Environmental and Social Management System

Toolkit and Case Studies

CROP PRODUCTION

IFC International Finance Corporation
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Welcome & How to Use This ESMS Toolkit and Case Studies

Environmental and social responsibility is becoming more and more important in today's global economy. There are thousands of environmental and social codes and standards in the world today. The codes and standards define the rules and the objectives. But the challenge is in the implementation. An environmental and social management system helps companies to integrate the rules and objectives into core business operations, through a set of clearly defined, repeatable processes.

In the following pages, we provide tools to build or enhance your environmental and social management system (ESMS). Section I is the Toolkit – sample documents, blank forms, flowcharts, checklists and templates. There are tools for each of the nine elements in your ESMS. Section II is the Case Studies – examples of how two different companies used the tools and developed and implemented an ESMS appropriate to the size and nature of their business.

As you go through the Toolkit and Case Studies, you may want to refer back to the companion publication, the ESMS Handbook, which gives more background on each of the nine ESMS elements.

It is important to remember that simply creating a book of policies and procedures is not the end - just the beginning. They need to be implemented and turned into consistent processes. Continual improvement requires people that are committed to the effort. It requires trained people that have the right attitude, skills and knowledge. It requires leadership. Our hope is that, with this in mind, a company can use our ESMS tools to help accelerate the journey of continual improvement, for its own benefit and that of its employees and stakeholders.

Quick Reference for Using the ESMS Toolkit and Case Studies	
Section I - Toolkit	This section provides tools, including forms, templates, checklists and other useful documents, to help you develop and implement an ESMS.
Section II - Case Studies	This section presents the stories of two companies in the food and beverage industry that implemented an ESMS. These cases illustrate how the two companies **used the tools** presented in Section I – Toolkit.
ESMS Self-Assessment and Improvement Guide	This companion publication contains a questionnaire, maturity matrix and improvement tips to help you measure the maturity of your ESMS and develop a plan for improvement.
ESMS Handbook	This companion publication provides background on environmental and social management systems in a particular industry and offers step-by-step instructions on how to develop and implement an ESMS.

Acknowledgments

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ESMS Toolkit

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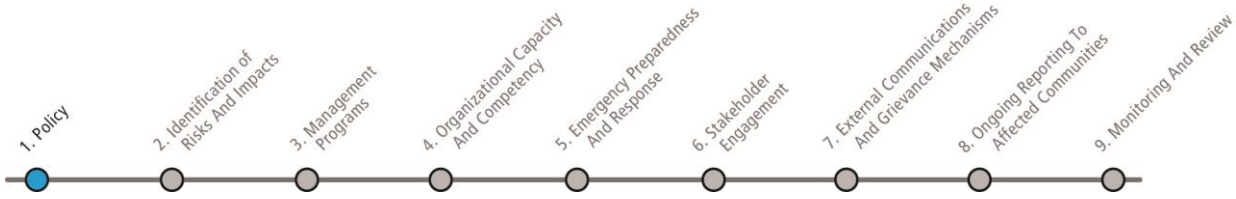


Policies

Introduction

Policies are the foundation of your Environmental and Social Management System (ESMS). They are the rules that you expect your people to follow and the public statement you make about what your company believes in and how you strive to conduct your business.

The process of adopting environmental and social policies provides a company with an opportunity to think about and discuss what is important. Ultimately, it also enables you to gain the commitment and support of senior management as they approve and communicate the policies.

We present two tools related to this element:

- Checklist for Developing a Company Policy Statement
- Sample CEO Letter announcing the ESMS

Checklist for Developing a Company Policy Statement

Instructions:

Use this checklist to make sure that you are considering the relevant issues in your environmental and social policy.

☐ Environment

- Environmental laws and regulations
- Resource efficiency and cleaner production principles in product design and production processes
- Emissions and effluents

☐ Resource efficiency

- Consumption of energy, water and other important input materials
- Greenhouse gas (GHG) emissions

☐ Pollution prevention

- Release of pollutants to air, water and land
- Generation of hazardous and non-hazardous waste materials
- Recovering, reusing, treating and disposing of waste
- Emissions and residue
- Pests and vectors
- Pesticide effects on non-target species and the environment, and development of resistance

Labor and Working Conditions

☐ Human resources policies and procedures

- Labor standards policies and procedures
- Clear communications throughout the company

☐ Working conditions and terms of employment

- Collective bargaining agreement, if applicable
- Reasonable working conditions and terms of employment including work hours, wages, overtime, compensation and benefits
- Protection for migrant, contract or temporary workers
- Clean and appropriate accommodations, if applicable

☐ Workers' organizations

- Workers' rights to form and to join workers' organizations
- Non-discrimination against those who organize

1. Policy

☐ Non-discrimination and equal opportunity

- Hiring, promoting and compensating workers
- Training, tools and opportunities for advancement
- Freedom from harassment by management or other workers
- Positive discrimination, if applicable

☐ Retrenchment

- Consideration of alternatives and mitigation in case of retrenchment
- Payments and benefits

☐ Grievance mechanism

- Transparent process for receiving and resolving worker complaints
- No retaliation or discrimination

☐ Child labor

- Minimum age for employment
- Conditions for engagement of young workers

☐ Forced labor

- Freedom of movement, freedom to resign
- No retention of identification papers or money to detain workers

☐ Occupational health and safety

- Safe work environment and dormitories, if applicable
- Emergency prevention and response system
- Personal protective equipment and appropriate training
- Document and report accidents, diseases and incidents
- Use of potentially hazardous chemicals such as pesticides, fertilizers, growth enhancers and ripening agents

☐ Workers engaged by third parties

- Extension of labor policies to labor contractors, recruiting agencies and other third parties
- Grievance mechanism for contracted workers

☐ Supply chain

- Extension of policies and monitoring of supply chain with respect to child labor, forced labor and worker safety to and other labor issues supply chain

1. Policy

Community Health, Safety and Security

☐ Community Health and Safety

- Food and consumer safety
- Health, safety and security of the public from activities, equipment and infrastructure
- Design, construct, operate and decommission equipment and infrastructure in a way to avoid the occurrence of environmental impacts, OHS incidents and injuries
- Potential community exposure to hazardous materials and substances
- Delivery, transportation and disposal of hazardous wastes
- Impact or reliance on ecosystem services
- Community exposure to water-borne, vector-borne and communicable diseases that may be associated with company activities
- Communicable diseases that may be associated with the influx of temporary or permanent project labor
- Emergency situations caused by activities, equipment and infrastructure

☐ Security personnel

- Screening, training, equipping and monitoring direct or contracted workers providing security services
- Grievance mechanism for workers and the community to express concerns about the security system and personnel

Sample CEO Letter announcing the ESMS - Internal

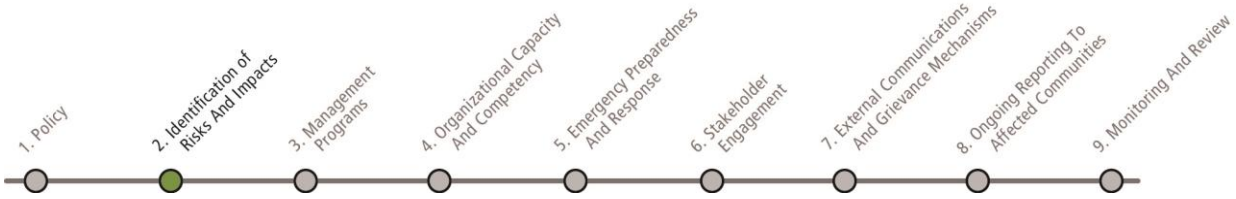
To all employees of our company:

Our vision for our company is to become one of the most respected and admired crop production companies in our area. We aspire to conduct ourselves in an ethical and responsible manner. Corporate social responsibility, which spans environmental, human rights, labor and social issues, is a growing concern to investors, consumers and to all of us as people.

To integrate corporate social responsibility into our day-to-day business activities, we are developing and implementing an environmental and social management system (ESMS). A management system is trained, committed people routinely following procedures and continually improving.

I ask for your full cooperation in this important initiative. We believe that corporate social responsibility must be a foundation of our long-term growth and profitability. Not only is it an integral part of our overall business strategy, but it is also the right thing to do. It is the right thing for our customers, our suppliers, our shareholders, our communities and for you, as a core part of this company.

As we strive to successfully implement our ESMS, we will train and involve you throughout the process. [Person's name and title] is in charge of this corporate social responsibility initiative. Each of you has a direct line of communication with [person] for any suggestions or concerns. I thank you for your efforts and your continued dedication to our success.



Identification of Risks and Impacts

Introduction

Identifying your risks can seem like a daunting task, but don't be overwhelmed. Scale your program as appropriate for the size and complexity of your company. But remember, small companies can have the same risks and potentially severe environmental and social impacts as large companies.

Think of your risk identification and assessment as a value-added activity, an opportunity to gather information that will help to effectively improve your operations. A risk identification and assessment is an ongoing process; situations change over time, so it should be repeated at regular intervals.

When identifying your risks, be mindful of the different risks that women and men may encounter. Also, consider the risks to people outside your company – your external stakeholders.

We present four tools related to this element:

- Risk Identification Worksheet
- Process Mapping Tool
- Physical Mapping Tool
- Risk Assessment Form

Risk Identification Worksheet

Instructions:

Complete the worksheet to help you focus on the areas where your company might have potential risks. This is not designed to tell you whether your company actually has this problem; it is just used to point you to areas where problems are more likely to happen, allowing you to pay more attention to those areas. Consult with appropriate people inside and outside your company to complete the worksheet. For each line, circle the appropriate answer.

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
There is a difference in nationality, race or religion between workers and managers.	Yes/No	Discrimination. Disciplinary abuse and harassment.
We have an apprentice program that provides young workers with training and work experience.	Yes/No	Forced labor. Child labor.
Our managers and supervisors are not aware of the workers' rights under the national labor law or collective agreements.	Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime. Inadequate Wages. Restriction on freedom of association and collective bargaining.
We do not employ children but children or young workers are employed at the farm.	Yes/No	Child labor.
Children accompany their parents during work or leisure time.	Yes/No	Child labor. Exposure of children to workplace hazards.
We do not have a system for recording the "in" and "out" time for agriculture/plantation laborers.	Yes/No	Excessive working hours. Lack of overtime payment.
Some plantation workers are paid based upon the tasks performed (quota) rather than hours worked.	Yes/No	Health and safety risks. Inadequate wage payment. Excessive working hours.
Migrant workers or seasonal workers are employed in more hazardous jobs.	Yes/No	Discrimination.
We routinely use recruiting agencies and contract workers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
The dormitories are not regularly inspected for their cleanliness, hygienic conditions, adequate space availability, or safe drinking water and sanitation.	Yes/No	Lack of clean adequate space. Illness or health hazards due to lack of sanitation or access to a clean drinking water supply.
Workers are not free to move out of their dormitories	Yes/No	Lack of freedom of movement. Forced labor.

Our region does not have a strongly established union structure.	Yes/No	Discrimination. Restriction on freedom of association and collective bargaining
There are security guards at our company.	Yes/No	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No	Inadequate wages, benefits and contracts.
There are large fluctuations in working hours based on work demand (e.g. during harvesting or processing season)	Yes/No	Excessive overtime. No payment of overtime due to hour averaging. Layoffs.
There is a labor shortage in the area.	Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No	Lack of freedom of association.
The union members and worker representatives do not enjoy the same benefits as the other workers.	Yes/No	Lack of freedom of association. Discrimination.
The hiring, compensation and promotion of workers is not based on the job requirements and workers' skills.	Yes/No	Discrimination.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
The organization has done a collective dismissal in the past or it may be vulnerable to collective dismissal due to poor financial conditions or technical reasons.	Yes/No	Discrimination.
We do not verify the age of workers at the time of hiring.	Yes/No	Child labor. Hiring of young workers. Exposure of young workers to hazardous jobs.
Workers are required to deposit money or their original documents (e.g. certificates, landing documents, passports, etc.) as a condition of their employment.	Yes/No	Forced labor. Harassment.
We withhold one month salary from workers as security deposit.	Yes/No	Forced labor.
Our production activities include significant lifting, carrying or repetitive motions.	Yes/No	Worker injuries and chronic conditions.
Large equipment, such as tractors, front-end and skid steer loaders are used in our operation.	Yes/No	Worker injuries and chronic conditions.
Farm equipment, machinery and tools are not regularly inspected and maintained.	Yes/No	Worker injuries such as lacerations
There are dust emissions/high noise levels due to initial processing from the harvest.	Yes/No	Respiratory hazards. Noise induced hearing loss.
Our production activities involve workers routinely interacting with machinery.	Yes/No	Worker injuries and chronic conditions.
We have not identified all operations where personal protective equipment (PPEs) is required.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Not all workers are aware of the work place hazards and how to use the appropriate PPEs.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Our plantation workers work long hours	Yes/No	Heat and sun-induced dermatitis. Melanoma.

in open areas with exposure to sunlight, ultraviolet radiation and excessive heat.		Lip cancer.
Workers are required to work at precarious levels and high elevations (e.g. evergreen date palm: 30 m; oil palm: 12 m).	Yes/No	Fall injuries. Head injuries from falling objects.
Agricultural tools are not well maintained or ill designed for the job.	Yes/No	Fatigue. Physical injury (lacerations).
Plantation roadways and paths are narrow restricting vehicular or personnel movements.	Yes/No	Worker injury or death due to hazards related to head-on crashes between vehicles or overturns off the side of the road.
Electrical equipment used for initial processing of crop produce is not regularly inspected and maintained.	Yes/No	Workers exposure to severe shocks, burns or electrocution.
We use untrained animals for dragging or carrying loads at the farms (e.g. horses, donkeys, mules, oxen, etc.).	Yes/No	Workers' injury from kicking or biting by animals.
Sanitary and washing facilities are not inspected regularly.	Yes/No	Infectious diseases.
Confined spaces are not identified yet and workers are not fully trained on safe operating practices (e.g. grain silos).	Yes/No	Worker's exposure to toxic gases (hydrogen sulfide, methane, ammonia, carbon monoxide, carbon dioxide). Oxygen deficiency and asphyxiation.
Natural hazards such as poisonous insects and snakes may exist during weeding or harvesting operation.	Yes/No	Insect or snake bites.
We use tractors and open trucks to transport workers from one farm to another.	Yes/No	Physical injury. Fatality due to run-overs or other accidents.
Weeds around our crops are often burnt to assist harvesting.	Yes/No	Injury or fatality due to fire hazards. Inhalation of smoke particulates.
Workers may be exposed to grain dust (e.g. during harvesting) or dust from stored grain.	Yes/No	Grain fever. Acute and chronic bronchitis.
We have operations/areas with high noise levels at work zones (e.g. threshing operations).	Yes/No	Hearing impairment.
Our crops are required to be dried (e.g. to less than 15% moisture content) for proper storage (e.g. cotton crops.)	Yes/No	Injury or fatality due to fire hazards
Our production activities involve hazardous materials or processes that could cause fires or explosions (e.g. storage of large quantities of fuel for farm equipment and machinery).	Yes/No	Worker injuries or casualties.
Our workers don't have access to separate and clean areas for eating and changing clothes.	Yes/No	Worker illnesses.
Some hazardous materials are not identified or labeled and some of the workers may not be trained in safe handling of chemicals or other hazardous substances (e.g. pesticides, herbicides and other agrochemicals).	Yes/No	Worker illnesses. Exposure to hazardous chemicals
The companies in our supply chain would probably answer "Yes" to most of the questions above.	Yes/No	All of the above.

2. Identification of Risks and Impacts

ENVIRONMENTAL RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
We are sometimes engaged in the preparation of virgin land for agriculture or plantation that may require tree cutting, uprooting stump or burning of undergrowth.	Yes/No	Loss of biodiversity. Land degradation. Air emissions. GHG emissions. Soil erosion. Surface water contamination.
Our crop requires large quantities of fresh water for irrigation.	Yes/No	Water resources depletion in the region. Contamination of ground or surface water sources in the region due to discharge of surface runoffs.
We use deep bore wells to meet our irrigation requirements.	Yes/No	Groundwater depletion in the region.
We require large quantities of fuel (gas/diesel/etc.) for our operations (farm equipment and machinery).	Yes/No	Air emissions.
We have various processes and utility equipment which may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	Yes/No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly and bottom ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We generate large (or significant) quantities of solid or liquid waste from packaging material, manure and agrochemicals.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste.
We use animal manure collected from various sources as crop fertilizers.	Yes/No	Land contamination. Ground or surface water contamination.
We need to store large quantities of seeds, crop produce or agrochemicals at site.	Yes/No	Solid waste due to possible contamination or deterioration of stored materials.
We generate large (or significant) quantities of solid or liquid waste due to rotting material and prolonged storage.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste (leachates).
We generate large (or significant) quantities of solid or liquid waste from our production activities, which are not reprocessed into byproducts, fertilizers or energy.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning (such as hosing down pesticides and fertilizers from fruit and machinery).
We dispose of our solid waste in our landfill or city's landfill facility.	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off). Impact on wildlife or fisheries if exposed. Diseases through vectors. Foul smell. GHGs generation (e.g. methane).
We compost waste crop products to be used as fertilizers.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
We treat our sewage (from toilets, washrooms, etc.) before discharging.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, treatment chemicals). Land and/or water

		contamination due to improper disposal of solid waste.
We utilize our treated wastewater for irrigation or provide it to the community.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the treated wastewater.
Our operations (e.g. spray of pesticides) may have an impact on the surrounding forest, water bodies or wildlife.	Yes/No	Loss of native species. Impact on biodiversity. Contamination of local environment.
We use some banned or restricted chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure to workers. Land or water contamination due to disposal of infested material.
There are dust emissions/high noise levels due to initial processing of the harvest (e.g. high dust/noise during initial processing of rice, wheat, cotton, beans, etc.)	Yes/No	Air emissions/fugitive emissions. Noise pollution.

COMMUNITY HEALTH, SAFETY AND SECURITY RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
Our production activities and treatments involve generation of air, solid and liquid wastes (e.g. use of threshing machines; composting of crop waste/residues; burning, etc.).	Yes/No	Exposure of community to dust and toxic emissions.
Our crop production activities involve use of agrochemicals and manure that may leave potentially harmful toxic or pathogenic residues.	Yes/No	Food contamination/food safety issues due to use of contaminated crop.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc., that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We use certain banned or restricted chemicals, pesticides or herbicides in our operations.	Yes/No	Exposure of community to banned chemicals/hazardous substances, water and land contamination. Impact on wildlife.
We plan to develop new infrastructure, buildings, equipment and other facilities (e.g. godowns or warehouses).	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.
We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.), and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.

There is significant movement of vehicles in and around our farms due to our operations (e.g. vehicles carrying crop produce, fertilizers, agrochemicals, etc., movement of water tankers, etc.).	Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating air, land and/or water.
We discharge water from our operations, which may have an impact on surrounding water bodies (e.g. wastewater from workers' residential facilities, composting facilities, etc.).	Yes/No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	Yes/No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel.	Yes/No	Conflicts with communities and indigenous people.
We sometimes do aerial spray of pesticides or other agrochemicals.	Yes/No	Conflicts with communities. Contamination of local air, water or land.
We sometimes have conflicts/ complaints with the local community (e.g. due to emissions and odors from our operations, sharing of local resources, etc.).	Yes/No	Conflicts with communities and indigenous people.

Process Mapping Tool

Instructions:

A process map or flowchart visually describes the flow of activities of a process, from beginning to end. Below is an example of a blank process map.

Please look at the case study for company ABC, a pineapple plantation in the Philippines in Section II of this Toolkit to see how this map can be completed and followed through.

While developing the process map, you need to identify all activities and processes; and the inputs (seeds/saplings, water, agrochemicals, energy inputs) and outputs (agrochemical residues, water run-offs, etc.) from each of these activities.

Process maps are particularly useful in identifying environmental risks, occupational health and safety hazards and areas for process improvement. They are also helpful to identify whether you can improve the work flow, which can benefit the workers and improve operational efficiency.

After you write down your process map, look at each activity and think of:

- the occupational health and safety hazards;
- the environmental, social and community risks; and
- the opportunities for waste reduction and resource conservation (water, energy, agrochemical, manpower, etc.)

It is very important that people at all levels in your company participate in the identification of risks, opportunities and possible solutions. Supervisors and workers are a valuable resource in helping you learn about the way things actually work in the plantation or farm. If you can't have all the necessary people in a room, you can ask supervisors consult with the workers in their area and provide you with information about the activities they oversee.

After you have identified the risks and opportunities for each step, you can think of the possible solutions. These can range from revising your crop practices (such as crop rotation and increased mechanization) to better control the risks, to improving the use of personal protective equipment by your workers and converting to organic practices or reducing the use of hazardous agrichemicals. This will form the basis of the Action Plan you will prepare in the Management Program chapter.

2. Identification of Risks and Impacts

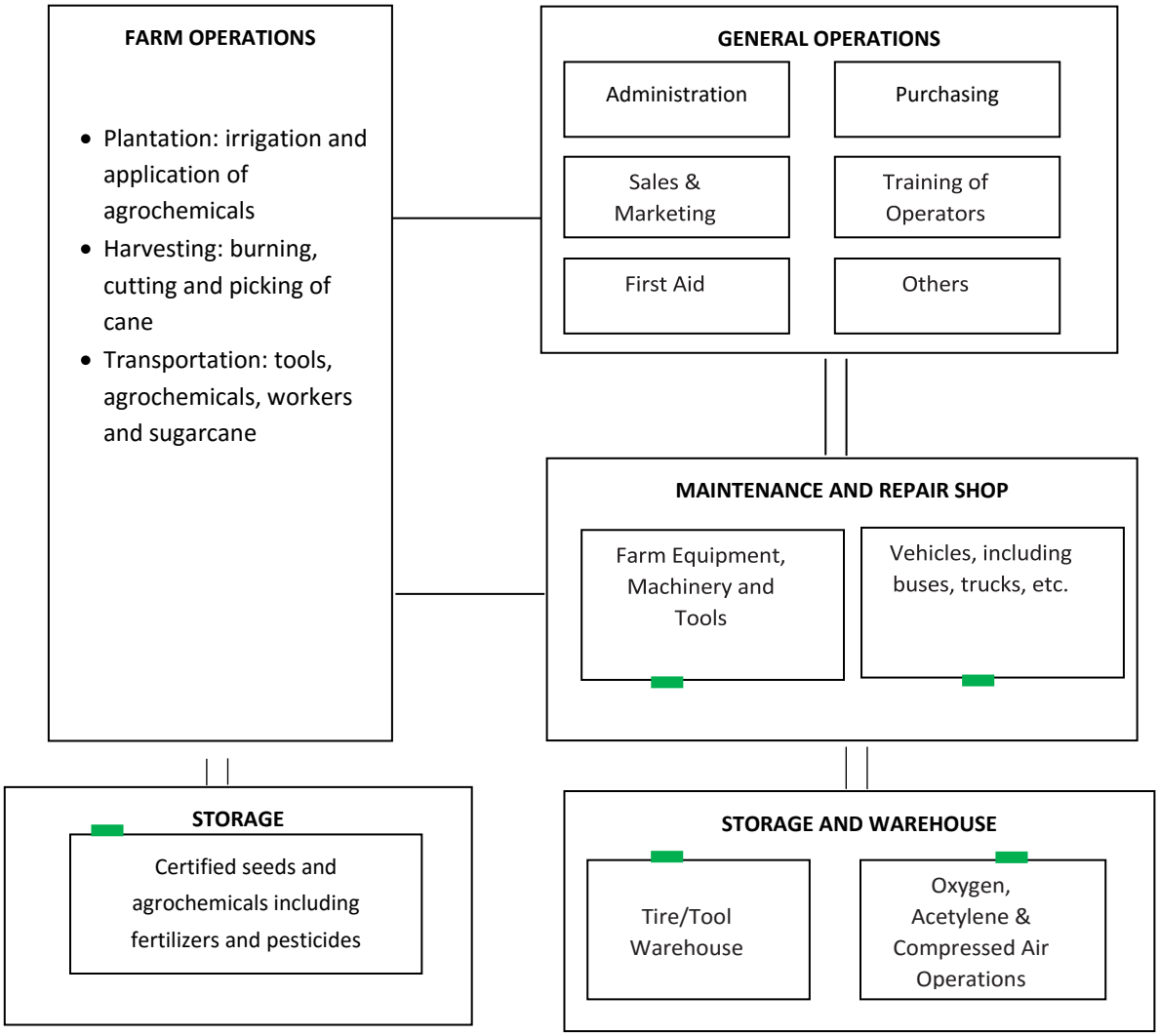
Inputs	Process	Outputs	Potential Negative Impacts - OHS	Potential Negative Impacts - Environment And Community	Opportunity For Waste Reduction/Energy & Water Savings
Materials, labor, resources	Operational activity	Product, waste, by-product	Injuries, long-term illness	Discharge, contamination, pollution, shortage	Improved process, re-purposing and recycling by-products

Physical Mapping Tool

Instruction

Prepare a map of the layout of your plantation/agriculture farm. The map should include storage sheds for agrochemicals and farm equipment, security guard posts, planted areas, packaging depots, first aid huts and watering systems. You can use this map again later when you develop your emergency preparedness plan. Once you have the physical map, do a walk-through to observe existing or potential problems.

Whenever you encounter a problem, write it down and mark it on the map (see example for case study XYZ, a sugar plantation in Nicaragua in Section II of this Toolkit). The walk-through should be conducted during working hours with a team that includes supervisors and workers, since they often know what the problems are and have ideas about necessary improvements.



2. Identification of Risks and Impacts

HERE ARE SOME THINGS TO LOOK FOR:

- Where and how are people most likely to become injured (from falls, cuts, strains, etc.)? Identify trip, slip and fall hazards (falling objects or fall from elevated places) and injury from plantation vehicles and chemical spillages?
- Are the plantation equipment, tools and machinery designed and maintained efficiently to reduce worker strain and operate safely?
- Where could the accidental release of hazardous materials occur? Is there adequate and appropriate response equipment close to those areas?
- Are chemicals labeled and safely stored with compatible materials? What is the likelihood and consequence of an accidental spillage?
- Are there existing or potential leakages from gaskets and drums (of, for example, pesticides and fertilizers)?
- Where are there high levels of water consumption or discharge? Identify all potential water consumption and discharge sources (e.g. flood irrigation, surface run-offs, workers' residential facilities, etc.)?
- Where is most of the waste produced and what is done with it?
- Are input materials (e.g. seeds, saplings, agrochemicals, fuel for machinery, etc.) being used efficiently? Where are materials being wasted?
- Where are workers exposed to hazardous chemicals (pesticides, fertilizers and other agricultural agents), excessive dust, sun and extreme high temperatures, and humidity? Do workers have appropriate personal protective equipment (PPEs)? Are they using it correctly?
- Has the land use by the plantation negatively affected nearby residents either through emission of air pollutants (burning of crops), water pollutants (agrochemicals) or land encroachment?
- In general, are there places or work processes where it is clear there are bad habits?

