

**GOOD PRACTICE
NOTE FOR LABOR
RELATIONS MANAGEMENT
IN THE SUGARCANE
SUPPLY CHAIN**



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LIST OF ABBREVIATIONS AND ACRONYMS

E&S	Environmental and Social
IDB	Inter-American Development Bank
AR	Work Accident Report
ECLAC	Economic Commission for Latin America and the Caribbean
CPE	Collective Protection Equipment
PPE	Personal Protective Equipment
FAO	Food and Agriculture Organization of the United Nations
GPN	Good Practice Note
IFC	International Finance Corporation
KPI	Key Performance Indicator
LGBTQIAP+	Lesbian, Gay, Bisexual, Trans, Queer, Intersex, Asexual, Pansexual and other sexual orientations and gender identities
RS 31	Regulatory Standard 31
IOM	International Organization for Migration
ILO	International Labor Organization
WHO	World Health Organization
UN	United Nations Organization
PwD	Person with Disability
PS	Performance Standards (IFC)
HR	Human Resources
SMETA	Sedex Members Ethical Trade Audit
OHS	Occupational Health and Safety

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INTRODUCTION

Around the world, people are discussing the implementation of good labor practices. With the development of technology and economic changes over time, this issue has taken on new contours and challenges. We draw inspiration from the dynamics of the sugar industry to discover new ways of managing social problems. These include improvements in labor relations, protection of human rights, education for children and adolescents, and advances in workplace health and safety.

The sugar-alcohol and energy sectors, which use sugarcane as a raw material, are responsible for creating direct and indirect jobs on a global scale. Viewing the production chain as a whole, it is possible to identify various sub-sectors directly linked to the industry. From rural production, through the support services for agricultural operations, to the transport and processing of the products themselves, the labor relations that exist in the different links in the chain interact in a systemic way according to the behavior of the industry.

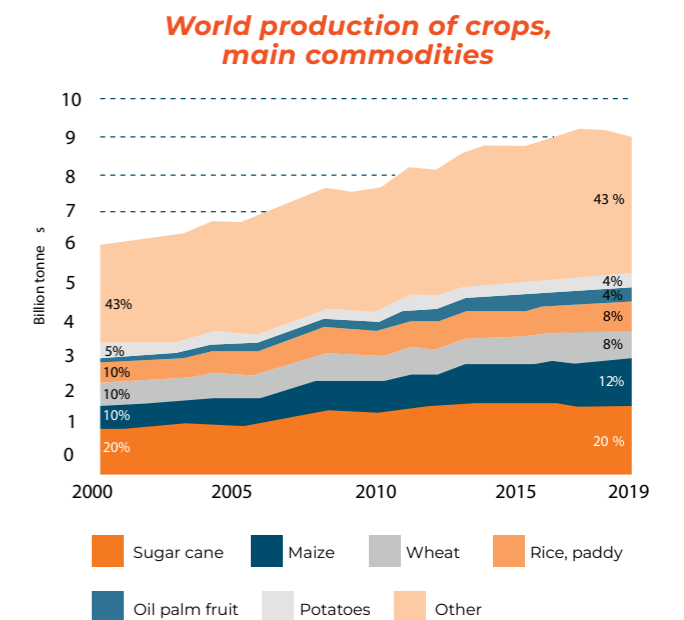
Although there are initiatives that seek to promote the effectiveness of decent working conditions and fair labor relations, situations of human rights violations are still found in various sectors, especially those with a rural supply chain.

1.1 CONTEXT AND DESCRIPTION OF THE SECTOR

According to the analysis of the historical series of the United Nations Food and Agriculture Agency (FAO, 2021) shown in Figure 1, sugarcane production accounted for 20% of the world's main commodities between 2000 and 2020.

The Americas contributed approximately 52% of the global volume, with Brazil alone responsible for around 30%. Most of the relative production occurs in Latin American and Caribbean countries, emphasizing the potential for social and economic integration of these activities in the region.

FIGURE 1
GRAPH OF COMMODITY PRODUCTION OVER THE YEARS, IN BILLIONS OF TONS PER YEAR



In 2021, sugarcane accounted for 20% of the world's commodities, and 52% of this production came from the Americas (FAO, 2021).

Given the size of the sugarcane market in the Americas and the Caribbean, the ILO (2017) examined the main risks of the sector in terms of human rights, forced labor and child labor in its report "Child labor in the primary production of sugarcane." The ILO study identified important challenges within this industry, which are covered in this Note:

- The sugarcane production chain extends across many countries on different continents, making it impossible to characterize it as a single-production region.

- In the sugarcane production chain, decision-making power is concentrated on traders and industries, observing their possibilities for strategic influence on market growth based on sustainable promotion and marketing practices.
- The sugarcane industry is a major contributor to job creation in rural Latin America, providing employment for approximately 100 million people.
- The sugarcane production chain includes various forms of labor relations, including formal, informal and seasonal employment.

The ILO (2017) explains the characteristics of workers and labor relations in the sugarcane production chain:

- There is very little country-level information available on labor and trade union problems

for the major sugarcane producers, especially at the rural level.

- Sugarcane cultivation in many of the major producing countries is largely seasonal and the likelihood of informality is high.
- Hiring involves many migrants looking for opportunities during the harvest season.
- Monitoring and enforcing compliance with labor laws and human rights is very difficult due to the lack of traceability, high labor mobility and informal employment practices.
- Seasonality and informality affect union representation of workers, even in countries with large representative organizations for workers on sugarcane plantations.
- Sugarcane farming presents complex variances at the rural level, with different representative bodies seeking to protect workers' and producers' rights. Unions generally represent workers on large farms, whereas cooperatives look after the interests of small producers. This diversification of entities can make it challenging to monitor rights and labor relations between the parties.

Thus, the supply chain fragmentation poses significant challenges for the sector, particularly in traceability and for the standardization of working conditions. It is estimated that 60 million small farmers contribute around 40% of global production, while the remaining 60% is generated by large estates where farming and processing are fully integrated. Sugarcane labor requirements are highly dependent on the level of mechanization and the size of the farm. Considering the fragmentation of the supply chain, there are more than 1,600 companies operating in over 2,500 mills and refineries in more than 100 countries. This disaggregation of the supply chain is a significant obstacle to traceability and prevents the

establishment of a profile and standard of working conditions applied in the field.

The sector's challenge: The sugar and alcohol supply chain is comprised of over 1,600 companies, with more than 2,500 mills and refineries operating in over 100 countries. (ILO, 2017).

1.2 OBJECTIVES OF THIS NOTE

This Good Practice Note (GPN) aims to help users deal with the risks associated with labor relations at all stages of the production chain in the sugar-alcohol sector, including sugarcane producers, outsourced service providers, and sugar and alcohol mills, covering all production stages.

It is primarily focused on human rights issues, including child labor, forced labor, labor relations, discrimination, and workers' health and safety.

Risk management methodology, best practice references and tools for controlling and monitoring performance are presented throughout the document. The narrative that has been adopted seeks to clarify the main risks of each topic and illustrate examples of good market practices adopted.

We hope this document serves as a guide to assist companies and society in building dignified, responsible and constructive labor relations in the sugarcane production chain throughout Latin America and the Caribbean.



1.3 REFERENCES AND SUSTAINABILITY STANDARDS

To ensure the accuracy and reliability of the information presented in this document, a variety of sources and references from internationally recognized bodies has been consulted.

The main standards and references on which this guide is based are the Conventions established by the International Labor Organization (ILO) and the guidelines of the United Nations (UN) and the International Finance Corporation (IFC). In addition to these guidelines, there are also IDB Invest's Environmental and Social Sustainability Policy and other reference documents, such as the World Bank Group's Environment, Health and Safety Guidelines and the Specific Guidelines for Perennial Crop Production, which includes the cultivation of sugarcane.

In order to identify practices that are recurrently required among the main market certifications, references to the Bonsucro and Sedex Members Ethical Trade Audit (SMETA) standards were included. These compliance requirements allow for the creation of a system for analyzing and monitoring the risks associated with their own workforce and that of the partners involved in the mills' supply chain.

It is important to note that these standards define the applicable requirements for adopting good international practices. The legislation in which the project is located may even contain additional requirements, and the most restrictive should always be applied.

Interviews were conducted with sugar and

alcohol mills in various sugarcane-producing countries in Latin America to demonstrate best practices in the sector, they helped identify hazardous conditions, risks and opportunities for improvement and good practices were adopted to create the cases that will be presented throughout this document.

The social assessments were conducted by auditors and consultants with experience in this field, including in the context of different voluntary certification standards. Their work was based on the highest market requirements. These experiences offer a consolidated picture of the main challenges facing the sugarcane sector. This is especially so for those encountered on sugarcane farms and in processing mills. The results of the interviews were disseminated throughout the text in the form of practical guidelines and recommendations, real-life examples of situations encountered in audits and consultancies in the sector, and in the cases presented for contextualization and recommendations.

1.4 GENERAL GUIDELINES

1. All the guidelines presented and verified here must comply with local legislation and IFC Performance Standards 1 and 2. To access the documents in full, see the chapter: Bibliographical References.
2. All the guidelines presented in this Note must be applied to organizations, whether they are a producing farm, a company that provides outsourced services, suppliers or any other contractor in the supply chain.
3. If local legislation has parameters that differ from those established in international conventions or this Note, the guideline is to respect whichever is more restrictive.
4. In specific situations, collective bargaining agreements signed between a trade union and the contractor may define parameters at variance with those presented here and should be accepted, provided they do not exceed the limits set by local law.
5. All records must be safeguarded for at least five years or as local law requires.
6. The risk management methodology presented in this GPN is indicative and seeks to assist the evaluation of each critical point addressed. Verification should not be limited to this document. It should consider local legislation and the unique and specific context of each case, which may carry more or less weight than this Note.

2

METHODOLOGY AND OPERATION OF THIS NOTE

This GPN aims to help the reader adopt the best risk management initiatives, focusing on human rights, health, safety, and, above all, the integrity of workers, especially in the sugarcane supply chain.

Please note that this manual is divided into two sections for clarification: methodological and conceptual.

Methodological deals with risk management and provides practical and didactic guidance on identification, the risk verification process and the definition of response measures.

The conceptual portion introduces the main topics of this subject, offers the reader a practical contextualization of hazardous situations to be considered during a review, and gives examples of real-life situations related to the topic.

2.1 RISK MANAGEMENT

Since the focus of this document is to guide the user regarding potentially hazardous situations posed by labor relations throughout the production chain of the sugar-alcohol sector, it is important that the reader understands how to identify and analyze the risks of their own or third party properties that are commercially related to their business activities.

There are a number of activities which present potential hazards to workers and which, depending on the degree of impact on the worker and their likelihood of recurrence, are characterized as risks. In order to map and control these risks, identification, monitoring, control and response actions need to be adopted. Risk management is the most effective way

of identifying an organization's internal and external influencing factors, especially with regard to the different aspects of Occupational Health and Safety (OHS) and human rights issues. It makes it possible to anticipate possible consequences and to establish the actions needed to control and eliminate them. Risk management must be an integral part of organizational processes (ABNT, 2009).

External stakeholders play a pivotal role in risk management. Organizations such as trade unions or employee associations are vital actors that can contribute their expertise, information, and support, depending on the environment's context.

All stages that contribute to effective risk management are presented to guide the reader, from mapping hazardous conditions to on-site inspections and a methodology that supports identifying risks and defining response measures.

