

# Weekly Update Human Rights in Indonesia – 30-11-2016

## Case studies: Palm oil and human rights abuses

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Today Amnesty International published a report on human rights abuses in the palm oil sector in Indonesia.



## Palm Oil: Global brands profiting from child and forced labour

- Unilever, Nestlé, Procter & Gamble among nine household names contributing to labour abuse

The world's most popular food and household companies are selling food, cosmetics and other everyday staples containing palm oil tainted by shocking human rights abuses in Indonesia, with children as young as eight working in hazardous conditions, said Amnesty International in a new report published today.

The report, *The great palm oil scandal: Labour abuses behind big brand names*, investigates palm oil plantations in Indonesia run by the world's biggest palm oil grower, Singapore-based agri-business Wilmar, tracing palm oil to nine global firms: AFAMSA, ADM, Colgate-Palmolive, Elevance, Kellogg's, Nestlé, Procter & Gamble, Reckitt Benckiser and Unilever.

"Companies are turning a blind eye to exploitation of workers in their supply chain. Despite promising customers that there will be no exploitation in their palm oil supply chains, big brands continue to profit from appalling abuses. These findings will shock any consumer who thinks they are making ethical choices in the supermarket when they buy products that claim to use sustainable palm oil," said Meghna Abraham, Senior Investigator at Amnesty International.

"Corporate giants like Colgate, Nestlé and Unilever assure consumers that their products use 'sustainable palm oil', but our findings reveal that the palm oil is anything but. There is nothing sustainable about palm oil that is produced using child labour and forced labour. The abuses discovered within Wilmar's palm oil operations are not isolated incidents but are systemic and a predictable result of the way Wilmar does business.

"Something is wrong when nine companies turning over a combined revenue of \$325 billion in 2015 are unable to do something about the atrocious treatment of palm oil workers earning a pittance."

Amnesty International says it will campaign to ask the firms to tell customers whether the palm oil in popular products like Magnum ice-cream, Colgate toothpaste, Dove cosmetics, Knorr soup, KitKat, Pantene shampoo, Ariel, and Pot Noodle comes from Wilmar's Indonesian operation.

## SYSTEMATIC ABUSES IN SUPPLY CHAIN OF MAJOR FIRMS

Amnesty International spoke to 120 workers who work on palm plantations owned by two Wilmar subsidiaries and three Wilmar suppliers in Kalimantan and Sumatra in Indonesia. The investigation exposed a wide range of abuses including:

- Women forced to work long hours under the threat of having their pay cut, paid below minimum wage - earning as little as US\$2.50 a day in extreme cases - and kept in insecure employment without pensions or health insurance,
- Children as young as eight doing hazardous, hard physical work, sometimes dropping out of school to help their parents on the plantation,
- Workers suffering severe injuries from paraquat, an acutely toxic chemical still used in the plantations despite being banned in the EU and by Wilmar itself,

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- Workers being made to work outdoors without adequate safety equipment despite the risks of respiratory damage from hazardous levels of pollution caused by forest fires during August to October 2015,
- Workers having to work long hours to meet ridiculously high targets, some of which involve highly physically demanding tasks such as operating heavy manual equipment to cut fruit from trees 20 meters tall. Attempting to meet targets can leave workers in significant physical pain, and they also face a range of penalties for things like not picking up palm fruits on the ground and picking unripe fruit.

Wilmar acknowledged that there are ongoing labour issues in its operations. Despite these abuses, three of the five palm growers that Amnesty International investigated in Indonesia are certified as producing “sustainable” palm oil under the Roundtable on Sustainable Palm Oil, a body set up in 2004 to clean up the palm oil sector after environmental scandals.

“This report clearly shows that companies have used the Roundtable as a shield to deflect greater scrutiny. Our investigation uncovered that these companies have strong policies on paper but none could demonstrate that they had identified obvious risks of abuses in Wilmar’s supply chain,” said Seema Joshi, Head of Business and Human Rights.

### FINDINGS CAST DOUBTS ON “SUSTAINABILITY” CLAIMS

Using export data and information published by Wilmar, Amnesty International researchers traced palm oil to nine global food and household companies. When approached, seven of the firms confirmed they buy palm oil from Wilmar’s Indonesian operations, but only two - Kellogg’s and Reckitt Benckiser - were willing to give any level of detail about which products were affected.

