



Environmental and Social Management System Toolkit and Case Studies

FOOD & BEVERAGE

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Welcome & How to Use This ESMS Toolkit and Case Studies

Environmental and social responsibility is becoming more and more important in today's global economy. There are thousands of environmental and social codes and standards in the world today. The codes and standards define the rules and the objectives. But the challenge is in the implementation. An environmental and social management system helps companies to integrate the rules and objectives into core business operations, through a set of clearly defined, repeatable processes.

In the following pages, we provide tools to build or enhance your environmental and social management system (ESMS). Section I is the Toolkit – sample documents, blank forms, flowcharts, checklists and templates. There are tools for each of the nine elements in your ESMS. Section II is the Case Studies – examples of how two different companies used the tools and developed and implemented an ESMS appropriate to the size and nature of their business.

As you go through the Toolkit and Case Studies, you may want to refer back to the companion publication, the ESMS Implementation Handbook, which gives more background on each of the nine ESMS elements.

It is important to remember that simply creating a book of policies and procedures is not the end - just the beginning. They need to be implemented and turned into consistent processes. Continual improvement requires people that are committed to the effort. It requires trained people that have the right attitude, skills and knowledge. It requires leadership. Our hope is that, with this in mind, a company can use our ESMS tools to help accelerate the journey of continual improvement, for its own benefit and that of its employees and stakeholders.

Quick Reference for Using the ESMS Toolkit and Case Studies	
Section I - Toolkit	This section provides tools, including forms, templates, checklists and other useful documents, to help you develop and implement an ESMS.
Section II - Case Studies	This section presents the stories of two companies in the food and beverage industry that implemented an ESMS. These cases illustrate how the two companies used the tools presented in Section I – Toolkit.
ESMS Self-Assessment and Improvement Guide	This companion publication contains a questionnaire, maturity matrix and improvement tips to help you measure the maturity of your ESMS and develop a plan for improvement.
ESMS Implementation Handbook	This companion publication provides background on environmental and social management systems in a particular industry and offers step-by-step instructions on how to develop and implement an ESMS.

Acknowledgments

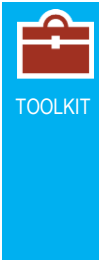
ESMS Toolkit and Case Studies – Food and Beverage was prepared by the Sustainable Business Advisory (SBA) department, with primary contributions from Irene Angeletti, Larissa Luy, Juan Jose Dada and Robert Horner.

The Toolkit is based on primary contributions and technical expertise from the Social Accountability International (SAI) team of Craig Moss and Jane Hwang, with key contributions from Eileen Kaufman, Yogendra Chaudhry and Caroline Lewis. Graphic design services were provided by Pam Henry.

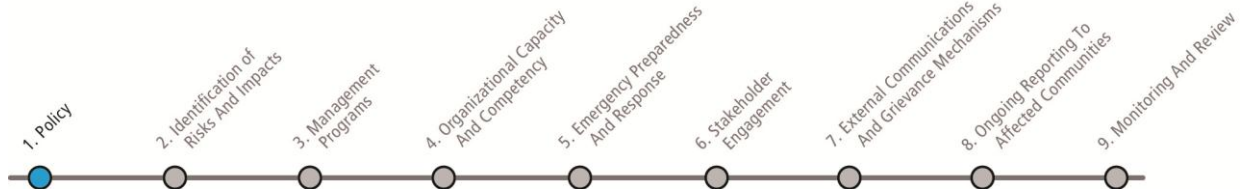


ESMS Toolkit

FOOD AND BEVERAGE



1. Policies



Policies

Introduction

Policies are the foundation of your Environmental and Social Management System (ESMS). They are the rules that you expect your people to follow and the public statement you make about what your company believes in and how you strive to conduct your business.

The process of adopting environmental and social policies provides a company with an opportunity to think about and discuss what is important. Ultimately, it also enables you to gain the commitment and support of senior management as they approve and communicate the policies.

We present two tools related to this element:

- Checklist for Developing a Company Policy Statement
- Sample CEO Letter announcing the ESMS



1. Policy

Checklist for Developing a Company Policy Statement

Instructions:

Use this checklist to make sure that you are considering the relevant issues in your environmental and social policy.

Environment

- Environmental laws and regulations
- Resource efficiency and cleaner production principles in product design and production processes
- Emissions and effluents

Resource efficiency

- Consumption of energy, water and other important input materials
- Greenhouse gas (GHG) emissions

Pollution prevention

- Release of pollutants to air, water and land
- Generation of hazardous and non-hazardous waste materials
- Recovering, reusing, treating and disposing of waste
- Emissions and residue
- Pests and vectors
- Pesticide effects on non-target species and the environment, and development of resistance

Labor and Working Conditions

Human resources policies and procedures

- Labor standards policies and procedures
- Clear communications throughout the company

Working conditions and terms of employment

- Collective bargaining agreement, if applicable
- Reasonable working conditions and terms of employment including work hours, wages, overtime, compensation and benefits
- Protection for migrant workers
- Clean and appropriate accommodations, if applicable

Workers' organizations

- Workers' rights to form and to join workers' organizations
- Non-discrimination against those who organize



1. Policy

Non-discrimination and equal opportunity

- Hiring, promoting and compensating workers
- Training, tools and opportunities for advancement
- Freedom from harassment by management or other workers
- Positive discrimination, if applicable

Retrenchment

- Consideration of alternatives and mitigation in case of retrenchment
- Payments and benefits

Grievance mechanism

- Transparent process for receiving and resolving worker complaints
- No retaliation or discrimination

Child labor

- Minimum age
- Conditions for young workers

Forced labor

- Freedom of movement, freedom to resign
- No retention of identification papers or money to detain workers

Occupational health and safety

- Safe work environment and dormitories, if applicable
- Emergency prevention and response system
- Personal protective equipment and appropriate training
- Document and report accidents, diseases and incidents

Workers engaged by third parties

- Extension of labor policies to labor contractors, recruiting agencies and other third parties
- Grievance mechanism for contracted workers

Supply chain

- Extension of policies and monitoring of supply chain with respect to child labor, forced labor and worker safety to supply chain



Community Health, Safety and Security

Community Health and Safety

- Food and consumer safety
- Health, safety and security of the public from activities, equipment and infrastructure
- Design, construct, operate and decommission equipment and infrastructure in a way to avoid the occurrence of incidents and injuries
- Potential community exposure to hazardous materials and substances
- Delivery, transportation and disposal of hazardous wastes
- Impact or reliance on ecosystem services
- Community exposure to water-borne, vector-borne and communicable diseases that may be associated with company activities
- Communicable diseases that may be associated with the influx of temporary or permanent project labor
- Emergency situations caused by activities, equipment and infrastructure

Security personnel

- Screening, training, equipping and monitoring direct or contracted workers providing security services
- Grievance mechanism for workers and the community to express concerns about the security system and personnel



Sample CEO Letter announcing the ESMS - Internal

To all employees of our company:

Our vision for our company is to become one of the most respected and admired food and beverage companies in our area. We aspire to conduct ourselves in an ethical and responsible manner. Corporate social responsibility, which spans environmental, human rights, labor and social issues, is a growing concern to investors, consumers and to all of us as people.

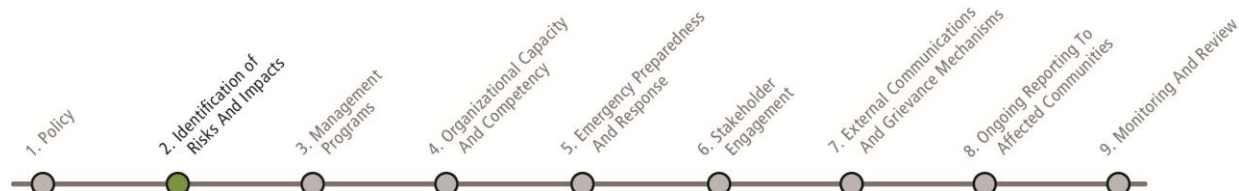
To integrate corporate social responsibility into our day-to-day business activities, we are developing and implementing an environmental and social management system (ESMS). A management system is trained, committed people routinely following procedures and continually improving.

I ask for your full cooperation in this important initiative. We believe that corporate social responsibility must be a foundation of our long-term growth and profitability. Not only is it an integral part of our overall business strategy, but it is also the right thing to do. It is the right thing for our customers, our suppliers, our shareholders, our communities and for you, as a core part of this company.

As we strive to successfully implement our ESMS, we will train and involve you throughout the process. [Person's name and title] is in charge of this corporate social responsibility initiative. Each of you has a direct line of communication with [person] for any suggestions or concerns. I thank you for your efforts and your continued dedication to our success.



2. Identification of Risks and Impacts



Identification of Risks and Impacts

Introduction

Identifying your risks can seem like a daunting task, but don't be overwhelmed. Scale your program as appropriate for the size and complexity of your company. But remember, small companies can have the same risks and potentially severe environmental and social impacts as large companies.

Think of your risk identification and assessment as a value-added activity, an opportunity to gather information that will help to effectively improve your operations. A risk identification and assessment is an ongoing process; situations change over time, so it should be repeated at regular intervals.

When identifying your risks, be mindful of the different risks that may be faced by women and men. Also, consider the risks to people outside your company – your external stakeholders.

We present four tools related to this element:

- Risk Identification Worksheet
- Process Mapping Tool
- Physical Mapping Tool
- Risk Assessment Form



2. Identification of Risks and Impacts

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A “yes” response means that there is a potential negative impact)
There is a difference in nationality, race or religion between workers and managers.	Yes/No	Discrimination. Disciplinary abuse and harassment.
Our managers and supervisors are not aware of the workers’ rights under the national labor law or collective agreements.	Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime.
We have an apprentice program that provides young workers with training and work experience.	Yes/No	Forced labor. Child labor.
We routinely use recruiting agencies and contract workers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers in my company are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
There are security guards at our company.	Yes/No	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No	Inadequate wages, benefits and contracts.
There is a large fluctuation in orders and/or seasonality of production.	Yes/No	Excessive overtime. No payment of overtime due to hour-averaging. Layoffs.
There is a labor shortage in my area.	Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No	Lack of freedom of association.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
Our processing activities include significant lifting, carrying or repetitive motions.	Yes/No	Worker injuries and chronic conditions.
Our processing activities involve workers routinely interacting with machinery, equipment with sharp edges and/or slippery work surfaces.	Yes/No	Worker injuries and chronic conditions.
Our processing activities involve elevated levels of noise, dust, vapors, smoke, chemicals (e.g., preservatives, cleaning agents), radiation and/or temperature extremes.	Yes/No	Worker injuries and chronic conditions.
Our processing activities involve hazardous materials or processes that could cause fires or explosions.	Yes/No	Worker injuries or casualties.
Our processing activities involve the handling of living and dead animals that can transmit diseases to humans.	Yes/No	Worker illnesses.



2. Identification of Risks and Impacts

Our workers don't have access to separate and clean areas for eating and changing clothes.	Yes/No	Worker illnesses.
Bathrooms are not properly cleaned and often lack running water, soap and toilet paper.	Yes/No	Worker illnesses.
The companies in our supply chain would probably answer "Yes" to most of the questions above.	Yes/No	All of the above.

ENVIRONMENTAL RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact(A "yes" response means that there is a potential negative impact)
Our operations require large quantities of fresh water.	Yes/No	Groundwater depletion in the region. Contamination of ground or surface water sources in the region due to discharge of effluent. High energy consumption for treatment of raw or process water.
We don't have sufficient fresh water supplies to meet our requirements.	Yes/No	Groundwater depletion in the region.
Our operations have high requirements for power supply.	Yes/No	High energy consumption.
We require large quantities of fuel (gas/diesel/coal/etc.) for our operations.	Yes/No	Air emissions. Solid waste (fly ash if coal is used).
We have various process and utility equipment which may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	Yes/No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We need to store large quantities of raw materials at site.	Yes/No	Solid waste due to possible contamination or deterioration of raw materials. High energy consumption or emissions due to cold storage.
We generate large (or significant) quantities of solid or liquid waste due to poor quality of raw materials or rotting of material due to prolonged storage.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to cold storage.
We generate large (or significant) quantities of solid or liquid waste from our manufacturing process, which are not reprocessed into byproducts, fertilizers or energy.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning.
The quantity of solid/liquid waste from rejected finished product due to contamination, rotting, expiry, etc. is high (or significant) at our facility.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to excess or extra production.
We dispose of our solid waste in our landfill or city's landfill facility.	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-



2. Identification of Risks and Impacts

		off). Impact on wildlife or fisheries if exposed. Diseases through vectors, foul smell, GHGs generation (e.g. methane).
We provide our solid waste to the community or general public to be used as fertilizer.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
Our operations generate large (or significant) quantities of wastewater (e.g. raw material washing, processing, floor cleaning, bottle washing, etc.).	Yes/No	Contamination of ground and/or surface water due to improper disposal of wastewater.
We discharge our wastewater (process effluent) in a nearby river/lake/or any other water body.	Yes/No	Contamination of receiving water body and aquatic life. Eutrophication due to high BOD or COD.
We treat our wastewater (process effluent) before discharge.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of waste.
We treat our sewage (from toilets, washrooms, etc.) before discharging it in the city's sewer line.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.
We utilize our treated wastewater (process effluent) for irrigation (either by ourselves or provide it to community).	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the treated wastewater.
We generate some hazardous or toxic waste (e.g. waste chemicals, used/waste oil/sludge from wastewater treatment plants based on chemical treatment, etc.).	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off) if disposed improperly.
We require a large land area for our industrial operations.	Yes/No	Loss of natural habitats or agricultural land. Air, water and/or land pollution based on expansion requirements and infrastructure development.
Our operations may have an impact on the surrounding forest or wildlife.	Yes/No	Loss of native species. Impact on biodiversity.
We use some banned chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure to workers. Land or water contamination due to disposal of infested material.



2. Identification of Risks and Impacts

COMMUNITY HEALTH, SAFETY AND SECURITY RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact(A “yes” response means that there is a potential negative impact)
Our processing activities involve organic matter that needs to be washed, treated or stored to ensure food safety.	Yes/No	Food contamination/food safety issues.
Our processing activities and treatments involve biomass or other liquids or solids that may lead to foul odors.	Yes/No	Exposure of community to foul odors.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc., that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We plan to develop new infrastructure, buildings, equipment and other facilities.	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.
We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.), and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.
There is significant movement of vehicles in and around our facility due to our operations (e.g. vehicles carrying raw material or finished products, movement of water tankers, etc.).	Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating air, land and/or water.
We discharge water from our plant, which may have an impact on surrounding water bodies.	Yes/No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	Yes/No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel	Yes/No	Conflicts with communities and indigenous people.
We normally have conflicts/complaints with the local community.	Yes/No	Conflicts with communities and indigenous people.



2. Identification of Risks and Impacts

Process Mapping Tool

Instructions:

A process map or flowchart visually describes the flow of activities of a process, from beginning to end. Below is an example of a blank process map.

Please look at the case study for company **ABC**, a poultry producer in Thailand in Section II of this Toolkit, to see how this map can be completed and followed through.

Process maps are particularly useful in identifying environmental risks, occupational health and safety hazards and areas for process improvement. They are also helpful to identify whether and where you can improve the work flow which can benefit the workers.

After you write down your process map, look at each activity and think of

- the occupational health and safety hazards;
- the environmental and community risks; and
- the opportunities for waste reduction and energy savings.

It is very important that people at all levels in your company participate in the identification of risks, opportunities and possible solutions. Supervisors and workers are a valuable resource in helping you learn about the way things actually work on the production floor. If you can't have all the necessary people in a room, you can ask supervisors to provide you the information for the activities they are responsible for after consulting with the workers in their area.

After you have identified the risks and opportunities for each step, you can think of the possible solutions. These can range from replacing and installing new equipment, to revising your work flow procedures to better control the risks, to improving the use of personal protective equipment by your workers. This will form the basis of the action plans you will prepare (see Chapter 3. *Management Programs – Toolkit*).



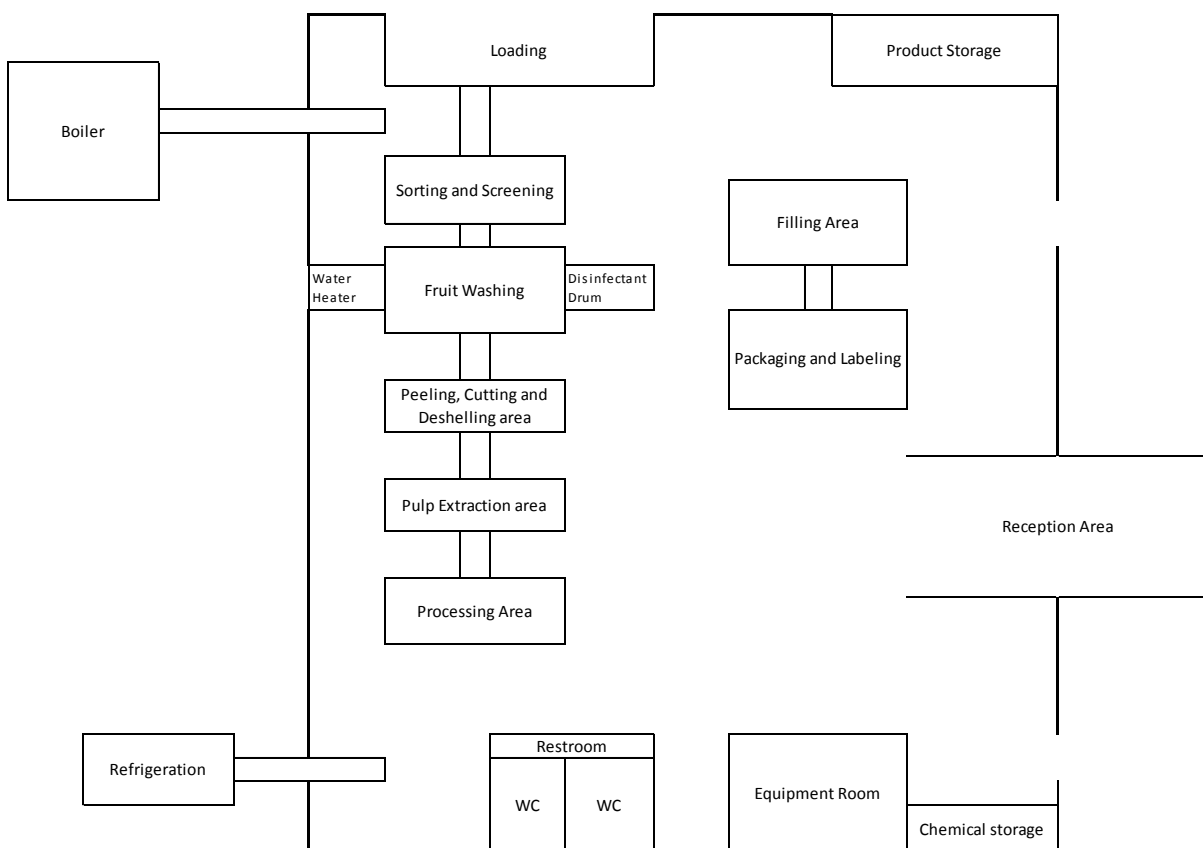
2. Identification of Risks and Impacts

Physical Mapping Tool

Instruction

Prepare a map of the layout of your plant. The map should include equipment (e.g., conveyors, washing and sieving drums, heaters, drying machines, boilers, cold rooms, pipes, etc.) and mark stairs and exits. You can use this map again later when you do your emergency preparedness plan. Once you have the physical map, do a walk-through to observe existing or potential problems.

Whenever you encounter a problem, write it down and mark it on the map (see example for case study [XYZ](#), a fruit processing company in Tanzania in Section II of this Toolkit). The walk-through needs to be done during working hours, and you should be accompanied by a small team, including supervisors and workers; they often know what the problems are and have ideas of how to improve.





2. Identification of Risks and Impacts

HERE ARE SOME THINGS TO LOOK FOR:

- Where are people most likely to get injured (e.g., falls, cuts, burns, strains)? Identify trip, slip and fall hazards - wet floors, obstructions, etc.?
- Are exit doors unobstructed and well-marked? Unchained? Equipped with panic bars to allow escape from within but deny access from outdoors?
- Are any passages blocked due to the layout or improperly stored materials?
- Is the process laid out efficiently to reduce worker strain and workspace clutter?
- Where could explosions, fires or the accidental release of hazardous materials occur? Is there adequate and appropriate response equipment close to those areas?
- Are chemicals labeled and stored with compatible materials, where combustion or cross-contamination with the product cannot occur? What is the likelihood and consequence of an accidental spillage?
- Are there existing or potential leakages from rusted pipes, gaskets and drums?
- What is overhead that could break or drop and cause food adulteration: e.g. lights without shields, fluorescent tubes, birds and bird feces, rodents, flies, etc.
- Where do there seem to be high levels of water consumption or discharge? Identify all water outlets, hoses, etc. and flag those without spring closures. Basins, sinks, tubs should only be filled to needed levels.
- Where is most of the waste produced and what is done with it?
- Are raw materials being used most efficiently? Where is there wasting of materials?
- Where are workers exposed to bad odors, loud noises, excessive dust or extreme high and low temperatures? Do workers have appropriate personal protective equipment? Are they using it correctly?
- In general, are there places or work processes where it is clear there are bad habits?

After the walk-through, meet with the team and discuss what has been observed. Also, talk about previous incidents or accidents that have occurred in the plant and what have been the consequences.

The information you collect in the walk-through will form the basis of the action plans you will prepare (see Chapter 3. *Management Programs – Toolkit*).



2. Identification of Risks and Impacts

Risk Assessment Form

Instructions

It might not be feasible or practical to address every risk. Where it is necessary to prioritize your actions, try to avoid or minimize the most potentially severe risks.

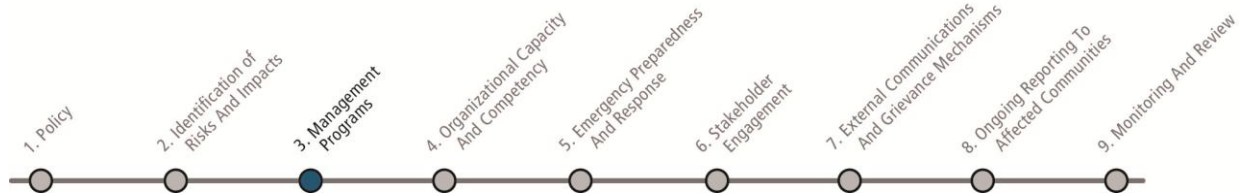
Complete this form based on the risks that you identified using the previous tools. Identify the probability of a certain risk occurring and the severity if it did happen. For example, a major explosion may be unlikely to occur (low probability), but the damage to your people and facility could be extremely high (high impact).

When prioritizing issues to be addressed, consider opportunities for cost reduction through reduced water and energy consumption, reduced waste generation and similar considerations.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES



3. Management Programs



Management Programs

Introduction

A management program is centered on the action plans and improved procedures to help you to avoid, minimize or compensate for the risks and impacts you've identified.

We present three tools related to this element:

- Action Plan Chart
- Outline of Procedure
- Sample Procedure - Flowchart

Refer to case **ABC** and case **XYZ** in Section II of this Toolkit for an illustration of how these tools can be put to use.



3. Management Programs

Action Plan Chart

Instructions

Use the Action Plan Chart to identify the actions you will take concerning the risks and how the actions will be managed. List each risk that you identified and prioritized in the previous section. Write down the actions that you could take to avoid, minimize or compensate/offset the risk. Assign a responsible party and a deadline. Identify the resources required and the operational procedures you will need to adopt.

