

## Terms of Reference: Fairtrade SPO guidelines for HREDD work

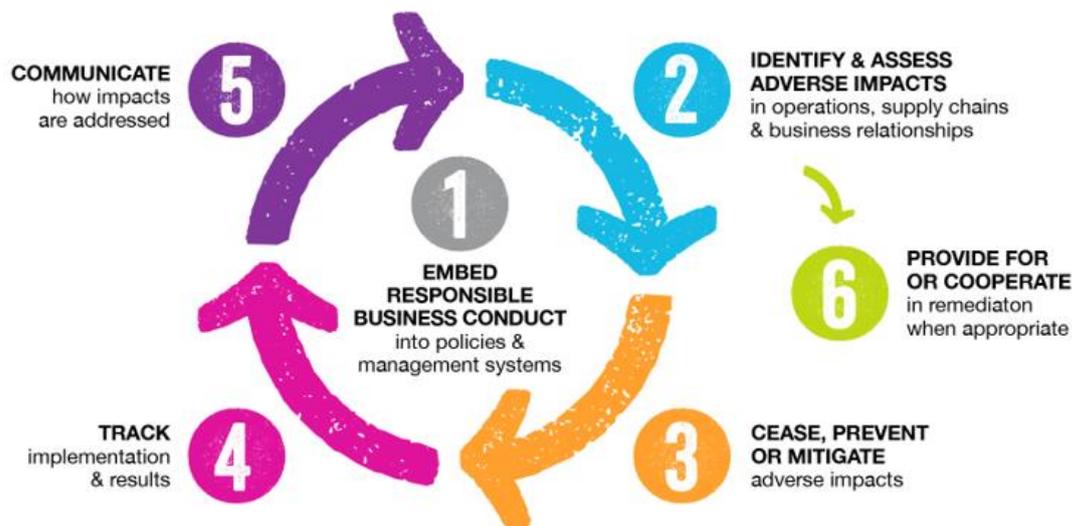
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### Background

Fairtrade's Strategy 2025 establishes that we aim to support supply chain actors in meeting the rising Human Rights Due Diligence (HRDD) expectations. In line with the UN Guiding Principles on Business and Human Rights (UNGPs, 2011) and the increasing number of binding HRDD laws, business organisations around the world are expected to do HRDD – and support their supply chain partners in doing HRDD.

Recently, environmental rights have gained increasing attention, and many organisations, including the EU, have included these rights when speaking about Human Rights and Environmental Due Diligence (HREDD).

See below a graph that depicts the six steps of the ongoing HREDD process.



**Graph 1. The six steps of due diligence**

Fairtrade sees that global trading practices contribute to serious human rights and environmental violations at the start of the global supply chain, and supply chain actors must collaborate to mitigate, cease and remediate these violations. Agricultural producers need co-investment and support from traders, manufacturers, retailers<sup>1</sup> and governments, to address the risks and issues in their operating environments. Fairtrade works to ensure this co-investment and support.

At the same time, Fairtrade supports certified Smallholder Producer Organisations (SPOs) and Hired Labour Organisations (HLOs) to do HREDD and motivate business partners to co-invest in the prevention, mitigation and remediation of those risks. It is increasingly important for **market access** that POs are aware of new HREDD regulations in consuming countries and the growing request from business partners to do due diligence and be transparent on risks.

The production and management practices of Fairtrade certified POs already fulfil many due diligence expectations. So in many issues, alignment with the due diligence approach just requires refinements, not completely new action from POs.

HREDD related inclusions and clarifications are currently being considered in Fairtrade's cocoa standard review and some refinements have already been approved for the coffee standard. We will also soon start

<sup>1</sup> A crucial related question is what steps Fairtrade will take to ensure that *licensees* also do HREDD and strengthen their support to and co-investment in their supply chain partners' HREDD work. This question does not, however, fall in the scope of this project.

refining HREDD related criteria in the generic standards, starting with the Trader standard review in Q3 2021, HLO standard review in Q4 2021 and SPO standard review thereafter.

The international HREDD guidelines that are central for Fairtrade are the UNGP, UNGP Interpretive Guide, OECD Due Diligence Guidance for Responsible Business Conduct and the OECD-FAO Guidance for Responsible Agricultural Supply Chains. The OECD Guidance opens with 12 “Essentials” of the due diligence process, some of which are worth highlighting here:

- *Due diligence is appropriate to an enterprise’s circumstances and does not shift responsibilities* – Traders and licensees have, according to the UNGP, a responsibility to engage in dialogue and collaboration with their suppliers, to reduce and remediate human rights and environmental problems. Without their increasing co-investment, it’s unrealistic to expect rapid expansion of SPOs’ human rights or environmental work. So our HREDD approach has to start small, be conditioned to co-investment and emphasise gradual development.
- *Due diligence is informed by engagement with stakeholders* – Stakeholder engagement and producer empowerment should be central in Fairtrade’s HREDD approach. Our close relationship with farmers and workers – or rights holders – is Fairtrade’s strength in HREDD, in comparison to many other certifications and consultancies that support Northern companies in HREDD.
- *Due diligence involves ongoing communication* – HREDD work can only increase PO’s market access if current and potential buyers know about this work. For Fairtrade to support certified POs to lead the HREDD process, we need to develop channels to enable them to share with Fairtrade their Human rights policies, high-level risk assessment findings, grievance mechanism statistics etc. This information will also support Fairtrade in developing our producer support, programmes, advocacy work, monitoring and communications.

In relation to West African cocoa, the African Regional Standard (ARS) also includes stringent HREDD requirements. See graph 2 for a summary of the HREDD activities the ARS requires cocoa SPOs to gradually adopt over a period of 11 years. Certifications operating in West African cocoa are required to include ARS criteria into their standards.

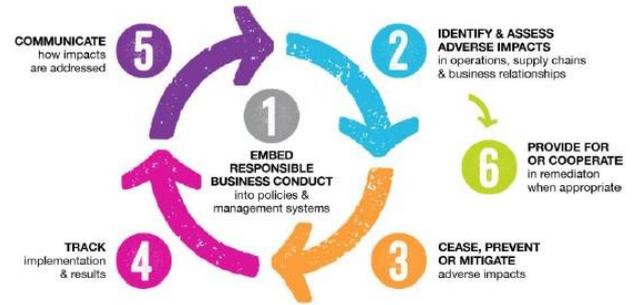
Further to the below picture, the ARS also requires cocoa SPOs to carry out several environmental actions, including a risk assessment. Tytti will share further information on this with Manon asap.

# CREATING AN ARS-ALIGNED FT COCOA STANDARD/SOCIAL REQ

- 1**
- 1. Awareness raising/training** for workers and farmers on human rights 12.2.b; discrimination, harassment and abuse 12.3.b; gender-related issues 12.4.d; children's rights 12.5.c
- Ensure equal access to training 12.4.e
  - Stimulate participation by women and youth 12.4.f
  - Management and top management to be included re gender-related issues 12.4.c
- 2. HR policy/commitment** 12.2.d including sections on
- gender and youth 12.4.b
  - children's rights 12.5.a and child labour 12.6.a
  - forced labour 12.7.b

- 2**
- 3. HER risk assessment** 12.2.a, including
- identification of disadvantaged/minority groups 12.3.e
  - gender-related issues 12.4.a
  - children's rights 12.5.b and child labour 12.6.d
  - occupational health and safety 12.8.a
- 3b Worker registry 12.7.a (TBC whether separate or part of risk assessment)

- 3**
- 4. Mitigation and prevention action plan** 12.2.c that builds on the risk assessment and includes plans for:
- eradicating harassment and abuse 12.3.c
  - gender & youth 12.4.b, seeking to ensure equal opps and remuneration for women & men 12.4.g
  - occupational health and safety 12.8.b
- Issue specific criteria:**
- Add criteria on action against *exploitation of children* 12.5.d, f and h
  - Maybe add criteria on *FoA protocol & awareness* (HLO 3.4.3-4) 12.10.d
  - Turn criteria of promoting *disadvantaged groups* and offering same *working conditions to all workers* from dev to core. 12.3.e, 12.7.f
  - Extend some criteria to all *workers* 12.7.c (d-e?), 12.8.d-f, 12.9.a-b
  - We already have criteria to prevent *discrimination, harassment and abuse* 12.3.a and on *workers' rights* 12.7.c-e



- 6**
- 5. Grievance mech** that avoids retribution, gender sensitive 12.3.c
- 6. M&R system** on
- exploitation of children 12.5.d and child labour 12.6.e
  - harassment and abuse? 12.3.c-d
  - Including identification and dissemination of information on activities that are hazardous to children
  - Incl reporting to authorities

## Objectives

In this context, there's need for materials that clarify Fairtrade's approaches and support POs in designing and implementing a HREDD process. This project is about creating guidelines, tools, templates and training outlines that can be utilized (1) by Fairtrade Producer Networks (PNs) to train SPO staff and lead farmers and (2) SPO staff to understand these due diligence steps:

1. human rights commitment (materials to include a model commitment)
2. human rights risk assessment (including risk assessment tool)
3. human rights policy (including a model policy)
4. plan for mitigating and preventing human rights harms (including a template that clarifies the components of such a plan) (step 3)
5. human rights-based grievance mechanism (step 4)

The approach and materials need to be understandable and practical for SPOs to implement. We seek an approach that emphasises gradual development: SPOs can strengthen their due diligence work with small steps. In addition to supporting the work of PNs and SPOs, these guidelines will steer future assurance work and Standard reviews.