After the walk-through, meet with the team and discuss what has been observed. Also, talk about previous incidents or accidents that have occurred in the plant and what have been the consequences.

The information you collect in the walk-through will form the basis of the action plans you will prepare (see Chapter 3. *Management Programs – Toolkit*).

Risk Assessment Form

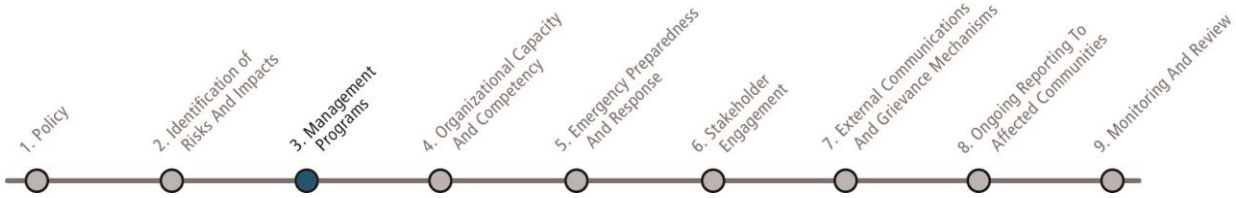
Instructions

It might not be feasible or practical to address every risk. Where it is necessary to prioritize your actions, try to avoid or minimize the most potentially severe risks.

Complete this form based on the risks that you identified using the previous tools. Identify the probability that a certain risk will occur, and the potential severity of the impacts. For example, a major flood or earthquake may be unlikely to occur (low probability), but the damage to your people and facility could be extremely high (high impact).

When prioritizing issues to be addressed, consider opportunities for cost reduction through reduced water and energy consumption, reduced waste generation and other similar considerations.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES



Management Programs

Introduction

A management program is centered on the action plans and improved procedures to help you to avoid, minimize or compensate for the risks and impacts you've identified.

We present three tools related to this element:

- Action Plan Chart
- Outline of Procedure
- Sample Procedure - Flowchart

Refer to case ABC and case XYZ in Section II of this Toolkit for an illustration of how these tools can be put to use.

Action Plan Chart

Instructions

Use the Action Plan Chart to identify the actions you will take to address risks and how those actions will be managed. List each risk that you identified and prioritized in the previous section. Write down the actions that you could take to avoid, minimize or compensate/offset the risk. Assign a responsible party and a deadline. Identify the resources required and the operational procedures you will need to adopt.

Risk:

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid						
Minimize						
Compensate/ Offset						

Outline of Procedure

As you implement the Action Plan, it is helpful to define procedures that clearly systematize the actions into routine, daily processes and practices. Procedures can be text, flowcharts, pictograms – whatever you find to be the most effective communication tool for your company. Below is an outline of the important components of a well-defined procedure.

- Title:
- Procedure number:
- Number of pages:
- 1.0 Purpose:
- 2.0 Scope:
- 3.0 Definitions:
- 4.0 Responsibilities:
- 5.0 Work instructions:
- 6.0 Reference documents:
- 7.0 Records:
- 8.0 Approving authority:
- 9.0 Issue date:
- 10.0 Revision date:

Sample Procedure – Flowchart

Title:

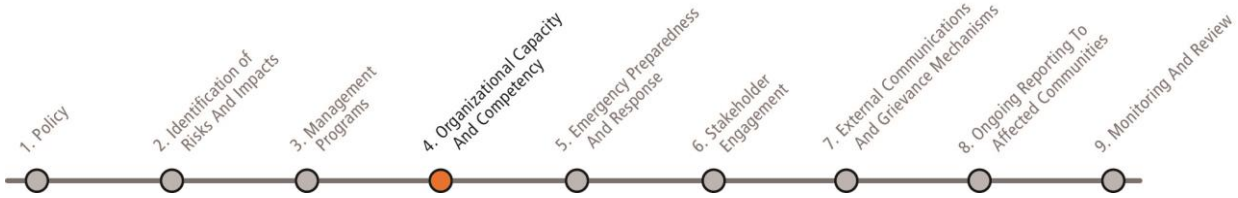
Approving authority:

Date issued:

Date revised:

Purpose:

Process	Responsible person	Documentation



Organizational Capacity

Introduction

A well-implemented ESMS is ultimately about trained, committed people. Senior management commitment is critical, but beyond that you need people throughout the company who take responsibility for the ESMS. This does not mean that the ESMS becomes everyone's full-time job. You should scale the system to meet your company's size and structure.

Remember that there needs to be a progression from awareness to commitment to implementation. Think about this as you plan the relevant training. For each training module, think about whether the goal is to raise awareness, gain commitment or give people the knowledge and skills they need to implement.

We present two tools related to this element:

- Training Plan Worksheet
- Roadmap and Time Estimate for Developing and Implementing an ESMS

Think about ways to adapt these for your company.

Training Plan Worksheet

Instructions

Look at your action plans and improved procedures to identify which training managers and workers will need to be able to correctly implement these. Identify who in the company will need basic and advanced training on the ESMS elements.

Sample Training Plan Worksheet

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
Senior management				
ESMS team				
HR Department				
Farm /Plantation Workers				
All workers and managers				

A sample list of some of the relevant topics/items for the above specific group is presented in the table below. You should select the specific training modules for each of these target groups based on the specific risks and the potential improvement opportunities.

DEPARTMENT	RELEVANT TOPICS FOR TRAINING
Senior management	Introduction to ESMS; IFC Performance Standards; Sectorial best practices; Stakeholder engagement
ESMS team	ESMS elements; Identification and evaluation of risks and impacts; Monitoring and measurement of performance indicators; Stakeholder engagement; Internal and external communication; Environmental and social reporting; ESMS documentation; Internal auditing; Root cause analysis; Implementation of corrective and preventive actions
HR Department	Introduction to ESMS and Labor standards; Complaint management and resolution procedure; Hiring, non-discrimination, anti- harassment, remuneration and other social and labor policies; Worker interaction
Workers and managers	Introduction to ESMS; ESMS policies; Operational procedures; OHS and emergency response procedures; Controlled and banned substances; Complaint management procedure, Customer requirements
Procurement	Supply chain assessment based on environment and social requirements; Supply chain audits

Roadmap and Time Estimate for Developing and Implementing an ESMS

Instructions

The roadmap below lists the activities that a company commonly needs to put in place to set up an ESMS. This table will help you develop a timeline for action and estimate the staff time required to develop and implement your ESMS.

ACTIVITY		TIME SPENT				MONTH																			
						1				2				3				4				5				6			
1. Policy		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*																						
Developing	Kick-off meeting at senior management level to discuss ESMS implementation																										
	Selection (including communication/coordination) of ESMS core team (personnel from different key departments or areas of crop production)																										
	Appreciation/awareness workshop for senior management and core team on ESMS requirements																										
	Review/upgrade of existing environmental and social policy. Or formulation of organization's environmental and social policy																										
Implementing	Design, printing and display of ESMS policy in key areas																										
	Uploading of ESMS policy on company website																										
	Communication of ESMS policy to key external stakeholders																										
	Training and awareness-raising of employees on ESMS policy and information dissemination																										

4. Organizational Capacity

2. Risk and Impact Identification		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																			
						1				2				3				4				5				6			
Developing	Mapping of activities, processes and key stakeholders, including suppliers and contractors																										
	Identification and compilation of regulatory and other requirements, including stakeholder expectations																										
	Initial environmental and social review, identification & evaluation of environment and labor risks (including supply chain)																										
Implementing	Training and awareness-raising for employees on environmental, social and labor risks and risks identification process																										
	Training and awareness-raising for employees on regulatory and other requirements, including stakeholder expectations																										
	Training and awareness-raising for employees on environment, social and labor risks and information dissemination																										

4. Organizational Capacity

3. Management Programs		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																							
						1				2				3				4				5				6			
Developing	Preparation of ESMS manual (formulation and documentation of procedures related to ESMS)																												
	Formulation, compilation of environmental objectives/targets and social performance improvement measures																												
	Formulation and development of environment and social action plans																												
	Development of operational procedures																												
Implementing	Communication, awareness-raising and training of employees on ESMS procedures																												
	Communication and awareness-raising for employees on environmental objectives and social performance improvement measures																												
	Communication and awareness-raising for employees on environmental and social action plans																												
	Training of employees on environmental and social operational procedures																												

4. Organizational Capacity

4. Organizational Capacity and Competency		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																			
						1				2				3				4				5				6			
Developing	Environmental and social awareness program for middle management																										
	Environmental and social awareness program for workers																										
	Competency program for ESMS core team																										
	Internal auditor training for the organization's ESMS assessors/auditors																										
Implementing	General awareness-raising and training on environment, social and labor issues/ESMS for senior and middle management																										
	Environmental and social awareness program for workers																										
	Competency program for ESMS core team																										
	Internal auditor training for the organization's ESMS assessors/auditors																										

4. Organizational Capacity

5. Emergency Preparedness and Response		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																							
						1				2				3				4				5				6			
Developing	Review key risks and existing emergency preparedness plan																												
	Upgrade/prepare the emergency preparedness plan																												
	Communicate to workers, potentially affected communities and relevant government agencies (if required)																												
Implementing	Raise awareness and communicate with employees and affected communities on key risks and emergency issues and emergency planning																												
	Training of employees on emergency preparedness plan																												
	Communication and awareness-raising on emergency procedures to affected communities and relevant authorities (if required)																												

6. Stakeholder Engagement		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																							
						1				2				3				4				5				6			
Developing	Mapping of all stakeholders, stakeholder analysis and engagement planning																												
	Develop/upgrade stakeholder communication/consultation; information disclosure and engagement strategy/program																												
Implementing	Communication to employees on key stakeholders and their environment and social/labor expectations																												
	Communication, awareness-raising and training of employees on the strategy/program for stakeholder engagement/consultation/ communication and information disclosure																												

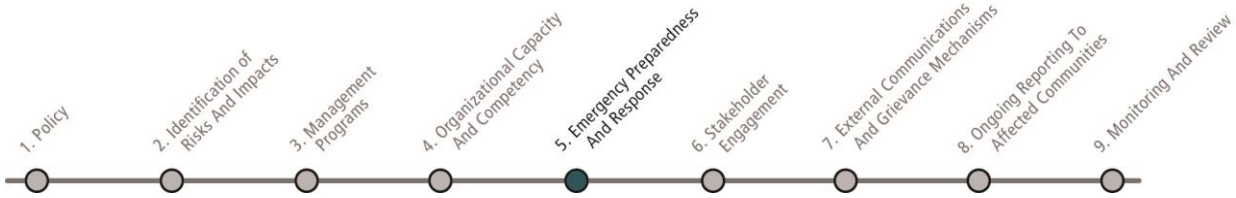
4. Organizational Capacity

7. External Communication and Grievance Mechanism		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																							
						1				2				3				4				5				6			
Developing	Review external communication system, including receiving and handling feedback, concerns and complaints																												
	Develop/upgrade system for regular engagement, receiving, documenting and responding to feedback and grievances																												
Implementing	Review external communication, feedback, stakeholder concerns and complaints and communicate to key personnel																												
	Training, awareness-raising and implementation of stakeholder engagement by receiving, documenting and responding to feedback and grievances																												

8. Ongoing Reporting to Affected Communities		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH																							
						1				2				3				4				5				6			
Developing	Review existing system for reporting and disclosure																												
	Develop/upgrade system for external reporting and disclosure (including collection, validation and verification of information)																												
Implementing	Communication and disclosure to key external stakeholders and affected communities																												
	Communication, awareness-raising and training on external reporting and disclosure (including collection, validation and verification of information)																												

4. Organizational Capacity

9. Monitoring and Review		Senior mgt time	Mid-mgt time	Supervisors time	Workers time	MONTH																							
						1				2				3				4				5				6			
Developing	Establish procedures to monitor and measure ESMS performance, compliance and stakeholder requirements																												
	Implementation of ESMS monitoring program, establishing benchmarks and integration with existing system																												
	Final review and completion of ESMS documentation																												
	Conduct internal audit/evaluation of ESMS performance against the management program requirement/benchmarks																												
	Establish relevant operational controls and formulate corrective and preventive actions																												
	Review by the senior management to assess performance and effectiveness of ESMS																												
Implementing	Documentation and communication on ESMS conformance, regulatory compliance and stakeholder requirements																												
	Communication, awareness-raising, training and implementation of ESMS monitoring program and established benchmarks																												
	Communication of internal audit/performance measurement findings and ESMS performance to the employees																												
	Communication, awareness-raising and training of employees on operational controls and corrective and preventive actions																												
	Communication on outcomes of review of the ESMS performance by senior management and key decisions taken																												
	TOTAL																												



Emergency Preparedness and Response

Introduction

Even with good systems in place, emergencies can and do happen. The key is to plan in advance – try to prevent as much as you can, and train your employees to know what to do in case something does happen. Don't be overwhelmed by the thought of planning for every single possible accident or emergency. Look at your risk assessment and focus on the areas where emergencies are most likely to happen or cause significant harm. Develop and implement a suitable "emergency preparedness and management plan" for the identified emergency situation.

As part of the plan, you need detailed procedures on the steps to prepare and respond to an emergency. Here we provide samples of procedures for responding to two common emergencies in crop production - natural disasters (typhoons, hurricanes, tornadoes, earthquakes, landslides, flooding and droughts) and chemical spillages and contamination (pesticides).

We present two tools related to this element:

- Sample Emergency Typhoon Response and Preparedness Procedure
- Sample Pesticide Leakage Procedure Flowchart

Typhoon Response and Preparedness Procedure

Title: Typhoon Response Procedure

Procedure number: EM001

Number of pages: 5 pages

1.0 Purpose and Scope:

1.1. Purpose: Set out responsibilities and activities in order to respond to emergency resulting from the typhoon. Identify the roles, responsibilities and authorities to effectively facilitate the farm/plantation's emergency preparedness and response.

1.2. Scope: This procedure applies to all activities at **[Name of Company]**.

2.0 Definitions:

2.1. **EMERGENCY:** Situation that poses immediate threat of:

a. injuries and damage to health;
b. fatalities;
c. damage to property; or
d. damage to environment.

2.2. **TYPHOON EMERGENCY:** Situation that poses or signals immediate threat in the form of:

a. uncontrolled flooding or imminent threat of uncontrolled flooding;
b. wind causing property damage;
c. collateral damage caused by typhoon such as uncontrolled release or spillage of flammable or combustible substance(s); or
d. sounding of typhoon or windstorm alarm.

3.0 Responsibility and Authority: This procedure is the responsibility of the operations manager or designate. The operations manager shall report to the president in matters related to emergency preparedness, and shall have total authority during emergency situations. The operations manager shall have the authority to declare a state of emergency. In the absence of the operations manager, these authorities shall revert to the president.

4.0 Work Instructions: The Emergency Response Centre (ERC) shall monitor the weather condition for typhoon and rainstorm. The ERC shall keep track of weather conditions for the approach of a typhoon and alert the ERT members when typhoon signal number 1 or 3 is hoisted.

The ERC shall make a public announcement via the P/A system when a No. 8 typhoon warning signal has been confirmed (both during and after office hours). Upon notification of a number 8 typhoon or a black rainstorm warning, all personnel shall be advised to return indoors as soon as possible.

TYPHOON RESPONSE PROCEDURE

Pre-typhoon Planning

- Staff and train an emergency response team (ERT), whose members are willing to stay on site during a typhoon (if safe to do so). Ask for volunteers. Arrange for support/assistance during the storm for families of those who will remain at the facility. Also, notify local emergency preparedness authorities about your plans to have personnel on site.
- Designate a weather monitor, who will report weather conditions and keep the ERT leader up to date on conditions before, during and after a windstorm. Involve local government and liaise with other businesses.
- Give the ERT leader the authority to implement the plan, based on predetermined checkpoints (e.g., when a storm is within a certain distance from the farm/plantation). This responsibility includes shutting down operations and sending personnel home.
- The ERT leader shall ensure that the farm/plantation manager(s) carry out predetermined tasks at each warning stage of the storm. To guarantee this, task checklists should be distributed to all those involved, completed and returned to the ERT leader.
- Assess levels of insurance coverage for storm, typhoon and flood damage.
- Install appropriate system to warn employees in real-time.
- Provide safe shelters or structures that can protect employees and designate a safe evacuation route to them.
- Provide radio and communication systems and appropriate PPE.

Advance preparedness steps

- Identify all critical areas of a facility, and make sure someone on all shifts knows the proper shutdown procedures and is authorized to implement them.
- Maintain an updated list of the telephone numbers and contacts for local offices for emergency preparedness and your local FM Global office. Contact local authorities to plan and coordinate activities before the need for emergency action. That way, both you and they will be better prepared.
- Arrange backup communications, such as two-way radios or cellular phones, and have spare batteries and a diesel-driven emergency generator on site.
- Arrange an off-site emergency communications control center, such as a hotel meeting room, just outside the typhoon area, in case it becomes too dangerous to remain on site.
- Determine which company records are vital, and make plans to protect/relocate them.
- Identify a hot site (an off-site data processing location where you can continue business immediately).
- Maintain ongoing agreements with contractors for supplies and repairs that may be needed after a typhoon. If possible, use contractors who are from outside potential typhoon areas. Local contractors may be over-committed.
- Order emergency supplies and maintain them throughout the typhoon season.
- Have straps or other means on hand to brace/anchor yard storage, signs, plantation vehicles and roof-mounted equipment.
- Inspect and repair roof coverings and edges a few months before typhoon season.

- Provide pre-fitted windstorm shutters and/or plywood for windows and doorways where practical.
- Prepare for typhoon-related flooding with sandbags and an ample supply of brooms, squeegees and absorbents.
- Identify key equipment that must be protected with tarpaulins or waterproof covers.
- Identify and consider removal of any large trees that could fall and damage buildings or power and communication lines.
- Have plans in place for site security after a typhoon.

Impending Windstorm

Your country's weather service will provide advance warning to those in areas likely to be in the path of an approaching storm. The warning stages differ from country to country, and you should be familiar with the system applied where your facilities are located. Typhoons also can be tracked on the internet.

- Map the typhoon front and stay up-to-date on the storm's progress.
- Begin implementing your typhoon emergency action plan. Take specific actions based on the predetermined checkpoints outlined in your plan (you have, for example, already determined that you will begin shutting down processes when a storm is a certain distance away).
- Shut down operations that require outside power sources (for example, packaging and packing houses, HR offices) in an orderly manner, following established procedures.
- Inspect and make emergency repairs to drains, gutters and flashing.
- Check/maintain all necessary backup equipment, such as emergency generators and communication devices.
- Protect/relocate vital records.
- Install typhoon shutters/plywood over windows and doors.
- Take the following steps to ensure that items outdoors will not blow away or cause damage: remove all loose debris, anchor or relocate all nonessential equipment to a safe indoor location, secure storage of flammable liquid drums, or move them to a sheltered area, anchor all portable buildings (e.g. trailers) to the ground.
- Inspect all fire protection equipment, such as sprinkler control valves and fire pumps.
- Ensure that the ERT members who volunteer to stay on site have proper supplies and equipment (drinkable water, nonperishable food, medical, flashlights, and walkie-talkies).
- Have cash on hand for post-typhoon needs, such as buying food and supplies, or paying employees and contractors.
- Repair and fill above-ground tanks with water.
- Fill fuel tanks of generators, fire pumps and all company-owned vehicles.
- Protect computer and machinery with tarpaulins and waterproof covers.
- Isolate, neutralize or remove from the site any chemicals that can react violently with each other.
- Shut off gas to minimize fire loss.
- Shut down all noncritical and nonessential electrical equipment.

During the Windstorm

- Emergency response personnel should stay at the facility only if safe to do so.
- Patrol the property continuously and watch for roof leaks, pipe breakage, fire or structural damage. During the height of a windstorm, personnel should remain in a place that has been identified as safe from winds and flooding.
- During power failure, turn off electrical switches to prevent reactivation before necessary checks are completed.

After the Windstorm

- Secure the site.
- Survey for damage.
- Survey for safety hazards such as live wires, leaking gas or flammable liquids, and damage to foundations or underground piping.
- Call in key personnel and notify contractors to start repairs. Make sure safety systems are fully implemented before work is allowed to begin.
- Begin salvage processes as soon as possible to prevent further damage: cover broken windows and torn roof coverings, make safe fallen trees.
- Clean roof drains and remove debris from roof to prevent drainage problems.
- Visually check any conductors and exposed insulators before restarting main electrical distribution systems.

5.0 First Aid and Rescue Operation

In case of an injury, call the ERC. Call for local Government Emergency Services directly if the situation is urgent or serious and inform ERC subsequently as soon as practicable.

- Do not conduct rescue operations unless you are trained to perform a proper rescue or the situation is safe for conducting a rescue operation.
- Do not move an injured person, especially when there are signs of spinal injury or bone fracture, unless it is absolutely necessary to do so for safety reasons.
- Keep the injured or ill person comfortable, warm, and lying down.
- First aid treatment should be given, preferably by trained persons.

6.0 Emergency Response Team:

The purpose of the Emergency Response Team is to deal with Typhoon, Rainstorm and other catastrophic accidents. The team should meet immediately when an emergency situation is reported to determine the course of action.

Emergency Response Team members

NAME	TITLE	HOME PHONE	CELL PHONE
	President		
	Operations manager		

	Shift-in-charge		
	Chief security officer		
	EHS manager		
	Doctor/Site Medical Superintendent		
	ERT member 1		
	ERT member 2		
	ERT member 3		
	Neighbors		
	Fire Safety Officer		
	Transportation resources		
	Local volunteer organizations		
	Dead stock Removal		

Emergency Response Team members may be called upon on short notice

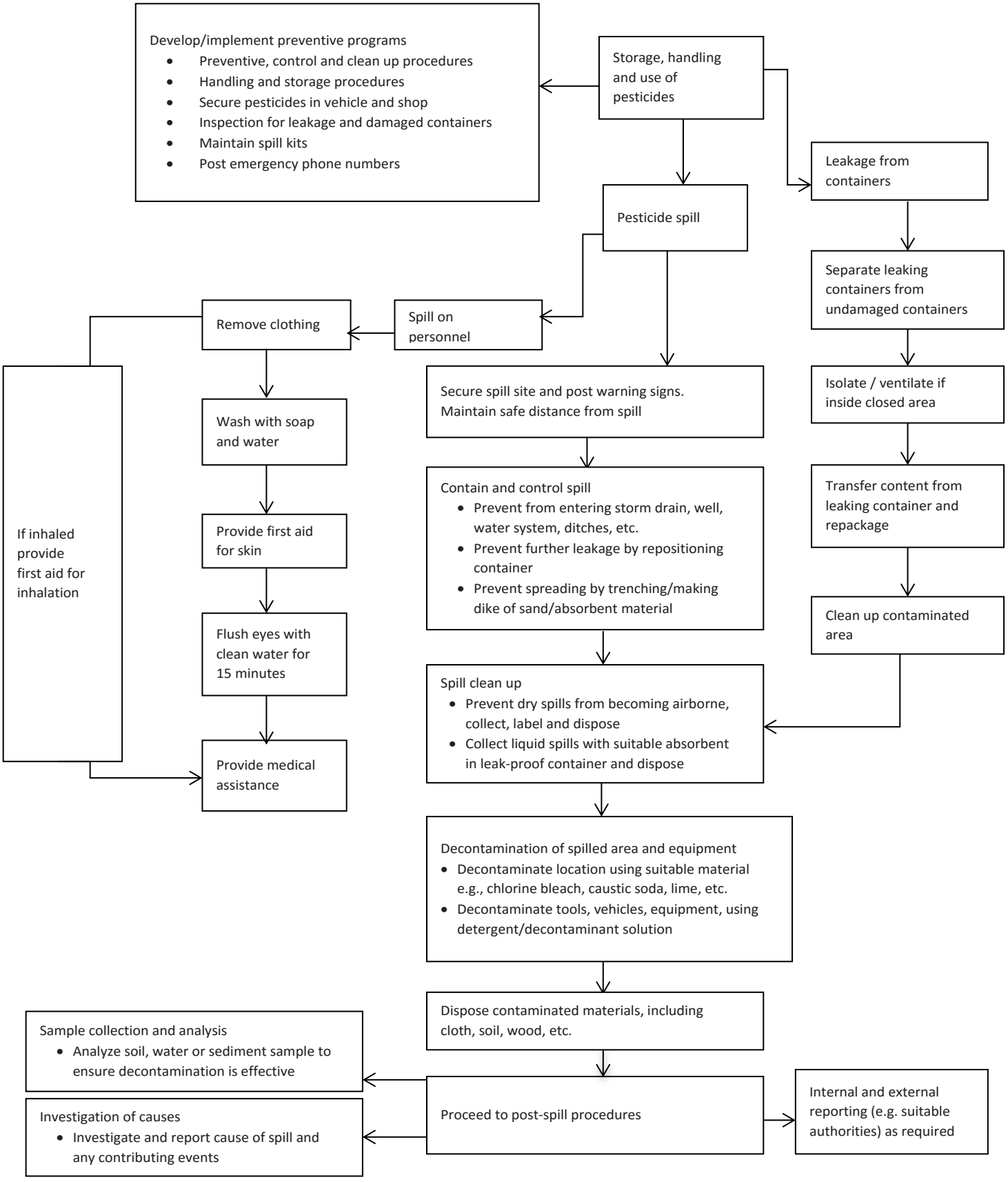
7.0 **Reference Documents**: Evacuation, search and rescue plan, farm lay-out plan with locations of emergency facilities

8.0 **Records:** Training logs, drill logs, firefighting, rescue operations, and medical equipment maintenance and inspection logs.

9.0 **Approving Authority:** Operations Manager

10.0 **Issue/Revision Date:** October 9, 2014

Pesticide Leakage Preparedness and Response Procedure - Flowchart



Stakeholder Engagement

Introduction

Your company interacts with many different groups of stakeholders. A stakeholder is any person or organization that has an interest in or is affected (or perceives to be affected) by your company. Engaging with stakeholders will help you understand how to avoid or minimize any negative impact and reduce the risks to your business from anti-company sentiments and negative campaigns that could affect your company's reputation.

