

GUIDE FOR SMALLHOLDER FARMER ORGANISATIONS

# Implementing Human Rights and Environmental Due Diligence (HREDD)

**Why and how to align your policies  
and processes with HREDD?**



## THIS IS A STARTER KIT TO HREDD FOR FARMER COOPERATIVES AND ASSOCIATIONS OPERATING IN DIVERSE CONTEXTS IN AFRICA, ASIA AND LATIN AMERICA.

Fairtrade works with over 1500 farmer organisations in high-risk areas. Many farmer organisations have not yet heard about HREDD – but **have for long been implementing due diligence activities** on human rights and the environment.

Value is distributed inequally in many global supply chains, and farmer organisations often have **very limited resources** for HREDD work. International HREDD guidelines recognise, that these organisations' HREDD work may be limited in scale and complexity (UNGP 14) and buyers should support this work (UNGP 22).

Fairtrade strives for impact. Therefore, instead of introducing the highest and strictest HREDD requirements, we seek to put forward **Standards, guidance and support**

**with the greatest possible impact on HREDD work, human rights and environmental sustainability.** Hence, this guide aims to offer advice and tools that are clear and feasible for farmer organisations to implement.

We consider the grievance mechanism and remediation as integral components of the due diligence process. We call on others to do the same.

Fairtrade has also developed a facilitation guide, used in Fairtrade-organised HREDD trainings for farmer organisations. **For further information**, please contact

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*This guide and the related Fairtrade Risk Assessment Tool can be found online on <https://www.fairtrade.net/standard/spo>*

# Introduction

People, governments and companies around the world are increasingly aware that **trade is not always fair** to people nor good for the environment. For example, many farmers get very low prices for their products, and struggle to keep their families fed, children at school and forests protected.

These problems cannot be fixed overnight. Buyers, farmer organisations, public officials, and other actors need to cooperate to reduce them.



**TO RENDER BUSINESS FAIRER,  
ALL ACTORS IN SUPPLY CHAINS ARE  
EXPECTED TO PERFORM HREDD  
AND COOPERATE TO REDUCE  
THE PROBLEMS.**

**To render business fairer, all actors in supply chains are nowadays expected to perform human rights and environmental due diligence (HREDD) and cooperate with one another.** Essentially, HREDD is a process of reducing human rights and environmental problems linked to the particular supply chain.

Farmer organisations and companies need to identify and focus on the issues that are most serious in their supply chain, production area and organisation.

Fairtrade-certified farmer organisations are implementing several HREDD activities already. Common activities, which are also part of the HREDD process, include:

- risk assessments,
- training of staff and farmers on environmental and social issues or child labour,
- developing and implementing policies on gender, child labour or forced labour and
- monitoring of member practices, for example through internal audits.

**This guide aims to build upon farmer organisations' current work and suggest how these organisations can develop a full HREDD process.**

## Contents

Introduction	2
What is Human Rights and Environmental Due Diligence?	3
<b>Step 1: Commit</b>	6
<b>Step 2: Identify</b>	8
Risk Assessment	8
Grievance Mechanism	11
<b>Step 3: Address and Remediate</b>	13
Policies and Procedures	13
Action Plan	15
Remediation	16
<b>Step 4: Track Progress</b>	18
<b>Step 5: Communicate</b>	19
Annexes	20
Annex 1: Example of Child Labour and Child Protection Policy	21
Annex 2: Example of Action Plan	25
Annex 3: Proposed Indicators for Fairtrade Risk Assessment	27
Links to other HREDD resources	30
Summary: Steps of the HREDD Process	31



# What is Human Rights and Environmental Due Diligence?

Human Rights and Environmental Due Diligence (HREDD) is about working step-by-step to reduce human rights problems and damage to the environment.

**Human rights** are the basic rights and freedoms of every human being. Some examples are:

- Right to a decent standard of living
- Rights of the child
- Equal rights to men and women
- The right to clean, healthy and sustainable environment

**Environmental sustainability** is achieved when natural resources can sustain wellbeing now and in the future.

Some examples to achieve this are:

- Protection of forests and biodiversity.
- Reduction of air, soil, water and noise pollution.
- Reduction of climate emissions.

For a longer list of human rights and environmental issues that are highly relevant for Fairtrade certified products and supply chains, please see page 9.

**Due diligence** is an ongoing process of managing risks and problems. It can focus on any type of risks, like business risks or financial risks. In HREDD – and in this guide – we focus on risks to people and the environment.

**The HREDD process has five steps.** An organisation

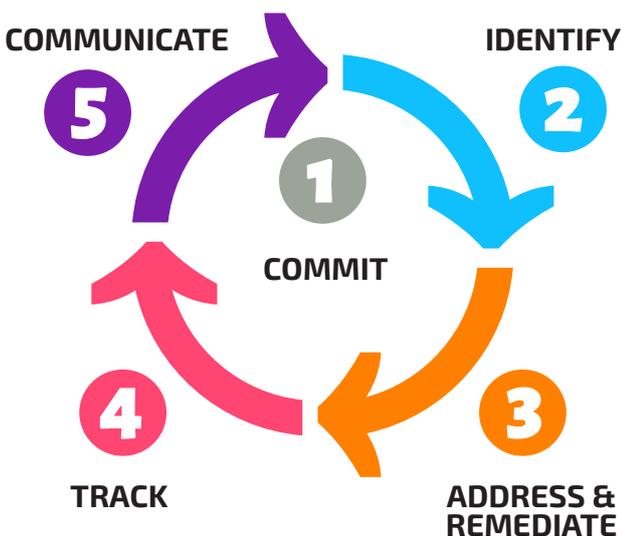
1. **commits** to respecting human rights and the environment
2. **identifies** the biggest human rights and environmental problems linked to its operations and value chains
3. takes action to **address and remediate** those problems
4. **tracks** progress
5. **communicates** about this work to its stakeholders

At every step, the organization is expected to consult people, who are affected by its operations. As far as possible, farmer organisations should consult their members, members' workers and other local people.

All organisations that produce, sell or buy products or services are expected to develop an HREDD process. All supply chain actors, including farmer organisations, need to do their part.



**HREDD IS ABOUT WORKING STEP-BY-STEP TO REDUCE HUMAN RIGHTS PROBLEMS AND DAMAGE TO THE ENVIRONMENT.**



**AT EVERY STEP, THE ORGANIZATION IS EXPECTED TO CONSULT PEOPLE, WHO ARE AFFECTED BY ITS OPERATIONS.**



## Why is HREDD important for farmer organisations?

- When a farmer organisation performs HREDD, it becomes stronger in serving the expectations and **needs of its members**, workers and the local community.
- HREDD is a flexible, participatory process that each farmer organisation can design for itself, **taking charge** of identifying and responding to human rights and environmental incidences and risks.
- When a farmer organisation has identified the biggest challenges and solutions, the organisation and Fairtrade can **better call on buyers to support** these solutions. Where buyers have contributed to the human rights and environmental problems, for example by paying too low prices, they have the responsibility to co-invest in solving these problems<sup>1</sup>.
- **Buyers increasingly expect** HREDD from producer organisations, because European and other laws require buyers to know and show their human rights and environmental sustainability risks in their supply chains. Therefore, performing HREDD can be important for market access.
- In **Fairtrade Standard** reviews, HREDD related requirements are being strengthened step by step, to ensure that buyers, governments and consumers recognise Fairtrade as a sign of good practices.
- For West African cocoa producers, it's particularly important to develop a HREDD process, because the forthcoming **African Regional Standard (ARS)** includes stringent HREDD requirements.



**DEVELOP YOUR HREDD PROCESS  
OVER TIME: START WITH A SIMPLE  
PROCESS AND STRENGTHEN IT  
OVER THE YEARS.**

## Where has HREDD come from?

The idea that business organisations have a responsibility to perform HREDD was agreed at the United Nations Human Rights Council in 2008. This responsibility was clarified in the UN Guiding Principles on Business and Human Rights (UNGPs) in 2011.

Since then, several countries have designed **laws on HREDD**, so some or all steps of HREDD are now compulsory for large companies operating in many European countries and Australia.

### Key materials

- The UNGPs: [www.ohchr.org/documents/publications/hr.pub.12.2\\_en.pdf](http://www.ohchr.org/documents/publications/hr.pub.12.2_en.pdf)

- Due diligence guidance by the OECD: <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

### Videos

- Why should your company care about human rights (by Econsense): <https://youtu.be/mCtNx3hHZ08>
- Introduction to UNGPs: <https://shiftproject.org/re-sources/ungps101/>
- Due diligence (by Danish Institute on Human Rights): <https://youtu.be/pQaW3ZqPizU>

## Leading practice for developing a HREDD process

- Develop the HREDD process step by step: Start with a simple process and strengthen it over the years.
- Start with what you already have. See where the gaps are and plan improvements.
- Keep it simple and practical: A plan that is not implemented is not useful to an organisation or the affected people.

For further HREDD guides, see page 20.

<sup>1</sup> This is clarified in the United Nations [Guiding Principles on Business and Human Rights](https://www.ohchr.org/documents/publications/hr.pub.12.2_en.pdf), Principle 22 (pages 24–25).



# Step 1: Commit

The first step of HREDD is to publicly **commit yourself** to respecting human rights and environmental sustainability. To do this:

- Sensitise management and staff
- Develop and sign a commitment to respect human rights and environmental sustainability
- Assign responsibilities to relevant members of senior management and staff
- Raise awareness among staff, members and farm workers

## Sensitise management and staff

Management awareness and support for HREDD work is important from the beginning. Staff members working on environmental or social issues also need to gain an orientation to HREDD.

As the first step, your organization can discuss the above chapters (Introduction and What is HREDD) and this whole guide. Throughout this guide, you also find links to additional videos, tools and guides on HREDD.



