



# COFFEE Project

Cooperation On Fair, Free, Equitable Employment

## Sample Code of Conduct Provisions

TOOL 18 OF 28

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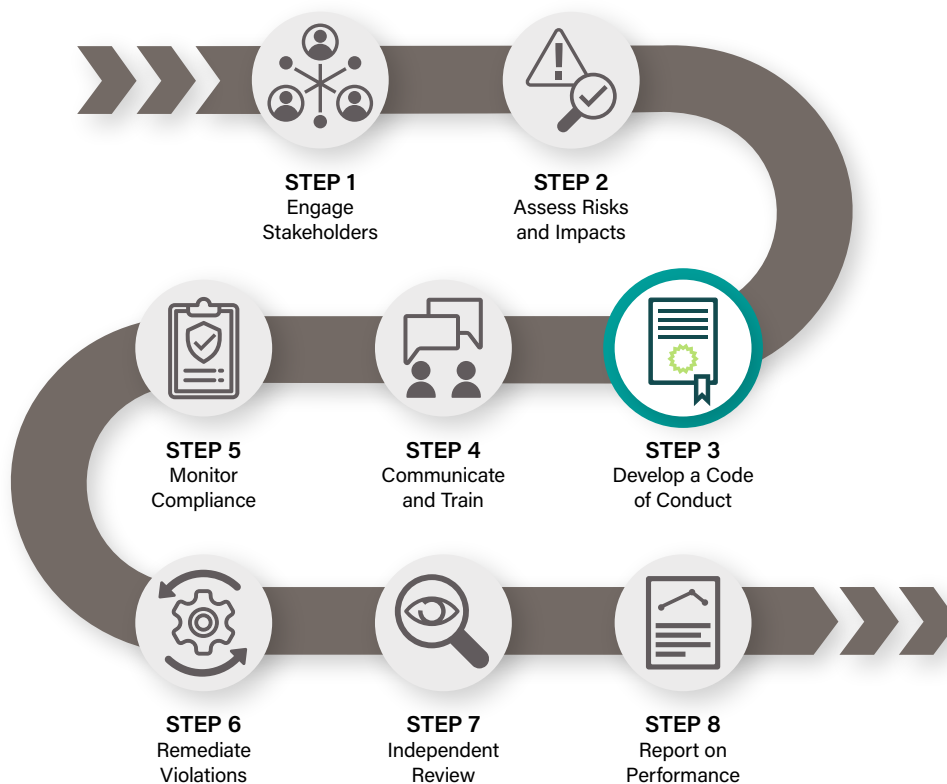
## About Our Funding