We present three tools related to this element:

- Stakeholder Mapping Tool
- Impact Zoning Tool for Identifying Affected Communities
- Stakeholder Engagement Plan Worksheet

Refer to case ABC and case XYZ in Section II of this Toolkit for an illustration of how these tools can be put to use.

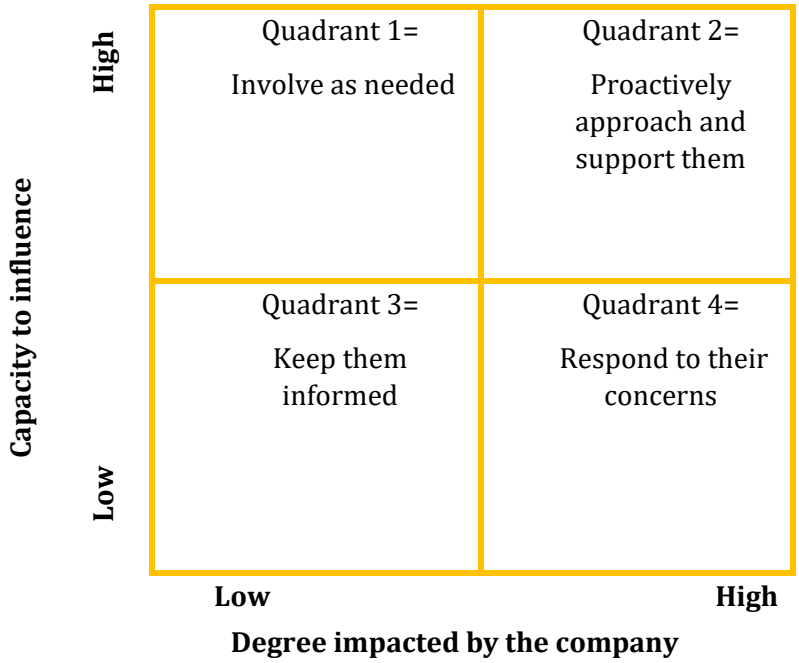
Stakeholder Mapping Tool – Identification and analysis

Instructions

1. Ensure you have a cross-functional/departmental team to start the exercise.
2. List relevant stakeholders for your company (e.g., those directly and indirectly **affected** by your company, those that have an **interest** in your company operations, those that have an ongoing relationship with the company, and those that have the ability to influence your company operations). Provide as much detail as possible (i.e. name your main suppliers independently; disaggregate communities by identifying local leaders or other relevant actors).
3. Next to each stakeholder group, discuss and list their key concerns, issues, interests.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS

4. Place these stakeholders on the stakeholder map according to the degree to which they are impacted by your operations and their capacity to influence your company operations.



5. Classify stakeholders according to their current relationship with the company: **supportive, supportive with conditions, neutral, negative.** The purpose of stakeholder engagement is to keep supportive stakeholders happy and help address the concerns of less-supportive stakeholders. Remember that stakeholders' relationships with the company may change over time. We recommend that you analyze their current position to the company and continue to do it on periodic basis.

6. Identify the groups that represent a high priority for engagement.

7. Define strategies to engage with the prioritized stakeholders. When defining engagement strategies, keep in mind current initiatives of the company. Engagement strategies should be differentiated, based on where stakeholders are located on the map:
   - Quadrant 1: Involve them as needed
   - Quadrant 2: Proactively approach and support them
   - Quadrant 3: Keep them informed
   - Quadrant 4: Respond to their concerns
8. Review the stakeholder map at regular intervals and when there are major changes. It is advisable to review the stakeholder map with external groups to get their feedback.

Impact Zoning Tool for Identifying Affected Communities

Instructions

The term "affected communities" includes any individuals or communities that are located in proximity to the company's facilities and are directly exposed to actual or potential adverse impacts on their environment, health and livelihood due to company activities.

A quick and practical technique for identifying affected communities is the "impact zoning map" (see box below). By mapping the sphere of influence of different types of environmental and social impacts, the company can begin to identify distinct groups by impact area, and can then prioritize the stakeholders for consultation.

While priority should be given to individuals and groups who are directly and adversely affected, drawing a line between who is affected and who is not can be challenging. Communities lying just outside of the designated impact area can perceive impacts or feel they have been arbitrarily excluded from the engagement process.

HOW TO IDENTIFY STAKEHOLDERS THROUGH IMPACT ZONING

1. Draw a sketch map (see sketch below and case study **ABC** in Section II as an example) of the key design components of the project, both on- and off-site, that may give rise to local environmental and social impacts (e.g. the project (plantation) site; ancillary infrastructure such as roads, power lines and canals; sources of air, water and land pollution). This may be performed more efficiently by using aerial photographs or satellite images.
2. Identify the broad impact zones for each of these components (e.g. the area of land, air and water pollution receptors, etc.).
3. After identifying and mapping broad stakeholder groups, overlay those groups with the impact zones.
4. Through consultation with relevant stakeholder representatives, verify which groups are potentially affected by which impacts.

Source: Doing Better Business Through Effective Consultation and Disclosure. IFC (1998).

Stakeholder Engagement Plan Worksheet

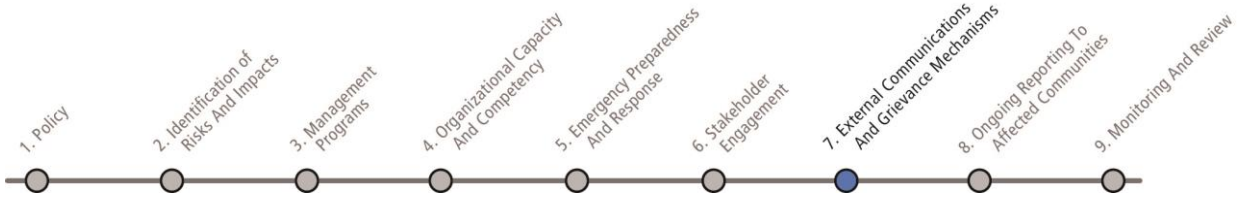
Instructions

After the identification of your most important stakeholders, the next step is to develop a plan for how to engage with the groups that you listed. Engagement should be stronger and more frequent with those groups that are most affected and those that have a greater ability to influence your business.

At a minimum, you should always implement an external communication procedure to receive communications from the public and accordingly adjust your management program. In the presence of adversely affected stakeholders, you should implement a grievance mechanism and actively engage them in consultation, regularly disclosing clear and meaningful information and providing communities with opportunities to express their concerns and suggestions. Finally, you should report back to them on the actions your company has put in place to address the issues identified during the process of consultation.

The table below provides example of some stakeholders that may be associated with your operations. Once you have done the stakeholder mapping and identified their concerns, you may start looking at the other necessary information, such as: engagement method, information to be disclosed or reported back to your stakeholders, and the key information you would like to obtain.

STAKEHOLDER ENGAGEMENT PLAN				
Stakeholder	**Concerns**	**Engagement method**	**Information to disclose and report back**	**Most valuable info to obtain**
Employees (Quadrant xx)				
Contract workers (Quadrant xx)				
Local community (Quadrant xx)				
Consumers (Quadrant xx)				
Suppliers (Quadrant xx)				
Contractors (Quadrant xx)				
Regulators (Quadrant xx)				
NGOs (Quadrant xx)				
Media organizations (Quadrant xx)				
Etc.				



External Communication and Grievance Mechanism

Introduction

Grievance Mechanism

The purpose of a Grievance Mechanism is to establish a way for an individual or a group within communities affected by your business to contact you if they have an inquiry, a concern or a formal complaint. It provides people with an alternative way of communicating with your company as part of your formal stakeholder engagement process.

External Communication

Even if affected communities *per se* are not identified, you should always establish and maintain a publicly available and easily accessible channel for members of the public to contact you (e.g., phone number, website, email address, etc.). External stakeholders can provide valuable information such as: suggestions on product improvement; feedback on customers' interaction with your employees; comments from regulators, NGOs and individuals regarding your company's environmental and social performance.

We present two tools related to this element:

- Checklist for Effective Grievance Mechanism
- Grievances Log

Checklist for Effective Grievance Mechanism

Instructions

The following checklist will guide you through the key aspects of an effective grievance mechanism. This list includes some illustrative examples; consider adapting these to your company's size, complexity and local context.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	COMPANY'S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	Form and instructions on website that people can fill in and submit online Email address Telephone hotline Suggestion boxes located outside the company gate and in strategic places (e.g., churches, municipality, civic centers). Weekly visits by a designated community liaison to affected villages to register complaints.
Publicize the system so that stakeholders know it exists and how to access it	Distribution of brochures at churches, schools and civic centers, highlighting company profile and operations. This should include instructions for how external stakeholders can communicate or file complaints, and your procedures to handle complaints. Written procedure is explained by general manager/designated community liaison when meeting with community leaders and other stakeholders.
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	Major cases reviewed by a formal multi-stakeholder oversight body (i.e., company, representatives of affected communities, NGOs, university, municipality). Provision of transparent funding for expert resources, so that any collection of evidence is independent and unbiased. Most serious claims resolved through independent mediation.
Be transparent about the process and outcomes	All cases are summarized with details about whether the complaint is accepted or not and what is the process and timeline for investigation and resolution Summarized cases are posted on the company website and/or reported back to the complainant through letter/email/community liaison
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	Company assigns an employee or team to record complaints and then work with relevant staff and external stakeholders to investigate, determine actions and report back the outcomes.
Make the system a source of continual learning	Complaints are systematized and reviewed periodically with the management team to check for effectiveness of the system and cumulative learning that can be integrated into the company systems. Company performs perception surveys among affected stakeholders regarding the awareness, accessibility and trustworthiness of the grievance mechanism.

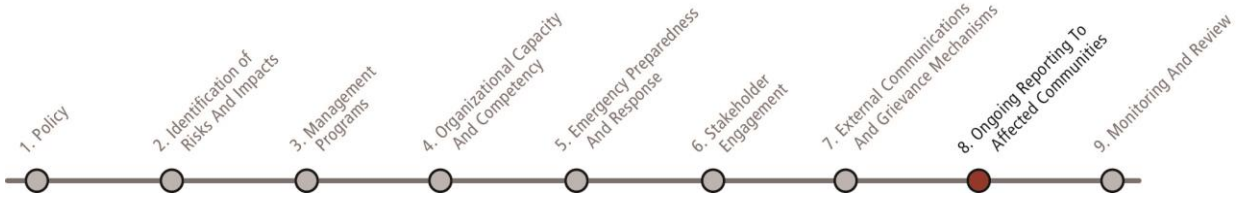
Grievances Log

Instructions:

Keeping a logbook or database of grievances allows you to monitor their state of resolution. Also, when grievances are systematized, the information can be analyzed and used as a feedback mechanism for improving operations and proactively preventing the future concerns. This tool provides an illustration of useful information to annotate when recording a grievance.

1. GRIEVANCE IDENTIFICATION NUMBER	
2. DETAILS OF COMPLAINT	
2.1 When it occurred	
2.2 Where it occurred	
2.3 How it occurred and who was involved	
2.4 Complainant(s)'s story and expectation	
2.5 Date grievance was recorded	
2.5 Place/method grievance was received	
3. PROFILE OF COMPLAINANT(S)	
3.1 Gender	
3.2 Age	
4. CONTACT INFORMATION OF COMPLAINANT(S)	
4.1 Anonymous (Y/N)	
4.2 Phone	
4.3 Email	
4.4 Address	
5. COMPLAINT ACCEPTED (Y/N)	
5.1 REASON IF COMPLAINT NOT ACCEPTED	
5.1.1 Action taken	Clearly not related to the operations of the organization – rejected ☐
	Labor-related grievances – transfer to HHRR ☐
	Commercial disputes – transfer to commercial dispute resolution mechanisms or civil court ☐
	Related to governmental policy and institutions – transfer to authorities ☐
	Other ☐
5.1.2 Complainant notified (Y/N)	
5.1.3 Method of notification	
5.1.4 Date of closure	
5.2 COMPLAINT ACCEPTED	
5.2.1 Category of complaint	Particulate emissions to air ☐
	Odor ☐

	Noise ☐
	Effluents ☐
	Company vehicles ☐
	Solid waste ☐
	Ground water ☐
	Influx of migrant workers ☐
	Security personnel ☐
	Other ☐
5.2.2 Photos and documentary evidence of legitimacy	
5.2.3 Resolution instance	First: Internal ☐ - Responsible people/division:
	Second: Multi-stakeholder oversight body ☐
	Third: Independent mediation ☐
5.2.4 Resolution/corrective action taken	
5.2.5 Complainant notified (Y/N)	
5.2.6 Method of notification	
5.2.7 Complainant(s) satisfied or appealed	
5.2.8 Photos and documentary evidence of closure	
5.2.9 Resources spent	
5.2.10 Date of closure	
5.2.11 Days from complaint to closure	
6. POST CLOSURE MONITORING REQUIRED (Y/N)	
6.1 Method and frequency of monitoring required	
7. PREVENTIVE MEASURES TO AVOID REOCCURRENCE OF SIMILAR GRIEVANCES	
7.1 Suggested preventive actions	



Reporting Back to Affected Communities

Introduction

Affected stakeholders will want to know what actions your company has put in place to resolve the issues identified when communicating with them. Keeping them informed of what you are doing is the final critical piece in building and maintaining a good relationship.

We present one tool related to this element:

- Formats and Venues for Ongoing Reporting

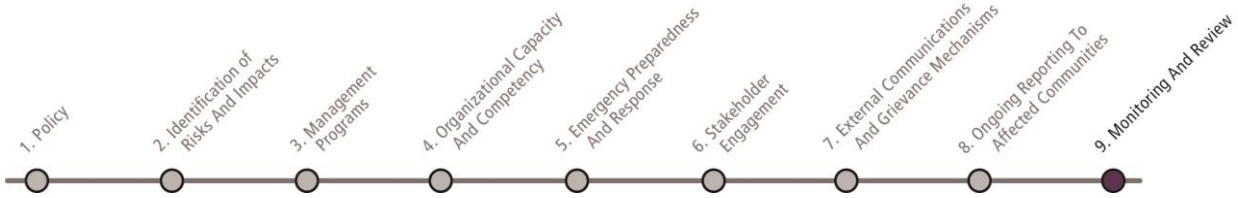
8. Reporting Back to Affected Communities

Format and Venues for Ongoing Reporting

Instructions

Look at the list to brainstorm ideas on ways you could communicate back to affected stakeholders on actions taken and monitoring results in their areas of interest.

- Open houses
- Banners outside the plantation or farm's gate or at other prominent places
- Brochures distributed in churches, schools, civic centers
- Website
- Town hall meetings at the local municipality or civic center
- Meetings with representatives of the affected stakeholders
- Letters to representatives of the affected stakeholders and complainants
- Emails
- Phone calls
- Sustainability reporting (e.g., GRI)



Monitoring and Management Review

Introduction

Monitoring and review are critical components of the ESMS because they enable you to check and adjust your system. You need to monitor whether your action plans are being implemented and procedures are followed, as well as whether your ESMS is addressing the relevant risks and ensuring lasting improvements. The goal of the ESMS is to shift from corrective actions to preventive actions. Monitoring and management review provide you with the necessary information to make that shift.

We present two tools for this element:

- Monitoring Plan
- Auditing Guidance

9. Monitoring and Management Review

Monitoring Plan

Instructions

Look at your action plans and think about process and performance indicators that will tell you if the actions are being implemented and if they are achieving your targeted objectives.

A sample template for developing a monitoring plan is presented below. See examples of monitoring plans developed for ABC and XYZ case studies in Section II of this Toolkit.

Example

OBJECTIVE:
TARGET:
Actions:
1.
2.

PERFORMANCE INDICATORS		
Key Performance Indicators	**Monitoring records**	**Monitoring equipment**

PROCESS INDICATORS	
Activities/Processes Indicators	**Monitoring records**

9. Monitoring and Management Review

Auditing Guidance

Instructions

Go through all the areas highlighted in the Auditing Guidance – this will help you to get a broad view of all potential risk areas and elements of the ESMS beyond those that you may have targeted in your initial risk assessment.

✓	A. PREPARATION
	Collect audit reports for the farm/plantation on environmental performance, labor standards performance and community stakeholder engagement for the previous two years.
	Collect corrective action plans generated from previous audits and review the status of each action item that was agreed upon. Are all closed out? Focus review on open items and the underlying reason(s) for incomplete status, and ensure that the audit considers the underlying issues for the upcoming audit. Focus should be on the underlying limiting factors that prevent completion.
	Ascertain the general level of PPE use on the farm/plantation. Ensure that auditors wear the same PPE as employees are required to wear: head, hearing, eye, skin protection, protective boots, clothing, etc. Do not allow any auditor to enter work areas without the clothing/gear required for the operations activity and that employees are required to wear.
	Obtain farm/plantation site plans designating cultivated areas, break areas, equipment shed, irrigation sources, security guard posts, principal water outlets and drains, any non-potable water outlet. Ensure auditing team has a working knowledge of the farm/plantation operation to be evaluated.
	Research and refer to current local environmental and labor laws and regulations. Basic labor code issues: (i) regular weekly work hours, (ii) labor contract provisions, (iii) rest periods, lunch, etc., (iv) overtime requirements, limits and exceptions, (v) hour averaging and banking hours, (vi) minimum wage, (vii) social system payment liability, (viii) annual leave, (ix) laws to protect disadvantaged workers, (x) severance pay. Basic environmental code issues: (i) wastewater, (ii) storm water, (iii) spill prevention and response, (iv)cultivation and land use and ownership, (v) hazardous materials, (vi) hazardous waste, (vii) toxic chemical release, (viii) air emissions, (ix) solid waste.
	Review regulatory permit(s) conditions and specific requirements along with most recent review and corrective action reports.
	Review certification(s) audit reports (e.g. Good Agricultural Practices, HACCP) for nonconformance, mandatory remedial actions, recommendations, etc. Summarize status of items (open or closed).
	Review any government inspection reports, third-party audit reports, etc.
	Review the stakeholder engagement plan and records of grievances by external stakeholders. Pay attention to emergency preparedness and response capability to include the community if necessary; use of pesticides and drift to communities; accidental releases of hazardous materials, e.g. chlorine; discharges of wastewater or other wastes to areas affecting local communities; exacerbation of flooding; limits of water availability use and physical access; diminution of quality of life due to the operation.
	Pay special attention in observation/document review/interviews to issues identified in previous reports.
	Research and understand the national and local context of labor union rights and activity, local environmental groups and community activist organizations.
	Schedule sufficient time to conduct the scope of the audit. Announce the availability of confidential meeting schedules with employees; schedule, arrange and conduct while protecting employee confidentiality.

9. Monitoring and Management Review

✓	B. INTRODUCTORY MEETING WITH MANAGEMENT
	Meet with the senior farm or plantation management and local farm or plantation supervisors before conducting audit activities to review ESMS issues and the purpose of the audit.
	Share an agenda for the meeting and itinerary with senior management and local supervisors.
	With local supervisors, review the prior audit reports and performance to date in meeting corrective actions.
	Discuss non-retaliation against cooperating workers; inform management that future audits will include reviews of the continued employment of workers interviewed.

✓	C. OPERATIONAL WALK-THROUGH
	Conduct operational walk-through following the flow of crop production from cultivation and planting to packaging and shipment. Refer to previous relevant physical walk-through assessments of the farm/plantation; determine if all previous nonconformance/action items are closed out; if not, why not?
	Minimize the number of managers and supervisors that accompany you on the walk-through. One or two escorts based on knowledge/responsibilities are usually sufficient.
	During the walk-through, be aware of your body language and the message this sends to workers; ensure that you are equipped with/wearing the same PPE required of employees.
	Take note of all things observed that require attention: 1. water used indiscriminately for irrigation/watering as well as washing and cleaning crop; 2. energy wasted through use of farm machinery or plantation vehicles; 3. evidence of spillages; 4. dry cleanup and collection of organic solids; 5. harborage or other unorganized storage of materials; 6. wastes and discards; 7. workplace availability of data on hazards or banned agrichemicals in use (MSDS/ICSC); 8. movement of materials by farm machinery or plantation vehicles. Are the roads safe, paved and clearly marked; 9. obvious hazards for heads, hearing, sight, life and limb: Workplace hazards attenuated; employee awareness?; 10. PPE used as prescribed, available, replaced at no cost; employee awareness; 11. Are employees able to explain jobs and responsibilities?; and 12. Evidence of QA team activity.
	Verify that fire exits in buildings (e.g. storage or maintenance areas, administrative buildings, etc.) exist and open on demand; no means to prevent exit; panic bars in good working order; clear egress once exit opened; emergency exits clearly marked; nearest exits clearly marked; hose cabinets equipped with hoses, nozzles, etc.; prohibited areas clearly marked; electrical cabinets closed and sealed; lockout tag out procedures and tools (tags, locks, warning labels and signs) clearly available near electrical cabinets; first aid cabinets and equipment; emergency lighting; emergency preparedness and evacuation plans in place; and that employees are trained on using these.
	Indoor working conditions should be verified for adequacy if there is potential for risks such as heat, light, noise and dust. Use measuring devices to determine air quality, noise level, temperature. This is a good/easy thing to do.
	Following the farm/plantation walk around, conduct a walk-through of the dormitory facilities, canteens, washrooms, changing rooms if relevant. Note the condition and adequacy of these areas.
	Suggest best practice to supervisors and managers during the walk-through; ensure that the suggestion is filtered by processes/operations practicalities.
	Give sufficient attention to all ESMS elements during the operation/dormitory walk-through. Knowledge of procedures, training using the procedures, awareness of complaints management and resolution procedure, employment rights, HR policy and provisions, etc.

	Identify all incidences of non-conformance with ESMS issues, both major and minor.
	Pay special attention to areas identified in previous corrective action requests. Focus on open non-conformances from previous audits: why did they occur? Elucidate the underlying cause and make an effort to diagnose and prescribe preventive and ameliorative measures. The individual who is responsible for the item is not as important as why it occurred and how the company can prevent non-conformances and unplanned events in the future.

✓	D. INTERVIEWING WORKERS
	Select at least 5 percent of workers, max. 100 workers. Conduct individual and group interviews for balanced response.
	Select workers who are representative of the workforce population (gender, race, age, religion, functional departments, etc.).
	If the factory has contracted or migrant workers, make sure to include them as well.
	Do not allow supervisors or managers to influence the selection of workers for interviews or the interviews.
	Conduct on-site interviews in areas that protect worker confidentiality and where the worker would feel comfortable. Make sure supervisors or managers are not in or near the space where the interviews are conducted. Keep them away from the selection and interview process.
	Conduct interviews early in the audit to allow for follow-up.
	Make sure to tell the workers that everything they say is confidential and that management has been warned against retaliation.
	Be sensitive to cultural and gender issues.
	Plan for an average of fifteen minutes per interview; however, use common sense in terminating interviews that are becoming nonproductive and extending interviews with people who are candid or openly addressing critical issues.
	Formulate questions prior to the interviews to make sure you cover all specific areas of the ESMS review through the aggregated interviews. Always ask employees how processes may be improved, water use reduced, energy saved, waste reduced, etc.
	If you plan to take notes, ask the workers if it is OK and clearly explain reason for taking notes. Try to minimize note taking as much as possible during the interview. Finish writing your notes immediately after the interview, so you have accurate documentation.
	Have your worker representatives recommend a preferred approach to building rapport with workers.
	Ask workers specifically about follow up on previous corrective action plans. What non-conformances remain open; what issues presented through the complaints management and resolution mechanism remain open?

	Make sure your questions address the following: **LABOR ISSUES** ☐ Do workers know about and understand your policies related to labor and working conditions? ☐ Do workers understand their rights under the law related to freedom of association and collective bargaining? ☐ Do workers understand how their wages are calculated, for base time, performance and overtime? ☐ Are workers aware of any dismissal, transfer, demotion or other punitive action against workers due to their exercising their rights under either their contracts or local or national law? ☐ Ask workers about the status of trade unions, worker committees or other worker groups in the farm/plantation and whether there is management interference. ☐ Ask questions to determine conformance to discrimination and sexual harassment policies. ☐ Do workers understand the company's grievance mechanism, and do they feel it is operational and free from retaliation? **OCCUPATIONAL HEALTH AND SAFETY ISSUES** ☐ Do workers feel safe and protected in their jobs? For example, are they provided with PPE that is appropriate and works? Is their physical environment free of hazards? Are they expected to reduce physical hazards or are engineering controls in place? Are there job hazards assessments done routinely and when the processes or materials change? Have issues submitted through the complaints management and resolution mechanism been addressed? ☐ Do they feel there is adequate safety equipment, such as extinguishers/hydrants and first aid kits? Are there sufficient safety drills if an emergency, such as a typhoon, flood or wind storm, were to occur and necessitate an evacuation from buildings? Witness the emergency mock drills and make note of shortcomings; ask an employee to pretend he/she has just been injured and explain what to do next. ☐ Are they instructed and trained on these risks at regular intervals? ☐ Have any workers been involved in accidents at the facility and, if so, what happened afterwards? ☐ Is the environment comfortable to work in, in terms of exposure to heat and sun? ☐ Do they feel that chemicals, waste and other substances are stored or disposed of safely and appropriately at the facility? Is there sufficient access to Material Safety Data Sheets (MSDSs) and/or International Chemical Safety Cards (ICSCs) and appropriate training in their use? What is the management's response to any expressed issues through the complaint management and resolution mechanism?
	If the organization employs contract workers, make sure to ask questions that address possible violations and areas of abuse, such as: Do you feel different from a permanent employee? Why?
	Conduct some worker interviews off-site if possible.

9. Monitoring and Management Review

✓	E. INTERVIEWING AFFECTED COMMUNITIES AND OTHER STAKEHOLDERS
	The stakeholder mapping exercises and stakeholder consultation meetings should help identify the relevant population that is affected by the facility and its activities.
	Select a sample of individuals that represents the views of this affected community such as local villagers and small landowners. This group may include members of the public as well as NGOs, campaign groups, trade unions, local businesses and government authorities. If possible, target NGOs that are industry-specific. Seek out former employees if possible, but filter out disgruntled former employees or those with a personal agenda against the company.
	Gauge awareness of the grievance mechanism. Has it been tested? Does it work? Does the company utilize it in practice or ignore it? Is it taken seriously?
	Be sure to include representatives from indigenous or marginalized groups in these interviews.
	Make sure your questions address the following: ☐ How have the farm/plantation's operations affected the physical environment (air, water, land) near them? ☐ Has this resulted in either air, land or water contamination? ☐ Has wildlife been affected by the farm or plantation's activities? ☐ Has the farm or plantation's business impacted local livelihoods, land ownership, or access to traditional hunting/fishing/breeding/religious/other grounds due to natural habitat conversion? ☐ Have any health risks or deterioration to well-being been associated with the farm/plantation from exposure to pesticides, air emissions or noise pollution? Note any neighbors or employees with ill children, or significant abortion rates. ☐ Have any contagious illnesses been on the rise due to an influx of workers to the farm/plantation such as malaria or other local vector-borne diseases? Is the community aware of an increase in the rat/mouse or other vermin population? ☐ Have these affected groups had any clashes with security hired at the farm or plantation? ☐ Have any of these groups consumed produce from the farm/plantation that has had a deleterious effect on their health? Any level of awareness of company's refusal to replace questionable goods? ☐ Have any of these groups been approached or invited by the company running the farm/plantation to discuss their concerns at meetings? Have any of their grievances been addressed or investigated? Has the company followed up on questions?

