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November 16, 2015

HUMAN
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Re: Child labor in tobacco farming in Indonesia

Dear Mr. Sikkel,

Thank you for your letter of October 30, 2015. We have appreciated our dialogue with Alliance One International (AOI) around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information AOI has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco supply

chain. We are interested to learn more about AOI's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does AOI purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on AOI's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of AOI's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does AOI or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with AOI in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by AOI in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does AOI or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by AOI in 2013, 2014, and 2015 was purchased through this system?
 - b. Does AOI require training or certification for individuals to be able to sell tobacco to AOI's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information AOI has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to Human Rights Watch of October 30, 2015, we understand that AOI has a global Agricultural Labor Practices (ALP) program that is "being implemented in all of the countries from which AOI sources tobacco." We understand AOI's ALP follows International Labour Organization standards, and prohibits work by

- children under 15, except for light work by children ages 13 to 15. We also understand that AOI bans children under 18 from performing hazardous work, and has a “non-exhaustive list of potentially hazardous tasks as examples to guide growers,” as described in Annex A to your most recent letter to Human Rights Watch. Are growers supplying AOI prohibited from allowing children under 18 to perform these tasks? Is AOI implementing the child labor provisions of the ALP throughout Indonesia? If not, what is AOI’s policy regarding child labor in tobacco farming in Indonesia? Are there exceptions for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions? To which companies does AOI supply tobacco purchased in Indonesia?
6. How does AOI communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?
 7. What steps does AOI take to conduct due diligence concerning child labor in Indonesia? That is, how does AOI identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does AOI ensure that risks are mitigated and that violations of the company’s child labor policy are quickly discovered and addressed?
 8. Has AOI identified or received any reports of child labor on tobacco farms supplying tobacco to AOI in Indonesia in 2013, 2014, or 2015? If so, what actions has AOI taken?
 9. We would welcome any additional information AOI would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

10. What steps does AOI take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does AOI have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other

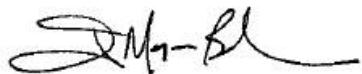
hazardous chemicals? How does AOI monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect AOI's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

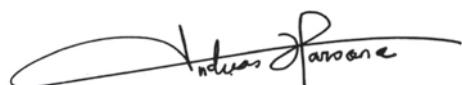
In addition, we would welcome the opportunity to meet again with representatives of AOI to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



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December 14, 2015

Dear Ms. Buchanan and Mr. Harsono,

We are in receipt of your letter dated as of November 16, 2015. Thank you for your continued efforts to address hazardous child labor in connection with tobacco production. Alliance One International, Inc. (AOI or Alliance One) does not tolerate any labor abuses in our supply chain in Indonesia or anywhere else in the world.

The elimination of child labor in tobacco production is a top priority for Alliance One and all of our subsidiaries, including our Indonesian subsidiary, PT. Alliance One Indonesia (PT.AOI). Alliance One, through its predecessor companies and former partners, began directly contracting with growers in Indonesia more than 15 years ago through the Integrated Production System (IPS), a system of farming where a buyer and a grower of a crop work together from seed to market with the objective of producing a sustainable, traceable and compliant crop to meet the demands of the international market. By directly contracting with growers, we have been able to help them produce a higher quality crop that is produced in compliance with Good Agricultural Practices (GAP) and Alliance One's Agricultural Labor Practices (ALP) program.

PT.AOI first introduced the ALP program to its contracted growers in 2011 and formally rolled it out to 100 percent of them in 2012. At this time, we made significant changes to our grower contracts, including the addition of provisions related to the prohibition of child labor. Over the course of the past four years, our monitoring has increased from approximately once per month to 20-24 times per year. Throughout these visits, our field technicians have placed a substantial emphasis on educating growers about all ALP principles as well as analyzing labor issues so that we can better understand the reasons why they are occurring. As a result of our increased oversight, our field technicians are reporting an increased number of labor concerns, which is positive because this demonstrates our team's commitment to accurate and honest reporting and provides PT.AOI with additional opportunities to improve working conditions in Indonesia.