2.1.1 IDENTIFYING HAZARDOUS CONDITIONS

The first step in analyzing occupational risks is to identify and list all the activities conducted in the business, whether a mill, a third-party farm, or another. The potential hazards to which the worker is exposed must be assessed for each function or activity performed.

This assessment may be based on prior, literary or presumed knowledge. A starting point can be local requirements that demand conducting a risk assessment of workplace activities. By following the topics discussed in this Note, it is possible to understand more about the dynamic between work issues, risks and their impact on worker integrity.

2.1.2 PERIODIC VERIFICATIONS

It is essential to conduct regular on-site reviews and monitoring to ensure appropriate risk management, document all activity records, and demonstrate the actions taken and achieved results.

The process should be recorded in an operating procedure, or at least through a checklist that defines the method and records the results and evidence of this review. Photographs of the situations found can also be included in a report of each visit.

During visits, the evaluator should seek evidence that the company's operations comply with the topics covered in this Note. For effective verification, the application of information triangulation is recommended, in which the aspects identified are based on an information set that includes observation of the inspected environment, interviews with the parties involved and document analysis. It is possible to recognize potentially dangerous situations and direct response measures through this dynamic.

Triangulation is an efficient way to control irregularities and is based on the following aspects:

- **Field Observation:** a visual examination of the conditions provided in the work environment, the functions, the activities performed, and other relevant facilities for workers, such as accommodations, lodging, toilets, drinking fountains, rest areas and others pertinent to the operation.

Unannounced visits are an efficient risk management tool. They allow for more meaningful risk identification by providing the opportunity to review the practices used by the company without prior preparation, to objectively examine daily operations, and to confirm and validate conditions observed during previous visits.

- **Interviews:** the inspection body conducts interviews with contractors and personnel and may encompass workers or other occupants of the property under inspection and, in some cases, local community residents. Interviews aim to establish the interviewee's perception of a particular situation and to understand subjective relationships that cannot be verified by observation or on-site evidence.
- **Documentary Evidence:** these are any documents or records the verifier requests that prove the actions or activities under review. They may relate to, but are not limited to, the client organization's procedures and policies, working relationships, and routine activities of the property, to mention a few.

FIGURE 2 TRIANGULATION MODEL FOR APPROACH, EVALUATION AND IDENTIFICATION OF RISK SITUATIONS



The verification reports are essential to the process. They document all of the auditor's analyses of the processes performed at the client organization, the evidence discovered, records and photographs provided, and the actions taken.

The organization responsible for conducting the audit must retain the reports. This is to provide documentation in case evidence of the property's risk management is requested by third parties, such as government agencies or other partners.

2.1.2.1 RISK VERIFICATION AT THIRD PARTIES AND IN THE SUPPLY CHAIN

Risk assessment is key to establishing minimum control requirements for labor practices in the supply chain. It is advisable to enter into pre-contracts that define the roles and responsibilities of the parties and give the employer access to contractors' information and work areas to effectively control risks in rural properties or activities performed by service providers.

These assessments must be negotiated in the case of occasional purchases of sugarcane on the **spot market**. A good practice is to conduct routine supplier qualification inspections, such as supplier accreditation and regular inspections. They should be conducted at least once a year, without notice or scheduling, and preferably during busy periods (e.g., planting). New contracts must include these procedures and, for existing contracts, it is advisable to include the requirements in contract clauses, through amendments or additions.

The contractual terms must provide for the following:

- Access to the production and/or service provision site for due diligence;
- Free access to contracted or outsourced workers, including for interviews and preventive measures;
- Access to documents and management systems to collect documentary evidence;
- Self-declaration of non-use of child or forced labor and the adoption of management systems for OHS purposes.

¹ Purchase on the spot market refers to the immediate and direct acquisition of the raw material at the time of the transaction. It is a sale and purchase immediate market, as opposed to forward agreements or future delivery contracts that, are common in many commodity markets.

2.1.3 RISK IDENTIFICATION

This Note proposes a method for identifying hazardous situations that can be labeled as risks by relating workers' degree of exposure to the probability of these situations occurring. The assessment makes it possible to consider the appropriate response measures for each situation identified in the review processes.

The classification of a risk depends on two parameters:

- A.** the degree of exposure of the worker to the hazard; and
- B.** the probability that the hazardous situation will occur.

These parameters are described in detail below. The result of the relationship between them will allow the definition of response measures for the identified situations.

■ Degree of exposure

The objective of this parameter is to evaluate the severity of situations that may potentially impact the worker's integrity. Determining the degree of exposure considers the physical and psychological impacts and the intensity of the damage to which the worker is exposed.

The three degrees of exposure proposed by this GPN are shown below.

	DEGREE 1: LOW	DEGREE 2: MEDIUM	DEGREE 3: HIGH
DESCRIPTION	Events with a low potential for causing physical or psychological harm to the employee correspond to situations in the work environment where the likelihood of causing considerable damage to the employee's health or well-being is minimal. These are events or incidents that, if they occur, result in minor, temporary, or easily treatable injuries or effects.	Incidents with a medium potential impact on the worker that have a moderate impact correspond to situations that lead to physical and/or psychological injuries, disregard of human rights aspects, such as those related to hygiene issues, or incidental discrimination.	Incidents with a high-risk potential for the employee that correspond to irregular, illegal practices and disregard for health and safety at work, human rights, or criminal situations.
EXAMPLES	<ol style="list-style-type: none"> 1. Lack of signage about risks or dangers. 2. Seats without padding for machine operators. 	<ol style="list-style-type: none"> 1. Field workers using PPE for light work without appropriate conditions of use. 2. Workers subjected to body searches by professionals who are not adequately trained for this activity. 	<ol style="list-style-type: none"> 1. Presence of child labor. 2. Workers exposed to agrochemicals in the workplace without adequate protection. 3. Workers exposed to equipment with moving parts without adequate protection.

■ Probability of occurrence

This parameter assesses situations based on their likelihood of occurrence and related circumstances.

Examining controls, procedures, and other

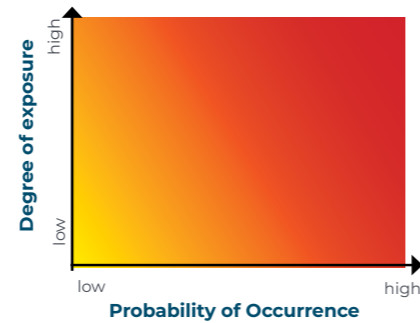
structuring conditions is crucial to identify whether specific or recurring failures arise from a lack of control mechanisms or their inefficiency.

The GPN outlines three levels of probability of occurrence, as shown below.

	LEVEL 1: LATENT	LEVEL 2: ONE-OFF	LEVEL 3: SYSTEMIC
DESCRIPTION	<p>It does not mean an accident or a dangerous condition is imminent, but it may occur due to a lack of supervision.</p> <p>A risk may not be managed because there is no operational procedure to monitor it.</p> <p>It may not occur, but there are no control or monitoring instruments.</p>	<p>It occurs locally without predictable recurrence and is easy to correct.</p> <p>It is usually a deviation in behavior, a failure to apply a procedure or check for deviations.</p> <p>It occurs, cannot be predicted to recur.</p>	<p>Hazardous conditions are systemic: found in more than one workplace in more than one activity or more than once during the same visit. They occur repeatedly and require a structured and effective response.</p> <p>It happens and cannot be controlled.</p>
EXAMPLES	<ol style="list-style-type: none"> 1. Lack of a procedure for sanitizing drinking water fountains at the work fronts. 2. Lack of a procedure for testing emergency lighting. 	<ol style="list-style-type: none"> 1. A fire extinguisher discharged on a single work front. 2. A worker without safety shoes, while everyone else has them. 	<ol style="list-style-type: none"> 1. Two or more workers working on the same work front and not wearing PPE. 2. Workers transported in open trailers attached to tractors.

■ Correlation of the risks: Degree of Exposure X Probability of Occurrence

For each identified hazardous situation, the two parameters (degree of exposure and probability of occurrence) must be analyzed and related to each other. This approach makes it possible to determine the severity of the event, as it considers both the severity and the frequency with which the event tends to recur.



Caption: Graph illustrating the correlation between the parameters of the suggested methodology

Analyzing this relationship allows the assessor to make more meaningful decisions that help him define appropriate response measures for each situation. The higher the degree of vulnerability or probability of occurrence, the more effective and rigorous the initiatives should be to resolve the problem.

The above graph uses the intensity of the red color to highlight the areas where risks require more focused and effective management.

Below is an example of child labor, demonstrating how this methodology can vary the exposure level and likelihood of occurrence of the same risk situation.

SITUATION 1

During a regular visit, the labor inspector noted the presence of children on the farm. They were not engaged in any production-related activity at the time of the investigation. In an interview, the owner stated that they were not working on the property and presented documents proving that the children were attending school.

- A child labor situation, due to its seriousness, has an exposure level of 3.
- The probability of occurrence in this situation would fall into level 1, latent, since the risk exists due to the presence of children on the farm, even if the irregularity has not been detected.

SITUATION 2

During a regular visit, the labor inspector observed a teenage girl accompanied by her father, a farm worker. The young girl was sitting on the tractor and helping her father operate the machinery. When the worker was asked about the incident, he said he could not leave his daughter with anyone to go to work because school was canceled that day. The farm owner was not on-site at the time of identification, but the person in charge provided documents proving the regularity of the worker's employment. The worker proved through documentation that the teenager was enrolled in a school in the area and that this type of incident was uncommon.

- Due to its severity, the situation of child labor, as in the previous case, presents exposure level 3.
- On the other hand, the probability of occurrence in this situation would fall into level 2, one-off, since the problem occurred due to a failure of conduct and guidance from the farm's owner and administrators.

SITUATION 3

During a regular visit, the labor inspector observed a young person harvesting sugarcane manually on the property. The irregularity was identified when he asked her about her birth year. At the time of the visit, she was wearing PPE and the uniform provided by the contractor. Documents were requested from the owner to prove all workers' age and employment conditions. However, the owner did not have these documents and could not provide the agreed conditions, claiming he did not know he was dealing with a minor. Interviews with other workers revealed similar cases.

- Due to its seriousness, a child labor situation has an exposure level of 3.
- Since a recurring and structural situation was identified, the probability of occurrence in this situation falls into level 3, systemic.

■ Suggested response measures

As explained above, the classifications obtained can serve as a basis for defining the measures adopted in each situation.

In this sense, the following measures are recommended, which can be adapted to the reality analyzed and preferably introduced progressively:

- Action plan: short-term correction and immediate correction;
- Disciplinary measure: warning, commercial penalty (price), penalty provided for in a contractual clause, fines, etc;
- Temporary suspension of the supply of goods or services;

- Immediate termination of the current contract;
- Notification to the competent authorities (if applicable).

The response measures must consider the context, local labor legislation, and the human resources management system of the organization being assessed.

Any situation where an irregularity is identified must be registered and reported through a formal notification. This can be done physically or electronically.

It is extremely important to record any problems encountered in the supply chain and the methodology used to determine the responsible measure and its implementation to maintain transparency with stakeholders and other competent bodies.

■ Points of attention

- In cases where adopting a corrective action plan is applicable, the employer must monitor compliance. New monitoring inspections should be conducted to verify compliance with the corrective action plan, other labor law provisions, and good labor relations.

Two types of corrective action can be adopted as part of the action plan: short-term and immediate. For clarification, this is understood as:

- Short-term: A period of up to thirty calendar days in which the deviation can be corrected. In this case, a new inspection visit must take place after proof has been provided that the deviation has been corrected.
- Immediate: The deviation must be corrected by the next day or within a reasonable time for compliance, provided the situation does not violate legal health and safety regulations or human rights. In this case, the new inspection visit must occur after the expired correction period. It is recommended that inspections are not announced in advance.