✓	F. ON-SITE DOCUMENT REVIEW
	LABOR ISSUES:
	Make sure you review the relevant documents for the following areas: 1. Human resources: Management-worker committee meeting minutes, memos and letters, budgets related to implementing labor policy, training material, logs and curricula or written communications to workers that address all issues, training records and instructor qualifications. 2. Working conditions: Contracts for all workers; policies and procedures related to wages, benefits, hours and leave; evidence of communication and training on wage calculation; personnel files; time cards; payroll records and pay stubs (selected without management interference); criteria used to set performance pay bonuses; and employment and termination records. 2.1 Are employee payment methods secure? Are employees able to have payments deposited into an account? Are they paid in cash at the facility (which can lead to significant risks during the trip home)? 3. Collective bargaining: Collective bargaining policy, agreement and documentation (such as minutes and records of collective bargaining sessions). 4. Discrimination: Discrimination policy; related procedures; documentation handling discrimination issues; diversity training and attendance log; hiring, promotion and termination records; gender demographics in facility at worker and manager levels. 5. Retrenchment: Policies and procedures for workforce reduction, severance and transition; documentation of prior workforce reductions; minutes of management meetings and communications to workers on this issue. 6. Complaint management and resolution mechanism: Documented procedure, communications, records and logs of grievance handling.

	7. Child labor: Procedure for age verification, documentation of apprentice program, birth and medical records and school records of workers. 8. Forced labor: Employment contracts (as well as for those workers hired through recruitment agencies), payroll records, timesheets and wage deduction, worker passports and IDs. 9. Health and safety: Accident and medical treatment logs, equipment safety logs, logs of fire and safety drills, health and safety risk analyses, government health inspection reports, safety certificates and training curriculum and logs, and evidence of changes to all of this when company processes, methods, chemicals, materials are changed, reordered, etc.
	Select files and/or records at random to generate a representative sample of the workforce population and functional distribution on the farm/plantation. Seek some files to corroborate interviews conducted earlier.
	Balance your time and effort investigating all areas of labor standards at work. Document review is particularly critical for wages, working hours, health and safety, use of sub-contractors, hiring and termination.
	If the operation employs contract workers, address potential areas of abuse in the document review. Specifically review the contract with the workers.
	Identify all significant incidences of non-conformance in preparation for your management meeting.
	ENVIRONMENTAL AND OSH ISSUES:
	Make sure you review the relevant documents for the following areas: 1. Emergency response and preparedness: Examine the facility's emergency response procedures and accident reports, as well as documents indicating that workers have been trained on these issues. Ask the employee to explain the kind of emergency situations that have been identified and if the employees are aware of those specific emergency management procedures (e.g. flood, hurricane, wind storm, pesticide leak, barn fire, etc.) 2. Environmental management: Examine the company environmental policies and environmental management system policies and reports, including sustainability reports, energy consumption records, guidelines and monitoring, resource use and waste generation. Note the status of previously identified non-conformances. 3. Insurance: Identify documents that indicate legal permits have been obtained, insurance policies are in place and the relevant legal authorities notified of the facility's activities. 4. Technical: Documents on production processes, and storage, purchase and maintenance of facility equipment. Availability of MSDS/ICSCs and employee training and orientation to the specific risk posed by materials in use; response to submissions through the complaint management and resolution mechanism. 5. Waste disposal: Policies, procedures and guidelines on elimination and recycling of waste emissions and effluents to air, water and land, including monitoring of the quantity and quality, treatment and disposal of all waste, including wastewater and solid waste; are employees/area supervisors queried for opinions on improvements? 6. Hazardous material: The storage of chemicals and toxicology sheets (MSDS/ICSCs from ILO/WHO/EU/UNEP, etc.). Avoid total reliance upon manufacturer's statements. Does procurement mandate the furnishing of such materials? 7. Health and safety: Check for the existence of logs of accident and fatality rates, health and safety guidelines or handbooks for workers and monitoring of these statistics, including the job hazard analyses and engineering corrections to eliminate hazards at the source, as opposed to requiring employees to mitigate environmental hazards; provision of appropriate PPEs that cover actual, defined technical, physical, biological and chemical hazards in the workplace; Tool Box safety meetings records. 8. Work environment: Look for guidelines, reports, logs and "ecomaps" of the plantation/farm work environment that monitor emissions of dust, odors, sources of noise and vibrations and worker exposure to heat and cold.

9. Monitoring and Management Review

✓	G. CLOSING MEETING WITH MANAGEMENT
	Conduct a closing meeting with senior management and supervisors.
	Present your preliminary findings with particular emphasis on the positives as well as areas for improvement. All new and previously existing non-conformances must be addressed. Seek clarification on any findings or issues raised during the audit.
	Work with the supervisors on a corrective action plan that details specific actions to be taken and timelines for their completion.
	Go over any outstanding corrective action requests from previous audit reports.
	Make sure senior management signs off on the corrective action plan.

II

ESMS Case Studies

CROP PRODUCTION

ABC Fruit Company, The Philippines

ABC Fruit is a US-based company that has just bought a pineapple plantation in the Philippines. The company wants to increase its product diversity by expanding into pineapples because there has been an exponential increase in world demand for the fruit in the past ten years. As a leading exporter of fresh and processed pineapple products next to Thailand, with 15% of world production, pineapples have been one of the Philippines' largest exports to Japan, and more recently, to China and South Korea. Other export markets for fresh Philippine pineapple are the Middle East, New Zealand, Hong Kong, Canada, Russia and Germany. According to a recent study from the Department of Agriculture's Agribusiness Marketing Service, prospects for the Philippine pineapple industry are bright, since domestic demand is also estimated to grow by an average of 4 -7% every year over the next 10 years.

The pineapple export industry is therefore very competitive. Producers must contend with increasing downward price pressures as they seek to fill limited shelf space in supermarket chains and big-box retailers worldwide. This market pressure has motivated pineapple producers to find new ways to cut labor costs. Pineapple suppliers have started to replace their regular workers with contract labor through a process known as "labor flexibilization" and the use of subcontractors. By outsourcing their labor force, buyers, suppliers and supermarket chains can remove themselves from the responsibilities of direct employers.

ABC is aware that this race to the bottom has increased amongst pineapple industry giants. Such companies are increasingly driven to reduce labor costs by lowering wage standards in pineapple production. As ABC enters this market, the company wants to avoid the pitfalls that have befallen larger multinationals and ensure that it can meet the basic needs of its workforce and their internationally recognized human rights. The corporate team has discovered the following information after conducting due diligence on the recently acquired pineapple plantation:

- A large percentage of the field workers are temporary workers hired to harvest. ABC has determined that pineapples are harvested year-round in the Philippines. So, even though it is not seasonal work, many employers hire workers under part-time, temporary or seasonal contracts or through "labor cooperatives" or subcontractors. Many workers are wrongly classified as independent contractors so that they do not receive the protection and rights of employees. These workers are subject to unstable employment and more dangerous working conditions. They often work hours beyond the legal limit at substandard rates of pay. Workdays can exceed 12 hours and workers have reportedly worked for 3 weeks straight without a single day off. The workers have no more than half an hour rest during the day and work in full heat without access to drinking water. They have suffered dehydration but continue to work long hours to make enough money for their families. They rarely receive social benefits and are often denied the right to join a union. Even when they have the right to unionize, workers are scared to meet because they know they are easily replaceable. The small number of unionized workers also suffers, because they have less power at the bargaining table and less ability to grow their influence.
- The plantation owner, a large international corporation, has been given a permit to use banned chemicals because it is one of the few plantations which can afford to give Personal Protective Equipment (PPE) to its workers. The workers are therefore instructed to wear masks and gloves, but have complained that the PPEs are ill-fitting and difficult to use in the hot climate. They claim that the PPEs are substandard; the equipment does not last for more than two months but has not been replaced in the past year. ABC is concerned about this issue because of the extensive use of pesticides in pineapple production: as many as 16 different chemicals are required to grow the crop effectively. These chemicals are deemed necessary not only to protect the crop from pests and disease but also to maximize yield. Chemicals such as Diuron, Endosulfan and Paraquat are still used although they are carcinogens and are thought to have created numerous health problems

(diarrhea, rashes, and gastric problems, including vomiting blood, headaches, and loss of vision) among the workers. This has led to high rates of absenteeism and turnover at the plantation.

- There is also a risk of chemicals leaching into the soil and contaminating ground water. Tests have shown that water supplies are contaminated with agrochemicals used in pineapple production in the area. Contamination of local drinking water resources has resulted in the increased dependence of local communities on government-provided water, which is delivered periodically by tanker trucks. However, deliveries can be erratic and are insufficient for the population. Most residents still rely on the contaminated piped water for washing and drinking, if they are unable to obtain water from the tanker. Over-intensive farming from excessive use of farm machinery and soil erosion has also been exacerbated by heavy rainfall and storms leading to sedimentation downstream.
- In light of the environmental risks, ABC has consulted with an organic pineapple farmer, who works on his own land with his family in the Philippines. The farmer switched from conventional production processes when his family became ill from the chemicals necessary for traditional pineapple production pest control. Instead, he rotates crops to improve the health of the soil and strengthen the plants' ability to resist pests. However, business is tough. As prices of conventional pineapples are pushed down, demand for more expensive fair trade fruit has fallen dramatically. While consumers may be willing to pay an extra $.50 USD for more ethical production, they are much less likely to choose the ethical option when there is a larger price differential of $1.00 USD or more.
- ABC is aware that one of the most pressing labor issues in pineapple production is the restriction on freedom of association. At the plantation that the company plans to buy, only 5% of the workforce belongs to a union. There are many reasons for this low percentage. Firstly, some local employers have hired private security guards who have harassed and intimidated plantation workers who tried to organize. Union representation has also been significantly reduced due to a widespread increase in contract labor. Furthermore, a nearby plantation fired workers who tried to join a local union to demand higher pay after they were poisoned while spraying pineapples with Furadan (one of the most toxic carbamate pesticides). The company offered free transport to the nearby town so workers could renounce their union membership. Only those who participated were rehired. One worker who refused to leave the union found his house burned down shortly after. He suspects it was arson, though there has been no formal investigation. He was also beaten up one night on his way home from union work.
- Workers' rights are further impeded by a governmental rural reform system that unintentionally favors large landlords, instead of empowering workers. Under the reform, large commercial plantation owners' land was divided among their workers. However, the workers were granted nominal title only and prevented in law from controlling it. Instead, they must lease back their land to the plantation, and work on it as contract workers, instead of landlords.
- ABC is keen to address a common and devastating weather occurrence in the Philippines: hurricanes and cyclones. The Philippines has experienced some of the deadliest overall tropical cyclones in the past few years and has the highest exposure to tropical cyclones. ABC is committed to implementing proper emergency preparedness policies and procedures to address this risk and prevent significant negative impacts on the plantation workers or production processes.

To address all these issues, ABC Fruit has decided to establish a broad-based environmental and social management system (ESMS) based on international standards by the end of current fiscal year.

ABC FRUIT COMPANY Policy Statement

Due to pressure from potential customers, as well as the local community, ABC plans to adopt policies for the environment and on labor and working conditions using guidance from the suggested Policy Statement in Section I of the Toolkit.

Environment

- Our company will comply with applicable environmental laws and regulations.
- We will monitor our emissions and effluents.

Resource Efficiency

- Our company will take feasible and cost-effective measures to improve efficiency in our consumption of energy, water and our most important input materials.

Pollution Prevention

- Our company will avoid or minimize and control the release of emissions and pollutants to air, water and land from routine, non-routine and accidental circumstances as much as possible.

Labor and Working Conditions

Human Resources Policies and Procedures

- Our company will have documented policies and procedures related to our labor standards code, in keeping with international standards and national labor law.
- We will inform workers of their rights under our code as well as national labor and employment law.

Working Conditions and Terms of Employment

- We will provide reasonable working conditions and terms of employment, complying with the national labor law at a minimum.

Workers' Organizations

- Our company will comply with national laws that recognize workers' rights to form and to join workers' organizations.
- We will not interfere with or discriminate against workers who choose to organize.
- We will negotiate in good faith and respect any collective bargaining agreements that we sign.

Non-Discrimination and Equal Opportunity

- Our company will hire, promote and compensate workers solely based on ability to do the job.
- All workers will be given equal access to training, tools and opportunities for advancement.
- We will ensure that all workers are free from harassment by management or other workers.

Retrenchment

- If we have a large number of layoffs, workers will receive notice and all due back pay, severance and benefits as required by law.

Grievance Mechanism

- Our company will establish a transparent process for workers to express concerns and file grievances, including anonymous complaints.
- Management will treat the grievances seriously, take prompt, appropriate action and ensure there is no retaliation.

Child Labor

- Our company will not employ workers under the minimum age for employment as defined by national law.
- Workers between the minimum age and 18 will not be employed in dangerous work or work that interferes with their education or development.

Forced Labor

- Our company will not employ forced labor.
- We will respect workers' rights to retain their personal documents and money.
- We will respect workers' rights to leave the workplace after work.

Occupational Health and Safety

- We will take all necessary precautions to prevent and mitigate work-related risks and develop an emergency prevention and response system.
- Workers will be provided personal protective equipment and appropriate training at our company's expense.
- We will document and report accidents, diseases and incidents.

Workers Engaged by Third Parties

- Our company will extend our labor standards performance policies and procedures to our contractors hired directly or through employment agencies.

Supply Chain

- Our company will extend our principles concerning child labor, forced labor and worker safety to our suppliers, as feasible.
- Community Health, Safety and Security
- Our company will take every precaution in our sourcing, production and storage to provide our customers with food that is safe to consume.
- We will avoid or minimize as much as possible any potential community exposure to health and safety risks from our operations.

ABC FOOD COMPANY Risk Identification Worksheet

ABC's ESMS team used the Risk Identification Worksheet below to identify those areas where problems are more likely to happen.

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
There is a difference in nationality, race or religion between workers and managers.	Yes/No	Discrimination. Disciplinary abuse and harassment.
We have an apprentice program that provides young workers with training and work experience.	Yes/No	Forced labor. Child labor.
Our managers and supervisors are not aware of the workers' rights under the national labor law or collective agreements.	Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime. Inadequate Wages. Restriction on freedom of association and collective bargaining.
Children or young workers are employed at the farm.	Yes/No	Child labor.
We do not employ children but children accompany their parents during work or leisure time.	Yes/No	Child labor. Exposure of children to workplace hazards.
We do not have a system for recording the "in" and "out" time for agriculture/plantation laborers.	Yes/No	Excessive working hours. Lack of overtime payment.
Some plantation workers are paid based upon the tasks performed (quota) rather than hours worked.	Yes/No	Health and safety risks. Inadequate wage payment. Excessive working hours.
Migrant workers or seasonal workers are employed in more hazardous jobs.	Yes/No	Discrimination.
We routinely use recruiting agencies and contract workers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
The dormitories are not regularly inspected for their cleanliness, hygienic conditions, adequate space availability, or safe drinking water and sanitation.	Yes/No	Lack of clean adequate space. Illness or health hazards due to lack of sanitation or access to a clean drinking water supply.

Workers are not free to move out of their dormitories	Yes/No	Lack of freedom of movement. Forced labor.
Our region does not have a strongly established union structure.	Yes/No	Discrimination. Restriction on freedom of association and collective bargaining
There are security guards at our company.	Yes/No	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No	Inadequate wages, benefits and contracts.
There are large fluctuations in working hours based on work demand (e.g. during harvesting or processing season)	Yes/No	Excessive overtime. No payment of overtime due to hour averaging. Layoffs.
There is a labor shortage in the area.	Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No	Lack of freedom of association.
The union members and worker representatives do not enjoy the same benefits as the other workers.	Yes/No	Lack of freedom of association. Discrimination.
The hiring, compensation and promotion of workers is not based on the job requirements and workers' skills.	Yes/No	Discrimination.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
The organization has done a collective dismissal in the past or it may be vulnerable to collective dismissal due to poor financial conditions or technical reasons.	Yes/No	Discrimination.
We do not verify the age of workers at the time of hiring.	Yes/No	Child labor. Hiring of young workers. Exposure of young workers to hazardous jobs.
Workers are required to deposit money or their original documents (e.g. certificates, landing documents, passports, etc.) as a condition of their employment.	Yes/No	Forced labor. Harassment.
We withhold one month salary from workers as a security deposit.	Yes/No	Forced labor.
Our production activities include significant lifting, carrying or repetitive motions.	Yes/No	Worker injuries and chronic conditions.
Large equipment like tractors, front-end and skid steer loaders are used in our operation.	Yes/No	Worker injuries and chronic conditions.
Farm equipment, machinery and tools are not regularly inspected and maintained.	Yes/No	Worker injuries such as lacerations
There are dust emissions/high noise levels due to initial processing from the harvest.	Yes/No	Respiratory hazards. Noise induced hearing loss.
Our production activities involve workers	Yes/No	Worker injuries and chronic conditions.

routinely interacting with machinery.		
We have not identified all operations where PPEs are required.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Not all workers are aware of the work place hazards and how to use the appropriate PPEs.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Our plantation workers work long hours in open areas with exposure to sunlight, ultraviolet radiation and excessive heat.	Yes/No	Heat and sun-induced dermatitis. Melanoma. Lip cancer.
Workers are required to work at precarious levels and high elevations.	Yes/No	Fall injuries. Head injuries from falling objects.
Agricultural tools are not well maintained or ill designed for the job.	Yes/No	Fatigue. Physical injury (lacerations).
Plantation roadways and paths are narrow restricting vehicular or personnel movements.	Yes/No	Worker injury or death due to hazards related to head-on crashes between vehicles or overturns off the side of the road.
Electrical equipment used for initial processing of crop produce is not regularly inspected and maintained.	Yes/No	Workers exposure to severe shocks, burns or electrocution.
We use untrained animals for dragging or carrying loads at the farms (e.g. horses, donkeys, mules, oxen, etc.).	Yes/No	Workers' injury from kicking or biting by animals.
Sanitary and washing facilities are not inspected regularly.	Yes/No	Infectious diseases.
Confined spaces are not identified yet and workers are not fully trained on safe operating practices (e.g. grain silos).	Yes/No	Worker's exposure to toxic gases (hydrogen sulfide, methane, ammonia, carbon monoxide, carbon dioxide). Oxygen deficiency and asphyxiation.
Natural hazards such as poisonous insects and snakes may exist during weeding or harvesting operation.	Yes/No	Insect or snake bites.
We use tractors and open trucks to transport workers from one farm to another.	Yes/No	Physical injury. Fatality due to run-overs or other accidents.
Weeds around our crops are often burnt to assist harvesting.	Yes/No	Injury or fatality due to fire hazards. Inhalation of smoke particulates.
Workers may be exposed to grain dust (e.g. during harvesting) or dust from stored grain.	Yes/No	Grain fever. Acute and chronic bronchitis.
We have operations/areas with high noise levels (e.g. threshing operations).	Yes/No	Hearing impairment.
Our crops are required to be dried (e.g. to less than 15% moisture content) for proper storage (e.g. cotton crops).	Yes/No	Injury or fatality due to fire hazards
Our production activities involve hazardous materials or processes that could cause fires or explosions (e.g. storage of large quantities of fuel for farm equipment and machinery).	Yes/No	Worker injuries or casualties.

Our workers don't have access to separate and clean areas for eating and changing clothes.	Yes/No	Worker illnesses.
Some hazardous materials are not identified or labeled and some of the workers may not be trained in safe handling of chemicals or other hazardous substances (e.g. pesticides, herbicides and other agrochemicals).	Yes/No	Worker illnesses. Exposure to hazardous chemicals
The companies in our supply chain would probably answer "Yes" to most of the questions above.	Yes/No	All of the above.

ENVIRONMENTAL RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
We are sometimes engaged in the preparation of virgin land for agriculture or plantation that may require tree cutting, uprooting stump or burning of undergrowth.	Yes/No	Loss of biodiversity. Land degradation. Air emissions. GHG emissions. Soil erosion. Surface water contamination.
Our crop requires large quantities of fresh water for irrigation.	Yes/No	Water resources depletion in the region. Contamination of ground or surface water sources in the region due to discharge of surface runoffs.
We use deep bore wells to meet our irrigation requirements.	Yes/No	Groundwater depletion in the region.
We require large quantities of fuel (gas/diesel/etc.) for our operations (farm equipment and machinery).	Yes/No	Air emissions.
We have various processes and utility equipment which may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	Yes/No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly and bottom ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We generate large (or significant) quantities of solid or liquid waste from packaging material, manure and agrochemicals.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste.
We use animal manure collected from various sources as crop fertilizers.	Yes/No	Land contamination. Ground or surface water contamination.
We need to store large quantities of seeds, crop produce or agrochemicals at site.	Yes/No	Solid waste due to possible contamination or deterioration of stored materials.
We generate large (or significant) quantities of solid or liquid waste due to rotting material and prolonged storage.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste (leachates).

We generate large (or significant) quantities of solid or liquid waste from our production activities which are not reprocessed into byproducts, fertilizers or energy.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning (such as hosing down pesticides and fertilizers from fruit and machinery).
We dispose of our solid waste in our landfill or city's landfill facility.	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off). Impact on wildlife or fisheries if exposed. Diseases through vectors, foul smell, GHGs generation (e.g. methane).
We compost waste crop products to be used as fertilizers.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
We discharge our wastewater (from, workers dormitories, cleaning vehicles etc.) into nearby water bodies.	Yes/No	Contamination of receiving water body and aquatic life.
We treat our sewage (from toilets, washrooms, etc.) before discharging.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.
We utilize our treated wastewater for irrigation or provide it to the community.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the treated wastewater.
Our operations (e.g. spray of pesticides) may have an impact on the surrounding forest, water bodies or wildlife.	Yes/No	Loss of native species. Impact on biodiversity; contamination of local environment
We use some banned or restricted chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure to workers. Land or water contamination due to disposal of infested material.
There are dust emissions/high noise levels due to initial processing of the harvest (e.g. high dust/noise during initial processing of rice, wheat, cotton, beans, etc.)	Yes/No	Air emissions/fugitive emissions. Noise pollution.

COMMUNITY HEALTH, SAFETY AND SECURITY RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
Our production activities and treatments involve generation of air, solid and liquid wastes (e.g. use of threshing machines; composting of crop waste/residues; burning, etc.).	Yes/No	Exposure of community to dust and toxic emissions.
Our crop production activities involve use of agrochemicals and manure that may leave potentially harmful toxic or pathogenic residues.	Yes/No	Food contamination/food safety issues due to use of contaminated crop.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc., that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We use certain banned or restricted chemicals, pesticides or herbicides in our operations.	Yes/No	Exposure of community to banned chemicals/hazardous substances, water and land contamination. Impact on wildlife.
We plan to develop new infrastructure, buildings, equipment and other facilities (e.g. godowns or warehouses).	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.
We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.), and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.
There is significant movement of vehicles in and around our farms due to our operations (e.g. vehicles carrying crop produce, fertilizers, agrochemicals, etc., movement of water tankers, etc.).	Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating air, land and/or water.
We discharge water from our operations, which may have an impact on surrounding water bodies (e.g. wastewater from workers' residential facilities, composting facilities, etc.).	Yes/No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	Yes/No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel.	Yes/No	Conflicts with communities and

		indigenous people.
We sometimes do aerial spray of pesticides or other agrochemicals.	Yes/No	Conflicts with communities. Contamination of local air, water or land.
We sometimes have conflicts/complaints with the local community (e.g. due to emissions and odors from our operations, sharing of local resources, etc.).	Yes/No	Conflicts with communities and indigenous people.

ABC FOOD COMPANY Process Map

The Process Map presented below covers the activities and operations carried out at ABC Company. However, these would be similar to most of the processes and activities in other chicken processing industries as well.

