



Promoting Responsible Labor Practices in Palm Oil Production

Fifty million tons of palm oil are produced each year, and that volume is growing exponentially. Demand for palm oil continues to rise across the globe, as an affordable cooking oil, an input to an estimated 50 percent of grocery products, and an emerging biofuel. But the production of palm oil has been linked to troubling social and environmental problems, including the presence of forced labor and human trafficking in its supply chain. Verité is combating forced labor and human trafficking, and promoting ethical labor practice in palm oil production, by helping companies and other stakeholders understand the problem, find these abuses where they lie in the supply chain, and build effective solutions.



Fair Labor. Worldwide.

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VERITÉ is an international not-for-profit consulting, training, and research organization that has been a leader in supply chain social responsibility and sustainability since 1995. Verité's holistic, business-focused approach enables suppliers to meet customers' and compliance standards in a way that complements companies' business objectives.

The Problem

Many and diverse labor abuses have been documented on palm plantations across the globe, including child labor, excessive working hours, forced labor, and trafficking of migrant workers. Irregular migration for work on palm plantations is a common issue of concern. Red flags for forced labor include passport confiscation, induced indebtedness from excessive recruitment fees or smallholder start-up fees, contract substitution, overcharging for visas, lack of freedom of movement, and non-payment or underpayment of wages.

The production of palm oil has particularly high potential for abuse due to the isolation of palm plantations. Employment and contracting arrangements such as outsourcing of recruitment, hiring and management of workers, and contract farming, pose risks and can make labor abuses hidden or difficult to detect. Lack of food and potable water and limited access to medical facilities have been documented, as well as dangerous working conditions resulting from the use of toxic herbicides; frequent accidents; short life expectancy; and repression of unions.

The Solution

Verité's Program on Ethical Labor Practices in Palm Oil Production seeks to help companies and other stakeholders respond to issues pertaining to labor conditions in the palm oil supply chain through a series of key steps, beginning with understanding and analysis, and ending with direct action to resolve problems. The Program leverages independent funding to incubate sustainable approaches to palm oil production and to promote industry leadership in addressing labor abuses. Drawing on more than a decade of experience combating forced labor and human trafficking in global supply chains, Verité is offering services supported by foundation funding to assist retailers, brands and other buyers; traders; suppliers and others that wish to eliminate the risk of labor abuse and lead the field in ethical palm oil production, including:



Assessment. Verité's shadow audits and independent assessments will help companies identify risks of labor abuse that they face in palm oil production, and improve management systems to better protect workers from these abuses.



Training. Verité can boost critical competencies at all levels of the supply chain with its training programs, which focus on the root causes of labor abuses and impart the knowledge, skills, and abilities needed to resolve these abuses.



Resources. Verité can develop customized tools and learning modules to assist companies in protecting workers from labor abuses in the production of palm oil.



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Contact Ms. Daryll Delgado (Asia, Africa) at ddelgado@verite.org, or Mr. Philip Hunter (Americas, Europe) at phunter@verite.org, to find out how Verité can help your company promote ethical labor practices in palm oil production.