Compared to the IMS materials produced a few years back, we seek shorter texts with more visual elements (graphs, infographics etc). After this project, Fairtrade will use the guidelines and training materials to produce further visual summary, slides, podcasts and videos<sup>2</sup>.

The production of these HREDD materials should not only take account on international HREDD guidelines, but very importantly build on relevant previous and ongoing work at Fairtrade, including e.g. IMS work in West African cocoa, guidance on child labour and forced labour mitigation, including protection policies, CLAC's communications and training materials on HRDD and FTA's social compliance work, among others.

<sup>2</sup> The division of work between different Fairtrade units and member organisations in the production of these materials will be discussed at the steering group of this project in Nov-Dec.

## Project team

The project will be coordinated by Fairtrade's Human Rights Coordinator Meri Hyske-Fischer and will benefit from the support of a six-member steering group:

- Lilian Maina, Social Compliance and Risk Manager
- Michael Kitetu, Standards & Certification Officer
- Jon Walker, Senior Advisor, Cocoa
- Alison Streacker, Coffee Coordinator
- Anita Sheth, Senior Advisor Social Compliance
- Juan Pablo Solis, Senior Advisor Climate and Environment
- Tytti Nahi, Business and Human Rights Lead

Further, CLAC and FLOCERT are welcome to propose a representative to the Steering group.

The guidelines and training materials will be developed by an external expert. The expert is expected to develop the overall outline and texts of these materials and offer ideas for the visual elements.

## Timeline

- By Fri 11 June: Setting up the steering group.
- Mid-July: Publishing a call for offers.
- By 6 August: Selecting the external expert, Finalizing ToR, Collecting related existing materials.
- Aug-Sept: The external expert assesses the starting point at SPOs, then drafts the materials, engaging relevant FTA experts as well as select cocoa SPOs to ensure feasibility. Steering group supports the expert where needed, sharing lessons learnt from previous projects.
- Sept-Oct: Steering group comments on the draft. The expert tests materials with SPOs and FTA (before harvest season begins).
- Nov: Materials are revised.
- Dec: Sign-off and dissemination of the guidelines. Note: The project needs to be completed and the bill paid by the end of the year 2021.

CLAC, NAPP, the project team and Standards Unit are also currently discussing the means of (a) ensuring that these materials are also suitable for use by CLAC and NAPP or (b) utilising these materials as a basis and producing similar one by/with CLAC and NAPP.

## Further background information about the key contents

### 1. Human rights commitment and policy

Business organisations are expected to make a public commitment to and a policy for respecting human rights and continuously develop their due diligence activities. Please see below a summary of key guidelines, certifications and Fairtrade's existing criteria. Note also the related [new Coffee Standard](#) (includes a policy requirement) and draft cocoa requirement (shared separately, includes commitment and policy requirements).

<a href="#">UNGP</a>	<a href="#">OECD DD Guidance</a>	<a href="#">Rain forest farm, chain</a>	<a href="#">Bonsucro</a> Prod st. in consultation	<b>Current FT SPO Standard</b>	<b>Current FT HL Standard</b>
<b>Principle 16: "As the basis for embedding their responsibility to respect human rights, business enterprises should express</b>	Devise, adopt and disseminate policies that articulate the enterprise's commitments to the principles and standards	HR Commitment is required from all	Producers are to have and implement human rights policies or work orders, involving ongoing DD	No HR policy or commitment requirement. Related reqs: You develop and implement a gender policy, ensuring women's involvement in it. You ensure members are aware	No HR policy requirement. Related reqs: Mission statement or policy includes how continuous improvement of social and sustainable production practices is implemented + commitment

<p><b>their commitment to meet this responsibility through a statement of policy.</b><sup>3</sup></p>	<p>contained in the OECD Guidelines for MNEs and its plans for implementing due diligence.<sup>4</sup></p>	<p>traders (1.1.4)<sup>5</sup></p>	<p>(1.1.1)<sup>6</sup>, discrimination (2.2.3) and harassment (2.2.4).  <a href="#">Code of Conduct</a> obliges members to “acknowledge their responsibility to respect human rights”. Was adopted in April 2020, members include e.g. Coca Cola, Nestle, WWF, Solidaridad etc.</p>	<p>of this policy and its contents. (4.3.4, Dev Y3)          To ensure children do not enter worse forms of child labour, you could develop a rights based remediation policy and program (3.3.11, Y1)</p>	<p>to Fairtrade aims and values. (1.2.2)          Child Labour Policy incl. commitment to a child rights’ approach to protecting and remediating. (3.3.3)          Sexual harassment policy (3.1.6)</p>
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Further information:

- OECD-FAO “Model Enterprise Policy for Responsible Agriculture Supply Chains” on p25-29 [here](#).
- Fairtrade’s own Human Rights Commitment can be found [here](#).
- *How to Develop a Human Rights Policy Guide* by Global Compact.
- Fairtrade Organisation [Code](#) includes e.g. a principle that Fairtrade respects, protects and champions human rights.

Fairtrade wants to encourage SPOs to make a simple one to two-page human rights **commitment**, confirming their commitment to respect human rights and to developing their due diligence work. Then, after the human rights risk assessment, SPOs should draft a bit more elaborate human rights **policy** that discusses the identified human rights risks and the objectives, structures and processes in addressing these

<sup>3</sup> UNGP further expects that the policy statement

“(a) Is approved at the most senior level of the business enterprise;

(b) Is informed by relevant internal and/or external expertise;

(c) Stipulates the enterprise’s human rights expectations of personnel, business partners and other parties directly linked to its operations, products or services;

(d) Is publicly available and communicated internally and externally to all personnel, business partners and other relevant parties;

(e) Is reflected in operational policies and procedures necessary to embed it throughout the business enterprise.

*Commentary* The statement of commitment should be publicly available. It should be communicated actively to entities with which the enterprise has contractual relationships; others directly linked to its operations, which may include State security forces; investors; and, in the case of operations with significant human rights risks, to the potentially affected stakeholders. Internal communication of the statement and of related policies and procedures should make clear what the lines and systems of accountability will be, and should be supported by any necessary training for personnel in relevant business functions.

<sup>4</sup> Practical actions: a. Review and update related existing policies (e.g. labour, human rights, environment, disclosure, consumer protection, governance, anti-bribery and corruption) to align with the UNGP. b. Develop specific policies on the enterprise’s most significant risks, building on findings from its assessment of risk. c. Make these policies publicly available, e.g. on the enterprise’s website, at the enterprise’s premises, and when relevant, in the local languages. d. Communicate the policies to the enterprise’s own relevant employees and other workers, e.g. during staff orientation or training and periodically as needed to maintain awareness. e. Update the enterprise’s policies as risks in the enterprise’s operations, supply chain and other business relationships emerge and evolve. (p22)

The policies can explain how the organisation conducts risk and impact assessment, addresses the greatest risks and impacts and engages with stakeholders. It can outline how the enterprise expects its business partners to do and contribute to human rights and environmental work. Consultation with relevant stakeholders may be useful in developing RBC policy. (p.56)

<sup>5</sup> RA: “The supply chain actor has devised, adopted and disseminated one or more policies for ensuring responsible business conduct in its own operations, supply chain and other business relationships. The policies cover direct and indirect adverse impacts on human rights and the environment.

- The policies commit and refer to following the OECD Due Diligence Guidance for Responsible Business Conduct. References and commitments to the OECD Guidelines for Multinational Enterprises or UN Guiding Principles for Business and Human Rights are also acceptable
- Oversight and responsibility for these policies and their implementation is assigned to senior management
- The policies and its expectations are specified in engagement with suppliers and other business relationships, incl contracts and other written agreements. A potential tool for compliance is to have a supplier code of conduct in place
- At a minimum, this policy requires from the supply chain actor, its suppliers and other business relationships:
  - Compliance with national and/or regional laws (or relevant certification standards) in relation to Human Rights, Worker Rights & Conditions, Health & Safety
  - Compliance with national and/or regional laws (or relevant certification standards) in relation to Environmental protection, Deforestation, Biodiversity, Waste and Wastewater management
  - Traceability and Accounting of certified and conventional volumes
  - A grievance mechanism as specified in requirement 1.5.1

For a model policy for responsible agricultural supply chains, consult the OECD Guidance for Responsible Agricultural Supply Chains, page 25-29.15”

<sup>6</sup> **Bonsucro:** The operator shall have policies or work orders in place for respect for human rights, indigenous peoples’ rights, labour rights, worker health, environment, the Bonsucro Standard, Anti-Corruption/Anti-Bribery/money laundering, anti-harassment and non-discrimination. The operator shall implement these policies and practices in the unit of certification and progressively implement these in the whole supply area. The operator’s commitment shall be made available to personnel, suppliers, clients and other stakeholders. The policies shall clearly state that respect for these values is an active duty involving ongoing due diligence of actual and potential impacts. *Guidance:* Policy statements are written by area experts within an operation and approved by senior management. Implementation of policies is a process that involves buy-in and engagement across the enterprise to be effectively implemented.

risks. The policy can incorporate or refer to policies that relate to individual human rights issues (e.g., no child labour policy, no forced labour policy, protection procedures).