All actions taken, from identifying the incidents to completing the action plan, must be properly recorded to prove and demonstrate compliance or to close the irregularity identified.



3

FOCUS OF THE VERIFICATION



3.1 GUARANTEE OF HUMAN RIGHTS

Respect for human rights requires a set of practices and commitments that affect everyone involved in the operations and activities of a mill, production farm, outsourced service, or other activity in the value chain.

Among the issues to be considered in a human rights analysis, the risks related to child labor, forced labor, discrimination, income and livelihood, fair treatment, and a safe working environment should be reviewed, in addition to fundamental rights such as the right to life, freedom of association, decent working conditions, health, privacy and access to information, to name a few others.

3.1. CHILD LABOR PREVENTION

The abolition of child labor is not just an issue but a collective responsibility and a critical challenge that has been repeatedly discussed and improved over time. It is a societal issue that transcends the sugarcane segment and affects various economic sectors. It is a response to the economic and social scenario. The following explanations refer to the IFC Performance Standards, ILO Conventions 138 and 182, and the UNICEF Convention on the Rights of the Child.

For clarification and standardization purposes:

- Anyone under the age of 18 is considered a minor.
- The minimum age recommended and accepted for work that does not involve being in a position of danger of any kind is 15, provided that it does not interfere with school attendance and is accompanied by a responsible adult.
- The activities must exclude physical or

psychological dangers, such as operating machinery, workplace harassment, or handling dangerous chemicals.

- Every child must have guaranteed access to and attends school.
- In the absence of legislation, or where it is less restrictive, adopt the guidelines of IFC Performance Standard (PS) 2.

According to a survey applied in Brazil by the ILO (2019), the likelihood of minors participating directly in agricultural labor activities is higher in regions with lower economic development. Young people need to earn money for the family or group to which they belong. This study revealed that agriculture accounted for 24.2% of Brazilian children in child labor.

Child labor has physical, emotional, social, and educational consequences for the minors involved, ranging from injuries and illnesses to the loss of emotional ties and deprivation of social and school life. The early involvement of children in an irregular working environment has a detrimental effect on their educational development because, apart from the possible conflict between working and school schedules, physical and mental stress affects their academic performance. These effects are detrimental to the individual, society, and the economy in general. They limit these young people's future development potential and impair future generations' constructive capacity.

The dynamics presented in the **Risk Management** chapter of this Note are recommended for identifying and managing risks related to child labor.

Situations to be assessed



For industrial areas

- In the industrial sector, minors are only allowed in administrative areas, never in industrial production environments, and only through formal hiring pursuant to legal guidelines. Industrial units are sometimes required by law to hire teenagers and apprentices. They must strictly adhere to the legal requirements. In addition, PS 2 of the IFC recommends that the activities be conducted without the risk of physical and psychological harm and that the minors be accompanied by an adult responsible for their welfare and the performance of their activities.
- If minors are present on the contractor's premises, check that they are working within the framework of local labor legislation, that they are carrying out the permitted activities, and that their rights are guaranteed.



For agricultural production areas

- Check whether any minors are on the employer's property and the reasons for their presence there.

- If minors have a family relationship with the contractor, verify the following:
 - The age and existing family relationship of each minor;
 - Whether the minors are engaged in any activity;
 - If so, check which activities are involved;
 - Whether the minors attend school;
 - If not, determine why.
- If the minors have a family relationship with a worker:
 - The age and existing family relationship of each minor;
 - Whether the minors live on the property or in accommodation provided by the employer together with their legal guardians;
 - Whether the minors carry out any work activity;
 - If so, check which activities are involved;
 - If not, investigate what the minors do when they are on the property;
 - Whether the minors attend school;
 - If not, look into the cause.

Note. Suppose the presence of minors outside the conditions mentioned above is identified. In that case, an analysis of the context and local legislation should be conducted to verify the regularity of the situation, and the necessary measures should be taken to guarantee the minors' fundamental rights.

It should be clarified that the involvement of minors, even if they are related to the owner of the property, does not characterize family farming but rather child exploitation.

Guidelines to prevent child labor:

- **Compliance with national legislation** on minimum working age and alignment with international treaties and standards, always following the most restrictive one.
- **Ending the employment of children in economically exploitative ways** or harmful to their health, development, or ability to attend school.
- **Implementation of risk management processes focused on child labor**
Initiatives supporting this control are labor management systems, clear policies and procedures, periodic audits to verify compliance, and contractual clauses to mitigate risks under the responsibility of third parties. To find out more about risk management, visit: [Risk Management](#).
- **Supervision and control of suppliers**
Initiatives that can support this control include systematized information-gathering practices, frequent audits or on-site inspections, and contractual clauses of responsibility and commitment to the cause.
- **Awareness-raising and training** for workers, suppliers, and the community about the dangers, risks, and consequences of child labor. In areas where child labor is recurrent, there can be greater engagement, with education initiatives and support for families to reduce dependence on child labor.

CASE STUDY: CHILD LABOR

- **Macro theme:** Child labor
- **Subject of verification:** Check whether children are working on the farm
- **Location:** Brazil

FIELD OBSERVATION

During a regular inspection visit to a sugarcane supplier, the person responsible for the inspection observed two 17-year-old children cutting sugarcane on the farm premises at around 10:30 a.m.

When the labor inspector discovered the child labor incident, he also noticed that the children were working with machetes and without the proper PPE (personal protective equipment).

EVIDENCE

Identity documents, school enrollment, and attendance records of the minors living on the farm were requested as evidence. It was also established that the minors had neither a work permit nor any training to carry out the work.

INTERVIEWS

The labor inspector interviewed other workers on site, who confirmed the irregularity. It was found that the youths had been working without registration for about 42 days.

The farm owner was also questioned and said that he knew nothing about the age of the underage laborers, claiming that they were hired at the request of their family members who worked on the farm during the harvest season. The owner's argument does not justify the incident found, as it is his responsibility to check the identity documents as well as the

registration of the workers before carrying out his activity, as provided for in the contract with the mill.

XI - WORK ANALOGOUS TO SLAVERY AND CHILD LABOR

11.2 – The SELLER undertakes not to use, in any of the activities related to the execution of this contract, child labor or labor in conditions like slavery or degrading work, in compliance with applicable legislation, as well as adopting the measure in all agreements or contracts signed with its suppliers and service providers. Failure to comply with the provisions of this clause may result in the immediate termination of this instrument, in addition to the application of the penalties provided for herein.

The client declares that (I) in its production chain, it does not exploit child labor or any other labor in a degrading situation or analogous to slave labor; (II) it does not adopt or condone any practice of unfair competition, corruption, or discrimination in all its forms, always respecting and protecting human rights, the rights of children and adolescents, ethics and integrity; (III) it acts in such a way as to preserve the environment, always seeking sustainable development.

RESPONSE MEASURE

This is a serious incident as the workers are minors and are not even registered, have no training, or PPE. To make matters worse, it is a widespread practice, and the owner has no control over hiring employees. The response measure considered was immediate termination of the contract and immediate notification of the mill's legal department so that appropriate action could be taken, including notification of the relevant authorities.

3.1.2 PREVENTION OF FORCED LABOR AND HUMAN TRAFFICKING

Modern slavery refers to temporary working conditions that resemble slavery, including forced labor under threat, violence, intimidation, or human trafficking. In less obvious ways, it can be characterized by debt bondage, the withholding of documents, and the threat of reporting to immigration authorities in the case of migrants. Fraudulent recruitment and the recruitment of economically vulnerable people raise the risk and likelihood of this practice recurring.

For clarification and standardization purposes:

The ILO Convention 105 (1957) established the abolition of forced labor, defined as “all work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.”

IFC PS 2 defines forced labor as “any work or service that is exacted from any person under the menace of any penalty. This includes various forms of involuntary or compulsory labor, such as unpaid labor, debt bondage, or similar methods of recruitment” (IFC, 2012).

Forced labor entails a variety of potentially dangerous situations, from disregard for human rights, the commission of crimes, child exploitation and sexual exploitation, occupational accidents, demoralization, and deprivation of liberty to economic imbalance, non-compliance with labor laws, and human trafficking. Women and children are particularly vulnerable to trafficking as they are subject to threats, coercion, abduction, fraud, abuse of power, and other means of exploitation.

Situations to be assessed



Freedom of transit

- Check whether employers can leave the workplace on time, temporarily, and permanently.
- Ensure that there are no obstacles, such as withholding documents, payments, and personal belongings, debt bondage, such as housing, transport, and food, physical barriers, compulsory collection, coercion, or threats.
- If the contract is interrupted or only partially fulfilled, payment must be guaranteed for the time worked, along with the corresponding rights provided for in local legislation.



Payment conditions

- Determine how the employer pays employees, whether directly or indirectly. In other words, does the worker receive the agreed amount directly from the employer, or is payment made to an intermediary responsible for delivering the salary to the worker?
- In the case of direct payment, check that the amounts and frequency of payment are agreed upon between the parties.
- In the case of indirect payment, look into whether the amounts and frequency of payment is agreed upon between the

parties and whether there are any payments or discounts related to recruitment fees or intermediaries.



Payment form

- Check how employees are paid, whether in cash, by bank deposit, or other means.
 - In the case of a cash payment or bank deposit, it is essential to ensure that the employer has control over the payments made. This includes verifying that employees have receipt confirmation and possess receipts or vouchers.
 - In the case of payment by means other than those mentioned above, verify what form of payment is used and whether it complies with local laws and does not constitute forced labor.

Example: payment by sharing products from other crops.



Conditions and rights of migrant workers

- Check whether the rights of migrant workers are respected and are in compliance with the law.
 - Migrants should receive the same working conditions as local workers, including transportation, accommodation, food, and the requirements of applicable local legislation.

- It is essential to consider whether there are practices such as the “exchange of work” for room and board or other similar considerations that could be regarded as slavery or child labor when hiring migrant workers, which also involves the relocation and accommodation of family members.

Guidelines to prevent forced labor situations

- **Compliance with national labor legislation;** if the requirements in this Note are more restrictive, these should complement the management system.
- **Working conditions and legality to work in other regions or countries** must be checked for any and all migrant workers.
- **Recruitment policies and procedures** that ensure that:
 - All hiring is documented through signed employment contracts that clearly explain the duties and rights of the parties.
 - The employee is aware of the contract's content, even if this requires a verbal explanation during recruitment.
 - The contractor does not have the right to retain any of the employee's personal documents and, if necessary, the temporary possession of such must be registered, with a stipulated return period, and this must be signed by both parties.
 - Payments will be made nominally, regularly, and preferably by bank deposit into the worker's account.
 - There must be no payment from the employee to the employer or intermediaries except for legally prescribed deductions. Pre-agreed and authorized deductions by the employee are possible if permitted by local legislation.
- **Freedom of movement** allows people to leave the workplace without physical or moral restraints, either temporarily or if they wish to terminate the employment relationship.
- **Fair working conditions**, respecting the minimum wage of the country or category, the maximum working hours, and conditions that guarantee and preserve the safety and health of workers, without physical, moral, or sexual abuse, especially against women.
- **Regular visits** to check and ensure compliance with labor policies and practices and correct any deviations or non-compliance identified.
- **Management and control of the entire supply chain** through mechanisms for monitoring and controlling suppliers' work environments, ensuring legal compliance, adherence to good practices, and dignified working conditions.