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# About the COFFEE Toolkit

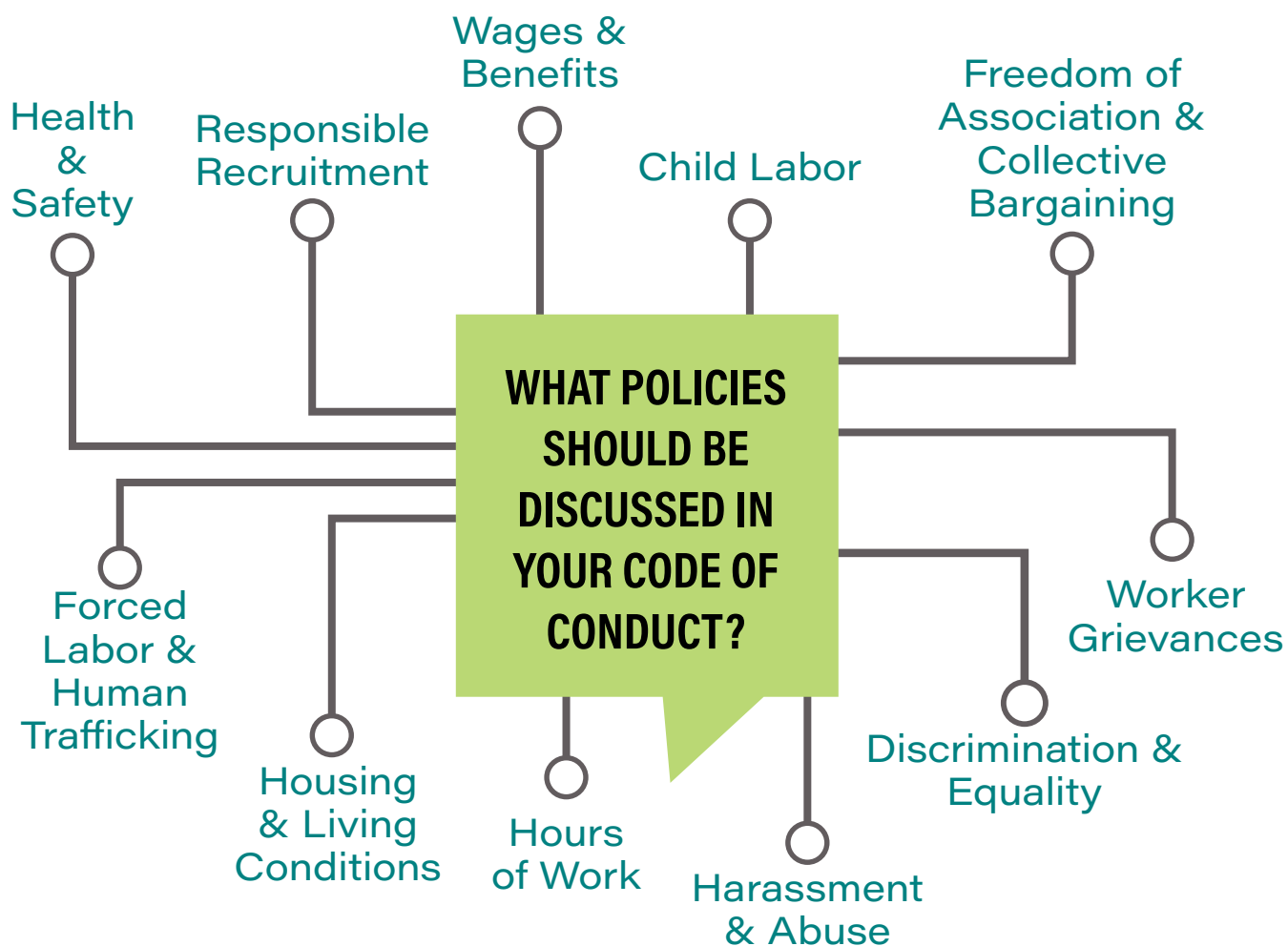
This tool is one of 28 tools and 14 online training modules comprising the [COFFEE Toolkit](#), which was developed as part of Verité’s Cooperation on Fair, Free, Equitable Employment (COFFEE) Project through generous funding from the US Department of Labor’s Bureau of International Labor Affairs (USDOL-ILAB). The purpose of the COFFEE Toolkit is to promote coffee retailer, roaster, trader, cooperative, and farm adoption of socially sustainable sourcing and farming practices in order to promote improved working conditions for farmworkers in the coffee sector.

The COFFEE Toolkit was developed in alignment with USDOL’s [Comply Chain](#) model, with at least one tool created for each of the eight steps of Comply Chain (see graphic below). Many of the tools are derived from tools created for the [Responsible Sourcing Tool](#), developed by Verité with funding from the U.S. Department of State’s Office to Monitor and Combat Trafficking in Persons (J/TIP). The tools can be used á la carte, but it is important that companies have systems and tools in place for each step of Comply Chain.



## Why a Code of Conduct?

A Code of Conduct is an important reflection of a company's values, commitments and expectations of its direct business partners (suppliers). A Code lays out the standards that the company expects its suppliers to meet in their operations and supply chains. Leading companies require their suppliers to adhere to their Codes and to require their own suppliers, in turn, to comply, at all levels of the supply chain. This is particularly important in the coffee sector, since the risks of labor abuses are highest at farm level.



## About This Tool

The **purpose** of this guide is to provide sample labor rights standards language for use in company Codes of Conduct. The sample language is based on international labor standards and best practices of leading companies.