Risk:

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid						
Minimize						
Compensate/ Offset						



Outline of Procedure

As you implement the Action Plan, it is helpful to define procedures that clearly systematize the actions into routine, daily processes and practices. Procedures can be text, flowcharts, pictograms – whatever you find to be the most effective communication tool for your company. Below is an outline of the important components of a well-defined procedure.

Title:

- Procedure number:
- Number of pages:
- 1.0 Purpose:
- 2.0 Scope:
- 3.0 Definitions:
- 4.0 Responsibilities:
- 5.0 Work instructions:
- 6.0 Reference documents:
- 7.0 Records:
- 8.0 Approving authority:
- 9.0 Issue date:
- 10.0 Revision date:



3. Management Programs

Sample Procedure – Flowchart








Title:

Approving authority:

Date issued:

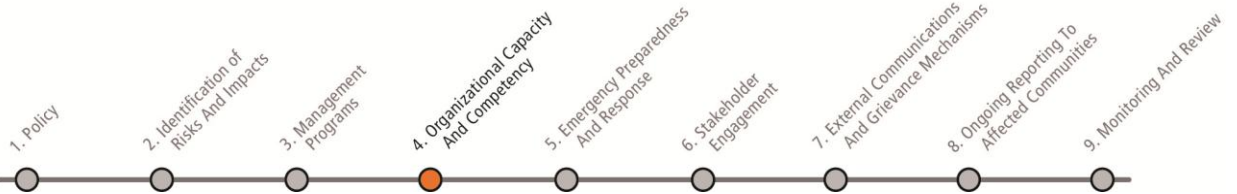
Date revised:

Purpose:

<u>Process</u>	<u>Responsible person</u>	<u>Documentation</u>
		
		
		
		
		
		
		



4. Organizational Capacity



Organizational Capacity

Introduction

A well-implemented ESMS is ultimately about trained, committed people. Senior management commitment is critical, but beyond that you need people throughout the company who take responsibility for the ESMS. This does not mean that the ESMS becomes everyone's full-time job. You should scale the system to meet your company's size and structure.

Remember that there needs to be a progression from awareness to commitment to implementation. Think about this as you plan the relevant training. For each training module, think about whether the goal is to raise awareness, gain commitment or give people the knowledge and skills they need to implement.

We present two tools related to this element:

- Training Plan Worksheet
- Roadmap and Time Estimate for Developing and Implementing an ESMS

Think about ways to adapt these for your company.



4. Organizational Capacity

Training Plan Worksheet

Instructions

Look at your action plans and improved procedures to identify which training managers and workers will need to be able to correctly implement these. Identify who in the company will need basic and advanced training on the ESMS elements.

Sample Training Plan Worksheet

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
Senior management				
ESMS team				
HR Department				
Production Department				
All workers and managers				
Procurement				



4. Organizational Capacity

A sample list of some of the relevant topics/items for the above specific group is presented in the table below. You should select the specific training modules for each of these target groups based on the specific risks and the potential improvement opportunities.

DEPARTMENT	RELEVANT TOPICS FOR TRAINING
Senior management	Introduction to ESMS; IFC Performance Standards; sectorial best practices;
ESMS team	ESMS elements; identification and evaluation of risks and impacts; root cause indicators; internal auditing; internal and external communication; environmental and social reporting
HR Department	Introduction to ESMS and labor standards; collective bargaining agreements; hiring, non-discrimination, (sexual) harassment, remuneration and other labor policies; complaint management and resolution procedure; workplace communication; worker induction
Production Department - Supervisors	Introduction to ESMS; supervisory skills; workplace communication; OHS and emergency response procedures; role of OHS committees; workers' rights and responsibilities; non-discrimination, prevention of (sexual) harassment and disciplinary procedures; customer requirements
Production Department - Workers	ESMS policies; OHS and emergency response procedures; role of OHS committees; rights and responsibilities at work; effective forms of workplace communication; complaint management and resolution procedures
Procurement	Supplier code of conduct; audit of suppliers based on environment and social requirements



4. Organizational Capacity

Roadmap and Time Estimate for Developing and Implementing an ESMS

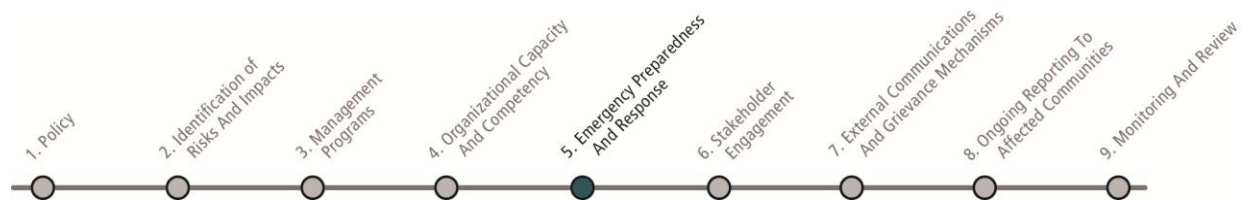
Instructions

The roadmap below lists the activities that a company commonly needs to put in place to set up an ESMS. This table will help you develop a timeline for action and estimate the staff time required to develop and implement your ESMS.

ACTIVITY		TIME SPENT				MONTH																							
						1			2			3			4			5			6								
1. Policy		Senior mgt time	Mid-mgt time	Supervisors time	Workers time																								
Developing	Kick-off meeting at senior management level to discuss ESMS implementation																												
	Selection (including communication/coordination) of ESMS core team (personnel from different key departments)																												
	Appreciation/awareness workshop for senior management and core team on ESMS requirements																												
	Review/upgrading of existing environment and social policy. Or formulation of organization's environmental and social policy																												
Implementing	Design, printing and display of ESMS policy in key areas																												
	Uploading of ESMS policy on company website																												
	Communication of ESMS policy to key external stakeholders																												
	Training and awareness-raising of employees on ESMS policy and information dissemination																												



5. Emergency Preparedness and Response



Emergency Preparedness and Response

Introduction

Even with good systems in place, emergencies can and do happen. The key is to plan in advance – try to prevent as much as you can, and train your employees to know what to do in case something does happen. Don't be overwhelmed by the thought of planning for every single possible accident or emergency. Look at your risk assessment and focus on the areas where emergencies are most likely to happen or cause significant harm. Develop and implement a suitable “emergency preparedness and management plan” for the identified emergency situation.

As part of the plan, you need to have detailed procedures on the steps to prepare and respond. Here we provide samples of procedures for responding to two of the most common emergencies in the food and beverage industry – fire and toxic chemical leakage.

We present two tools related to this element:

- Sample Fire Response Procedure
- Sample Ammonia Leakage Preparedness and Response Procedure – Flowchart



5. Emergency Preparedness and Response

Title: Fire Response Procedure

Procedure number: EM001

Number of pages: 3 pages

1.0 Purpose and Scope:

- 1.1. Purpose: Set out responsibilities and activities in order to respond to emergency resulting from fire. Identify the roles, responsibilities and authorities to effectively facilitate the site's emergency preparedness and response.
- 1.2. Scope: This procedure applies to all activities and processes of at **[Name of Company]**.

2.0 Definitions:

- 2.1. **EMERGENCY:** Situation that poses immediate threat of:
 - a. injuries and damage to health;
 - b. fatalities;
 - c. damage to property; or
 - d. damage to environment.
- 2.2. **FIRE EMERGENCY:** Situation that poses or signals immediate threat in the form of:
 - a. uncontrolled fire or imminent threat of uncontrolled fire;
 - b. smoke or burning;
 - c. uncontrolled release or spillage of flammable or combustible substance; or
 - d. sounding of fire alarm.

3.0 Responsibility and Authority: This procedure is the responsibility of the operations manager or designate. The operations manager shall report to the president in matters related to emergency preparedness, and shall have total authority during emergency situations. The operations manager shall have the authority to declare a state of emergency. In the absence of the operations manager, these authorities shall revert to the president.

4.0 Work Instructions:

4.1. FIREFIGHTING PROCEDURE

- a. The cardinal rule in firefighting is to preserve life, and then property.
- b. Call for in-house assistance immediately upon discovering the fire. Do not enter a burning room or building without another qualified person to assist.
- c. Alert other employees immediately.
- d. Determine if the fire can be extinguished with the portable equipment in the building. If it can be used, do so. If not, call the fire department, activate an alarm and evacuate the building.



5. Emergency Preparedness and Response

- e. The person discovering the fire should notify the telephone operator, giving exact location and nature of fire.
 - f. The telephone operator will notify the following in turn:
 - i. engineering control room;
 - ii. time office;
 - iii. operations manager;
 - iv. maintenance department;
 - v. safety manager/fire safety officer;
 - vi. all other heads of departments; and
 - vii. house doctor.
 - g. The telephone operator will remain on duty as an information and control center unless instructions or condition dictate otherwise.
 - h. As soon as the electrical department is notified, the electrician shall cut off the power supply of the affected area, landing down the elevators (if available) to the ground level and provide adequate lighting (emergency lighting if extra required) arrangement for firefighting or evacuation.
 - i. The maintenance department or the plumber shall reach the fire hydrant pump room (if safe) for smooth pump operation.
 - j. The emergency controller (operations manager or the shift in-charge) will take appropriate decisions regarding building evacuation, firefighting with the help of internal trained team and/or notifying the city's fire department.
- 4.2. **BUILDING EVACUATION:** A quick decision and effective evacuation operation is of outmost importance in order to prevent loss of lives. The procedure of evacuation should be handled with expertise and without loss of time. When evacuation of a building is necessary, everyone must leave by the nearest exit or as advised.
- a. Close but do not lock doors behind you as you leave.
 - b. Employees and visitors are to gather near the designated muster point in a safe area that is upwind from smoke or toxic gases and in an area that will not hamper emergency vehicles or services when they arrive.
 - c. A head count must be done to ensure that everyone is accounted for.
 - d. Employees are not to re-enter the evacuated building until so advised by the designated officer (operations manager or safety manager).
 - e. In case a rescue operation for a trapped employee/visitor is required, it must be performed by trained and competent personnel equipped with suitable PPEs.
- 4.3. **MEDICAL AID:** Get first aid treatment for all minor injuries; first aid is only temporary. First aid is the immediate treatment needed before you get a doctor to the victim or the victim to a



5. Emergency Preparedness and Response

doctor. What you do in the critical moments after an injury occurs could save a life. Know the basic first aid procedures. Review them often so you will be prepared if you suddenly find yourself in an emergency situation. The most important things you should do when someone is injured is to survey the scene to determine if the situation is safe or the victim is required to be moved from a dangerous location to a safe place. Call for emergency medical help immediately for all life-threatening situations. Send people to guide the emergency team to the victim.

4.4. FIRST AID FOR FIRE INJURIES AND BURNS

- a. Move patient to fresh air.
- b. Move the patient from the heat of fire.
- c. Do not allow crowding around the patient.
- d. Remove or cut away clothes from affected parts of the body.
- e. Open buttons and loosen clothing.
- f. Pour chilled water on the affected parts.
- g. Apply any antiseptic cream.
- h. Get a doctor.

4.5. ASPHYXIA: If the patient has difficulty breathing or there are symptoms of collapse:

- a. Give artificial respiration with respirator or mouth-to-mouth respiration.
- b. Give oxygen.
- c. Take the patient to the hospital or medical help.

4.6. SHOCK: If the patient perspires, body is cold and has a low pulse:

- a. Cover with a blanket. (Do not touch burned parts.)
- b. Keep the victim lying down.
- c. Elevate feet if you do not suspect head or neck injury or leg fracture.
- d. Get medical help.
- e. Monitor vital signs.
- f. Prevent loss of body temperature.
- g. Take the patient to a hospital immediately.

5.0 Emergency Response Team: The purpose of the Emergency Response Team is to deal with catastrophic accidents within the company. The team's responsibilities are to immediately meet when an emergency situation is reported and to determine the course of action.

Emergency Response Team members

NAME	TITLE	HOME PHONE	CELL PHONE
	President		
	Operations manager		



5. Emergency Preparedness and Response

	Shift-in-charge		
	Chief security officer		
	OHS manager		
	Firefighting team member 1		
	Firefighting team member 2		
	Firefighting team member 3		

Emergency Response Team members may be called upon on short notice

6.0 Reference Documents: Evacuation plan, plant map with locations of emergency exits, firefighting equipment and first aid stations.

7.0 Records: Training logs, drill logs, firefighting and medical equipment maintenance and inspection logs; water gauge and pressure inspections logs

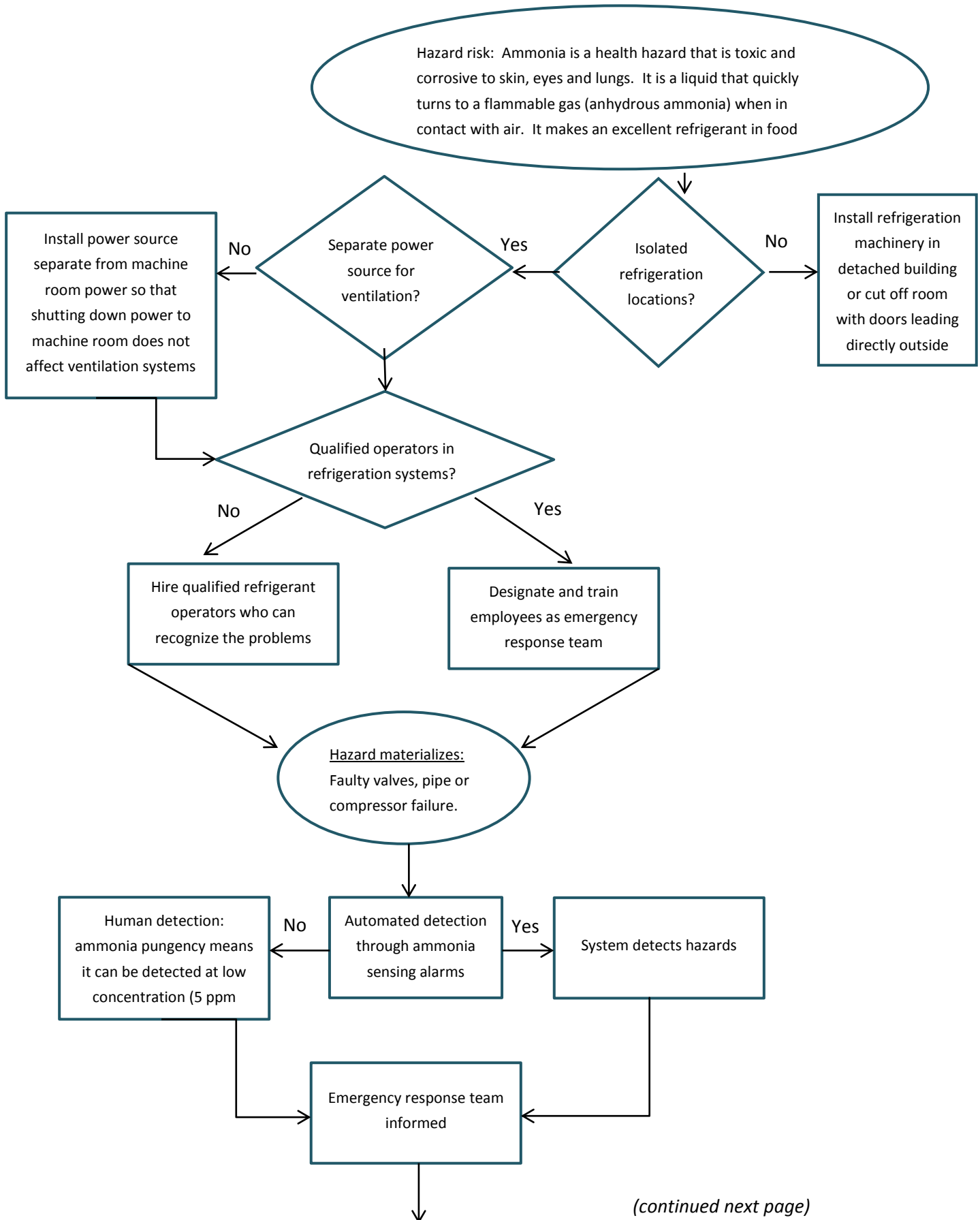
8.0 Approving Authority: Operations manager

9.0 Issue/Revision Date: November 27, 2012



5. Emergency Preparedness and Response

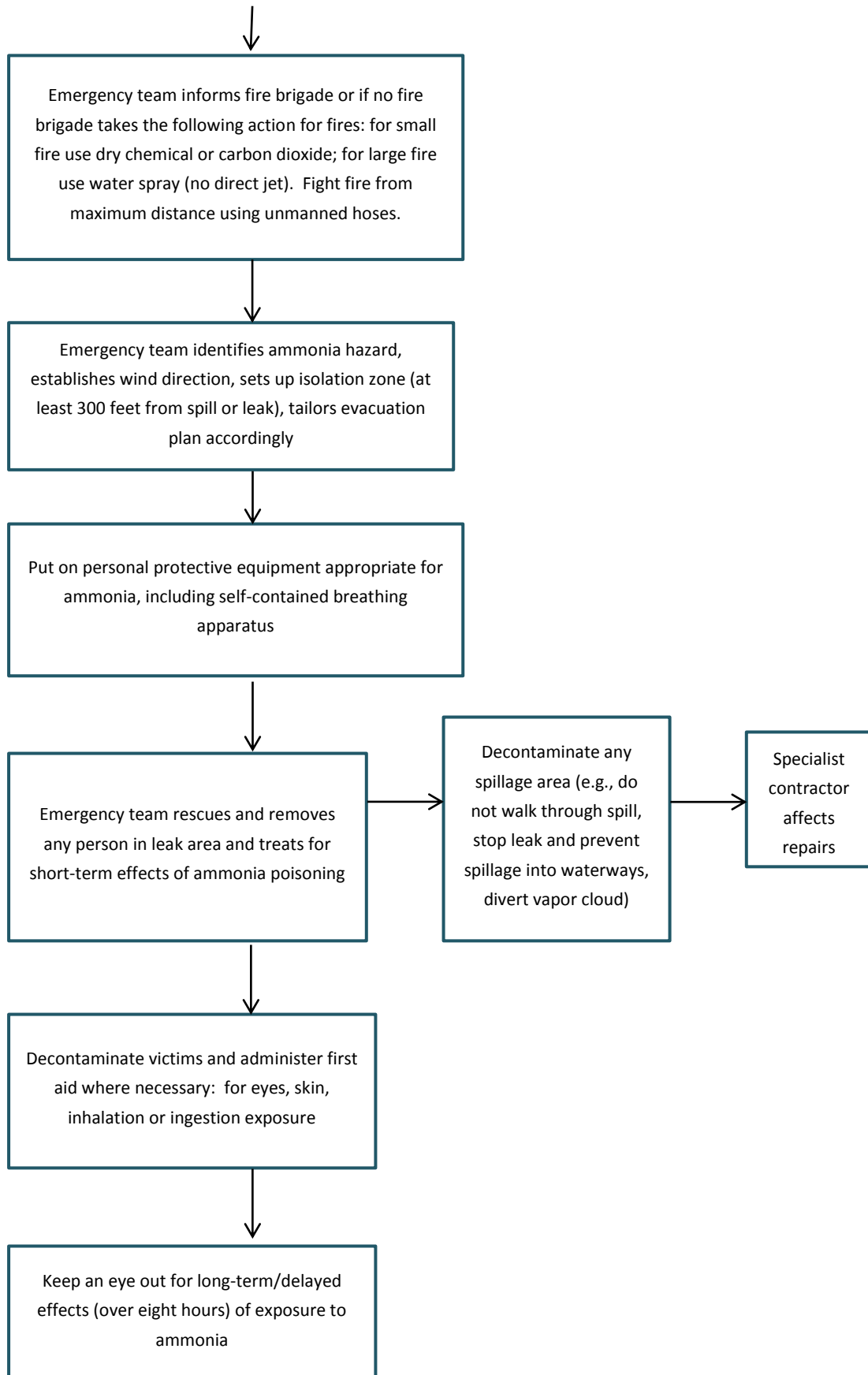
Sample Ammonia Leakage Preparedness and Response Procedure - Flowchart



(continued next page)



5. Emergency Preparedness and Response





6. Stakeholder Engagement



Stakeholder Engagement

Introduction

Your company interacts with many different groups of stakeholders. A stakeholder is any person or organization that has an interest in or is affected (or perceives to be affected) by your company. Engaging with stakeholders will help you understand how to avoid or minimize any negative impact and reduce the risks to your business from anti-company sentiments and negative campaigns that could affect your company's reputation.

We present three tools related to this element:

- Stakeholder Mapping Tool
- Impact Zoning Tool for Identifying Affected Communities
- Stakeholder Engagement Plan Worksheet

Refer to case **ABC** and case **XYZ** in Section II of this Toolkit for an illustration of how these tools can be put to use.



6. Stakeholder Engagement

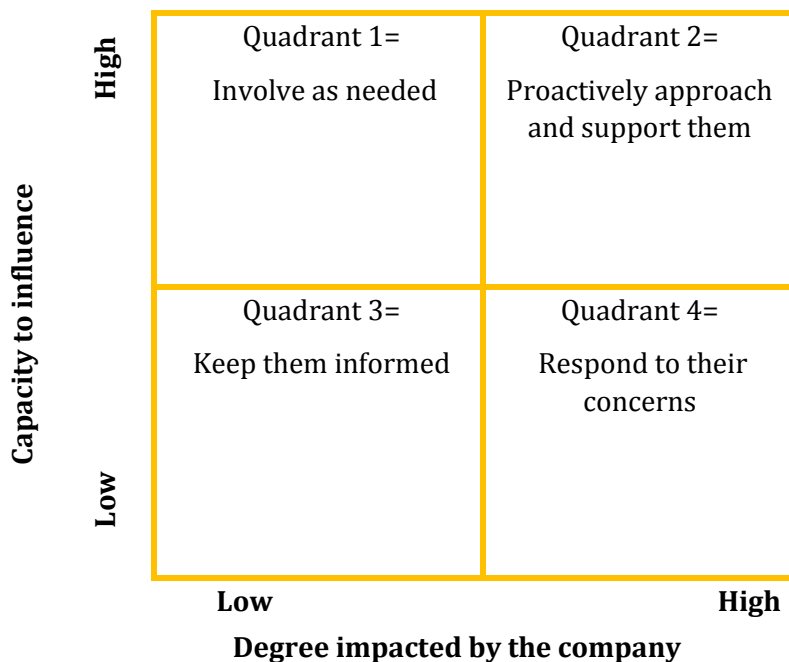
Stakeholder Mapping Tool – Identification and analysis

Instructions

1. Ensure you have a cross-functional/departmental team to start the exercise.
2. List relevant stakeholders for your company (e.g., those directly and indirectly **affected** by your company, those that have an **interest** in your company operations, those that have an ongoing relationship with the company, and those that have the ability to influence your company operations). Provide as much detail as possible (i.e. name your main suppliers independently; disaggregate communities by identifying local leaders or other relevant actors).
3. Next to each stakeholder group, discuss and list their key concerns, issues, interests.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS

4. Place these stakeholders on the stakeholder map according to the degree to which they are impacted by your operations and their capacity to influence your company operations.



5. Classify stakeholders according to their current relationship with the company: **supportive, supportive with conditions, neutral, negative**. The purpose of stakeholder engagement is to keep supportive stakeholders happy and help address the concerns of less-supportive stakeholders. Remember that stakeholders' relationships with the company may change over time. We recommend that you analyze their current position to the company.