To support SPOs in designing a human rights commitment and policy, we need training material on what human rights are, what HREDD entails, what the commitment and policy should contain and the best practices in developing such policy/commitment.

Like an increasing number of experts, courts and UN agencies, Fairtrade sees that people also have environmental rights: a right to a healthy, safe and stable environment. As such, we wish to encourage SPOs to recognise environmental rights in their commitment and policy.

**Previous/ongoing work:** Fairtrade SPO Standard has recommended the development of various policies on specific human rights topics, including policies on equal opportunities, gender and GBV, forced labour and child protection. A simple template for a gender policy is included in The [Explanatory Document](#) for the SPO Standard (see below). **Note to FT colleagues: Anita has shared some examples of child labour and forced labour policies with us already. It would be useful if you could share further examples with Meri.**

#### Producer organization XX - Gender Policy

Statement on gender policy: As a socially responsible and Fairtrade-certified producer organization, we are committed to promoting gender equality and the empowerment of women among our members, workers and local community....

##### Definitions:

- Discrimination is...
- Gender equality is...
- Women's empowerment is...
- .....

**Scope:** This policy applies to all members, workers, practices and procedures in our organization...

**Purpose:** The purpose of this gender policy is to deter all forms of gender discrimination, encourage an inclusive work environment, which provides equal opportunities for all, spread awareness of the importance of gender equality and women's empowerment...

Measures to promote gender equality and women's empowerment:

- **Monitoring & analysis of data:** The management will use the internal management system to regularly monitor the roles and responsibilities of women within this producer organization, and identify needs and areas for improvement...
- **Promotion of participation:** Management will actively encourage the participation of women within the organization (including in supervisory positions, on the Board etc)
- **Awareness-raising:** Management will offer training sessions for members and workers to learn about the topics covered in this policy...
- **Grievance mechanism:** Management will create a grievance mechanism for complaints related to gender discrimination....
- **Sexual harassment procedures:** Management will introduce a procedure to be followed in case of sexual harassment allegations...

Date of last review: XX

Date of Board approval: XX

Relevant signatures:

Question to be answered during the project: Is there any need to ask SPOs to share their human rights policy/commitment with Fairtrade? In any case, the robustness of these papers can be checked via audits.

## 2. Human rights and environmental risk and impact assessment

One of the big shifts between the earlier Corporate Social Responsibility thinking and today's HREDD thinking is that companies no longer have the power to decide which social and environmental issues they wish to focus on: In due diligence, companies are to conduct a comprehensive, systematic assessment of the human rights and environmental problems related to their operations and focus on reducing the most serious problems. So a proper assessment of the risks and existing adverse impacts is central in HREDD.

Please see below a summary of relevant sources and points of comparison. Note also the related [new Coffee Standard](#) (includes requirements for environmental and human/labour rights risk assessment) and draft cocoa requirement (shared separately, includes requirements for human rights and environmental risk assessment and deforestation risk assessment)

<a href="#">UNGP</a>	<a href="#">Rainforest farm, supply chain</a>	<a href="#">Bonsucro</a> Prod st. in consultation	<a href="#">Current FT SPO Standard</a>	<a href="#">Current FT HL St</a>	<a href="#">Current Cocoa St.</a>
<p><b>Principle 18: Business enterprises should identify and assess any actual or potential adverse human rights impacts with which they may be involved... This process should:</b></p> <p><b>(a) Draw on internal and/or independent external human rights expertise</b></p> <p><b>(b) Involve meaningful consultation with potentially affected groups and other relevant stakeholders.</b></p> <p>- <b>Include all internationally recognized human rights as a reference point, since enterprises may potentially impact virtually any of these rights.<sup>7</sup></b></p>	<p>Risk assessment required from traders and POs with RA tool, farms at least every 3 years, traders every year. (1.3.1, 5.1.2). [Unclear if supply chain risk assessment covers all HRs]<sup>8</sup></p> <p>In-depth risk assessment of child and forced labour required from POs every 3 years where risks are medium/high (mandatory, Y4, 5.1.5-8)<sup>9</sup></p> <p>In-depth gender risk assessment at least every 3 years. (PO, 1.6.3)</p> <p>In-depth climate change risk assessment where needed, based on basic risk assessment (self-selected measure, POs, 1.3.5)</p>	<p>The operator must have in place a Risk and Impact Assessment. A summary made available to personnel, suppliers, clients and other stakeholders. (1.1.4)<sup>10</sup></p> <p>Main health and safety risks are assessed, documented, communicated to workers, and mitigated. (2.1.1)</p>	<p>You identify at least every 3 years which requirements in the Production chapter you and your members may be at risk of not complying with. Best practice are farm assessments (3.1.2, Y1, 3.1.3 Y3)</p> <p>You identify disadvantaged/minority groups within your organization according to, for example, gender, age, income, or land area. (4.3.3, Dev Y3)</p> <p>Re Business and Devt: Needs identification. You implement a process to collect and analyze the devt needs in your organization. (4.1.1, Y1)</p>	<p>Your company carries out regular health and safety risk assessments jointly with workers and adapts safety measures accordingly (3.6.4, Y3).</p> <p>Your company identifies land that has eroded or is at risk (4.3.5, Y3)</p>	<p>Farm assessments: You collect household and farm data to assess the needs of members regarding sustainable farm improvements. Suggested content: household members, permanent and temporary workers, production area and polygons. (3.1.6, Y3)<sup>51</sup></p>

Further information:

- Succinct 4-pager from Just Governance Group [here](#)
- Guidance from Institute for Human Rights and Business [here](#)
- Guide from Global Compact Network Germany et al [here](#)

<sup>7</sup> **UNGP:** In this process, business enterprises should pay special attention to any particular human rights impacts on individuals from groups or populations that may be at heightened risk of vulnerability or marginalization, and bear in mind the different risks that may be faced by women and men. Because human rights situations are dynamic, assessments of human rights impacts should be undertaken at regular intervals. In situations where direct consultation of rightsholders is not possible, business enterprises should consider reasonable alternatives such as consulting credible, independent expert resources, including human rights defenders and others from civil society.

<sup>8</sup> **RA:** Management conducts a risk assessment in relation to the requirements in this standard, by using the Farm Risk Assessment Tool, at least every three years. (HL and SPO, not small farms, 1.3.1). The basic Farm Risk Assessment is repeated at least every three years.

<sup>9</sup> **RA:** The management representative/committee applies the assess-and-address in-depth Farm Risk Assessment, includes the corresponding mitigation measures in the Management Plan and implements these measures. The assess-and-address in-depth Farm Risk Assessment is repeated at least every three years (Y4, 5.1.5) **Indicator:** Scores on the assess-and-address system elements.

<sup>10</sup> **Bonsucro:** The operator must have in place a Risk and Impact Assessment that includes (1) A business context analysis & (2) A social and environmental risk analysis & (3) An identification of impacts (potential and actual) on the human rights of workers, environment and communities. At minimum, the impact assessment must cover the core indicators of the Standard including actual and potential impacts of the operation on the environment, workforce, and communities. A summary shall be made available to personnel, suppliers, clients and other identified stakeholders. The operator shall conduct the assessment for the unit of certification and progressively incorporate the whole supply area.

*Guidance:* The context analysis should consider a range of relevant contextual factors including national/regional financial health, conflict risks, and transportation/logistics challenges, opportunities associated with trade innovations, political stability, social dialog issues, contracting and subcontracting risks, and other facilitators/barriers to doing business. If it determines the context is politically fragile or conflict-affected, the analysis should articulate how the workforce will be protected from violence and what actions the operator will take to avoid contributing to conflict. The social and environmental risk analysis is inclusive of emergency preparedness (e.g. natural/environmental disasters, pandemics, and others), to account for potential effects on workload requirements, workplace risks, and other externalities.

The ARS specifically notes that the risk/impact assessment must include the identification of disadvantaged/minority groups and pay attention to children's rights and child labour, gender-related issues, and occupational health and safety.

We will encourage SPOs to do risk assessment that covers all human rights, including environmental rights, yet guiding SPOs to give particular attention to human and environmental rights that are generally known to be salient for their particular product.