**YOUR FIRST COMMITMENT NEED NOT BE LENGTHY OR COMPLICATED.**



**YOUR ORGANISATION PROBABLY ALREADY PERFORMS SOME HREDD STEPS, EVEN IF YOU HAVE NOT CALLED IT “DUE DILIGENCE”.**

## Develop and sign a Commitment

A written commitment to respect human rights and environmental sustainability and to develop a HREDD process clarifies your goal and guides future work.

Further, when your organisation shares this commitment with members, business partners and other local partners, they see that you actively seek to avoid harms to people or the environment.

Your first commitment need not be lengthy or complicated. On the next page you find a sample commitment that you can adapt to your organisation. You can update your commitment after a few years, when your HREDD work has progressed, and include more information about how you have organised your due diligence process and division of responsibilities.

## Assign responsibilities

By assigning responsibilities, you involve the key people in the HREDD process and show that it is important. Assign the responsibility for oversight to a relevant member of senior management, and the responsibility for developing and implementing the due diligence steps to relevant members of staff and/or committees. Relevant members of staff may include operational managers and officers, Fairtrade officers or experts of risk management, social compliance, environmental management or internal control.

### Leading practice for awareness raising

- One way for raising awareness is to invite a victim of any violation (pesticide exposure, discrimination, forced labour etc) to share his/her experience.
- Some farmer organisations use sketches and roleplays to trigger discussions. Sketches can be performed by professional theatre groups, but also simple sketches by members can be very effective.

### Further guidance on developing the Commitment

- UN Global Compact, 2015. How to Develop a Human Rights Policy: A Guide for Business. <https://www.unglobalcompact.org/library/22>
- Example: Fairtrade's Human Rights Commitment, 2020. <https://files.fairtrade.net/Fairtrade-Human-Rights-Commitment-Paper.pdf>



Note that your organisation probably already performs some HREDD steps, even if you have not called it “due diligence”. For example:

- Risk and needs assessment work is related to HREDD step 2: Identify
- Work on child rights, labour rights, gender rights, health and safety, and environmental practices, for example, is part of HREDD step 3: Address and Remediate
- Work to monitor member practices, including internal audits, is part of HREDD step 4: Track

### Raise awareness

Awareness raising is about:

- Informing and educating your board, management, staff, members, farm workers, suppliers and other partners about their rights and responsibilities as well as your organisation's commitment to human rights and environmental sustainability, and
- Influencing attitudes and behaviours towards protecting human rights and environmental sustainability.

Awareness raising is a process and not a one-time event: people's attitudes and beliefs are shaped by traditions and the environment and usually change slowly. It can be done through presentations and discussions at meetings, training programmes, or distribution of posters, leaflets, and infographics.

You can request awareness raising materials, orientation or training from your contact person at your Fairtrade Producer Network. Many types of awareness raising workshops and materials are also often available from local government agencies, civil society organisations, trade unions and trading companies.

### Note on tracking awareness raising activities

It is advisable to record the number of type of your awareness raising activities and collect some participant feedback to monitor how useful the activities are and make improvements where needed.

## Example: Commitment to Human Rights and Environmental Sustainability

1. With this document, the **XX** [*name of the organisation*] commits to respecting the internationally recognised human rights and environmental sustainability, including:
  - Rights of the child
  - Labour rights
  - Equal rights for all people
  - Protection of the climate and natural environment
2. We actively seek to avoid causing or contributing to adverse human rights and environmental impacts. If such impacts occur, we will seek to correct them.
 

As a Fairtrade certified organisation, we already work to prevent, mitigate, cease and remediate several adverse impacts. For example, we implement policies and plans on **X, Y and Z** [*list any human rights and environmental topics you have policies on, for instance child protection, gender, workers' rights or climate adaptation*].
3. We will strengthen our due diligence process over time. We seek continuous development in identifying, addressing and remediating adverse impacts on human rights and environmental sustainability, and tracking and communicating about our progress. This work is overseen by our **XX** [*title of the assigned manager or director*].
4. To advance our members', workers' and all people's rights, we call for concrete collaboration among supply chain actors. We seek partnerships and collaboration with our business partners, government agencies and civil society experts, to strengthen our human rights and environmental work.
5. We look for business partners who also respect human rights and the environment.
6. We will raise awareness about human rights and environmental sustainability and this commitment among our members, and seek to communicate this commitment to our business partners and other stakeholders.

This Commitment has been approved by **XX** [*for example the Board*] in **XX** [*city and country*] on [*day, month, year*].

# Step 2: Identify

The second step in HREDD process is to identify the salient – or most serious and common – human rights and environmental risks and problems linked to your organisation and production. Note that this risk assessment is about risks and problems to people and the environment - not about risks to your business.

These risks and problems are often not caused by you – the root causes often include such factors as poverty, unfair division of value in global supply chains, limited public services, discrimination and environmental calamities. But you can only manage the risks and problems if you first recognise and document them.

You may be reluctant to identify risks and problems because you then need to take action to reduce them. This can bring costs and require work, which can be challenging for your organisation. **However, it is much easier to correct problems before they grow bigger**, harm people or the environment more – and are discovered by auditors, your buyers or journalists. The costs rise, if the problem fuels



**IT IS MUCH EASIER TO CORRECT PROBLEMS BEFORE THEY GROW BIGGER, HARM PEOPLE OR THE ENVIRONMENT MORE – AND ARE DISCOVERED BY AUDITORS, YOUR BUYERS OR JOURNALISTS.**

violence, serious environmental damage, reputational damage, loss of commercial relationships or a court case against your organisation.

**Farmer organisations are not expected to work alone or to eliminate human rights or environmental risks in full.** Governments and buyers are expected to make significant contributions too, and everybody understands that it takes time to reduce these risks.

**It is crucial to show that you recognise some risks.**

Publicly available information and statistics show that such problems as deforestation, child labour, forced labour and gender-based violence are widely spread. If some problem is common in your country or field of production, your buyers increasingly expect you to acknowledge it and explain how you are managing that problem.

There are two key tools for identifying and tracking human rights and environmental risks and problems:

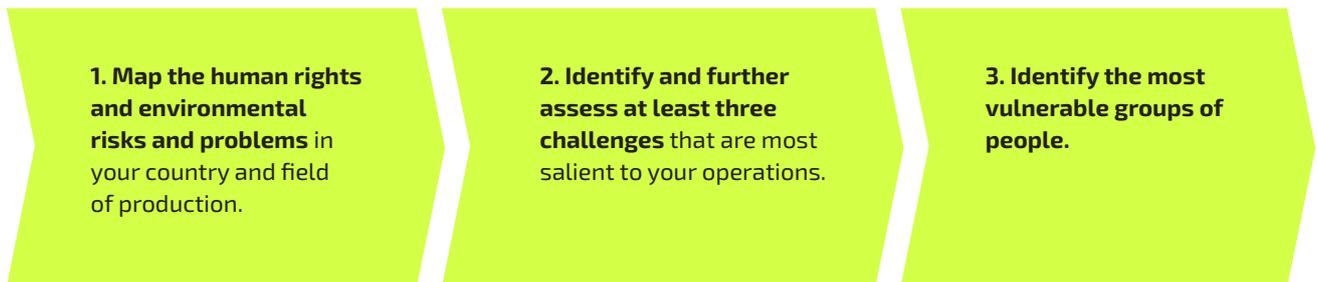
- 1. Risk Assessment
- 2. Grievance Mechanism

## Risk Assessment

HREDD risk assessment is a systematic process of identifying and analysing the biggest risks to people and the environment, that are linked to your operations. You

should **repeat it at least every three years**, to capture changes in the surrounding society, environment and your own operations.

**Your HREDD risk assessment can consist of three steps:**





HREDD risk assessment is wider than the assessment of non-compliance risks, which has long been expected by Fairtrade's Small-Scale Producer Standard (requirement 3.1.2): At Step 1 of HREDD risk assessment, farmer organisations are to consider all human rights and environmental issues.

Fairtrade has developed a "**Fairtrade Risk Assessment Tool for Farmer Organisations**" (available [here](#)) that can guide your organisation through a basic HREDD risk assessment process. However, as long as you follow a similar process, you are of course free to use other methods. Please check the Fairtrade Standard for your product for possible further details.

When you do the risk assessment for the first time, you can keep the task simple. Still, this assessment is not to be done by just one person, but by a group of diverse people, including at least staff, members from your relevant committees, some farmers, farm workers, men, women, and young and old people.

When you do this risk assessment second time, you should aim to utilize more varied information and consult more people, who can include farm operators<sup>2</sup>, community members, opinion leaders, teachers, trade union representatives, extension officers, government officials, civil society experts, researchers, agro dealers, job brokers, other suppliers, neighbouring farmer organisations and buyers.

## 1. Map the risks and problems

First, consider all internationally recognised human rights and environmental issues. In the fields of production where Fairtrade operates, we propose that human rights can be grouped into the following 13 areas:

1. Living income, living wage
2. Working conditions (for farmers and workers)
3. Health
4. Freedom of association and collective bargaining
5. Forced labour
6. Child protection and child rights
7. Gender rights
8. Non-discrimination
9. Self-determination
10. Climate emissions and deforestation
11. Water and biodiversity
12. Freedom of speech, thought and public participation
13. Privacy

**Note:** For West African cocoa, the **African Regional Standard (ARS)** especially highlights the need to assess risks to child rights and child labour, youth, gender rights, occupational health and safety and deforestation.

Then assess how common and how serious problems and risks there are on each of these areas, in your country and product. This assessment needs to take note of independent external data and research.

