



***Respect for
workers –
palm oil***

Guidelines for sites

January 2016

Working guidelines for plantations, mills, estates and farms

Introduction

These guidelines have been developed from the TFT Respect Principles, which aim to respect the rights of communities, indigenous people and workers throughout all supply chains.

TFT's Respect for workers - palm oil guidelines for sites deals specifically with workers' rights and safeguarding health and safety at worksites. The guidelines outline the working conditions TFT encourages in plantations, estates, farms and mills.

The guidelines:

- apply to the company, its suppliers and sub-contractors
- apply to all workers, including contract, temporary, subcontracted and migrant workers
- apply to all sites, although their application at smallholder plantations will differ (forthcoming Respect toolkit will detail how implementation can be adapted based on the size of the site)

- are in line with local laws applicable in many countries and with international standards.

TFT is committed to helping all sites in the supply chain develop operating practices that support the implementation of the guidelines.

Each guideline is categorised into three levels to help sites prioritise transformation programmes, with Level 1 being the most critical to achieve first. Each level takes into account practical considerations like ease of implementation. In several cases, such as with wages, Level 1 guidelines help to create the foundations required for addressing Levels 2 and 3.

These guidelines recognise and respect the Universal Declaration of Human Rights.

We will review the guidelines on a regular basis.

Alongside this, we work with communities and indigenous people; details of this and the associated guidelines can be found in 'Realising the Rights of Indigenous Peoples and Local Communities to Free, Prior and Informed Consent (FPIC) – A General Guideline'



GUIDELINES

*1. **Child labour is not used** - child labour is not used or promoted, and appropriate measures are taken to prevent the use of such labour.*

Level 1

- a. No child under the minimum age¹ for workers is employed on the plantation or in the mill. This includes children of employees, whether earning a wage, paid by piece-rate or earning wages in kind. Children of family farmers may help on farms owned by the family, doing light non-hazardous work, outside of school hours and on school holidays, as long as this does not jeopardise their health or development.
- b. No child under the age of 18 is employed in hazardous activities.
- c. There is a clear recruitment and employment policy prohibiting child labour, including by labour contractors.
- d. The company requires candidates to provide copies of birth certificates or other official forms of identification to verify their age before being hired.
- e. Appropriate measures are taken to ensure no child is exposed to a hazardous working environment, even if the child is not employed.
- f. If a child under the minimum age is found to be employed, the company shall take remedial action that safeguards the needs of the child and ensures that the child does not end up in any form of employment.
- g. Work does not interfere with any education the young person is undertaking.
- h. There is a process in place to ensure that young workers only carry out work appropriate to their age and physical limitations.
- i. A process is in place to ensure appropriate corrective action is taken should young workers be found in inappropriate work. Due care is taken so that the worker does not end up in a worse form of employment.

Level 2

- j. All children under 14 on the estates or farms have access to health facilities and formal full-time education and attend school regularly.

¹ As defined by C138 - Minimum Age Convention, 1973 (No. 138)



2. ***There is no forced or bonded labour – forced labour, bonded labour and human trafficking are not used or promoted, and appropriate measures are taken to prevent the use of such labour. Remedial actions are in place in the event that such labour or trafficking is found, to ensure that victims are referred to existing services for support and assistance.***

Level 1

- a. There is a clear recruitment and employment policy prohibiting any activity linked to forced and bonded labour, including human trafficking.
- b. Workers are aware and understand their right to freedom of movement, and workers have free access to areas outside company management.
- c. Workers are aware and understand details on payment and conditions of employment (e.g. working hours, deductions, benefits, etc.).
- d. Workers are not forced to work overtime.
- e. Workers have free access to drinking water and breaks during the shift.
- f. The company does not require workers to lodge money deposits with the company.
- g. Identification documents can only be kept by the employer where this is legal and where consent has been obtained from the worker. Whenever documents are retained a system must be in place to ensure workers can gain free access to their documents within 24 hours.
- h. Any advances or loans should be documented. Terms and conditions of repayment should be fair, transparent and capped at 30% of take home pay.
- i. All saving and wage safekeeping schemes are voluntary and fully documented. Workers are fully aware of how the process works. Where wages earned are held for safekeeping, workers have access to funds at any time.
- j. Workers have the option to opt out from the safekeeping scheme upon request.
- k. The site is actively investigating alternative solutions for safekeeping wages that are 100% controlled by workers.