CASE STUDY: FORCED LABOR

- **Macro-theme:** Guarantee of Human Rights
- **Subject of verification:** Forced labor
- **Location:** Brazil

FIELD OBSERVATION

During a regular visit to a mill belonging to one of its sugarcane suppliers, the field technician encountered resistance from the supplier to enter the property and carry out the investigation when he arrived on site. After a lengthy discussion with the supplier, he allowed the technician to enter the property. During a second inspection, the mill technician discovered a group of workers manually harvesting and not wearing company uniforms.

INTERVIEWS

The labor inspector randomly selected a worker and invited him for an interview. During the interview, he discovered that the worker was housed in a room on the property and was not allowed to leave until the end of the harvest, which constituted forced labor. To confirm the previous findings, the team repeated the interviews with all workers on the property.

EVIDENCE

Before the technician entered the property, he gave the supplier a copy of the contract between him and the mill. The document clarified that regular visits could be made at any time to ensure that the contract terms aligned with the agreement between the parties, as shown in the example below.

12.7—The BUYER is allowed access, on its own account or through third parties, to the crops owned and/or controlled by the SELLER to inspect and monitor them, including taking photographs and/or signing reports, which must be signed.

The technician also questioned the supplier about the employment contracts entered into for each worker. The contracts contained no conditions or agreement to remain on the property, confirming that the workers were in an irregular and forced labor situation. The supplier was also unable to demonstrate control over working hours, meal breaks, and other working conditions. In accordance with the contract between the mill and the supplier, the technician informed the owner of the immediate termination of his supply contract for non-compliance with the clause below. Additionally, the technician notified the mill's legal department, which took the appropriate action and informed the relevant authorities.

XI - FORCED AND CHILD LABOR

11.1 - The SELLER undertakes not to use child labor or labor under slavery-like or degrading conditions in any of the activities related to the execution of this contract, in compliance with applicable legislation, and to include this measure in all agreements or contracts signed with its suppliers and service providers. Failure to comply with the provisions of this clause may result in the immediate termination of this instrument, in addition to the application of the penalties provided herein.

RESPONSE MEASURE

The incident is considered serious because it impacts the rights of workers in transit and other human rights violations and affects several workers on the work front in general. In this sense, the response action included immediate notification of the termination of the contract and immediate notification to the mill's legal department to take appropriate action, including notification to the relevant authorities.

3.1.3 LABOR RELATIONS

Contracting organizations must always offer fair, safe, and favorable working conditions in line with local legislation and international conventions, especially regarding pay, working hours, and a safe and healthy workplace.

For clarification and standardization purposes:

■ Personnel management:

It refers to the set of policies, procedures, or practices that govern how the organization interacts with its workers.

■ Labor relations:

Agreements and routines that define the responsibilities and rights of the employer and employee parties and which must necessarily comply with local legislation.

Worker contracts may vary in terms of the type of contract, whether direct or indirect, the duration of the contract, and the remuneration forms. To understand all these differences, go to [Complementary Concepts](#).

People management refers to the set of practices applied by an organization to interact with and define the rules for hiring and managing its workers. According to the guidelines of IFC's PS 2 (2012), adopting documented policies and operating procedures that promote clear communication and guidelines is a crucial step in mitigating labor risks.

Organizations must ensure standardization and legal regularity in their hiring processes. To this end, the company's operational documents organize and guide the necessary steps, from admission through selection, presentation of personal documents, signing of contracts, filing of documents, and managing these human resources while hired.

Risks are associated with the activities performed, workers' rights, and interpersonal relationships in any work environment. Below are some examples of hazardous conditions that can be assessed and considered. However, for more comprehensive and effective management adapted to each company's circumstances, it is advisable to fully identify and manage these risks according to the methodology presented in the [Risk Management](#) chapter.

In countries with ILO collective agreements, all workers have the right to freedom of association with trade unions and associations representing their class. These entities must represent and negotiate working conditions, pay, rest, working hours, benefits, and other rights. Any agreement or achievement must align with local legislation, and its results must be documented, published, and known to all represented workers. In the absence of this type of organization, its creation must be guaranteed and encouraged, and workers' rights must be respected by employers.

A suitable number of mills have already joined certification processes that evaluate and promote continuous improvement in sustainability criteria, with robust approaches to social aspects, especially the defense of human rights. These certifications are achieved after rigorous audit processes, and due to this standard of detailed checks, they are usually indicators of good practices recognized by the market.

Situations to be assessed



People management

- Check if the company has procedures, policies, or standards that determine the stages and respective activities of recruitment, selection, and personnel department routines.
- Check whether the organization has procedures for defining positions and salaries. These procedures should explain the organization chart, positions, and responsibilities and describe the role of each hierarchical level within the organization.
- Check whether there are methods for monitoring compliance with activities that ensure decent working conditions and compliance with labor law obligations between the organization and its employees in accordance with the contract.
- Check about policies or procedures for risk analysis in the relationship between employer and employee.
- Check if the company has records of training or actions aimed at development and qualification.
- Check to confirm if the company offers support to employees provided by a professional from another team, not by direct management. These are regular meetings aimed at assessing the level of satisfaction and possible violations of their rights.



Employment contract

- Check whether the parties have drawn up a physical or oral contract.
 - In the case of a physical contract, check whether the worker has received a copy of the contract and has understood the document.
 - For employees who cannot read the document, check if the contract's content and terms have been read or explained to them.
 - In the case of a verbal contract, check whether the worker is aware of the conditions and rights established.
- Check what type of contract has been established between employees and the employer (even if it is a supplier or service provider). The documents must comply with the legislation in the form in which they were established: fixed, casual, seasonal, or other.



Scope of work

- Check that workers only carry out the activities previously agreed with their contractors.



Working hours

- Check whether laborers have defined working hours that align with local legislation.
- Check if overtime is voluntary and duly remunerated in accordance with local law.
- Check on rest periods, meal breaks, and breaks between working hours are respected.
- Check about records and controls to record attendance and time worked.



Vacation, paid rest and other benefits

- Check if workers are entitled to vacation, paid rest, and other benefits as provided for by law.
- Check whether there is a record or control of vacations and paid rest to verify that the benefit has been granted, preferably electronically.



Remuneration

- Check the amounts paid to employees respect the type of contract established and comply with the minimum wage of the local category, which is in line with the applicable legislation.
- Check if there is a payment control that records the amounts paid to employees.



Right to join trade unions and class representative associations

- Check that workers are guaranteed freedom of association, including the right to create workers' associations or trade unions.
- Check that workers have been given access to or are aware of the achievements of collective bargaining agreements.

Guidelines for respectful and appropriate working conditions:

- **An onboarding process** should welcome new workers and explain the workings and dynamics of the farm's operations and all the rights and safety standards guidelines.
- Workers should be offered **training and development** to improve and enhance their skills. Transversal and non-technical themes such as socio-environmental responsibility, behavioral skills, respect, and discrimination must complement the training offered, and all courses should safeguard records that serve as evidence.
- **Internal communication and endomarketing** are essential tools for reinforcing knowledge and engagement. These tools should drive conduct, reinforce behavior, communicate information, and convey messages aligned with the company's culture. Communication channels that reach 100% of workers should be available, even to those who perform rural activities or cannot read. Examples include messages from the leadership, murals in communal areas, and posters displayed on transport vehicles.
- **For outsourced services**, the company must establish control methods for compliance with contracted activities, ways of checking working conditions, legal compliance, labor obligations, and the guidelines and directives set out in this GPN.
- **Labor issues** must be complied with in accordance with local legislation. To this end, the following must be detailed in the contract: scope of work, workers' rights and responsibilities, remuneration and means of payment, working hours, rules defining paid and voluntary overtime, vacations and paid rest periods, union relations, and whatever else is required.
- **Voluntary certifications**, both internal and third-party, are tools that seek to ensure legal compliance and the adoption of good practices. Therefore, they are well-regarded and recognized by the market.

CASE STUDY: CONDITIONS OF EMPLOYMENT FOR MIGRANT WORKERS

■ **Macro-theme:** Hiring Migrant Workers

■ **Subject of verification:** Check the conditions under which harvest workers are hired.

■ **Location:** Brazil

FIELD OBSERVATION

During a regular inspection visit to a sugarcane supplier, the person in charge of the inspection noticed a group of workers concentrating on manual harvesting and not wearing company uniforms.

INTERVIEWS

The labor inspector randomly selected a worker and invited him for an interview, during which he revealed that he was a migrant. He explained that 24 others had been hired from the same region and that this was his third experience as a harvest worker on that property. He also mentioned that the hiring process was facilitated through the Centro de Apoio ao Trabalhador (Worker Support Center) and that he had received his employment contract.

EVIDENCE

During the document review, the labor inspector questioned the HR team about hiring harvest workers. The HR representative said that at the time of hiring, the sugarcane supplier sends a representative from its human resources department, as well as a doctor, to carry out the worker's admission exam, who, after being approved, receives their employment contract and other documents required for hiring (annotation on the employment record book, in the case of workers from Brazil).

RESPONSE MEASURE

Not applicable since there were no deviations in the verification process.

3.1.4 FAIR TREATMENT

Everyone is entitled to fair treatment and the preservation of their fundamental rights. To this end, employers throughout the supply chain need to adopt measures and tools that contribute to a culture of respect and offer support in the event of incidents.

Various situations can violate a worker's universal rights or dignity. Below, we list some concepts supporting our approach to fair and dignified treatment.

For clarification and standardization purposes:

- **Discrimination:** “any distinction, exclusion or preference made based on race, color, sex, religion, political opinion, national extraction or social origin, which has the effect of nullifying or impairing equality of opportunity or treatment in employment or occupation” according to the first article on discrimination in the workplace in ILO Convention C111 (1998).
- **Harassment:** “violence and harassment in the world of work refers to a range of unacceptable behaviors and practices, or threats thereof, whether a single occurrence or repeated, that aim at, result in, or are likely to result in physical, psychological, sexual or economic harm, and includes gender-based violence and harassment” according to ILO Convention No. 190 (2019).
- **LGBTQIAP+:** includes homosexuals, bisexuals, transsexuals, queers, intersexual, asexual, pansexual, non-binary people, and all other forms of sexuality other than heterosexual or even other strands and new expressions that may emerge.

Discriminatory practices, which can involve segregation or unfair treatment of people, are usually based on cultural differences, personal characteristics, and the lack of an internal company policy that establishes clear rules and raises awareness of the issue.

In agribusiness, seasonal migrants are highly likely to be hired, making workers from other regions or ethnicities potentially vulnerable to attacks and abuses that should be characterized as harassment.

Situations of discrimination and prejudice

regarding gender classification are still frequent and complex to disrupt due to cultural issues.

The ILO defines a form of discrimination as a difference in pay and concessions between men and women for work of equal value.

It is important to emphasize that no racial, ethnic, or sexual orientation characteristic impacts the performance or productivity of a professional activity. Regarding disabilities, those with them should be allocated to positions that allow them to be productive within their limitations, promoting the inclusion and autonomy of every citizen.

Summary of the main arguments for discrimination:

- Race and ethnicity, including xenophobia against migrants.
- Differences in sexual orientation.
- Religions and cultural philosophies.
- Gender, especially against women.
- Political orientation.

Hiring decisions cannot be made based on personal characteristics such as gender, race, nationality, ethnic, social, or native origin, religion or creed, disability, age, or sexual orientation if they are not related to the job requirements.

It is necessary to set ethical limits that fulfill individual duties to control and ensure respect for all those involved in the production chain. For example, the employer must impose guidelines on its employees that limit prejudicial behavior

and protect the rights of all individuals.

