for Non-Judicial Grievance Mechanisms."

Grupo Bimbo's Global Agriculture Policy