All but one of these companies are members of the Roundtable on Sustainable Palm Oil, and claim they use “sustainable palm oil” on their websites or product labels. None of the companies Amnesty International contacted denied that the abuses were taking place, nor did any provide examples of action taken to deal with labour rights abuses in Wilmar’s operations.

“Customers will want to know which products are connected to abuses and which are not. Despite being confronted with such terrible abuses in the operations of a major supplier, companies have been very secretive about which specific products are affected,” said Seema Joshi.

“Companies must be more transparent about what goes into their products. They must disclose where the raw materials in the products on our supermarket shelves come from. Until they do, they will be benefiting from and contributing in some way to the labour abuses happening. They are showing a total lack of respect for customers who think they are making ethical choices at the checkout counter.”

### WORST FORMS OF CHILD LABOUR EXPOSED

The report documents how children aged from eight to 14 years old are carrying out hazardous work on plantations owned and operated by Wilmar’s subsidiaries and suppliers. They work without safety equipment on plantations where toxic pesticides are used, carrying heavy sacks of palm fruit that can weigh from 12 to 25kg. Some have dropped out of school to work with their parents for all or most of the day. Others work in the afternoon after attending school, and on weekends and holidays.

A 14-year-old boy who harvests and carries palm fruits on a plantation owned by Wilmar told Amnesty International that he dropped out of school when he was 12 because his father was sick and unable to meet his work targets. He said his 10 and 12-year-old siblings also work on the plantation after school:

“I have helped my father every day for about two years. I studied until sixth grade in school. I left school to help my father because he couldn’t do the work anymore. He was sick...I regret leaving school. I would have liked to have gone to school to become smarter. I would like to become a teacher.”

The physically demanding and tiring work can cause physical damage for young children. A 10-year-old boy who also dropped out of school to help his father, who works for a Wilmar supplier, when he was eight said he gets up at 6.00 AM to gather and carry away loose palm fruit. He said he works for six hours every day, except Sunday:

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“I don’t go to school...I carry the sack with the loose fruit by myself but can only carry it half full. It is difficult to carry it, it is heavy. I do it in the rain as well but it is difficult...My hands hurt and my body aches.”

### WOMEN WORKERS FACE FORCED LABOUR, LOW WAGES, DISCRIMINATION AND EXPOSURE TO TOXIC CHEMICALS

The report highlights a discriminatory pattern of hiring women as casual daily labourers, denying them permanent employment and social security benefits such as health insurance and pensions.

Amnesty International also documented cases of forced labour and of foremen threatening women workers with not being paid or having their pay deducted in order to exact work from them.

A woman, who works in a unit involved in maintaining palm plants told Amnesty International how she was pressurized to work longer hours with implicit and explicit threats:

“If I don’t finish my target, they ask me to keep working but I don’t get paid for the extra time...my friend and I told the foreman that we were very tired and wanted to leave. The foreman told us if you don’t want to work, go home and don’t come again. It is difficult work because the target is horrifying...My feet hurt, my hands hurt and my back hurts after doing the work.”

Indonesia has strong labour laws under which most of these abuses can amount to criminal offences. However, the laws are poorly enforced. Amnesty International is calling on the Indonesian government to improve enforcement and to investigate the abuses set out in the report.

For the full report: <https://www.amnesty.org/en/documents/asa21/5184/2016/en/> or the executive summary: <https://www.amnesty.org/en/documents/asa21/5243/2016/en/>

### See also:

<https://www.amnesty.org/en/latest/news/2016/11/sustainable-palm-oil-abuse-exposed/>

<https://www.amnesty.org/en/latest/news/2016/11/Palm-Oil-Global-brands-profitting-from-child-and-forced-labour/>

<https://www.amnesty.org/en/latest/news/2016/11/key-facts-about-palm-oil/>

<https://www.amnesty.org/en/documents/asa21/5230/2016/en/>

Teaser "You'll be surprised"; Youtube <https://www.youtube.com/watch?v=1WooDTYT0v0>

"Fruits of their Labour": English Youtube <https://youtu.be/Cs69nfp8Ay4>