6. Stakeholder Engagement

6. Identify the groups that represent a high priority for engagement.
7. Define strategies to engage with the prioritized stakeholders. When defining engagement strategies, keep in mind current initiatives of the company. Engagement strategies should be differentiated, based on where stakeholders are located on the map:
 - Quadrant 1: Involve them as needed
 - Quadrant 2: Proactively approach and support them
 - Quadrant 3: Keep them informed
 - Quadrant 4: Respond to their concerns
8. Review the stakeholder map at regular intervals and when there are major changes. It is advisable to review the stakeholder map with external groups to get their feedback.



6. Stakeholder Engagement

Impact Zoning Tool for Identifying Affected Communities

Instructions

Affected communities are defined as any people or communities located in the near proximity of the company's facilities who are subject to direct company-related actual or potential adverse impacts on their environment, health and livelihood.

A quick and practical technique for identifying affected communities is “impact zoning mapping” (see box below). By mapping the sphere of influence of different types of environmental and social impacts, the company can begin to identify distinct groups by impact area, and from this prioritize stakeholders for consultation.

While priority should be given to individuals and groups who are directly and adversely affected, drawing a line between who is affected and who is not, can be challenging. Communities lying just outside of the designated impact area can “perceive” impacts or feel they have been arbitrarily excluded from the engagement process.

HOW TO IDENTIFY STAKEHOLDERS THROUGH IMPACT ZONING

1. Draw a sketch map of the key design components of the project, both on- and off-site, that may give rise to local environmental and social impacts (e.g. the project site; ancillary infrastructure such as roads, power lines and canals; sources of air, water and land pollution). This may be performed more efficiently by using aerial photographs or satellite images.
2. See case study **ABC** in Section II for an illustration of such a sketch map.
3. Identify the broad impact zones for each of these components (e.g. the area of land take, air and water pollution receptors, etc.).
4. After identifying and mapping broad stakeholder groups, overlay those groups with the impact zones.
5. Through consultation with relevant stakeholder representatives, verify which groups are potentially affected by which impacts.

Source: Doing Better Business Through Effective Consultation and Disclosure. IFC (1998).



6. Stakeholder Engagement

Stakeholder Engagement Plan Worksheet

Instructions

After the identification of your most important stakeholders, the next step is to develop a plan for how to engage with the groups that you listed. Engagement should be stronger and more frequent with those groups that are most affected and those that have a greater ability to influence your business.

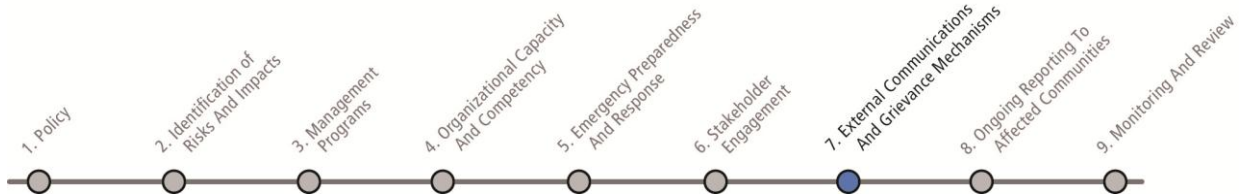
At a minimum, you should always implement an external communication procedure to receive communications from the public and accordingly adjust your management program. In the presence of adversely affected stakeholders, you should implement a grievance mechanism and actively engage them in consultation, regularly disclosing clear and meaningful information and providing communities with opportunities to express their concerns and suggestions. Finally, you should report back to them on the actions your company has put in place to address the issues identified during the process of consultation.

The table below provides example of some stakeholders that may be associated with your operations. Once you have done the stakeholder mapping and identified their concerns, you may start looking at the other necessary information like engagement method, information to be disclosed or reported back to your stakeholders, and the key information you would like to obtain.

STAKEHOLDER ENGAGEMENT PLAN				
Stakeholder	Concerns	Engagement method	Information to disclose and report back	Most valuable info to obtain
Employees				
Contract workers				
Local community				
Consumers				
Suppliers				
Contractors				
Regulators				
NGOs				
Media organizations				
Etc.				



7. External Communication and Grievance Mechanism



External Communication and Grievance Mechanism

Introduction

Grievance Mechanism

The purpose of a Grievance Mechanism is to establish a way for an individual or a group within communities affected by your business to contact you if they have an inquiry, a concern or a formal complaint. It provides people with an alternative way of communicating with your company as part of your formal stakeholder engagement process.

External Communication

Even if affected communities per se are not identified, you should always establish and maintain a publicly available and easily accessible channel for the public to contact you (e.g., phone number, website, email address, etc.). External stakeholders can provide valuable information such as suggestions on product improvement, feedback on customers' interaction with your employees and comments from regulators, NGOs and individuals regarding your company's environmental and social performance.

We present two tools related to this element:

- Checklist for Effective Grievance Mechanism
- Grievances Log



7. External Communication and Grievance Mechanism

Checklist for Effective Grievance Mechanism

Instructions

The following checklist will guide you on the key aspects that an effective grievance mechanism should have. We list here some illustrative examples; consider adapting these to your company's size, complexity and local context.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	COMPANY'S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	<p>Form and instructions on website that people can fill in and submit online</p> <p>Email address</p> <p>Telephone hotline</p> <p>Suggestion boxes located outside the company gate and in strategic places (e.g., churches, municipality, civic centers)</p> <p>Weekly visits by a designated community liaison to affected villages to register complaints</p>
Publicize the system so that stakeholders know it exists and how to access it	<p>Distribution of brochures at churches, schools and civic centers highlighting company profile and operations and including instructions for how external stakeholders can communicate or file complaints, and the procedure to handle them</p> <p>Written procedure is explained by general manager/designated community liaison when meeting with community leaders and other stakeholders</p>
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	<p>Major cases reviewed by a formal multi-stakeholder oversight body (i.e., company, representatives of affected communities, NGOs, university, municipality)</p> <p>Provision of transparent funding for expert resources, so that any collection of evidence is independent and unbiased</p> <p>Most serious claims resolved through independent mediation</p>
Be transparent about the process and outcomes	<p>All cases are summarized with details about whether the complaint is accepted or not and what is the process and timeline for investigation and resolution</p> <p>Summarized cases are posted on the company website and/or reported back to the complainant through letter/email/community liaison</p>
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	<p>Company assigns an employee or team to record complaints and then work with relevant staff and external stakeholders to investigate, determine actions and report back outcomes</p>
Make the system a source of continual learning	<p>Complaints are systematized and reviewed periodically with the management team to check for effectiveness of the system and cumulative learning that can be integrated into the company systems</p> <p>Company performs perception surveys among affected stakeholders regarding the awareness, accessibility and trustworthiness of the grievance mechanism</p>



7. External Communication and Grievance Mechanism

Grievances Log

Instructions:

Keeping a logbook or database of grievances allows you to monitor their state of resolution. Also, when grievances are systematized, the information can be analyzed and used as a feedback mechanism for improving operations. This tool provides an illustration of useful information to annotate when recording a grievance.

1. GRIEVANCE IDENTIFICATION NUMBER		
2. DETAILS OF COMPLAINT		
2.1 When it occurred		
2.2 Where it occurred		
2.3 How it occurred and who was involved		
2.4 Complainant(s)'s story and expectation		
2.5 Date grievance was recorded		
2.5 Place/method grievance was received		
3. PROFILE OF COMPLAINANT(S)		
3.1 Gender		
3.2 Age		
4. CONTACT INFORMATION OF COMPLAINANT(S)		
4.1 Anonymous (Y/N)		
4.2 Phone		
4.3 Email		
4.4 Address		
5. COMPLAINT ACCEPTED (Y/N)		
5.1 COMPLAINT NOT ACCEPTED		
5.1.1 Action taken	Clearly not related to the operations of the organization – rejected <input type="checkbox"/>	
	Labor-related grievances – transfer to HHRR <input type="checkbox"/>	
	Commercial disputes – transfer to commercial dispute resolution mechanisms or civil court <input type="checkbox"/>	
	Related to governmental policy and institutions – transfer to authorities <input type="checkbox"/>	
	Other <input type="checkbox"/>	
5.1.2 Complainant notified (Y/N)		
5.1.3 Method of notification		
5.1.4 Date of closure		
5.2 COMPLAINT ACCEPTED		
5.2.1 Category of complaint	Particulate emissions to air <input type="checkbox"/>	
	Odor <input type="checkbox"/>	

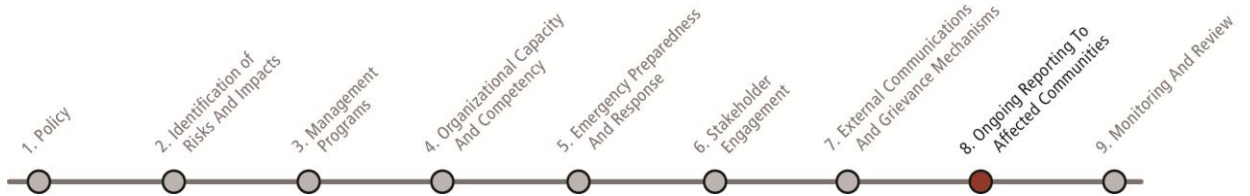


7. External Communication and Grievance Mechanism

	Noise <input type="checkbox"/>
	Effluents <input type="checkbox"/>
	Company vehicles <input type="checkbox"/>
	Influx of migrant workers <input type="checkbox"/>
	Security personnel <input type="checkbox"/>
	Other <input type="checkbox"/>
5.2.2 Photos and documentary evidence of legitimacy	
5.2.3 Resolution instance	First: Internal <input type="checkbox"/> - Responsible people/division:
	Second: Multi-stakeholder oversight body <input type="checkbox"/>
	Third: Independent mediation <input type="checkbox"/>
5.2.4 Resolution/corrective action taken	
5.2.5 Complainant notified (Y/N)	
5.2.6 Method of notification	
5.2.7 Complainant(s) satisfied or appealed	
5.2.8 Photos and documentary evidence of closure	
5.2.9 Resources spent	
5.2.10 Date of closure	
5.2.11 Days from complaint to closure	



8. Reporting Back to Affected Communities



Reporting Back to Affected Communities

Introduction

Affected stakeholders will want to know what actions your company has put in place to resolve the issues identified when communicating with them. Keeping them informed of what you are doing is the final critical piece in building and maintaining a good relationship.

We present one tool related to this element:

- Formats and Venues for Ongoing Reporting



8. Reporting Back to Affected Communities

Format and Venues for Ongoing Reporting

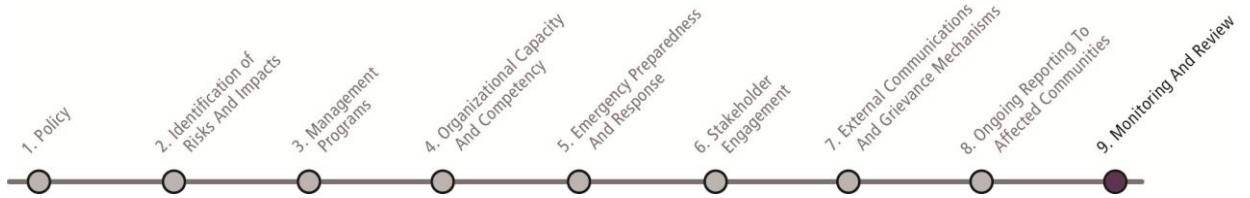
Instructions

Look at the list to brainstorm ideas on ways you could communicate back to affected stakeholders on actions taken and monitoring results in their areas of interest.

- Open houses
- Banners outside the company gate
- Brochures distributed in churches, schools, civic centers
- Website
- Town hall meetings at the local municipality or civic center
- Meetings with representatives of the affected stakeholders
- Letters to representatives of the affected stakeholders and complainants
- Emails
- Phone calls
- Sustainability reporting (e.g., GRI)



9. Monitoring and Management Review



Monitoring and Management Review

Introduction

Monitoring and review are critical because this is how you check and adjust your ESMS. You need to monitor whether your action plans are being implemented, procedures are followed and whether your ESMS is addressing the relevant risks and providing lasting improvements. The goal of the ESMS is to shift from corrective actions to preventive actions. Monitoring and management review is what gives you the information to do this.

We present two tools for this element:

- Monitoring Plan
- Auditing Guidance



9. Monitoring and Management Review

Monitoring Plan

Instructions

Look at your action plans and think about process and performance indicators that will tell you if the actions are being implemented and if they are achieving your targeted objectives.

See case studies **ABC** and **XYZ** for examples of these completed monitoring plans.

Example

OBJECTIVE:

TARGET:

Actions:

- 1.
- 2.

PERFORMANCE INDICATORS		
Key Performance Indicators	Monitoring records	Monitoring equipment

PROCESS INDICATORS	
Activities/Processes Indicators	Monitoring records



9. Monitoring and Management Review

Auditing Guidance

Instructions

Go through all the areas highlighted in the Auditing Guidance – this will help you to get a broad view of all potential risk areas and elements of the ESMS beyond those that you may have targeted in your initial risk assessment.

✓	A. PREPARATION
	Collect audit reports for the factory on environmental performance, labor standards performance and community stakeholder engagement, for the previous two years.
	Collect corrective action plans generated from previous audits and review the status of each action item that was agreed from previous reviews. Are all closed out? Focus review on open items and the underlying reason(s) for incomplete status, and ensure that the audit considers the underlying issues for the upcoming audit. Focus should be on the underlying limiting factors that prevent completion.
	Ascertain the general level of PPE used in the plant; ensure that what employees are required to wear (head, hearing, eye, skin protection), protective boots, clothing, etc. is applied to auditors; do not allow any auditor to enter work areas without the clothing/gear required for the operations activity and that employees are required to wear.
	Obtain facility floor plans designating work areas, break areas, activities underway, flow of materials, clean areas, dirty areas, location of fire extinguishers, fire exits, emergency lighting and protective covers, restrooms, cleaning and cross-contamination prevention areas (boot, hand wash and disinfection), principal water outlets and drains, any non-potable water outlet (e.g. fire water) clearly marked as non-potable and for emergencies only, skylights and other roof penetrations status, and prohibitions and barriers to entry for vermin, birds and animals. Ensure auditing team has a working knowledge of the facility/operation to be evaluated.
	Research and refer to current local environmental and labor laws and regulations. Basic labor code issues: (i) regular weekly work hours, (ii) labor contract provisions, (iii) rest periods, lunch, etc., (iv) overtime requirements, limits and exceptions, (v) hour averaging and banking hours, (vi) minimum wage, (vii) social system payment liability, (viii) annual leave, (ix) laws to protect disadvantaged workers, (x) severance pay. Basic environmental code issues: (i) wastewater, (ii) storm water, (iii) spill prevention and response, (iv) construction/demolition/remodeling, (v) hazardous materials, (vi) hazardous waste, (vii) toxic chemical release, (viii) air emissions, (ix) solid waste.
	Review regulatory permit(s) conditions and specific requirements along with most recent review and corrective action reports.
	Review certification(s) audit reports (e.g. HACCP) for nonconformance, mandatory remedial actions, recommendations, etc. Summarize status of items (open or closed).
	Review any government inspection reports, third-party audit reports, etc.
	Review the stakeholder engagement plan and records of grievances by external stakeholders. Pay attention to emergency preparedness and response capability to include the community if necessary; use of pesticides and drift to communities; accidental releases of hazardous materials, e.g. chlorine; discharges of wastewater or other wastes to areas affecting local communities; exacerbation of flooding; limits of water availability use and physical access; diminution of quality of life due to the operation.
	Pay special attention in observation/document review/interviews to issues identified in previous reports.
	Research and understand the national and local context of labor union rights and activity, local environmental groups and community activist organizations.
	Schedule sufficient time to conduct the scope of the audit. Announce the availability of confidential meeting schedules with employees; schedule, arrange and conduct while protecting employee confidentiality.



9. Monitoring and Management Review

✓ B. INTRODUCTORY MEETING WITH MANAGEMENT	
	Meet with the senior management and department managers before conducting audit activities to review ESMS issues and the purpose of the audit.
	Share an agenda for the meeting and itinerary with senior management and department managers.
	With department managers, review the prior audit reports and performance to date in meeting corrective actions.
	Discuss non-retaliation against cooperating workers; inform management that future audits will include reviews of the continued employment of workers interviewed.

✓ C. OPERATIONAL WALK-THROUGH	
	Conduct operational walk-through following the flow of production from receipt of raw materials to shipment of finished goods. Refer to previous relevant physical walk-through assessments of the facility; determine if all previous nonconformance/action items are closed out; if not, why not?
	Minimize the number of managers that accompany you on the walk-through. One or two escorts based on knowledge/responsibilities are usually sufficient.
	During the walk-through, be aware of your body language and the message this sends to workers; ensure that you are equipped with/wearing the same PPE required of employees.
	<p>Take note of all things observed that require attention:</p> <ol style="list-style-type: none"> 1. Water used indiscriminately for washing/cleaning, water wasting (open taps on floor); 2. Energy wastage; 3. Evidence of spillages; 4. Floor status: slippery, wet, etc.; 5. Dry cleanup and collection of organic solids; 6. Harborage or other unorganized storage of materials; 7. Wastes and discards; 8. Workplace availability of data on hazards/chemicals in use (msds/icsc); 9. Movement of materials: hand trucks, forklifts, etc. Are the passageways and transit routes clearly marked; is color-coding used for non-pedestrian movement?; 10. Obvious hazards for heads, hearing, sight, life and limb: workplace hazards attenuated; employee awareness?; 11. PPE used as prescribed, available, replaced at no cost; employee awareness; 12. Are employees able to explain jobs and responsibilities?; and 13. Evidence of QA team activity.
	Verify that fire exits exist and open on demand; no means to prevent exit; panic bars in good working order; clear egress once exit opened; emergency exits clearly marked; nearest exits clearly marked; hose cabinets equipped with hoses, nozzles, etc.; prohibited areas clearly marked; electrical cabinets closed and sealed; lockout tag out procedures and tools (tags, locks, warning labels and signs) clearly available near electrical cabinets; first aid cabinets and equipment; emergency lighting; emergency preparedness and evacuation plans in place; employees trained.
	Ambient conditions should be verified for adequacy if potential for risks such as air quality, noise, etc. Use measuring devices to determine air quality, noise level, temperature and adequate lighting. This is a good/easy thing to do. For dusty operations or potentially dusty areas there should be LEL (lower explosive limit) meters and alarms installed; this is not so important for food manufacturing, but products such as sugar dust when ignited can lead to catastrophic explosions, loss of life and the end of the manufacturing facility.
	Following the facility walk-through, conduct a walk-through of the dormitory facilities, canteens, washrooms, change rooms. Note location of same and if there are flow crosses with clean to dirty flow; for example, if an employee needs to leave the production area to use the toilet is he/she required to clean and disinfect boots, wash and disinfect hands, etc. or does he/she just return to work without sanitary precautions? Similar situations? (if applicable)



9. Monitoring and Management Review

	Suggest best practice to supervisors and department managers during the walk-through; ensure that the suggestion is filtered by processes/operations practicalities.
	Give sufficient attention to all ESMS elements during the operation/dormitory walk-through. Knowledge of procedures, training using the procedures, awareness of complaints management and resolution procedure, employment rights, HR policy and provisions, etc.
	Identify all incidences of non-conformance with ESMS issues, both major and minor.
	Pay special attention to areas identified in previous corrective action requests. Focus on open non-conformances from previous audits: why? Elucidate the underlying cause and make an effort to diagnose and prescribe preventive, ameliorative measures. The individual who is responsible is not as important as why and how to prevent non-conformances and unplanned events in the future.

✓ D. INTERVIEWING WORKERS	
	Select at least 5 percent of workers. Cap at 100 workers. Conduct individual and group interviews for balanced response.
	Select workers who are representative of the workforce population (gender, race, age, religion, functional departments, etc.).
	If the factory has contracted or migrant workers, make sure to select from all groups.
	Do not allow supervisors or managers to influence selection of workers for interviews or the interviews.
	Conduct on-site interviews in areas that protect worker confidentiality and where the worker would feel comfortable. Make sure supervisors or managers are not in or near the space where the interviews are conducted. Keep them away from the selection and interview process.
	Conduct interviews early in the audit to allow for follow-up.
	Make sure to tell the workers that everything they say is confidential and that management has been warned against retaliation.
	Be sensitive to cultural and gender issues.
	Plan for an average of fifteen minutes per interview; however, use common sense in terminating interviews that are becoming nonproductive and extending interviews with people who are candid or openly addressing critical issues.
	Formulate questions prior to the interviews to make sure you cover all specific areas of the ESMS review through the aggregated interviews. Always ask employees how processes may be improved, water use reduced, energy saved, waste reduced, etc.
	If you plan to take notes, ask the workers if it is OK and clearly explain reason for taking notes. Try to minimize note taking as much as possible during the interview. Finish writing your notes immediately after the interview, so you have accurate documentation.
	Have your worker representatives recommend a preferred approach to building rapport with workers.
	Ask workers specifically about follow up on previous corrective action plans. What non-conformances remain open; what issues presented through the complaints management and resolution mechanism remain open?



9. Monitoring and Management Review

	<p>Make sure your questions address the following:</p> <p>LABOR ISSUES</p> <ul style="list-style-type: none"> <input type="checkbox"/> Do workers know about and understand your policies related to labor and working conditions? <input type="checkbox"/> Do workers understand their rights under the law related to freedom of association and collective bargaining? <input type="checkbox"/> Do workers understand how their wages are calculated, for base time, performance and overtime? <input type="checkbox"/> Are workers aware of any dismissal, transfer, demotion or other punitive action against workers due to their exercising their rights under either their contracts or local or national law? <input type="checkbox"/> Ask workers about the status of trade unions, worker committees or other worker groups in the factory and whether there is management interference. <input type="checkbox"/> Ask questions to determine conformance to discrimination and sexual harassment policies. <input type="checkbox"/> Do workers understand the company's grievance mechanism, and do they feel it is operational and free from retaliation? <p>OCCUPATIONAL HEALTH AND SAFETY ISSUES</p> <ul style="list-style-type: none"> <input type="checkbox"/> Do workers feel safe and protected in their jobs? For example, are they provided with PPE that is appropriate and works? Is their physical environment free of hazards and obstructions? Are they expected to reduce physical hazards or are engineering controls in place? Are there job hazards assessments done routinely and when the processes or materials change? Have issues submitted through the complaints management and resolution mechanism been addressed? <input type="checkbox"/> Do they feel there is adequate safety equipment and safety drills if an emergency were to arise such as working fire escapes, extinguishers, first aid kits? Ask employee to show you how to get out of the area through a planned and well-lit emergency exit; follow the employee and observe shortcomings; ask employee to pretend he/she has just been injured and explain what to do next. <input type="checkbox"/> Are they instructed and trained on these risks at regular intervals? <input type="checkbox"/> Have any workers been involved in accidents at the facility and, if so, what happened afterwards? <input type="checkbox"/> Is the environment comfortable to work in, in terms of air quality (no coughing), ventilation, adequate illumination for the task at hand, natural light wherever and whenever possible, light, oppressive humidity or heat? <input type="checkbox"/> Do they feel that chemicals, waste and other substances are stored or disposed of safely and appropriately at the facility? Access to and training using Material Safety Data Sheets (MSDSs) and/or International Chemical Safety Cards (ICSCs)? Response to any expressed issues through the complaint management and resolution mechanism?
	<p>If the organization employs contract workers, make sure to ask questions that address possible violations and areas of abuse. Do you feel different from a permanent employee? Why?</p>
	<p>Conduct some worker interviews off-site if possible.</p>

E. INTERVIEWING AFFECTED COMMUNITIES AND OTHER STAKEHOLDERS	
	<p>The stakeholder mapping exercises and stakeholder consultation meetings should help identify the relevant population that is affected by the facility and its activities.</p>
	<p>Select a sample of individuals that represent the views of this affected community. It may include members of the public as well as NGOs, campaign groups, trade unions, local businesses and government authorities. If possible, target NGOs that are industry-specific. Filter out disgruntled former employees or those with an axe to grind. Do seek out former employees if possible.</p>
	<p>Gauge awareness of the grievance mechanism. Has it been tested? Does it work? Is it a sham and the company ignores it? Or is it taken seriously?</p>
	<p>Be sure to include representatives from indigenous or marginalized groups in these interviews.</p>
	<p>Make sure your questions address the following:</p> <ul style="list-style-type: none"> <input type="checkbox"/> How have the facility's operations affected the physical environment (air, water, land) near them? <input type="checkbox"/> Has this resulted in either air, land or water contamination? <input type="checkbox"/> Has wildlife been affected by the facility's activities?