Inputs	Process	Outputs	Potential Negative Impacts - OHS	Potential Negative Impacts - Environment And Community	Opportunity For Waste Reduction/ Energy & Water Savings
Materials, labor, resources	Operational activity	Product, waste, by-product	Injuries, long-term illness	Discharge, contamination, pollution, Shortage	Improved process, re-purposing and recycling by-products
Manual labor	Land preparation (clearing, digging, ploughing and weeding)	Weeds, old pineapple plants	Worker exposure to physical exertion from digging and ploughing trenches, exposure to solar radiation, humidity and to extreme heat Cuts from sharp barbs	Shortage of land for indigenous people and farmers due to long-term lease back arrangements Deforestation and monoculture have altered the biodiversity of the region	Replant pineapple crowns, create wildlife corridors, intercrop (papaya and banana) to reduce erosion and provide shade
	▼				
Manual labor and/or mechani-cal input, fertilizer	Planting fruit (selecting seeds or seedlings, pineapple crowns or suckers and establishing the plant)	Pineapple plant waste, sediment, fertilizer containers	Worker injuries (back pain/pulled muscles) from repetitive motion and heavy lifting Worker exposure to heat and chemicals (fertilizers)	Surface runoff and leaching of excess crop nutrients leading to contamination of groundwater Eutrophication of surface water resources	Compost and use of plant cover to reduce loss of nutrients, biogas, fertigation, protective buffer zones, organic manure
	▼				
Manual labor and/or mechani-cal input, pesticides (fungicides and herbi-cides)	Weed and pest control	Plant waste, obsolete pesticide and packaging	Worker injuries from cuts, abrasions through removing leaves Worker exposure to toxic substances when spraying pesticide (carcinogenic organophosphates and organo-chlorines) causing nausea, skin rashes, upper respiratory tract infections, bronchitis, urinary tract infections	Exposure of local communities to pesticides through: - Chemical contamination of drinking water - Living in close quarters with workers (laundry/clothes) - Spray drift - Improper disposal and use of packaging and containers - Potentially harmful concentrations in postharvest products	Crop rotation (pangola grass), biological pest control, pest resistant crops
	▼				

Manual Labor, ethylene spray	Ripening control	Plant waste, chemical containers	Worker exposure to ethylene, which turns the fruit golden yellow and induces simultaneous controlled ripening	Chemical contamination of water sources used by local communities. Commercial plantations often dispose of liquid wastes through canals that flow directly into major water sources meaning residents can no longer drink water.	Compost
	▼				
Most often manual labor, but harvest can be done by hand, half-mechanically with conveyors or full-mechanically with harvesters.	Harvesting through cutting fruit and collection	Plant waste	Worker exposure to extreme heat and injuries as a result of long hours spent doubled over short pineapple plants Spiky plants cutting hazard for workers	Plant waste and sediments leading to contamination of ground and surface waters. Combustion byproducts from burning crop residues	Compost (instead of burning) crops, compost plant waste.
	▼				
Manual labor and trucks	Transportation		Worker exposure to bruises, sprains and falls from carts and vehicles being used when transporting pineapples	Atmospheric and noise emissions from fuel combustion due to operation of mechanized equipment	
	▼				
Water	Washing and removal of pineapple crown for replanting	Wastewater	Injury from slipping in cleaning plant	High water demand leading to diminishing groundwater and access to potable water for the community	Recycle water, rain harvesting
	▼				
Manual Labor	Sorting and selection (pineapples are pressure sensitive and bruise easily)	Bruised and wasted fruit	Worker injuries from cuts and abrasions Worker injuries (back pain/pulled muscles) from repetitive motion and heavy lifting	Contaminated plant waste leading to pollution of ground and surface waters	Compost and use of leaves to create pina (component of wall paper and furnishings)
	▼				
Manual Labor	Weighing, polishing, waxing fumigation and packing		Worker injuries from heavy lifting Workers exposure to fumigation of plants	Contaminated plant waste leading to pollution of ground and surface waters	Compost

ABC FRUIT COMPANY Risk Assessment Prioritization Form

Based on the Risk Identification Form, ABC used the Risk Assessment Prioritization Form below to address the highest priority risks for their Action Plans.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES
All (plantation, harvesting and packaging of pineapples)	Chronic diseases among workers due to prolonged exposure to pesticides and other banned substances	Extreme	Extreme	Ongoing concerns related to use of banned substances and inadequate/inefficient PPEs.
All operations	Violation of workers' rights on Freedom of Association (FOA).	Extreme	Extreme	There are instances of intimidation of workers to prevent them from joining a trade union
Plantation and harvesting operations	Pesticide/chemical contamination of local drinking water sources from leaching and surface runoffs.	High	Extreme	Ongoing issues where the local government is providing alternate water supply through water tankers to support the affected communities.
All operations	Violation of rights of temporary workers re: wage payments, working hours and other working conditions	High	Extreme	Existing arrangements with labor cooperatives result in long and extended working hours, no weekly time off, no overtime wage payments, poor working conditions and denial of other social benefits
Typhoon emergency	Lack of preparedness to prevent and minimize damage and casualties	High (in high season)	Extreme	ABC does not have a consolidated emergency procedure or training program.
Plantation and harvesting operations	Land degradation due to over-intensive farming methods (heavy machinery/excessive use of agrochemicals)	High	High	Poor farming practices exacerbated by heavy rainfall and storms is resulting in soil erosion, sedimentation of water sources, eutrophication and destruction of natural habitat.
All (plantation, harvesting and packaging of pineapples)	Workers ill-health and occupational diseases due to inadequate breaks and excessive working hours in sun and heat.	High	Extreme	Ongoing issues being addressed to minimize physical stress, sun and heat exposure to the workers.

Administration and procurement	Conflicts with local community due to land ownership disputes	High	High	Ongoing land disputes and land encroachment by the company. Reported cases of involuntary long-term leaseback of local farmers' land.

ABC FRUIT COMPANY Action Plan

Based on its Risk Assessment Prioritization Form, ABC Pineapple prioritized the following five key risks:

- Chronic diseases among workers due to prolonged exposure to pesticides and other banned substances.
- Violation of workers' rights to Freedom of Association (FOA).
- Pesticide/chemical contamination of local drinking water sources from leaching and surface runoffs.
- Violation of temporary workers' rights due to wage payment practices, working hours and other working conditions
- Typhoon emergency

ABC then developed Action Plans to manage these five (5) risks below.

Risk 1:

Chronic diseases due to workers exposure to pesticides and other banned substances

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Prepare an inventory of all agrochemicals and current consumption at the farm - Identify and quantify the current usage of banned or restricted substances - Identify 'substitute' agrochemicals for all banned substances and replace the existing stock - Ensure safe disposal of banned/hazardous chemicals through authorized hazardous waste handling and disposal facilities	Objective: Prevent use of all banned substances Target: 100% elimination of banned pesticides and other agrochemicals from farm operations	2 months	-Operations Manager - Procurement Manager - Plantation Supervisor	Staff time intensity: Low Capital intensity: High	- Procedure for selection and procurement of agrochemicals - Procedure for handling, storage and disposal of hazardous waste
Minimize	- Conduct job hazard analysis and identify all activities where worker may be exposed to pesticides and other chemicals -Establish safe work procedures and operating conditions - Identify and provide appropriate PPEs for different processes including chemical-resistant coveralls,	Objective: Minimize workers' exposure to agrochemicals Target: Ensure safe work practices and 100% use of appropriate PPEs	3 months	-Operations Manager - OHS Manager - Procurement Manager - Plantation -	Staff time intensity: Low Capital intensity: High	- Procedure for job hazard analysis - Procedure for OHS training - Procedure for OHS monitoring and inspection

	gloves, footwear, hood or wide-brimmed hat, goggles/safety glasses, full-face respirator, powered air-purifying respirators, filters, canisters, and cartridges - Implement adequate breaks and rest periods and ensure mixing, transfer and application of chemicals are undertaken by trained personnel only - Provide washing and laundry facilities to workers			Supervisor		- Procedure for handling, storage and use of agrochemicals
Compensate /Offset	- Ensure timely treatment and medical assistance for all cases related to workplace injury and chemical exposure -Compensate for wages lost during injury or ill-health treatment -Work with local authorities and NGOs to provide adequate health coverage to the affected workers -Provide free periodical medical check-ups to monitor worker health and exposure to dangerous chemicals - Assist affected workers with alternate job opportunities commensurate with their qualification and skill.	Objective: Treat and rehabilitate affected workers Target: Treatment and rehabilitation of 100% affected workers	1 Year	- HR Manager	Staff time intensity: Medium Capital intensity: High	- Procedure for periodic health check up - Procedure for settlement/compensation of affected workers

Risk 2:

Violation of workers' rights on Freedom of Association (FOA)

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Review current company HR policies and incorporate policies/procedures conforming to ILO requirements and local labor laws on Freedom of Association (FOA) and Collective Bargaining (CB) - Ensure all labor laws including FOA requirements are met by the contractors including labor cooperatives - Provide training/re-training to all workers on HR policies including ABC's policy on FOA and CB - Train all workers including contract and temporary workers on their rights to organize, join a trade union or form a workers' committee. - Appoint an Ombudsman and/or establish whistle blowing system that can be used in cases related to violation of workers' rights	Objective: Respect workers' rights to FOA and CB. Target: 100% compliance with requirements of ILO and local regulations on FOA	6 months	- CEO - HR Manager - Operations Manager	Staff time intensity: Low Capital intensity: Low	- HR policies and procedures - Procedure for employee training - Procedure for selection and monitoring of contractors - Internal grievance procedure
Compensate/ Offset	- Identify and contact all (own) workers fired in last six months for engaging/joining a trade union - Reinstate all workers who are willing to join back and compensate for lost wages as per existing HR policies or local labor regulations - Ensure severance payments according to the contract/labor regulations are made to all workers who do not wish to join back	Objective: Reinstate fired workers Target: Reinstatement of 100% workers fired for joining a trade union	1 Year	- HR Manager - Operations Manager	Staff time intensity: Low Capital intensity: Medium	- Procedure for settlement/ compensation of affected workers

Risk 3:

Pesticide/chemical contamination of local drinking water sources from leaching and surface runoffs.

MITIGATION HIERARCHY	ACTIONS	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Substitute pesticides that fall under WHO Hazard Class I or II or listed in Stockholm Convention - Prevent chemical usage including fertilizers, insecticides, fungicides, herbicides/weedicides, growth regulators, etc. by: Maintaining and increasing the long-term fertility of the soil by incorporating compost into the soil during the land preparation stage Ensuring proper mulching is done to prevent weeds and conserve moisture Rotating pineapple with other crops (groundnut, beans, rice, vegetables, etc.) Implementing mechanical traps, light and sound to repel pests	Objective: Prevent/control surface and ground water contamination from agrochemicals Target: 100% Compliance with water quality requirements for selected bore-well and surface water samples	1 year	- Operations Manager - Plantation supervisors	Staff time intensity: High Capital intensity: Low	- Manual for Integrated Pest Management
Minimize	- Use only pesticides whose manufacture is licensed, registered and approved by FAO - Follow manufacturer's instructions and select application technologies/methods that reduce unintentional drift or runoff - Store agrochemicals in dedicated dry, cool and well-aerated location designed with spill containment measures - Ensure protective clothing worn for pesticide application is carefully disposed - Establish untreated buffer zones along water sources, rivers, streams, ponds, lakes and ditches to protect water resources -Implement groundwater supply wellhead setbacks for pesticide application -Maintain records of pesticide use and effectiveness		3 months	- Operations Manager - Procurement Manager - Plantation Supervisors	Staff time intensity: Medium Capital intensity: Medium	- Procedure for selection and procurement of agrochemicals - Procedure for handling, storage and use of agrochemicals - List of banned and restricted substances

Compensate/ Offset	- Conduct surveys and drinking water analysis to identify community members that are affected by contamination of drinking water supplies - Work with local government departments to assist in providing drinking water until regular and safe supplies are restored - Establish periodic water sampling and testing mechanism to detect and address any contamination on a proactive basis (testing could be outsourced)	Object: Redress water related grievances from affected communities Target: Redress for 100% of water related grievances	1 month	HR/CSR Manager	Staff time intensity: Medium Capital intensity: High	- External grievance procedure - Procedure for sampling and testing of water samples

Risk 4:

Violation of temporary workers' rights due to wage payment practices, working hours and other working conditions

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Review ABC's HR policies and incorporate policies/procedures to ensure contract workers are protected on remuneration, working hours and OHS requirements in line with ILO requirements and local labor laws. - Ensure all contractors/labor cooperatives are aware of and trained on ABC's HR policies regarding contract/temporary workers -Periodically audit contract/temporary workers' contracts with contractors/labor cooperatives - Provide training/re-training to all contract/temporary workers on their rights - Appoint an Ombudsman and/or establish whistle blowing system that can be used in cases related to violation of contract/temporary workers' rights	Objective: Protection of contract workers against workers' rights violations Target: Ensure 100% of contract workers have the same level of protection on remuneration, working hours and OHS working conditions	3 months	- CEO - HR Manager - Procurement Manager - Operations Manager - Plantation Supervisors	Staff time intensity: Medium Capital intensity: Low	- HR policies and procedures for: hiring, remuneration non-discrimination and disciplinary practices - Procedure for selection, training and monitoring of contractors/labor cooperatives - Complaint management resolution procedure
Compensate/ Offset	- Identify and compensate with overtime payment for all excessive/overtime work done in past 3 months or pay arrears based on local labor regulations (if any)	Objective: Compensate contract workers for overtime	6 Months	- HR Manager - Operations Manager	Staff time intensity: Low	- Procedure for settlement/compensation of affected workers

		Target: Payment of arrears to 100% contract workers affected in last 3 months			Capital intensity: Medium	

Risk 5:

Typhoon emergency

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	- Develop Typhoon Preparedness and Response Program, including steps to be taken before, during and after typhoon - Train all workers and staff, including Emergency Response Team	Objective: Be prepared for typhoon emergency Target: Ensure 100% of workers and staff are trained and aware of evacuation and response procedure	Before next typhoon season	- HR Manager - Operations Manager - Emergency Response Team	Staff time intensity: High Capital intensity: Medium	Typhoon Preparedness and Response Procedure
Compensate/ Offset	- Make sure that all legal obligations are fulfilled with respect to compensation for damage, injuries, and loss of life to workers and their families	Objective: Ensure that compensation is provided as appropriate Target: Ensure that 100% of obligations are fulfilled	Before next typhoon season	-Legal team	Staff time intensity: Medium Capital intensity: Low	Procedure for compensation and restitution

ABC FRUIT COMPANY Complaint Management and Resolution Procedure

Based on the Risk Identification Worksheet and Risk Assessment Prioritization Form, ABC was concerned about the growing number of disputes between temporary workers and plantation supervisors due to worker contract issues (see Risk 4). As a result, ABC developed an Action Plan to address the problem as part of its Management Program. The Action Plan included developing policies and procedures that could better protect temporary workers. Here we present the Complaint Management Resolution Procedure (or Internal Grievance Procedure) that ABC created and adopted as a result of its Action Plan.

Title: Complaint Management and Resolution (Internal Grievance Procedure)

Procedure number: HR001

Number of pages: 2

1.0 Purpose and Scope:

1.1. Purpose: Establish a transparent process for workers to express concerns and file complaints, including anonymous complaints. Ensure there is no retaliation or discrimination against those that express concerns or file complaints. Ensure good worker-manager communications to enable workers to raise concerns before they become serious grievances.

1.2. Scope: Any complaint or dispute that may arise from a worker or worker organization.

All individual complaints shall be initiated at Step 1 and shall, if necessary, proceed step by step to Step 5 where the resolution proposed shall be final and binding. Collective complaints and disputes will be handled in the same step-by-step approach as that for individual complaints, but shall begin at Step 2.

Issues will inevitably arise from time to time, but since disputes are potentially harmful to the company, its workers, supervisors and managers at every level, all parties will be expected to resolve all but the most complex difficulties without recourse to Step 5 of this procedure.

The worker organization filing the complaint or representing the worker filing the complaint shall have the right to be notified and be present at all steps of the procedure.

Every effort should be made to settle the issue at each step and until this procedure has been completed there shall be no threats of "go-slows," partial or general stoppages of work or other illegal action or lock-out.

2.0 Definitions:

2.1. Grievance: Specific violation or feeling of having been wronged – the reason for filing a complaint.

2.1 Complaint: The formal communication of a grievance to the appropriate parties.

3.0 Responsibilities:

HR Department

4.0 Work Instructions:

Step 1:

4.1. The worker presents the complaint or grievance verbally to the most immediate supervisor, who has the authority to make adjustments in the matter, within 14 days. Explanations of responses to complaints, even if only to alert workers to a delay in the process, are key to ensuring workers understand their complaints are respected and taken seriously.

4.2. The supervisor records the complaint or grievance and the action taken in the complaints log.

Step 2:

4.3. If a satisfactory settlement is not reached in Step 1 within three days, or if the worker fears making the complaint directly to the most immediate supervisor, then a worker representative may present the complaint verbally to the supervisor concerned. The worker may choose to remain anonymous.

Step 3:

4.4. If a satisfactory settlement is not reached in Step 2 within three days following its completion, the worker or his or her chosen representative for the case may present the complaint to the plantation manager. The complaint shall be in writing and shall state the complainant(s) or grievant(s) name(s).

Step 4:

4.5. If a satisfactory settlement is not reached in Step 3 within five days of the date of submission of the written complaint or grievance to the plantation manager, the worker or his or her chosen representative for the case may present the complaint or grievance to the head of the Human Resources.

4.6. The head of the Human Resources or his/her designee shall schedule a meeting to be held within fourteen days of the receipt of the complaint or grievance with the worker or his or her chosen representative, for the purpose of attempting to resolve the complaint or grievance.

4.7. The worker can bring one or two peers for support during this meeting; those workers will also be covered under the non-reprisal clause.

4.8. The head of the Human Resources or his/her designee shall respond in writing within seven days of the date of the meeting.

Step 5:

4.9. If the complaint or grievance is not resolved at Step 4, and it is clear that resolution within the company is impossible, the worker or his or her chosen representative may refer the complaint or grievance to the Labor Ministry for resolution.

Monitoring:

4.10. The Human Resources Department will conduct a quarterly review of all complaints and actions taken. It will review the complaint logs of each supervisor and department head to evaluate the effectiveness of the grievance procedure and resolutions.

4.11. As part of the quarterly review, the Human Resources Department will follow up directly with the worker or his or her chosen representative to make sure there has been no retaliation.

4.12. The Human Resources Department will maintain a central record of all complaints and resolutions.

5.0 Reference Documents: Related Policy: Labor and Working Conditions – Grievance Mechanism; national and local labor law

6.0 Records: Complaint Log; Complaint Investigation File; Complaint Resolution Report and Communication

7.0 Approving Authority: Senior Manager of HR

8.0 Issue Date: January 1, 2011

9.0 Revision Date: February 1, 2012

ABC FRUIT COMPANY Training Plan

ABC developed a simple Training Plan to raise awareness on the ESMS and provide the skills needed to implement the action plans and related procedures. ABC was able to participate in a local government program that provided subsidized training in these areas.

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
Senior management	Introduction to ESMS	Labor standards performance issues Environmental performance issues	Stakeholder and community engagement and communications	
Human Resources/EHS/ESMS Performance team	Introduction to ESMS Labor standards performance issues	Non-discriminatory hiring practices	Complaint management and resolution procedure	Worker-manager communications
Recruitment agency/labor cooperatives	Labor standards performance issues	Contracts and payments		
Temporary workers	Labor standards performance issues	Contracts and payments		
All workers and managers	Health and safety and emergency response procedures	Procedure for handling, storage and use of chemicals	Non-discrimination procedures Disciplinary procedures	Worker-manager communications

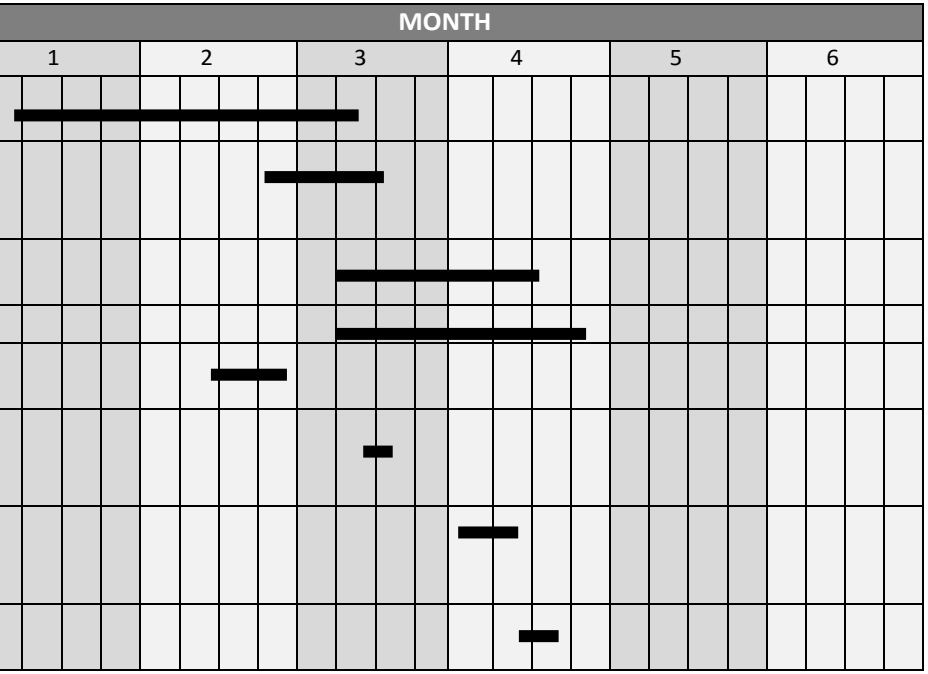
ABC 4. Organizational Capacity and Competency

ACTIVITY		TIME SPENT				MONTH					
						1	2	3	4	5	6
1. Policy		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*						
Developing	Kick-off meeting at senior management level to discuss ESMS implementation	.5									
	Selection (including communication/coordination) of ESMS core team (personnel from different production steps)	.25	.5	.5							
	Appreciation and awareness workshop for senior management and core team on ESMS requirements	4	4	4							
	Review/upgrade of existing environmental and social policy/formulation of organization's environmental and social policy	.5	1	3							
Implementing	Design, printing and display of ESMS policy at key areas		.5	1	3						
	Uploading of ESMS policy on company website		.25	.25							
	Communication of ESMS policy to key external stakeholders	.5	.5								
	Training and awareness-raising of employees on ESMS policy and information dissemination	2	3	4	10						

ABC 4. Organizational Capacity and Competency

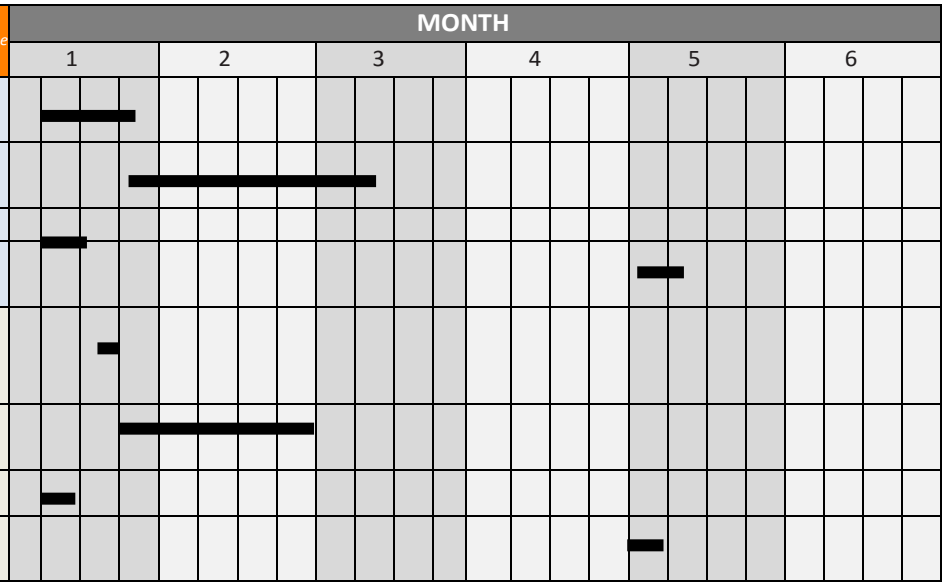
2. Risk and Impact Identification		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Mapping of activities, processes and key stakeholders, including suppliers and contractors	.5	1	4							
	Identification and compilation of regulatory and other requirements, including stakeholder expectations	.5	1.5	4							
	Initial environmental and social review, identification and evaluation of environment and labor risks (including supply chain)	3	8	12	6						
Implementing	Training and awareness-raising for employees on environmental, social and labor risks and risk identification process		2	6	16						
	Training and awareness-raising for employees on regulatory and other requirements, including stakeholder expectations		2	2	10						
	Training and awareness-raising for employees on environment, social and labor risks and information dissemination		3	3	20						

3. Management Programs		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Preparation of ESMS manual (formulation and documentation of procedures related to ESMS)	3	8	16							
	Formulation, compilation of environmental objectives/targets and social performance improvement measures	.5	1	2	2						
	Formulation and development of environment and social action plans	1	4.5	4							
	Development of operational procedures	2	4.5	8	2						
Implementing	Communication, awareness-raising and training of employees on ESMS procedures	.5	4	8	12						
	Communication and awareness-raising for employees on environmental objectives and social performance improvement measures	.25	.5	1	8						
	Communication and awareness-raising of employees on environment and social action plans		.25	1	8						
	Training of employees on environmental and social operational procedures		4	8	26						



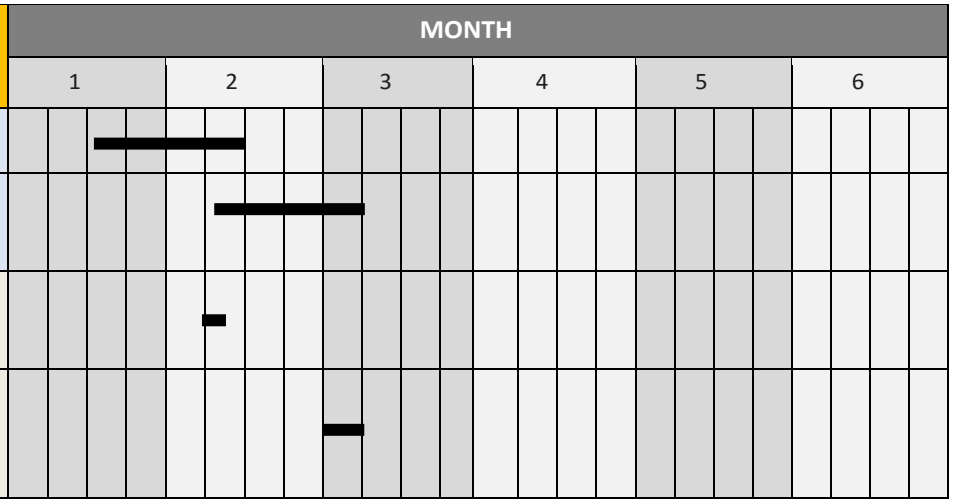
ABC 4. Organizational Capacity and Competency

4. Organizational Capacity and Competency		Senior mgt time	Mid-mgt time	Supervisors time	Workers time
Developing	Environmental and social awareness program for middle management		5		
	Environmental and social awareness program for workers			30	
	Competency program for ESMS core team		4	6	
	Internal auditor training for the organization's ESMS assessors/auditors	4	12		
Implementing	General awareness-raising and training on environment, social and labor issues/ESMS for senior and middle management	2	3		
	Environmental and social awareness program for workers		3	6	25
	Competency program for ESMS core team		4	6	
	Internal auditor training for the organization's ESMS assessors/auditors	4	12		

