

KnowTheChain: Questions regarding forced labour risks in your company's sugar cane supply chain

In answering these questions, **please indicate where your companies' policies and practices specifically apply to sugar cane sourcing or processing countries at risk of forced labour or human trafficking** such as Bolivia, Brazil, Dominican Republic, Guatemala, India, Malawi, Myanmar, and Pakistan¹ or other countries where you might have identified forced labour risks.

Please note the following questions focus on sourcing of sugar cane (not sugar beets). Where available, please include URLs to existing disclosure.

Information provided by Mondelēz is marked in blue.

Traceability:

1. Which countries does your company and/or your suppliers source sugar cane from (option to indicate percentage or volume of supply from each country)?
2. What are the names and addresses of your company's sugar mills and/or sugar suppliers? Please indicate the nature of suppliers, e.g. traders or mills, and your relationship to them, e.g. direct owned or purchasing only (option to indicate workforce data you deem relevant, such as workforce composition or rate of unionisation).

Risk assessment:

3. How does your company assess risks related to forced labour in sugar cane sourcing at mill and farm level?
4. What risks has your company identified, and what actions has your company taken to address these risks?

Worker voice:

5. Grievance mechanisms: Does your company ensure workers on sugar farms and mills, as well as local stakeholders have access to effective grievance mechanisms? If yes, please explain what mechanisms are available for local stakeholders and workers in both owned and third party sugar farms and mills. Please also explain how you ensure those mechanisms fulfil the [effectiveness criteria under the UN Guiding Principles for Business & Human Rights](#), in particular how you ensure mechanisms are communicated to, as well as trusted and used by both formal and informal sugar farm and mill workers.
6. Worker engagement and empowerment: How does your company ensure that workers at sugar farms and mills you source from are made aware of their rights, and empowered to exercise their rights (e.g. freedom of association or, where there are regulatory constraints to freedom of association, alternative means of organising)?

Monitoring / certification:

7. How does your company monitor the labour performance of its sugar suppliers / farmers?
8. If you undertake sustainable sugar sourcing, how does the certification or verification programme consider forced labour risks at mill and farm level?

¹ Sugar sourced from Dominican Republic, Bolivia, Brazil, Myanmar, Pakistan has been identified as being at risk of forced labour by the [US Department of Labor](#). [Verite](#) has collected reports in forced child labour in Malawi, and debt bondage of sugar workers in India. [Coca-Cola](#) identified forced labour incidents at sugar farms and mills in Guatemala. For further information on forced labour risks in sugar sourcing, please see [Verite's Responsible Sourcing Tool](#).

Remedy:

9. What steps does your company take to ensure workers are fairly compensated and provided remedy when labour abuses have been identified (e.g. during the recruitment process of workers, at farm level or mill level)?
10. Please provide examples of outcomes of this remedy process (e.g. support reintegration of victims in the labour market).

Additional information

Please provide any further information regarding your company's activities on forced labour risks in sugar sourcing or your supply chain structure which you think is relevant (e.g. related to local stakeholder engagement, recruitment, supplier training or purchasing practices). Country specific examples are welcome, e.g. in the example of Brazil, participating in initiatives like [Brazil's National Pact to Eradicate Slave Labour](#), or ensuring not to source from companies on [Brazil's Transparency List on Contemporary Slave Labour](#).

At Mondelēz International, we have been focusing our sustainability efforts where we can have the greatest impact. In our raw materials supply chain, our efforts have primarily focused on cocoa and palm oil because this is where we know that we can make the biggest difference from an environmental and social perspective. (See findings of our environmental lifecycle assessment on page 9 of our [Progress Report](#))

We address labor risks in our cocoa supply chain through Cocoa Life, a holistic cocoa sustainability program we launched in 2012. With a \$400 million investment in cocoa communities, Cocoa Life aims to empower 200,000 farmers and reach 1 million community members by 2022 in our six key cocoa growing origins – including Ghana and Cote d'Ivoire as priority origins. Ultimately, our goal is to source all our cocoa sustainably, mainly via Cocoa Life.

When a new cocoa community joins the Cocoa Life program, our NGO partners (such as CARE, Solidaridad or Save The Children) conduct a thorough participatory needs assessment. The needs assessment covers focus areas and informs the program design with partners. As a next step, community members develop a Community Action Plan, facilitated by the Cocoa Life partners, which provides a detailed roadmap for community activation. Many of the topics on roadmaps address human rights, including child labor.

Interventions defined in the Community Action Plan cover actions to empower women, promote education and improve livelihoods in cocoa communities. These actions all help to reduce child labor by tackling its root causes. We work with cocoa communities to sensitize both children and parents on the importance of education and the risks of child labor to children's well-being. To further strengthen our approach, we commissioned human rights consultancy Embode to do assessments of child protection in the cocoa sector of Cote d'Ivoire, Ghana and Indonesia.

Embode commends Cocoa Life's uniquely holistic approach and direct work with cocoa communities, and recommends to continue to build on our existing approach to tackle the root causes of child labor. See reports published in May 2016:

Embode's Cote d'Ivoire report:

https://www.cocoalife.org/~media/CocoaLife/en/download//article/FULL_REPORT_Cote_Ivoire_Mondelez_Embode_ChildrenattheHeart.pdf

Embode's Ghana report :

https://www.cocoalife.org/~media/CocoaLife/en/download//article/FULL_REPORT_Ghana_Mondelez_Embode_ChildrenattheHeart.pdf

Based on Embode's recommendations, we are working together with government authorities and our partners (suppliers & NGOs) to harness the strengths of our community model to bolster our approach to child protection:

- implementing community-based Child Labor Monitoring & Remediation Systems (CLMRS)
- improving children's access to education
- linking into and helping to strengthen local child protection systems

Our [Palm Oil Action Plan Update](#) requires suppliers to assure protection of the rights of all workers, including migrant workers in their own operations and engage third-party suppliers to do the same, by providing annual assurance, verified by a recognized third-party labor rights expert, of continuous improvement in labor rights performance in own operations; and developing a roadmap with milestones to engage third-party suppliers to provide assurance of their labor rights performance in the same manner. In addition it requires suppliers to continue to engage smallholders in palm oil sustainability, by knowing the proportion of smallholders in own supply base and the proportion of smallholders engaged in sustainability programs and the progress, outcomes of these programs; and encouraging third-party suppliers to know and report in the same manner. We also address human rights issues indirectly by addressing climate change. Our 2020 goals are aimed towards reducing the impacts of climate change.

Background information:

This questionnaire has been sent to the following companies:

- Beverage companies: Coca Cola, FEMSA, PepsiCo, Monster Beverages
- Chocolate and confectionary manufacturers: Hershey, Mondelez, Nestle
- Sugar producers: Archer Daniels Midland (ADM), Associated British Foods (ABF), Wilmar International,

Please note your responses will be made public on the [Business & Human Rights Resource Centre website](#). In addition, we will publish a short analysis paper which will seek to highlight better practices, as well as companies and areas where disclosure is limited. For an indication of the types of practices KnowTheChain generally regards as better practices, please review the [methodology](#) and the [findings report](#) of [KnowTheChain's food & beverage benchmark](#).