Nestlé and Sime Darby Plantation launch worker helpline to tackle human and labor rights issues in palm oil supply chain



Nestlé today announced a collaboration with Sime Darby Plantation (SDP) to pilot a project that will help eliminate human and labor rights abuses in their shared palm oil supply chain in Malaysia. A highly enhanced helpline co-developed by the solution developer ELEVATE and Responsible Business Alliance, will allow workers to report on working conditions, recruitment, safety and other labor issues.

The robust helpline is the first of its kind in the palm oil sector and it builds on previous work in the manufacturing sector in Malaysia. It also utilizes ELEVATE's cutting edge Laborlink mobile worker survey platform, which aims to assess actual and potential human rights risk, deliver mitigation plans, and track effectiveness of actions taken.

Technology-enabled communication channels will allow workers to voice their concerns through channels that are most appropriate for them. These channels include SMS, Facebook Messenger or a toll-free number accessible seven days a week during peak call times, with after-hours messaging options. Workers' issues will then be handled via clear protocols with consistent attention to follow-up and resolution of issues. The objective is to significantly reduce the risk of human and labor rights abuses by giving workers an opportunity to report issues directly to trained helpline officers.

Magdi Batato, Nestlé Executive Vice President, Head of Operations, said:

This initiative marks another milestone in the implementation of the Nestlé action plan on labor rights in palm oil (pdf, 400Kb). We are very clear that human and labor rights abuses have no place in Nestlé's supply chain. This is why we are committed to tackling this issue and helping drive positive change in the palm oil sector.

We are working alongside other stakeholders including suppliers and we believe these ongoing efforts will help improve the lives of those affected by unacceptable practices,

The new initiative is built on Nestlé's Corporate Business Principles and Responsible Sourcing Standard (pdf, 3Mb). The Standard also covers the responsibility of Nestlé's Tier 1 suppliers to apply good labor standards in recruiting, compensating and caring about their workforce.

In the longer term, SDP and Nestlé aim to introduce and promote the helpline system to other players within the industry to address the challenges of managing issues related to their large labor force.

Nestlé is also fully engaged in cross-industry collaboration on human and labor rights issues in the palm oil supply chain. With other members of the Consumer Goods Forum (CGF), it commissioned a new research report (pdf, 4Mb) published on November 6, 2018 by the Fair Labor Association (FLA). The report assesses the forced labor situation in the palm oil sector in Malaysia and Indonesia. One of the highlights of the report is the need for companies to ensure that workers have access to functioning grievance mechanisms. The CGF also released a high-level action plan (pdf, 2Mb) based upon the FLA's recommendations laid out in the report.

The research report and the action plan provide an important opportunity for CGF members to increase transparency and disclosure. Among other activities, Nestlé will support engaging governments and certification bodies on the Priority Industry Principles and the development of industry guidance and tools to support their implementation.

Earlier this year, The Danish Institute of Human Rights and The Forest Trust published the industry's first collaborative assessment report looking at identifying labor and human rights impacts in Nestlé's direct and indirect palm oil supply chain in Indonesia. The assessment was conducted with support from Nestlé and one of its main suppliers Golden Agri-Resources (GAR). Following the assessment, Nestlé developed its labor rights action plan for palm oil.

Read more on our progress reports on Nestlé's action plans in the palm oil sector.

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