- In the case of coffee, the Fairtrade Coffee Standard emphasises child labour, forced labour, human trafficking and to a somewhat smaller extent also discrimination and workplace violence and harassment, including sexual and gender-based violence.
- The draft cocoa standard emphasises Child Rights and Child Labour, Labour Rights and Forced Labour, Equal Rights and Discrimination, Workplace Violence, and Harassment, Gender (including Gender Based Violence) and Youth, Deforestation and Degradation of Forest.
- Instead of listing 40+ human rights, we will utilize 13 human rights areas (or clusters). Please see the bottom of this document for these areas.

In doing risk assessment, SPOs are to pay attention to external statistics and studies. For example re child labour and forced labour, SPOs are to consider

- Previously identified cases;
- Previous audit results and Fairtrade suspensions for non-conformities;
- National Action Plans to Eliminate Child Labour and/or Forced Labour, which apply to your sector;\*
- List of Goods Produced by Child Labour and Forced Labour by the US Department of Labor;\*
- US Trafficking in Persons List by the US government;\*
- Global Slavery Index by the Walk Free Foundation, Verisk Maplecroft child labour index or UNICEF data;\*
- Information from traders, the government, research or academic institutions, civil society organisations and media.\*

Please see the bottom of this document for some other relevant statistics.

The related key changes in Fairtrade Standards towards cocoa and coffee POs, compared to our previous Standards, are that we

- ask SPOs to assess their human rights and environmental risks, not risks of breaching FT Standards.
- seek to convey to SPOs that open recognition and communication of risks is a good practice that is increasingly sought for by business partners. While it's human to not flaunt one's challenges and risks, some risks always exist: They are not caused by ourselves, they come with the environment. So if no risks are found, it's suspect. Only when we admit the key risks, we can focus our efforts on reducing them. Fairtrade wants to support these efforts and works to hinder cut and run and raise buyers' support for risk assessment, mitigation and remediation work. Further, risk assessment results will not prompt Fairtrade audits or suspensions. To ensure consensus on the latter point among relevant Fairtrade and FloCERT actors, Fairtrade's HREDD CoE will facilitate a related internal discussion during this project.
- ask SPOs to reference publicly available information (or in future the Fairtrade Risk Map) on their commodity and country risks. SPOs can use their own risks assessment or monitoring data to confirm, counter or amend these findings – not dismiss them without explanation.
- Enable PN and Fairtrade to obtain PO generated risk assessment results, including information about the risk assessment process and sources. It needs to be further clarified, which Fairtrade units will be able access the results and for what purpose. PNs can utilize risk assessment results to learn which areas the PO may need support in.

#### Previous/Ongoing work:

- **Fairtrade SPO Standard** has required SPOs to assess which Fairtrade Standards they may be at risk of not complying with (3.1.2). SPO Cocoa Manual offers SPOs brief guidance (Topic 3.1) on how to conduct such risk assessment.
- **Fairtrade's social compliance work** has included risk assessments. Question to FT colleagues: What social compliance materials should be taken as a basis for developing our human rights risk assessment approach? Anita has conveyed some CL, FL and GBV risk indicators. Please share further materials with Meri.

- **Fairtrade's work on climate and the environment** invites SPOs to identify environmental risks and develop climate adaptation plans to address them. Fairtrade has no guidance materials on this yet. Many organisations promote a five-step process for this: 1. setting the scene, 2. Assess Climate Change Challenges, 3. Adaptation planning, 4. Validation and implementation and, 5. Lessons learnt and understanding of the process. See e.g. The [Coffee & Climate Initiative](#).

The key steps of the risk assessment are outlined in the OECD DD Guidance p.25-28 and further discussed on pages 61-73. The steps are summarised in graph 3 below. In the case of Fairtrade certified SPOs, the potential steps could be

- A-B. Scoping and ranking: Check Fairtrade Risk Map to find out the most serious risks in your country and commodity.
- C. Deeper assessment: Collect information about your specific operating environment to validate, enrich and/or amend the above findings. To do this, utilise information from
  - a. your previous audit results;
  - b. monitoring data or risk assessments on particular issues like child labour;
  - c. any complaints or grievances you have received;
  - d. interviews with the staff, lead farmers and sharecroppers/workers of your SPO;
  - e. any other suitable information you have access to.

## RISK ASSESSMENT, KEY STEPS



OECD Due Diligence Guidance (p.25-28):  
Carry out...

### A. Broad scoping exercise

- Identify all human rights risks related to company operations.
- Consider risks that are inherent in the country, region, commodity, and enterprise.
- Information sources inc. statistics and reports from governments and international org's, civil society organisations, trade unions, national HR institutions, media, grievance mechanism etc.
- Consult with relevant stakeholders and experts.

### B. Risk ranking

- Make an initial ranking of risks from most to less serious.
- Criteria: Number of people affected, depth of impact, and remediability.

### C. Deeper assessment of salient issues

- Seek further understanding about the most serious issues, root causes and means to mitigate or remedy.
- Map your operations and business relationships, identify vulnerable groups and pay special attention to how they may be impacted.
- Potential sources: previous or third party studies and assessments, health and safety inspections, audit reports.
- Consult and engage (potentially) impacted rightsholders, including workers, workers' representatives and trade unions. Where this is not possible, seek to consult credible, independent expert resources, including human rights defenders, trade unions and civil society groups.
- Assess company involvement (cause/contribute/link)

Review the findings regularly and at the time of significant changes in your operations or environment.

### Graph 3. Key steps in HER risk/impact assessment

It's important to align with the Fairtrade-wide Risk Mapping exercise and also with Rainforest Alliance, because many SPOs have both certifications. Tytti will share further information about our Risk Mapping tool. We can access Rainforest Alliance's

- risk assessment questions [here](#)
- monitoring questions on child labour, forced labour, discrimination, and workplace violence and harassment at the bottom of this document.

Ideally, the risk assessment tool would also incorporate the assessment of risks to Fairtrade Standards compliance, required by the SPO Standard.

## 3. Mitigation and prevention plan

After the human rights risk and impact assessment, organisations are expected to design and implement a rolling, time-bound action plan to prevent and mitigate the biggest risks and harms identified. Please see below a summary of key guidelines, certifications and Fairtrade’s existing criteria. Note also the related [new Coffee Standard](#) (includes a requirement on climate adaptation plan) and draft cocoa requirement (shared separately, includes requirements on prevention and mitigation plan and a separate deforestation prevention and mitigation plan).

<a href="#">UNGP</a>	<a href="#">Rainforest farm, supply chain</a>	<a href="#">Bonsucro</a> Prod st. in consultation	<b>Current FT SPO Standard</b>	<b>Current HL Standard</b>
<p><b>Principle 19: To prevent and mitigate adverse human rights impacts, business enterprises should integrate the findings from their impact assessments across relevant internal functions and processes, and take appropriate action to cease, mitigate and prevent the impact.<sup>11</sup></b></p> <p><b>Principle 24: Where prioritization is necessary, business enterprises should first seek to prevent and mitigate those human rights impacts that are most severe [UNGP] or where delayed response would make them irremediable.</b></p>	<p>Risk mitigation and remediation plans (“Management Plans”) required from traders and POs, based on their risk assessments (1.3.2, 5.1.2 and 5.1.4)<sup>12</sup></p> <p>Monitoring and mitigation of discrimination, workplace violence and harassment, child labour and forced labour risks is to be done by a committee or management rep (POs and traders, 5.1.1, 5.1.3). (POs, 5.1.6-8)<sup>13</sup></p> <p>Gender: Mitigation measures to be included in management plan after basic and gender risk assessments. (POs, 1.6.2-3)</p>	<p>The operator must have a documented system in place to identify, update track &amp; promote compliance with applicable laws, commitments, rights and requirements. Must also list and evidence legal due diligence of all contracted third parties, recruitment agencies, service providers and labour contractors. (1.2.1)</p> <p>The operator shall establish objectives to control the highest identified risks related to indicators of Bonsucro Production Standard. A summary shall be made available to stakeholders. (1.2.3)<sup>14</sup></p> <p>Environmental and social Management Plans updated every 2 years, documenting how previously identified risks are managed. (5.1.3)</p> <p>The operator shall conduct community-based women’s empowerment training. Recruitment operations increase women’s presence in the workforce to meet not less than 15% of total workforce (5.4.3)</p>	<p>Dev’t Plan: You plan and document at least one activity with the intention to promote the progress of your business, organization, members, workers, community and/or environment. (4.1.2, Y1)</p> <p>Implement relevant policies and procedures to prevent child labour (3.3.12, Dev Y3)</p> <p>Implement procedures to end and prevent deforestation (3.2.32)</p> <p>You have activities in place to improve the social and economic position in your organization of the disadvantaged /minority groups that you have identified. (4.3.5, Y6 Dev)</p>	<p>FT Premium Plan: As a result of the consultation with workers, Committee prepares a yearly plan that takes into account the needs of all the various groups of workers. (2.1.15, Y1)<sup>15</sup></p> <p>Implement relevant policies and procedures to prevent child labour (3.3.5, Dev Y3)</p>

<sup>11</sup> **UNGP:** Where the enterprise causes an adverse impact, it must cease or prevent it; where it contributes or is linked through business relationships to an adverse impact, it must use its leverage to mitigate the impact. If the enterprise lacks leverage there may be ways for the enterprise to increase it by, for example, offering capacity-building or other incentives to the related entity, or collaborating with other actors. Where enterprise is unable to sufficiently increase its leverage, the enterprise should consider ending the relationship, taking into account credible assessments of potential adverse human rights impacts of doing so. As long as the abuse continues and the enterprise remains in the relationship, it should be able to demonstrate its own ongoing efforts to mitigate the impact and be prepared to accept any consequences – reputational, financial or legal – of the continuing connection.