These guidelines must be in formal documents and communicated to all direct and indirect employees.

Situations to be assessed



- Check to ensure that workers are not subjected to nor have previously been subjected to any situations of coercion, aggression, threat, or discrimination.



- Check whether employers have policies or procedures for hiring and career plans that include practices that avoid discrimination and promote fair and equal treatment.
 - If so, verify whether the institutional documents include affirmative measures for recruiting, hiring, and performance evaluation of women, ethnic and racial minorities, etc.
 - Procedures and documents must present clear criteria against discriminatory practices, in which selection is based on personal and professional skills and competencies for the job.



- Check whether there are people with disabilities (PWD) among the employees and whether the property's facilities are adapted to their needs.
- Check whether the teams are trained to welcome and develop the PwD, respect their limitations, and contribute to their development.



- Check whether there are differences in pay between people in the same position and performing similar activities for any reason, such as gender, race, ethnicity, sexual orientation, and others.

Guidelines that promote fair hiring and working conditions

- A **Human Resource Management System** is based on policies and procedures that guide employees in the conduct and actions the company expects them to adopt; guidelines concerning candidates' selection and hiring processes ensure safer and fairer procedures.
- **The Corporate Code of Ethics**, also known as the Code of Conduct, is another document that guides the attitudes and conduct expected of all business stakeholders, whether within the company or in the supply chain. Good practice dictates that this material be made public and presented to all stakeholders in official training sessions, with records.
- **Verification mechanisms** managed by the hiring party, which analyze its employees, whether in-house or in the supply chain and seek to guarantee compliance with its guidelines.
- **Lectures and training** are held periodically to reinforce the internal public's sensitization and awareness of discrimination, its potential effects, the need for respect for others, diversity, inclusion, and alignment with the company's cultural values.
 - When it comes to special needs, it is essential to train teams, colleagues and leaders about the limitations and the importance of providing opportunities for the inclusion and autonomy of persons with disabilities.
- **Awareness campaigns** on discrimination, such as gender-based violence and harassment, the right to sexual freedom, migration, or people with special needs. These themes bring to light the realities of employee diversity.
- **Affirmative measures for hiring and supporting women in the workplace** to offer flexible conditions to facilitate the inclusion of women in the workplace, such as:
 - Childcare assistance, dedicated and specialized childcare areas, or affiliated facilities to ensure access to this benefit;
 - Flexible working hours and alternate entry and exit times to guarantee safer commuting and mitigate risks related to violence against women;
 - Authorization for justified absences related to childcare responsibilities, such as school meetings, medical appointments, or emergencies concerning the child.

3.2 SAFE AND HEALTHY WORKING ENVIRONMENT

The subject of health and safety in the workplace is broad. Given its complexity and ramifications, this Note aims not to exhaust it, but also to address the main facets of the sugarcane agribusiness sector and its relationships.

In the context of labor relations in agribusiness, some of the most recurrent issues in the production chain are linked to health and safety in the field,

including potential physical, chemical, biological, and ergonomic hazards.

The content was organized and referenced using the requirements of IFC's PS 2, the World Bank Group's Environment, Health, and Safety Guidelines (EHS Guidelines), and the Brazilian Ministry of Labor and Employment's Regulatory Standard No. 31 (RS 31).

The first step in understanding this issue is to define the limits of responsibility for the parties, both the employer and the worker.

CASE STUDY: TRAINING

- **Macro-theme:** Training and compliance with legislation
- **Subject of verification:** Working at height without specific training
- **Location:** Nicaragua

does this service. He had received PPE from his employer but informed the assessor that he had not received any training for this activity.

EVIDENCE FROM THE EMPLOYER

The buyer asked the property manager for evidence of the professional's training courses and was informed that he did not have them and was performing the job improperly.

RESPONSE MEASURE

Although the professional was wearing the appropriate PPE and was in an environment prepared for this operation, he did not have the necessary training to carry out the activity, so the parties agreed on a short-term action plan to train the worker.

FIELD OBSERVATION

During an inspection visit to the estate's mechanical workshop, the sugarcane buyer discovered an employee carrying out risky work at height on a sugarcane harvester. The employee wore a safety harness, and the site had a lifeline.

INTERVIEWS WITH WORKERS

At an opportune moment, the buyer talked to the worker and discovered that he usually

3.2.1 ACCOMMODATION

Certain aspects must be considered when providing accommodation for workers, promoting suitable conditions for their stay. Following IFC PS 2, guidelines for the quality and management of accommodation must be adopted and implemented in addition to providing basic services.

The provision of accommodation shall be in accordance with the principles of nondiscrimination and equal opportunity. Under no circumstances shall it restrict workers' freedom of movement and freedom of association.

Summary of the minimum conditions required for workers' accommodation:

- Facilities must be safe and comfortable.
- Floors and walls must be covered.
- There must be adequate cover for shelter and protection.
- They must guarantee ventilation, adequate lighting, and comfortable thermal conditions.
- They should be located at least 30 meters from areas designated for animal husbandry, manure, or hay storage.
- They must have safety measures, such as fire extinguishers, carefully reviewed and adequate electrical installations.

Local legislation may impose additional requirements, so this should not be the only indicator of a housing's suitability.



Accommodation for migrant rural workers in southeastern Brazil. During the sugarcane planting stage, the company established contracts with hotels, meeting the requirements of PS 2 and local legislation.

Source: IDB Invest

Situations to be assessed



Provision and conditions of accommodation

- Check whether the employer provides accommodation for workers, including migrants.
 - If lodging is not provided, determine whether the employer offers funding for housing for employees who need this benefit and whether the rented accommodation has good infrastructure.
 - If accommodation is provided, verify the conditions under which it is located, whether it is sufficient for the number of employees, and if it meets the minimum legal requirements.

- If accommodation is provided, it must be checked whether the benefit is extended to the employees' families if necessary and whether no counterpart is required.
- In any case, it is good practice to inform the neighbors via the company's communication channels so that they can contact the company in the event of disruptions.

- Availability of potable water;
- Drainage systems;
- Sanitary facilities;
- Right to privacy.

Note: These and other accommodation issues must be respected and analyzed according to the criteria set out in the ILO's [R115 - Workers' Housing Recommendation Standard](#), and in [Workers' accommodation: processes and standards - A guidance note by IFC and the EBRD](#).



Accommodation capacity

- Check the number of workers who use the accommodation and whether this number does not exceed the maximum capacity to respect minimum privacy and comfort conditions.



Structural safety and minimum levels of decency, hygiene, and comfort in the accommodation

- Check whether the accommodation provided to workers meets the minimum criteria for quality, hygiene, and comfort related to the structure and size of the facilities. The following must be observed:
 - Materials and furniture of the accommodations;
 - Lighting conditions;
 - Ventilation and heating, as needed, maintaining a comfortable temperature for living;

Guidelines for providing safe, healthy, and comfortable accommodation

■ Toilets and showers:

- Toilet facilities with separation by sex are recommended.
- The following calculations are recommended:
 - One toilet for groups of no more than twenty people.
 - One individual shower for groups of no more than ten people, with a soap and towel holder.
- The sanitary space must have a waterproof and washable coating, a lockable door, availability of clean water, soap, paper towels, and an individual toilet bowl.
- Toilet bowls should be connected to a septic tank or sewage system, if possible.

■ Cafeteria:

- It must include a place for preparing food.
- Drinking water.
- Sufficient seating for all workers and tables with sanitizable surfaces.
- Individual or disposable materials.
- Trash cans with lids.
- A safe place to store food, including a refrigerator.
- Gas containers for cooking should be located outside the accommodation.

■ Dormitory:

- Workers should be separated by gender.
- There should be enough beds or bunk beds, with a good-condition mattress, clean bedding, and individual lockers.
- There should be secure doors and windows.
- The room should have good lighting, ventilation, and a waste garbage bin.

■ Laundry room:

- This should be in a covered and ventilated area.
- It should be equipped with tanks and a clean water supply.
- There should be a space for drying clothes.
- It should always be clean and sanitized.

CASE STUDY: MIGRANT WORKERS' ACCOMMODATION

■ **Macro-theme:** Accommodation for Migrant Workers

■ **Subject of verification:** Housing conditions for harvest workers

■ **Location:** Colombia

- Occupancy
- Cleanliness
- Sanitary facilities
- Laundry facilities
- Meals
- Rent payment

FIELD OBSERVATION

During a periodic visit to assess a sugarcane supplier, the inspector noticed that the company had accommodation for migrant workers hired to harvest sugarcane. The structure was intact, with masonry floors, walls, and windows for ventilation. There was drinking water and bathrooms with heated showers. The first room visited was prepared to accommodate up to 9 workers divided into three bunk beds with trundles, which is not in line with ILO accommodation standards.

INTERVIEWS

When talking to migrant workers who were staying there, the labor inspector also sought information on the following topics, where no deviations were found:

EVIDENCE

The company submitted a photographic report of the accommodation adjustments requested during the verification and an occupancy procedure containing the site's maximum capacity.

RESPONSE MEASURE

A request for immediate adaptation, using an action plan, because the workers were housed in a safe environment where everything (except the bed arrangements) was being respected.

3.2.2 LIVING AREA

Sanitary facilities, rest areas, and places to eat during rest breaks and other breaks must be provided for the teams working in the fields.



This is an example of a mobile living area that complies with specifications and good practices and offers suitable conditions for workers.

Source: Peterson

One commonly used option serves this purpose: mobile living areas that can be transported to the field and installed in farming operations.

Situations to be assessed



Check whether living areas provide adequate conditions for workers



Check whether adequate, clean, and gender-separated sanitary facilities are available



Check whether the dining area is appropriate, with seating for everyone



Check whether there is a supply of drinking and chilled water for consumption



Check whether there is a first-aid kit

Guidelines for the main characteristics of good living areas

- They should be located on dry and non-flood-prone terrain;
- They should have a secure structure with side walls and a roof, providing protection against weather conditions and offering shade and ventilation;
- They should include sanitary facilities, separated adequately by gender, and equipped with a toilet, seat, toilet paper, clean water, sink, soap, paper towels, and a trash can;
- They should provide a suitable dining area with seating, smooth surfaces, and potable and chilled water for consumption;
- A first-aid kit must be available;
- A box should be provided for receiving questions and complaints, and information regarding the company's communication channels should be posted.



An example of a living area that provides adequate protection from the weather.

Source: IDB Invest

3.2.3 WATER: CONSUMPTION AND TREATMENT

Water is an indispensable resource for survival, well-being, and exemplary performance in any activity. According to the ILO (2020), dehydration significantly impairs individuals' physical and mental performance and leads to a significant decrease in productivity. In addition, studies have shown that better access to drinking water improves workers' health status, as they regain energy during prolonged work periods and reduce fatigue and related illnesses. Therefore, workplaces must be equipped and prepared to ensure good sanitary conditions and access to drinking water.

In Central America, the mortality rate is high due to the epidemic chronic kidney disease of nontraditional origin (CKDnt), which is linked to labor activity. Recent studies have shown that kidney function and water balance biomarkers change during work shifts and that kidney function decreases due to heat and workload during harvest. A high rate of CKDnt was found in agricultural laborers working in sugarcane and other crops. In conclusion, the scientists point out that occupation is the main trigger of the epidemic in Mesoamerica and that occupational heat stress is the only proven factor leading to renal dysfunction in the affected populations.

Sugarcane cutters working in sugar mills and exposed to extreme heat stress can be considered a population group potentially highly exposed to dehydration. As a result, attention to the prevention of heat stress has been redoubled, especially when considering the impact of climate change (WESSELING et al., 2020).