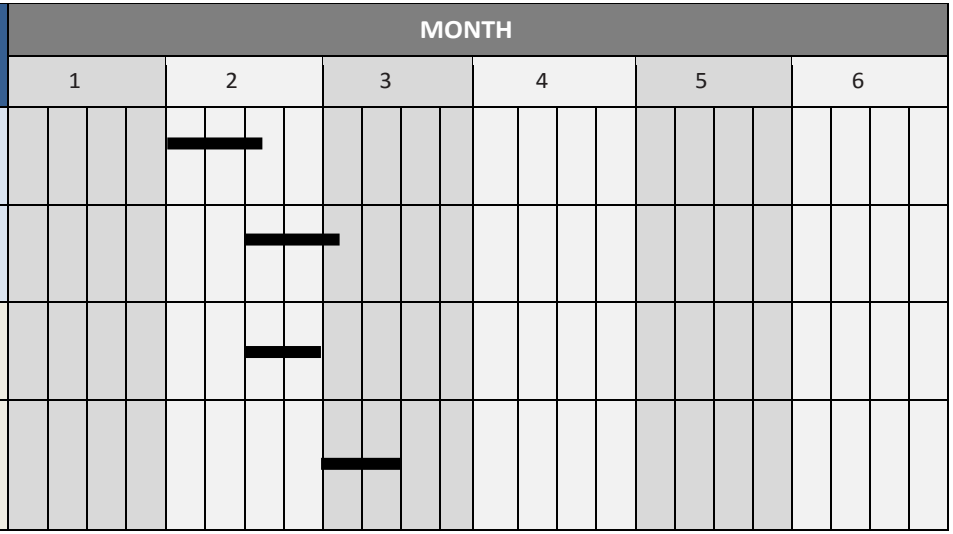


5. Emergency Preparedness and Response		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Review of key risks and existing emergency preparedness plan	.25	1	2							
	Upgrade/prepare the emergency preparedness plan	.25	3	5							
	Communicate to workers, potentially affected communities and relevant government agencies (if required)	.25	.5								
Implementing	Raise awareness and communicate with employees and affected communities on key risks and emergency issues and emergency planning	.25	1	2	8						
	Training of employees on emergency preparedness plan	.25	2	4	20						
	Communication and awareness-raising on emergency procedures to affected communities and relevant authorities (if required)	.25	.5								

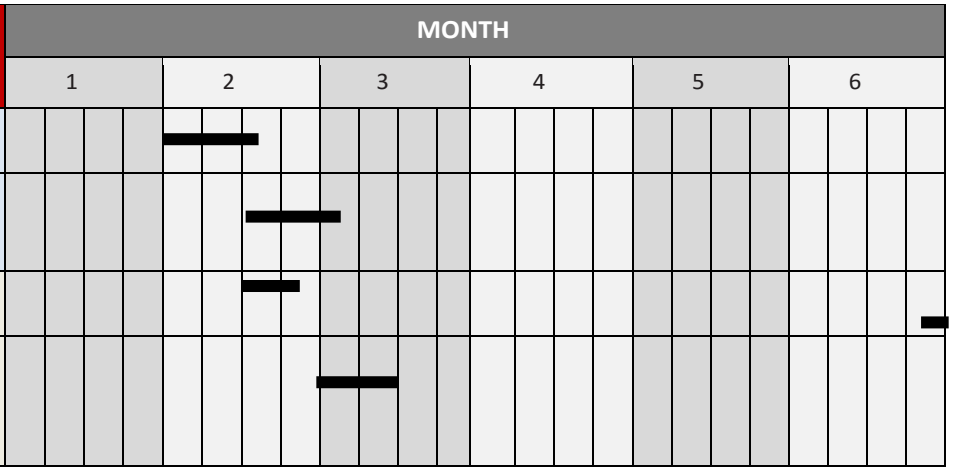
6. Stakeholder Engagement		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*
Developing	Mapping of all stakeholders, stakeholder analysis and engagement planning	.25	2	1	
	Develop/upgrade stakeholder communication/consultation; information disclosure and engagement strategy/program	.25	3		
Implementing	Communication to employees on key stakeholders and their environment and social/labor expectations		.25	1	8
	Communication, awareness-raising and training of employees on the strategy/program for stakeholder engagement/consultation/ communication and information disclosure		1.5	3	8



7. External Communication and Grievance Mechanism		*Senior mgt time*	*Mid-mgt time*	*Super-visors time*	*Workers time*
Developing	Review external communication system, including receiving and handling feedback, concerns and complaints		1		
	Develop/upgrade system for regular engagement, receiving, documenting and responding to feedback and grievances	.25	2	1	
Implementing	Review external communication, feedback, stakeholder concerns and complaints and communicate to key personnel	.25	2	4	10
	Training, awareness-raising and implementation of stakeholder engagement, receiving, documenting and responding to feedback and grievances		2	4	10



8. Ongoing Reporting to Affected Communities		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*
Developing	Review existing system for reporting and disclosure		1		
	Develop/upgrade system for external reporting and disclosure (including collection, validation and verification of information)	.25	2	1	
Implementing	Communication and disclosure to key external stakeholders and affected communities	.25	2.5		
	Communication, awareness-raising and training on external reporting and disclosure (including collection, validation and verification of information)		4	6	8



9. Monitoring and Review		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Establish procedure to monitor and measure ESMS performance, compliance and stakeholder requirements	.25	1	.5							
	Implementation of ESMS monitoring program, establishing benchmarks and integration with existing system	.25	4	2							
	Final review and complete ESMS documentation	.25	1	1.5							
	Conduct internal audit/evaluation of ESMS performance against the management program requirement/benchmarks		1	2	2						
	Establish relevant operational controls and formulation of corrective and preventive actions	.25	.5	2	1						
	Review by the senior management to assess performance and effectiveness of ESMS	.25	.5	1							
Implementing	Documentation and communication on ESMS conformance, regulatory compliance and stakeholder requirements		2	4							
	Communication, awareness-raising, training and implementation of ESMS monitoring program and established benchmarks	.25	4	6	16						
	Communication of internal audit/performance measurement findings and ESMS performance to the employees		.5	1	4						
	Communication, awareness-raising and training of employees on operational controls and corrective and preventive actions		.5	2	16						
	Communication on outcomes of review of the ESMS performance by senior management and key decisions taken	.25	.5								
	TOTAL	34	143.75	195.75	259						

ABC 5. Emergency Preparedness and Response

Based on their Risk Prioritization Assessment, which identified tropical storm systems such as typhoons and hurricanes as a severe-impact risk (Risk 5), ABC developed a Preparedness and Response Plan to respond to typhoons. The procedure was documented so that it could be used by management to put in place an evacuation plan for the company.

ABC FRUIT COMPANY Typhoon Preparedness and Response Procedure

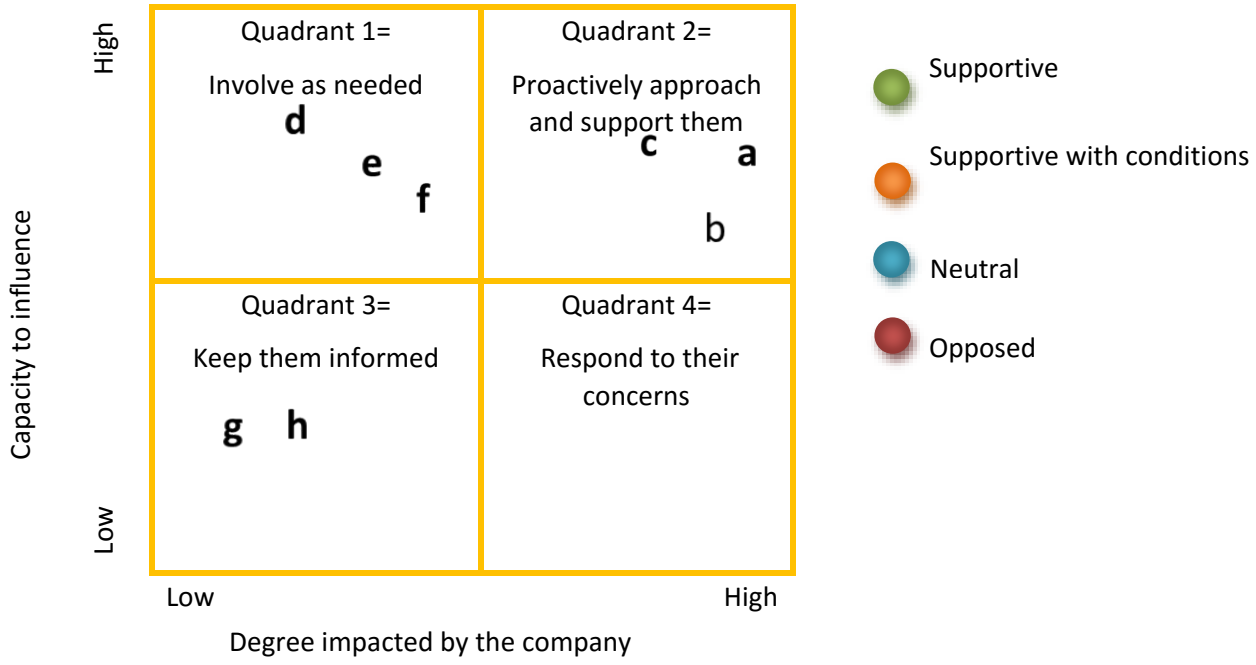
See sample Typhoon Preparedness and Response Procedure in Section I of Toolkit.

ABC FRUIT COMPANY Stakeholder Mapping – identification and analysis

An ABC cross-departmental team brainstormed and **listed the stakeholders** that are **affected by or have an interest in** the plantation's operations. The team then discussed and **listed their key concerns, issues and interests**. To identify those, they looked back at the environmental and social key risks and impacts previously identified and how these affect the surrounding communities.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS
a. Sindanao farmers association (affected community)	Contaminated groundwater supply, soil deterioration and erosion, exploitative land lease-backs
b. Local village population (affected community)	Contaminated groundwater supply, pesticide spray, vehicle congestion and noise
c. Consumers in Japan, Korea, Thailand, Europe, the Middle East, South America	Food safety due to pesticide residue in pineapple flesh
d. Sindanao communities for conservation	ABC environmental performance
e. Sindanao regional government	Compliance with environmental regulations
f. Ministry of Natural Resources and the Environment	Compliance with environmental regulations
g. Labor Rights Promotion Network	Concerns on temporary workers discrimination and worker health
h. Sindanao local labor union	Concerns on limits on FOA and CB

Finally, they **mapped the stakeholders** on a matrix according to (a) the degree to which they are impacted and (b) their ability to influence the company operations, and then (c) **categorized** them based on their current relationship with the company: supportive, supportive with conditions, neutral, opposed. Based on this, they define their **engagement method** with each group.



ABC FRUIT COMPANY Stakeholder Engagement Plan

Based on the information above, ABC prepared a Stakeholder Engagement Plan. ABC **prioritized** engagement with those groups that are most affected.

STAKEHOLDER ENGAGEMENT PLAN FOR AFFECTED STAKEHOLDERS				
Stakeholder	**Concerns**	**Engagement method**	**Information to disclose and report back**	**Most valuable info to obtain**
a. Sindanao farmers association (Quadrant 2)	Groundwater supply: possibly contaminated by pesticide residue has caused illness amongst local population Soil deterioration: through overuse of fertilizers and machinery Exploitative land practices	- **Grievance mechanism** - Quarterly **meetings** with members of the association and more frequently as demand requires - **Participatory monitoring** of groundwater and soil quality - Annual **perception survey**	- Measures to reduce and/or improve safety of storage and handling of pesticides at plantation - Progress on safe disposal of pesticides - Results of groundwater quality monitoring -Measures to use more sustainable cultivation practices -Measures to allow farmers to independently cultivate their land	Exact threat, damage, possible solutions, costs of these
b. Local village population (Quadrant 2)	Concerns of water quality for consumption: contaminated by pesticide residue may have caused illness amongst local population Noise and air pollution from plantation work	**- Grievance mechanism** - Biannual **meetings** with community leaders **-** Annual **perception survey**	- Progress using alternatives to chemical pesticides - Progress on safe disposal of pesticides and water saving/recycling actions to reduce likelihood of wider spread contamination - Results of groundwater quality monitoring -Control of hours of vehicle traffic to and from plantation	Identification of illnesses associated with use of pesticides
c. Consumers (Quadrant 2)	Food safety	**- Grievance mechanism** through telephone hotline - Well-briefed communications team to address consumer concerns	- Progress on actions to improve quality of fruit by reducing use of agrichemicals in their cultivation. Adopt sustainable or organic methods of production	Consumer concerns Competitors' methods for addressing the issue

STAKEHOLDER ENGAGEMENT PLAN FOR INTERESTED STAKEHOLDERS				
Stakeholder	**Interests**	**Engagement method**	**Information to communicate**	**Most valuable info to obtain**
d. Sindanao Communities for Conservation (Quadrant 1)	Environmental performance from ABC and other plantation businesses	- Biannual **meetings** with local representatives and as demand requires - Regular updates through quarterly **newsletter** (by email)	- Progress on ESMS environmental action plans	Recommended methods for environmental protection and improvement
e. Sindanao provincial government - (Quadrant 1)	Possible non-compliance with provincial environmental regulations	**- Public reporting** on compliance - Quarterly phone calls	- Commitment to social and environmental performance improvement	Comprehensive knowledge of relevant regulations
f. Ministry of Natural Resources and Environment of Philippines (Quadrant 1)	Possible non-compliance with national environmental regulations	**- Public reporting** on compliance - Quarterly phone calls	- Commitment to environmental performance improvement	Comprehensive knowledge of relevant regulations
g. Labor Rights Promotion Network (Quadrant 3)	Concerns on temporary worker discrimination	**- Quarterly updates through email**	- Progress on implementation of grievances and non-discrimination procedures - Progress on improving recruitment practices of labor cooperatives that are contracting temporary workers	Local information on plantation workers' rights
h. Sindanao local labor union(s) (Quadrant 3)	Concerns on restrictions of FOA and CB	Biannual **meetings** with local union representatives and as demand requires - Regular updates through quarterly **newsletter** (by email)	Progress on allowing workers to join and consult unions without negative reprisal	Local information on available unions and membership levels

Key Aspects of ABC FRUIT COMPANY'S Grievance Mechanism

ABC's Grievance Mechanism below provides one of the channels through which external and internal stakeholders can voice their concerns.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	ABC'S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	ABC's website has a form and instructions that people can fill out and submit online. ABC has also suggestion boxes outside the company's gate and plantations that are accessible to anybody. Every week an ABC employee is responsible for collecting the forms from the suggestions boxes and enduring that forms and pens are available.
Publicize the system so that stakeholders know it exists and how to access it	ABC distributes a company brochure highlighting its company profile and operations and including instructions for how external stakeholders can communicate or file complaints. The brochure is circulated to community leaders at churches, schools and civic centers. The system is also documented in the company procedures manual. A designated community liaison explains this further when meeting with stakeholders.
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	ABC has its major cases reviewed by a formal oversight body consisting of a representative from each of its key stakeholder groups. It also provides transparent funding for expert resources, so that any collection of evidence is independent and unbiased. It makes sure not to undermine existing legal mechanisms.
Be transparent about the process and outcomes	All cases are summarized and posted on the company website, with details about whether the complaint was accepted or not, and information about the process and timeline for investigation and resolution.
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	ABC has a procedure that designates the community liaison to receive and record the complaint and then work with relevant staff and external stakeholders to investigate, determine actions and report back outcomes.
Make the system a source of continual learning	ABC's oversight stakeholder body meets quarterly with the management team to measure the effectiveness of the system and review complaints to check for resolution and cumulative learning that can be integrated into company systems. They agree and monitor key performance indicators and revise the mechanism as appropriate.

ABC 8. Reporting Back to Affected Communities

ABC regularly reports to the local village population (affected communities) on the progress of its commitments to resolve the issues identified during the stakeholder engagement process and through its grievance mechanism. Reports are presented in the local language and a clear format during quarterly meetings with the local village.

Monitoring Plan for ABC

ABC's ESMS team developed a Monitoring Plan based on the Action Plans and their targeted objectives.

Risk 1: Chronic diseases among workers due to prolonged exposure to pesticides and other banned substances

Objective: Prevent use of all banned substances

Target: 100% elimination of banned pesticides and other agrochemicals from farm operations

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Amount of banned pesticides and agrochemicals purchased	- Procurement records
Amount of banned pesticides and agrochemicals disposed of	- Hazardous waste disposal records
Amount of banned pesticides and agrochemicals in storage	- Inventory records

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of banned pesticides and agrochemicals substituted by non-banned products	-Production/Process design checklist

Objective: Minimize workers' exposure to agrochemicals

Target: Ensure safe work practices and 100% use of PPEs

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Occupational injury frequency rate attributed to agrochemical exposure	- Health and safety logs
Lost time severity rate attributed to agrochemical exposure	- Health and safety logs
Trend in worker turnover linked to non-appropriate health and safety practices (inadequate PPE, use of banned chemicals, lack rest breaks)	- HR records and exit interviews

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
Number and type of modifications to production process that decrease exposure to agrochemicals	- Production records
% of workers and managers trained on health and safety policy and procedures (including use of protective equipment and safe agrochemical use, storage and disposal)	- Records of training provided to workers and managers

Objective: Treat and rehabilitate affected workers

Target: Treatment and rehabilitation of 100% affected workers

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Number of complaints received concerning worker injuries related to agrochemical exposure	- Records of complaints, disputes and grievances redressed
% of cases of injuries related to agrochemical exposure that are compensated as per company's policies	- Medical records - HR records

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of workers interviewed that trust and use complaint management system	- Worker interviews

Risk 2: Violation of workers' rights on Freedom of Association

Objective: Respect worker's right to FOA and CB

Target: 100% compliance with requirements of ILO and local regulations on FOA

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
% of workers joining trade unions	-HR records
% of local unions represented in plantation	-HR records
Number of union meetings held and trends over time	-HR records
Number of grievances raised by workers related to intimidation or harassment based on union membership	-Records of complaints, disputes and grievances redressed
Trend in worker turnover linked to union membership or participation	-HR records and exit interviews
Number of collective agreements between workers and company	-HR records

PROCESS INDICATORS	
Monitoring Indicators	**Monitoring records**
% of workers and managers trained on freedom of association and collective bargaining	- Training records
% of employment contracts that clearly state workers' right to organize	- Workers employment contracts

Objective: Reinstate and rehabilitate fired workers

Target: Reinstatement/rehabilitation of 100% workers fired for joining a trade union

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Number of workers reinstated due to dismissal for union activity	- Dismissal/disciplinary records - Exit interviews - Employment contracts

PROCESS INDICATORS	
Monitoring Indicators	**Monitoring records**
Number of workers dismissed for union activity, who are satisfied with ABC's grievance and reinstatement policies	-Grievance procedure -Dismissal/hiring and rehiring records
Tracking of non-retaliation measures to protect reinstated workers	-Disciplinary records -Complaint management records
% of managers trained on non-retaliation measures	-Training records

Risk 3: Pesticide/chemical contamination of local drinking water sources

Objective: Prevent/control surface and ground water contamination from agrochemicals

Target 1: 100% Compliance with water quality requirements for selected bore-well and surface water samples

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
% of bore-well and surface water samples that comply with international guidelines for safe drinking water	- Water sampling and analysis records
Effluent quality testing at points of runoff and discharge(total suspended sedimentation carrying pesticides, nutrients, trace metals)	- Monthly runoff sampling and analysis records

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of plantation managers and workers trained in safe storage, handling, and application of pesticides	-Training records
% increase in new production methods (crop rotation, biological pest control, pest resistant pineapple varieties)	-Production records
% of land under Integrated Pest Management and Integrated Nutrient Management	-Land management records

ABC 9. Monitoring and Reporting

Objective: Redress water related grievances from affected communities

Target: Redress of 100% water related grievances

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
% of water related grievances that have been redressed	- Grievances log

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of households aware of company's grievance mechanism and compensation policies	- Household surveys
Number of residents satisfied with supply and quality of water	- Household surveys

Risk 4: Violation of rights of temporary workers

Objective: Protection of contract workers against workers' rights violations

Target: Ensure 100% of contract workers have the same level of protection on remuneration, working hours, benefits and OHS working conditions

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
% of contract workers hired through labor cooperatives, with same terms of employment as other company's employees	- Contract workers' employment contracts through labor cooperatives - Records of working hours and overtime - Records of wage payment and statutory deductions
Trend in discrimination and disciplinary abuse against workers/temporary workers	- Records of complaints, disputes and grievances - Hiring and termination records - Records of disciplinary actions against workers - Records of exit interviews

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of workers surveyed/interviewed to identify their concerns, feedback and grievances	- Employee survey, feedback, consultation and grievances records
% of workers, supervisors and managers trained on fair labor practices (non-discrimination, disciplinary abuse, workers' rights)	- Training records
Clearly established contractor (labor cooperatives) control plans	- Records of terms and agreements with labor cooperatives - Records of monitoring/auditing of labor cooperatives by the company - Records of corrective and preventive actions implemented by labor cooperatives

ABC 9. Monitoring and Reporting

Objective: Compensate contract workers for overtime

Target: Payment of arrears to 100% contract workers affected in the last 3 months

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Number and type of complaints and grievances raised by contract workers/temporary workers and addressed by ABC	- Records of complaints, disputes and grievances redressed
Number of workers receiving past due compensation for overtime	- Payroll records

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
Number of contract workers interviewed that are satisfied with their compensation package	-Worker interviews

Risk 5: Typhoon Emergency

Objective: Be prepared for typhoon emergency

Target: Ensure 100% of workers and staff are trained and aware of evacuation and response procedure

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Number of injuries and casualties due to typhoons	-Accident and injury logs -Insurance reports -Local government reports
Number of claims filed for damage or personal injury	-Records of claims

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
Existence of typhoon emergency preparedness plan	-Company policies and procedures
Existence of company budget devoted to typhoon preparedness	-Budget records; expenditure records
% of workers and staff trained and aware of typhoon emergency plan	-Interviews and surveys -Training Log

ABC 9. Monitoring and Reporting

Objective: Ensure that compensation is provided as appropriate

Target: Ensure that 100% of obligations are fulfilled

PERFORMANCE INDICATORS	
Monitoring indicators	**Monitoring records**
Number of claims filed and redressed relating to typhoon damage	-Complaints management system -Legal records and claims records

PROCESS INDICATORS	
Monitoring indicators	**Monitoring records**
% of claimants satisfied with complaint and legal claims system	-Worker interviews -Claims records

XYZ Sugar Company, Nicaragua

With the opening of the European market to Central America, the sugar industry in Nicaragua has expanded to become a major source of revenue for the country. Sugar activity generates more than 4% of GDP, creating 130,000 jobs and generating 15% of energy consumed nationally. As a result, XYZ, one of the largest sugar mills in the country, is now planning to increase its production. However, the company directors are aware of the potential social and environmental pitfalls that may result from such growth, and intend to address these risks in order to appeal to the international market.

A recent report by an international group of research journalists has denounced the working conditions of sugar cane workers in many Central American countries. In addition to the challenging manual labor of cutting and loading sugarcane for transport, the journalists found that within the past four years, approximately 3,000 workers have died due to a **disease called Chronic Kidney Disease** (CKD). According to the report, more men die of this disease in Nicaragua than HIV/AIDS, diabetes and leukemia combined. So many men have died in certain rural areas that a community called "La Isla" (the Island) is now known as "The Island of the Widows." The medical and scientific community believes that the epidemic is a result of workers' contact with an unidentified toxin that is likely found in the pesticides applied to sugarcane during cultivation, as well as exposure to extreme heat, dehydration and long working hours.

Workers who are paid at a piece-rate for the amount of sugar collected (90 cents a ton) often work to the point of dehydration and fainting, potentially damaging their kidneys on each shift. Some mills claim to have protected workers by taking action to improve hydration in the fields, reduce working hours and provide blood tests to monitor workers. However, companies also need to establish improved complaint and management systems in order to prevent workers from being **fired once they are identified as ill**. Furthermore, treatment options are limited since the high cost of kidney transplants rules out that option as a cure for the workers affected with CKD in the region. The only feasible treatment for most of the workers is peritoneal dialysis, which they must perform at home.

XYZ is eager to find a way to protect its workers from CKD. The company plans to put in place procedures to reduce exposure of workers and the community to pesticides, such as: safe operating practices; use of appropriate PPEs to protect from pesticides and the hazards of harvesting with sharp tools; and an emergency preparedness plan for monitoring and dealing with pesticide leakage and contamination.

In addition, there has been an increase in abusive **temporary recruitment practices** and the use of contractors during busy harvesting periods in the sector. Such contractors **pay low wages, violate social security obligations, and utilize high-risk transportation systems** (such as trucks carrying workers standing on boxes without any kind of supervision), which leaves workers vulnerable to abuse. The mills are unwilling to hire staff directly for the harvest because they do not want to take responsibility their welfare. Local human rights organizations also claim that children are employed when there are labor shortages on sugarcane plantations during peak harvesting periods.

Sugarcane farming also has significant environmental impacts. It is a water intensive process (with an average of 20 megalitres of water/hectare) and 80% of the water used is obtained from local groundwater. The Central Ground Water Board of Nicaragua has discovered a **decrease in groundwater stocks**, especially in North and Northwestern Nicaragua. As a result, producers of water intensive crops like sugarcane need to utilize different strategies for growing the crop or obtaining water by implementing efficient irrigation technologies or cultivating sugarcane varieties that require less water or drought-tolerant plant varieties. XYZ is aware that it must work with the local communities to address future water shortages by identifying ecofriendly and economically viable options and identifying areas (depending upon weather, soil and suitable varieties) where it can harvest sufficient yields of sugarcane despite the depleting water resources and without causing further negative impact.

The practice of burning sugarcane also has significant **environmental and health consequences**. This practice is utilized to facilitate the collection of sugar and is increasingly widespread in Nicaragua, especially as international demand for sugarcane has increased. Burning sugarcane removes leaves with sharp edges, drives out snakes, and prevents weed seeds from returning to the soil, while leaving cane stalks and roots unharmed. However it also causes an uncontrolled **emission of harmful gases** such as carbon monoxide, hydrocarbons and sulfur dioxide, which are known to increase cardiovascular disease, chronic bronchitis, lung emphysema, and bronchial asthma in the local population, especially if there is exposure during childhood.

Burning remains a popular practice at XYZ farms because it decreases volume of material to be processed by factories, shortens harvest season by 10% and increases yield of sugar recovered per ton of sugarcane. Workers can collect five times more sugarcane if it is burned. Reduction of smoke emissions could be achieved through use of green harvesters. However, the uneven topography on XYZ farm may limit the machines' effectiveness.

XYZ cultivates 309,000 tons of sugar cane annually during the 155 day cropping season on 8,400 hectares. In 2000, when XYZ acquired the sugar mill's land and assets, it also inherited **land disputes** with the local community. Some of the company's land is occupied by local households and farms. According to XYZ, the previous owners tried to forcibly relocate owners of land near the mill, river and adjacent fields. Furthermore, those who willingly sold their land plots to the previous owner were never provided with proper land titles. Instead, they were issued "possession certificates." There are also complications due to the nationalization of industries in the 1980s and subsequent privatization of companies in the 1990s in Nicaragua. As a result, it is not always clear who is the legal owner of specific areas of land. XYZ is aware of these complex land tenure issues involving insecurity of possession, squatting, opportunistic settlers and multiple titling, and plans to address them.