<sup>12</sup> **RA:** Management makes a Management Plan that includes the goals and actions based on the Farm Risk Assessment (1.3.1) and self-assessment (1.4.4). For groups, the Management Plan is additionally based on the Management Capacity Assessment Tool (1.1.1) and internal inspection (1.4.1). The Management Plan is updated yearly. Please see Guidance Document B: Template of Management Plan. (1.3.1)

Risk mitigation: The management representative/committee includes in the Management Plan the mitigation measures as identified in the basic Farm Risk Assessment or the Supply Chain Risk Assessment and implements corresponding measures. (5.1.2)

<sup>13</sup> **RA: Commitment/Traders and POs:** Management commits to assess-and-address child labor, forced labor, discrimination and workplace violence and harassment by: • Appointing a management representative who is accountable for the assess-and-address system • For large farms, individually certified farms and supply chain actors: giving a mandate to a committee comprised of the appointed management representative and workers representative(s) to manage the assess-and-address system. The worker representative(s) is/are selected by workers. • For group management: giving a mandate to a committee comprised of the appointed management representative and a group member representative to manage the assess-and-address system. Group management can choose to appoint a management representative only instead of a committee.

The committee members are: • Knowledgeable about child labor, forced labor, discrimination and workplace violence and harassment • Impartial, accessible and trusted by workers/group members

Communication: • Management representative/committee: coordinates with management, the grievance committee and the gender person/committee • Raises awareness of these four issues with management and (group) staff at least annually; • Informs workers/group members in writing that child labor, forced labor, discrimination and workplace violence and harassment are not tolerated, and that management has a system in place to assess-and-address related cases. This information is visibly displayed at central locations at all times. Please see Guidance Document L: assess-and-address (5.1.1)

**Monitoring/Traders and POs:** The management representative/ committee • Monitors risks and the implementation of risk mitigation measures • Reports potential cases of child labor, forced labor, discrimination and workplace violence and harassment to the management and to the Grievance Committee • Monitors remediation activities (see 5.1.4) The intensity of the monitoring system is adjusted to the risk level and the issue. Indicator: The number of potential cases identified by the monitoring system and referred to the Grievance Mechanism (by gender, age, and type of issue) (5.1.3)

**POs,** where child and forced labour risks are medium/high: training and encouragement of school attendance (5.1.6-7, Y4), yearly **assessment of the assess-and-address system**, based on the following five elements: Effective implementation of mitigation measures; Effective training on relevant assess-and-address topics; Effective cooperation with external actors; Effective monitoring of the monitor the assess-and-address system; Effective internal collaboration on assess-and-address topics. **Indicator:** Scores on the assess-and-address system elements. (5.1.8)

<sup>14</sup> **Bonsucro:** The operator shall establish objectives to control the highest risks identified related to indicators of the Bonsucro Production Standard in the unit of certification and work progressively to implement these in the whole supply area to achieve 100%. The operator shall demonstrate that adequate resources and competent personnel (with capacity to address environmental, social, human rights, labour, OHS and other concerns) are allocated to manage identified risks. A summary shall be made available to personnel, suppliers, clients and other stakeholders. *Guidance:* Where indigenous and traditional communities are identified, free, prior and informed consent (FPIC) will be required before any operations are established or expanded. (3.1.8, Y3)

<sup>15</sup> **Fairtrade/HL:** Guidance: The needs of all groups (e.g. including migrant and seasonal/temporary workers, women and men etc.) should be taken into account as far as possible. Tools to select projects can include needs assessments, setting of priorities, feasibility studies and cost analysis. Further guidance can be found in the Explanatory Document to this Standard for the FPC.

Further information:

- [OECD DD Guidance](#) pages 29-31 and 74-81

**Relevant prior and ongoing Fairtrade work** includes

- **Fairtrade Standards** require SPOs to design, in a democratic and participatory manner, a Fairtrade Development Plan (FDP) for the purpose of promoting “the progress of your business, organization, members, workers, community and/or environment” and, where funding is needed to implement the Plan, utilize Fairtrade Premiums and other funds (4.1.2). On paper, FDP and the “Mitigation and prevention plan” then appear very similar. In practice, however, FDP has become understood as a Fairtrade Premium Use Plan. As such, FDP is a parallel but narrower plan than the Mitigation and prevention plan.

#### 4. Human rights-based grievance mechanism

To further enable SPOs to identify human rights challenges related to their operations and facilitate remediation when their operations cause or contribute to social or environmental grievances, SPOs are expected to design and run grievance mechanisms, at the level of the SPO.

OECD-FAO guidance notes (p33) that a grievance mechanism can help business organisations to improve communication with relevant stakeholders and to identify human rights and environmental risks. It should be used as an early-warning risk-awareness system and as a mechanism to prevent conflicts and provide redress.

Further (p53), operational-level grievance mechanisms designed as early-warning risk-awareness systems offer a locally based, simplified, and mutually beneficial way to settle issues between enterprises and affected communities, including tenure rights holders, by helping resolve minor disputes quickly, inexpensively, and fairly before they are elevated to formal dispute resolution mechanisms, including judicial courts (IFC, 2009).

They can provide valuable feedback to enterprises by: serving as an early warning system for larger problems; yielding insights from individuals that spotlight opportunities for improvement in company operations or management systems; and indicating possible systemic changes to ensure particular grievances do not recur (CAO, 2008).

Enterprises are to

- **Scale** the grievance mechanism according to the risks and adverse impacts of the operations, with a view to seeking to resolve concerns promptly, using an understandable, transparent, culturally appropriate and readily accessible consultative process, without retribution to the party that originated the issue or concern. (IFC Performance Standard 1, para 35)
- **Engage with affected stakeholders** about the mechanism design and performance to ensure that: it meets their needs; they will use it in practice; and there is a shared interest in ensuring its success.
- Align their mechanism with the **effectiveness criteria** for non-judicial grievance mechanisms contained in the UN Guiding Principles (Principle 31).

Please see below a summary of relevant sources and points of comparison. Note also the related draft cocoa requirement (shared separately, includes a grievance mechanism requirement).

<a href="#">UNGP</a>	<a href="#">OECD DD Guidance</a>	<a href="#">Rainforest farm, supply chain</a>	<a href="#">Bonsucro</a> Prod st. in consultation	<b>Current FT HL Standard</b>
<b>Principle 29: business enterprises should establish or participate in effective operational-level grievance mechanisms for individuals and communities who may be adversely impacted.</b>	Setting up a complaints process may incl: a roadmap and timelines for resolving complaints; processes to respond if agreement is not reached; consulting stakeholders on appropriate forms of GM; tracking GM performance.	Grievance mechanism aligned with the UNGP must be enacted by traders, large farms and SPOs, to allow individuals, workers, communities and civil society, including whistle-	Operator must have in place a grievance mechanism for workers (core) and all stakeholders (non-core), which meets the effectiveness criteria in the UNGP. A grievance log is published annually, summarizing all complaints (anonymizing complainants and defendants as	Your company has a grievance procedure for workers and 3 <sup>rd</sup> parties, with protection for complainants. A procedure for sexual harassment
<b>Principle 31: GMs should be legitimate, accessible, predictable, equitable,</b>	Engage with workers’ rep’s and TUs to establish a process			

transparent, rights compatible, source of continuous learning and based on engagement and dialogue. <sup>16</sup>	through which they can raise complaints, eg GMs set forth in collective agreements Global Framework Agreements. <sup>17</sup>	blowers, to raise complaints. (1.5.1) <sup>18</sup> Management engages with communities within or adjacent to the farm ... and informs them about the possibility to file complaints (POs, 5.8.3, Y4)	appropriate), and describing interventions planned to address root-causes. (1.3.1) <sup>19</sup>	(3.5.27, Y0) <sup>20</sup> Your company does not discipline, dismiss or discriminate in any way against workers for using any grievance procedure (3.1.7)
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Further information:

- Guidance from Institute for Human Rights and Business [here](#)

<sup>16</sup> **UNGP:** Operational-level grievance mechanisms perform two key functions: support the identification of adverse human rights impacts and make it possible to remediate grievances. Grievance mechanisms can be important complements to wider stakeholder engagement and collective bargaining processes, but cannot substitute for either. They should not be used to undermine the role of legitimate trade unions in addressing labour-related disputes, nor to preclude access to judicial or other non-judicial grievance mechanisms.