If you use the Fairtrade Risk Assessment Tool and select your country and product, the tool helps you by showing what external data and research find to be the salient areas in your country and product. Further, the tool suggests some key problems - or "mapping indicators" - for each human rights area. You can also find these indicators in Annex 3, at the end of this guide. To complete the mapping, consider each key problem:

- How common is it in your area? Common refers to how many people are affected. For example, how many farmers need to work around-the-clock, seven days a week, or otherwise too much? Or how many workers have no written contracts?
- How seriously does it affect people or the environment in your area? Seriousness refers to how deep, frequent or difficult to reverse the problem is. For example, children sometimes helping their parents on fields during school hours is less serious than children working with dangerous tools without supervision<sup>3</sup>.

The information you can utilise includes:

- external statistics and indices (included in the Fairtrade Tool);
- audit results;
- findings of your own internal audits;
- studies by external experts, done with or without your involvement;

<sup>2</sup> These farm operators can be farmers, tenant farmers or sharecroppers.

<sup>3</sup> You can read more about these criteria of commonness and seriousness – or scope, scale and irremediability, like HREDD guides often say – from this HREDD guide for small and medium scale companies: [https://kompass.wirtschaft-entwicklung.de/en/due-diligence-compass/perform-a-risk-analysis#p2\\_34](https://kompass.wirtschaft-entwicklung.de/en/due-diligence-compass/perform-a-risk-analysis#p2_34)



## 2. Identify and further assess the most salient challenges

It is often not possible to deal with all challenges at once, so you should prioritize three or four human rights and environmental problems that are particularly common and serious – or salient. In the Fairtrade Risk Assessment Tool, when you've answered the mapping indicators, the tool proposes which issues are most salient.

To take a closer look at these salient problems, collect and analyse further information about them. The Fairtrade Risk Assessment Tool offers “Additional indicators” that support further assessment.

You should continue to utilise the same sources of information as at the first mapping stage, but also search for new sources, including for instance:

- Observations and farm visits. Best practice is to utilize farm level information that is collected systematically as part of an Internal Management or Control System (IMS or ICS).

- Surveys and individual or group interviews at least with staff, members from your relevant committees, some farmers, farm workers, men, women, and young and old people.
- In sensitive issues, confidential interviews by an outside expert or a relevant internal committee may be needed to assess how common and serious the problem is.

Some indicators are easy to check, while others are more difficult. For instance, it is very rare to find conclusive evidence on whether discrimination has decreased or increased. Your organisation just needs to do its best in answering the indicators.

When consulting people, it is important that they understand that it is good to disclose risks openly: The goal is to correct problems before they grow bigger.



**IT IS OFTEN NOT POSSIBLE TO DEAL WITH ALL RISKS AT ONCE, SO YOU SHOULD PRIORITIZE THREE OR FOUR MOST SERIOUS HUMAN RIGHTS AND ENVIRONMENTAL PROBLEMS.**

## 3. Identify the most vulnerable groups of people

It is useful to also identify which groups of people are most affected by the biggest problems: This helps to address the problem effectively and efficiently. Groups that are often vulnerable include:

- Migrant workers or farm operators, who do not speak the local language, or do not know local laws, customs or support channels
- People from minority groups – for example tribes or religions – that have suffered a long-standing pattern of discrimination
- Unskilled and low educated people may not be aware of their rights
- Temporary workers and people living in abject poverty may not be in a position to defend all their own rights
- Women, girls and youth may not be in a socially accepted position to bring up issues
- Persons with disabilities
- Trade union representatives and other Human rights defenders, who defend the rights of specific groups of people

For example, if your organisation uses chemical pesticides, the group of people most vulnerable to health risks posed by pesticides may be:

- The farm operators and workers who apply the pesticides. They may be harmed when not wearing protective equipment, using malfunctioning equipment, or not taking care of personal hygiene afterwards
- Children who stay around the farm when pesticides are applied
- Workers who re-enter the fields too soon after pesticide application
- Agrochemical store keepers

### Leading practice for risk assessments

- **Involve a variety of people who have information and experience of different social and environmental issues.** Remember to involve farm workers; they may face different social or economic issues than farmers.
- Nobody can do a perfect HREDD risk assessment on the first time. Just complete the steps as well as you can, note down the lessons learnt and try to strengthen your risk assessment every time you do it.

### Further guidance on risk assessment

- Shift, 2014. Business and Human Rights Impacts: Identifying and Prioritizing Human Rights Risks. Workshop Report. [https://shiftproject.org/wp-content/uploads/2014/01/Shift\\_SERworkshop\\_identifyHR-risks\\_2014.pdf](https://shiftproject.org/wp-content/uploads/2014/01/Shift_SERworkshop_identifyHR-risks_2014.pdf)
- Institute for Human Rights and Business. Assessing human rights impacts. [https://www.ihrb.org/uploads/reports/EC-Guide\\_ERA-08\\_Part-3\\_Section-II.pdf](https://www.ihrb.org/uploads/reports/EC-Guide_ERA-08_Part-3_Section-II.pdf)

## Grievance Mechanism

**A grievance mechanism** is a formal process for receiving and responding to complaints from members, farm workers, local community members and other individuals and groups.

It is important to see that such complaints are valuable. They

- allow you to respond to concerns and incidents early, before the problem grows bigger and is discovered by auditors, buyers or journalists.
- bring you information about rising risks and problems, so that you can consider strengthening your related policies and practices.

Complaints can be very diverse. For example, topics can include:

- discrimination or unfair business practices, like incorrect weighing of produce delivered by (some) members;
- problems in working conditions or wage/salary payments;
- child labour or forced labour;
- poor practices by job brokers or suppliers utilized by the organization or some members;
- excessive use of water resources, which causes problems for the local community;
- breach of any other Fairtrade standards or unfair utilization of Fairtrade premiums.

So a grievance mechanism is an early warning system that supports your risk assessment.

Two points are essential, to receive complaints: Allow anonymous complaints in written and verbal form; and make sure that persons who make complaints face no retaliation or harm.

You can start by setting up a **grievance committee**. The committee can propose a grievance procedure that specifies how complaints can be made, handled and recorded, and will be responsible for handling the complaints. To ensure that complaints are handled fairly, the committee membership should be diverse.

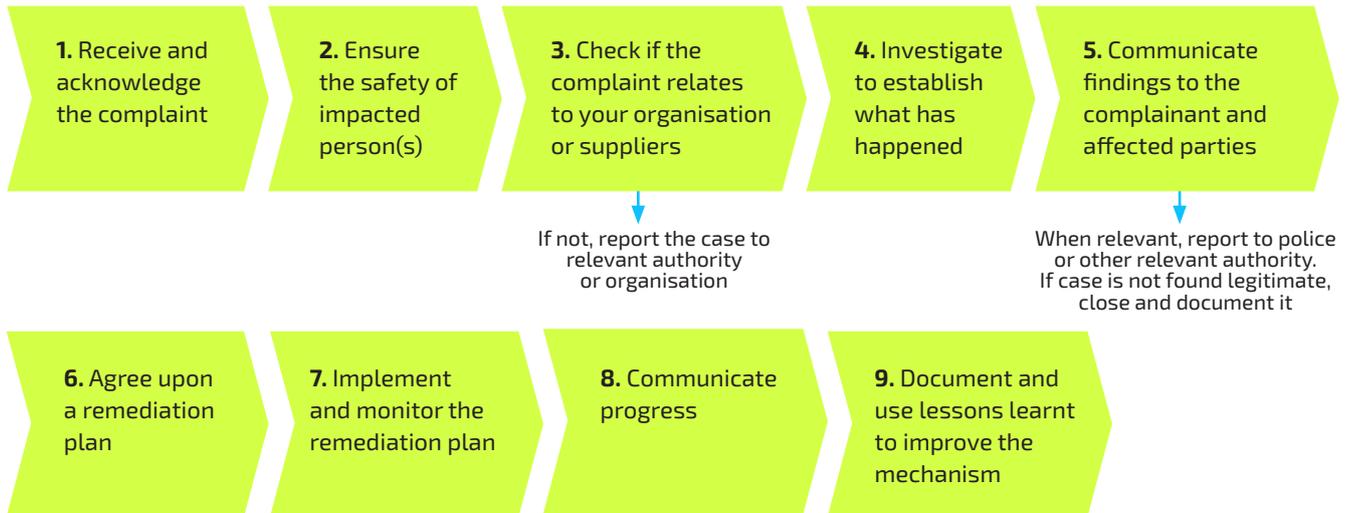


**COMPLAINTS ARE VALUABLE. THEY ALLOW YOU TO RESPOND TO CONCERNS AND INCIDENTS EARLY, BEFORE THE PROBLEM GROWS BIGGER.**

When developing the **grievance procedure**, the committee can consider the following questions:

- What can be done to ensure that no one is scared to put in a complaint?
- What could be a fair way to handle complaints? How to find information about the case?
- How quickly should cases be handled?
- Where to post information about progress and decisions, so a complainant can see or access it, even if (s) he wishes to remain anonymous?
- How can members and other relevant people be informed about the decisions?

### Typical steps of a grievance procedure



No grievance mechanism is perfect from the beginning. It takes time for your stakeholders to hear about it and learn how to make complaints. So you can start simple and improve the mechanism over time.

If you already have a procedure for handling complaints and allegations of child labour, forced labour or gender-based violence, you can decide whether to keep that procedure separate or integrate it into a broader grievance mechanism.

Complaints that a certified entity has not complied with Fairtrade Standards can also be submitted to FLOCERT, the auditing company, via WhatsApp on +49 (0)228 2493230 or an online [form](#).

#### Note on tracking grievances

Record the number and type of grievances received, solved and still open for each year. It is a good sign, when you are receiving grievances: It means that people are aware and trust your grievance mechanism. If you receive high numbers of some particular type of grievance, check if your related policies, practices or resourcing should be updated.



