

Nestlé Action Plan on Women in the Cocoa Supply Chain (Update 2014)

9th July, 2014

Background

In April 2013, Nestlé published an <u>Action Plan</u> setting out in more detail what the company will do in the short and medium term to strengthen our efforts to improve the livelihoods of women in the Nestlé cocoa supply chain. We have committed to updating this Action Plan in August 2014 following the publication of the Fair Labor Association's (FLA) assessment of our cocoa supply chain in Côte d'Ivoire, which includes matters relating to gender.

We have expressed our determination to strengthen our efforts with respect to promoting opportunities and providing support for women in our cocoa supply chain through the <u>Nestlé Cocoa Plan</u> and the <u>Rural Development Framework</u>. Women are very often responsible for taking care of the household and their families, as noted in the FLA report, and they therefore have pivotal role to play in the fight against child labour. Strengthening the gender component of the Nestlé Cocoa Plan programme will further enhance Nestlé's efforts with respect to <u>our priority focus on child labour</u>.

Nestlé has also signed the <u>Women's Empowerment Principles</u>, a partnership initiative between the United Nations Global Compact (UNGC) and UN Women, the United Nations organisation dedicated to gender equality and the empowerment of women. We will transparently report on our progress in meeting these Principles.

The FLA has now made public its report titled "Assessing Women's Roles in Nestlé's Côte d'Ivoire Supply Chain." This report can be found on the <u>FLA website</u>.

This assessment took place during the 2013 cocoa harvest in Côte d'Ivoire and the report makes a number of recommendations to both the Ivorian Government and Nestlé. Our response to the recommendations addressed to Nestlé is set out below.

Main conclusions of the FLA Gender Assessment Report

Nestlé requested that the FLA conduct an independent study to assess womens' roles in our cocoa supply chain in Côte d'Ivoire as part of our effort to address this important issue. This FLA study also takes into account the areas raised in Oxfam's "Behind the Brands" campaign with respect to the roles of women in this supply chain.

Building on the work of an earlier, more expansive assessment by the FLA of Nestlé's supply chain, the FLA collected additional data on women's roles and activities through interviews with 244 rural Ivorian women, which were conducted by independent, third-party gender and cocoa experts alongside FLA in-country staff. The resulting assessment maps women's roles in their communities, identifies the risks they encounter, and makes recommendations to Nestlé and the Ivorian government on strategies for improving conditions for women. The 11 recommendations made to Nestlé touch upon the following issues:

- 1. Raising awareness among cooperative members about the importance of women in the cocoa supply and requiring cooperatives to ensure that women receive equal employment opportunities.
- 2. Encouraging cooperatives to register all cocoa farms under the names of both the producer and his spouse, and establishing ways for more women members to serve in management-level positions.
- 3. Together with its partners, creating more flexible conditions for purchasing cocoa seedlings, so that women can access to them.
- 4. Requiring cooperatives to encourage women producers and workers to participate in training sessions, and in particular, farmer field schools.
- 5. Making efforts to identify and train female trainers and communicators from the communities to mobilise women cocoa workers.
- 6. As part of the Nestlé Cocoa Plan, appointing more women to specific roles to more directly affect labour conditions in the short term.
- 7. Exploring the establishment of women's platforms/forums in communities that could serve as a dialogue platform to handle and redress grievances.
- 8. Partnering with a local or international organisation to make first aid kits accessible at the village/community/cooperative level and train community members to deliver first aid; and ensuring access to relevant personal protective equipment (and training on their use and benefits) at no or subsidized cost.
- 9. Actively supporting and encouraging the strengthening of women's operational capacities for the management of their other agricultural activities outside of cocoa.
- 10. Exploring the feasibility of investing cocoa premiums (with the consent of producers) in women-targeted projects such as crop diversification, production of organic food and food preservation.
- 11. Setting up financial counselling and support services for women.

Summary of Nestle Response

Our vision is to empower women for better livelihoods and to eliminate child labour in Nestlé's supply chain. Our areas of action for gender fall under three pillars: promoting equal opportunities, giving women a voice and helping increase their income.

When women are empowered, they raise healthier, better educated families, and the children are at lower risk of becoming involved in child labour. To achieve this, the attitudes of people in our supply chain need to change and we are committed to working with our supply chain partners to promote equal opportunities for women. Women need a voice and we need to not only listen, but to amplify their voices to help them to be heard. Women also need specific, targeted help to increase the value they capture from their economic activity.

We understand that there are no easy answers, and that this will be a learning process. We agree with the FLA that all stakeholders need to play their part, including the government. We will consider expansion of our efforts on gender to other countries from which we source cocoa as we learn from our experience in Côte d'Ivoire.