- In El Salvador, a routine of breaks for water, rest, and shade was introduced as a preventive measure against heat stress among workers during the harvest season. The initiative decreased the

incidence of diseases related to kidney function among sugarcane cutters.

- In Nicaragua, the adoption of the same routine of breaks with water, rest, and shade is related to a reduction in cases of kidney damage among sugarcane workers with low and moderate workloads but not among cutters with heavier workloads (WESSELING et al., 2020).

Situations to be assessed



Drinking water supply

- Check the conditions of the drinking water supply within the facilities/ properties/ accommodations and other areas to which workers have access.
 - The source of the water supply: on-site collection, public supply network, or purchase from third parties.
 - If the water is supplied by on-site collection, it must show evidence of control and periodic recording of the volume collected for consumption.
 - If the water comes from the local public supply network, the employer must demonstrate control and periodic recording of the volume consumed from the network.
 - If there is no source of potable water for consumption on the employer's premises, the employer must demonstrate control and management of the water purchase from third parties.



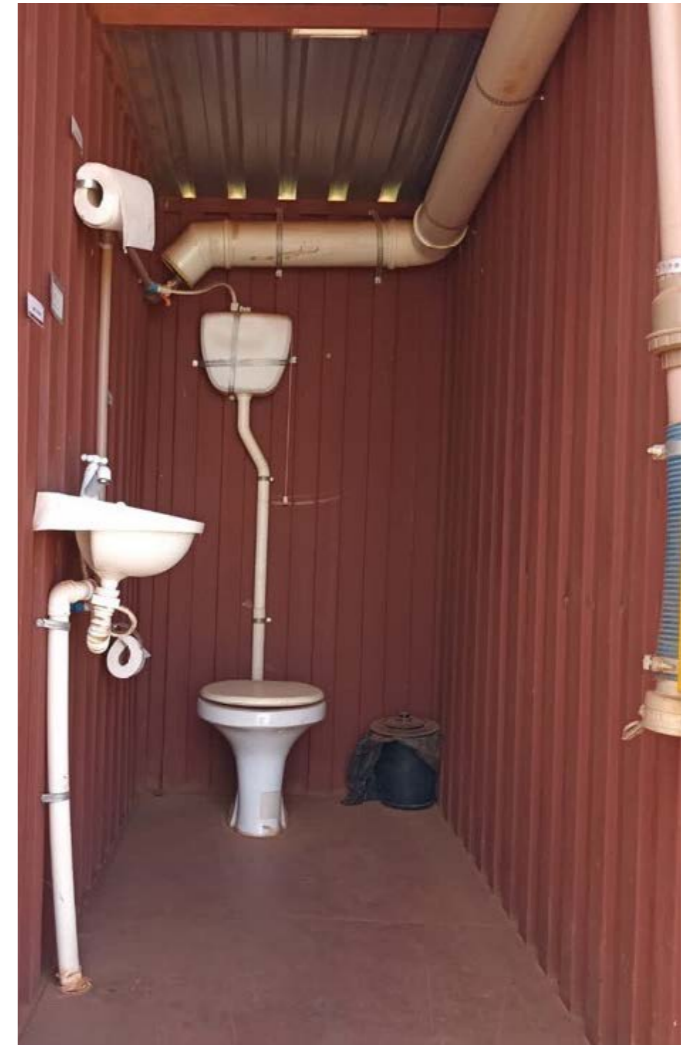
Collecting water on the premises or property

- Check the type of source and whether the employer has permission from the relevant authorities to collect water;
 - Examples: surface water (river, dam, lake), groundwater (artesian wells), and rainwater.
- Check whether the water collected is analyzed for quality and potability.
- Check whether the employer treats the water until it reaches a level suitable for human drinking.



Toilets or sanitary facilities

- Check whether the employer provides sanitary facilities that are suitable for use.
- Check whether staff hygiene materials, such as toilet paper, hand soap, and other necessary resources, are provided. Also, check the type of sewage collection and treatment system used. Examples include collective sewage collection and treatment by the public system, dry pit, septic tank, etc.



Example of sanitary facilities made available to workers.

Source: Peterson

CASE STUDY: DRINKING WATER

- **Macro-theme:** Drinking water
- **Subject of verification:** Supply of drinking water from third parties
- **Location:** Brazil

FIELD OBSERVATION

During a field visit, the labor inspector did not identify drinking water sources from connection to the public network or on-site collection.

INTERVIEWS

When questioned, the owner and the workers confirmed that the employer provides unrestricted drinking water for consumption obtained from specialized third-party companies.

EVIDENCE FROM THE EMPLOYER

The employer provided all the necessary control documents that made it possible to verify the details of the water supplier, the dates of delivery and cleaning of the water gallon receptacles, the person in charge of delivery, the receipt with the signature of the person in charge and the records proving the regularity of the water purchases.

RESPONSE MEASURE

It is not applicable since there were no discrepancies in the verification.



Properly labeled water gallons in accordance with local legal guidelines.

Source: IDB Invest

Guidelines to Ensure Workers' Access to Potable Water

- **Map the water sources** on the property, study their feasibility, and, where appropriate, apply for the licenses required by local legislative bodies.
- **A systematic plan for analyzing the quality and potability** of the water offered to workers, both for own sources and when purchased from third parties.
- **Systematize the identification of purchased water** with the date of purchase and expiration date.
- **Provide individual equipment** so that workers can drink water safely.
- **Systematize the cleaning service** and replenishment of toilet supplies.
- **Provide sewage treatment** for the toilets, either by septic tank or through the concessionaire responsible for the site, preventing contamination of local water resources.

3.2.4 TRANSPORT OF WORKERS

It may be necessary to transport laborers to the workplace, particularly in remote locations. In this sector, buses are often utilized to transport them from a designated meeting point to the work area.

Given the potential risks of accidents and the need for appropriate transportation conditions, the employer must provide vehicles that meet local legal requirements and minimum standards for hygiene and safety.

Situations to be assessed



Licenses and legal qualifications

- Check whether the vehicle is driven by a duly licensed person in compliance with national legislation. The driver must also be licensed to transport people whenever national traffic legislation requires it.
- Check whether the vehicle is licensed for the collective transport of people whenever required by national legislation.



Vehicle capacity and characteristics

- Check that there are enough suitable seats for the occupants, that they are in good condition, and that seat belts are attached to the body and backrests.

- Check whether the vehicle has a ventilated cab.
 - In the case of adapted vehicles, they must have:
 - A sturdy side structure to protect passengers in the event of accidents.
 - A roof to protect against the sun and inclement weather.
- Check whether the vehicle has a specific compartment for transporting tools and equipment, avoiding potential mechanical shocks to people, especially in accidents.
- Check whether the vehicle has speed control. The maximum speed of travel must be compatible with the road and legislation and guarantee the safety and comfort of passengers.
- Check whether the vehicle allows passengers to communicate with the driver.
- Check whether the vehicle has safety instructions in a place visible to all passengers.

Guidelines to prevent potentially dangerous situations when transporting workers

- There must be **seats** or sufficient space for all passengers to be transported seated. People must not be allowed to be transported on parts of the machinery unless they have an appropriate structure, such as a passenger seat.
- **Vehicle maintenance** must be provided systematically and preventively to mitigate the risk of accidents.
 - Operators must be trained and instructed to conduct their activities following the technical specifications of each model.
 - Safety devices must be in perfect working order, ensuring the safety of all passengers.
- **Stationary machinery and vehicles:**
 - In particular, self-propelled vehicles must engage their stationary brake system and gearshift in neutral or stop position, when available.
 - The ignition key must be removed and kept in the possession of a person qualified to operate it.
 - They must have locking systems to prevent unauthorized persons from operating them.
- **First aid kits:** These can be made available in public transport vehicles to support emergencies until the specialist service arrives.



Source: Peterson

CASE STUDY: TRANSPORT FOR WORKERS

- **Macro-theme:** Transport for workers
- **Subject of verification:** Conditions for transporting workers during working hours
- **Location:** Guatemala

FIELD OBSERVATION

During a regular assessment visit to a sugarcane supplier, the labor inspector observed that the sugarcane cutters were transported in a truck between the cutting areas and the lodgings. When inspecting this means of transportation, the technician discovered that the truck had neither seats nor seat belts. In addition, the tools were lying loose in the truck body, and there was no suitable place to store them. Based on these observations, the labor inspector demanded that the vehicle be adapted immediately.

EVIDENCE

The truck and the driver's documents were requested, and both were in order, but they did not have a permit to carry passengers.

INTERVIEWS

In interviews with the workers, the verifier found that they frequently use this means of transportation to get around the farm and carry out their routine activities. It was also verified that there were no charges for using this transport.

RESPONSE MEASURE

Since the workers were repeatedly exposed to a hazardous situation, which could result in accidents and without the right to adequate safety equipment, and since

it was a widespread practice involving a number of workers, the response measure was to immediately notify the mill's legal department for the appropriate measures, including the immediate suspension of supply.



3.2.5 PERSONAL PROTECTIVE EQUIPMENT

Personal protective equipment (PPE) is necessary to prevent work accidents and protect workers' safety and integrity.

The correct use of this equipment is the responsibility of both the employer and the employee. The employer is responsible for providing and advising on its correct use and periodically monitoring its use.

Each activity requires different types of PPE depending on the potential hazards involved. It is the employer's responsibility to identify the risks involved and to know what the local legislation says about the individual protection of employees.

Protective equipment can also be collective, especially in the presence of structural hazards. Each employer must arrange for a global analysis of operational risks by its team or technician responsible for OHS management.

Situations to be assessed



Control of workers authorized to handle pesticides, additives, adjuvants, and chemical products

- Check whether the employer has records indicating that the workers are authorized to handle toxic products that are potentially hazardous to health and the environment.



Supply of PPE

- Check whether the employer provides the PPE required to conduct the activities in accordance with local legislation and with regard to each type of identified risk.
- Check whether PPE is provided in full and in enough quantity for the number of workers involved in each service, including for changes of shifts during operations, when necessary.
- Check whether the employer provides the necessary PPE for workers responsible for handling pesticides, additives, adjuvants, and chemical products in accordance with the manufacturer's risk assessment and recommendation for use for all workers in charge.
 - Check whether the provided PPEs minimally include masks with appropriate filters for the activity to be performed, face protection, balaclava, gloves (nitrile), rubber boots, hydro-repellent full-body clothing, legionnaire cap, leg guards against venomous animal attacks, among other types of recommended safety equipment.



Use of PPE

- Check whether workers use all the protective equipment provided during their activities.

- If it is identified that workers are not wearing some or all the PPE, check which items are not being worn and why. The causes could be inadequate size, damaged equipment or behavioral issues.
- Analyze whether the equipment shows wear marks to determine that it is actually being worn by the workers.



Conservation conditions of PPE

- Check whether the PPE provided is in good condition or has wear marks or damage that prevent or impair its protective capacity.



Training workers on the use and maintenance of PPE

- Check whether the employer periodically trains workers on the correct use, maintenance, and importance of PPE. The recommended minimum frequency is annual.
- Check whether there are records of the training sessions run. This includes the scope covered, the workload, the list of participants, the instructor responsible and, if necessary, any evaluations to verify that the knowledge has been absorbed.
- Check whether there is specific training for more dangerous jobs, such as applying pesticides and working at heights, to ensure that workers are aware of and prepared for them.