**GRIEVANCE MECHANISM IS AN EARLY WARNING SYSTEM.**

### Leading practice for a grievance mechanism

- Allow and encourage all individuals and groups to file complaints. This should include women, youth, migrant workers, other vulnerable groups, members, farm operators, farm workers, local community members, business partners and also third-parties like civil society actors or trade unions.
- Accept complaints of any concern, injustice, harm or fraud linked to your organisation.
- Ensure that resolutions are made and implemented in a timely manner.
- Have a clear and known process and keep both the complainant and the accused informed about progress and decisions.



# Step 3: Address and Remediate

The third step in HREDD process is to take actions to address the salient human rights and environmental risks and problems linked to your organisation. More specifically, these actions can aim to prevent, mitigate, cease, or remediate a problem.

What kind of activities are most effective, depends on many things: The exact problem, its root causes, the operating environment, the capacities of your organisation, and other actors' related activities.

There are three general activities that always make sense:

1. Develop and implement a **policy and procedures** for each of the salient problems. For example, many farmer organisations have policies for preventing and remediating child labour, improving gender equality, or advancing climate adaptation.

2. Develop and implement an **action plan** that sets out the first concrete activities to implement these policies.
3. Take measures to remediate serious human rights harms.

It is advisable to consult several groups of people when drafting a policy or action plan, to ensure that the policy and plan are relevant and key people support them. Such people can include your members, farm operators and their workers, youth, women, management and external experts.

In particular, remember to consult the people, whose working conditions and lives you seek to improve. To raise women's earnings, for example, it makes sense to ask what women farmers and workers see as their biggest obstacles and possible solutions.

Policies need to be adopted by a high-level governance body.

## Policies and Procedures

There are nine typical steps to developing and implementing a policy:

1. Appoint a person to develop the policy
2. Gather and consider information about the topic, including information collected during risk assessment.
3. Draft policy
4. Gather feedback from several groups of people
5. Finalise policy
6. Obtain approval from appropriate governance body
7. Communicate policy to all relevant stakeholders
8. Implement and monitor impact
9. Assess and revise: It is usually smart to update a policy about every 3–6 years.

**NOTE:** For West African cocoa, the **African Regional Standard (ARS)** requires

- policies on child rights/child labour and forced labour.
- an action plan for human rights work, including actions to address occupational health and safety, harassment and abuse, gender issues, and youth issues.

### What is a policy?

A policy is a text where an organisation sets itself an aim and agrees general principles and procedures for reaching that aim. Policies are helpful, because they clarify the aims and guide later, more detailed decisions and activities.

Policies should outline **procedures**, which provide step-by-step instructions for specific routine tasks. They may even include a checklist or process steps to follow.



There is no strict template for a policy, but the following elements are commonly included:

The **purpose** of the policy.

*Example: Commit to concrete actions to prevent the use of child labour and remediate any incidences of child labour that are identified.*

**Definitions** of terminology used in the policy.

*Example: Definitions of child work, child labour, hazardous work, child abuse, exploitation and neglect.*

**General principles** which guide the policy.

*Example: [The organisation] accepts ILO Conventions, national legislation of [country] and Fairtrade Standards in regards to child labour. [The organisation] also accepts its responsibility to respect human rights, in line with the UN Guiding Principles on Business and Human Rights.*

**Code of Conduct** or a set of rules to be followed by the farmer organisation and its members.

*Example: Any representatives of [the organisation] are expected not to*

- *have children carry out hazardous work*
- *have workers' children work on the farm*

**Responsibilities.**

*Example: The board and senior management of [the farmer organisation] are responsible for preventing child labour in the operations of [the organization]. The Protection Focal Persons are responsible for coordinating the implementation of this policy.*

**Procedures** or step-by-step instructions of e.g. monitoring, reporting and remediation.

*In Annex 2, you find further guidance on the potential contents of a Child labour and child protection policy.*



**REMEMBER TO CONSULT THE PEOPLE, WHOSE WORKING CONDITIONS AND LIVES YOU SEEK TO IMPROVE.**

### Commitment – Policy – Action plan

#### **Commitment to Human Rights and Environmental Sustainability**

High level commitment to human rights, the environment, and due diligence. Discussed in step 1: Commit.

#### **Policies**

More specific agreement of aims, principles and procedures on one high-risk area like child labour or gender rights. Farmer organisations do risk assessment (step 2) before policy formulation.

#### **Action plan**

A very concrete list of planned activities with timelines, responsible persons and indicators.



## Action Plan

To implement the policies, develop an action plan that sets out the first concrete actions you will take to prevent, mitigate, cease and remediate the identified biggest human rights and environmental problems. In Annex 1, you find an example of an action plan.

Definitions:

- **Prevention** means that some problems are avoided.
- **Ceasing** means stopping your contribution to a human rights or environmental problem.
- **Mitigation** means reducing the frequency of a problem, the number of people suffering from it, or the impact on those people.
- **Remediation** is about correcting a harm that an individual victim or a group of victims has experienced. In short: making the wrong right again.

Example: When controlling for pests and plant diseases:

- We can prevent many possible harms to health and biodiversity for example by adopting disease resistant crop varieties and rotational cropping that breaks pest and disease breeding cycles.
- We can mitigate harms by using less toxic pesticides and personal protective equipment.
- If a worker develops symptoms that may be caused by pesticides, we can remediate by helping him/her to access medical care and developing production methods and worker training so that excessive pesticide exposure does not happen again.

It's usually necessary to analyse the problem, its root causes and possible solutions before deciding on a suitable action. You can do this for example by interviewing the impacted people or experts who work on that problem.

**Suitable preventive and mitigating actions** can include:

- **Clarifying the rules and guidelines** on what is allowed, expected or good practice.
- **Raising awareness** of the guidelines, solutions to a particular risk or problem, the vulnerability of a specific group of people, or human rights in general.
- **Training** on the issue, for instance environmentally sustainable production practices, labour rights, appropriate tools, or ways to manage job brokers.
- **Providing tools**, such as templates for contracts, personal protective equipment, or knapsack sprayers.
- **Improving access** to information and advice, toilets, kindergarten, good quality fertilizers etc.
- **Demonstrating best practices** through a development project. For example, a youth program can mitigate discrimination of youth, and a project to plant shade trees can show how to cease deforestation.
- **Supporting best practices** through funding, training, peer support or advice.
- **Supporting alternative sources of income** to prevent child labour, malnutrition etc.
- **Establishing a monitoring and remediation system**, for example on child labour, forced labour or gender-based violence.

### What is an action plan?

An action plan is a list of specific activities that you plan to do soon. Each activity should have:

- a goal to be achieved;
- key activities required to reach the goal;
- people responsible for doing or coordinating each tasks;
- deadlines;
- resources available to complete the tasks;
- indicators or agreed ways of measuring how well the activity has been completed and whether the goal has been reached.

An action plan can cover 1-2 years, and it's smart to update it annually.



**ANALYSE THE PROBLEM, ITS ROOT CAUSES AND POSSIBLE SOLUTIONS BEFORE DECIDING ON A SUITABLE ACTION.**



## Remediation

If you identify such serious human rights harms as child labour, forced labour or gender-based violence, you need to take remediating measures. The key steps are:

1. **End the violation**, for example by reversing the situation (inappropriate termination of work etc) or safely withdrawing the impacted person from the situation (child labour, forced labour, sexual harassment etc).
2. **Support the impacted person(s)**, for example by reimbursing costs, finding alternative employment, providing schooling/skills development, or giving financial or non-financial compensation. The aim here is to rehabilitate the victim, which means returning him/her to a good, healthy life. Farmer organisations are seldom able to provide all the necessary support on their own, so remember to report to and support the work of relevant government agencies.
3. **Take actions to prevent the violation from happening again.** This can entail any of the preventive or mitigating activities as listed above.

In addition, remediation may include:

4. **Apply disciplinary measures against the violator(s)**, for example by giving the violator a formal warning or, for a serious violation, suspending the violator from work or membership at the farmer organisation.

Note that you need to outline possible disciplinary measures in a relevant policy as they should not come as a surprise to anyone. Where the violation may break local laws, the farmer organisation is not a competent body for judging it, so it should report the incident to relevant authorities.



WHERE BUYERS OR OTHER BUSINESS PARTNERS HAVE CONTRIBUTED TO THE VIOLATION, FOR INSTANCE VIA LOW PRODUCER PRICES, THEY ALSO HAVE A RESPONSIBILITY TO CONTRIBUTE TO REMEDIATION.

### Monitoring and remediation system

Where the risk of child labour, forced labour or gender-based violence is high, the farmer organisation should consider establishing a Monitoring and Remediation System on that issue. This would include:

1. identifying the individuals at high risk;
2. checking the safety of the identified individuals on a regular basis;
3. remediating any cases of violation found;
4. documenting this work, including the number of individuals at high risk, number of violations, number of safe withdrawals, and activities taken to prevent further violations.

For suggestions on how to establish a monitoring and remediation system, please request support from Fairtrade Producer Networks.



**VISION WITHOUT ACTION IS JUST A DREAM... [BUT] VISION WITH ACTION CAN CHANGE THE WORLD.**

NELSON MANDELA

**Who is responsible for remediation?**

Where a farmer organisation or its members have caused or contributed to a human rights violation, the organisation has a responsibility to participate in remediation. This is expected by both Fairtrade Standards and HREDD norms.

Contributions are, however, also expected from other actors. State agencies have a duty to protect human rights and participate in remediation. Further, where buyers or other business partners have contributed to the violation, for instance via low producer prices, they also have a responsibility to contribute to remediation. If state agencies and business partners are not contributing, the farmer organisation may not be able to fulfil all four steps of remediation.