Level 2

- l. Facilities such as secure lock boxes are provided to all workers who are housed on site, for the safekeeping of documents and personal belongings.
- m. Saving and safekeeping schemes are 100% controlled by workers.
- n. There is no access to workers' bank accounts by management or unauthorised third parties.



3. Ethical recruitment practices are used – Recruitment practices are transparent and fair, and direct recruitment is encouraged.

Level 1

- a. The recruitment process is documented and transparent. All intermediaries and agents are known.
- b. Where third parties are involved in the recruitment process, fees and incentives are documented and records kept.
- c. Any costs charged to the workers are transparent, justified and legal. Ultimately sites work to ensure no fees are charged.
- d. Recruitment personnel are all trained to recognise and prevent human trafficking and forced and bonded labour.
- e. Where workers are sub-contracted through an agent, or informal contracts, the company and/or its suppliers must ensure that the workers' contracts are fulfilled and observed. Contracts must be aligned with 'Respect Guidelines'.

Level 2

- f. Recruitment agents meet defined guidelines on recruitment appropriate to the country in which they operate.
- g. No recruitment fees are charged to the worker. Foreign migrant workers do not pay for travel or medical examination costs.

Level 3

- h. Sites are monitoring the % of workers hired directly (without the use of employment agencies) and are working towards increasing the proportion of directly hired workers.

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

Level 1

- a. Plantations and mills have an Occupational Health and Safety (OHS) policy in place.
- b. The company has undertaken a full Health and Safety Risk Assessment by job function, and an action plan is in place and is being implemented.
- c. Appropriate Personal Protective Equipment (PPE) is provided and replaced when necessary for each job function, free of charge and based on the H&S risk assessment.
- d. All managers and workers receive suitable health and safety training appropriate to the scale of the operations. All training is documented and



records are kept.

- e. There is an emergency response plan in place and means to implement it are available.
- f. First aid appropriate for the activities undertaken at the site is freely available, and sufficient staff are trained in its use.
- g. Safety sign boards are in place at strategic locations according to hazard/s identified (restricted areas, electric fence, etc.).
- h. Appropriate fire-fighting equipment is in place.
- i. Emergency evacuation procedures are communicated and practiced for all workers on a regular basis.
- j. There is a procedure for plantations and mills to report OHS performance regularly. It is included in contractors'/suppliers' performance evaluations and is used for continuous improvement.
- k. All the chemicals used by the company are known and material safety data sheets are available for each worker who uses the chemicals.
- l. Workers, local communities, and the environment are protected from exposure to hazardous chemicals. Pesticides that are categorised as World Health Organization Class 1A or 1B listed by the Stockholm or Rotterdam Conventions, are not used, except in specific situations².
- m. Workplace accident insurance is provided to all workers on site (including migrant, sub-contracted and temporary). The insurance covers medical treatment for work-related illness and injury, and compensation for work-related illness and injury causing death or permanent disability. This provision is communicated to workers.
- n. A process is in place for the rightful disbursement of insurance claims to the next of kin in the event of death or workers being repatriated. All payments are fully documented.
- o. Medical facilities appropriate to the size and scale of the site are available on site.
- p. Safe drinking water is freely provided to all workers.
- q. Sanitary facilities such as toilets are provided and are maintained in good condition with sufficient ventilation and reasonable hygiene standards. Facilities are segregated by gender.
- r. Machines are well maintained, inspected regularly and are equipped with appropriate protective devices and safety guards.

²Details will be made available in forthcoming Respect toolkit.



5. **Employment contracts are provided to all workers** – 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.