XYZ Company is an active member of the National Commission of Sugar Producers (NCSP) and participates in various international business conferences about the sale of sugar and processed sugar products. During a recent international trade fair organized in Managua, Nicaragua, the CEO met some potential European customers who indicated that international certifications such as Fair-trade and other environmental management system programs could help the company succeed in the international market. Therefore, XYZ Company has decided to develop and implement an environmental and social management system and training program, based on existing laws and regulations for labor rights and good agricultural practice.

XYZ SUGAR COMPANY Policy Statement

XYZ had a long internal debate about adopting new policies, especially ones on labor and working conditions. The company felt it would be very hard to meet these requirements, given the operating environment. Finally, the CEO decided to proceed with the complete set of policies, because of the company's orientation towards international markets. The company created a three-year plan to try to achieve compliance with the policies and gain some type of international certification or recognition.

Here is a shorter version of the company's policy which summarizes the most relevant points:

XYZ - Our product, our environment, our people

Together we produce safe and high-quality sugar that creates value and confidence for our customers and consumers.

We are committed to conducting our operations in accordance with the environmental and labor laws and regulations that apply to our industry.

We recognize that energy and water are valuable resources, and we commit to use them more efficiently.

We commit to reuse and recycle all our organic waste.

We strive for an injury-free workplace where our workers are not exposed to dangerous situations or hazardous chemicals and use the appropriate personal protective equipment, when needed.

We will work with our labor contractors to gradually eliminate the presence of child labor in our supply chain.

We are all - managers, supervisors and workers – jointly responsible for making our policy a reality.

XYZ SUGAR COMPANY – Nicaragua: Risk Identification Worksheet

XYZ's ESMS team used the Risk Identification Worksheet below to identify areas in which problems are more likely to happen.

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
There is a difference in nationality, race or religion between workers and managers.	Yes/No	Discrimination. Disciplinary abuse and harassment.
We have an apprentice program that provides young workers with training and work experience.	Yes/No	Forced labor. Child labor.
Our managers and supervisors are not aware of the workers' rights under the national labor law or collective agreements.	Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime. Inadequate Wages. Restriction on freedom of association and collective bargaining.
Children or young workers are employed at the farm.	Yes/No	Child labor.
We do not employ children but children accompany their parents during work or leisure time.	Yes/No	Child labor. Exposure of children to workplace hazards.
We do not have a system for recording the "in" and "out" time for agriculture/plantation laborers.	Yes/No	Excessive working hours. Lack of overtime payment.
Some plantation workers are paid based upon the tasks performed (quota) rather than hours worked.	Yes/No	Health and safety risks. Inadequate wage payment. Excessive working hours.
Migrant workers or seasonal workers are employed in more hazardous jobs.	Yes/No	Discrimination.
We routinely use recruiting agencies and contract workers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
The dormitories are not regularly inspected for their cleanliness, hygienic conditions, adequate space availability or safe drinking water and sanitation.	Yes/No	Lack of clean adequate space. Illness or health hazards due to lack of sanitation or access to a clean drinking water supply.

Workers are not free to move out of their dormitories	Yes/No	Lack of freedom of movement. Forced labor.
Our region does not have a strongly established union structure.	Yes/No	Discrimination. Restriction on freedom of association and collective bargaining
There are security guards at our company.	Yes/No	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No	Inadequate wages, benefits and contracts.
There are large fluctuations in working hours based on work demand (e.g. during harvesting or processing season)	Yes/No	Excessive overtime. No payment of overtime due to hour averaging. Layoffs.
There is a labor shortage in the area.	Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No	Lack of freedom of association.
The union members and worker representatives do not enjoy the same benefits as the other workers.	Yes/No	Lack of freedom of association. Discrimination.
The hiring, compensation and promotion of workers is not based on the job requirements and workers' skills.	Yes/No	Discrimination.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
The organization has done a collective dismissal in the past or it may be vulnerable to collective dismissal due to poor financial conditions or technical reasons.	Yes/No	Discrimination.
We do not verify the age of workers at the time of hiring.	Yes/No	Child labor. Hiring of young workers. Exposure of young workers to hazardous jobs.
Workers are required to deposit money or their original documents (e.g. certificates, landing documents, passports, etc.) as a condition of their employment.	Yes/No	Forced labor. Harassment.
We withhold one month salary from workers as a security deposit.	Yes/No	Forced labor.
Our production activities include significant lifting, carrying or repetitive motions.	Yes/No	Worker injuries and chronic conditions.
Large equipment like tractors, front-end and skid steer loaders are used in our operation.	Yes/No	Worker injuries and chronic conditions.
Farm equipment, machinery and tools are not regularly inspected and maintained.	Yes/No	Worker injuries such as lacerations
There are dust emissions/high noise levels due to initial processing from the harvest.	Yes/No	Respiratory hazards. Noise induced hearing loss.
Our production activities involve workers routinely interacting with machinery.	Yes/No	Worker injuries and chronic conditions.

We have not identified all operations where PPEs are required.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Not all workers are aware of the work place hazards and how to use the appropriate PPEs.	Yes/No	Worker injuries. Exposure to hazardous material and chronic conditions.
Our plantation workers work long hours in open areas with exposure to sunlight, ultraviolet radiation and excessive heat.	Yes/No	Heat and sun-induced dermatitis. Melanoma. Lip cancer.
Workers are required to work at precarious levels and high elevations (e.g. evergreen date palm: 30 m; oil palm: 12 m).	Yes/No	Fall injuries. Head injuries from falling objects.
Agricultural tools are not well maintained or ill designed for the job.	Yes/No	Fatigue. Physical injury (lacerations).
Plantation roadways and paths are narrow restricting vehicular or personnel movements.	Yes/No	Worker injury or death due to hazards related to head-on crashes between vehicles or overturns off the side of the road.
Electrical equipment used for initial processing of crop produce is not regularly inspected and maintained.	Yes/No	Workers exposure to severe shocks, burns or electrocution.
We use untrained animals for dragging or carrying loads at the farms (e.g. horses, donkeys, mules, oxen, etc.).	Yes/No	Workers' injury from kicking or biting by animals.
Sanitary and washing facilities are not inspected regularly.	Yes/No	Infectious diseases.
Confined spaces are not identified yet and workers are not fully trained on safe operating practices (e.g. grain silos).	Yes/No	Worker's exposure to toxic gases (hydrogen sulfide, methane, ammonia, carbon monoxide, carbon dioxide). Oxygen deficiency and asphyxiation.
Natural hazards such as poisonous insects and snakes may exist during weeding or harvesting operation.	Yes/No	Insect or snake bites.
We use tractors and open trucks to transport workers from one farm to another.	Yes/No	Physical injury. Fatality due to run-overs or other accidents.
Weeds around our crops are often burnt to assist harvesting.	Yes/No	Injury or fatality due to fire hazards. Inhalation of smoke particulates.
Workers may be exposed to grain dust (e.g. during harvesting) or dust from stored grain.	Yes/No	Grain fever. Acute and chronic bronchitis.
We have operations/areas with high noise levels (e.g. threshing operations).	Yes/No	Hearing impairment.
Our crops are required to be dried (e.g. to less than 15% moisture content) for proper storage (e.g. cotton crops).	Yes/No	Injury or fatality due to fire hazards
Our production activities involve hazardous materials or processes that could cause fires or explosions (e.g. storage of large quantities of fuel for farm equipment and machinery).	Yes/No	Worker injuries or casualties.
Our workers don't have access to separate and	Yes/No	Worker illnesses.

clean areas for eating and changing clothes.		
Some hazardous materials are not identified or labeled and some of the workers may not be trained in safe handling of chemicals or other hazardous substances (e.g. pesticides, herbicides and other agrochemicals).	Yes/No	Worker illnesses. Exposure to hazardous chemicals
The companies in our supply chain would probably answer "Yes" to most of the questions above.	Yes/No	All of the above.

ENVIRONMENTAL RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
We are sometimes engaged in the preparation of virgin land for agriculture or plantation that may require tree cutting, uprooting stump or burning of undergrowth.	Yes/No	Loss of biodiversity. Land degradation. Air emissions. GHG emissions. Soil erosion. Surface water contamination.
Our crop requires large quantities of fresh water for irrigation.	Yes/No	Water resources depletion in the region. Contamination of ground or surface water sources in the region due to discharge of surface runoffs.
We use deep bore wells to meet our irrigation requirements.	Yes/No	Groundwater depletion in the region.
We require large quantities of fuel (gas/diesel/etc.) for our operations (farm equipment and machinery).	Yes/No	Air emissions.
We have various processes and utility equipment which may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	Yes/No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly and bottom ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We generate large (or significant) quantities of solid or liquid waste from packaging material, manure and agrochemicals.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste.
We use animal manure collected from various sources as crop fertilizers.	Yes/No	Land contamination. Ground or surface water contamination.
We need to store large quantities of seeds, crop produce or agrichemicals at site.	Yes/No	Solid waste due to possible contamination or deterioration of stored materials.
We generate large (or significant) quantities of solid or liquid waste due to rotting material and prolonged storage.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste (leachates).

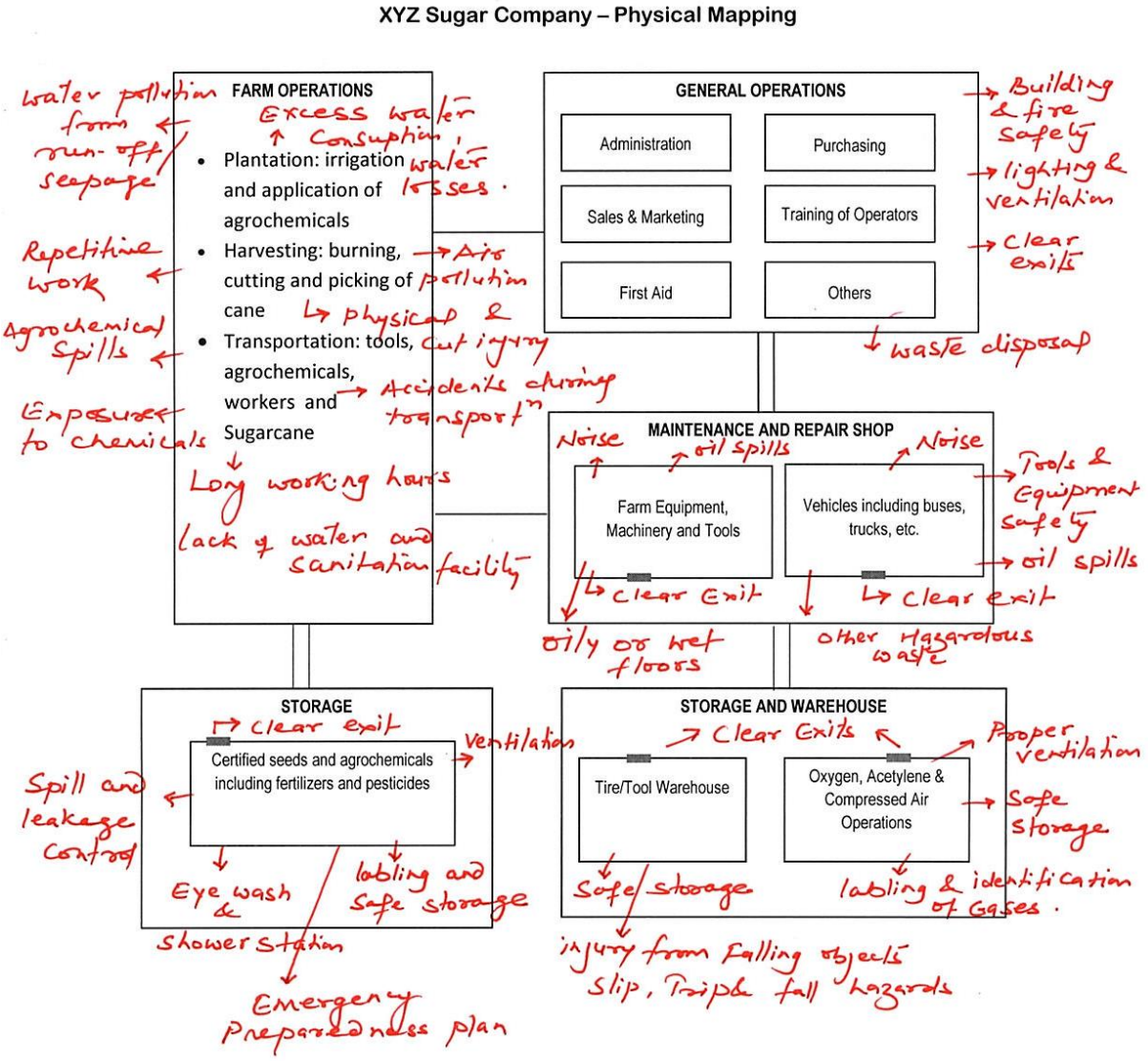
We generate large (or significant) quantities of solid or liquid waste from our production activities which are not reprocessed into byproducts, fertilizers or energy.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning (such as hosing down pesticides and fertilizers from fruit and machinery).
We dispose of our solid waste in our landfill or city's landfill facility.	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off). Impact on wildlife or fisheries if exposed. Diseases through vectors, foul smell, GHGs generation (e.g. methane).
We compost waste crop products to be used as fertilizers.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
We treat our sewage (from toilets, washrooms, etc.) before discharging.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.
We discharge our wastewater (from, workers dormitories, cleaning vehicles etc.) into nearby water bodies.	Yes/No	Contamination of receiving water body and aquatic life.
We utilize our treated wastewater for irrigation or provide it to the community.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the treated wastewater.
Our operations (e.g. spray of pesticides) may have an impact on the surrounding forest, water bodies or wildlife.	Yes/No	Loss of native species. Impact on biodiversity; contamination of local environment
We use some banned or restricted chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure to workers. Land or water contamination due to disposal of infested material.
There are dust emissions/high noise levels due to initial processing from the harvest (e.g. high dust/noise during initial processing of rice, wheat, cotton, beans, etc.)	Yes/No	Air emissions/fugitive emissions. Noise pollution.

COMMUNITY HEALTH, SAFETY AND SECURITY RISKS		
RISK FACTORS	**My company has the following conditions (circle the appropriate answer)**	**Potential negative impact (A "yes" response means that there is a potential negative impact)**
Our production activities and treatments involve generation of air, solid and liquid wastes (e.g. use of threshing machines; composting of crop waste/residues; burning, etc.).	Yes/No	Exposure of community to dust and toxic emissions.
Our crop production activities involve use of agrochemicals and manure that may leave potentially harmful toxic or pathogenic residues.	Yes/No	Food contamination/food safety issues due to use of contaminated crop.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc., that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We use certain banned or restricted chemicals, pesticides or herbicides in our operations.	Yes/No	Exposure of community to banned chemicals/hazardous substances, water and land contamination. Impact on wildlife.
We plan to develop new infrastructure, buildings, equipment and other facilities (e.g. godowns or warehouses).	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.
We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.), and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.
There is significant movement of vehicles in and around our farms due to our operations (e.g. vehicles carrying crop produce, fertilizers, agrochemicals, etc., movement of water tankers, etc.).	Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating air, land and/or water.
We discharge water from our operations, which may have an impact on surrounding water bodies (e.g. wastewater from workers' residential facilities, composting facilities, etc.).	Yes/No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	Yes/No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel.	Yes/No	Conflicts with communities and indigenous people.

We sometimes do aerial spray of pesticides or other agrochemicals.	Yes/No	Conflicts with communities. Contamination of local air, water or land.
We sometimes have conflicts/complaints with the local community (e.g. due to emissions and odors from our operations, sharing of local resources, etc.).	Yes/No	Conflicts with communities and indigenous people.

XYZ SUGAR COMPANY Physical Mapping

A team that included supervisors and workers did a walk-through in the sugar plantation during operating hours and annotated on a sketch map all the problems they observed.



XYZ SUGAR COMPANY Risk Assessment Prioritization Form

Based on the Risk Identification Form, XYZ used the Risk Assessment Prioritization Form to identify which were the highest priority risks to address through their Action Plans.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES
Planting and harvesting	High incidence of CKD or chronic renal insufficiency (CRI) amongst sugarcane plantation workers	Extreme	Extreme	Researchers agree that dehydration and heat stress from strenuous labor coupled with exposure to agrochemicals are likely contributing factors for CKD
Harvesting	Community exposure to air pollution from pre-harvest burning	High	High	Sugarcane burning during harvesting process results in significant air pollution including particulate matter and various other gaseous pollutants. Health impacts may include decreased lung function, aggravated asthma, and development of chronic bronchitis, irregular heartbeat or heart attacks.
Sugarcane cultivation	High irrigation water consumption affecting local supplies	High	High	Sugarcane farming is water intensive process and may result in diversion from rivers, excessive use of groundwater, and salinization of soils
Harvesting	Exposure to cuts and physical injury from cutlass (machetes), bundle harvesting and crop machinery (harvesters, trailers and loaders)	High	Medium	Lacerations and cut injuries may happen due to lack of training, poorly designed tools, inadequate PPEs or long working hours (and fatigue)
Cultivation and Land development	Conflicts with community due to unfair land acquisition practices and involuntary resettlement of community members	High	Extreme	Ongoing land disputes due to land ownership issues.
Harvesting	Child labor	High	Extreme	Sugarcane harvesting operations are contracted with little or no oversight. Hiring of child labor by the contractors during peak season is a significant risk.

Packing/loading	Injuries from physical strain, repetitive work and inadequate rests	High	Medium	Injuries and physical strain may happen due to lack of training, inadequate/poorly designed tools, lack of PPEs and long working hours without adequate rests
Administration	Lack of formal contracts for temporary workers hired during labor shortages	High	High	XYZ has little or no oversight on contractor's hiring and labor practices
Pesticide leakage and contamination	Lack of clear procedure and trained staff and workers on safe handling and storage of pesticides	High	High	XYZ has no emergency procedure for dealing with damage or injury resulting from pesticide leakage or spill

XYZ SUGAR COMPANY Action Plan

Based on its Risk Assessment Form, XYZ prioritized the following five key risks:

- High incidence of CKD or chronic renal insufficiency (CRI) amongst sugarcane plantation workers
- Community exposure to air pollution from pre-harvest burning
- High irrigation water consumption affecting local supplies
- Conflicts with community due to land acquisition practices and involuntary resettlement of community members
- Pesticide leakage and contamination

XYZ developed Action Plans to manage the five risks (see below).

Risk 1:

High incidence of CKD or chronic renal insufficiency (CRI) amongst sugarcane plantation workers

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Apply "precautionary principle" since sufficient knowledge on the causes of CKD in sugarcane workers is not yet established by: • Preventing strenuous labor and exposure to high environmental temperatures; • Ensuring adequate hydration by providing a minimum of 8-10 liters of potable water per worker and sufficient hydrating solutions (approximately 2700-3000 ml. or as advised by local physician); • Preventing long working hours and heat stress by providing adequate breaks and worker rest areas (as recommended by local regulations or OHS officer/physician); • Preventing 100% workers' exposure to pesticides and fertilizers especially the ones containing arsenic and cadmium by training and monitoring 100% of employees responsible for handling agrochemicals; • Providing appropriate PPE (mask, coverall, rubber/solvent impermeable gloves) to workers and train them to use it. • - Partner with local NGOs and advocacy groups to generate awareness among workers on safe agriculture practices.	Objective: Prevent incidence of CKD Target: Zero new cases of CKD	1 month	- Operations Manager - Health and Safety Officer - OHS Committee	Staff time intensity: Medium Capital intensity: Medium	- Standard Operating Practice (SOP) for proper hydration, mandatory rest periods, handling of chemicals and PPE use.
Compensate /Offset	- Implement 100% preventive medical checks for all workers. - Treat affected workers with medicines and lifestyle changes. - Provide medical support including dialysis or kidney transplant to affected workers. - Reinstate affected/fired workers who got diagnosed with CKD with alternative employments.	Objective: Improved management of reported CKD cases Target: Rehabilitation of 100% affected employees	18 months	- HR Manager -Company physician	Staff time intensity: Medium Capital intensity: High (provision of dialysis units)	- Procedure for employee rehabilitation - Procedure for non-discrimination

Risk 2:

Community exposure to pollution from pre-harvest burning

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURE
Avoid	- Mechanical harvesting is not financially viable. - Identify 'no-burn fields' depending on their proximity to extremely sensitive receptors. Implement manual green cane harvesting using skilled labor in these areas.	Objective: Prevent community exposure to air pollution from sugarcane burning Target: 100% compliance with local ambient air quality requirements in community residential areas	12-18 Months depending on techno-economic viability	- Operations Manager - Plantation supervisors	Staff time intensity: Medium Capital intensity: High	
Minimize	- Obtain fire weather forecast during harvest season, if available. Consider surface winds, transport winds, smoke category day, and forecasted weather changes that may determine the potential for fire, smoke or ash problems during the burn. - Develop and implement a Prescribed Burn Plan for the fields where burning is intended based on the above information. - Determine smoke and ash screening distance based on type of burn, category day, and surface and transport wind direction. Identify where people and other key receptors are located within the impact area that could be negatively affected by smoke and ash. Proceed with burning only when the anticipated impacts are minimal.		1 month	-Operations manager - Plantation Supervisors	Staff time intensity: Low Capital Intensity: Low	- Prescribed burn plans

Risk 3:

High water consumption affecting local supplies

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURE
Minimize	- Assess the average irrigation water requirement per hectare. - Implement alternative irrigation techniques like drip irrigation at selected farms. - Improved surface irrigation by installation and maintenance of gated canals, siphon tubes and implementation of surge irrigation. - Train Plantation Supervisors on irrigation management and water saving techniques.	Objective: Reduce water intake for sugar cultivation Target: 30% reduction in irrigation water consumption	12 months	- Operations Manager - Plantation Supervisors	Staff time intensity: Medium Capital intensity: High	- Procedure for field irrigation

Risk 4:

Conflicts with community due to land acquisition practices and involuntary resettlement of community members

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Establish new land requirements for crop expansion. - Identify available land for expansion with their ownership structure and develop land acquisition plans. - Establish market rates and buy available land at fair price based on direct negotiation with the sellers. - Ensure 100% legal documentation and transfer of title in all land procurements.	Objective: Prevent community conflicts related to land disputes Target: 100% new land acquisitions to be done at fair price with proper title transfers	12 months	- Compliance Manager	Staff time intensity: Low Capital intensity: Low	- Procedure for land acquisition

Compensate/ Offset	- Identify and settle 100% land claim disputes with the local community through negotiation/ compensation and legal/title registrations. - Compensate for disputed land based on current market prices. - Assist 100% displaced or affected community member in their rehabilitation and resettlement either by financial assistance or offering suitable employment opportunities.	Objective: Resolve community conflicts through resettlement and rehabilitation Target: 100% resolution of ongoing community conflicts	18 months	- Compliance Manager - CSR Manager	Staff time intensity: Low Capital intensity: High	-Procedure for settlement of disputes and land claims - Rehabilitation and resettlement procedure

Risk 5:

Pesticide leakage and contamination

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	- Review and update procedure on safe storage and handling of pesticides in accordance with international guidelines issued by FAO, WHO, the Rotterdam and the Stockholm Conventions - Develop emergency preparedness and response procedure to minimize contamination and injury as a result of pesticide leakage and spillage - Regularly train all workers exposed to pesticides and emergency response brigades on appropriate procedure	Objective: Reduce incidence and impact of pesticide spill and leaks Target: 100% reduction	6 months	- Operations Manager - OHS Committee	Staff time intensity: High Capital intensity: Medium	- Procedure for safe storage and handling - Pesticide leakage preparedness and response procedure

Based on the identification of workers with CKD as a major issue, XYZ is concerned about the prevalence of discrimination against this group in the region, especially for those who are newly diagnosed (see Risk 1). Here we present the non-discrimination procedure that XYZ adopted to help protect these and other workers.

XYZ FOOD COMPANY Non-Discrimination Procedure

Title: XYZ Non-Discrimination Procedure

Responsible Party: General Manager

Date Issued: February 15, 2013

Date Revised: March 1, 2014

Related Policy Statement:

- Our company will hire, promote and compensate workers solely based on their ability to do the job.
- All workers will be given equal access to training, tools and opportunities for advancement.
- We will ensure that all workers are free from harassment by management or other workers.

Procedure Checklist

Application Process

- When hiring any worker, keep the original application and a photocopy of the original identification documents in the applicant's file.
- If the applicant is hired, this will be transferred to his or her personnel file.
- Whether or not the applicant is hired, the application will be kept on file for a minimum of two years.
- Give all applicants a sheet explaining our company's Non-Discrimination and Equal Opportunity Policy.
- The Human Resources Department staff person accepting an application will verbally explain the policy and go over the points on the cover sheet with the applicant.

Orientation and Training

- Provide a written copy of the Non-Discrimination and Equal Opportunity Policy to workers during orientation and explain in detail.
- Provide training on filing a complaint concerning discrimination, during orientation and annually thereafter.
- Provide semi-annual training to middle-level management and supervisors, about our Non-Discrimination and Equal Opportunity Policy and about how to enable a respectful and constructive workplace atmosphere.

Disciplinary Actions and Complaints

- If a worker engages in discriminatory or harassing behavior, the supervisor will give a written warning on the first offense and subsequent discipline following procedures outlined in the

Disciplinary Practices Procedure.

- Individuals who believe they have experienced discrimination at the workplace should file their complaints through the company's grievance mechanism.

Management Review

- General Manager will conduct a spot check of all application files processed during the previous quarter, to check for evidence of discrimination.
- Each quarter, the general manager will review the workplace demographics by department in comparison with the application and personnel promotion files, review any complaint records, and interview workers, in order to check for evidence of discrimination.

In addition, as identified in the risk assessment, and as a result of an Action Plan put in place to address this issue, XYZ decided to tackle the problem of excessive consumption of water used in sugar production (see Risk 3), by adopting the following field irrigation procedure.

XYZ SUGAR COMPANY Water Conservation Flowchart

Title: XYZ Field Irrigation Procedure

Date Issued: February 15, 2013

Date Revised: March 1, 2014

Purpose: Schedule irrigation based on water demand and ensure good management of irrigation system.

Process	Frequency	Responsible person	Documentation
Measure soil moisture in root area. Record values.	Daily	Field Irrigation Officer	Irrigation Record Sheets
If soil moisture is depleted to critical moisture level start irrigation.	Daily	Field Irrigation Officer	
Control any leakages on canals, pipelines, valves, and accessories. If leakages are found, record them and provide information to Field Irrigation Officer.	Daily	Field Supervisors	Irrigation System Maintenance Record Sheets
Measure water level along furrows. If flow is less than 20 m in 5 min, increase water flow. If more than 20 min in 4 min, decrease water flow.	Daily	Field Supervisors	
Control that all furrows have been irrigated.	Daily	Field Supervisors	
Control presence of any areas with standing water.	Daily	Field Supervisors	
Register date and water meter values when irrigation is completed.	Daily	Field Irrigation Officer	Irrigation Record Sheets

Based on their Action Plan, XYZ developed a simple training plan to raise awareness and provide employees with the skills needed to implement the Action Plan. XYZ participated in a local government program that provided subsidized training for such issues.