**Note on action plan tracking**

To assess your progress and shortcomings in implementing the action plan, include clear indicators for each activity and check them at least once a year. Best practice is to have indicators both for how well the activity has been completed (output) and how well its goal has been reached (outcome).

If your actions have been ineffective, it is smart to change them. Further, when you respond to acute environmental or human rights problems, note down these activities so that you remember to communicate about them to your stakeholders.

**Leading practice for addressing and remediating**

- Once you have adopted a policy on a salient human rights and environmental problem, take active steps to inform your members, farm workers and external stakeholders about it.
- Keep policies and the action plan realistic! Activities should be SMART: Specific, Measurable, Achievable, Realistic and Time bound.
- Collaboration with civil society organisations, trade unions, government agencies or development institutions can be a useful source of knowhow and resources.

When ending a sensitive situation, for example sexual harassment, child labour or forced labour, it is important to:

- Safeguard the impacted person.
- Prioritise the interests of the impacted person, including privacy, and be responsive to his/her needs and wishes.
- Maintain strict confidentiality and discretion.
- Involve national authorities where violence and/or criminal offense are involved.
- Abide by laws and international human rights standards.

# Step 4: Track Progress

The fourth step of HREDD is tracking, which means checking whether your activities have been effective. Farmer organisations should track to:

- learn whether their due diligence activities are actually working and effective.
- identify and continue best practices.
- change ineffective activities.

First and foremost, tracking serves your organisation: It helps you to improve your operations, before problems show in audits or your buyers or members complain. You do not need to report all tracking data to anybody else. So it makes sense to do tracking earnestly.



**FIRST AND FOREMOST, TRACKING SERVES YOUR ORGANISATION: IT HELPS YOU TO IMPROVE YOUR OPERATIONS.**

## It takes four steps to set up and run a tracking system



**In HREDD work, you need to track (a) your own activities and (b) changes in your biggest challenges during the past year.**

To track (a) your progress in **HREDD activities**, key indicators are

- Number and topics covered in awareness raising activities; Number of attendees, women, youth, members, farm operators, workers and family members in each activity;
- Salient risks and most vulnerable groups of people identified through risk assessment;
- Number and type of grievances received, solved and still open;
- Policies and activities implemented to tackle the three most salient risks identified;

- Number and type of serious human rights violations identified and victims supported (without mentioning names);
- Type and amount of support received for remediation work from external partners.

This data needs to be collected as part of your related activities and procedures: awareness raising activities, grievance procedure, monitoring and remediation system, and implementation of policies and the action plan.

To track (b) changes in **the biggest human rights and environmental challenges**, you need to annually:

- check whether the biggest challenges are becoming more or less common and serious by utilizing the same indicators and methods as in risk assessment;
- analyse the information you have gained via your grievance mechanism.



# Step 5: Communicate

Buyers, Fairtrade and other stakeholder see HREDD as increasingly important, so it is good to communicate about your efforts. You should **adapt your information to different audiences**. Buyers want to see that you admit and address the greatest risks, your members have a right to know about your activities, while Fairtrade International would like you to communicate on certain indicators.

## Communicating to members

For members, your annual communication should include information about the indicators listed in the tracking chapter as well as:

1. The names and titles of the persons responsible for development, implementation, and oversight of due diligence steps.
2. The annual action plan to prevent, mitigate, cease, and remediate the identified problems.
3. A financial report where expenses are compared to the original budget.



**BUYERS, FAIRTRADE AND OTHER STAKEHOLDER SEE HREDD AS INCREASINGLY IMPORTANT,**

The following documents should also be accessible to all interested members:

- Commitment to Human Rights and Environmental Sustainability signed by the farmer organisation;
- Grievance procedures;
- Policies and procedures to address risks.

In addition, it is good practice to present summaries verbally during the General Assembly.

## Communicating to buyers and other partners

It's smart to share your Commitment to Human Rights and Environmental Sustainability with all your partners. Otherwise, your communication can depend on your buyers' and partners' interests.

Buyers are increasingly interested in how you manage your greatest risks. Many buyers would appreciate a simple report and pictures about your actions and their results, if possible. You can also share how the buyer or partner could support you in addressing the risks still better.

## Communicating to Fairtrade International

To show buyers, consumers and governments that Fairtrade certified farmer organisation work hard to be responsible and sustainable – and need support from their business partners and governments – Fairtrade needs information about farmer organisations' work on HREDD. Fairtrade only shares information onwards in an aggregated form.

Fairtrade International is currently developing the reporting channels and asks farmer organisations to start documenting information on the indicators listed in the tracking chapter.

### Leading practice for communication

- Your organisations should communicate annually on the human rights and environmental work, just as on your financial accounts. One person should be responsible for this.
- Using the same format every year will help in collecting the information.
- Try to communicate every year around the same time of year, so members and partners can expect your communication.



# Annex 1

## Example of Child Labour and Child Protection Policy

Indicate when this policy has been approved. For example: Approved by the Board on [day, month, year] and General Assembly on [day, month, year] of [name of the farmer organisation].

### 1. Purpose

Name the key purpose of this policy. For example, you may want to:

- Ensure that children and young people in your production areas and your members' farms feel safe, respected and empowered.
- Confirm your respect for child rights, including the right to be protected against any abuse.
- Commit to take active measures that aim to prevent, mitigate and remediate child labour and child abuse in your operations and members' operations.

### 2. Definitions

It can be helpful to clarify the key concepts at the beginning of your policy. For example:

- **Child:** We consider any person under the age of 18 years a child, in accordance with the article 1 of the United Nations Convention on the Rights of the Child.
- **Minimum age for work:** In [your country of operation], the minimum age is [XX] years old. For Fairtrade certified organisations, minimum age for work is at least 15. Children between the minimum age and 18 years of age can be engaged in decent work.
- **Child labour:** Work that interferes with the child's schooling or is physically, mentally, socially or morally dangerous, exploitative or harmful to children.
- **Light work:** National laws may permit light work for persons who are 13 years of age or older. Light work must not impact negatively the child's schooling or vocational training or harm the child's health or development. National laws may also require a signed permission from parents and relevant authorities.
- **Worst forms of child labour:**
  - a) all forms of slavery, sale and trafficking of children, debt bondage, serfdom or forced labour, including forced recruitment for use in armed conflict;
  - b) the use, procuring or offering of a child for illicit activities, including the production and trafficking of drugs;
  - c) the use, procuring or offering of a child for prostitution, pornography or pornographic performances;
  - d) all hazardous work.
- **Hazardous work:** Any work that jeopardizes children's health, safety or morals. This can include work that
  - a) involves dangerous tools, equipment, machinery, or manual handling or transport of heavy loads;
  - b) exposes children to an unhealthy environment, such as substances, processes, temperatures, noise or vibration that can damage their health;
  - c) takes place underground, under water, at dangerous heights or in confined spaces;
  - d) takes place at night, over long hours or confined to the premises of the employer;
  - e) exposes children to physical, psychological or sexual abuse.

Each country sets its own list of hazardous child labour, which should be consulted when identifying hazardous tasks and practices.
- **Child abuse:** Any abuse or neglect of a child. This can include hitting, shaking or other physical abuse, degrading words or other emotional abuse, inappropriate physical contact or other sexual abuse, or failures to meet a child's basic needs.

- **Child protection:** Activities, procedures, guidelines, codes of conduct and initiatives designed to protect children from any form of child labour, abuse or harm.
- **Protection focal person(s):** Individual(s) responsible to assist with the implementation of this policy.
- **Relevant international agreements:**
  - International Labour Organisation [ILO Minimum Age Convention](#) (No. 138, 1973);
  - International Labour Organisation [ILO Worst Forms of Child Labour Convention](#) (No. 182, 1999);
  - United Nations [Convention on the Rights of the Child](#) (UNCRC, 1989);
  - United Nations [Guiding Principles on Business and Human Rights](#) (UNGP, 2011).  
These principles establish that all business enterprises have the responsibility to respect human rights, including child rights.

### 3. General Principles

Set out the general principles that your child protection work seeks to uphold. It is good practice to reference the key principles set out in the above mentioned international agreements.

For example, you should consider including the four child rights principles set out in the UN Convention on the Rights of the Child:

- Non-discrimination – Every child is equal to any other human being;
- The right to survival and development – The survival and development of the child is to be protected to the maximum extent possible;
- Best interests of the child – The primary consideration in all actions concerning children are the best interests of the child;
- The views of the child – To know what is actually in the interest of the child, the view of the child is to be given due weight.

You can also refer to the key ILO conventions and make a commitment that your organization and members do not employ children below the age of *[add 15 or higher]* and do not submit children below the age of 18 to hazardous work or unconditional worst forms of child labour.

Further, in line with the UN Guiding Principles on Business and Human Rights, you can pledge to take active measures to prevent, mitigate and remediate child labour and child abuse. If child labour or related abuse is witnessed, suspected or alleged in our operations, including your members farms, you should act to protect the child or children.

### 4. Code of Conduct

An organizational code of conduct indicates what kind of behaviour is expected of people who are associated with that organization. In your Child Protection Policy, the code of conduct can focus on behaviour that influences children and young people. This code can:

- Protect local children from harm, abuse and exploitation;
- Propose good practices to minimise risks and inappropriate behaviour;
- Serve as a practical tool for board, management and staff to introduce child protection issues to your organization's members and partners.

