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2 December 2011

A year of action against child labour in the Turkish hazelnut sector: Activities and results

Introduction

A research mission of FNV Bondgenoten and Stop Child Labour found, during the harvest of Turkish hazelnuts in September 2011, that child labour is (still) being used on a wide scale and that working conditions are poor and wages low, especially among seasonal workers. Kurdish seasonal workers in the hazelnut sector earn far less than local Turkish workers for the same work. So far, big companies that process hazelnuts, like Ferrero, Unilever and Wessanen, have not taken any concrete steps to improve the situation.

On 19 October and 14 November this year the current affairs programme EénVandaag again highlighted the issues surrounding hazelnut harvesting in Turkey. These reports confirmed the continued use of child labour in the hazelnut sector and the lack of action by companies.

In the past year, Stop Child Labour and FNV Bondgenoten have called for attention to the situation of seasonal workers and their children in Turkish hazelnut farms in various ways. Below is an overview of what was undertaken in the past year and the efforts of the Turkish government, the multinational companies involved, Dutch and European politicians and civil society organisations.

Companies acknowledge the problem but remain vague about their approach

On 19 and 20 October 2010, the Dutch current affairs programme EénVandaag broadcast a report by Mehmet Ülger on child labour in the Turkish hazelnut sector. Following this broadcast Stop Child Labour sent a letter to more than ten companies to inquire whether they source hazelnuts from Turkey and if so, how they prevent or fight child labour and the violation of labour rights in the hazelnut sector. The companies in question were invited to the première of the documentary "Children of the Season" by Mehmet Ülger on seasonal migration in Turkey, which was shown at De Balie on 19 November. The Federatie Nederlandse Levensmiddelen Industrie (FNLI, the Federation of Dutch Food Industries) and companies like Nestlé and Unilever also attended the première and gave an initial reaction to the documentary.

Some of the companies that were sent a letter never responded to the first letter, namely AHOLD, Peeters Producten (Duo Penotti) and Intersnack. The eight companies that did respond are: United Biscuits, better known in the Netherlands through its subsidiary Verkade, Royal Wessanen with the Zonnatura brand, Unilever, Mars, Kraft Foods, Nestlé Nederland and Ferrero. Trade organisations Nederlandse Zuidvruchten Vereniging (NZV, the Tropical Fruit Association) and FNLI also responded to the letter. The Vereniging van Bakkerij en Zoetwarenindustrie (VBZ, the Association of Bakery and Confectionery Industry) concurs with the statement of the FNLI. An interview was conducted with the Dutch Central Bureau for Food Trade, CBL. Although Tony Chocolonely had not been sent a letter, they did respond.

Almost all companies indicated that they were shocked by the documentary and that they are against child labour. Most companies also stressed that they would like to cooperate with other parties, including NGOs, local authorities and other stakeholders. The FNLI, to which almost all of the above companies are affiliated, announced shortly after the broadcast that it wished to play an active role in fighting child labour in the Turkish hazelnut sector. It was agreed that an investigation would be conducted into the supply chain in the Turkish hazelnut sector and that a round table meeting with members of the FNLI that operate in the hazelnut sector would be organised.

On 30 May 2011 a meeting was held between Stop Child Labour, FNV Bondgenoten, FNLI, Nestlé, Ferrero and Unilever. It became clear that some companies intended to investigate the issue further, but that no concrete results were to be expected in the short term. Following this meeting, Nestlé and Kraft Foods contacted Stop Child Labour to discuss the activities undertaken by them. To our knowledge, they are also the only companies that have investigated the issue in order to better understand their hazelnut supply chains and the situation of the workers and their children.

All companies that responded in early 2011 to the letter sent by Stop Child Labour and FNV Bondgenoten indicated that they are against child labour and that they have imposed on their suppliers the requirement that no child labour should be used. In most cases, however, this concerns only the most direct suppliers, so not the farmers who produce the hazelnuts, let alone the workers who pick the hazelnuts. Almost all the companies stress that they would like to cooperate with other parties – including local authorities, NGOs and other institutions – to address the problem and some say they are already doing so. Half of the companies indicated, more or less clearly, to *want a better picture* of the nature and scope of child labour and of other labour law issues related to hazelnut harvesting at the farms. As mentioned above, to our knowledge only Nestlé and Kraft Foods have already taken steps to investigate the issue (see below).