9. Monitoring and Management Review

- Has the facility's business impacted local livelihoods, access, traditional hunting/fishing/breeding/religious/other grounds due to natural habitat conversion?
- Have any health risks or deterioration to well-being been associated with the facility from exposure to toxic chemicals, from air emissions or noise pollution? Awareness of any neighbors or employees with sick kids, notable abortion rates.
- Have any contagious illnesses been on the rise due to an influx of workers to the plant? Malaria or other local vector-borne disease; is the community aware of an increase in the rat/mouse or other vermin population?
- Have these affected groups had any clashes with security hired at the facility?
- Have any of these groups consumed goods or products from the facility that have had a deleterious effect on their health? Any level of awareness of company's refusal to replace questionable goods?
- Have any of these groups been approached or invited by the company running the facility to discuss their concerns at meetings or had any of their grievances addressed and investigated or had any follow up to their questions?



F. ON-SITE DOCUMENT REVIEW

LABOR ISSUES:

Make sure you review the relevant documents for the following areas:

1. Human resources: Management-worker committee meeting minutes, memos and letters, budgets related to implementing labor policy, training material, logs and curricula or written communications to workers that address all issues, training records and instructor qualifications.
2. Working conditions: Contracts for all workers; policies and procedures related to wages, benefits, hours and leave; evidence of communication and training on wage calculation; personnel files; time cards; payroll records and pay stubs (selected without management interference); criteria used to set performance pay bonuses; and employment and termination records.
3. Are employee payment methods secure? Are employees able to have monies deposited into an account, or are they burdened with cash payment at the facility and risk life and limb getting home on pay day?
4. Collective bargaining: Collective bargaining policy, agreement and documentation (such as minutes and records of collective bargaining sessions).
5. Discrimination: Discrimination policy; related procedures; documentation handling discrimination issues; diversity training and attendance log; hiring, promotion and termination records; gender demographics in facility at worker and manager levels.
6. Retrenchment: Policies and procedures for workforce reduction, severance and transition; documentation of prior workforce reductions; minutes of management meetings and communications to workers on this issue.
7. Complaint management and resolution mechanism: Documented procedure, communications, records and logs of grievance handling.
8. Child labor: Procedure for age verification, documentation of apprentice program, birth and medical records and school records of workers.
9. Forced labor: Employment contracts (as well as for those workers hired through recruitment agencies), payroll records, timesheets and wage deduction, worker passports and IDs.
10. Health and safety: Accident and medical treatment logs, equipment safety logs, logs of fire and safety drills, health and safety risk analyses, government health inspection reports, safety certificates and training curriculum and logs, and evidence of changes to all of this when company processes, methods, chemicals, materials, etc. are changed, reordered, etc.

Select files and/or records at random to generate a representative sample of the workforce population and functional distribution in the factory. Seek some files to corroborate interviews conducted earlier.

Balance your time and effort investigating all areas of labor standards at work. Document review is particularly critical for wages, working hours, health and safety, use of sub-contractors, hiring and termination.

If the operation employs contract workers, address potential areas of abuse in the document review. Specifically review the contract with the workers.

Identify all significant incidences of non-conformance in preparation for your management meeting.



9. Monitoring and Management Review

ENVIRONMENTAL AND OSH ISSUES:	
	<p>Make sure you review the relevant documents for the following areas:</p> <ol style="list-style-type: none"> 1. Emergency response and preparedness: Examine the facility's emergency response procedures and accident reports, as well as documents indicating that workers have been trained on these issues. Ask the employee to show you how to get out, assuming that there is now a fire; follow the employee; ask another to tell/show you what happens if he/she was just injured. 2. Environmental management: Examine any company environmental policies and environmental management system policies and reports, including sustainability reports, energy consumption records, guidelines and monitoring, resource use and waste generation. Status of previously noted non-conformances. 3. Insurance: Identify documents that indicate legal permits have been obtained, insurance policies are in place and the relevant legal authorities notified of the facility's activities. 4. Technical: Documents on production processes, and storage, purchase and maintenance of facility equipment. Availability of MSDS/ICSCs and employee training and orientation to the specific risk posed by materials in use; response to submissions through the complaint management and resolution mechanism. 5. Waste disposal: Policies, procedures, guidelines on elimination and recycling of waste emissions and effluents to air, water and land, including monitoring of the quantity and quality, treatment and disposal of all waste, including wastewater and solid waste; are employees/area supervisors queried for opinions on improvements? 6. Hazardous material: The storage of chemicals and toxicology sheets (MSDS/ICSCs from ILO/WHO/EU/UNEP, etc. Avoid total reliance upon manufacturer's statements). Does procurement mandate furnishing such materials? 7. Health and safety: Check for the existence of logs of accident and fatality rates, health and safety guidelines or handbooks for workers and monitoring of these statistics, including the job hazard analyses and engineering corrections to eliminate hazards at the source, as opposed to requiring employees to mitigate environmental hazards; provision of appropriate PPE that cover actual, defined technical, physical, biological and chemical hazards in the workplace; Tool Box safety meetings records. 8. Work environment: Look for guidelines, reports, logs and "ecomaps" of the facility work environment that monitor emissions of dust, odors, sources of noise and vibrations and worker exposure to heat and cold. LEL meters and audible and visual alarms are mandatory wherever there may be accumulations of dust or ambient dust. 9. Sanitary: Review policies, procedures, guidelines and reports (including from relevant government departments), as well as training manuals and logs on staff hygiene and food safety management. Ask to use the toilet; be shown where and how to access for both men/women; assess the reentry procedures.

✓ G. CLOSING MEETING WITH MANAGEMENT	
	Conduct a closing meeting with senior management and department managers.
	Present your preliminary findings with particular emphasis on the positives as well as areas for improvement. All new and previously existing non-conformances must be addressed. Seek clarification on any findings or issues raised during the audit.
	Work with the department managers and supervisors on a corrective action plan that details specific actions to be taken and timelines for their completion.
	Go over any outstanding corrective action requests from previous audit reports.
	Make sure senior management signs off on the corrective action plan.



ESMS Case Studies

FOOD AND BEVERAGE

ABC Food Company, Thailand

ABC Food Inc. (ABC Company), established in January 2001, is a regional poultry producer, processor and marketer. It is located in Thailand. The factory has a production capacity of 65 tons per day and a work force of over 400, with three shift operations. It primarily exports to Japan and other Asian countries, but also has recently started to attract new customers in Europe, the Middle East and South America.

With a strong eye on the export market, the company is committed to high-quality production. The company focuses on quality controls and consistent product with numerous local farms to ensure an adequate supply of poultry. This helps the company to reduce the high costs of transportation and to ensure freshness, in order to maintain high quality and competitive prices.

ABC is concerned because of a recent **product recall** involving another local poultry processor that was sourcing from many of the same **suppliers**. Someone involved in the inquiry has told ABC that this was most likely from the small farms using well water from their properties for animal and equipment sanitation. On-site sanitary waste facilities (privies) are typically located upstream of the water wells and the farmers' water is frequently contaminated with fecal coliform bacteria and an array of pathogens. Moreover, the processing facility's **source of water was contaminated** as well, so that production and machine cleaning was leading to unacceptable levels of bacteria in the processed meat.

ABC recently received a multinational fast food restaurant chain endorsement to be a supplier of chicken nuggets. Typically, multinationals issue very large orders but mandate reduced unit rates. The company's vision of profits was slightly diminished knowing that a major expansion of all aspects of its integrated business was needed, especially the processing facility. Nevertheless, they accelerated construction of a new facility and commenced operations.

A poultry processing operation **requires significant volumes of potable water**. This proved to be a challenge, as ABC was so focused on expansion to meet the market demand and did not have a plan for dealing with sustainability considerations. After six months of operations, local communities and community leaders are expressing **concern about diminishing groundwater** that virtually all local communities rely upon. The outcry has increased significantly as communities closer to the coast are complaining about salty water in their supply wells, crop failures and afflicted animals. Due to attention from local and international press, the multinational is aware of the situation and is asking ABC to take necessary steps.

An NGO contacted by community leaders has brought in a hydrogeologist to assess the situation. Her conclusion is that the poultry operation is pumping so much groundwater that the groundwater surface (water table or piezometric surface) has fallen significantly below the level of most regional wells, thereby denying local residents potable water. Furthermore, the hydrogeologist has concluded that coastal area residents' experience with salty water in their wells occurred as a result of water table depression from over-pumping, allowing a salt water wedge to enter the aquifer thereby contaminating coastal area groundwater. **Raw water quality at the plant is deteriorating.**

ABC's high water usage creates **large volumes of effluent (wastewater)**. Disposal of feathers, chicken parts and waste create **high volumes of solid waste** that is high in nitrogen and pathogens. Discharge of biodegradable organic compounds may cause a strong reduction in the amount of dissolved oxygen in surface waters, which in turn can lead to reduced levels or death of aquatic life. Macronutrients (nitrogen, phosphorus) may cause eutrophication of the affected water bodies. Excessive algal growth and subsequent dying off and mineralization of these algae may lead to the **death of aquatic life** because of oxygen depletion.

ABC also faces challenges with production technology and labor concerns in Thailand, including higher labor costs and a labor shortage. The food industry in the country relies significantly on the immigrant workers who mostly come from Myanmar, followed by Cambodia and Laos. However, a recent news report from one

of the leading news media expects a looming labor shortage in the country, linking it to the reforms in Myanmar and related growth in employment opportunities there. It is expected that the economic reforms in Myanmar will tighten the labor market in Thailand over the next few years.

About **40 percent of the total workforce at ABC consists of migrant workers**, who are mostly employed at the lower levels. The migrant workers are brought to ABC by a **recruitment agency**, which handles all of their contracts and payment. Female workers constitute about 35 percent of the total employees in the company. Typically they come with a lower skill level and perform lower-paying jobs. In general, the workforce seems to get along well with each other and with management, but recently there have been a **growing number of disputes between workers and also between workers and supervisors**. Though the company never had major worker unrest in the past six years, there have been many recent labor disputes in other companies in the region, resulting in strikes and lockouts. The worker turnover rate in the region is high.

Another major issue faced by the industry in the country is a recent hike in the average basic minimum wage by the government, making it more than double the average minimum in neighboring countries such as Cambodia, Laos, Myanmar and Vietnam. This has put significant pressure on the industry to stay competitive in the international market. Experts anticipate that the hike in wage costs may increase production costs in the food industry by 5-20 percent, depending on the intensity of labor. Using machinery to replace workers is not a viable alternative, as the poultry processing sector requires human labor, especially for slaughtering, cleaning, trimming, cutting and packaging.

The nature of the work also poses **challenges for worker health** – bodily stress and injuries from machinery and repetitive motion, and exposure to poultry feces and other contaminants. As the company expands, it has noticed an **increase in absentee days** due to worker illness or injury.

To address the labor and productivity issues, as well as the growing concerns and expectations of the local communities, regulators and the international market, ABC aims to establish a fully functional environmental and social management system (ESMS) based on international standards by the end of current fiscal year.

ABC FOOD COMPANY Policy Statement

Under pressure from its clients, personnel and community, ABC has decided to adopt policies for the environment, labor and working conditions using guidance given in the suggested Policy Statement in Section I of the Toolkit.

Environment

- Our company will comply with applicable environmental laws and regulations.
- We will monitor our emissions and effluents.

Resource Efficiency

- Our company will take feasible and cost-effective measures to improve efficiency in our consumption of energy, water and our most important input materials.

Pollution Prevention

- Our company will avoid or minimize and control as much as possible the release of emissions and pollutants to air, water and land from routine, non-routine and accidental circumstances.

Labor and Working Conditions

Human Resources Policies and Procedures

- Our company will have documented policies and procedures related to our labor standards code, in keeping with international standards and national labor law.
- We will inform workers of their rights under our code as well as national labor and employment law.

Working Conditions and Terms of Employment

- We will provide reasonable working conditions and terms of employment, at a minimum complying with the national labor law.

Workers' Organizations

- Our company will comply with national laws that recognize workers' rights to form and to join workers' organizations.
- We will not interfere with or discriminate against workers who choose to organize.
- We will negotiate in good faith and respect any collective bargaining agreements that we sign.

Non-Discrimination and Equal Opportunity

- Our company will hire, promote and compensate workers solely based on ability to do the job.
- All workers will be given equal access to training, tools and opportunities for advancement.
- We will ensure that all workers are free from harassment by management or other workers.

Retrenchment

- If we have a large number of layoffs, workers will receive notice and all due back pay, severance and benefits as required by law.

Grievance Mechanism

- Our company will establish a transparent process for workers to express concerns and file

grievances, including anonymous complaints.

- Management will treat the grievances seriously, take prompt, appropriate action and ensure there is no retaliation.

Child Labor

- Our company will not employ workers under the minimum age for employment as defined by national law.
- Workers between the minimum age and 18 will not be employed in dangerous work or work that interferes with their education or development.

Forced Labor

- Our company will not employ forced labor.
- We will respect workers' rights to retain their personal documents and money.
- We will respect workers' rights to leave the workplace after work.

Occupational Health and Safety

- We will take all necessary precautions to prevent and mitigate work-related risks and develop an emergency prevention and response system.
- Workers will be provided personal protective equipment and appropriate training at our company's expense.
- We will document and report accidents, diseases and incidents.

Workers Engaged by Third Parties

- Our company will extend our labor standards performance policies and procedures to our contractors hired directly or through employment agencies.

Supply Chain

- Our company will extend our principles concerning child labor, forced labor and worker safety to our suppliers, as feasible.

Community Health, Safety and Security

- Our company will take every precaution in our sourcing, production and storage to provide our customers with food that is safe to consume.
- We will avoid or minimize as much as possible any potential community exposure to health and safety risks from our operations.

ABC 2. Identification of Risks and Impacts

ABC FOOD COMPANY Risk Identification Worksheet

ABC's ESMS team used the Risk Identification Worksheet below to identify those areas where problems are more likely to happen.

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
There is a difference in nationality, race or religion between workers and managers.	Yes/No	Discrimination. Disciplinary abuse and harassment.
Our managers and supervisors are not aware of the workers' rights under the national labor law or collective agreements.	Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime.
We have an apprentice program that provides young workers with training and work experience.	Yes/No	Forced labor. Child labor.
We routinely use recruiting agencies and contract workers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers in my company are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
There are security guards at our company.	Yes/No	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No	Inadequate wages, benefits and contracts.
There is a large fluctuation in orders and/or seasonality of production.	Yes/No	Excessive overtime. No payment of overtime due to hour-averaging. Layoffs.
There is a labor shortage in my area.	Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No	Lack of freedom of association.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
Our processing activities include significant lifting, carrying or repetitive motions.	Yes/No	Worker injuries and chronic conditions.

ABC 2. Identification of Risks and Impacts

Our processing activities involve workers routinely interacting with machinery, equipment with sharp edges and/or slippery work surfaces.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Worker injuries and chronic conditions.
Our processing activities involve elevated levels of noise, dust, vapors, smoke, chemicals (e.g., preservatives, cleaning agents), radiation and/or temperature extremes.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Worker injuries and chronic conditions.
Our processing activities involve hazardous materials or processes that could cause fires or explosions.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Worker injuries or casualties.
Our processing activities involve the handling of living and dead animals that can transmit diseases to humans.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Worker illnesses.
Our workers don't have access to separate and clean areas for eating and changing clothes.	Yes/ <input checked="" type="radio"/> No	Worker illnesses.
Bathrooms are in cramped spaces and lack access to running water.	Yes/ <input checked="" type="radio"/> No	Worker illnesses.
The companies in our supply chain would probably answer "Yes" to most of the questions above.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	All of the above.

ENVIRONMENTAL RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
Our operations require large quantities of fresh water.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Groundwater depletion in the region. Contamination of ground or surface water sources in the region due to discharge of effluent. High energy consumption for treatment of raw or process water.
We don't have sufficient fresh water supplies to meet our requirements.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Groundwater depletion in the region.
Our operations have a high requirement for power supply.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	High energy consumption.
We require large quantities of fuel (gas/diesel/coal/etc.) for our operations.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Air emissions. Solid waste (fly ash if coal is used).
We have various process and utility equipment that may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We need to store large quantities of raw materials on site.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Solid waste due to possible contamination or deterioration of raw material. High energy

ABC 2. Identification of Risks and Impacts

		consumption or emissions due to cold storage.
We generate large (or significant) quantities of solid or liquid waste due to poor quality of raw material or rotting of material due to prolonged storage.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to cold storage.
We generate large (or significant) quantities of solid or liquid waste from our manufacturing process, which are not reprocessed into byproducts, fertilizers or energy.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning.
The quantity of solid/liquid waste from rejected finished product due to contamination, rotting, expiry, etc. is high (or significant) at our facility.	Yes/No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to excess or extra production.
We dispose of our solid waste in our landfill or city's landfill facility.	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off). Impact on wildlife or fisheries if exposed. Diseases through vectors, foul smell, GHGs generation (e.g. methane).
We provide our solid waste to the community or general public to be used as fertilizer.	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
Our operations generate large (or significant) quantities of wastewater (e.g. raw material washing, processing, floor cleaning, bottle washing, etc.).	Yes/No	Contamination of ground and/or surface water due to improper disposal of wastewater.
We discharge our wastewater (process effluent) in a nearby river/lake/or any other water body.	Yes/No	Contamination of receiving water body and aquatic life. Eutrophication due to high BOD or COD.
We treat our wastewater (process effluent) before discharge.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of waste.
We treat our sewage (from toilets, washrooms, etc.) before discharging it in the city's sewer line.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.
We utilize our treated wastewater (process effluent) for irrigation (either by	Yes/No	Contamination of land, groundwater (due to leachate), surface water (due to run-off)

ABC 2. Identification of Risks and Impacts

ourselves or provide it to the community).		and/or crops if toxic chemicals are present in the treated wastewater. Impact on crop productivity.
We generate some hazardous or toxic waste (e.g. waste chemicals, used/waste oil/sludge from wastewater treatment plants based on chemical treatment, etc.).	Yes/No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off) if disposed improperly.
We require a large land area for our industrial operations.	Yes/No	Loss of natural habitats or agricultural land. Air, water and/or land pollution based on expansion requirements and infrastructure development.
Our operations may have an impact on the surrounding forest or wildlife.	Yes/No	Loss of native species. Impact on biodiversity.
We use some banned chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure of workers. Land or water contamination due to disposal of infested material.
We treat our sewage (from toilets, washrooms, etc.) before discharging it in the city's sewer line.	Yes/No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.

COMMUNITY HEALTH, SAFETY AND SECURITY RISKS

RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
Our processing activities involve organic matter that needs to be washed, treated or stored to ensure food safety.	Yes/No	Food contamination/food safety issues.
Our processing activities and treatments involve biomass or other liquids or solids that may lead to foul odors.	Yes/No	Exposure of community to foul odors.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc. that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We plan to develop new infrastructure, buildings, equipment and other facilities.	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.

ABC 2. Identification of Risks and Impacts

We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	<input checked="" type="radio"/> Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.) and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.
There is significant movement of vehicles in and around our facility due to our operations (e.g. vehicles carrying raw material or finished products, movement of water tankers, etc.).	<input checked="" type="radio"/> Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	<input checked="" type="radio"/> Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating air, land and/or water.
We discharge water from our plant, which may have an impact on surrounding water bodies.	<input checked="" type="radio"/> Yes/No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	<input checked="" type="radio"/> Yes/No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel	<input checked="" type="radio"/> Yes/No	Conflicts with communities and indigenous people.
We normally have conflicts/complaints with the local community.	<input checked="" type="radio"/> Yes/No	Conflicts with communities and indigenous people

ABC 2. Identification of Risks and Impacts

ABC FOOD COMPANY Process Map

The Process Map presented below covers the activities and operations carried out at ABC Company. However, these would be similar to most of the processes and activities in other chicken processing industries as well.