The main **audience** for this guide is coffee retailers, roasters and traders who wish to develop or improve existing Codes. Companies that are starting to develop Codes are free to adopt these standards wholesale. For those that already have Codes, this tool can be used to benchmark or adapt existing standards.

## Model Code of Conduct Provisions

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Sample Code standards are below. In addition to these standards, Codes of Conduct should always require compliance with applicable national and local laws.



### Forced Labor and Human Trafficking

Forced labor and trafficking in persons are prohibited. Workers shall not be subject to any form of forced, compulsory, bonded, indentured, or prison labor.

All work must be voluntary, and workers must be free to leave their jobs at any time without penalty, consistent with applicable laws. Workers (or their families) shall not be threatened in any way, real or perceived, to compel them to take a job or prevent them from voluntarily ending their employment.

## Auditable Standards: Forced Labor

### Debt Bondage

- Workers are not forced to work to repay a debt, whether related to recruitment fees, salary advances, or other types of debts.
- If workers purchase goods on credit, they are provided with written records of the amount owed, and the cost of goods purchased are not deducted directly from workers' salaries or wages.
- Interest rates and repayment terms for advances, loans, and credit purchases do not exceed those available from local banks and;
  - A worker's total outstanding balance must not exceed 50 percent of one-month's base wages.
  - Monthly debt payments must not exceed 10 percent of one-month's base wages.
  - Loan terms must not exceed six months or extend beyond the duration of a worker's employment contract, whichever is shortest.

### Deposits and Deductions

- Workers are not required to make monetary deposits, pay bonds, or have wages withheld in exchange for an offer of employment or to maintain employment.
- Deposit schemes, forced savings, or mandatory deductions from wages to buy goods or services are prohibited.

### Confiscation of Personal Identity Documents and/or Property

- Workers who live on site have a secure place to store their identification documents and other valuables, including cellular phones, and have access to them at all times, including while working.
- Employers/labor brokers do not confiscate, destroy, retain, or deny workers access to their personal identification documents, documents needed to claim benefits, work permits, travel documents, or cellular phones.

### Freedom of Movement and Personal Freedom

- Workers have freedom of movement during recruitment, transportation, and employment. Workers are not subjected to unwarranted surveillance at the worksite or in worker housing.
- Workers are not required to live in employer-provided or arranged housing unless required by law. Neither the employer, labor brokers, or security personnel physically confine workers at the worksite or housing, or require workers to gain permission to leave these areas.
- Outside of working hours, neither the employer nor labor broker controls the movement of workers, nor do they restrict their activities or relationships during their free time, including interactions with labor unions, government agencies, or civil society organizations.
- Workers are not subject to any threats or physical violence to limit these freedoms.



## Responsible Recruitment

The employer is responsible for paying all recruitment fees and related costs directly, whenever possible.

Workers are not charged recruitment fees or related costs incurred in the recruitment process irrespective of the manner, timing, or location of where they are charged or collected.

### Auditable Standards: Responsible Recruitment

#### Labor Brokers and Third-Party Labor Providers

When employers determine that it is necessary to use labor brokers, they must ensure that:

- Employers have a signed contract with recruiters that obligates them to abide by national law, international standards, and company codes of conduct.
- The labor brokers operate in accordance with the laws of the countries of origin and destination of migrant workers.
- The labor brokers are registered and authorized by the competent authority in the receiving and/or countries of the migrants (including the outsourcing agents).
- The labor brokers operate ethically at all stages of the recruitment and selection process and do not engage in deceptive or fraudulent recruitment practices that put workers at risk of forced labor and other forms of labor exploitation.

#### Recruitment Fees and Costs

- Workers do not pay any recruitment fees or costs, either directly or indirectly (e.g. fees charged by labor brokers, deductions from workers' wages, or reduced wages).
- Workers do not pay for training that is required by the employer.
- Workers do not pay for transportation from workers' communities or countries of origin to the farm, for return transportation, or for transportation between worker housing and the work site.
- Labor brokers involved in the recruitment, selection, hiring, and management of workers do not charge workers any recruitment fees or costs.
- The no-fees policy is clearly communicated to workers in a language they understand at the beginning of the recruitment process.
- Loan advances and credit accounts can only be provided with the full, prior, and free consent of workers.
- Workers are not prohibited from quitting their jobs, punished or threatened with punishment, blacklisted, or reported to authorities for failing to pay back a debt.