XYZ SUGAR COMPANY Training Plan

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
ESMS performance team	ESMS elements	Identification and evaluation of risks and impacts	Root cause analysis	Implementation of corrective and preventive actions
Human Resources	Introduction to ESMS	Labor standards performance issues	Complaint management and resolution procedure	Worker-manager communications
Farm workers	Working hours SOP for health and safety (mandatory hydration, rest periods, PPE)	Irrigation water conservation procedures	Non-discrimination policy Complaints procedure	Worker-manager communications
Plantation supervisors	Irrigation water conservation procedures	Prescribed burn plans		Worker-manager communications
Senior management	Introduction to ESMS	Labor standards performance issues	Environmental performance issues	Stakeholder and community engagement and communications

XYZ developed a Roadmap to estimate the staff time required and the timeframe to develop and implement their ESMS. They estimated a total of 167.25 days of time from senior management, middle management, supervisors and workers.

Roadmap and Estimated Timeframe for Developing and Implementing XYZ FOOD COMPANY'S ESMS

ACTIVITY		TIME SPENT				MONTH					
						1	2	3	4	5	6
1. Policy		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*						
Developing	Kick-off meeting at senior management level to discuss ESMS implementation	.5				■					
	Selection (including communication/coordination) of ESMS core team (personnel from different production steps)	.25	.5	.5		■					
	Appreciation and awareness workshop for senior management and core team on ESMS requirements	1	1.5	2		■					
	Review/upgrade of existing environmental and social policy/formulation of organization's environmental and social policy	.5	.5	1			■	■			
Implementing	Design, printing and display of ESMS policy at key areas		.5	.5	.5		■				
	Uploading of ESMS policy on company website		.25				■				
	Communication of ESMS policy to key external stakeholders	.5					■				
	Training and awareness-raising of employees on ESMS policy and information dissemination						■	■			

4. Organizational Capacity and Competency

2. Risk and Impact Identification		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Mapping of activities, processes and key stakeholders, including suppliers and contractors	.5	.5	1.5							
	Identification and compilation of regulatory and other requirements, including stakeholder expectations	.5	1	1							
	Initial environmental and social review, identification and evaluation of environment and labor risks (including supply chain)	3	4	2	2						
Implementing	Training and awareness-raising for employees on environmental, social and labor risks and risk identification process		1	2	3						
	Training and awareness-raising for employees on regulatory and other requirements, including stakeholder expectations		.5	.5	1.5						
	Training and awareness-raising for employees on environment, social and labor risks and information dissemination		.5	1	2						

3. Management Programs		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Preparation of ESMS manual (formulation and documentation of procedures related to ESMS)	5	4								
	Formulation, compilation of environmental objectives/targets and social performance improvement measures	.25	.5	1	1						
	Formulation and development of environment and social action plans	1.5	2.5								
	Development of operational procedures	1	3	2	2						
Implementing	Communication, awareness-raising and training of employees on ESMS procedures	.5	.5	1	2						
	Communication and awareness-raising for employees on environmental objectives and social performance improvement measures		.25	.25	1						
	Communication and awareness-raising of employees on environment and social action plans		.25	.25	1						
	Training of employees on environmental and social operational procedures		2	4	7						

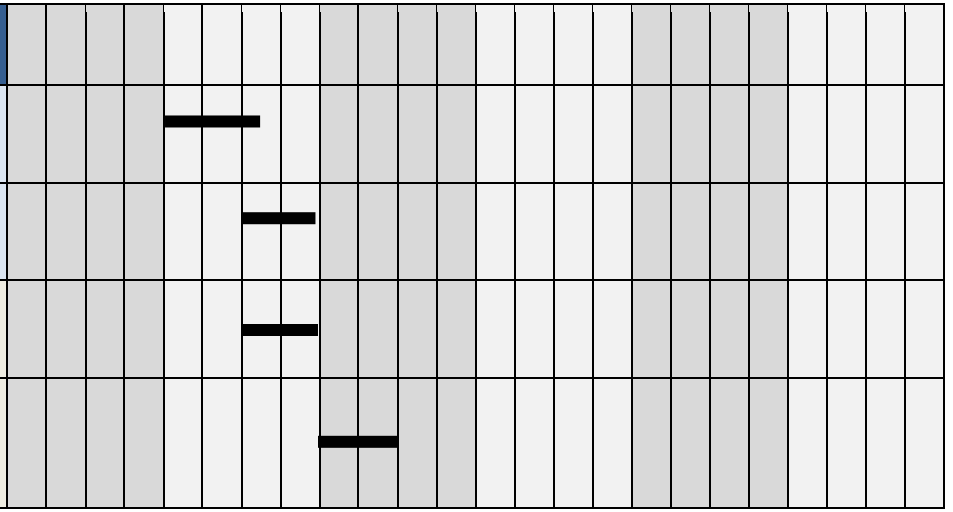
XYZ 4. Organizational Capacity and Competency

4. Organizational Capacity and Competency		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Environmental and social awareness program for middle management		1.5								
	Environmental and social awareness program for workers			5							
	Competency program for ESMS core team		1.5	2							
	Internal auditor training for the organization's ESMS assessors/auditors	1	2								
Implementing	General awareness-raising and training on environment, social and labor issues/ESMS for senior and middle management	.5	1								
	Environmental and social awareness program for workers		1	1.5	5						
	Competency program for ESMS core team		1.5	2							
	Internal auditor training for the organization's ESMS assessors/auditors	1	2								

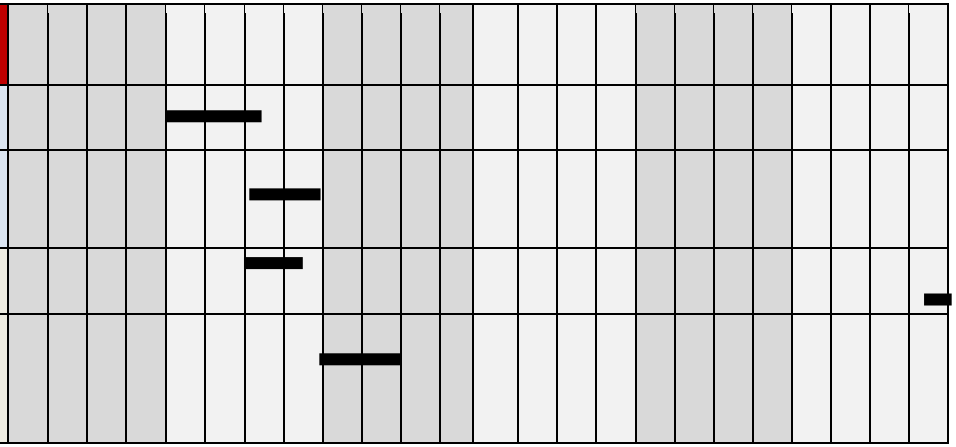
5. Emergency Preparedness and Response		Senior mgt time	Mid-mgt time	Supervisors time	Workers time	MONTH 1	2	3	4	5	6
Developing	Review of key risks and existing emergency preparedness plan	.25	.5								
	Upgrade/prepare the emergency preparedness plan	.25	2	.5							
	Communicate to workers, potentially affected communities and relevant government agencies (if required)	.25	.25								
Implementing	Raise awareness and communicate with employees and affected communities on key risks and emergency issues and emergency planning	.25	.5	.25	1.5						
	Training of employees on emergency preparedness plan	.25	1	1	2						
	Communication and awareness-raising on emergency procedures to affected communities and relevant authorities (if required)	.25	.25								

6. Stakeholder Engagement		Senior mgt time	Mid-mgt time	Supervisors time	Workers time	MONTH 1	2	3	4	5	6
Developing	Mapping of all stakeholders, stakeholder analysis and engagement planning	.25	.25								
	Develop/upgrade stakeholder communication/consultation; information disclosure and engagement strategy/program	.25	1								
Implementing	Communication to employees on key stakeholders and their environment and social/labor expectations		.25		2						
	Communication, awareness-raising and training of employees on the strategy/program for stakeholder engagement/consultation/ communication and information disclosure		.5	.5	1.5						

7. External Communication and Grievance Mechanism		Senior mgt time	Mid-mgt time	Supervisors time	Workers time
Developing	Review external communication system, including receiving and handling feedback, concerns and complaints		.25		
	Develop/upgrade system for regular engagement, receiving, documenting and responding to feedback and grievances	.25	1		
Implementing	Review external communication, feedback, stakeholder concerns and complaints and communicate to key personnel	.25	.25	.5	2
	Training, awareness-raising and implementation of stakeholder engagement, receiving, documenting and responding to feedback and grievances		.5	.5	2



8. Ongoing Reporting to Affected Communities		Senior mgt time	Mid-mgt time	Supervisors time	Workers time
Developing	Review existing system for reporting and disclosure		.25		
	Develop/upgrade system for external reporting and disclosure (including collection, validation and verification of information)	.25	1	.5	
Implementing	Communication and disclosure to key external stakeholders and affected communities	.25	.25		
	Communication, awareness-raising and training on external reporting and disclosure (including collection, validation and verification of information)		1	1	2



9. Monitoring and Review		*Senior mgt time*	*Mid-mgt time*	*Supervisors time*	*Workers time*	MONTH 1	2	3	4	5	6
Developing	Establish procedure to monitor and measure ESMS performance, compliance and stakeholder requirements	.25	1	.25							
	Implementation of ESMS monitoring program, establishing benchmarks and integration with existing system	.5	1	1							
	Final review and complete ESMS documentation	.5	1								
	Conduct internal audit/evaluation of ESMS performance against the management program requirement/benchmarks		1	1	.5						
	Establish relevant operational controls and formulation of corrective and preventive actions	.25	1	.5	.5						
	Review by the senior management to assess performance and effectiveness of ESMS	.25	.25	.25							
Implementing	Documentation and communication on ESMS conformance, regulatory compliance and stakeholder requirements		1	1							
	Communication, awareness-raising, training and implementation of ESMS monitoring program and established benchmarks	.25	1	1	3						
	Communication of internal audit/performance measurement findings and ESMS performance to the employees		.5	.25	1						
	Communication, awareness-raising and training of employees on operational controls and corrective and preventive actions		.5	1	3						
	Communication on outcomes of review of the ESMS performance by senior management and key decisions taken	.25									
	TOTAL	22.75	53.5	42	49						

Based on their risk assessment, which identified pesticide leakage and contamination as a common risk (Risk 5), XYZ developed a Preparedness and Response Plan to respond to such a situation. The procedure was documented as a flowchart so that it could be posted at various workstations at the sugar farm and understood easily.

XYZ SUGAR COMPANY Pesticide Leakage Preparedness and Response Procedure

See sample Pesticide Leakage Preparedness and Response Procedure in Section I of this Toolkit.

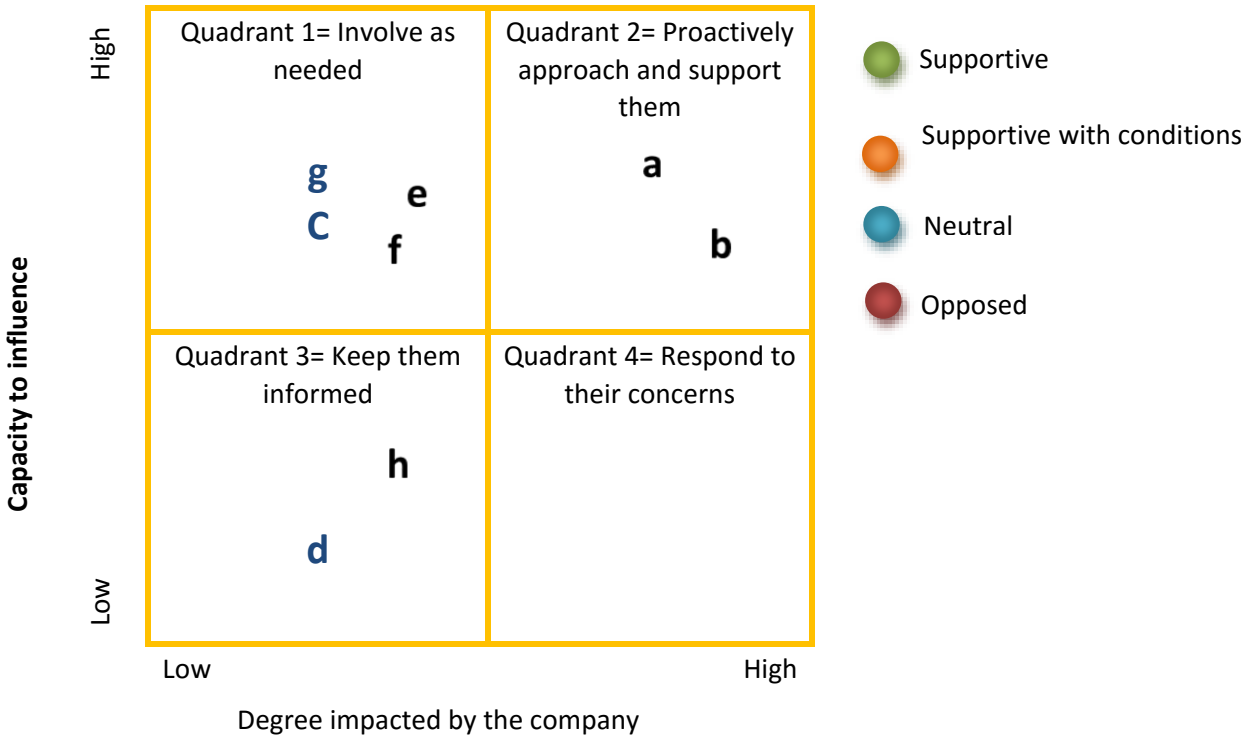
XYZ SUGAR COMPANY Stakeholder Mapping – identification and analysis

XYZ **listed the stakeholders** that are affected by or have an interest in the company's operations.

Next to each stakeholder group, the company **listed key concerns, issues and interests**. To identify those, the company looked back at the environmental and social key risks and impacts previously identified and how these affect the surrounding communities.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS
a. Surrounding farmers and local village population (affected community)	Air pollution from cane harvest burning Depletion and contamination of water sources Loss of livelihood and security due to widespread deaths from CKD Land ownership issues
b. Nicaraguan Ministry of Labor	Contraventions to national and international labor laws
c. Environmental NGO	Soil depletion and reduction in biodiversity due to sugar production monocropping
d. NGO Save the Children	Presence of children among temporary workers
e. Fair Trade	XYZ not in position to meet standard
f. National Commission of Sugar Producers (NCSP)	Fluctuating reputation of sugar companies due to scandals (especially in relation to incidence of CKD)

Finally, the company **mapped the stakeholders** on a matrix according to (a) the degree to which they are impacted and (b) their ability to influence the company operations, and then (c) **categorized** them based on their current relationship with the company: supportive, supportive with conditions, neutral, opposed. Based on this, the company prioritized certain groups.



XYZ FOOD COMPANY Stakeholder Engagement Plan

Based on the information above XYZ prepared a Stakeholder Engagement plan.

STAKEHOLDER ENGAGEMENT PLAN FOR AFFECTED STAKEHOLDERS				
Stakeholder	**Concerns**	**Engagement method**	**Information to disclose and report back**	**Most valuable info to obtain**
a. Surrounding farmers and local village population (Quadrant 2)	Smoke pollution from pre-harvest burning Local streams and water sources contaminated by pesticide use and depleted supplies Major financial and social impact to community due to death of male workers from CKD Unresolved land rights issues	**- Grievance mechanism** - Quarterly **town hall meetings** announced through local newspapers	- Progress on actions to address high incidence of CKD -Implementation of prescribed burn plans - Progress on water conservation and contamination actions -Progress on legitimizing local landowner rights	Factual, as well as reported information on impact of XYZ activities

STAKEHOLDER ENGAGEMENT PLAN FOR INTERESTED STAKEHOLDERS				
Stakeholder	**Concerns**	**Engagement method**	**Information to disclose and report back**	**Most valuable info to obtain**
b. Nicaragua Ministry of Labor (Quadrant 3)	XYZ could be in contravention of international labor laws (ILO Conventions), and national labor law Tainted reputation for Nicaragua among international community	Contact with labor inspectors during periodic and unannounced visits to XYZ	XYZ prepared to work to improve labor standards internally	Good knowledge of labor standards – international and national
c. Environmental NGO (Quadrant 1)	Environmental degradation and pollution: water consumed is contaminated with pesticide runoff from plantation and depleted in supplies Soil depletion and erosion from constant sugar cultivation with concomitant loss of biodiversity	Regular communication through email and meetings	XYZ will work within its powers to improve its impact on water supply and local ecosystem	Extent to which XYZ activities impact environment
d. Save the Children (Quadrant 1)	Child labor amongst local labor contractors supplying workforce for harvesting	Regular email communication and meetings with local representatives	Actions taken to tackle child labor issue	Preponderance of child labor in XYZ harvesting operations

e. Fair Trade Labeling Organization (Quadrant 1)	XYZ is not in a position to meet standards of international certification programs	Emails by CEO and XYZ compliance staff, sharing of audit reports as well as public reports if available	Progress made and corrective actions taken on areas of concern identified by FLO	Standards required to be met to achieve FLO certification
f. National Commission of Sugar Producers (NCSP) (Quadrant 3)	Fluctuating reputation of sugar mill companies like XYZ due to social or environmental scandals Consequent lack of investment in such businesses if seen as “high risk”	Regular communication through email and trade meetings	Members to support each other in improving reputation of Nicaraguan sugar mill companies	Data collected by NCSP on current status and perception of XYZ and other similar sugar plantations

XYZ has implemented a grievance mechanism. The procedure is explained during the quarterly town hall meetings and is also announced on a poster outside the company's gate.

XYZ SUGAR COMPANY Grievance Mechanism Poster

XYZ SUGAR COMPANY

We're proud to be part of your community. If you have any questions, concerns or complaints, here's how to reach us, and how we'll respond.

- *You can send an email to XYZ's administrative officer at Community@XYZ.com.*

  Time for acknowledgment of receipt: 48 hours

- *You can call XYZ's administrative officer, Monday to Friday, from 3pm to 5 pm, at 123-45-6789.*

  Time for acknowledgment of receipt: immediate or 48 hours if left a message.

- *You can fill out a form and submit it to the suggestion box at the company's gate. The suggestion box is more confidential. It will only be opened by XYZ's administrative officer.*

  Time for acknowledgment of receipt: 1 week.

At the time of the acknowledgment of receipt, XYZ will provide an estimated date for response and request further information if needed.

If the issue is not resolved by the estimated date, XYZ's administrative officer will provide an update of the situation to the interested party.

Every three months at the XYZ town hall meeting, XYZ's general manager will present the list of questions and complaints received, their status and the actions taken by the company to address the issues.

XYZ Grievance Mechanism Procedure

Receive
- Receive complaints from groups and individuals affected by our operations
- Responsible party: Administrative officer

Register
- Register complaint from the public
- Responsible party: Administrative officer; Document location: Admistrative office

Screen and Assess
- Screen the issues raised
- Responsible party: Administrative officer

Address
- Address the issues raised
- Responsible party: Administrative officer coordinates with relevant departments

Document
- Document the issue and the response
- Responsible party: Administrative officer; Document location: Administative office

Track
- Track issues raised and actions taken
- Responsible party: Adminstrative officer and senior management team; Quarterly management review

Update
- Update management programs
- Responsible party: Senior management team and department heads

Report
- Report to those who raised the issue and to the public
- Responsible party: General manager; Quarterly town hall meetings

Key Aspects of XYZ SUGAR COMPANY'S Grievance Mechanism

As identified in the Stakeholder Engagement Plan, this grievance procedure was developed as one of the key ways that external and internal stakeholders could communicate with XYZ on issues that concerned them.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	XYZ'S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	XYZ has an email address and telephone hotline specifically for complaints. Email is checked daily by the administrative office.
Publicize the system so that stakeholders know it exists and how to access it	XYZ has a written procedure that the general manager explains during quarterly town hall meetings. The procedure is posted on a banner outside the company's gate. The poster is in English and the local language.
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	XYZ works with the local government ministries to ensure that legal mechanisms are followed and consults with various groups to refine its system as needed.
Be transparent about the process and outcomes	The administrative office receives and records complaints and reports back to the complainant about whether the complaint is accepted or not and what is the process and timeline for investigation and resolution.
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	The administrative office receives and records the complaint and then works with relevant staff and external stakeholders to investigate the complaint, determine necessary actions and report back on outcomes.
Make the system a source of continual learning	XYZ's general manager and department heads meet quarterly to review complaints and check for ways to improve the mechanism and the overall company systems.

XYZ 8. Reporting Back to Affected Communities

XYZ regularly reports to affected farmers and the local village population on the progress of its commitments to resolve issues identified through its stakeholder engagement process and through its grievance mechanism. Reports are presented during quarterly town hall meetings in the local language and in a clear format so that everybody can understand. Date and location of the quarterly town hall meetings are announced through the local newspaper.

Monitoring Plan for XYZ

XYZ's ESMS Team developed a Monitoring Plan based on the Action Plans and their targeted objectives.

Risk 1: High incidence of chronic kidney disease (CKD) or chronic renal insufficiency (CRI) amongst sugarcane plantation workers

Objective: Prevent incidence of CKD

Target 1: Zero new cases of CKD

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Number of workers diagnosed with CKD or CRI	-Worker health monitoring records	Outsourced
Level of creatinine and other indicators in blood and urine samples	-Worker health monitoring records	Outsourced
Number of former and current workers undergoing dialysis	-Hospital records -Staff medical records	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Number of jobs analyzed for strenuous labor conditions with risk of dehydration	-Hazard and risk assessment records	
% of workers trained on handling of agrochemicals	-Training records	
% of workers trained on safe operating procedures including mandatory breaks and proper hydration.	-Training records	
% of workers undergoing preventive medical checks to detect CKD (e.g. creatinine in blood) per year	-Worker health monitoring records	
Quantity of potable water and electrolytes supplied to workers	-Log books for water supply and electrolytes distribution	
Number of sheds/rest areas provided in the farm area	-Sheds/restrooms inspection records	
Number and length of rest periods provided to workers	-Worker logs	
% of workers provided with appropriate PPEs, per industry standards and worker consultations	-worker surveys -PPE purchase records -PPE issue records -Records of disposal of used PPEs	
% of workers trained on proper use of PPEs	-Training records	
% of workers interviewed who know how to use PPEs and are comfortable with them	-Interviews	

Objective: Improved management of reported CKD cases

Target: Rehabilitation of 100% affected employees

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Number of workers' claims for compensation	-Legal records -Grievance records	
Number of workers with CKD reinstated	-Hiring/dismissal records -Grievance records	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	
% of managers trained on collecting information from workers and resolving CKD claims	-Training records	
% of workers trained on recognizing and reporting CKD symptoms and filing claims	-Training records	
Resources allocated to support CKD rehabilitation	-Budget records	

Risk 2: Community exposure to pollution from pre-harvest burning

Objective: Prevent community exposure to air pollution from sugarcane burning

Target: 100% compliance with local ambient air quality requirements in community residential areas

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Air emissions from pre-harvest burning including (PM, SO2, NOx, CO, HC and other parameters)	-Air emission monitoring records	Outsourced
Number of cases of asthma or other lung conditions attributable to pollution	-Community health records	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Scope of company Prescribed Burn Plan	-Company policies	
% of workers trained on Plan and burning techniques	-Training logs	
Meteorological data (wind speed, wind direction)	-Meteorological data; Windrose diagrams	Anemometer
% of farm covered by mechanized harvesting	Harvesting records	
Number of sensitive targets identified	-Survey records	
Defined smoke and ash screening distance for burning	-Survey records	
% of affected community consulted on and aware of Prescribed Burn Plan	-Interviews -Minutes of town hall meetings	

Risk 3: High water consumption affecting local supplies

Objective: Reduce water intake for sugar cultivation

Target 1: 30% reduction in irrigation water consumption

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Irrigation water consumption (kl per hectare per year or kl per hectare per crop)	- Irrigation water meter records	Sealed water meters at all intake points
Ground and surface water survey reports/water availability data		
Complaints or disputes with local communities on water issues	- Records of grievances	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
% of farms assessed for irrigation efficiency	-Farm survey report	
% of farms assessed and implemented with alternate irrigation techniques like drip irrigation	-Farm survey report	
% of farm with improved surface irrigation	- Installation and maintenance records of gated pipes, siphon tubes and use solar or electric powered surge irrigator	
% of workers trained on irrigation management, water saving techniques	- Records of operational training	
Consultations/engagement with regulators, NGOs and other interested parties	- Record of surveys/consultation with local communities on water issues	

Risk 4: Conflicts with community due to unfair land acquisition practices and involuntary resettlement of community members

Objective 1: Prevent community conflicts related to land disputes

Target 1: 100% new land acquisitions to be done at fair price with proper title transfers

Objective 2: Resolve community conflicts through resettlement and rehabilitation

Target 2: 100% resolution of ongoing community conflicts

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Number of disputed land cases that are responsibility of company	-Land use survey	
Number of litigations/complaints received and resolved	-Litigation records -Complaint log book	
Number of community members benefitted by organizations resettlement and rehabilitation (R&R) program	-R&R records	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
% of management and legal trained on R&R policy	-Training records	
Number of stakeholder engagements and community consultations to discuss and settle land disputes and claims	-Stakeholder engagement records	
% of land ownership titles screened for possible disputes	-Monitoring and review records	
Management and legal department awareness of policy and procedure for legal land transfer	-Management Review -Board Minutes	

Risk 5: Pesticide leakage and contamination

Objective: Reduce incidence and impact of pesticide spillage and leaks

Target: 100% reduction

PERFORMANCE INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Number of pesticide leakage or spillage incidents over a year	-Incident log	
Number of complaints of injury or contamination arising as a result of pesticide spillage or contamination	-Grievance records	
% of those complaints reviewed and redressed	-Grievance records	
% of workers and affected community satisfied with resolution of their complaint	-Interviews	

PROCESS INDICATORS		
Monitoring indicators	**Monitoring records**	**Equipment**
Evidence of company development of pesticide leakage response procedure	-Procedure	
% of workers trained on procedure	-Training log	
Number of workers aware of and able to explain pesticide leakage response procedure	-Interviews	