Besides meeting with the FNLI, Ferrero, Nestlé and Unilever, the following discussions were also held with the companies.

- In late 2010 and early 2011, FNV Bondgenoten administrators held a number of discussions with companies who had been contacted about the problem.
- In Rotterdam a meeting took place on 19 April 2011 with director/owner Y. Soytürk of Finma, a wholesaler's in Turkish hazelnuts. He was convinced that no children work in the Turkish hazelnut sector.

In March 2011, Stop Child Labour responded to the letters from all the companies that had been contacted and concluded:

"There is certainly a willingness to take action against child labour in the hazelnut sector, but this is usually not translated into concrete action. Most of the companies remain vague about whether they actually intend to do something at the level where the problem is actually occurring, i.e. the farms where the hazelnuts are harvested." And: "A number of companies have indicated that they want to take action down to the level of the hazelnut farms in order to eliminate child labour, which is very positive. Apparently they see opportunities to do so, although it is not yet clear how this will be done specifically. This means that other companies, especially the big ones, also have possibilities for such an approach."

Stop Child Labour advised companies to address child labour in the supply chain with the help of the "Action plan for companies to combat child labour". The campaign also recommended identifying the situation in Turkey and cooperating with the Turkish government, local trade unions and NGOs to get children back into school.

The Turkish government

Following the attention given by the Dutch media, civil society organisations (Stop Child Labour, FNV Bondgenoten) and the Dutch Lower House to child labour in the Turkish hazelnut sector, more has become known about the activities the Turkish government is undertaking to address this issue and other issues

related to seasonal migration. This attention also seems to have triggered further action regarding seasonal migrants in the hazelnut sector.

Turkey has succeeded in significantly reducing child labour. According to Turkstat (the Turkish bureau of statistics), in the period between 1994 and 2006 the percentage of working children in the age group of 6 to 17 years dropped from 15.2 to 5.9 percent. In its 2010 report entitled "*Accelerating Action Against Child Labour*",ⁱ the ILO (International Labour Organisation) commends Turkey for its active approach against child labour. Turkey has ratified both Conventions against child labour and has initiated programmes to address child labour. According to the ILO, 200 labour inspectors are working full-time to fight child labour and 600 labour inspectors have received additional training for this.

Nonetheless, various publications on child labour in Turkey note that child labour in the agricultural sector and in seasonal migration still occurs frequently. According to the 2006 *Child Labour Survey*, there are still 390,000 children between 6 and 18 working in the agricultural sector.ⁱⁱ The total number of child workers between 6 and 15 years is 320,000, 40% of whom work in agriculture. It was also noted that: "The worst conditions are found among children who work on the street, in the furniture and leather industries and as seasonal workers in agriculture."ⁱⁱⁱ

The ILO report "*Ending Child Labour: A comprehensive review of Turkish experience*" notes that although in decline, child labour in seasonal agriculture is still a problem mainly because of the lack of capacity to enforce the minimum age requirement for work. The report also says that "During peak periods in work, children do not attend school regularly, fall behind in their school work and are unable to catch up when they do go back to school."^{iv}

The Annex of a letter from European Commissioner Füle to MEP Emine Bozkurt dated 19 November 2010 contained a circular from the central Turkish government of March 2010 setting out measures to address the needs of seasonal workers in agriculture. These relate, among others, to accommodation and social provisions at the workplace, regional boarding schools and mobile schools as well as financial compensation for the parents of schoolchildren, health checks and mobile health services, compulsory registration of labour agencies and mediation in disputes about wages, transportation for migrants between their workplaces, literacy classes and socio-cultural and vocational training, especially for women and girls, the identification of seasonal labour and the creation of a database of seasonal agricultural work by the *Turkish Employment Agency*.

A background paper from the European trade association CAOBISCO (dated 30 September 2011) also lists various measures announced by the Turkish government to address child labour in the hazelnut sector and to improve working conditions. In part, these correspond to the measures described above. Other measures mentioned are childcare for children between 2 and 15 in harvest areas, the provision of clothes (including school uniforms), books and writing material, media coverage of child labour, health training for mothers and dissemination of information material (brochures, posters and short films). The National Ministry of Education has issued a circular with a number of measures aimed at providing education to the children of seasonal agricultural workers, including migrants.