Through ongoing collaboration with our growers, we have launched multiple programs aimed at mitigating child labor issues, including:

- Mechanization projects, such as cutting machines and our Metal Clips Adaptation project, to automate some hazardous activities, improve efficiency and minimize labor needs;
- Farmer GAP Day, a two-day event hosted in three locations aimed at improving growers' ALP and GAP understanding and financial literacy;
- Child Labor Eradication in Tobacco Areas (CERIA), an afterschool program available at eight schools in areas with a high density of tobacco farmers' children; and
- Financial literacy training, hosted in collaboration with a local community learning group, for our IPS growers and their families.

These projects and programs have had such a positive impact on farmer efficiency and reducing child labor risks that we plan to expand them in the 2015-2016 crop season. We look forward to sharing the impact of such expanded projects and programs with you in the future.

As requested, you will find answers to your questions regarding Alliance One's activities in Indonesia in Annex A. We would welcome the opportunity to meet with you in person to discuss your research findings and recommendations as well share additional information about our child labor prevention efforts in Indonesia. Please provide dates for your availability to meet at either our offices in Indonesia or your offices in New York City.

In the meantime, should you have any follow-up questions, please feel free to reach out to us. While we are moving in the right direction, much work remains to be done on the issue of child labor. We are committed to doing our part to eliminate child labor in the tobacco production supply chain, and we appreciate continued constructive dialogue with Human Rights Watch.

Sincerely yours,

Pieter Sikkel
President & Chief Executive Officer
Alliance One International, Inc.

Annex A

**Alliance One answers to the questions raised by Human
Rights Watch**

Tobacco Leaf Purchasing

1. Does AOI purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on AOI's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.

Alliance One purchases Indonesian tobacco through PT.AOI. PT.AOI purchases tobacco in East Java, Central Java and West Nusa Tenggara.

As a U.S. publicly traded company, we have to comply with various regulations which prohibit the selective disclosure of the market-sensitive information you are requesting regarding our tobacco purchases. Therefore, we are unable to respond further to this question.

2. How does the volume of AOI's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?

As a U.S. publicly traded company, we have to comply with various regulations which prohibit the selective disclosure of the market-sensitive information you are requesting regarding our tobacco purchases. Therefore, we are unable to respond further to this question.

3. Does AOI or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?

- a. If so, how many farmers were contracted with AOI in 2013, 2014, and 2015, and in which provinces?**
- b. What proportion of the total tobacco purchased by AOI in 2013, 2014, and 2015 was purchased from contracted growers?**

Alliance One has history in Indonesia dating back 15 years and, over the course of that time, our objective has always been to move away from purchasing tobacco through third-parties and toward directly contracting with growers through IPS. In 2001, Alliance One (through one of its predecessor companies) entered into an exclusive supply arrangement with a local tobacco company to purchase our requirements. The local company directly contracted with growers, while Alliance One's predecessor provided the agronomic advice. Following the formation of Alliance One in 2005, the Company continued its relationship with the local company and expanded its efforts to support sustainable and compliant tobacco production. Although the local company was still contracting the growers, Alliance One was providing the financing and the local company was contracting growers under our instruction.

While this arrangement provided Alliance One with more control over the way that the tobacco was grown, it was not yet at the level we desired and there were still several areas that needed improvement. As a result, in 2011, Alliance One severed ties with the local company and formed a wholly owned subsidiary PT.AOI. PT.AOI was the first wholly owned foreign subsidiary involved in tobacco production and trading to be granted a business license in Indonesia. All of PT.AOI's leaf technicians were trained on the principles of ALP by August 2011. Since making

that transition, PT.AOI has steadily increased the volume of tobacco produced under its IPS system. Between 2013 and 2015, our IPS grower base in West Nusa Tenggara, East Java and Central Java increased by 42 percent. Over the same three-year period our proportion of total purchases by volume from IPS growers increased from 79 percent to 92 percent.

As a U.S. publicly traded company, we have to comply with various regulations which prohibit the selective disclosure of the market-sensitive information you are requesting regarding PT.AOI's contracted growers in Indonesia. Therefore, we are unable to respond further to this question.

4. Does AOI or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?

- a. If so, what proportion of the total tobacco purchased by AOI in 2013, 2014, and 2015 was purchased through this system?**
- b. Does AOI require training or certification for individuals to be able to sell tobacco to AOI's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?**

As mentioned in our response to question 3, PT.AOI purchases the majority of its tobacco through IPS. We meet 100 percent of our Flue Cured Virginia, Dark Fire Cured, Rajangan and Burley tobacco requirements through IPS.