### Auditable Standards: Labor Contracts

- Workers are provided written employment contracts in a language they understand (including indigenous languages that may be spoken in certain Latin American countries).
- Workers and management have both signed the same contract and both have a countersigned copy.
- Internal and international migrant workers should receive a copy of their employment contracts in their native language at least five days before departing their home communities.
- Workers who are not able to understand their written contracts have been provided detailed verbal descriptions of their contracts in languages they understand.
- Verbal agreements must be documented for auditability, such as in the employer's management system.
- The worker's employment experience on the farm is consistent with those in the contract.
- Workers have the right to voluntarily terminate their employment contracts without penalty at any time, consistent with applicable laws.
- All workers, including family members who help with production, have their own contracts.



Source: Bluesky60/Adobe Stock





## Wages and Benefits

All workers shall be paid at least the legal minimum wage for all regular working hours. Overtime work and work on public holidays and rest days shall be compensated at the legally established premium rate. All workers shall be provided with all legally mandated benefits, including social insurance and leave.

### Auditable Standards: Wages

- Workers who are paid by piece or volume are not paid less than the legally established minimum wage.
- All workers, including family members who help with production, are paid directly for their work and may not be paid less than the minimum wage for the hours worked. All working people retain full and complete control over their earnings.
- Payments are made directly to workers in regular intervals (as established by law) and never less often than bimonthly.
- Payment of wages — in whole or in part — is not delayed, deferred, or withheld (including until the end of the harvest season or the end of a worker's contract).
- If a worker chooses to leave their employment at any time, the worker is immediately provided with all outstanding wages due to them.
- Payment in the form of vouchers, coupons, or promissory notes is prohibited.
- Workers who are paid in cash have access to a safe place to store their cash to which they have unrestricted access.
- Workers who are paid by direct deposit must have access to their debit cards, as well as transportation to withdraw their money.
- Only deductions authorized by applicable laws are allowed and, if made, are only taken with the full consent and understanding of workers. Information is provided to workers at the time of hiring about all legal deductions.
- Workers are provided with pay slips that itemize earnings, hours worked, and deductions. When necessary, verbal explanations of earnings and deductions are provided in a language workers can understand.



## Hours of Work

The total number of hours worked per week, including overtime, shall not exceed limits set by applicable laws, and in no case shall they surpass 60 hours per week, including overtime.

All overtime work shall be voluntary, and workers who elect to work overtime shall be paid legally mandated overtime rates.

### **Auditable Standards: Hours of Work**

- Workers who are paid a piece rate never have to work in excess of legal working hours in order to earn the minimum wage.
- All overtime hours are paid at the legally established premium rates, regardless of whether workers are paid by piece, task, hour, or month.
- Overtime is always voluntary. No one is forced to work overtime under the threat of any penalty (such as denying the opportunity to work overtime in the future, dismissal, or reporting to the authorities). No person is forced to work overtime as a disciplinary measure or for not meeting production quotas.
- Penalties for failing to meet production targets are prohibited.
- The employer clearly defines and communicates its working hours policies and procedures to all workers.



Source: Bluesky60/Adobe Stock



## Child Labor

Child labor is strictly prohibited. Child labor refers to work by any person under the age of 15, under the legal age for completion of compulsory education, or under the legal minimum age for employment according to national law, whichever is higher (excluding light work on **family farms** that does not harm development, negatively impact school attendance, and that is within limited hours).

Adolescent laborers between the minimum age for work and 18 shall only engage in legally permissible work that complies with restrictions on hours of work, school attendance, and activities that do not present a danger to their health, safety, or morals. In all cases, adolescent laborers shall not work overtime or at night and must be registered, paid directly, and paid at least the minimum wage.