Industry, multi-stakeholder and other collaborative initiatives that are based on respect for human rights-related standards should ensure the availability of effective grievance mechanisms, through which affected parties or their legitimate representatives can raise concerns. The legitimacy of such initiatives may be put at risk if they do not provide for such mechanisms. The mechanisms could be at the level of individual members, of the collaborative initiative, or both. See UNGP p.33-36 for related effectiveness criteria.

Summary of the effectiveness criteria: \*Legitimate: enable trust from stakeholder groups; \*Accessible: be known to stakeholder groups provide assistance for those who face barriers to access; \*Predictable: provide a clear and known procedure; \*Equitable: ensure parties have access to information, advice and expertise; \*Transparent: inform about progress, provide public information about the mechanism’s performance; \*Rights compatible: ensure that outcomes and remedies accord with internationally recognized human rights; \*Source of continuous learning: identify lessons for improving the mechanism and preventing future harms; \*Based on engagement and dialogue: consult relevant stakeholders, dialogue as a means to resolve grievances.

<sup>17</sup> OECD-FAO Guidance further notes (p33) that enterprises should publicise the existence and modalities of accessing the grievance mechanisms, encourage their use, guarantee that their users remain anonymous and free from reprisal, and regularly verify their effectiveness. They should keep a public registry of complaints received, and lessons learnt through grievance mechanisms should be incorporated in the enterprise policy for RBC, relations with business partners and monitoring systems. Grievance mechanisms should complement judicial and other non-judicial mechanisms.

<sup>18</sup> **RA:** A grievance mechanism is in place that enables individuals, workers, communities and/or civil society, including whistle-blowers to raise their complaints of being negatively affected by specific business activities and/or operations of any nature, including technical, social, or economic nature. The grievance mechanism may be provided directly through collaboration with other companies, or through an industry program or institutionalized mechanism and in accordance with the UNGPs. The grievance mechanism should be accessible, in local languages and also for those who cannot read or do not have access to internet. The grievance mechanism should incl at least the following elements:

- A grievance committee with decision making power, with knowledge about the grievances, that is impartial, accessible, and gender sensitive
- Grievance committee is formed by at least one member/worker representative
- The grievance mechanism has appropriate submission channels, for internal and external stakeholders, including workers, members, staff, buyers, suppliers, indigenous peoples and communities
- Anonymous grievances are accepted and confidentiality is respected
- Human and labor rights grievances are remediated in accordance with the Remediation Protocol, and collaboration with the Assess-and-Address Committee and/or the Gender Committee/Person as appropriate, depending on the case
- Grievances and agreed follow up actions are documented, and shared with the persons involved within a reasonable timeframe
- Submitters of grievances are protected against employment/membership termination, retribution or threats as a consequence of utilizing the grievance mechanism

Assess-and-Address Committee: see 5.1.1. Gender Committee/Person: see 1.6.1. Please see Annex 4: Remediation Protocol

<sup>19</sup> **Bonsucro:** To ensure that affected stakeholders have access to processes that address their grievances, the operator must have in place a mutually agreed on and documented grievance mechanism that meets the expectations laid out in the UNGP: Legitimate, Accessible, Predictable, Equitable, Transparent, Rights-compatible, a source of continuous learning and based on stakeholder engagement. In practice it meets the following:

- It ensures anonymity of complainants where requested by complainants, protecting them from risk of reprisal or intimidation. It also safeguards against nondisclosure rules set by the company.
- Procedures are in place to ensure that the system is effectively communicated to and understood by the affected parties, including by illiterate parties or workers whose native language is not the operation’s language.
- The operators keep parties to a grievance informed of its progress, timeframe and outcomes.
- The system allows for complainants to choose individuals or groups to support them and/or act as observers.

*Guidance:* A grievance log is published annually, summarizing all complaints fielded by the operation (anonymizing complainants and defendants as appropriate), identifying strategies to expand access/buy-in to the complaint mechanism, and describing interventions planned to address potential root-causes of existing complaints in a systematic manner.

<sup>20</sup> **Fairtrade/HL:** Your company has a grievance procedure in place which is communicated to workers that: \* Allows workers to file complaints directly and anonymously; \* Allows for direct and anonymous third party complaints; \* Ensures resolutions are decided and remediation implemented in a timely manner; \* Protects workers who file complaints from retaliation; \* Reports fully to complainant and allows for an appeals process; \* Includes a procedure for cases of sexual harassment (see requirement 3.1.6)-

The company ensures that workers are fully aware and understand the procedure and are aware that they have the right to be heard and the right to appeal to an independent party.

Grievances regarding sexual harassment are designated to specially appointed women or women’s committees, linked to a female senior manager when possible and with direct access to the Chief Executive. The same principles apply in case of sexual harassment of groups other than women. This grievance procedure is in accordance with national legislation. **Guidance:** A grievance procedure is a procedure for conflict resolution. Trade union/worker representatives should be trained on this procedure and play an active role in putting the procedure in place. Any grievances submitted are investigated and followed up and documented.

### Relevant prior and ongoing Fairtrade work includes

- The grievance mechanism criteria in our HLO standard (3.5.27 and 3.1.7). See the related brief explanatory note in the footnote<sup>21</sup>.
- The turning of FLOCERT allegation procedure into a human rights-based Fairtrade-FLOCERT grievance mechanism. This is underway and the updated Standard Operating Procedure will be available towards the end of the year. For further information, see the outline approved by FI Board in March 2021 and an article on the new mechanism [here](#) (the link to be shared with Fairtrade staff and the commissioned consultant only).
- Protection policies and procedures at SPOs, PNs and FI. If the SPO has and operates a protection policy and procedure, those can continue to exist alongside the grievance mechanism. SPOs are also expected to report protection triggers to PNs.

By the time of writing this ToR, HREDD CoE did not, however, know of SPOs with a grievance mechanism. It's likely that some coffee SPOs have one, since e.g. Keurig Dr Pepper expects all its suppliers to have one.

An interesting aspect is that grievance mechanisms should allow for *both* anonymous complaints *and* for dialogue between parties as a means to resolve grievances. In Fairtrade's global level grievance mechanism, which is currently being built on the basis of FLOCERT allegation procedure, this dichotomy will be solved by allowing those registering a grievance to choose whether they wish to remain anonymous or engage in dialogue.

Like with HR policy and HR risk assessment, it's still to be clarified how SPOs are to report about the number and type of complaints received, cases remedied/pending etc.

### Annex: Risk assessment questions by Rainforest Alliance

Questions on Child Labor	Questions on Forced Labor	Questions on Discrimination	Questions on Workplace Violence and Harassment
<b>Questions for Households:</b>	<b>Questions for Workers/Unions or other Workers' Organizations:</b>	<b>Questions for Workers/Unions, committees or other workers organizations:</b>	<b>Questions for workers/unions, committees or other workers organizations</b>
Are the children enrolled in school? If so, in which year? Are the children regularly attending school?	<i>(Choose questions based on worker population, crop, what fits local context)</i>	<i>Ask questions to representatives of vulnerable groups like migrant workers, female workers, workers from other cultural background than local population, etc.</i>	<i>Ask questions especially to young male and female workers and to female workers or persons who are in close contact with them</i>
Other remarks about family/farm that impact possible child labor (e.g. Female headed household, migrant family, failed crop etc)	Do you know any workers who wish to leave/stop working but feel they can not? If not, why do they feel they can not?	Do workers of the group you represent/you are part of experience that their wages are lower than wages for other groups of workers who do the same work?	Do workers (especially young and/or female workers) feel safe in their workplace?
Was a child found to be in child labor? If so describe for each child the type of child labor: a. underage child labor b. hazardous child labor	Do workers feel they are being paid the wages they agreed to? If any deductions are taken from their pay, do they understand them and agree to them?	Do workers of the group you represent/you are part of feel that it is more difficult for them to get a higher function like supervisor, trainer, manager than for other workers?	Is it common in the workplace that violent, racial or sexual language is used?

<sup>21</sup> In the OECD Guidelines and the United Nations Guiding Principles for Business and Human Rights grievance mechanisms are considered essential to mitigating negative impacts on human rights as a result of doing business.

Many hired labour organisations already have a grievance mechanism in place, especially when prescribed in a collective agreement. However some organisations have not given sufficient attention to the quality of process to ensure access, timeliness, transparency, accountability, appeal and protection of the human rights of the complainant. Clearly, the availability of a suggestion box or an open-door policy cannot pass as a credible complaint mechanism. Workers tend to consider procedural fairness as important as a favourable decision on their grievance. An adequate grievance mechanism will allow for workplace issues to be resolved effectively, so that they do not simmer and grow into full-fledged industrial disputes.