For example, your code could obligate your board, management, staff, members and partners to:

- a) Keep children's best interest in mind when doing work or making decisions that influence children;
- b) Uphold the dignity of all children without discrimination based on gender, poverty, ethnic origin, citizenship, religion, ability, sexual orientation, political affiliation or other status;
- c) Protect children from inappropriate behavior such as child labour, bullying, alcohol and drug consumption and other abuse;

- d) Report any suspected or witnessed cases of child labour or abuse to the Protection focal person(s) without delay and without causing further harm to the child;
- e) Respect children's right to privacy. For example, exploited children will not be photographed as this could cause harm to them and their families;
- f) Promote a culture of openness where concerns are reported and addressed in a timely manner without retaliation;
- g) Obtain informed consent from parents or guardians and an assent from the child before a child is involved in any development project or initiative.

The code can also include specific behavioural guidelines, such as:

- Never abuse power or position of authority to obtain personal gain from a child or their parents;
- Never hit or otherwise physically assault a child;
- Never behave in a sexually provocative manner (inappropriate kissing, hugging or touching) or develop a sexual or otherwise exploitative, abusive or harmful relationship with a child;
- Never sleep in the same room or bed with the child whom you are working with;
- Never use language, make suggestions or offer advice that is inappropriate, offensive or abusive;
- Never act in ways intended to shame, humiliate, belittle or degrade a child, or otherwise perpetrate emotional abuse;
- Never condone, or participate in activities which are illegal, unsafe or abusive.

This list is not exhaustive and you want to add guidance on other behaviour you deem harmful.

## 5. Responsibilities

This section should clarify the roles and responsibilities in your organization. For example, it is good practice to confirm that your board oversees the implementation of this policy. The board may appoint one of its members to serve as a first point of contact for child protection work.

Implementation of policies is the responsibility of senior management. You can clarify which Director is responsible for this policy. Due to the legal risks posed by child labour, it is good practice for the Executive Director to have responsibility or close oversight of the implementation of this policy.

One or two Protection Focal Person(s) can be appointed to undertake the work. Their responsibilities may include:

- Provide training and awareness raising on the policy and procedures to the farmer organisation, including its board, members and farm workers;
- Develop relevant procedures;
- Coordinate risk assessments;
- Coordinate the handling of reported cases. Facilitate negotiations on possible remediating measures and report these suggestions to the relevant Director;
- Report cases to the national protection agency or child rights organization in line with this policy;
- Document cases and keep the records confidential;
- Monitor the implementation of this policy and submit progress reports to senior management;
- Act as a first point of contact on all child protection issues.

If your organization has committees that work on child rights issues, please mention those committees and their responsibilities in this section as well. Further, you can confirm that the relevant Director and the Protection Focal Person(s) have or will gain training on child rights and child protection.

Further, you can list any external public, non-governmental or commercial partners you work with or whose support you are planning to seek to strengthen your child protection and child rights work. Farmer organisations typically need external funding and support for this work.

## 6. Procedures

Policy is only as good as its implementation. As such, your organization needs to develop procedures and activities on risk assessment, prevention, reporting and remediation of child labour and abuse. In this section, you should summarise your key procedures, activities and plans:

### a. Risk Assessment

Commit to assessing the risks of child labour and child abuse and their root causes – or if you have already done this, summarise your key findings.

### b. Prevention

Commit to developing and implementing measures that protect children from child labour abuse or harm, advance schooling and further other child rights – or mention the key activities you have and plan to take.

### c. Reporting and remediation

Remediation means (1) safe withdrawal of the impacted child, (2) supporting the child to recover from the labour or abuse and to return to school, and (3) taking action to prevent further cases of child labour or abuse. It can also entail (4) disciplinary measures.

Here you can describe

- How your members, staff and other stakeholders can report witnessed, suspected and alleged cases of child labour and child abuse to the Protection Focal Person(s);
- The ensuing divisions of work and process, where the case is investigated and possible remediating measures are negotiated, decided, implemented and monitored;
- How cases are documented and records stored confidentially;
- How documentation is analysed to develop your procedures and communicate about remediation work on aggregated level, respecting the privacy of the victims, and support needs to buyers and other stakeholders;
- How you promote a culture of openness where concerns are reported and addressed in a timely manner without retaliation. It is important to not conceal cases or otherwise hinder investigation and remediation, as commercial partners would see that as aiding and abetting the abuse.

You can also mention what types of remediation measures you will consider. For example:

- Safe withdrawal of the child from the labour or abuse in a timely manner, *within [specify the number of] days* of receiving a report about a case;
- Where relevant, safely report the case to the national protection agency or a child rights expert organization and support the actions suggested by them, including implementation of local law;
- Train or retrain involved parties on child rights and child protection, including relevant Fairtrade standards;
- Explore and implement opportunities for the child to re-enter school or vocational orientation;
- Monitor former child labourers school attendance until age 18 and, where necessary, support the parents/guardians to prevent reoccurrence of child labour;
- Seek to ensure that the child's rights to adequate food, shelter, health and schooling are fulfilled after the child is withdrawn from labour. This can be furthered for example by seeking to find (improved) employment for the adult members of the child's family;
- Develop and implement measures to prevent further cases of child labour or abuse;
- Do not expel any member found to have employed children. Members can, however, be sanctioned in line with the rules of the organization.

If you do internal inspections, operate an internal control system or run a child labour monitoring and remediation system, you should briefly describe that here.

*Indicate when this policy will enter into effect and when it will be reviewed.*

# Annex 2

## Example of Action Plan

After you have identified the key human rights and environmental risks and developed policies and procedures on each of them (e.g. child labour, discrimination, water and biodiversity), you need to make an action plan.

An action plan is where you decide the concrete activities you will implement. For example, if you have identified occupational health and safety as one of your key challenges, your action plan will set out what you will do to reduce injuries and other health concerns and ensure medical help when people have got hurt.

An action plan should always be written in consultation with different groups of people who bring in different perspectives and knowledge.

It is recommended to monitor the implementation of the actions in a continuous manner and take a deeper look at least once a year.

**The below action plan template is to be considered as a tool in drafting your own action plan. It contains ideas and is not meant to be used as such.**



### Step 3: Address and Remediate

- I. Develop relevant policies and procedures
- II. Develop and implement an action plan to prevent, mitigate and remediate

Risk/ Problem	Goal	Activities	Responsible person(s)	Deadlines	Resources available	Indicators
<b>Ask:</b> What is the human rights or environmental risk/problem?	<b>Ask:</b> What is the solution/objective that addresses the problem?	<b>Ask:</b> What measures can reduce the problem?	<b>Ask:</b> Who is responsible for carrying out the activity?	<b>Ask:</b> When is the activity to start and end?	<b>Ask:</b> What resources are needed to undertake the activity?	<b>Ask:</b> What indicates that the activity is completed or has its intended impact?
<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>
<b>Risk:</b> Health concerns due to the use of pesticides	Reduce the risk of health issues caused by pesticides through: <ul style="list-style-type: none"> <li>• training members on safe pesticide use and management</li> <li>• promoting alternative pest control methods</li> <li>• monitoring that personal protective equipment and first aid kits are available, maintained and used</li> <li>• setting up buffer zones around water sources, housing and other human activity</li> </ul>	<ul style="list-style-type: none"> <li>• Nominate a health and safety representative to oversee the occupational health and safety work.</li> <li>• Write a safety plan including procedures to prevent risks and mitigate adverse impacts.</li> <li>• Compile a list of personal protective equipment that all farm workers need to use when applying pesticides.</li> <li>• Check the numbers of available protective equipment and first aid kits, purchase and distribute more if needed.</li> <li>• Carry out an internal audit of the pesticide use and buffer zones on your members' farms.</li> <li>• Commission a study about alternative pest control methods suited to your location and product.</li> <li>• Train farmers and workers on the safe use and storage of pesticides and alternative pest control methods.</li> <li>• Monitor the farm health and safety conditions (work processes, workplaces, machinery, equipment) through regular visits and keep records of observations, do follow-ups.</li> </ul>	Chair / Board / CEO / Relevant Director / Relevant staff member / Relevant committee / Protection Focal Person  ...of the SPO	Q1/2023 Q2/2023 Q3/2023 Q4/2023	Staff time / Budget / Expertise / Space / External support etc	<ul style="list-style-type: none"> <li>• X members and Y farm workers are trained in safer pest control methods.</li> <li>• Every worker and farmer use protective equipment when applying pesticides.</li> <li>• X new buffer zones have been created around water sources and areas of human activity.</li> <li>• Records have been established about the use of pesticides, protective equipment and buffer zones.</li> </ul>

&gt;&gt;

Risk/ Problem	Goal	Activities	Responsible person(s)	Deadlines	Resources available	Indicators
<b>Ask:</b> What is the human rights or environmental risk/problem?	<b>Ask:</b> What is the solution/ objective that addresses the problem?	<b>Ask:</b> What measures can reduce the problem?	<b>Ask:</b> Who is responsible for carrying out the activity?	<b>Ask:</b> When is the activity to start and end?	<b>Ask:</b> What resources are needed to undertake the activity?	<b>Ask:</b> What indicates that the activity is completed or has its intended impact?
<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>	<b>Examples</b>
<b>Risk:</b> Child labour	<ul style="list-style-type: none"> <li>Reduce the risk of child labour through:</li> <li>increasing knowledge of child rights through policy, procedures and training</li> <li>ongoing monitoring of labour practices at farms</li> <li>co-operation with local schools, department of education, NGOs</li> </ul>	<ul style="list-style-type: none"> <li>Write and adopt a Child Labour and Child Protection Policy</li> <li>Compile a list of tasks that children under 18 are not allowed to do (as they involve hazardous equipment, chemicals, heavy carrying, work at school time etc). Attach it to the policy.</li> <li>Inform farmers, farm operators, farm workers and contractors of this policy (in accessible formats and languages).</li> <li>Organise X trainings to farmers on the contents of this policy and child rights.</li> <li>Organise X workshops for children to talk about their rights and concerns.</li> <li>Train those staff members who conduct internal audits to identify child labour.</li> <li>Visit "children at risk" of child labour X times a year to monitor their school attendance.</li> <li>Visit "children at risk" of child labour X times a year to monitor their school attendance.</li> <li>Keep records of your workers, including their age, and require the same from your members. Verify documents X times a year.</li> <li>Co-operate with local school management and get notified if children quit school or are not enrolled in school.</li> <li>Support school enrolment, for example by co-organising free transport to school.</li> <li>Co-operate with local NGOs and/or department of education in ensuring that children are enrolled in school.</li> </ul>	Chair / Board / CEO / Relevant Director / Relevant staff member / Relevant committee / Protection Focal Person  ...of the SPO	Q1/2023 Q2/2023 Q3/2023 Q4/2023	Staff time / Budget / Expertise / Space / External support etc	<ul style="list-style-type: none"> <li>X members are trained in child rights and child protection in 2023.</li> <li>"Child labour and child protection policy" has been explained to X members in 2023.</li> <li>% less children have been identified as "children at risk" of child labour in 2024 than in 2023.</li> <li>Rise in the number of children attending the local school.</li> <li>X children received support for school attendance.</li> </ul>