### Auditable Standards: Child Labor

- No worker under the age of 18 is performing tasks that are hazardous to their physical, emotional, intellectual, or moral development. (See [Tool 1: Definitions and Concepts](#) for the full definitions of prohibited child labor and permissible child work).
- Farm owner/management is fully aware of minimum age requirements.
- The farm has an age verification system in place for all workers, including those hired directly and those hired through labor brokers.
- The company clearly defines and communicates its child labor policies and procedures to all personnel.
- If children are living on the farm, they are attending school (if below the age of compulsory schooling).

A circular icon containing a stylized person silhouette with a speech bubble, representing communication or a person's voice.

## Discrimination and Equality

Workers shall not be subject to any form of unequal treatment or discrimination based on race, skin color, age, gender, sexual orientation, gender identity and expression, ethnic or national origin, disability, pregnancy, religion, political affiliation, union affiliation, protected genetic information, or marital status. Unequal treatment and discrimination are prohibited during recruitment, hiring, or employment, including in determining wages, promotions, bonuses, and access to benefits and training.

### **Auditable Standards: Discrimination and Equality**

- All working people, regardless of their nationality or legal status, are treated fairly and equitably. Migrants enjoy working conditions no less favorable than those available to nationals of the country.
- Workers and job applicants are not subjected to medical examinations or physical examinations that may be used in a discriminatory manner (including pregnancy tests). Medical examinations and testing are only administered where required by law or to support objective job performance requirements.
- All women engaged in coffee production and auxiliary tasks (such as cooking, cleaning, and childcare), including those who are employed part-time, are directly hired and paid by farms, and are paid the same rates as men who perform similar tasks.
- The company clearly defines and communicates its Discrimination and Equality policies and procedures to all personnel.
- Workers are provided reasonable accommodation for religious practices.



## Harassment and Abuse

All workplaces shall be free from any form of cruel or inhumane treatment. Workers shall not be subjected to physical, verbal, mental, or sexual harassment or abuse. The deprivation of food, water, or sleep; transfers to dangerous or undesirable tasks; or dismissal, blacklisting, or denunciation to authorities may not be used as a threat or form of punishment against workers.

### Auditable Standards: Harassment and Abuse

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Source: Mapo/Adobe Stock



## Freedom of Association and Collective Bargaining

Workers must have the right to form and join unions, workers' organizations, labor committees, or other organizations of their choosing, and to bargain collectively on wages and other conditions of employment.

Workers shall have the right to freely choose union leaders through secret ballot elections, and employers shall not interfere in union operations or engage in discriminatory practices or retaliation against workers for participating in union activities.

### **Auditable Standards: Freedom of Association and Collective Bargaining**

- Workers are permitted to form and join organizations of their own choosing without prior authorization.
- Workers' organizations are allowed to draw up their own rules and constitutions, elect their own representatives, and organize their own affairs without any employer intervention.
- Workers are compensated at their regular rate during the time they carry out their official duties as worker representatives.
- Workers do not face any type of discrimination or reprisal for forming or participating in workers' organizations or for engaging in collective bargaining or strikes.
- Employers engage in good faith collective bargaining with workers' organizations representing workers employed on their farms.
- Workers and their representatives are able to communicate openly with management regarding working conditions and management practices without fear of discrimination, retaliation, intimidation, harassment, or violence.
- The company clearly defines and communicates to all workers its Freedom of Association policies and procedures.

A circular icon with a green border containing a stylized person silhouette with a speech bubble and a plus sign, representing worker grievances.

## Worker Grievances

All workers shall have access to a grievance mechanism that is transparent, responsive, anonymous, unbiased, and confidential through which they can raise questions about or report violations of policies, expectations, other workplace grievances, or legal or ethical violations. Retaliation against workers for reporting violations or cooperating in investigations is prohibited.

### Auditable Standards: Worker Grievances

- Farms should set up grievance mechanisms that are easy to use and understand and are appropriate for workers' level of literacy, language fluency, and technology access.
- The mechanism allows for anonymous complaints, if the complainant chooses.
- The mechanism is available in workers' native languages, including indigenous languages.
- The mechanism allows workers to confidentially report grievances to individuals other than their supervisors or labor brokers.
- The mechanism includes a procedure for management to follow-up on reported grievances that is communicated to workers, a system to remediate issues, and an appeals process in the case that workers are not satisfied with the resolution.
- Workers who report grievances are not subjected to any form of penalty, dismissal, discrimination, harassment, or reprisal of any kind.