Inputs	Process	Outputs	Potential Negative Impacts - OHS	Potential Negative Impacts - Environment And Community	Opportunity For Waste Reduction/ Energy & Water Savings
Materials, labor, resources	Operational activity	Product, waste, by-product	Injuries, long-term illness	Discharge, contamination, pollution, Shortage	Improved process, re-purposing and recycling by-products
Chicken feed	Lairage of chickens	Excreta, egg shells, mortality waste, litter	Worker exposure to disease vectors	Large solid waste volume, high nitrogen and pathogen content in solid waste, leading to: <ul style="list-style-type: none"> - potential contamination of land and surface waters - water oxygen depletion and death of aquatic life - unpleasant odors 	Compost
	▼				
Manual labor	Hanging chickens on conveyor belt		Worker injuries from repetitive motion		
	▼				
Manual labor	Stun and kill chickens		Worker injuries from cuts, abrasions		
	▼				
Manual labor	Bleed chickens	Blood	Worker injuries from cuts, abrasions from knives; falls on slippery floors	Leakage, leading to: <ul style="list-style-type: none"> - potential contamination of ground and surface waters 	Compost; biogas
	▼				
Hot water	Scald chickens	Wastewater	Worker injuries from burns	High water demand, leading to: <ul style="list-style-type: none"> - diminishing groundwater and decreased access to potable water for the community High wastewater volume, leading to: <ul style="list-style-type: none"> - potential contamination of ground and surface waters - water oxygen depletion and death of aquatic life 	Recycle water
	▼				
Manual labor	Pluck feathers	Feathers	Worker injuries from repetitive motion; exposure to allergens and particulates	Organic waste, leading to: <ul style="list-style-type: none"> - potential contamination of ground and surface waters 	Compost; by-products

ABC 2. Identification of Risks and Impacts

	▼				
Manual labor	Remove head	Heads	Worker injuries from cuts, abrasions	Organic waste, leading to: - potential contamination of ground and surface waters	Compost; biogas; by-products
	▼				
Manual labor	Eviscerate internal organs	Organs	Worker injuries from cuts, abrasions	Organic waste, leading to: - potential contamination of ground and surface waters	Compost; biogas; by-products
	▼				
Water	Wash carcass	Wastewater	Worker injuries from falls on slippery floors	High water demand, leading to: - diminishing groundwater and access to potable water for the community	Recycle water
	▼				
Manual labor	Remove feet	Feet	Worker injuries from cuts, abrasions	Organic waste, leading to: - potential contamination of ground and surface waters	Compost; biogas; by-products
	▼				
Water; refrigeration systems	Chill to prevent bacterial poisoning	Wastewater	Worker exposure to preservatives, refrigerants such as ammonia and other potentially allergenic or toxic substances; exposure to extreme temperatures	Inadequate or broken temperature controls, leading to: - not meeting food safety requirements Runoff and leakage of preservatives and refrigerants, leading to: - damage to aquatic ecosystems - decrease in potable water	Insulation
	▼				
Plastic bags; manual labor	Package		Worker injuries from repetitive motion		

ABC 2. Identification of Risks and Impacts

ABC FOOD COMPANY Risk Assessment Prioritization Form

Based on the Risk Identification Form, ABC used the Risk Assessment Prioritization Form below to address the highest priority risks for their Action Plans.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES
Production Department (scalding, evisceration, packaging Areas)	Excess water usage from increased production and groundwater pumping. Leads to inaccessibility of potable water by homeowners and communities and brine contamination of coastal area wells.	Extreme	Extreme	Ongoing issue that community has already brought to our attention
Production Department (scalding and evisceration areas)	High volume of wastewater is discharged to surface water without treatment. It immediately consumes available oxygen in surface waters, rendering the receiving water anaerobic, malodorous and unfit for human consumption.	Extreme	Extreme	Process wastewater has high biochemical and chemical oxygen demand (BOD and COD) due to organic materials, including blood, fat, flesh, and excreta; high levels of nitrogen, phosphorus and chemical residues such as chlorine, pathogens (salmonella and campylobacter) especially without treatment.
Sourcing Department Production Department	Solid wastes from stock, bedding, mortality, litter and manure. If not managed, can lead to high volumes of nitrogen, pathogens and organics that cause odor problems for neighbors and contamination of product and surface waters.	High	High	Managed solid wastes can be used to produce salable by-products, such as organic fertilizer, soil amendment, etc.
HR	Inadequate contracts and protection for migrant workers due to the use of recruitment agency.	High	High	Use of recruitment agency increases risk.
All	Discrimination, disciplinary abuse and harassment due to growing number of disputes between workers and supervisors.	High	Medium	Particular problems between supervisors and migrant workers due to language issues.
Production Department	Worker injuries and illnesses due to bodily stress and injuries from repetitive motion and machinery and	Medium	Medium	Biggest area of concern is in the stun/kill, bleeding and scalding areas

	exposure to poultry feces and other contaminants.			
Supplier farm	Lack of process control, leading to contamination of equipment and machinery from contaminated well water.	Medium	High	Recent case of product contamination and recall at a competitor using the same supplier
Production Department (evisceration and packaging areas)	Contamination of product due to (i) contamination of source water, (ii) deterioration of raw water quality at the plant.	Low	High	

ABC FOOD COMPANY Action Plan

Based on its Risk Assessment Form, ABC prioritized the following five key risks:

- excess water usage, leading to inaccessibility of potable water by homeowners and communities and brine contamination of coastal area wells;
- high volume of wastewater, with biochemical and chemical oxygen demand from organic waste, entering and contaminating surface waters;
- high volume of solid organic waste with pathogenic content, affecting ground and surface waters and food safety;
- inadequate contracts and protection for migrant workers due to the use of recruitment agency; and
- discrimination, disciplinary abuse and harassment due to growing number of disputes between workers, especially migrant workers, and supervisors

ABC then developed Action Plans to manage these five risks (see below)

ABC 3. Management Programs

Risk 1:

Excess water usage, leading to inaccessibility of potable water by homeowners and communities and brine contamination of coastal area wells

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Given the production process, it is not possible to completely avoid water usage. However, 80-95 percent of water used is discharged as effluent. Therefore, the organization should consider reducing/recycling water. Before implementing "flow reduction," review local regulatory requirements pertaining to poultry inspection.					
Minimize	- Use dry cleaning techniques (broom, scraping, etc.) to clean floors, transport trucks, process areas and equipment prior to washing with water	Objective: Reduce facility water demand Target: 30-40% reduction in total water use	1 month	- Cleaning and sanitizing staff	Staff time intensity: Low Capital intensity: Low	- Procedures for housekeeping and cleaning
Minimize	- Install water recycling systems at points of use; reuse water at specific locations - Reuse final rinse water from cleaning operations for the initial rinsing on the following day - Reuse relatively clean water from cooling systems, boiler condensate, vacuum pumps, etc.	Objective: Reduce facility water demand Target: 15% of wastewater is reused or recycled	3 months	- Production manager - Maintenance supervisor	Staff time intensity: High Capital intensity: Medium	- Procedures for recycling and reuse of treated wastewater
Compensate/offset	- Drill and provide adequate number of deeper wells for affected community members to ensure access to potable water	Objective: Increase water access for community Target: 30% of families with water scarcity problems now have deeper wells	6 months	- Maintenance supervisor	Staff time intensity: High Capital intensity: High	- Procedure for monitoring community access to safe and adequate water supply

ABC 3. Management Programs

Risk 2:

High volume of wastewater, with biochemical and chemical oxygen demand from organic waste, entering and contaminating surface waters

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	- Given the production process, it is not possible to completely avoid water usage. However, 80-95 percent of water used is discharged as effluent. Therefore the organization shall prevent water contamination.					
Minimize	<ul style="list-style-type: none"> - Maximize segregation of blood and water by designing suitable blood collection system - Use screens or traps at drains to prevent solid material entering effluent treatment system - Maintain water temperature below 30 degrees C and pressure at less than 10 bar for carcass washing to reduce fat removal from the surface - Segregate high-strength effluent streams (e.g. rendering, casings, etc.) and treat them separately - Implement appropriate disinfection (e.g. chlorination, ultraviolet irradiation, ozonation, etc.) of wastewater 	<p>Objective: Reduce wastewater pollution load</p> <p>Target: 20-30% reduction in pollution load for the select wastewater parameters: BOD, COD, TSS, oil and grease, total nitrogen and total phosphorus, total coliform bacteria, antibiotics, pH, temperature increase</p>	3 months	<ul style="list-style-type: none"> - Production manager - Maintenance supervisor - Scalding area supervisor - Evisceration area supervisor 	<p>Staff time intensity: Medium</p> <p>Capital intensity: Medium</p>	<ul style="list-style-type: none"> - Procedures for washing and cleaning of viscera and poultry carcass - Procedures for wastewater treatment - Procedure for sampling and analysis of treated wastewater

ABC 3. Management Programs

Risk 3:

High volume of solid organic waste with pathogenic content, affecting ground and surface waters and food safety

MITIGATION HIERARCHY	ACTIONS	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	<ul style="list-style-type: none"> - Work with suppliers to minimize risk of poultry condemned as unfit for human consumption entering the supply chain (poultry dead before slaughter or suspected of carrying diseases) - Eliminate lairage time (receive chickens in two daily shipments) 	Objective: Reduce bedding, litter, manure and dead chicken waste Target 1: 50% reduction in lairage waste Target 2: 50% reduction in high-risk organic waste	12 months	-Sourcing manager	Staff time intensity: High (changing supply chain and production scope)	<ul style="list-style-type: none"> - Procedure for poultry purchase - Procedure for inspection of incoming poultry - Procedure for managing high-risk organic waste
Minimize	<ul style="list-style-type: none"> - Optimize process yields during manual grading and cutting through staff training 	Objective: Reduce process waste Target: 20% reduction in process waste	3 months	<ul style="list-style-type: none"> - Evisceration area supervisor - Packaging area supervisor 	Staff time intensity: High (oriented to behavior changes) Capital intensity: Medium	
Minimize	<ul style="list-style-type: none"> - Explore market for by-products (e.g., chicken organs and feet, poultry by-product meal and fat from rendering, feathers) - Segregate and store all by-products to prevent cross-contamination 	Objective: Reduce process waste Target: 20% reduction in process waste	3 months	<ul style="list-style-type: none"> - General manager - Marketing manager - Production manager 	Staff time intensity: Medium Capital intensity: Low	Procedures for storage, handling and disposal of by-products
Minimize	<ul style="list-style-type: none"> - Monitor and regulate refrigeration and cooling systems during storage processing to minimize product loss 	Objective: Reduce product waste Target: 50% reduction in product loss	6 weeks	- Maintenance supervisor	Staff time intensity: Low Capital intensity: Low	<ul style="list-style-type: none"> - Procedures for chilling and freezer operations - Procedures for storage operations - Procedures for packing of finished product

ABC 3. Management Programs

Risk 4:

Inadequate contracts and protection for migrant workers due to the use of recruitment agency

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	<ul style="list-style-type: none"> - Review labor policies and procedures of recruitment agencies - Communicate company's policies regarding terms of employment for migrant workers (recruitment, working hours and overtime, wages, wage deductions, leave, benefits) to recruitment agencies - Ensure migrant workers are covered under ABC complaint management system - Inform terms of employment to migrant workers - Audit migrant workers contracts with recruitment agencies and ensure agencies develop their own complaint management system 	<p>Objective: Check for inadequate contracts and protections for migrant workers</p> <p>Target: 100% of migrant workers have contracts with recruitment agencies defining terms and conditions that comply with company's policies</p>	3 months	<ul style="list-style-type: none"> - HR manager - Production manager 	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	<ul style="list-style-type: none"> - Procedures for screening, selecting, training and auditing of recruitment agencies - Procedure for complaint management and resolution

ABC 3. Management Programs

Risk 5:

Discrimination, disciplinary abuse and harassment due to growing number of disputes between workers and supervisors

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	<ul style="list-style-type: none"> - Review non-discriminatory, harassment, disciplinary and complaint management policies and procedures and where inadequate, rectify - Communicate company's policies regarding non-discrimination, harassment, disciplinary measures and complaint management to all workers - Monitor and review complaints arising from discrimination, harassment and disciplinary claims 	<p>Objective: Improve awareness of ABC's non-discrimination, harassment and complaint management policies</p> <p>Target: 100% workers understand, use and trust complaint management system</p>	3 months	- HR manager	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	<ul style="list-style-type: none"> -Procedure for complaint management resolution -Procedure for non-discrimination and harassment -Procedure for disciplinary action

ABC FOOD COMPANY Complaint Management and Resolution Procedure

Based on the Risk Identification Worksheet and Risk Assessment Prioritization Form, ABC identified its migrant workforce as an area that needed attention. As a result, ABC developed a series of Action Plans as part of its Management Programs to address the problem, including developing policies and procedures that could better protect migrant workers. In particular, ABC was concerned about the growing number of disputes between migrant workers and supervisors due to language issues. Here we present the Complaint Management Resolution Procedure that ABC created and adopted as part of its Action Plan (see Risk 4 and Risk 5 previously).

Title: Complaint Management and Resolution (Internal Grievance Procedure)

Procedure number: HR001

Number of pages: 2

1.0 Purpose and Scope:

- 1.1. Purpose: Establish a transparent process for workers to express concerns and file complaints, including anonymous complaints. Ensure there is no retaliation or discrimination against those that express concerns or file complaints. Ensure good worker-manager communications to enable workers to raise concerns before they become serious grievances.
- 1.2. Scope: Any complaint or dispute that may arise from a worker or worker organization. All individual complaints shall be initiated at Step 1 and shall, if necessary, proceed step by step to Step 5 where the resolution proposed shall be final and binding. Collective complaints and disputes will be handled in the same step-by-step approach as that for individual complaints, but shall begin at Step 2.

Issues will inevitably arise from time to time, but since disputes are potentially harmful to the company, its workers, supervisors and managers at every level, all parties will be expected to resolve all but the most complex difficulties without recourse to Step 5 of this procedure.

The worker organization filing the complaint or representing the worker filing the complaint shall have the right to be notified and be present at all steps of the procedure.

Every effort should be made to settle the issue at each step and until this procedure has been completed there shall be no threats of “go-slows,” partial or general stoppages of work or other illegal action or lock-out.

2.0 Definitions:

- 2.1. Grievance: Specific violation or feeling of having been wronged – the reason for filing a complaint.
- 2.1 Complaint: The formal communication of a grievance to the appropriate parties.

3.0 Responsibilities:

HR Department

4.0 Work Instructions:

Step 1:

- 4.1. The worker presents the complaint or grievance verbally to the most immediate supervisor, who has the authority to make adjustments in the matter, within 14 days. Explanations of responses to complaints, even if only to alert workers to a delay in the process, are key to ensuring workers understand their complaints are respected and taken seriously.
- 4.2. The supervisor records the complaint or grievance and the action taken in the complaints log.

Step 2:

- 4.3. If a satisfactory settlement is not reached in Step 1 within three days, or if the worker fears making the complaint directly to the most immediate supervisor, then a worker representative may present the complaint verbally to the supervisor concerned. The worker may choose to remain anonymous.

Step 3:

- 4.4. If a satisfactory settlement is not reached in Step 2 within three days following its completion, the worker or his or her chosen representative for the case may present the complaint to the department head. The complaint shall be in writing and shall state the complainant(s) or grievant(s) name(s).

Step 4:

- 4.5. If a satisfactory settlement is not reached in Step 3 within five days of the date of submission of the written complaint or grievance to the department head, the worker or his or her chosen representative for the case may present the complaint or grievance to the head of the Human Resources Department.
- 4.6. The head of the Human Resources Department or his/her designee shall schedule a meeting to be held within fourteen days of the receipt of the complaint or grievance with the worker or his or her chosen representative, for the purpose of attempting to resolve the complaint or grievance.
- 4.7. The worker can bring one or two peers for support during this meeting; those workers will also be covered under the non-reprisal clause.
- 4.8. The head of the Human Resources Department or his/her designee shall respond in writing within seven days of the date of the meeting.

Step 5:

- 4.9. If the complaint or grievance is not resolved at Step 4, and it is clear that resolution within the company is impossible, the worker or his or her chosen representative may refer the complaint or grievance to the Labor Ministry for resolution.

Monitoring:

- 4.10. The Human Resources Department will conduct a quarterly review of all complaints and actions taken. It will review the complaint logs of each supervisor and department head to evaluate the effectiveness of the grievance procedure and resolutions.
- 4.11. As part of the quarterly review, the Human Resources Department will follow up directly with the worker or his or her chosen representative to make sure there has been no retaliation.
- 4.12. The Human Resources Department will maintain a central record of all complaints and resolutions.

5.0 Reference Documents: Related Policy: Labor and Working Conditions – Grievance Mechanism; Thai national and local labor law

6.0 Records: Complaint Log; Complaint Investigation File; Complaint Resolution Report and Communication

7.0 Approving Authority: Senior Manager of HR

8.0 Issue Date: January 1, 2011

9.0 Revision Date: February 1, 2012

ABC | 4. Organizational Capacity and Competency

ABC FOOD COMPANY Training Plan

ABC developed a simple Training Plan to raise awareness on the ESMS and provide the skills needed to implement the action plans and related procedures. ABC was able to participate in a local government program that provided subsidized training in these areas.

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
ESMS Performance team	Elements of the ESMS	Labor standards performance issues Environmental performance issues	Complaint management and resolution procedure	Worker-manager communications
Recruitment agency	Labor standards performance issues	Contracts and payments		
Migrant workers	Labor standards performance issues	Contracts and payments		
All workers and managers	Health and safety Emergency response procedures	Water conservation and waste reduction procedures	Complaint management and resolution procedure	Worker-manager communications Non-discrimination procedures Disciplinary procedures
Senior management	Introduction to ESMS	Labor standards performance issues Environmental performance issues	Stakeholder and community engagement and communications	
Production	Water treatment and recycling procedures Water conservation procedures	Waste treatment and reduction procedures	Health and safety and emergency response procedures	Storage and handling procedures

ABC | 5. Emergency Preparedness and Response

ABC plant is built with large amounts of flammable foam insulation to maintain constant near-freezing temperatures. ABC developed an Emergency Preparedness and Response Plan to identify, prevent and respond to fire emergencies. The plan includes a Fire Response Procedure.

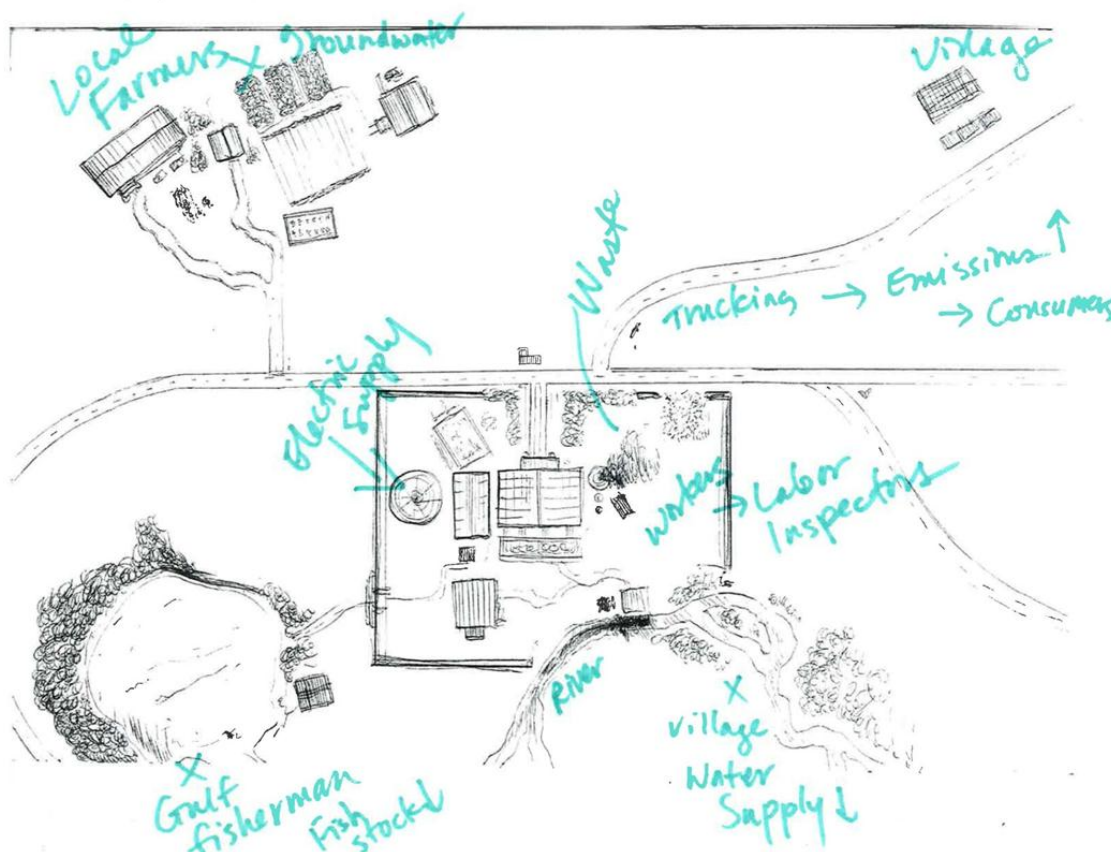
ABC FOOD COMPANY Fire Response Procedure

See sample Fire Response Procedure in Section I of this Toolkit.

ABC FOOD COMPANY Stakeholder Mapping – identification and analysis

An ABC cross-departmental team brainstormed and **listed the stakeholders** that are **affected by or have an interest in** the company’s operations.

To identify nearby villages and groups that may be affected by the company operations, the company also used a satellite image and drew the sources of pollution and the areas that could be affected (see Impact Zoning Tool for Identifying Affected Communities in part I of this Toolkit).

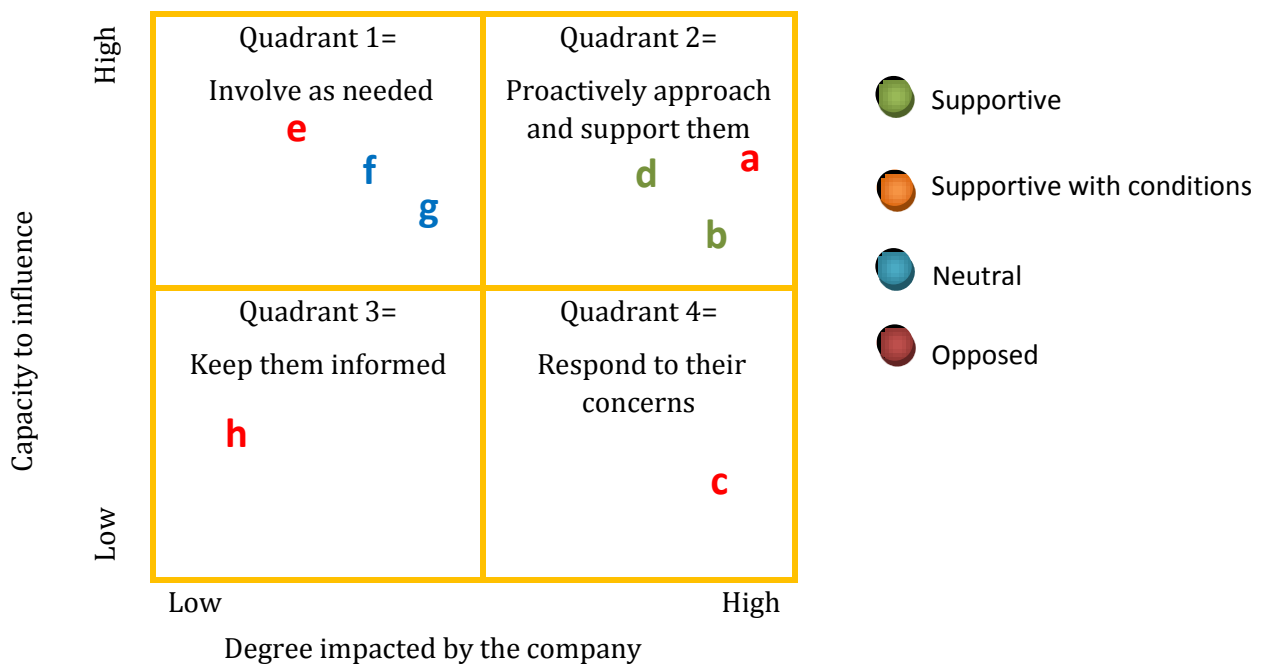


The team then discussed and **listed their key concerns, issues and interests**. To identify those, they looked back at the environmental and social key risks and impacts previously identified and how these affect the surrounding communities.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS
a. Chonburi farmers association (affected community)	Diminishing groundwater supply
b. Local village population (affected community)	Diminishing groundwater supply Water quality
c. Local gulf fishermen association (affected community)	Surface water eutrophication due to wastewater
d. Consumers in Japan, Korea, Thailand, Europe, the Middle East, South America	Food safety
e. ICM Chonburi communities for conservation	ABC environmental performance
f. Chonburi regional government	Compliance with environmental regulations
g. Ministry of Natural Resources and the Environment	Compliance with environmental regulations
h. Labor Rights Promotion Network	Concerns on migrant workers discrimination

ABC 6. Stakeholder Engagement

Finally, they **mapped the stakeholders** on a matrix according to (a) the degree to which they are impacted and (b) their ability to influence the company operations, and then (c) **categorized** them based on their current relationship with the company: supportive, supportive with conditions, neutral, opposed. Based on this, they define their **engagement method** with each group.



ABC 6. Stakeholder Engagement

ABC FOOD COMPANY Stakeholder Engagement Plan

Based on the information above, ABC prepared a Stakeholder Engagement Plan. ABC **prioritized** engagement with those groups that are most affected.