According to the CAOBISCO paper the provincial authorities have since reached 165,000 farm workers in 23 provinces, including 15,000 in the hazelnut producing provinces of Ordu and Giresun. Of the 44 (2010), 27.5 (2011) and 21 (2012) million Turkish lira set aside for activities for seasonal workers, over two-thirds was or will be spent on accommodation (tents, electricity, drinking water, showers, kitchens, etc.), 5 percent on education and 22 percent on play areas for children, maintenance, transportation, security and the like.

Apart from the above-mentioned activities of the provincial authorities, FNV Bondgenoten and Stop Child Labour have no official data on the extent and quality of implementation of the other measures announced. During the working visit in September, however, a number of own observations were made; these are discussed below.

On 18 March 2011, a meeting took place with staff of the Turkish Embassy in The Hague who gave us information about, among others, the Turkish policy against child labour.

Activities by businesses at the European level

In April 2011, the European trade organisation for chocolate, biscuits and confectionery, CAOBISCO, issued a statement about the working conditions on the hazelnut farms in Turkey. Since then, CAOBISCO has raised the issue with the Turkish government and the topic has been placed on the members' agenda. CAOBISCO has also worked on *Responsible Sourcing Guidelines* aimed at assisting its members to eliminate child labour from their chains in an effective way. On 22 November of this year CAOBISCO issued a new statement (see the text box below) on its website which clearly indicates that these *Responsible Sourcing Guidelines* are in place^v. These can be found at the COABISCO website^{vi}. In this statement CAOBISCO also refers to the Turkish government's action plan to improve the situation in the hazelnut sector (see above). CAOBISCO states that it supports and encourages the plans of the Turkish government in this area.

CAOBISCO Statement 22 November 2011

CAOBISCO and its members together with major exporters and buyers

- 1. encourage the Turkish government to ensure that:*
 - ILO conventions are enforced in the hazelnut supply chain at farm level*
 - An independent and reliable monitoring system is in place to report on the progress achieved*
- 2. collaborate with all interested stakeholders to find solutions and to support the local economic and social development in Turkish hazelnut growing communities*

CAOBISCO has developed industry-wide Responsible Sourcing Guidelines which encourage and support all members to:

- ensure that products and notably hazelnuts acquired through their suppliers have been obtained and transformed in full compliance with all local and other applicable laws, regulations and norms, as well as with the requirements established by the applicable International Conventions, Agreements and/or Declarations (ILO and UN Conventions and Human Rights Declaration);*
- verify what concrete steps their suppliers have taken, work with suppliers to achieve the respect of the above clause and on improvements that need to be made throughout the supply chain;*
- in the case there is undisputed evidence of non respect of the above clause to act together with the relevant local and/or national authority in order to resolve the issue.*

Nestlé and Kraft are investigating the issue

As far as we are aware, Nestlé and Kraft Foods are the only two companies that had their own investigation done in the region. Kraft Foods' investigation supports the conclusions of Stop Child Labour as stated in the letter sent in March 2011. Kraft Foods is therefore aware that child labour is involved in hazelnut harvesting in the Black Sea region. We do not (yet) know what steps Kraft Foods is taking to eliminate child labour in its hazelnut supply chain. Stop Child Labour urges Kraft Foods to share information from their research report that may be relevant to the other parties and to publish its plans for a practical approach to the problem.

Nestlé started a cooperation with the *Fair Labor Association (FLA)* to investigate child labour and the working conditions in its hazelnut supply chain. During the harvest season (August 2011), the FLA investigated compliance with Nestlé's Supplier Code (including a clause on child labour), the Turkish law and international norms. Nestlé received the FLA's report in early October. Although no violations were found at the direct suppliers, this was not the case at the hazelnut farms. One of the complications is that it is not possible to trace which farms supply hazelnuts to the factories that produce for Nestlé: the chain is too complex and fragmented.