Make sure that you have a proper system in place for workers to air their grievances. All workers should be aware of the grievance procedures, and should understand that they have a right to be heard, and the right of appeal to an independent party. Workers' representatives but also management and supervisors should, ideally, be trained on the procedures and play an active role in putting them in place. In particular the grievance procedures must:

- Allow workers to complain either directly or anonymously
- Allow for third parties to complain directly or anonymously
- Ensure that an effective and timely output is reached
- Protect workers who file the complaint
- Ensure that the complainant gets a full report on action or procedures taken on the complaint, and that there is an appeals process in place.
- Include procedures for cases of sexual harassment, which for women is linked to a senior female manager who is acceptable by the woman workers and for other cases is linked to an equivalent manager.

c. please define tasks child was involved in (e.g. weeding, household tasks, load carrying)	If workers work any overtime, did they agree to work overtime and are they paid the overtime wages?	Do workers of the group you represent/you are part of feel that it is more difficult for them to have access to workers committees or other workers organizations than for other workers?	Is it common in the workplace that physical violence, like slapping, kicking etc. is used either by co-workers or the supervisor or other staff member?
d. please define the number of hours the child has worked during the last week	Are workers paid on time? Are they paid at least once a month?	Do workers of the group you represent/ you are part of experience that they have less access to certain benefits related to work like pleasant working hours, promotions than other workers	Have workers ever felt threatened by a co-worker or supervisor or another person related to the farm?
e. please define the number of hours the child works on average (define periods – e.g. harvest, preparing, weeding, drying etc)	Are workers ever required to pay fines or financial penalties?	Is it a habit to ask female workers to undergo a pregnancy test while being hired or during any other moment of the working cycle?	Have workers (esp female workers) been asked to do certain favours for their supervisor or another staff member in return for certain job advantages?
Name of group member where children were found to work (if not parents)	Do you know any workers who owe debts to the management or to labor recruiters and are having difficulty repaying them?	Do workers know what discrimination means and do they know their right to file a grievance in case they are discriminated against?	In case of guards, are there special female guards to check on the female workers?
If the child was not found do be in child labor, but is at risk of child labor, please describe why (e.g. not going to school, migrant family, recent death in family, drop income)	Have workers experienced, or seen any other workers experience, poor treatment by supervisors or management?	Do workers know where to go to in case of discrimination and how the grievance mechanism works?	Are there specific working conditions in which people don't feel safe, eg. working in remote areas, working after dark, working with certain supervisors?
Suggestions on actions that should be taken to remediate child labor	Are workers able to eat, drink water, and use sanitary facilities as needed? Are there any restrictions?	Do workers of the group you represent/you are part of feel comfortable to go to the grievance committee and talk about their grievance and do they trust it will be handled in the right way?	Do workers know what workplace violence and harassment, including sexual harassment means and their right to file a complaint in case they face such a situation?
If identified at another farm, follow up with family of child			
Next steps planned for verifying child labor case & remediation (with Grievance Mechanism)	Are workers permitted to keep their own belongings at all times, such as phones, personal papers/documents, etc.?		Do workers know where to go to in case of workplace violence and harassment, including sexual harassment and how the grievance mechanism works?
<b>Questions for Teachers:</b> Are there children who regularly do not attend school?	Do workers feel their work tasks and conditions are the same as what they agreed to?		Do workers feel comfortable to go to the grievance committee and talk about their grievance and do they trust it will be handled in the right way?
Are there children who combine school and work?			
Are there children who are not doing well in school & repeating years?	If any problems are raised -> ask workers if they feel safe discussing the issue with their supervisor/management, or bringing it to the Grievance Committee.	<b>Questions for community leaders, teachers and/or other persons who know the local context well:</b>	<b>Questions for community leaders, teachers and/or other persons who know the local context well:</b>
Are there children who are particularly vulnerable because of home situation (e.g. orphan/living with step parents /female or child headed household, migrant/refugee)		Do you have the impression that some groups of workers, like migrants, women or people belonging to a certain ethnical group are paid less for the same kind of job or have less access to better paid jobs and other benefits?	Do you know of any situation of (sexual) violence within the farm, related to the workers? If yes, what kind of situation and how was it dealt with?

For all of the above, follow up questions should be:  
 If so, notify names/broken down by gender/age/year of school

If so, what follow up action is the teacher taking with these children

Are there families whose children regularly do not attend school?

Are there families whose children combine school and work?

Are there children who are not doing well in school & repeating years?

Are there children who are particularly vulnerable because of home situation (e.g. orphan/living with step parents /female or child headed household, migrant/refugee)

If so, what follow up action is the teacher taking with these children

For all of the above, follow up questions should be:

If so, notify names/broken down by gender/age/year of school

If so, what follow up action is the community taking with these children

**Questions for Community Members:**

Do you hear about any poor working conditions, poor treatment, or problems with wages on [X farm/coop]?

If workers had complaints, where do you think they would bring them, how would they try to get them resolved?

Did you know that [X farm/coop] has a Grievance Committee, and do you think workers would use it?

Do you have the impression that some groups of workers, like migrants, women or people belonging to a certain ethnical group are treated in a less respectful way than other workers?

Do you know if workers are able to complain about any mistreatment regarding (sexual) violence and that it will be dealt with in a correct manner?

**POVERTY**Inequality adjusted human development index *UNDP*Multi-dimensional poverty index *UNDP*Number of poor at 3.20/day *World Bank***WORKERS' RIGHTS**Global Rights Index *ITUC*Working poverty at 1.90/day – total *ILO***GENDER EQUALITY**Gender Inequality Index *UNDP*Working poverty at 1.90/day - women) *ILO***CHILD RIGHTS AND FORCED LABOUR**Forced labor *US Department of Labor*Prevalence of modern slavery *Walk Free Foundation*Child labor *US Department of Labor*Children in child labour *Unicef*Rural primary school completion *Unicef*Rural lower secondary school completion *Unicef***CIVIL LIBERTIES AND STATE FRAGILITY**Civil Liberties rating *Freedom House*Fragile States index *Fund for Peace***CLIMATE AND FOREST**Global Climate Risk index *Germanwatch*Forest area change in 2010-2020 as percentage *FAO*Forest area change in 2010-2020 by hectares *FAO***LAND AND WATER**Land degradation as percentage in 2000-2015 *UNDP*Baseline water stress *World Resources Institute*People in water scarce areas *World Data Lab*

<b>HUMAN RIGHTS AREA and the covered human rights</b> Fairtrade's salient human rights highlighted with green	<b>How farmers, workers or local communities' rights may be breached (examples)</b> Building on UNGP Reporting Framework, pages 102-108.	
<b>Living income, living wage</b>	Right to enjoy just and favourable conditions of work (ICESCR 7) includes rights to income/wage that provides a decent living for the person and her/his family, and equal remuneration for work of equal value. Right to an adequate standard of living, including adequate food, safe drinking water, sanitation, housing and prohibition of forced evictions. (ICESCR 11)	<ul style="list-style-type: none"> <li>• Farmers incomes are too low to offer adequate food, clothing, housing, schooling and other needs for their family</li> <li>• The wages of permanent, casual or temporary staff/workers are too low to fulfil their needs (as above)</li> <li>• Some staff do same work for lower wages than others (e.g. seasonal workers or workers paid piece-meal).</li> <li>• Workers are not paid for overtime.</li> <li>• Wages are partially paid as in-kind benefits, but these are of very poor quality or over-priced.</li> <li>• Poor-quality housing or sanitation facilities provided to workers.</li> <li>• Safe drinking water is not available for farmers or workers</li> </ul> Note: These risks may be heightened where workers' gain no written contracts, job brokers or contractors are widely used, workers pay recruitment fees, sharecropping is common, or family labour is commonly not calculated as farming input.
<b>Working conditions (for farmers and workers)</b>	Right to work, just conditions of work, social security, including social insurance and a family life (ICESCR 6, 7, 9 and 10). Right to marry (ICCPR 23).	<ul style="list-style-type: none"> <li>• Farmers' and workers' working hours are excessive (significantly over national hours of work)</li> <li>• Farmers and workers work in poor or unsafe conditions, with inadequate access to water and toilets.</li> <li>• Workers' are denied some benefits included in the work contracts.</li> <li>• Workers' are unaware/uncertain about their conditions of work (e.g. due to unclear or lacking contracts)</li> <li>• Workers are dismissed arbitrarily or unfairly.</li> <li>• Workers cannot meet and support their families, because they live on site and holidays are short.</li> <li>• Employers evade their obligations or collective bargaining agreements by outsourcing their labour</li> </ul> Note: These risk may be heightened where there's no worker registry.
<b>Health</b>	Right to health and life (ICESCR 12, ICCPR 6) include right to have control over one's health and body. Rights to security of the person, liberty, and not being subjected to torture or to cruel, inhuman or degrading treatment or punishment, even when detained (ICCPR 9, 7, 10)	<ul style="list-style-type: none"> <li>• Some work tools or methods cause injuries or frequent accidents.</li> <li>• Personal protective equipment are not available or farmers/workers lack awareness of why or how to use them.</li> <li>• Chemicals are used or stored in unhealthy or risky ways.</li> <li>• Workers are subjected to physically abusive or humiliating forms of discipline.</li> <li>• Sexual abuse or harassment happens at workplace.</li> <li>• Farming pollutes water, soil or air, causing ill-health among workers or surrounding communities.</li> <li>• Products that are hazardous to end users' health are produced, processed, transported, manufactured and/or sold.</li> <li>• Security services use excessive force or threats to protect company resources, facilities or personnel.</li> </ul> Note: These risks are heightened where farmers/workers receive no training on hazardous tools, chemicals and methods and health and safety in general.
<b>Freedom of association and collective bargaining</b>	Freedom of association and assembly, right to form and join trade unions (ICESCR 8; ICCPR 21, 22; ILO 87 and 98) includes rights to bargain collectively, hold peaceful demonstrations and strike.	<ul style="list-style-type: none"> <li>• Wages and working conditions are not negotiated with legitimate workers' representatives.</li> <li>• Hindrances on trade union operations</li> <li>• Trade union members are threatened or face retaliation.</li> <li>• Security services prevent peaceful activities by the local community against the company.</li> </ul> Note: These risks may be heightened where workers have no written contracts, as that often makes it more difficult for workers to claim their rights.