STAKEHOLDER ENGAGEMENT PLAN FOR AFFECTED STAKEHOLDERS				
Stakeholder	Concerns	Engagement method	Information to disclose and report back	Most valuable info to obtain
a. Chonburi farmers association (Quadrant 2)	Groundwater supply: possibly diminishing and contaminated by saltwater has caused crop failure and cattle loss	<ul style="list-style-type: none"> - Grievance mechanism - Quarterly meetings with members of the association and more frequently as demand requires - Participatory monitoring of groundwater level - Annual perception survey 	<ul style="list-style-type: none"> - Level of water consumption at the plant - Progress on water saving/recycling actions at the plant - Results of groundwater level monitoring 	Exact threat, damage, possible solutions, costs of these
b. Local village population (Quadrant 2)	Water supply (especially falling groundwater levels) and quality for consumption	<ul style="list-style-type: none"> - Grievance mechanism - Biannual meetings with community leaders - Annual perception survey 	<ul style="list-style-type: none"> - Progress on water saving/recycling actions at the plant - Plan to build 50 deep wells in most affected areas 	Identification of areas where to build deep wells
c. Local gulf fishermen association (Quadrant 4)	Wastewater and solid waste from poultry processing affecting fish stock. Possible worsening of problem due to ABC's recent expansion	<ul style="list-style-type: none"> - Grievance mechanism - Biannual meetings with affected local fishermen groups 	<ul style="list-style-type: none"> - Progress on waste minimization and wastewater treatment actions 	Factual information on depletion of fish resources
d. Consumers (Quadrant 2)	Food safety	<ul style="list-style-type: none"> - Grievance mechanism through telephone hotline - Well-briefed communications team to address consumer concerns 	<ul style="list-style-type: none"> - Progress on actions to improve quality of process water and food safety 	Consumer concerns Ways competitors are addressing the issue

ABC 6. Stakeholder Engagement

STAKEHOLDER ENGAGEMENT PLAN FOR INTERESTED STAKEHOLDERS				
Stakeholder	Interests	Engagement method	Information to communicate	Most valuable info to obtain
e. ICM Chonburi Communities for Conservation (Quadrant 1)	Environmental performance from ABC and other poultry production businesses	<ul style="list-style-type: none"> - Biannual meetings with local representatives and as demand requires - Regular updates through quarterly newsletter (by email) 	<ul style="list-style-type: none"> - Progress on ESMS environmental action plans 	Recommended methods for environmental protection and improvement
f. Chonburi provincial government - (Quadrant 1)	Possible non-compliance with provincial environmental regulations	<ul style="list-style-type: none"> - Public reporting on compliance - Quarterly phone calls 	<ul style="list-style-type: none"> - Commitment to social and environmental performance improvement 	Comprehensive knowledge of relevant regulations
g. Ministry of Natural Resources and Environment of Thailand (Quadrant 1)	Possible non-compliance with national environmental regulations	<ul style="list-style-type: none"> - Public reporting on compliance - Quarterly phone calls 	<ul style="list-style-type: none"> - Commitment to environmental performance improvement 	Comprehensive knowledge of relevant regulations
h. Labor Rights Promotion Network (Quadrant 3)	Concerns on migrant workers discrimination	<ul style="list-style-type: none"> - Quarterly updates through email 	<ul style="list-style-type: none"> - Progress on implementation of grievances and non-discrimination procedures - Progress on direct contracting migrant workers 	Local information on workers' rights in food processing industry

Key Aspects of ABC FOOD COMPANY'S Grievance Mechanism

ABC's Grievance Mechanism below provides one of the channels through which external and internal stakeholders can voice their concerns.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	ABC'S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	ABC's website has a form and instructions that people can fill out and submit online.
Publicize the system so that stakeholders know it exists and how to access it	ABC distributes a company brochure highlighting its company profile and operations and including instructions for how external stakeholders can communicate or file complaints. The brochure is circulated to community leaders at churches, schools and civic centers. The system is also documented in the company procedures manual. A designated community liaison explains this further when meeting with stakeholders.
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	ABC has its major cases reviewed by a formal oversight body consisting of a representative from each of its key stakeholder groups. It also provides for transparent funding of expert resources, so that any collection of evidence is independent and unbiased. It makes sure not to undermine existing legal mechanisms.
Be transparent about the process and outcomes	All cases are summarized and posted on the company website, with details about whether the complaint is accepted or not and what is the process and timeline for investigation and resolution.
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	ABC has a procedure that designates the community liaison to receive and record the complaint and then work with relevant staff and external stakeholders to investigate, determine actions and report back outcomes.
Make the system a source of continual learning	ABC's oversight stakeholder body meets quarterly with the management team to measure the effectiveness of the system and review complaints to check for resolution and cumulative learning that can be integrated into company systems. They agree and monitor key performance indicators and revise the mechanism as appropriate.

ABC | 8. Reporting Back to Affected Communities

ABC regularly reports to the Chonburi farmers association, the local gulf fishermen association, and local villagers on the progress of its commitments to resolve the issues identified when communicating with them through its stakeholder engagement process and through its grievance mechanism. Reports are presented in the local language and in a clear format during their quarterly and biannual meetings.

Monitoring Plan for ABC

ABC's ESMS team developed a Monitoring Plan based on the Action Plans and their targeted objectives.

Risk 1: Excess water usage, leading to inaccessibility of potable water by homeowners and communities and brine contamination of coastal area wells

Objective: Reduce facility fresh water demand

Target: 30-40% reduction in total water use

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Freshwater consumption in kl per shift	- Water meter reading logs at all intake points by department per shift (to be recorded as "initial reading" and "final reading")	- Sealed water meters at all intake points
Freshwater consumption in kl per ton of poultry processed	- Water meter reading logs at all intake points by department per shift (to be recorded as "initial reading" and "final reading") - Record of poultry slaughtered (dressed) and processed per shift in tons	- Sealed water meters at all intake points

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of taps and washing hoses/nozzles with high-efficiency taps/nozzles	- Maintenance records - leaking and replaced faucets, hoses and nozzles
% of cleaning staff trained on housekeeping and cleaning procedures	- Training records

Objective: Reduce facility water demand

Target: 15% of wastewater is reused or recycled

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
- Wastewater recycled and treated - Wastewater used in kl per ton per shift	- Water meter reading logs at all points of reuse by department per shift (to be recorded as "initial reading" and "final reading")	- Sealed water meters at all points of water reuse

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of wastewater streams analyzed for their suitability for recycle/reuse	- Wastewater sampling and analysis records
% of production and maintenance staff trained on wastewater recycle and reuse procedures	- Training records

ABC | 9. Monitoring and Reporting

Objective: Increase water access for community

Target: 30% of families with water scarcity problems now have deeper wells

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
% of families with water scarcity problems provided with deep wells	<ul style="list-style-type: none"> - Financial records of investment made on providing deep wells - Records of survey/consultation with local communities on water issues - Records of complaints, grievances and disputes with local communities on water issues

Risk 2: High volume of wastewater, with biochemical and chemical oxygen demand from organic waste, entering and contaminating surface waters

Objective: Reduce wastewater pollution load

Target: 20-30% reduction in pollution load for the select wastewater parameters: BOD, COD, TSS, oil and grease, total nitrogen and total phosphorus, total coliform bacteria, antibiotics, pH, temperature increase

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Wastewater discharge in kl per shift	<ul style="list-style-type: none"> - Wastewater meter reading logs per shift (to be recorded as “initial reading” and “final reading”) or records of hourly “flow rate” measurements at discharge point 	<ul style="list-style-type: none"> - Calibrated water meter(s) at all/final discharge points
Wastewater discharge in kl per ton of poultry processed	<ul style="list-style-type: none"> - Wastewater meter reading logs per shift or records of hourly “flow rate” measurements at discharge point - Record of poultry slaughtered (dressed) and processed per shift in tons 	
Effluent quality at points of discharge	<ul style="list-style-type: none"> - Monthly wastewater sampling and analysis records of BOD, COD, TSS, oil and grease, total nitrogen and total phosphorus, total coliform bacteria, antibiotics, pH and temperature increase. 	<ul style="list-style-type: none"> - Wastewater sampling equipment (analysis performed in external lab)
Volume of sludge generated from wastewater treatment plant	<ul style="list-style-type: none"> - Sludge generation and disposal records 	

PROCESS INDICATORS	
Monitoring Indicators	Monitoring records
% of production staff in scalding and evisceration areas trained on poultry washing and evisceration procedures	<ul style="list-style-type: none"> - Training records
Wastewater treatment facilities (e.g. oil and grease traps) commissioned for specific processes)	<ul style="list-style-type: none"> - Financial investments made in commissioning wastewater treatment facilities - Energy consumption records pertaining to wastewater treatment - Records of chemical/material consumption in wastewater treatment

ABC | 9. Monitoring and Reporting

Risk 3: High volume of solid organic waste with pathogenic content, affecting ground and surface waters and food safety

Objective: Reduce bedding, litter, manure and dead chicken waste

Target 1: 50% reduction in lairage waste

Target 2: 50% reduction in high-risk organic waste

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Lairage waste generation in kg	- Daily records of lairage waste	- Calibrated weighing machines
High-risk material generation in kg	- Daily records of dead chickens	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Elimination of lairage time	- Records of poultry suppliers providing lairage - Supplier schedules

Objective: Reduce process waste

Target: 20% reduction in process waste

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Process waste generation per shift (product loss from manual grading, cutting, processing) in kg and %	- Shift solid process waste disposal log	- Calibrated weighing machines
Solid waste processed and shipped out for re-processing or alternative use and by-products in kg and %	- Daily/shift records of solid waste re-processed as by-product	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of production staff trained on handling of by-products, waste handling and optimization of process yields	- Training records

ABC | 9. Monitoring and Reporting

Objective: Reduce product waste

Target: 50% reduction in product loss

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Product loss in kg and % due to contamination, spoilage, shelf-life	- Daily/shift solid waste disposal log due to contamination or spoilage of finished product	Calibrated weighing machines

PROCESS INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Adequacy of refrigeration, cooling and storage facilities	- Records of operation and maintenance of refrigeration and cooling units	Calibrated temperature gauges/ thermometers

Risk 4: Inadequate contracts and protection for migrant workers due to the use of recruitment agency

Objective: Check for inadequate contracts and protections for migrant workers

Target: 100% of migrant workers have contracts with recruitment agencies defining terms and conditions that comply with company's policies

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
% of migrant workers directly hired by ABC (direct employment)	- Workers' employment contracts
% of migrant workers hired through recruitment agencies compliant with company's terms of employment (recruitment, working hours and overtime, wages, wage deductions, leave, benefits)	- Migrant workers' employment contracts through recruitment agencies - Records of working hours and overtime - Records of wage payment and statutory deductions
Number and type of complaints and grievances raised by workers/migrant workers	- Records of complaints, disputes and grievances redressed
Trend in discrimination and disciplinary abuse against workers/migrant workers	- Records of complaints, disputes and grievances redressed - Hiring and termination records - Records of disciplinary actions against workers - Records of exit interviews
Fair wage payment as per the local regulations/industry norms	

ABC | 9. Monitoring and Reporting

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of workers surveyed/interviewed to identify their concerns, feedback and grievances	- Employee survey, feedback, consultation and grievances records
% of workers, supervisors and managers trained on fair labor practices (non-discrimination, disciplinary abuse, workers' rights)	- Training records
Clearly defined employment contracts for workers (especially migrant workers)	- Workers employment contracts
Clearly defined hiring and remuneration policy for workers	- Hiring and remuneration policy for workers
Clearly defined policies and procedures on discrimination and disciplinary practices	- Non-discrimination and disciplinary procedures
Established procedures and systems to identify worker concerns, feedback and grievances	- Complaint management and resolution procedures - Records of complaints, disputes and grievances redressed
Clearly established contractor control plans	- Records of terms and agreements with recruitment agencies - Records of monitoring/auditing of recruitment agencies by the company - Records of corrective and preventive actions implemented by the recruitment agencies

ABC | 9. Monitoring and Reporting

Risk 5: Discrimination, disciplinary abuse and harassment due to growing number of disputes between workers and supervisors

Objective: Improve awareness of ABC's non-discrimination, harassment and complaint management policies

Target: 100% workers understand, use and trust complaint management system

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number and type of complaints and grievances raised by workers/migrant workers	- Records of complaints, disputes and grievances redressed
Trend in discrimination, harassment and disciplinary abuse against workers including migrant workers	- Records of complaints, disputes and grievances redressed - Hiring and termination records - Records of disciplinary actions against workers - Records of exit interviews

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of workers surveyed/interviewed to identify their concerns, feedback and grievances	- Employee survey, feedback, consultation and grievances records
% of workers, supervisors and managers trained on fair labor practices (non-discrimination, disciplinary abuse, workers' rights)	- Training records
% of workers interviewed that claim to use grievance procedure	
Clearly defined policies and procedures on discrimination and disciplinary practices	- Non-discrimination and disciplinary procedures
Established procedures and systems to identify worker concerns, feedback and grievances	- Complaint management and resolution procedures - Records of complaints, disputes and grievances redressed

XYZ Food Company, Tanzania

XYZ Food Company (XYZ Company) was established in 1995. The company is based in Tanzania, where it processes, packages, and sells a variety of packaged and processed food products, including natural fruit jams, peanut butter, processed tomatoes, tomato sauce and tomato juice. The company sells its products directly to hotels, restaurants, tourism companies and supermarkets throughout Tanzania. The XYZ Company factory operates one shift a day and has a production capacity of 20 tons of raw materials per day. The company has 30 permanent staff, including four field officers and 20-25 casual workers. Approximately 30 percent of all employees are female workers, mostly working as laborers.

XYZ Company, similar to many other small food processors, operates as an informal sector company and uses labor-intensive and old technologies, while most of the large-scale industries in the region use improved and modern technologies with large capacity output. As the country experiences more pressure from globalization, the food industry is also subjected to increased competition in the domestic market. Since the government does not impose or control the market price of products, small and medium food processors are forced to sell their products at an available market price. By doing so, the majority are running their businesses at marginal profit.

XYZ generates **large amounts of industrial effluent** from beverage manufacturing and cleaning operations. Current practice is to rough screen the wastewater and discharge it to a local stream without further treatment. Screened **solid waste**, such as rejected fruit and peels are discarded to local dumping grounds for putrescence. Local community leaders, residents and farmers complain that there are foul odors from the dumping grounds and that the surface water required for their homes, agriculture and animal husbandry is being contaminated. They also complain that sludge ponds are breeding grounds for mosquitoes and other vectors, potentially leading to an epidemic of dengue fever and malaria, causing considerable morbidity and mortality.

Consistent water availability from the municipal supply is not guaranteed. Therefore, XYZ Company has drilled boreholes so that it can meet its high requirements of **raw water usage**. In addition, reliable electricity has been a long-standing problem in the region, so most of the food processors opt to use generators during power rationing. As a result, the production cost increases along with decreasing profit margin. Unreliable electricity in the region not only affects production processes but also prolonged electricity black outs accompanied by tropical conditions conducive to microbial growth result in a great loss to the processors, wholesalers, retailers and the consumers. Neighbors also complain about the **noise from the generators**.

XYZ Company has small storage areas and facilities that force them to pile up their products, resulting in **poor ventilation** and a dusty, uncomfortable working environment. Dust from the nuts often fills the air – this can be flammable and can also cause respiratory problems, such as occupational asthma and irritation of eyes, nose and skin (occupational dermatitis). Due to the **cramped layout of the machinery** and equipment, there are difficulties with product flow, cluttered workspaces and inadequate separation of the products from wastewater and cleaning agents. This increases the risk of **worker injuries** and **poor hygiene and product quality**.

About two years ago, XYZ Company had a product recall of about four tons of tomato sauce; this was a huge loss for the company to recover. Due to the nature of the food industry products, products are subjected to the constraints of limited shelf-life; due to poor transportation infrastructure, it is not easy to recall products whenever the expiry date is due. Therefore the company had to incur losses on costs such as labor, transportation, destruction and primary and secondary raw materials, etc. Since this episode, XYZ has installed a few refrigeration units to improve storage and shelf life issues. The company is aware that it needs to prepare a safety procedure in relation to ammonia leakage that can be a potentially dangerous

hazard from the use refrigeration appliances.

Many small companies in the region face various labor issues, including **labor shortages during the harvesting seasons**. Most of the workers prefer to work with big companies, as they offer regular employment, modern equipment and better working conditions. Tanzania has ratified all eight ILO core labor conventions. Approximately 27 percent of the workforce in the country that is engaged in paid formal sector employment is affiliated with a trade union. However, trade union rights are difficult to exercise in practice in many companies in the region, due to **anti-union discrimination** and restrictions on the right to strike. There have been recent media reports that show that some factories in the region have discouraged employees from joining a union under the threat of being fired. **Discrimination** is also reported to be widespread with respect to women, the disabled and people with HIV/AIDS. **Child labor** is common in the supply chain. **Forced or compulsory labor** is also common in many companies and includes overtime work with the threat of being fired.

Workers can go on strike, but must go through a series of complicated and protracted mediation and conciliation procedures, which can prolong a dispute months without resolving it. Consequently, workers tend to stage illegal wildcat strikes and walkouts, because of the lengthy and cumbersome requirements for calling a legal strike. Though there have been some past incidents of employee disputes and labor unrest at XYZ Company, the company has always managed to resolve the issues before they escalated to a strike.

XYZ Company is an active member of the Tanzania Food Processors Association (TAFOPA) and Small Enterprise Development Agency (SEDA,) based in Arusha, and participates in various trade shows to promote its products. During a recent international trade fair organized at Dar es Salaam, the CEO met some potential international customers who indicated that international certifications such as HACCP, Fair Trade and other environmental management system programs can offer a viable route to success in the export market for a small-scale food company like XYZ Company.

To explore the international market, XYZ Company has decided to develop and implement environmental and social management systems and training programs, based on existing laws and regulations on labor, product safety, hygiene and best industry practices.

XYZ FOOD COMPANY Policy Statement

XYZ had a long internal debate about adopting policies, especially the ones on labor and working conditions. They felt it would be very hard to meet these requirements, given their operating environment. Finally, the CEO decided to proceed with the complete set of policies, because of his goal of selling internationally. They established a three-year plan to try and achieve compliance with the policies and gain some type of international certification or recognition.

Besides the complete set of policies, they prepared a shorter version summarizing the most relevant points:

XYZ - Our products, our environment, our people

Together we produce safe and high-quality foods which create value and confidence for our customers and consumers.

We are committed to conducting our operations in accordance with the environmental and labor laws and regulations that apply to our industry.

We recognize that energy and water are valuable resources, and we commit to use them more efficiently.

We commit to reuse and recycle all our organic waste.

We strive for an injury-free workplace, ensuring that our workers are not exposed to dangerous situations or hazardous chemicals, and that they use the appropriate personal protective equipment.

We will work with our suppliers of fruits and vegetables to gradually eliminate the presence of child labor in our supply chain.

We are all - managers, supervisors and workers – jointly responsible for making our policy a reality.

XYZ FOOD COMPANY – Tanzania Risk Identification Worksheet

XYZ's ESMS team used the Risk Identification Worksheet below to identify those areas where problems were more likely to happen.

LABOR AND WORKING CONDITIONS RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
There is a difference in nationality, race or religion between workers and managers.	Yes/No <input checked="" type="radio"/>	Discrimination. Disciplinary abuse and harassment.
Our managers and supervisors are not aware of the workers' rights under the national labor law or collective agreements.	<input checked="" type="radio"/> Yes/No	Discrimination. Disciplinary abuse and harassment. Excessive overtime.
We have an apprentice program that provides young workers with training and work experience.	Yes/No <input checked="" type="radio"/>	Forced labor. Child labor.
We routinely use recruiting agencies and contract workers.	Yes/No <input checked="" type="radio"/>	Inadequate wages, benefits and contracts. Forced labor.
We routinely use homeworkers or contractors that use homeworkers.	Yes/No <input checked="" type="radio"/>	Inadequate wages, benefits and contracts. Forced labor. Child labor.
We routinely use seasonal or temporary workers.	<input checked="" type="radio"/> Yes/No	Inadequate wages, benefits and contracts. Excessive overtime.
Some of the workers in my company are migrants from another area.	Yes/No	Forced labor. Discrimination.
We provide a dormitory for some or all of our workers.	Yes/No <input checked="" type="radio"/>	Lack of freedom of movement. Lack of clean adequate space. Excessive charges for the use of the dormitory.
There are security guards at our company.	Yes/No <input checked="" type="radio"/>	Lack of freedom of movement. Harassment.
We are located in a free-trade zone.	Yes/No <input checked="" type="radio"/>	Inadequate wages, benefits and contracts.
There is a large fluctuation in orders and/or seasonality of production.	Yes/No <input checked="" type="radio"/>	Excessive overtime. No payment of overtime due to hour-averaging. Layoffs.
There is a labor shortage in my area.	<input checked="" type="radio"/> Yes/No	Child labor.
There is no history of collective bargaining, unions or other forms of worker representation at our company.	Yes/No <input checked="" type="radio"/>	Lack of freedom of association.
There is no procedure for workers to express their complaints (grievance mechanism).	Yes/No <input checked="" type="radio"/>	Discrimination. Disciplinary abuse and harassment. Worker injuries and chronic conditions.
Our processing activities include significant lifting, carrying or repetitive motions.	<input checked="" type="radio"/> Yes/No	Worker injuries and chronic conditions.
Our processing activities involve workers routinely interacting with machinery, equipment with sharp edges and/or slippery work surfaces.	<input checked="" type="radio"/> Yes/No	Worker injuries and chronic conditions.

Our processing activities involve elevated levels of noise, dust, vapors, smoke, chemicals (e.g., preservatives, cleaning agents), radiation and/or temperature extremes.	<input checked="" type="radio"/> Yes/No	Worker injuries and chronic conditions.
Our processing activities involve hazardous materials or processes that could cause fires or explosions.	<input checked="" type="radio"/> Yes/No	Worker injuries or casualties.
Our processing activities involve the handling of living and dead animals that can transmit diseases to humans.	Yes/ <input checked="" type="radio"/> No	Worker illnesses.
Our workers don't have access to separate and clean areas for eating and changing clothes.	<input checked="" type="radio"/> Yes/No	Worker illnesses.
Bathrooms are in cramped spaces and lack access to running water.	<input checked="" type="radio"/> Yes/No	Worker illnesses.
The companies in our supply chain would probably answer "Yes" to most of the questions above.	<input checked="" type="radio"/> Yes/No	All of the above.