Many farms were visited on the basis of a spot check and a total of 377 workers were interviewed, 168 of whom were under 16. Approximately 50 percent of the latter were younger than 14. Most of these children are from the region itself and said that they go to school the whole year, but a considerable number of children are from other regions and do not attend school the whole year because of seasonal labour.

José Lopez, Nestlé's *Executive Vice President for Operations*, confirms that the situation in the hazelnut sector is unacceptable and has indicated that Nestlé is currently working on a concrete action plan. One of the issues the company will address is the traceability of the hazelnuts, which is essential to adequately monitor the labour situation in the supply chains. Nestlé has informed us that it will continue its cooperation with the FLA in implementing the action plan.

Stop Child Labour has requested Nestlé to publish the information and recommendations contained in the FLA report. The report is not only relevant for Nestlé but also for other companies and stakeholders to arrive at a thorough analysis and a solid plan of action. Nestlé has already indicated that it will publish the information in the report and its action plan and that it will keep stakeholders updated on progress and further developments. Under the FLA rules, companies have a period of 60 days in which to prepare an action plan before a public report is published. This means that we can expect the report and Nestlé's action plan sometime in December.

Response by Dutch and European politicians

After the EénVandaag broadcast in 2010, the topic was also put on the Dutch and European political agendas. The initial response by Dutch and European politicians was aired in the second EénVandaag item on 20 October 2010, one day after the first report was broadcast. Four sets of questions were put forward by five parties in the Dutch Lower House: CU (Christian Union) and SP (Socialist Party) jointly and also CDA (Christian Democratic Appeal), D66 (Democrats 66) and GroenLinks (GreenLeft).^{vii}

In answering their questions, Minister of Foreign Affairs Rosenthal and Secretary of State for Economic Affairs, Agriculture and Innovation Bleker put into perspective the possibilities that companies have to fight child labour in the hazelnut sector. The minister and state secretary asserted that "Dutch hazelnut processing companies are unable to make a fist." They also argued that "Companies should of course do what can reasonably be expected of them to fight child labour in their supply chains, but they cannot be held responsible for solving the problem of child labour as a result of seasonal migration in Turkey." The government also asserts that "The Turkish government has primary responsibility" and believes that it is taking its responsibility to fight child labour seriously. What the Dutch government can do, as suggested by the answers, is summarised as follows:

- The Dutch government is strongly pushing for the EU's insistence on maintaining and intensifying the Turkish policy against child labour.
- Early 2011, discussions were again held with the industry on follow-up action and the need, if any, for facilitation, for example by establishing contact with the Turkish government, the ILO or other organisations on specific issues encountered by Dutch companies.
- The topic will be discussed in bilateral contacts (both political and administrative). This is particularly relevant as regards the annual meeting of the Ministry of Social Affairs with its Turkish counterparts.

In its response the government also stated that the FNLI should urge its members to investigate the problem of child labour and to take appropriate action.

Stop Child Labour and FNV Bondgenoten believe that the Turkish government does indeed play a primary role in fighting child labour, but that the role businesses can and should fulfil has been downplayed. According to the new OECD Guidelines, which are endorsed by the Dutch and other European governments, companies indeed have a responsibility to do everything possible to address violation of labour rights in their supply chains. In the case of the hazelnut processing companies, this does not predominantly concern Dutch companies but rather influential multinationals, all of which are members of the FNLI. Both individually and collectively, companies can certainly play a major role in addressing the problems.

On 8 April 2011, the CU, PvdA (Labour Party), GroenLinks, SGP (Reformed Political Party), Partij voor de Dieren (Party for Animals) and SP again asked parliamentary questions about child labour and underpayment of adults in the cocoa and hazelnut sectors.^{viii} In its answer to the question put forward by these parties whether the full membership of the FNLI could perhaps jointly "make a fist", the government reiterated that there are limits to what these companies can be expected to do. It specifies this by saying that the activities undertaken by the members of the FNLI are "substantiation of their supply chain responsibility." These activities include "urgent and active" efforts on the part of FNLI to bring child labour to the attention of its members, encouragement by FNLI that members should comply with local legislation and international guidelines in their contracts with suppliers, insistence by FNLI that its members investigate child labour and take appropriate action, and raising of the issue by FNLI with the Turkish government, Turkish sister organisations and European cooperation partners in the food industry.