## Health and Safety

Workers shall be protected from health and safety hazards and have access to information and training on occupational health and safety in a language they understand. Workers shall have access to all necessary precautions and protective measures.

### Auditable Standards: Health and Safety

- Health and safety training is provided to all individuals prior to the start of work and regularly during the period of employment, including training specific to hazardous tasks assigned to workers.
- Health and safety-related information is clearly posted in a place that is visible and accessible to workers.
- Workplace accidents are prevented through the identification, evaluation, and prevention of workplace hazards.
- Worker exposure to chemical, biological, and physical agents is routinely evaluated and controlled to prevent disease.
- Workers are not exposed to pesticides, fungicides, or herbicides categorized as “extremely hazardous” (Class Ia) or “highly hazardous” (Class Ib) by the World Health Organization (WHO), including handling or applying these agrochemicals or working in areas in which they have been applied.
- Suitable personal protective equipment (PPE) is provided to all workers free of charge.
- Workers engaged in hazardous tasks are provided with the following task-appropriate PPE free of charge:
  - respiratory protection: organic vapor respirators and/or dust masks for preparation and application of pesticides, herbicides, and other agrochemicals;
  - hearing protection: earplugs/earmuffs for machinery operators on coffee farms and all workers in coffee processing plants;
  - eye and face protection: glasses/mesh face shields (machinery operators);
  - hand protection: leather gloves (machinery operators on coffee farms and all workers in coffee processing plants);
  - head protection: hard hats (machinery operators on coffee farms and all workers in coffee processing plants and warehouses);
  - protective clothing: cut-resistant aprons or chainsaw chaps (if possible, for machinery operators on coffee farms); and
  - safety footwear: steel-toed boots (for machinery operators on coffee farms).
- Workers are required to use PPE when carrying out hazardous activities, including when: preparing and applying agrochemicals; pruning and stumping (workers who operate machetes, chainsaws, scythes, and pruning shears); weeding (chemical and mechanical); processing (work with depulper motors and related machinery, particularly if equipment is not well-maintained and covered); and working in warehouses (risks related to falling coffee sacks, working at heights, and agrochemicals).
- Workers are not fined or unfairly punished for failing to utilize PPE or for damaging or losing PPE.
- Appropriate first aid and subsequent medical treatment, including transport to medical facilities and coverage of medical expenses and medications, are provided to workers who suffer from workplace injuries or illnesses.
- Workers who have suffered workplace injuries or illnesses are provided with paid time off during the recovery period and are returned to their original job assignments upon return, or assigned to less strenuous but equally remunerated assignments if medically necessary.
- All workplace accidents, injuries, illnesses, and fatalities are reported to appropriate authorities.
- Workers are permitted to remove themselves from conditions that they deem hazardous without fear of reprisal.
- Emergency preparedness and response plans are established to address possible emergency situations.





## Housing and Living Conditions

Employer-provided or arranged worker accommodation, and food storage, preparation, and dining areas shall be clean, safe, hygienic, and in compliance with applicable country and international standards.

Employer-provided housing shall include freely accessible potable water, hygienic washing and toilet facilities, adequate light, heat and ventilation, and food storage and preparation facilities. It shall have adequate emergency exits, alarms, and fire suppression equipment. Workers shall be provided with adequate personal space and privacy.