ENVIRONMENTAL RISKS		
RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
Our operations require large quantities of fresh water.	<input checked="" type="radio"/> Yes/No	Groundwater depletion in the region. Contamination of groundwater or surface water sources in the region due to discharge of effluent. High energy consumption for treatment of raw or process water.
We don't have sufficient fresh water supplies to meet our requirements.	<input checked="" type="radio"/> Yes/No	Groundwater depletion in the region.
Our operations have high requirements for power supply.	<input checked="" type="radio"/> Yes/No	High energy consumption. Possibility of air emissions if sufficient power supply (electricity) from the grid (supplied by government or private companies) is not available.
We require large quantities of fuel (gas/diesel/coal/etc.) for our operations.	Yes/ <input checked="" type="radio"/> No	Air emissions. Solid waste (fly ash if coal is used).
We have various process and utility equipment that may generate air emissions (e.g. boiler, diesel generator set, incinerator, grinder, etc.).	<input checked="" type="radio"/> Yes/No	Air emissions. Solid waste (e.g. waste from equipment maintenance, fly ash from coal-based boilers). Hazardous waste (e.g., waste oil, oil-soaked filters and rags). Liquid waste (e.g. boiler blow-down, waste oil). Noise generation.
We need to store large quantities of raw materials on site.	<input checked="" type="radio"/> Yes/No	Solid waste due to possible contamination or deterioration of raw materials. High energy consumption or emissions due to cold storage.
We generate large (or significant) quantities	<input checked="" type="radio"/> Yes/No	Solid waste. Liquid waste. Contamination of

of solid or liquid waste due to poor quality of raw materials or rotting of materials due to prolonged storage.		land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to cold storage.
We generate large (or significant) quantities of solid or liquid waste from our manufacturing process, which are not reprocessed into byproducts, fertilizers or energy.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning.
The quantity of solid/liquid waste from rejected finished product due to contamination, rotting, expiry, etc. is high (or significant) at our facility.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Solid waste. Liquid waste. Contamination of land, groundwater and/or surface water due to improper disposal of solid and liquid waste. Wastewater from cleaning. High energy consumption or emissions due to excess or extra production.
We dispose of our solid waste in our landfill or city's landfill facility.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Contamination of land, groundwater (due to leachate) and/or surface water (due to run-off). Impact on wildlife or fisheries if exposed. Diseases through vectors, foul smell, GHGs generation (e.g. methane).
We provide our solid waste to the community or general public to be used as fertilizer.	Yes/ <input checked="" type="radio"/> No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the solid waste.
Our operations generate large (or significant) quantities of wastewater (e.g. raw material washing, processing, floor cleaning, bottle washing, etc.).	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Contamination of ground and/or surface water due to improper disposal of wastewater.
We discharge our wastewater (process effluent) in a nearby river/lake/or any other water body.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Contamination of receiving water body and aquatic life. Eutrophication due to high BOD or COD.
We treat our wastewater (process effluent) before discharge.	Yes/ <input checked="" type="radio"/> No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of waste.
We treat our sewage (from toilets, washrooms, etc.) before discharging it in the city's sewer line.	Yes/ <input checked="" type="radio"/> No	Energy consumption. Solid waste generation (e.g. sludge from treatment process, membrane concentrated waste discharge from reverse osmosis, treatment chemicals). Land and/or water contamination due to improper disposal of solid waste.
We utilize our treated wastewater (process effluent) for irrigation (either by ourselves or provide it to community).	Yes/ <input checked="" type="radio"/> No	Contamination of land, groundwater (due to leachate), surface water (due to run-off) and/or crops if toxic chemicals are present in the treated wastewater. Impact on crop productivity.
We generate some hazardous or toxic waste (e.g. waste chemicals, used/waste oil/sludge from wastewater treatment plants based on	Yes/ <input checked="" type="radio"/> No	Contamination of land, groundwater (due to leachate), and/or surface water (due to run-off) if disposed improperly.

chemical treatment, etc.).		
We require a large land area for our industrial operations.	Yes/No	Loss of natural habitats or agricultural land. Air, water and/or land pollution based on expansion requirements and infrastructure development.
Our operations may have an impact on the surrounding forest or wildlife.	Yes/No	Loss of native species. Impact on biodiversity.
We use some banned chemicals/materials in our processes.	Yes/No	Non-fulfillment of regulatory requirements. Air, land or water pollution depending on current usage. Exposure of workers or consumers to banned chemicals.
We face problems related to pests/vectors.	Yes/No	Use of chemicals. Chemical exposure of workers. Land or water contamination due to disposal of infested material.

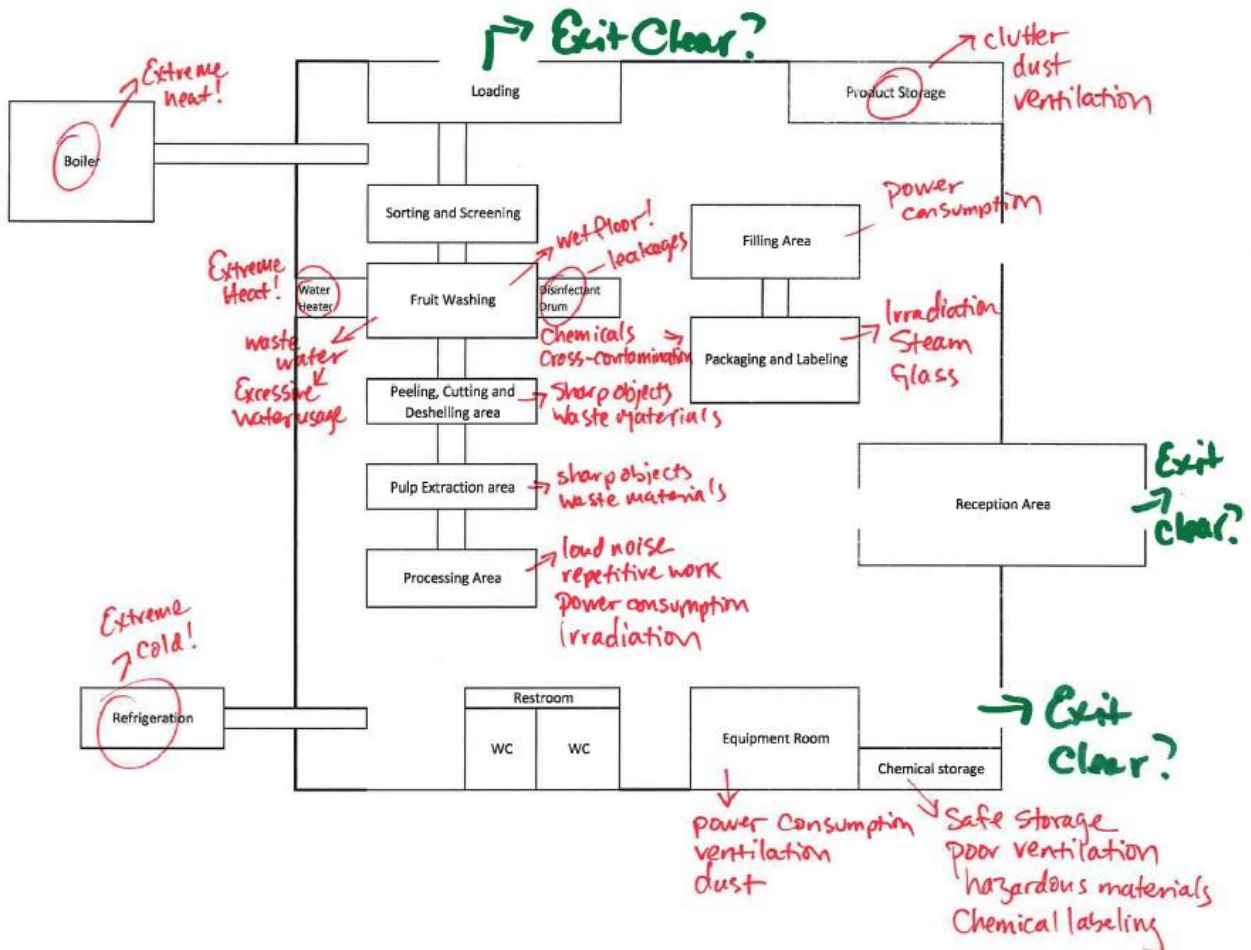
COMMUNITY HEALTH, SAFETY AND SECURITY RISKS

RISK FACTORS	My company has the following conditions (circle the appropriate answer)	Potential negative impact (A "yes" response means that there is a potential negative impact)
Our processing activities involve organic matter that needs to be washed, treated or stored to ensure food safety.	Yes/No	Food contamination/food safety issues.
Our processing activities and treatments involve biomass or other liquids or solids that may lead to foul odors.	Yes/No	Exposure of community to foul odors.
Our operations involve air emissions, water discharge, solid waste disposal, leakage of chemicals or gases, etc. that may pass on to the surrounding community.	Yes/No	Air, water or land contamination, which can affect the health and livelihood of local communities.
We plan to develop new infrastructure, buildings, equipment and other facilities.	Yes/No	Exposure of communities to air emissions, noise and accidents due to equipment and vehicular movement. Impact on wildlife, biodiversity and local livelihoods due to natural habitat conversion.
We plan to decommission and dispose of old infrastructure, buildings, equipment and other facilities.	Yes/No	Health risks to communities due to exposure to toxic substances (e.g. from chemicals, heavy metals, asbestos, etc.) and air emissions and noise due to equipment and vehicular movement. Impact on wildlife and biodiversity.
There is significant movement of vehicles in and around our facility due to our operations (e.g. vehicles carrying raw material or finished products, movement of water tankers, etc.).	Yes/No	Exposure of communities to air emissions, noise and accidents due to vehicular movement.
We store hazardous chemicals or hazardous waste in our facility.	Yes/No	Health risks to communities and negative impacts on wildlife and biodiversity due to the intentional or unintentional (spills) release of hazardous or toxic substances contaminating

		air, land and/or water.
We discharge water from our plant, which may have an impact on surrounding water bodies.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Negative impacts on local food security and income generation due to contamination of aquatic life. Diseases/illness among local communities due to the use of contaminated water.
We hire temporary and migrant workers.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Communicable diseases brought or spread by the influx of workers.
We hire private security personnel	Yes/ <input checked="" type="radio"/> No	Conflicts with communities and indigenous people.
We normally have conflicts/complaints with the local community.	<input checked="" type="radio"/> Yes/ <input type="radio"/> No	Conflicts with communities and indigenous people

XYZ FOOD COMPANY Physical Mapping

A team that included supervisors and workers did a walk-through in the plant during operating hours and annotated on a sketch map all the problems they observed.



XYZ 2. Identification of Risks and Impacts

XYZ FOOD COMPANY Risk Assessment Prioritization Form

Based on the Risk Identification Form, XYZ used the Risk Assessment Form to identify which were the highest priority risks to address through their Action Plans.

COMPANY AREA OR DEPARTMENT	RISK	PROBABILITY OF OCCURRING (low, medium, high, extreme)	SEVERITY IF OCCURRED (low, medium, high, extreme)	NOTES
Produce sorting and processing	High volumes of solid organic waste from rejected produce, peels, seeds, extracts	Extreme	High	
Produce cleaning and processing	Excessive water consumption	Extreme	High	
Produce cleaning and processing	High effluent (wastewater) production	Extreme	High	
All areas	Slip, trip, fall accidents from cramped layout of machinery and equipment, inefficient work flow, and excessive water and slippery product waste on the floor	High	High	
Processing and packaging	Unintended cross-contamination due to poor layout	High	High	Employees unaware of proper work flow to avoid cross-contamination
Cooling and storage	Poor equipment maintenance – exposure to ammonia	Medium	Extreme	
Sourcing	Child labor used in fruit suppliers	High	High	
Human resources	Anti-union discrimination	Medium	High	
All	Poor ventilation and exposure to peanut dust	High	Medium	
Processing	Steam escape and burn injuries for personnel due to autoclave rupture during cooking and packaging	Low to medium	High	
All	Dust – combustible fire hazard	Low	High	
Labor	Lack of contracts for temporary workers hired during labor shortages	Medium	Medium	
Labor	Forced labor in the form of compulsory overtime during high production seasons	Medium	Medium	

XYZ FOOD COMPANY Action Plan

Based on its Risk Assessment Form, XYZ prioritized the following five key risks:

- High volumes of solid organic waste from rejected produce, peels, seeds, extracts;
- Excessive water consumption and high volumes of effluent (wastewater);
- Poor and cramped layout leading to worker injuries and microbiological product cross-contamination;
- Child labor used in fruit suppliers.
- Anti-union discrimination.
- Exposure to ammonia leaks

XYZ developed Action Plans to manage the five (5) risks (see below).

XYZ | 3. Management Programs

Risk 1:

High volumes of solid organic waste from rejected produce, peels, seeds, extracts

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	<ul style="list-style-type: none"> - Work with suppliers to improve quality of incoming material (e.g. product condition, variety, ripeness and damage) - Improve inventory management practices to minimize losses from putrefaction, especially of short-shelf-life fruit and vegetables by instituting “just-in-time” purchasing 	<p>Objective: Reduce unusable produce that turns to waste</p> <p>Target 1: 20% reduction in rejected produce</p> <p>Target 2: 20% reduction in spoiled produce</p>	6 months	<ul style="list-style-type: none"> - Sourcing manager - Operations manager 	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	<ul style="list-style-type: none"> - Procedure for raw material purchase - Procedure for inspection of incoming material - Procedure for inventory management
Minimize	<ul style="list-style-type: none"> - Develop new products to use the off-specification materials and high-quality trimmings as raw material (e.g. salads, cut products, mixed jams, etc.) - Modify and improve slicing, cutting, peeling - Install motorized corer and pitters to minimize material losses during manual operations 	<p>Objective: Reduce process waste</p> <p>Target: 20% reduction in process waste</p>	3 months	<ul style="list-style-type: none"> - Operations manager - HR manager for improved skills training 	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	<ul style="list-style-type: none"> - Procedure for material handling
Compensate/Offset	<ul style="list-style-type: none"> - Engage with local farmers/residents to identify opportunities for use of organic waste as cattle feed, vermiculture, composting, etc. Find the end users and provide the organic waste in a manner convenient to them 	<p>Objective: Productive use of organic waste from food manufacturing</p> <p>Target: 100% reuse of organic waste</p>	1 month	<ul style="list-style-type: none"> - Operations manager - Employees responsible for community liaison 	<p>Staff time intensity: Low to medium</p> <p>Capital intensity: Low (land lease; waste transport)</p>	<ul style="list-style-type: none"> - Procedure for distribution of organic waste among end users

XYZ | 3. Management Programs

Risk 2:

Excessive water consumption and high volumes of effluent (wastewater)

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURE
Minimize	<ul style="list-style-type: none"> - Install high-pressure, low-volume spray nozzles for cleaning - Use automatic control systems to regulate and optimize flow of water in knife sterilizers, hand wash stations and table wash sprays 	Objective: Reduce water consumption Target: 20% reduction	6 months	<ul style="list-style-type: none"> - Operations manager - Maintenance supervisor 	Staff time intensity: Low Capital intensity: High	- Water conservation procedures
Minimize	<ul style="list-style-type: none"> - Use dry cleaning techniques (broom, scraping, etc.) to clean floors, transport trucks, process areas and equipment prior to washing with water 		1 month	- Cleaning staff	Staff time intensity: Low Capital Intensity: Low	- Water conservation procedures: housekeeping and cleaning of process areas
Minimize	<ul style="list-style-type: none"> - Reuse final rinse water from produce cleaning operations for the initial rinsing on the following day - Reuse relatively clean water from cooling systems, boiler condensate, autoclaves, vacuum pumps, etc. 		3 months	- Operations manager	Staff time intensity: Medium Capital intensity: Low	- Water conservation procedures
Minimize	<ul style="list-style-type: none"> - Use screens or traps at drains to prevent solid material entering effluent treatment system - Install drip trays on conveyors, trimming and preparation tables to catch juice/produce and prevent entering wastewater system 	Objective: Reduce pollution loads in effluents Target: 50% reduction in COD and BOD ₅	5 months	<ul style="list-style-type: none"> - Operations manager - Maintenance manager 	Staff time intensity: Low Capital intensity: Medium	- Procedure for monitoring of wastewater quality

XYZ | 3. Management Programs

Risk 3:

Poor and cramped layout leading to worker injuries and microbiological cross-contamination of product

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURE
Avoid	<ul style="list-style-type: none"> - Expand and improve plant layout. Make sure building is big enough for production, but do not pay for extra space that is not required - Improve plant layout to reduce cramped conditions - Review and improve, or create as necessary, policies and procedures to ensure correct production processes are followed by workers to eliminate cross-contamination 	<p>Objective: Expand space and separate hazardous material and processes</p> <p>Target: Increase work and containment areas by 25%</p>	12 months	<ul style="list-style-type: none"> - General manager - Operations manager 	<p>Staff time intensity: Medium</p> <p>Capital intensity: High</p>	Procedures to include OSH risks in production design- Procedures
Minimize	<ul style="list-style-type: none"> - Redesign process flows to avoid obstructions that can lead to falls and collisions - Check machines to prevent spillage and implement cleaning and drying schedules for all walking and working surfaces to minimize slippery floors in work areas - Install physical guards to separate sharp tools, moving or hot surfaces, mixers, packaging equipment, etc. - Train staff and workers in appropriate OSH procedures and provide necessary PPE to them - Train staff and workers on safe and effective use of space and production processes 	<p>Objective: Reduce worker physical injuries</p> <p>Target: 50% reduction</p>	6 months	Operations manager, area supervisors and employees	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	<ul style="list-style-type: none"> - Procedures for OSH training - Procedures for housekeeping and cleaning of process areas
Minimize	<ul style="list-style-type: none"> - Separate produce cleaning area from processing and packaging area to eliminate crossing of dirty and clean product pathways (avoid cross-contamination) 	<p>Objective: Reduce instances of microbiological cross-contamination</p> <p>Target: 0 instances</p>	2 months	Operations manager	<p>Staff time intensity: Low</p> <p>Capital intensity: Medium</p>	

XYZ | 3. Management Programs

Risk 4:

Possibility of child labor in the supply chain

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	<ul style="list-style-type: none"> - Engage with local NGOs to understand the extent and impacts of child labor in XYZ supply areas - Train purchasing agents to assess child labor risks among suppliers - Communicate XYZ's policies and procedures on child labor to suppliers 	<p>Objective: Assess risks of child labor in supply chain</p> <p>Target: 100% of suppliers evaluated and trained</p>	6 months	- Sourcing supervisor	<p>Staff time intensity: Medium</p> <p>Capital intensity: Low</p>	- Procedure to assess and remediate the risk of child labor in supplier evaluation records

Risk 5:

Anti-union discrimination

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Minimize	<ul style="list-style-type: none"> - Review XYZ's non-discrimination policies and procedures and ensure compliance with national and international law -Engage with local trade union chapters to review and ensure proper representation of workforce at XYZ - Communicate and train managers and workers on rights to associate and collective bargaining - Ensure company policies and procedures allow for FOA or formation of equivalent worker committees 	<p>Objective: Communication of non-discrimination policy and legal right to freely associate to all workers</p> <p>Target: 100% of workforce</p>	6 months	-HR manager	<p>Staff time: Medium</p> <p>Capital intensity: Low</p>	<p>Procedure on non-discrimination</p> <p>-Procedure on right to organize</p>
Offset	<ul style="list-style-type: none"> - Financially compensate workers including representatives dismissed or disciplined for union activity - Reinstate workers dismissed for union activity 					

XYZ | 3. Management Programs

Risk 6:

Exposure to ammonia leaks

MITIGATION HIERARCHY	ACTION	OBJECTIVE AND TARGET	DEADLINE	RESPONSIBLE STAFF	RESOURCES REQUIRED	OPERATIONAL PROCEDURES
Avoid	<ul style="list-style-type: none"> - Schedule regular maintenance for safe operation of appliances using ammonia as refrigerant - Ensure appropriately trained operators in refrigerant systems accessible to XYZ 	<p>Objective: Safe installation and maintenance of potentially hazardous appliances</p> <p>Target: 100% of appliances meet industry safety standard</p>	3 months	<ul style="list-style-type: none"> - Operations Manager - H&S representative 	<p>Staff time: Medium</p> <p>Capital intensity: High</p>	
Minimize	<ul style="list-style-type: none"> - Develop XYZ emergency procedure in the event of ammonia leak - Train staff and workers on emergency procedure 	<p>Objective: Staff and worker awareness of safety procedure</p> <p>Target: 100% of staff and workers trained</p>	3 months	<ul style="list-style-type: none"> - Operations Manager - H&S representative 	<p>Staff time: High</p> <p>Capital intensity: Medium</p>	- Procedure for emergency preparedness and response

Based on the identification of anti-union and other forms of discrimination as a potential risk in their company, XYZ created an Action Plan to address the problem (Risk 5). Here we present the non-discrimination procedure that XYZ adopted as a result of that Action Plan.

XYZ FOOD COMPANY Non-Discrimination Procedure

Title: XYZ Non-Discrimination Procedure

Responsible Party: General Manager

Date Issued: February 15, 2011

Date Revised: March 1, 2012

Related Policy Statement:

- Our company will hire, promote and compensate workers solely based on their ability to do the job.
- All workers will be given equal access to training, tools and opportunities for advancement.
- We will ensure that all workers are free from harassment by management or other workers.

Procedure Checklist

Application Process

- When hiring any worker, keep the original application and a photocopy of the original identification documents in the applicant's file.
- If the applicant is hired, this will be transferred to his or her personnel file.
- Whether or not the applicant is hired, the application will be kept on file for a minimum of two years.
- Give all applicants a sheet explaining our company's Non-Discrimination and Equal Opportunity Policy.
- The Human Resources Department staff person accepting an application will verbally explain the policy and go over the points on the cover sheet with the applicant.

Orientation and Training

- Provide a written copy of the Non-Discrimination and Equal Opportunity Policy to workers during orientation and explain in detail.
- Provide training on filing a complaint concerning discrimination, during orientation and annually thereafter.
- Provide semi-annual training to middle-level management and supervisors, about our Non-Discrimination and Equal Opportunity Policy and about how to enable a respectful and constructive workplace atmosphere.

Disciplinary Actions and Complaints

- If a worker engages in discriminatory or harassing behavior, the supervisor will give a written warning on the first offense and subsequent discipline following procedures outlined in the Disciplinary Practices Procedure.

- Individuals who believe they have experienced discrimination at the workplace should file their complaints through our company's grievance mechanism.

Management Review

- General manager will conduct a spot check of all application files processed during the previous quarter, to check for evidence of discrimination.
- Each quarter, the general manager will review the workplace demographics by department in comparison with the application and personnel promotion files, review any complaint records, and interview workers, in order to check for evidence of discrimination.

In addition, as identified in the risk assessment, and as a result of an Action Plan put in place to address this risk, XYZ wanted to tackle the problem of excessive consumption of water used in its production process (see Risk 2). We present one water conservation procedure that XYZ adopted.

XYZ FOOD COMPANY Water Conservation Flowchart

Title: XYZ Water Conservation Procedure

Date Issued: February 15, 2011

Date Revised: March 1, 2012

Purpose: Measure total demand, identify overage sites and reasons for water use, eliminate outlet if feasible to improve water conservation

<u>Process</u>	<u>Responsible person</u>	<u>Documentation</u>
Measure total flow of potable water to plant operations	Engineering and Maintenance	Potable water total flow and estimated cost/m ³
Inventory all water distribution points in plant	Area supervisors, Engineering and Maintenance	Potable water outlets map and flow
Map all potable water outlets on facility plan; assign outlet number and flow	Area supervisors, Engineering and Maintenance	Potable water outlets map and flow
Show outlets that are left open and those without control valves (pistols)	Operations manager, area supervisors, Engineering and Maintenance	Complete annotated water map, outlets, estimated flows and determination of need
Review process and define specific purpose of water use; indicate taps to replace with a dry process, or fit with controls	Area supervisors, Engineering and Maintenance	
Obtain benchmarking data for processes and industry; compare benchmark water use m ³ /KG product	Area supervisors, Engineering and Maintenance	Facility benchmarking report; compare existing operations with several benchmarks
Advise operations manager and area supervisors of need to eliminate water usage and convert to dry cleaning	Operations manager, area supervisors, Engineering and Maintenance	
Review outlets and water uses; mark outlets that can be eliminated; remove outlets and seal piping	Operations manager, Engineering and Maintenance	Update annotated water map, outlets, estimated flows, date of closure
Measure total flow of potable water to plant operations	Engineering and Maintenance	Update total potable water flow; calculate estimated revised flow and total cost reduction
Repeat the process	Engineering and Maintenance	Update total potable water flow; calculate estimated revised flow and total cost reduction

XYZ 4. Organizational Capacity and Competency

XYZ developed a simple training plan to raise awareness on the ESMS and provide the skills needed to implement the action plans and related procedures. XYZ was able to participate in a local government program that provided subsidized training in these areas.