Promoting Equal Opportunities

Nestlé and our suppliers will organise training on gender issues for all cooperatives in the Nestlé Cocoa Plan in Côte d'Ivoire, and Nestlé's and our suppliers' field staff. The aim of the training will

be to challenge people's perceptions of women's role in the cocoa supply chain, and to encourage opening up roles such as lead farmers, nursery managers and cooperative managers for women. The course will be developed with local training agencies and will link with government activities and any relevant existing programmes run by our suppliers.

We will cover four cooperatives in 2014 and all cooperatives in the Nestlé Cocoa Plan by 2017.

Giving Women a Voice

As the majority of farmers and cooperative managers are men, women's voices are often not heard. We will develop and promote local women's associations connected with our supply chain. In some areas, such associations already exist, but the women involved need support and encouragement. The aim is to create a participatory dialogue platform, for women to enter into discussions with each other, gain control over their lives, develop and implement suitable action plans, and engage with other parties, such as local authorities and Nestlé. According to the FLA report, women would appreciate training on good agricultural practices and health, so we will initially prioritise these areas. Depending on needs, we may expand to include subjects such as access to credit, for example linking with the proposed Conseil Café Cacao's credit for women initiative, and literacy.

We will use the dialogue with such women's associations as an opportunity to investigate solutions for one of the findings in the FLA assessment report which revealed that women frequently do not wear personal protective equipment while working on cocoa plantations.

We will kick off these initiatives aimed at giving women a voice with two associations in 2014 and undertake a deep dive impact survey in 2015 to test the effectiveness of this approach prior to further expansion.

The FLA report confirms that women producers' land is often registered with the cooperative under the name of the husband. FLA shared an innovative idea to give women more visibility, which involves also registering the female spouses of male cocoa farmers as members of cocoa cooperatives. We will identify a cooperative willing to try this approach.

Helping Increase Women's Income

Women in cocoa-growing communities work on average 16 hours a day, distributed among housework, farm work and income generating activities. As the report shows that they would appreciate help in generating more income from their current activities, we will help women produce more food crops, both for their families and for sale.

In order to have meaningful impact and because it is such a widespread staple, we will initially focus on cassava with one of our suppliers, Olam. This programme has been accepted for inclusion in the Cocoa Livelihoods Partnership of the World Cocoa Foundation. Beginning in 2014, we will provide higher yielding cassava varieties. The aim will be to have more than 2,000 women using improved cassava by 2016 and we will track the percentage increase in income.

Our programme with International Cocoa Initiative (ICI), which covers child labour monitoring and remediation, will help groups of women to improve their food production for cash to enable children at risk of child labour to be sent to school.

We will be gender-aware with respect to our cocoa tree distribution programme, requesting that cooperatives ensure that women are considered. Since 2009, we have distributed more than 300,000 trees through women led cooperatives named Copaz, of which about 70% of the trees go to women. We will also improve access to cocoa training, and the content of farmer field schools in particular, for example through the use of video, and by providing some training close to villages at times suitable for women.

Building on sector wide activity

A solid foundation of activities across the cocoa sector is essential to ensuring the success of our activities on gender. We will work actively with the <u>World Cocoa Foundation's CocoaAction strategy</u> to agree on sector wide activities and components of "community packages," to improve training content, agree on impact key performance indicators (KPIs) and also agree on priorities for areas for work with governments.

First aid kit provision in cooperatives will be addressed as a requirement of certification.

Measuring and reporting on progress

We will measure progress against the actions outlined above and report on our achievements on an annual basis through the following key performance indicators (KPIs):

Data indicator	Cote d'Ivoire		Ghana		Indone	Indonesia	
	2013	2014	2013	2014	2013	2014	
Women in Nestlé Cocoa Plan Supply chain							
% farmers in Nestlé Cocoa Plan supplier survey	19%	100%	100%	100%	34%	50%	
% women farmers supplying Nestlé	9%	4%	26%	27%		13%	
% women farmers trained on good agricultural practices	9%	4%	26%	27%	10%	11%	
% women trainers of total trainers	19%	7%		5%	17%	11%	
% women in decision making positions in NCP coops /farmer organisations	4%	10%		21%		2%	
% of land owned by women		7%				16%	
Women in Cote d'Ivoire child labour monitoring and remediation system							
% women trained on child labour in coop personnel		4%					
% women in community recieving awareness raising on child labour		21%					
% incidence identified child labour		11%					
Of identified child labours, % girls		41%					
% cases of child labour followed up and assisted with remediation focussed on female household members		1%					
Women/girls involved in social projects							
% women active in International Federation Red Cross and Red Crescent (IFRC) water							
and sanitation committees	11%	35%					
% girls in Nestlé built schools	46%	43%	36%				
			Not applicable				

^{*} For more information on the Nestlé/IFRC partnership, see http://storage.nestle.com/Interactive CSV Full 2013/index.html#200