<b>Forced labour</b>	Right not to be subjected to slavery, servitude or forced labour (ICCPR 8, ILO 29 and 105) Includes freedom from trafficking and debt bondage.	<ul style="list-style-type: none"> <li>• Some workers are forced to work, e.g. due to a debt to the farmer or recruit agency, or inability of returning home.</li> <li>• Recruiters or employers use deceptive or coercive recruitment practices. For example, workers may be led to believe that wages or benefits are significantly better than they actually are.</li> <li>• Workers need to pay high fees for documentation, health checks, transportation, clothing or other requirements as part of their recruitment.</li> <li>• Workers' identity documents are withheld by their employer.</li> <li>• Workers' are deceived or threatened to accept terms of employment they do not consent to.</li> <li>• Proportion of wages are withheld and paid at the end of the year.</li> <li>• Migrant workers are made to believe that if they leave employment, they will be reported to authorities or returned to their home country, even though not required by local laws or visa/work permit rules.</li> </ul> <p>Note: Migrant workers have a particularly high risk of forced labour. Risks are also heightened where recruitment agencies are widely used but the fairness of their practices is not monitored.</p>
<b>Child protection and child rights</b>	Freedom from child labour, Rights of education and protection for the child (ILO 138, 182; ICESCR 13, 14; ICCPR 24; UN Convention on the Rights of the Child, CRC; Children's Rights and Business Principles (childrenandbusiness.org)	<ul style="list-style-type: none"> <li>• Children work long hours or work harms their health or schooling.</li> <li>• Children under the age of 18 do hazardous work (work that is physically or psychologically dangerous to them).</li> <li>• Children under the minimum age of employment work long hours (more than couple of hours a day).</li> <li>• Boys or girls cannot attend school.</li> <li>• Where child labour is discovered, the child's best interest is not taken into consideration, when deciding the response. If the child is simply dismissed, she/he may end up in more dangerous work.</li> </ul> <p>Note: Risks may be heightened where national/district level child protection agencies do not exist or have very low resources or training, or national laws and action plans have other gaps or are not implemented.</p>
<b>Gender rights</b>	Right of equality between men and women (ICESCR 3; ICCPR 3; ILO 100; Convention on the Elimination of All Forms of Discrimination Against Women, CEDAW)	<ul style="list-style-type: none"> <li>• Gender discrimination in membership, decision-making, recruitment or promotion.</li> <li>• Lower wages for women than men.</li> <li>• Work is organized so that it causes particular difficulties for women.</li> <li>• Plantation/cooperative offers health services that do not serve women's needs.</li> <li>• Women or girls face physical, sexual, verbal or psychological violence, harassment or threats</li> </ul>
<b>Non-discrimination</b>	Rights of non-discrimination and equal protection, including discrimination in employment and occupation, and freedom from racial discrimination (ICESCR 2; ICCPR 2, 26; ILO 111; Convention on the Elimination of All Forms of Racial Discrimination, ICERD). Non-discrimination of Migrants (ICRMW), Indigenous people (UNDRIP), Minorities (Declaration on Minorities) and Persons with Disabilities (CRPD). Rights to a fair trial, recognition as a person and equality before the law, and due process when facing expulsion (ICCPR 11, 16, 13)	<ul style="list-style-type: none"> <li>• Some farmers or workers are discriminated against, for example in decision making, recruitment or income/pay, due to ethnicity, religion, opinion, sexual orientation, disability, health status etc.</li> <li>• Payments are only made to male heads of households.</li> <li>• Pregnancy or health tests are required as part of job applications.</li> <li>• Women face discrimination on the basis of their marital or reproductive status.</li> <li>• People with a disability are not recruited, even though they could perform well if work methods or work hours &amp; pay were adjusted.</li> <li>• Relying on migrant workers that face a risk of unfair expulsion, without seeking to mitigate this risk.</li> </ul>

<b>Self-determination</b>	Rights of self-determination, freedom to pursue development, movement, not being imprisoned for inability to fulfil a contract, and freedom from retroactive criminal law (ICESCR 1; ICCPR 1, 12, 15, 14). Indigenous people's rights to preserve, protect and develop their culture, lands, distinct institutions etc (UNDRIP).	<ul style="list-style-type: none"> <li>• Acquiring land without due consultation of the local population</li> <li>• Doing business on land that the Government had previously acquired without due consultation</li> <li>• Relocation of communities in an arbitrary or unreasonable manner, without adequate notice, consultation (and, at least in the case of indigenous peoples, consent), or compensation.</li> <li>• Workers are required to stay in housing controlled by the employer or a broker.</li> <li>• Guards restrict workers' freedom of movement.</li> <li>• Indigenous peoples' lands are acquired without free, prior and informed consent.</li> <li>• Some groups' cultural heritage is damaged by farm operations.</li> </ul>
<b>Climate resilience</b>	Right to a safe and predictable environment that is not destroyed by climate change or deforestation.	<ul style="list-style-type: none"> <li>• Changes in climate or related weather patterns have cut yields or raised costs</li> <li>• Changes in plant diseases have cut yields or raised costs</li> <li>• Causing deforestation or excessive climate emissions that fuel climate change.</li> </ul>
<b>Water and biodiversity</b>	Right to sufficient, safe and affordable water for personal and domestic use; Right to sufficient biodiversity and soil.	<ul style="list-style-type: none"> <li>• Farming suffers from poor availability of irrigation water or soil degradation</li> <li>• The farm overuses or pollutes water, harming local livelihoods or access to clean water.</li> <li>• The farm causes soil degradation or biodiversity loss, which may cause difficulties for farmers themselves or local communities in future.</li> <li>• Land change and land use!!</li> </ul> <p>Note: Soil degradation is e.g. erosion or decline in soil fertility. It can often be hindered by agroforestry, crop rotation, growing multiple crops in one area, or integrated pest management.</p>
<b>Freedom of speech, thought and public participation</b>	Rights to freedom of thought, conscience and religion; Rights to freedom of opinion and expression; Rights of minorities; Freedom from war propaganda, and incitement to racial, religious or national hatred; (ICCPR 27, 18, 19, 20), Right to take part in public affairs, cultural life and benefit from scientific progress and of the material and moral rights of authors and inventors (ICPR 25; ICESCR 15)	<ul style="list-style-type: none"> <li>• Workers get no time off for their religious holidays.</li> <li>• Religious clothing/symbols are forbidden by employer, even though they would not interfere with safety or work performance.</li> <li>• Plantation/cooperative litigates against people who have criticized it, where these people cannot afford proper legal advisors.</li> <li>• Providing a platform for individuals to express hatred and incite action against some group of people.</li> <li>• Workers get no time off for the purpose of voting.</li> <li>• Bribery or improper use of company influence over political figures, judges or witnesses.</li> </ul>
<b>Privacy</b>	Right to privacy (ICCPR 17)	<ul style="list-style-type: none"> <li>• Personal data is not kept confidential.</li> <li>• Information about individuals is provided to state authorities without that individual's permission, although requests are illegal.</li> </ul>
<b>Root causes</b>	Low producer prices; unfair trading practices; disparities in economic power; other	<ul style="list-style-type: none"> <li>• TBD</li> </ul>
<b>Farmer/worker organisation</b>		<ul style="list-style-type: none"> <li>• TBD</li> </ul>