# Annex 3

## Proposed Indicators for Risk Assessment

In human rights and environmental due diligence (HREDD) work, organisations need to consider all internationally recognised human rights and environmental issues. At least, this is to include all the rights expressed in the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

In the fields of production where Fairtrade operates, we propose that human rights can be grouped into the following 13 areas:

1. Living income, living wage
2. Working conditions
3. Health
4. Freedom of association and collective bargaining
5. Forced labour
6. Child protection and child rights
7. Gender rights
8. Non-discrimination

9. Self-determination
10. Climate resilience
11. Water and biodiversity
12. Freedom of speech, thought and public participation
13. Privacy

The following table clarifies how these areas cover all internationally recognized human rights. Further, the table suggests possible indicators for risk assessment: Farmer organisations can

- first consider all “**mapping indicators**” to identify at least three areas where risks and challenges are most common and serious
- then consider the “**additional indicators**” related to those three areas, to gain additional understanding that helps to address those challenges.

HUMAN RIGHTS AREA & description	The covered human rights	
<p><b>1. Living income, living wage</b></p> <p>Every person has a right to a decent standard of living, including adequate food, safe drinking water, sanitation and decent housing. The income/wage that allows for decent living is called a living income/wage.</p>	<p>Right to an adequate standard of living, including adequate food, safe drinking water, sanitation, housing and prohibition of forced evictions (ICESCR 11). Right to income/wage that provides a decent living for the person and her/his family, and equal remuneration for work of equal value (ICESCR 7).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Your members' or their farm operators' <b>incomes</b> are too low to fulfil their families' basic needs (food, basic but healthy housing, clothing, basic health care, schooling for children, and small savings for emergencies) and the costs of decent work conditions for workers</li> <li>• Farm workers' <b>wages</b> are below official minimum wages, regional average or levels agreed in Collective Bargaining Agreements for agricultural production, whichever is highest</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• The earnings of farmers, farm operators and farm workers have not been <b>rising</b> in recent years</li> <li>• Some workers earn less than others for the <b>same work</b>. For example, earnings may be lower for workers who get paid per piece</li> <li>• The pay for production, quota or <b>piece-based work</b> is not transparently calculated</li> </ul>
<p><b>2. Working conditions (for farmers and workers)</b></p> <p>Every person has a right to just conditions of work and social security.</p>	<p>Right to work, just conditions of work, social security and insurance, family life and marriage (ICESCR 6, 7, 9 and 10, ICCPR 23).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Clean <b>drinking water</b> and <b>toilets</b> are not easily available for farmers, farm operators and farm workers during their workdays</li> <li>• Workers do not get <b>paid regularly</b> and at least monthly</li> <li>• Workers have no <b>written contracts</b> of employment</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• Farmers, farm operators or farm workers work more than <b>60 hours</b> a week (more than 10 hours per day, with one day off per week)</li> <li>• Farm workers' <b>benefits</b> are not in line with national laws, Collective Bargaining Agreements and agreements with workers' organisation. For example, maternity leave may be shorter than agreed or legally required</li> </ul>

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HUMAN RIGHTS AREA & description	The covered human rights	
<p><b>3. Health</b></p> <p>Every person has a right to health, security of the person and life.</p>	<p>Right to health, life, security of the person, liberty, and not being subjected to torture or to degrading treatment, even when detained (ICESCR 12, ICCPR 6, 7, 9 and 10)</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Some <b>tools</b>, machinery, work processes or workplaces at your organisation or members' farms cause injuries or health problems</li> <li>• Your members and their farm operators and workers do not use personal <b>protective equipment</b> (PPE) when performing hazardous tasks. This may be for example because PPE is not available, workers are made to pay for PPE, or there is lack awareness of why or how to use PPE</li> <li>• Farming has <b>polluted</b> local waterways, air or soil, and caused ill-health to some local people</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• <b>Hazardous chemicals</b> are applied less than 10 meters from housing, canteens or other human activity or above or around water sources</li> <li>• Hazardous chemicals are not <b>stored</b> safely. Containers should be clearly labelled, empty containers should be punctured and not reused for water or food, and any central storage should be locked and ventilated</li> <li>• <b>Hazardous waste</b> is found on farms or burned in contravention of local rules, or areas for its disposal/storage are not clearly marked</li> <li>• <b>First aid</b> training is insufficient or equipment not accessible</li> </ul>
<p><b>4. Freedom of association and collective bargaining</b></p> <p>Every person has a right to freedom of association and assembly, to form and join trade unions and to bargain collectively.</p>	<p>Freedom of association and assembly, right to form and join trade unions, bargain collectively, hold peaceful demonstrations and strike (ICESCR 8; ICCPR 21 and 22; ILO 87 and 98).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Farm workers are <b>not organised</b>, either in trade unions or elected workers' organisations, and there have been no group negotiations on working conditions</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• Local workers' meetings or trade union activities have been disturbed by your members or other actors. For example, unions have not been allowed to <b>meet workers</b></li> <li>• Your or your members' workers have faced retaliation for participating in <b>workers' organisations</b> or group negotiations on their working conditions</li> <li>• People or groups who have <b>acted peacefully</b> to raise complaints or concerns related to your operations or business partners have been hindered or threatened.</li> </ul>
<p><b>5. Forced labour</b></p> <p>Every person has a right not to be subjected to slavery, forced labour or trafficking.</p>	<p>Right not to be subjected to slavery, servitude or forced labour. Includes freedom from trafficking and debt bondage (ICCPR 8, ILO 29 and 105).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Some workers are or have been forced to work at your members' farms, e.g. due to a <b>debt</b> to the farmer or recruit agency, or inability to return home</li> <li>• During recruitment, some of your members' farm workers have paid <b>fees</b> for instance for documentation, health checks, clothing or transportation</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• Workers' <b>identity documents</b> have been withheld by your organisation, some of your members or members' farm operators</li> <li>• All wages are not paid monthly. Rather, your organisation, some of your members or their farm operators pay part of the <b>wages</b> at the end of the harvest or the year</li> <li>• <b>Deceptive</b> recruitment practices have been used by some of your members or recruiters that your or your members use. For example, potential migrant or other workers may be led to believe that wages, working conditions or benefits are significantly better than they actually are.</li> </ul>
<p><b>6. Child protection and child rights</b></p> <p>Every child has a right to education, protection and freedom from child labour.</p>	<p>Freedom from child labour, Right to education and protection (ILO 138 and 182; ICESCR 13, 14; ICCPR 24; UN Convention on the Rights of the Child; Children's Rights and Business Principles)</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• Some of your members', their farm operators' or farm workers' children cannot <b>attend school</b>. This can include for instance migrant boys or girls</li> <li>• Some <b>under 15-year-old</b> children work on your members' farms during school hours, without supervision, or doing tasks that can harm their health</li> <li>• Some <b>under 18-years-old</b> children that work on your members' farms do tasks that can harm their school attendance or health</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• Some children who have been withdrawn from harmful work at farms have entered even <b>worse forms</b> of labour like illicit activities or sex work</li> </ul>
<p><b>7. Gender rights</b></p> <p>Every person has a right of equality between men and women.</p>	<p>Right of equality between men and women (ICESCR 3; ICCPR 3; ILO 100; Convention on the Elimination of All Forms of Discrimination Against Women, CEDAW)</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>• <b>Harassment</b> or abusive behaviour towards women takes place in your organisation or members' farms. This can be physical, sexual, verbal or psychological</li> <li>• Among your employees, members or members' farm operators or workers, women have lower <b>earnings</b> than men</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>• Employees and farm workers gain less than 8 weeks of <b>maternity leave</b> or get less than 2/3 regular pay during the leave</li> <li>• Women have <b>less opportunity</b> than men to become your employee or senior manager; member of your organisation, committees or Board; or to influence your decision-making</li> </ul>