What is remarkable about this response is that the government considers the above to be substantiation by the *members of the FNLI* of their chain responsibility, *whereas no activities whatsoever by FNLI members themselves are mentioned*.

Following the EénVandaag items of 19 October and 14 November 2011, which made it clear that child labour still occurs in the Turkish hazelnut sector, all parties in the Lower House (excluding the PVV, Party for Freedom) submitted another series of parliamentary questions about the issue on 14 November 2011.^{ix} The Lower House wants to know whether the government believes that "the current forms of compliance and control in the hazelnut sector, but also in the cocoa sector, are sufficient." "What action has been undertaken since October 2010?" "How is it possible that one year after the observation of child labour in the hazelnut sector there is still no monitoring of child labour?" "Do you believe that the companies that buy these hazelnuts are failing in their responsibility?" And: "What improvement actions have been agreed on and implemented to get children out of work and into school, in consultation with the trade associations and their members?" "Could you provide the Lower House with this improvement plan?" And "What is the outcome of the annual SZW consultation between Turkey and the Netherlands on this issue?"

The Lower House is clearly dissatisfied that both the government and the companies concerned have taken such little visible action and achieved so few results. Stop Child Labour and FNV Bondgenoten held a number of discussions with officials from the Ministry of Economic Affairs, Agriculture and Innovation and the Ministry of Social Affairs and Employment.

The issue also received considerable attention at the European level. MEP Emine Bozkurt submitted questions about the problem on 26 October 2010, which were answered by European Commissioner Füle on 3 December 2010^x, in which he said the following:

"The Commission will pursue its dialogue with the Turkish authorities on the prevalence of child labour, including in hazelnut farms, during the sub-committee meetings planned for 2011 under the EU - Turkey Association Agreement, and as part of its regular dialogue with the Turkish authorities on the Copenhagen political criteria." Füle also promised strong commitment to this issue in a letter addressed directly to Bozkurt. Incidentally, Füle referred to a circular from the Turkish government setting out concrete measures to address a number of needs of seasonal migrant workers.

On 11 November 2011, MEPs Emine Bozkurt and Thijs Berman of the Dutch Labour Party again asked questions, including:

- "Has the Commission actually pursued the dialogue on child labour with the Turkish government?" "If so, what has this dialogue achieved?"
- "Turkish hazelnuts are exported predominantly to the European Union. What measures does the Commission intend to take to ensure that European employers comply with the most important conventions of the ILO?"

Incidentally, Commissioner Füle recently said that "there has been no measurable progress in terms of child labour" and that "there is no system to ensure that child labour is stopped."

Fact finding mission of FNV Bondgenoten and Stop Child Labour

In September 2011, a delegation visited the Black Sea region where hazelnuts are farmed as well as the South, where the seasonal workers come from. The objective was to see for themselves how the seasonal workers live and work and to find out what has changed in a year's time. A full report of the trip is available at <http://www.stopkinderarbeid.nl/Nieuws/Hazelnuten-oogsten-in-Turkije>

Some findings:

- Children still work on the hazelnut farms. The younger children who stay behind in the tent camps during the day have little to do and there is no school they can attend. This year some playground equipment was put up, but there is no organised entertainment or recreational activities for the children.
- The Turkish government has set up better camps with clean drinking water, sanitation and recreational areas, but in many places the water supply for showers and toilets is defective.
- There are no structural improvements for seasonal workers, such as higher wages or an employment contract.
- Labour subcontractors have a lot of power and earn a lot of money from the workers. The subcontractors receive money from the farmers and keep a percentage of the earnings for themselves before they pay the workers. Nowhere is it laid down what percentage the subcontractors are allowed to retain.
- A committee determines the wages before the harvest season begins. However, there is no control of the sums actually paid out. In practice, workers from the region earn approximately TL 45 (one Turkish Lira is approx. EUR 0.40) for eight hours' work during the harvest period. Contract migrants from Georgia earn around TL 38 a day and Kurdish seasonal migrants around TL 28-30 a day. A significant difference is that not only are Kurds paid less, but instead of working eight hours a day they have to work eleven hours a day. This is also the case for children, who are often paid even less than adults.
- Child workers are lucrative for employers. They are more productive because their height allows them to move more easily between the bushes and also pick hazelnuts from the ground faster.