Other PPE related to rural activities

- Sunscreen for situations of direct exposure to the sun;
- Hat, cap, or legionnaire cap to protect against the effects of the sun;
- Balaclava or hood to protect the head, face, and neck;
- Goggles to protect against particles or splashes;
- Acrylic face shield to protect against splashes, steam, chemical drift, or injuries caused by thrown particles;
- Ear protection;
- Reflective vest or reflective strips;
- A leg guard against bites from venomous animals such as snakes, scorpions, or spiders;
- Protective boots, which can be made of rubber when there is a chance of contact with chemical products or with soles without grooves for activities involving.
- Protective gloves, which should be water-repellent when managing chemical products;
- Other PPE that can be included, depending on the occupational risk, are helmets, protective cream for upper limbs, armbands, finger pads, socks, protective pants and shirts and overalls. The use of PPE must respect the appropriate response to the identified risk and local legislation.

CASE STUDY: PERSONAL PROTECTIVE EQUIPMENT

■ **Macro-theme:** Personal Protective Equipment

■ **Subject of verification:** Sanitizing PPE used in agrochemical application

■ **Location:** Brazil

FIELD OBSERVATION

When visiting a sugarcane supplier, the purchasing manager of a large multinational company could not find a suitable place for workers to wash their protective equipment after applying pesticides to the crop.

INTERVIEWS WITH WORKERS

In conversations with the teams responsible

for product application, it was found that workers were taking their equipment home, still dirty, and only then cleaning them without proper instructions.

RESPONSE MEASURE

Since this was a widespread situation, workers were exposed to the chemical products without proper training and were also putting their families at risk. The response action considered was to immediately notify the reviewing company's department so that appropriate action could be taken.

3.2.5.1 COLLECTIVE PROTECTION EQUIPMENT (CPE)

Collective Protection Equipment is a control measure designed to reduce the occurrence and damage caused by accidents in the workplace. These measures should be adopted whenever possible.

Examples of types of CPE are:

- Signs, stickers, traffic cones, zebra tape, and safety flags.

- Fire extinguishers.
- Safety shower and eye wash.
- First aid kit.
- Air filtration system for spray tractors.
- Enclosure of machinery to reduce noise.
- Protection against moving parts of machinery.

Situations to be assessed



- Check whether the area where activities occur or where people, machinery, and vehicles are exposed to potential accidents has adequate signage. For instance, signage can be employed to alert personnel to the potential dangers posed by machinery, vehicles, or trucks on the premises. It is based on a prior risk assessment.

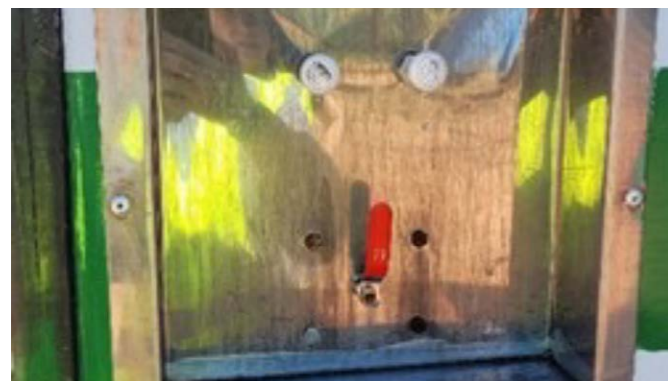


Transshipment area with isolation signs, guaranteeing the safety of workers involved in the process.

Source: Peterson



- Check whether work fronts that use agrochemicals, adjuvants, and other chemical products are equipped with a shower for emergencies. This should be easy to operate with a lever and have plenty of clean water.
- Check whether eyewash equipment is present on work fronts that use agrochemicals, adjuvants, and other chemical products. Like a shower, operating with an easy-to-use lever and plenty of clean water.



An example of emergency equipment is an eye wash installed in the vehicle for manual agrochemical application team workers.

Source: Peterson



- Check that all facilities, from the field to the living areas, have fire extinguishers available, in good condition, with adequate pressure, and within their expiry date. It is essential to select an appropriate type of extinguisher for the specific fire or material in question.



Fire extinguishers in proper conditions of use and storage



- Check that all tractors with cabs for applying agrochemicals have a filter system with active carbon. The manufacturer recommends replacing it.



Activated carbon filter responsible for the air quality in the cab of the self-propelled sprayer.

Source: Peterson

3.2.6 PESTICIDES, ADDITIVES, ADJUVANTS AND CHEMICAL PRODUCTS

Chemical products, especially agrochemicals, require a series of preventive measures to mitigate the risk of contamination and direct exposure of workers to these chemical agents.

In general, workers can be exposed in two ways:

Direct: through the handling of products, transportation and storage, preparation, application and disposal of packaging, or during the decontamination of PPE and other clothing and utensils that have come into contact with the products.

Indirect: those who do not have direct contact with the product but pass through the handling or application areas, even in neighboring and nearby regions.

The products must only be handled by people who have received adequate training on the dangers, risks, and correct handling, including safety signs, labeling information, knowledge of signs and symptoms of poisoning, first-aid, hygiene measures after handling, use, and cleaning of equipment, and the correct use of equipment and machinery.

All applications must follow a responsible technician's written instructions per local legislation and be accompanied by first aid instructions and emergency measures in the event of spills, leaks, exposure, or accidental contact with people or the environment.



An example of professionals fully equipped to handle agrochemicals.

Source: Peterson



Vehicle spraying agrochemicals increases the level of worker protection.

Source: Peterson

Situations to be assessed



Handling pesticides

- Check to verify that the products are handled exclusively by people who have received appropriate training on the dangers and recommended correct use.
- Check whether the professionals responsible for handling and applying the product have received first-aid instructions for emergencies and accidental exposure or contact with people or the environment.
- Check if applications are in line with local legislation.



Guidance and recommendations from technicians

- Check if all product applications in the field have followed an agronomic recommendation issued by a responsible technician.



Contamination risks

- Check whether all workers with the potential for direct or indirect exposure have been informed about the application area, the product and method used, precautionary periods, and other relevant information.
- Check to guarantee that workers with contamination symptoms are immediately removed from duty and referred for medical attention.
- Check if there is a safety shower with an eyewash nearby.



Product storage

- Check to ensure the storage of chemical products complies with local legislation or, if not, that it has a roof, controlled access, an impermeable floor, ventilation, and danger warning signs.
- Check to confirm the tank is equipped with spill containment mechanisms.
- Check if it is located away safely from homes and other sensitive materials.

- Check whether the products are arranged according to the manufacturer's guidelines and accompanied by chemical information sheets detailing hazards, risks, transportation, storage, and emergency procedures.
- Check that flammable products are protected against ignition sources.



Handling of packaging

- Check whether the handling of chemical product packaging follows safety standards to avoid contamination of people, animals and the environment.

- Check if packaging is being reused, which is prohibited.
- Check whether the labels are intact.
- Check that PPE is used when handling products.
- Check that packaging is triple-washed or cleaned by container scrubbing equipment. Ensure that the water used is not discharged into waterbodies. Also verify that the packaging is perforated so that it cannot be reused and is properly disposed of in accordance with local regulations or collected by the supplier.

Guidelines that prevent risk situations related to chemical products

- **Products in categories 1a (extremely hazardous) and 1b (highly hazardous)**, according to the WHO Recommended Classification of Pesticides by Hazard Class, must not be used under any circumstances pursuant to the requirements of the Bonsucro Standard and IFC PS 3.
- **Workers with contamination symptoms** should be removed from the job immediately and referred for medical care. If national labor legislation does not require it, check whether there is a specialized occupational health monitoring program.
- **Occupational medical care** should be available for emergency response. It is recommended that the locations of the nearest emergency service centers and contact telephone numbers be identified. In addition, agrochemical manufacturers may have an emergency service telephone number for first-aid. It is imperative that the individuals responsible for the application of agrochemicals are aware of this contact information.
- **A ban on the application of chemical products by unauthorized or incapacitated persons, especially minors, pregnant women, the elderly, and people with respiratory problems, who constitute the risk group and their contact with agrochemicals must quickly be prohibited.**

- **Sites for storing chemicals, packaging, substances, and other hazardous waste (class 1)** must be covered and secured. There must be controlled access, impermeable floors (avoiding environmental contamination in the event of spills), ventilated and display risk and danger signs. They should be equipped with spill containment mechanisms and located at a safe distance from homes and other sensitive materials.

3.2.7 ERGONOMICS

It is common for sugarcane workers to be exposed to situations that require physical effort, inappropriate posture, or repetitive movements that can lead to occupational illnesses or injuries. Some specific jobs can also lead to psychological fatigue, increasing the risk of accidents.

Identifying ergonomic risks, analyzing the workplace environment and mapping out the appropriate preventive and corrective measures make it possible to anticipate potential consequences for workers and establish the necessary adaptations to ensure safe and comfortable conditions. Activities such as lifting and transporting loads can cause injuries, especially in the lumbar region, while repetitive strain and movements are recurring factors in lost-time incidents. These situations are detrimental to workers' health and can lead to the interruption of activities or operations when the job requires technical knowledge or specific training.

The most common hazards in the sugar-alcohol industry are related to handling loads, manual work using equipment, mechanized operations, activities involving repetitive effort, and poor posture, such as weeding and manual harvesting. In addition, operations involving other hazards, such as activities at heights or confined spaces, must also be covered.

Situations to be assessed



Ergonomic conditions

- Check whether the employer guarantees adequate ergonomic conditions and whether the activities performed do not have potential consequences for the worker's health and safety in terms of:
 - Extreme or harmful postures of the trunk, neck, head, upper and/or lower limbs;
 - Sudden movements that impact the upper or lower limbs;
 - Work with high physical effort that requires excessive use of force;
 - Repetitive movements of the upper or lower limbs without adequate breaks, which could compromise the worker's health and safety;
 - Vibrations;
 - Cognitive demand.



Training related to ergonomic conditions

- Check whether the employers conduct periodic training concerning ergonomics in their various operations.



Adaptation of the work environment

- Check whether the employer makes the necessary adaptations to the workplace environment. This includes access, toilets, and furniture to ensure worker safety, accessibility, and comfort, especially for people with disabilities.

Guidelines for promoting an ergonomic environment

- Use of an **OHS System** that identifies and documents the specificities of all types of activities and functions performed by the workforce.
- **Training** on the importance of ergonomics for workers, with a focus on different agricultural operations.
- **Adaptations** for the autonomy of people with disabilities, including access and inclusive toilets, guaranteeing the safety and comfort of all workers.
- **Systematic breaks** away from the workplace environment during physically or cognitively demanding activities.



Professionals with all the protective equipment recommended for field activities.

3.2.8 USE OF MACHINERY, IMPLEMENTS AND EQUIPMENT

Various types of machinery and equipment are used in sugarcane farming, cutting, harvesting, transportation and processing. Many of these machines pose risks to their operators and workers who may be near these operations.

Respect for the manufacturer's technical specifications and recommendations is fundamental to mitigate potential accident risks. Operators must be trained and instructed to carry out their activities, using all PPE and following all of the organization's safety procedures.

For clarification and standardization purposes:

- **Machinery:** any device designed to produce, direct, or transform one form of energy into another or to use that same energy to produce a specific effect. Machines include tractors, self-propelled sprayers, air compressors, trucks, and buses for transporting employees.
- **Implements:** these are tools attached to machines to give them additional functions. Third-point sprayers, harrows, subsoilers, and others are considered implements.
- **Equipment:** manual tools that use human power to perform their function. The following are considered equipment: sickles, cutting machetes, backpack sprayers, among others.

- Visual inspection assesses whether the equipment is well maintained and has no leaks or other visible defects.