When considering Indonesian tobacco, it is important to understand that there are some native varieties of the plant which generate subtypes that require different ways of handling and curing. For example, the leaves at the middle and top of the Rajangan plant are harvested and cured in green form, while the bottom leaves, Jatim (sun-cured), are hung in the fields and harvested after they have dried in the sun. The proportion generated between these two subtypes is 80 percent and 20 percent, respectively.

Historically, Rajangan tobacco was purchased through the middleman trader system. Recognizing the risk associated with cutting green tobacco, PT.AOI was the first tobacco company in Indonesia to directly contract with Rajangan growers through IPS. We removed the middleman and provided the necessary inputs, education and financing so that growers could improve the quality of their crop. We also introduced cutting machines that automated the cutting process for the top portion of the plant, thus minimizing safety concerns associated with green tobacco and reducing labor needs. The support provided by the Company resulted in increased efficiency and profitability for our IPS Rajangan growers.

However, due to the economics of supply and demand and the biology of the Rajangan plant, we are currently unable to meet 100 percent of our requirements for Jatim through IPS and thus purchase a small volume of Jatim through third-party suppliers. As with Alliance One and all of its other subsidiaries, all of PT.AOI's suppliers are required to undergo a background check to ensure that the supplier does not have a record of illegal conduct. If a supplier passes this background check and we agree to purchase tobacco from the organization, we have general

policies in place that require the supplier abide by our global policies. Additionally, each time that representatives from PT.AOI visit the supplier, they look for risks with regard to child labor. If any potential risks are identified, PT.AOI will work with the supplier to address them.

PT.AOI is focused on reducing our use of third-party suppliers and, between 2013 and 2015, our proportion of total purchases by volume from third-party suppliers decreased from 21 percent to 8 percent.

PT.AOI is in the process of establishing a formal certification process that will ensure suppliers are aware of and understand the AOI's Child Labor Policy.

Child Labor

5. We are grateful for the information AOI has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to Human Rights Watch of October 30, 2015, we understand that AOI has a global Agricultural Labor Practices (ALP) program that is "being implemented in all of the countries from which AOI sources tobacco." We understand AOI's ALP follows International Labour Organization standards, and prohibits work by children under 15, except for light work by children ages 13 to 15. We also understand that AOI bans children under 18 from performing hazardous work, and has a "non-exhaustive list of potentially hazardous tasks as examples to guide growers," as described in Annex A to your most recent letter to Human Rights Watch. Are growers supplying AOI prohibited from allowing children under 18 to perform these tasks? Is AOI implementing the child labor provisions of the ALP throughout Indonesia? If not, what is AOI's policy regarding child labor in tobacco farming in Indonesia? Are there exceptions for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions? To which companies does AOI supply tobacco purchased in Indonesia?

Alliance One's ALP program is being implemented in all of the origins from which AOI sources tobacco, including Indonesia. PT.AOI growers are required to abide by the requirements set forth in our ALP program as well as our Child Labor Policy. These provisions, listed below, are aligned with Indonesia regulation (Regulation No 20/1999 on ILO Convention No. 139 ratification concerning minimum age for admission to employment):

- The minimum age for admission to work is not less than the age for the completion of compulsory schooling and, in any case, is not less than 15 years or the minimum age provided by the country's laws, whichever affords greater protection.
- No person below 18 is involved in any type of hazardous work.
- In the case of family farms, a child may only help on his or her family's farm provided that the work is light work and the child is between 13 and 15 years or above the minimum age for light work as defined by the country's laws, whichever affords greater protection.

Alliance One's growers worldwide are required to abide by the principles of our ALP program, which prohibits them from employing youth under the age of 18 for hazardous tasks. As noted in

our Child Labor Policy and in our previous correspondence¹, Alliance One uses the following list of potentially hazardous work examples to guide its growers:

- Participating in activity that may cause exposure to green tobacco leaves, which could cause Green Tobacco Sickness (such as harvesting, topping or suckering)
- Operating machinery with moving parts or moving vehicles, except when otherwise allowed by law
- Using sharp tools in movement (such as machetes, knives or implements used for planting, weeding, stalk cutting, etc.)
- Handling fertilizers or crop protection agents (CPAs)
- Working at heights, above which a fall is likely to cause injury
- Carrying heavy loads, where weight of load, repetition of lifting and person's physical stature are considered to determine risk of injury
- Working in poorly lit environments
- Working in extreme temperatures (such as very hot or cold conditions)
- Working long hours that interfere with health and well-being

PT.AOI grower contracts prohibit the employment of youth under 18 for hazardous activities.