XYZ FOOD COMPANY Training Plan

DEPARTMENT	MODULE 1	MODULE 2	MODULE 3	MODULE 4
HR/EHS/ESMS performance team	Elements of the ESMS Labor standards performance issues	Freedom of association and collective bargaining Non-discrimination procedure	Worker-manager communications	ESMS in the supply chain
All workers and managers	Hygiene and food safety Occupational health and safety Emergency response procedures	Water conservation procedures	Waste reduction	Non-discrimination policy Worker-manager communications
Senior management	Introduction to ESMS	Labor standards performance issues Environmental performance issues	Stakeholder and community engagement and communications	
Production	Introduction to ESMS Water conservation procedures Water recycling procedures	Inventory management Procedure for handling of produce	Waste reduction procedures Composting and recycling procedures	Layout and process design
Sourcing	Child labor issues in the supply chain	Procedure to assess suppliers' child labor risk	Supplier quality standards	Procedure for inspection of incoming material

3. Management Programs		Senior mgt time	Mid-mgt time	Supervisors time	Workers time	MONTH																							
						1				2				3				4				5				6			
Developing	Preparation of ESMS manual (formulation and documentation of procedures related to ESMS)	5	4			[Gantt bar from start of Month 1 to end of Month 3]																							
	Formulation, compilation of environmental objectives/targets and social performance improvement measures	.25	.5	1	1	[Gantt bar from start of Month 3 to end of Month 3]																							
	Formulation and development of environment and social action plans	1.5	2.5			[Gantt bar from start of Month 3 to end of Month 4]																							
	Development of operational procedures	1	3	2	2	[Gantt bar from start of Month 3 to end of Month 4]																							
Implementing	Communication, awareness-raising and training of employees on ESMS procedures	.5	.5	1	2	[Gantt bar from start of Month 2 to end of Month 2]																							
	Communication and awareness of employees on environmental objectives and social performance improvement measures		.25	.25	1	[Gantt bar from start of Month 3 to end of Month 3]																							
	Communication and awareness of employees on environmental and social action plans		.25	.25	1	[Gantt bar from start of Month 4 to end of Month 4]																							
	Training of employees on environmental and social operational procedures		2	4	7	[Gantt bar from start of Month 4 to end of Month 4]																							

XYZ | 5. Emergency Preparedness and Response

Based on their risk assessment, which identified ammonia leakage as a severe-impact risk (Risk 6), XYZ put in place an action plan which included the development of a Preparedness and Response Plan to identify, prevent and respond to leakage emergencies. The plan included an Ammonia Leakage Response Procedure. The procedure was documented as a flowchart so that it could be posted at various workstations and understood easily.

XYZ FOOD COMPANY Ammonia Leakage Preparedness and Response Procedure

See sample Ammonia Leakage Preparedness and Response Procedure in Section I of this Toolkit.

XYZ FOOD COMPANY Stakeholder Mapping – identification and analysis

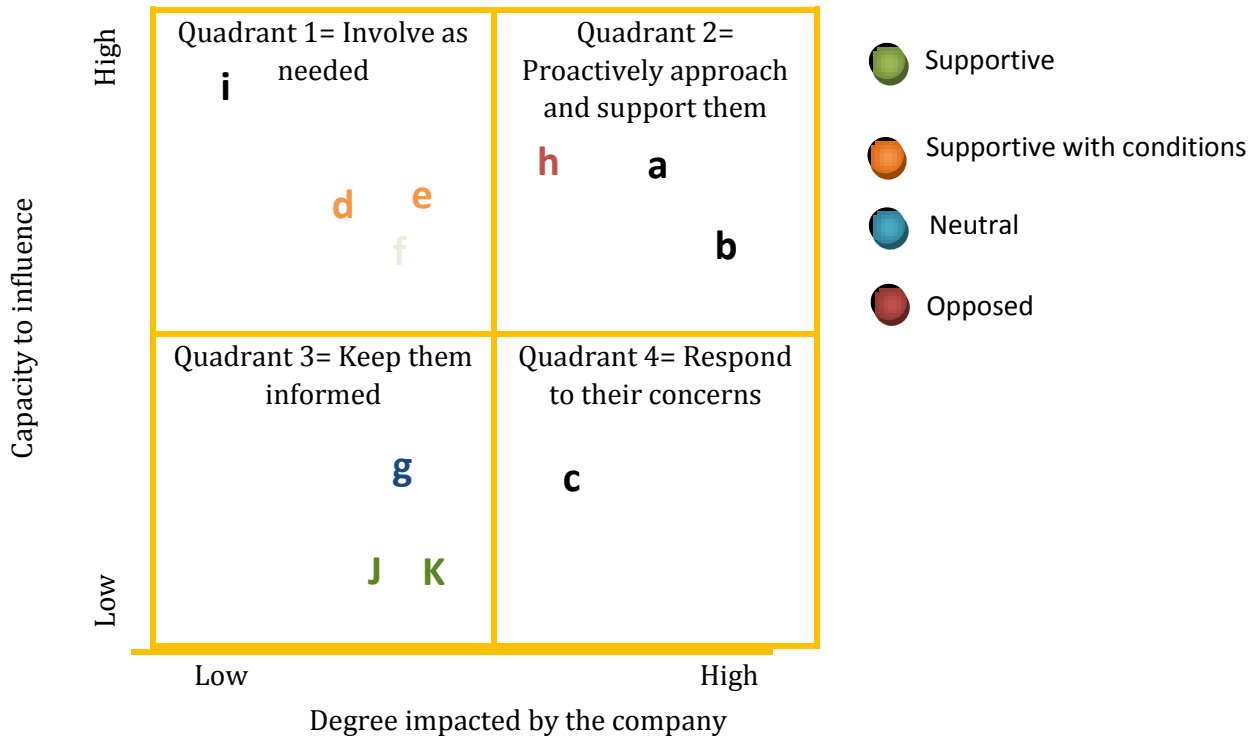
XYZ listed the stakeholders that are affected by or have an interest in their operations.

Next to each stakeholder group, they listed their key concerns, issues and interests. To identify those, they looked back at the environmental and social key risks and impacts previously identified and how these affect the surrounding communities.

STAKEHOLDER	ISSUES/CONCERNS/INTERESTS
a. Surrounding farmers and local village population (affected community)	Water sources contaminated by XYZ effluents Putrid smells from solid waste Generator noise Disease vectors from sludge ponds
b. Customers (hotels, restaurants, tourism companies, supermarkets)	Food safety Unreliable quality
c. Residents of Mwanza city	High energy and water use strains municipal supplies
d. Municipal Electricity Authority	Unreliable electricity supply
e. Municipal Water Authority	Unreliable water supply
f. Tanzania Ministry of Labor	Contraventions to national and international labor laws
g. Tanzania Ministry of Water and Livestock	Disease threats to humans and animals from XYZ sludge ponds
h. NGO Save the Children	Child labor in XYZ supply chain
i. Fair Trade	XYZ not in position to meet standard
j. Tanzania Food Processors Association (TAFOPA) k. Small Enterprise Development Agency (SEDA)	Fluctuating reputation of food processors due to scandals and consequent lack of investment in the sector

XYZ 6. Stakeholder Engagement

Finally, they **mapped the stakeholders** on a matrix according to (a) the degree to which they are impacted and (b) their ability to influence the company operations, and then (c) **categorized** them based on their current relationship with the company: supportive, supportive with conditions, neutral, opposed. Based on this, they define their **engagement method** with each group.



XYZ FOOD COMPANY Stakeholder Engagement Plan

Based on the information above XYZ prepared a Stakeholder Engagement plan.

STAKEHOLDER ENGAGEMENT PLAN FOR AFFECTED STAKEHOLDERS				
Stakeholder	Concerns	Engagement method	Information to disclose and report back	Most valuable info to obtain
a. Surrounding farmers and local village population (Quadrant 2)	Local streams and water sources contaminated from XYZ effluents Putrid smells from solid waste Generator noise Disease threat to humans and animals (disease vectors of dengue and malaria) from XYZ sludge ponds	- Grievance mechanism - Quarterly town hall meetings announced through local newspapers	- Progress on actions to reuse solid organic waste - Progress on wastewater treatment actions	Factual, as well as reported information on impact of XYZ activities
b. Customers – Tanzania (hotels, restaurants, tourism companies, supermarkets) (Quadrant 2)	Unreliable quality reflected in product recalls (tomato sauce) Reputational risks and financial losses for XYZ customers due to clients getting sick	- Grievance mechanism (hotline number and email printed on food containers)	- Food safety is XYZ priority	Trace adulterated product
c. Residents of Mwanza city (Quadrant 4)	High energy and water use strains municipal supplies	- Grievance mechanism	- Progress of consultations with municipal electric and water authorities - XYZ water and energy efficiency programs	

STAKEHOLDER ENGAGEMENT PLAN FOR INTERESTED STAKEHOLDERS

Stakeholder	Concerns	Engagement method	Information to disclose and report back	Most valuable info to obtain
d. Municipal electric authority (Quadrant 1)	Unreliable electricity supply leading to increased production costs and possible health consequences from food processed and stored in suboptimal conditions	Frequent communication through emails, letters, phone calls and meetings when possible	- State of current supply and how it affects regional economic prospects - XYZ programs to improve energy conservation	State of current electricity and water infrastructure and supply Actions taken to rectify current unsustainable situation
e. Municipal water authority (Quadrant 1)	Unreliable water supply for industrial and domestic consumption		- State of current supply and how it affects regional economic prospects - XYZ programs to improve water conservation	
f. Tanzania Ministry of Water and Livestock (Quadrant 1)	Environmental degradation and pollution: water consumed by people and cattle is contaminated Disease threat to humans (dengue and malaria) and animals from XYZ sludge ponds	Regular communication through email and meetings	XYZ will work within its powers to improve its impact on water supply and livelihood of livestock	Extent to which XYZ activities impact environment
g. Tanzania Ministry of Labor (Quadrant 3)	XYZ could be in contravention of international labor laws (ILO Conventions), and national labor law Tainted reputation for Tanzania among international community	Contact with labor inspectors during periodic and unannounced visits to XYZ	XYZ prepared to work to improve labor standards internally and in its supply chain	Good knowledge of labor standards – international and national
h. Save the Children (Quadrant 1)	Child labor in XYZ supply chain (on local supplier farms)	Regular email communication and meetings with local representatives	Actions taken to tackle child labor issue	Preponderance of child labor in XYZ supply chain
i. Fair Trade Labeling Organization (Quadrant 1)	XYZ is not in a position to meet standards of international certification programs	Emails by CEO and XYZ compliance staff, sharing of audit reports as well as public reports if available	Progress made and corrective actions taken on areas of concern identified by FLO	Standards required to be met to achieve FLO certification
j. The Tanzania Food Processors Association (TAFOPA)	Fluctuating reputation of food processor members like XYZ, due to social or environmental scandals	Regular communication through email and trade	Members to support each other in improving reputation of Tanzanian food	Data collected by TAFOPA on current status and perception of XYZ

k. Small Enterprise Development Agency (SEDA) (Quadrant 3)	Consequent lack of investment in such businesses if seen as "high risk"	meetings	processors	and other similar food processing plants
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XYZ has implemented a grievance mechanism. The procedure is explained during the quarterly town hall meetings and is also announced on a poster outside the company's gate.

XYZ FOOD COMPANY Grievance Mechanism Poster

XYZ FOOD COMPANY

We're proud to be part of your community. If you have any questions, concerns or complaints, here's how to reach us, and how we'll respond.



- You can send an email to XYZ's administrative officer at Community@XYZ.com.

Time for acknowledgment of receipt: 48 hours



- You can call XYZ's administrative officer, Monday to Friday, from 3pm to 5 pm, at 123-45-6789.

Time for acknowledgment of receipt: immediate or 48 hours if left a message.



- You can fill out a form and submit it to the suggestion box at the company's gate. The suggestion box is more confidential. It will only be opened by XYZ's administrative officer.

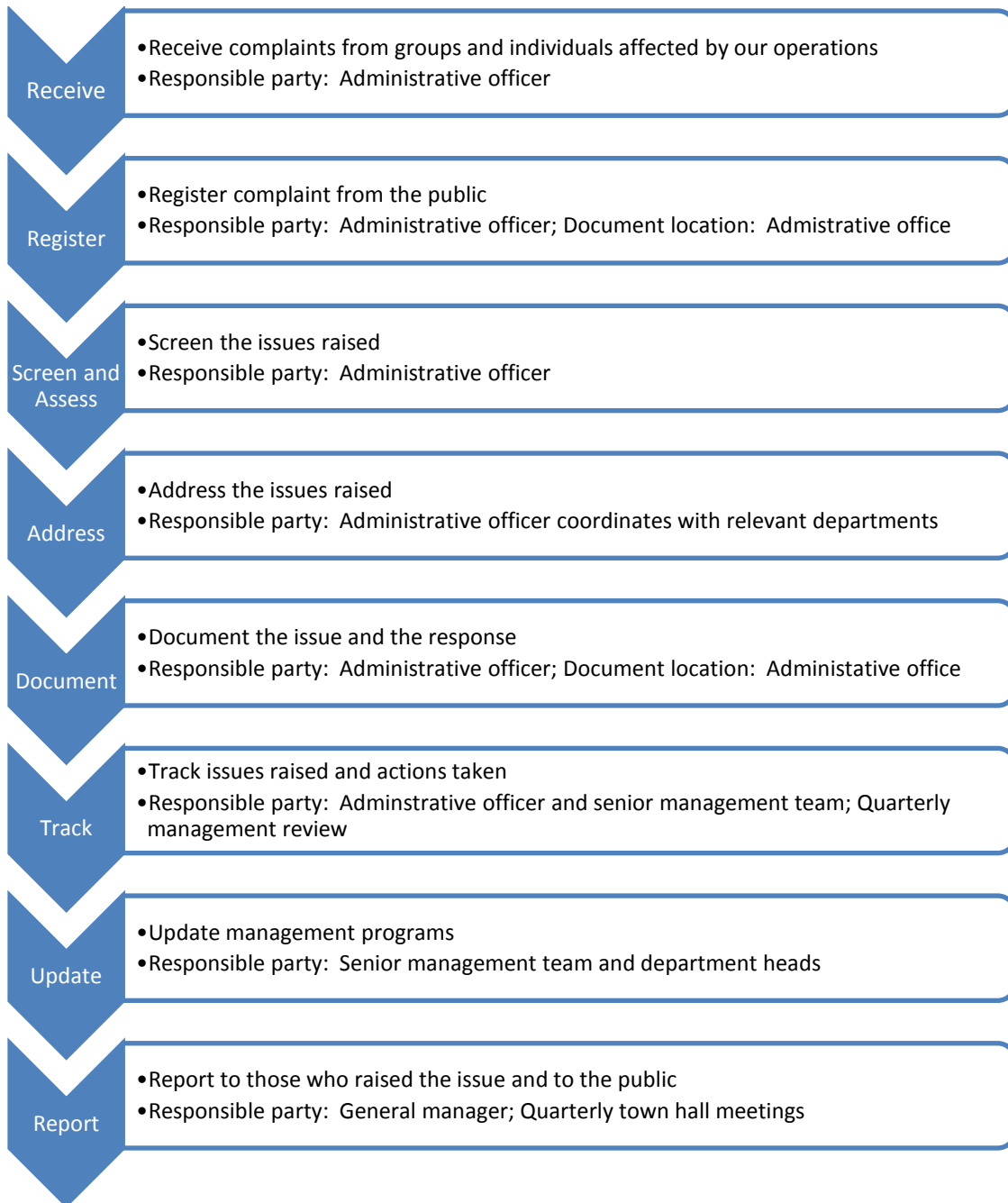
Time for acknowledgment of receipt: 1 week.

At the time of the acknowledgment of receipt, XYZ will provide an estimated date for response and request further information if needed.

If the issue is not resolved by the estimated date, XYZ's administrative officer will provide an update of the situation to the interested party.

Every three months at the XYZ town hall meeting, XYZ's general manager will present the list of questions and complaints received, their status and the actions taken by the company to address the issues.

XYZ Grievance Mechanism Procedure



Key Aspects of XYZ FOOD COMPANY’S Grievance Mechanism

As identified in the Stakeholder Engagement Plan, this grievance procedure was developed as one of the key ways that external and internal stakeholders could communicate with XYZ on issues that concerned them.

KEY ASPECTS OF EFFECTIVE GRIEVANCE MECHANISMS	XYZ’S METHOD
Provide ease of access to confidentially communicate or file complaints, including anonymous ones	XYZ has an email address, a telephone hotline, and a suggestion box specifically for complaints. Email is checked daily and suggestion box is checked biweekly by the administrative office.
Publicize the system so that stakeholders know it exists and how to access it	XYZ has a written procedure that the general manager explains during quarterly town hall meetings. The procedure is posted on a banner outside the company’s gate. The poster is in English and the local language.
Foster sense of legitimacy and trust; encourage dialogue and shared responsibility for outcomes	XYZ works with the local government ministries to ensure that legal mechanisms are followed and consults with various groups to refine its system as needed.
Be transparent about the process and outcomes	The administrative office receives and records complaints and reports back to the complainant about whether the complaint is accepted or not and what is the process and timeline for investigation and resolution.
Implement a predictable and defined process that includes assignment of responsibility, time limits and monitoring of outcomes	The administrative office receives and records the complaint and then works with relevant staff and external stakeholders to investigate, determine actions and report back outcomes.
Make the system a source of continual learning	XYZ’s general manager and department heads meet quarterly to review complaints and check for ways to improve the mechanism and the overall company systems.

XYZ regularly reports to affected farmers and the local village population on the progress of its commitments to resolve issues identified through its stakeholder engagement process and through its grievance mechanism. Reports are presented during quarterly town hall meetings in the local language and in a clear format so that everybody can understand. Date and location of the quarterly town hall meetings are announced through the local newspaper.

XYZ | 9. Monitoring and Review

Monitoring Plan for XYZ

XYZ's ESMS Team developed a Monitoring Plan based on the Action Plans and their targeted objectives.

Risk 1: High volumes of solid organic waste from rejected produce, peels, seeds, extracts

Objective: Reduce unusable produce that turns to waste

Target 1: 20% reduction in rejected produce

Target 2: 20% reduction in spoiled produce

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
% and weight (Kg) of rejected produce from suppliers	- Daily solid waste generation/disposal log	- Calibrated weighing machines
% and weight (Kg) of produce loss during screening, sorting and grading		
% and weight (Kg) of produce loss due to contamination and putrefaction		

PROCESS INDICATORS		
Monitoring indicators	Monitoring records	Equipment
% and number of suppliers trained in produce quality	- Records of supplier quality management	
Adequacy of refrigeration, cooling and storage facilities	- Records of operation and maintenance of refrigeration and cooling units	- Calibrated temperature gauges/thermometers
Average storage time for produce	- Inventory management records	

Objective: Reduce process waste

Target: 20% reduction process waste

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
% and weight of organic waste per ton of product processed	- Daily solid waste generation/disposal log	- Calibrated weighing machines
% and weight of waste re-processed for new products	- Records of re-processing	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of employees trained on waste reduction	- Records of operational training

XYZ | 9. Monitoring and Review

Objective: Productive use of organic waste from food manufacturing

Target: 100% reuse of organic waste

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
% and volume of waste composted	- Records of composting and re-processing
% and volume of waste re-processed for animal feed	

Risk 2: Excessive water consumption and high volumes of effluent (wastewater)

Objective: Reduce water consumption

Target: 20% reduction in water consumption

PERFORMANCE INDICATORS		
Monitoring indicators	Monitoring records	Equipment
Water consumption in kl per day	- Production records - Water meter records	- Sealed water meters at all intake points
Water consumption in kl per ton of product processed		
Wastewater discharge in kl per day		- Calibrated water meter(s) at all/final discharge point
Wastewater discharge in kl per ton of product processed		

PROCESS INDICATORS		
Monitoring indicators	Monitoring records	Equipment
% of wastewater streams analyzed for their suitability for recycle/reuse		
% of processes analyzed for use of recycled water		
% taps and washing hoses/nozzles with high-efficiency taps/nozzles	- Maintenance records of leaking and replaced faucets, hoses and nozzles	
% of employees trained on: - water saving techniques - water treatment and recycling - good housekeeping	- Records of operational training	
Areas where dry cleaning techniques are applied	- Daily/shift records of housekeeping	

Objective: Reduce pollution loads in effluents

Target: 50% reduction in COD and BOD

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Wastewater discharge in kl per day	- Daily solid waste generation/disposal log
Wastewater discharge in kl per ton of product processed	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of wastewater streams analyzed for their level of BODs and CODs	- Process analysis records and water quality records
% of workers and managers trained in water treatment and recycling	- Records of operational training

Risk 3: Poor and cramped layout leading to worker injuries and microbiological cross-contamination of product

Objective: Expand space and separate hazardous material and processes

Target: Increase work and containment areas by 25%

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
% increase in available work and containment area	- Plant layout plan

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Revised floor plan indicating location of equipment, inventory and finished product	- Plant layout plan

Objective: Reduce worker physical injuries

Target: 50% reduction

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Frequency, severity and incidence of work related injuries and illnesses	- Log of work related injuries and illnesses - Medical records
Number of work hours lost due physical injuries	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
% of workers and managers trained on safe working practices and correct use of PPE	- Records of training

XYZ | 9. Monitoring and Review

Objective: Reduce cases of microbiological cross-contamination

Target: 0 cases

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number of incidences of product contamination	- Production records
% and volume of product loss due to contamination	

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Number of contamination risks identified	- Process analysis records
% of workers and managers trained hygiene and process control to avoid cross-contamination	- Records of training

Risk 4: Possibility of child labor in the supply chain

Objective: Assess risks of child labor in supply chain

Target: 100% of suppliers evaluated and trained

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number and % of suppliers classified as extreme, high, medium and low regarding risks of worst forms of child labor	- Supplier recruitment records
Number of incidences of child labor	- Supplier internal and external audits and corrective action/remediation records
% of incidences remediated	- Supplier internal and external audits and corrective action/remediation records

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Consultations with community leaders and local NGOs near suppliers	- Community consultation records
Number and % of purchasing agents trained to assess child labor risks	- Records of training
Number and % of suppliers trained on child labor policy and procedures	- Supplier training records
Number and % of suppliers screened and monitored for child labor	- Supplier recruitment records
Number and % of suppliers with procedures for prevention and remediation of child labor	- Supplier recruitment records

XYZ | 9. Monitoring and Review

Risk 5: Anti-union discrimination

Objective: Communication of non-discrimination policy and legal right to freely associate to all workers

Target: 100% of workforce

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number of discrimination incidents reported	- Grievance and complaint management records - Dismissal/termination and disciplinary records
% of discrimination incidences addressed and/or remediated	- Grievance/complaint resolution records

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Number and % of workers trained on nondiscrimination policies	- Worker training records
Consultations with trade unions	- Community consultation records
Number and % of nondiscrimination reports related to legitimate trade union suppliers activity	- Complaint management system records
Number and % of discrimination incidents resolved and reported back to worker	- Complaint management system records

XYZ | 9. Monitoring and Review

Risk 6: Exposure to ammonia leaks

Objective: Safe installation and maintenance of potentially hazardous appliances

Target: 100% of appliances meet industry safety standard

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number and % of incidents related to ammonia leakages	- OHS records

PROCESS INDICATORS	
Monitoring indicators	Monitoring records
Number of maintenance visits by refrigeration experts	- Maintenance records

Objective: Staff and worker awareness of safety procedure

Target: 100% of staff and workers trained

PERFORMANCE INDICATORS	
Monitoring indicators	Monitoring records
Number and % of staff and workers trained on emergency and preparedness procedure	- Training record
Number and % of staff and workers interviewed that understand emergency procedure	- Interview records