Operator training

- Check that operators are trained in the specific operation of each machine in accordance with the manufacturer’s guidelines and local legislation, or that they have at least received training on safety and emergency mechanisms.



Protection of moving parts

- Equipment with moving parts, such as drive shafts, cutting blades, and fans, must have protection to prevent hands or other parts of the body from accessing it and protection to prevent clothing or hair from being pulled by these moving parts.

Situations to be assessed



State of conservation

- Check whether the supplier has a preventive or predictive maintenance plan for all the machinery and equipment involved in the operations and that verifies:
 - The state of repair of tires, brakes, and other safety components, such as belts, rear-view mirrors, headlights, etc.
 - Systematic and documented maintenance, such as changing oil, filters, cleaning, refueling, hours of use, etc.
 - That fire extinguishers, where applicable, are in good condition and within their period of validity.

Guidelines for promoting an ergonomic environment

- **Preventive maintenance** or, when necessary, corrective maintenance must be conducted systematically, guaranteeing that all machinery, implements, and equipment are in good repair and safety devices are in perfect working order.
- **Parked machines**, especially self-propelled machinery, must engage their stationary brake systems and place the gearshifts in a neutral or stop position. The ignition key must be removed and kept in the possession of a person qualified to operate it. Stationary machines must be equipped with a locking system to prevent unauthorized persons from operating them.
- **Transporting people** on parts of machinery or implements should be prohibited unless they have a suitable structure for this type of operation, such as a passenger seat or chair for specific operations.

3.2.9 DATA SECURITY

Every organization must ensure that personal information is treated confidentially. Possessing copies of personal documents and identification or registration data requires secure means of protection against attempted fraud or theft.

Other sensitive information, such as contact details, salaries and benefits, also requires confidentiality. The same applies to the exposure of information that could affect workers’ morale, such as health status and application of disciplinary measures, among other personal data.

The confidentiality and privacy conditions in the organization’s operations should be described in its procedures or through a corporate policy, preferably in a public way.

Situations to be assessed



Security and Privacy of Sensitive Personal Information

- Check whether the organization guarantees the confidentiality of its employees’ personal and sensitive information.
- Check if the company keeps copies of personal documents, identification data, and records on secure media to protect against fraud attempts.
- Ensure the organization’s confidentiality and privacy conditions are described in procedures or corporate policies.

3.2.10 GOOD PRACTICES IN OCCUPATIONAL HEALTH AND SAFETY

A number of measures must be considered to guarantee good practices for occupational health and safety issues in rural activities. These include:

Policies and Procedures:

- Develop and implement policies and procedures that guide occupational health and safety practices in line with local legislation and international standards.
- Implementation of OHS procedures must cover all activities and their risks, including labor instructions that protect workers from accidents.
- Specific periodic training must be provided for each type of job and its potentially hazardous situations.
- Routine dialogues on OHS issues must be held at least once a week to prevent workplace accidents and reinforce safe behavior.

Risk control:

- Create and implement a robust and systematic risk management system specializing in OHS. To learn more about the methodology suggested in this Note, go to **Risk Management**.

Training and education:

- Training and courses can qualify workers or promote the recycling of knowledge; nonetheless, their aptitude for carrying out a particular workplace activity must be taken into account, recognizing possible physical limitations or specific knowledge that impact on the performance of the operation.
- Legislation may require mandatory training to

determine the course's workload and syllabus. In addition to observing local legislation, or when it does not define a specific structure, the requirements of IFC PS 2 should be adopted.

Emergencies:

- Develop and implement emergency plans for responsibilities and conduct in occupational emergencies, including regular worker training and simulations.

Health Monitoring:

- Provide systematic and specialized medical examinations of workers to monitor health and identify early potential effects of occupational hazards.

Records and Reports:

- Keep records of all the processes implemented.
- Record any occupational health and safety incidents accurately and thoroughly and use this information to continuously improve health and safety management.

Consultation with Workers:

- Regularly consult workers and their representatives on OHS issues.
- Encourage the internal public's participation in identifying hazards and risks and continuously improving health and safety in the workplace.

Workers' Rights:

- Respect the legislation and international agreements to which your country is a signatory.
- Guarantee all workers' rights, including the right to refuse to work in conditions they believe to be

dangerous to their health or safety, without fear of retaliation.

The employer's responsibilities include:

- Comply with local legislation and existing labor regulations in their country;
- Adopt procedures to guarantee the safety of all workers;
- Ensure adequate hygiene and comfort conditions, including access to drinking water, toilets, rest and eating areas, and all the others mentioned above;
- Ensure guidelines, instructions, and accident prevention measures when using tools, machinery, and equipment and when using toxic or contaminating substances;
- Ensure clear work instructions, guaranteeing that everyone understands the health and safety requirements, rights, and responsibilities;
- In the event of accidents or work-related illnesses, adopt the necessary procedures for analysis, identification of sources, and mitigation;
- Ensure that efficient OHS risk management is adopted and that the results are shared with all workers;
- Characterize the occupational risks of each job, describing the risks and the sources that cause them, as well as describing the protective measures;
- Promote OHS training to mitigate risks and record worker participation;
- Provide PPE and CPE free of charge, whenever necessary;
- Promote occupational medical examinations

according to the risks of exposure to the work activity;

- Provide a safety shower with an eye wash near the places where agrochemicals, adjuvants, and other chemical products with toxicological risks are applied and handled;
- Take responsibility for decontaminating the PPE used and ensure that the worker does not remove contaminated PPE.

The worker's obligations are:

- Comply with legal and regulatory work requirements;
- Comply with the employer's OHS measures;
- Maintain and correctly use the PPE received, as well as ensure the appropriate use of the CPE;
- Do not alter tools or safety devices in a way that could endanger their safety or that of others. Additionally, inform their immediate supervisor if a piece of equipment or a device breaks loose or its functionality is lost.



Examples of risk signs, use of PPE, and appropriate living areas for field workers.

Source: IDB Invest

CASE STUDY: HIRING AN OUTSOURCED COMPANY

■ **Macro-theme:** Outsourcing

■ **Subject of verification:** Ensuring compliance with the company's OHS standards.

■ **Location:** Brazil

A Brazilian mill has created a good example of an operating procedure to reduce problems of misconduct and non-compliance with labor laws related to health and safety by outsourced service providers. The supply department and the health and safety sector defined minimum standards of conduct to be provided from negotiation to the establishment of contract clauses for companies. The result was reduced health and safety incidents and accidents and full compliance with its code of ethics and conduct.

This model has been adopted to contract all outsourced activities on the factory site and in the agricultural sector. These are:

1° Each service provider must have been approved in advance by the purchasing department, which will request and verify the validity and authenticity of a series of documents and legal requirements that are mandatory for the performance of the function and that prove the suitability of the legal entity.

2° The professionals who will be carrying out the activities enter the mill's onboarding process, in which all the company's safety procedures and guidelines are explained, in addition to the direct contact channel;

3° All outsourced professionals are only allowed to circulate within the mill when duly identified with a badge bearing the company's name, photo, and the employee's full name;

4° All work by outsourced professionals can only begin after the Work Permit has been issued, and interventions must be marked with the appropriate locks and labeling;

5° Equipment and machinery belonging to outsourced teams are inspected at least every three months and receive an Inspection Tag;

6° The Safety team and the area responsible for hiring must guarantee the use of PPE and compliance with the legislation on work involving dangerous conditions;

7° Everyone who enters the mill is prohibited from circulating outside the authorized area, and their cell phone is restricted in accordance with the guidelines of the Integration process;

CASE STUDY: HIRING AN OUTSOURCED COMPANY

8° The companies contracted to outsource employee transportation must respect, in addition to the general rules mentioned above, the specific ones listed in the transportation service contract and the legislation in force;

9° Food and access to drinking water for the outsourced team are the responsibility of the contracted company, which may use the mill's canteen. If food is made available in any other way, the company must request authorization for a place to feed the team. The potability of the water and the preservation of the food must comply with local legislation;

10° All employees must be aware of the location of the OHS services, fire brigade, first-aid services, and collective protection equipment, such as safety showers, closest to the workplace;

11° Accidents and incidents shall be reported to the mill team, which must analyze the incident within 48 hours;

12° Failure to comply with the employee's obligations and responsibilities may result in contractual sanctions and penalties, such as fines, suspension, or contract termination.

3.3 GRIEVANCE MECHANISM

In any work environment, interpersonal problems, inappropriate treatment in subordinate relationships, abuse of authority, or even disregard for morals and working conditions can occur. One way to mitigate this risk is to establish a grievance mechanism. To this end, a mechanism should be provided through which workers can voice their concerns or even file complaints. According to PS 2 of the IFC, this mechanism should be introduced and made available as soon as the worker is hired.

Some mechanisms are managed by specialized, impartial companies, where there are no conflicts of interest between the parties, and legal instruments underpin them. If an external company cannot be used, workers must be able to submit their complaints anonymously. The organization must ensure that no retaliation is taken and that employees are not harmed if they report the incident.

The incidents must be analyzed and classified. A general report should be prepared to provide feedback on the handling and outcome of the recorded incidents. This report does not need to be detailed and must ensure no individual can be identified. A committee should be set up, if necessary, to assess and deal with incidents impartially. To this end, it is recommended that procedures be established for managing these communication channels, handling the information and incidents recorded, and communicating the summarized results.

Situations to be assessed



Mechanisms to support and record incidents

- Check whether grievance mechanism exist and whether employees know how to use them.
- Check to assure there are procedures and training for 100% of the employees to use complaints channels to report incidents.
- If there are no mechanisms to support incidents, check how workers report occurrences in the workplace.
- Check the types of complaints made and whether there are systemic trends in recurring themes. In addition, the actions taken in cases of gender-based violence should be checked.



Control of responses to incidents

- Check whether there are procedures to guide those responsible regarding the responses or measures to be taken in the event of incidents reported in the workplace.
- In the event that procedures exist for responding to incidents, it should be ascertained if records are kept of the actions taken in response to the situations reported.

- If there are no procedures to take measures in the event of occurrences, check how the reported situations are addressed or resolved.

Guidelines for providing an efficient reporting channel

- Provision of a communication channel that allows the complainant the opportunity to remain anonymous.
- Management of the grievance mechanism by a third-party company, which is exempt and has been contracted to guarantee confidentiality.
- Procedures that define the stages and treatment given to records made via the grievance mechanism.
- A record of all messages received by the channel and how each was handled must be kept.

4

COMPLEMENTARY CONCEPTS

- **Hazardous condition:** a source or situation that has the potential to cause harm or illness.
- **Scope of work:** corresponds to what has been agreed upon between the parties, guaranteeing pay, benefits, and other rights in accordance with local legislation.
- **Risk:** the relationship between the probability of occurrence and the degree of severity of the damage or impact on the worker due to a given condition.
- **Permanent worker:** a worker whose contract does not stipulate an end date.
- **Casual or temporary worker:** hired on demand, whose contract defines the service's start and end date.
- **Harvest worker:** a worker whose contract defines the beginning and end of the service and when the contract stipulates a specific time of the crop's harvest, usually the harvest period.
- **Direct worker:** hired directly by the organization, with an employment contract established between the two.
- **Contracted worker:** also known as indirect worker or outsourced worker, the worker hired by a third party, and the contractual relationship is direct between both parties.
- **Supply chain worker:** the worker who is employed by the suppliers of products and services and is not directly or indirectly subordinate to the organization.

¹ The definitions of risk and hazardous conditions are taken from ISO 45001. For more details on the concepts, see the standard.

² The definitions of risk and hazardous conditions have been taken from ISO 45001. For more details on the concepts, see the standard.

5

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