HUMAN RIGHTS AREA & description	The covered human rights	
<p><b>8. Non-discrimination</b></p> <p>Every person has a right to equal dignity, respect and protection, including non-discrimination of minorities, migrants, indigenous people and persons with disabilities.</p>	<p>Rights of non-discrimination, freedom from racial discrimination, equal protection, equality before the law, fair trial and due process when facing expulsion (ICESCR 2; ICCPR 2, 11, 13, 16 and 26; ILO 111; Conventions on racial discrimination (ICERD), migrants (ICRMW), indigenous people (UNDRIP), minorities, and persons with disabilities (CRPD).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>Some groups of farmers, farm operators or farm workers have lower opportunities to become a <b>member</b> of your organisation, or less say in your organisation's decisions-making. This could be for example migrants, sharecroppers, youth, or some ethnic or religious group</li> <li>Seasonal, migrant or other groups of workers have <b>lower pay</b> or benefits than permanent, local workers</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>You or your members use <b>recruitment agencies</b> and these agencies do not have written policies and clear procedures for preventing discrimination</li> <li>You or your members employ <b>migrant workers</b> and are not taking ongoing measures to prevent exploitation and discrimination against migrant workers</li> </ul>
<p><b>9. Self-determination</b></p> <p>All peoples have a right to self-determination – a freedom to choose one's own acts without external compulsion – and freedom to pursue development. Indigenous people have a right to preserve and develop their culture, lands etc.</p>	<p>Rights of self-determination, freedom to pursue development, movement, not being imprisoned for inability to fulfil a contract, and freedom from retroactive criminal law. Indigenous people's rights to preserve, protect and develop their culture, lands, distinct institutions etc (ICESCR 1; ICCPR 1, 12, 14 and 15; UNDRIP).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>There are or have been conflicts related to your members' <b>use of land or water</b></li> <li>Some <b>land disputes</b> remain unresolved, and no legal resolution process is active</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>Indigenous peoples' lands are or have been acquired by your organisation or members without <b>free, prior and informed</b> consent, or the idea of free, prior and informed consent is not familiar to your organisation</li> <li>Some groups' <b>cultural heritage</b> has been damaged by the operations or your organisation or members.</li> </ul>
<p><b>10. Climate emissions and deforestation</b></p> <p>Every person has a right to a safe and predictable environment that is not destroyed by climate change or deforestation.</p>	<p>Right to a safe and predictable environment that is not destroyed by climate change or deforestation (UN Human Rights Council resolution 48/13).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>Your members or their farm operators/workers cause <b>deforestation</b> or considerable loss of vegetation</li> <li>Land in your area is at high risk of <b>soil erosion</b> or you are not aware if this is the case</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>Your processing facilities use <b>non-renewable</b> energy</li> </ul>
<p><b>11. Water and biodiversity</b></p> <p>Every person has a right to sufficient biodiversity, soil and safe water for personal and domestic use.</p>	<p>Right to sufficient, safe and affordable water for personal and domestic use; Right to sufficient biodiversity and soil (ICESCR 11; UN Human Rights Council resolution 48/13).</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>Your members or their farm operators/workers cause <b>deforestation</b> or considerable loss of vegetation</li> <li>Land in your area is at high risk of <b>soil erosion</b> or you are not aware if this is the case</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>Your members have no <b>buffer zones</b> around water bodies, where hazardous chemicals and fertilizers are not applied</li> <li>Your members, their farm operators or workers harvest <b>wild products</b>, which may be harming local animals or plants</li> </ul>
<p><b>12. Freedom of speech, thought and public participation</b></p> <p>Every person has a right to freedom of speech, thought and religion, and to take part in public affairs and cultural life.</p>	<p>Rights to freedom of thought, conscience, religion, opinion and expression; Rights of minorities; Freedom from war propaganda, and incitement to racial, religious or national hatred; Right to take part in public affairs and cultural life, and to benefit from scientific progress (ICCPR 18, 19, 20, 25 and 27; ICESCR 15)</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>Farm workers' representatives have not always been invited to the <b>General Assembly</b> to participate in discussion</li> <li>People who have brought forward concerns or criticism related to your operations have faced <b>retaliation</b> from your organisation or members</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li>Expressions of <b>hatred</b> or action against some groups of people have been tolerated or made by the management, staff or committees of your organisation</li> <li>Farm workers get <b>no time off</b> for their religious holidays or for voting in elections</li> <li>Your organisation has used improper influence or <b>bribery</b> over public officials, political decision makers, business partners, judges or witnesses</li> </ul>
<p><b>13. Privacy</b></p> <p>Every person has a right to privacy, which means a right to keep one's personal matters and relationships secret.</p>	<p>Right to privacy (ICCPR 17)</p>	<p><b>Mapping indicators</b></p> <ul style="list-style-type: none"> <li>You or your members <b>test</b> for pregnancy, some diseases or genetic problems during recruitment or employment</li> <li>Your organisation has no procedures for keeping <b>personal data</b> confidential.</li> </ul> <p><b>Additional indicators</b></p> <ul style="list-style-type: none"> <li><b>Information</b> about individuals is provided to state authorities without that individual's permission, although requests are illegal.</li> </ul>

# Links to other HREDD resources

## Guidance on all HREDD steps

- twentyfifty and Global Compact Germany, 2017. [5 steps](#) Towards Managing the Human Rights Impacts of Your Business
- German government's Helpdesk on Business & Human Rights, 2021: Due Diligence Compass for small and medium-scale companies: <https://kompass.wirtschaft-entwicklung.de/en/>
- Shift, Oxfam and Global Compact Network Netherlands, 2016. Doing business with Respect for Human Rights: A Guidance Tool for Companies (2016).
- twentyfifty and Global Compact Germany, 2014. [Stakeholder engagement](#) in human rights due diligence: A business guide

## Commitment

- Fairtrade's Human Rights [Commitment](#), 2020.
- UN Global Compact, 2015. How to Develop a Human Rights Policy: A [Guide](#) for business

## Risk assessment

- Shift, 2014. Business and Human Rights Impacts: Identifying and Prioritizing Human Rights Risks. [Workshop Report](#).
- Institute for Human Rights and Business. [Assessing](#) human rights impacts.

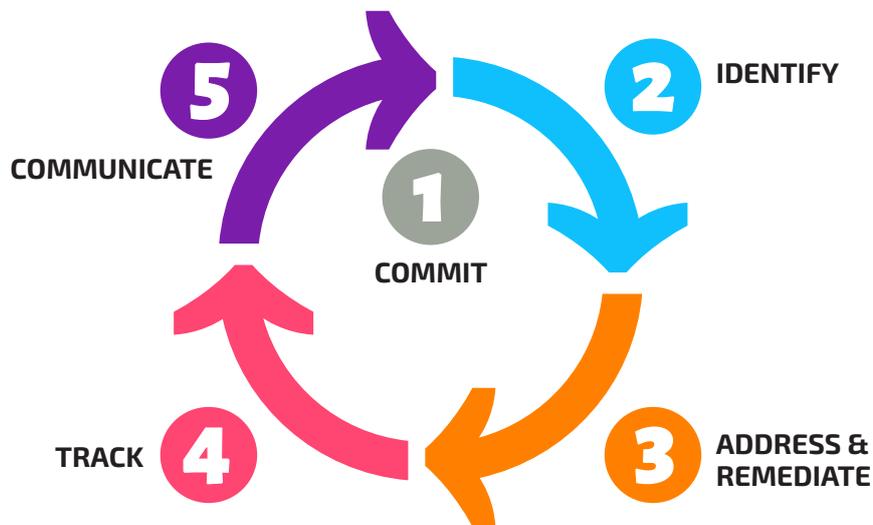
## The foundational documents

- The UN Guiding Principles on Business and Human Rights (UNGPs), 2011: [https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr\\_en.pdf](https://www.ohchr.org/sites/default/files/documents/publications/guidingprinciplesbusinesshr_en.pdf)
- OECD, 2018. Due Diligence Guidance for Responsible Business Conduct: <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>
- OECD-FAO, 2016. Guidance for Responsible Agricultural Supply Chains. <https://doi.org/10.1787/9789264251052-en>

## Videos

- Why should your company care about human rights (by Econsense): <https://www.youtube.com/watch?v=mCtNx3hHZ08>
- Introduction to UNGPs: <https://shiftproject.org/resources/ungps101/>
- Due diligence (by Danish Institute on Human Rights): <https://www.youtube.com/watch?v=pQaW3ZqPizU>

# Summary: Steps of the HREDD Process



## What is Human Rights and Environmental Due Diligence



### Step 1: Commit

**Commit to human rights and environmental sustainability**

- Sensitise management and staff
- Develop a commitment to respect human rights and environmental sustainability
- Assign responsibilities
- Raise awareness about human rights and environmental sustainability among staff, members and farm workers



### Step 2: Identify

**Identify the most serious and common human rights and environmental problems**

Do risk assessment every three years

- Map the risks and problems in your country and field of production.
- Identify and further assess at least three problems that are most salient to your operations.
- Identify the most vulnerable groups of people.

Set up a grievance mechanism

- Set up a diverse grievance committee
- Develop, implement and keep improving a grievance procedure
- Raise awareness about your grievance procedure among all stakeholders



### Step 3: Address and Remediate

**Take action to prevent, mitigate, cease and remediate the salient problems**

- Develop policies and procedures on the at least three problems that are most salient for your organization, consulting groups of people affected by and knowledgeable of those problems
- Develop, implement and keep updating an annual action plan
- Where the risk of child labour, forced labour or gender-based violence is high, establish a Monitoring and Remediation System on that issue



### Step 4: Track progress

**Set up a tracking system**

- Track progress in your HREDD activities, including adherence to policies and implementation of action plans.
- Track changes in the biggest human rights and environmental problems.
- Best practice is farm level monitoring through Internal Control System.



### Step 5: Communicate

**Communicate your findings and efforts to stakeholders**

- Share the salient problems identified and progress made in addressing them
- Communicate at least to your members, business partners and Fairtrade

## IMPLEMENTING HUMAN RIGHTS AND ENVIRONMENTAL DUE DILIGENCE (HREDD) AT A SMALLHOLDER FARMER ORGANISATION

Essentially, HREDD is a process where an organisation reduces the human rights and environmental problems linked to its operations and value chains. All actors in supply chains are nowadays expected to perform HREDD.

When smallholder farmer organisations strengthen their social and environmental work and align with the HREDD process, their work should be supported by companies that utilise their produce.



FAIRTRADE