Level 1

- a. Individual contracts or letters of appointment are provided to ALL direct workers on site and include wages, working hours, leave and benefits. These are signed by the worker and employer.
- b. Working contracts comply with local laws regarding health insurance, working hours, holidays, wages, etc.
- c. Contracts are in an appropriate language for workers. Where workers are illiterate, contracts are read to them and appropriate steps are taken to record that this has happened.
- d. Workers understand the terms and conditions in their contracts.

Level 2

- e. Excessive and continual short-term contracts are not used to avoid employment obligations.
- f. There is a complete transparency of group labour and of the understanding or contract in place covering the working relationship, between the family/group.

6. **Wages meet legal requirements or national norms as a minimum** – All workers are paid a wage equal to or exceeding the legal minimum wage.

Level 1

- a. Procedures for wage/salary determination for all workers, including day and seasonal labourers, ensure that every worker makes at least the minimum legal daily wage based on an eight-hour working day. These procedures are properly implemented.
- b. Workers are given the opportunity to fully achieve the monthly legal minimum wage within their standard working hours³.
- c. ALL workers, including sub-contractors and those on piece rate contracts, receive at least the minimum wage for working an eight-hour day (or part thereof).
- d. Overtime work is paid at a premium and is in line with legal requirements.
- e. Payment records such as payrolls are maintained with sufficient information.

³ Minimum wages should be calculated based on standard working hours and should not include any payments for overtime work.



- f. Payslips detailing pay calculations are provided to all workers in an appropriate language with every pay cycle.
- g. Payments are made directly to the worker. Where a sub-contractor is used the agency should provide evidence of direct payment to workers.
- h. Any deductions from wages, for example, for accommodation or advances, are legal, transparent and fully explained. Descriptions of deductions and outstanding balances are included on the payslips.
- i. Where there is no minimum wage, wages for all workers are equal to or in excess of local norms and provide for a reasonable standard of living in the local context.

Level 2

- j. Paid holidays and leave are in line with legal requirements.
- k. Social security benefits are provided to all workers.

Level 3

- l. Sites are aware of and are working towards paying a living wage.⁴

7. Working hours meet legal requirements and are not excessive – 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.

Level 1

- a. There are systems in place for monitoring how many hours per day and per week workers are working, and for calculating and paying overtime pay.
- b. Where sub-contractors are used, records are maintained to ensure that working hours are recorded.
- c. All overtime is voluntary; there is a process for opting in and out.

Level 2

- d. Working hours are determined based on government regulations. Compensation for overtime is in line with the law or agreed by workers/unions/workers' representatives. Workers are aware of and understand the rules.
- e. Overtime hours shall not exceed the legal limit. Workers are aware of the legal maximum working hours.

⁴ A living wage for any worker should be enough to cover her or his basic needs, and the needs of their family. [The Asia Floor Wage Alliance \(AFWA\) provides a practical methodology for calculating living wage in the region.](#)



- f. Where national law allows temporary permits to be issued to override working hour legislation, these are not used consecutively and for extended periods.
- g. At least one day off in seven is provided to all workers.

Level 3

- h. Standard working hours, not including overtime, do not exceed 48 hours a week.
- i. Total working hours, including overtime, do not exceed 60 hours a week.

8. *The company respects diversity within its workforce - 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 favourably than other workers performing similar tasks.*

Level 1

- a. The company has policies in place to ensure that hiring, remuneration, promotion, training, retirement and termination decisions within the company are based only on objective factors and are not connected to the gender, age, nationality, ethnicity, race, colour, creed, organisational membership, political affiliation, marital status or sexual orientation of the worker.
- b. All workers are trained to understand the company's non-discrimination policies.

Level 2

- c. Policies specifically cover equality of wages, hours of work, job roles and maternity leave.
- d. These policies are fully implemented.
- e. There is no discrimination in the workplace and the guidelines outlined in this document are applied to all workers.

Level 3

- f. The company has a training programme in place, without discrimination, to help workers achieve the qualifications necessary to acquire positions at all levels within the company.
- g. The company makes reasonable provisions to provide job opportunities to disabled workers.