### **Auditable Standards: Housing and Living Conditions**

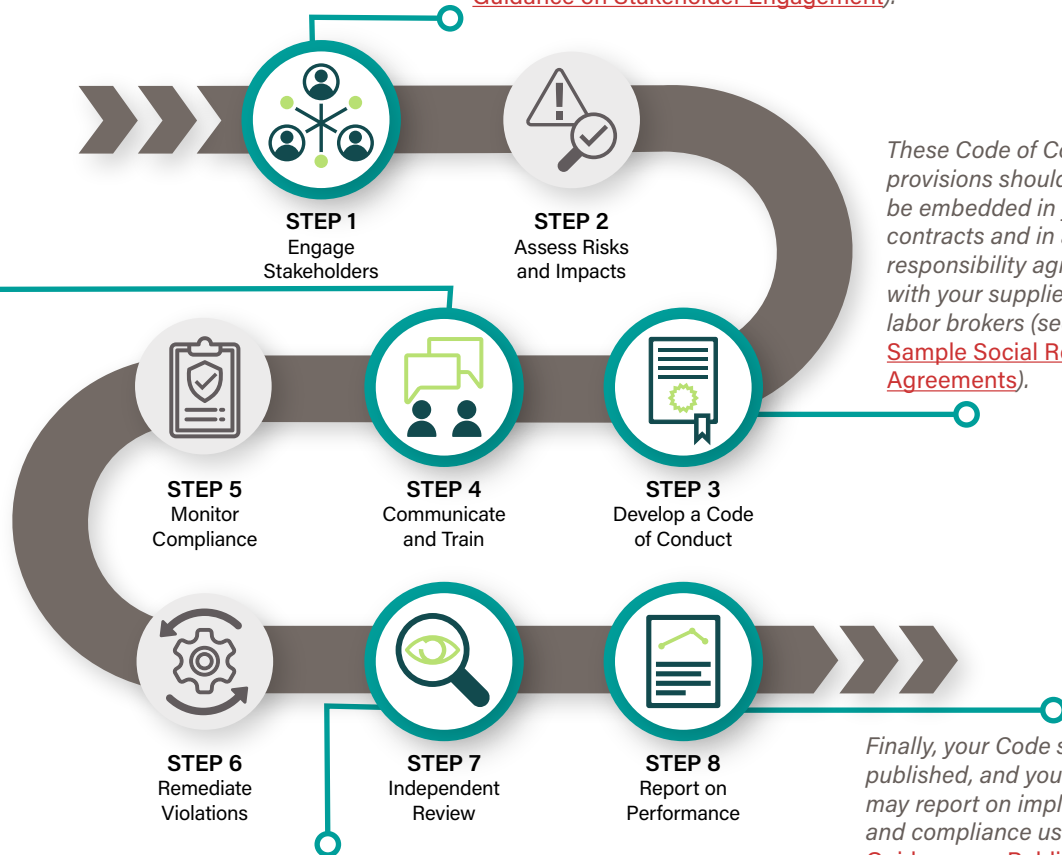
- Employers that offer workers housing provide them with safe and hygienic housing conditions, in accordance with prevailing industry standards and legal requirements.
- Each individual (including workers and their family members) is provided with at least 1.5 square meters of personal space.
- Each worker is provided with their own bed. Beds are not assigned by shift.
- Workers housed by their employers have access to toilets, showers, and kitchens equipped with running water and safe and hygienic conditions.
- Workers are not charged for housing in violation of local laws or in excess of local equivalent rentals.
- Employers proactively identify and address risks to workers' health and safety in housing units, including through maintenance, evacuation drills, and provision of fire alarms, fire extinguishers, and first aid kits.
- In the event that employers provide workers with food as a benefit of employment or in accordance with local law, it must include an adequate amount of balanced food that meets their nutritional needs.

# Next Steps

As you go through the process of developing a Code of Conduct, stakeholder engagement should be an essential part of the process (see [Tool 9: Guidance on Stakeholder Engagement](#)).

It is essential that the provisions in your code of conduct be communicated to all actors in company supply chains, from traders to farms, to service providers and labor brokers (see [Tool 20: Guidance on Communication and Training Across the Supply Chain](#)).

These Code of Conduct provisions should also be embedded in your contracts and in any social responsibility agreements with your suppliers and labor brokers (see [Tool 19: Sample Social Responsibility Agreements](#)).



Auditors will monitor compliance with your Code using the [Tool 25: Guidance on Independent Auditing of Coffee Farms](#).

Finally, your Code should be published, and your company may report on implementation and compliance using [Tool 28: Guidance on Public Reporting](#).