Conclusions of the working visit

1. There is no doubt that child labour is commonly used for the hazelnut harvest (among other crops). This results in a considerable amount of absence from school – not only by the children who are working, but also by the younger children who must travel with their parents and are consequently unable to attend school either.
2. The wages, especially those paid to Kurdish seasonal workers, are low and contribute to the continuation of child labour. The difference in remuneration, employment and working conditions between the different population groups is contrary to the non-discrimination principle, one of the fundamental labour rights of the ILO.
3. The Turkish Government has acknowledged the child labour issue, but the government's response is currently limited to providing some facilities in the camps. There was no sign of actual monitoring or attempts to combat child labour by the public authorities.
4. The workers are highly dependent on the subcontractors, to whom they have to cede 8 to 10% of their income. These subcontractors are not registered and are not monitored by the government, which can lead to abuses such as child labour, low wages and bad working conditions.

5. With the exception of education union *Eğitim Sen* and petrochemical workers' union *Petrol İş*, the established trade unions give scant attention to the issue of child labour in seasonal migration. Other organisations which are committing themselves to the seasonal migrants are not noticeably present, if there are any.

In conclusion

The documentary footage of Mehmet Ülger and other material on child labour and working conditions in the Turkish hazelnut sector spurred Stop Child Labour and FNV Bondgenoten in October 2010 to raise the issue with a large number of companies as well as Dutch and European politicians. FNV Bondgenoten and the Dutch General Education Federation (Algemene Onderwijsbond) also established contacts with trade union counterparts in Turkey in order to obtain a better understanding of the situation and to inform them of the coverage of this issue in the Netherlands and at EU level.

After just over a year we can see that the issue has received much attention from businesses and from Dutch and European politicians. While many companies have not yet taken action, it is encouraging that a number of large companies (Nestlé and Kraft Foods) have taken the first steps by conducting their own investigations into the working conditions in their hazelnut supply chains.

A large portion of the Lower House has also been very active in this matter. In the past year a series of parliamentary questions was put forward on three occasions, the most recent one by almost the entire Lower House. MPs want Dutch companies to be held responsible for the entire chain and for them to present and implement a clear improvement plan.

At the European level, the S&D (Progressive Alliance of Socialists and Democrats) / PvdA on two occasions put questions to European Commissioner Füle, who has clearly indicated that this issue is an important topic in the negotiations with Turkey on EU accession. In November this year he also expressed discontent about the lack of progress in addressing child labour.

The overall conclusion of the mission of FNV Bondgenoten and Stop Child Labour in September 2011 is that changes have been observed in Turkey in the past year. European focus on the situation in the hazelnut sector has ensured that stakeholders on the Turkish side have become more aware of the issues. The Turkish government acknowledges the problem and has taken a number of measures to improve the camps that accommodate the seasonal workers. Effective implementation of legislation and announced measures has not been forthcoming, however, despite the Turkish government's promise of tighter control. In summary, children are still working in the hazelnut sector and a structural solution to the problem is not yet in sight. The results of the first year are certainly encouraging, but it is important to establish a thorough approach that focuses on the root causes of child labour and poor working conditions in the Turkish seasonal labour industry.

ⁱ http://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_126752.pdf

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<http://www.ilo.org/public/english/region/eurpro/ankara/areas/childlabourinturkiyepdf/clreviewturkishexperience.pdf>

ⁱⁱⁱ <http://www.ialsnet.org/meetings/labour/papers/Tuncay-Turkey.pdf>

^{iv} Ditto

^v <http://www.caobisco.com/article.asp?artID=75>

^{vi} <http://www.caobisco.com/page.asp?p=231>

^{vii} <http://www.indianet.nl/pdf/vr101214.pdf>

^{viii} See: <http://www.indianet.nl/pdf/kv110426.pdf>

^{ix} See: <http://www.indianet.nl/pdf/kv111114.pdf>

^x See: <http://www.europarl.europa.eu/sides/getDoc.do?pubRef=-//EP//TEXT+WQ+P-2010-9177+0+DOC+XML+V0//NL&language=NL>