9. *Harassment and abuse is not tolerated – policies are in place and implemented to prevent and remediate harassment and abuse, including sexual harassment and abuse.*

Level 1

- a. There is a policy in place covering harassment and abuse, and the policy clearly outlines what constitutes harassment and abuse.
- b. The policy is being implemented and all staff and workers have been trained to understand the concept and procedures related to the policy and to apply the relevant guidelines.
- c. Where a concern has been raised the site has a clear process to investigate, ensuring the anonymity of the individuals involved.
- d. Appropriate avenues of remedy are made that protect the dignity and respect of complainants.

Level 2

- e. The company maintains records of any complaint covering harassment and abuse.
- f. The company revises and updates the anti-harassment policy on a regular basis to ensure it is implemented effectively.

Level 3

- a. The company establishes an effective monitoring mechanism to prevent the occurrence and reoccurrence of harassment or abuse and regularly checks its proper functioning including an assessment by stakeholders.

10. *There is clear and readily accessible access to remedy - Workers at all levels have access to judicial remedy and to credible grievance mechanisms without fear of reprimand or dismissal.*

Level 1

- a. A grievance mechanism which respects anonymity for complainants and whistle-blowers is established, implemented and communicated to all levels of the workforce.
- b. All grievances lodged and actions taken in response should be recorded.

Level 2

- c. A policy and standard operating procedure is put in place to ensure workers have access to judicial remedy and to credible grievance mechanisms, without fear of reprimand, deportation or dismissal. Employment contracts do not



restrict workers' access to remedy.

- d. The follow-up process includes interviewing complainants to ensure each grievance has been handled properly.

Level 3

- e. A monitoring system of grievance analysis is put in place to ensure continuous improvement (frequency of the grievances, topic, etc.).

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

Level 1

- a. Accommodation is adequate and safe:
 - i. Living quarters are of sound construction and overall conditions are acceptable.
 - ii. Living quarters are separate from storage and production areas.
 - iii. There is access to basic services appropriate to workers' needs, including toilets, bathing and laundry facilities, water, electricity, and kitchen facilities.
 - iv. Wiring and electricity is safe and secured.
 - v. Adequate equipment for fire-fighting is provided and accessible.
 - vi. Exit routes are sufficient in number and are easy to access.
 - vii. Workers should not be affected by air, water or soil pollution, surface run-off, sewage or other wastes.
- b. Separate and segregated accommodations are provided for single men and women.
- c. There are no restrictions imposed which interfere with workers' rights to leave the housing facility during their free time.
- d. Sleeping quarters are lockable from the inside.
- e. Each worker has a means to secure his or her belongings.
- f. Potable drinking water must be available.
- g. Where accommodation is charged for, costs, including those for water and electricity are proportionate and not excessive in the context of the local economy and of worker wages.

Level 2

- h. Products sold at company stores and cafeterias should be at a fair and reasonable price and should not exceed local benchmark prices.
- i. In remote areas where the nearest town is not accessible on foot, demonstrable effort is made to provide regular access to amenities.



- j. The average living space in the absence of national regulations will be not less than 3.6m² per individual.
- k. Family accommodation, consisting of a separate, self-contained dwelling, is available where required.
- l. Lockers are provided in each sleeping quarter.

Level 3

- m. Access is provided to leisure facilities for workers and their families.

12. Freedom of Association and the right to collective bargaining is respected - 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.

Level 1

- a. Processes and tools are in place to ensure all workers have access to a mechanism whereby they can express their views to management regarding their working conditions.
- b. The company gives the right to all personnel (including migrant workers, day and seasonal labourers and workers for all sub-contractors) to form and join trade unions of their choice and to bargain collectively, subject to legal and government requirements and restrictions.
- c. Workers are not punished and/or subjected to harassment or discrimination for joining or being a member of a union.
- d. Unions have access to the workplace and can speak to workers freely.
- e. Where trade unions are not operating or where they are restricted by law, alternative effective forms of communication are made available to workers.
- f. Workers are aware of these rights and can claim them freely.
- g. The company has posted these rights in writing in a public place and in a language understood by workers.

Level 2

- h. The workers select workers' representatives through a transparent, democratic and documented process.