As a U.S. publicly traded company, we have to comply with various regulations which prohibit the selective disclosure of the market-sensitive information you are requesting regarding our customers. Therefore, we are unable to respond further to this question.

6. How does AOI communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through "middleman traders," in its supply chain in Indonesia?

Identification of and addressing child labor issues on our contracted growers' farms is a high priority for all of Alliance One, including PT.AOI. PT.AOI's field technicians have been undergoing training and education about ALP since 2011. This year, PT.AOI hosted three two-day training sessions for its 68 field technicians to re-emphasize some topics and provide additional guidance on how to monitor for risk and encourage compliance. Our field technicians are encouraged to focus on helping growers to continuously improve their labor practices, including issues related to child labor. Labor incidents are rarely black and white, and our trainings help the field technicians to better understand how to identify the root causes of labor issues. Topics covered at these trainings included the ALP principles of Child Labor, Safe Work Environment and Income and Work Hours as well as general first aid training.

PT.AOI communicates its standards and expectations regarding child labor by providing continuous guidance and assistance to growers through individual and group trainings. This guidance involves not only providing instruction but also transforming the existing farming culture.

¹ Please refer to AOI's letters sent to Human Rights Watch dated April 22, 2015 and October 30, 2015.

As previously mentioned, PT.AOI introduced ALP to 100 percent of its contracted growers in 2012. Prior to the initial roll-out of the program, PT.AOI worked with several industry stakeholders, including the Indonesia Tobacco Farmer Association (APTI), BALITAS, the Ministry of Agriculture and Food Security and the Lombok Farmer Association, to learn more about the most critical issues and the most effective way of addressing them. We understood that support and buy-in from local leaders was essential if we were going to successfully affect change in the labor practices of our growers.

Today, PT.AOI visits each of its contracted growers 20-24 times per year to provide guidance on ALP principles. During these visits, our field technicians monitor for grower compliance and provide ALP awareness materials, such as posters and leaflets addressing issues such as child labor and Green Tobacco Sickness (GTS)². Over the past few years, we have seen a significant increase in not only awareness of the ALP principles but also in accurate reporting of issues. Growers are receptive to information provided by PT.AOI and they trust that our field technicians are available to help them continuously improve their practices, both with regards to labor and their tobacco growing techniques. By working with PT.AOI to improve their agricultural practices, growers can improve their efficiency and the quality of their crop, thus increasing profitability.

While our year-round individual trainings are highly effective, we recognize that a break in routine is sometimes required in order to maintain interest in and a commitment to implementing change. To this end, Alliance One, in partnership with one of our customers, has hosted annual Farmer GAP Day events since 2006. The events have grown steadily over the past several years and, in 2014, Farmer GAP Day was comprised of three two-day events, which were held in Banyuwangi and Lumajang, East Java, and in Lombok, West Nusa Tenggara. Farmer GAP Day was designed to bring together social, education and health issues to improve growers' economic conditions and tobacco growing practices, and the 2014 events involved three main components:

1. GAP Celebration: Grower education on GAP and ALP
2. Financial Literacy: Training for growers' wives, who are often tasked with managing money earned from tobacco sales
3. Free Medical Service: Doctor consultation and individual check-ups

Throughout the events, growers were reminded about the principles of ALP and GAP through various forms of edutainment and then quizzed on the information as the day progressed. They received prizes for providing correct answers. During the Financial Literacy classes, growers' wives, who are often responsible for managing the family's finances, learned about the importance of budgeting and financial management, and a local financial consultant taught them how to create a simple income and budgeting sheet. Proper financial management is essential in helping growers avoid labor abuses on their farms, particularly with regards to children of the grower, as they can better plan for and understand labor costs.

More than 2,900 individuals, including PT.AOI IPS growers, growers' wives and local community residents, from West Nusa Tenggara and East Java attended our 2014 GAP Day

² Please refer to Annex B.

events. Each individual left the events with calendars and t-shirts³ highlighting the principles of GAP and ALP, which served as ongoing reminders throughout the rest of the year. PT.AOI is planning to host a second GAP Day in December 2015.

7· What steps does AOI take to conduct due diligence concerning child labor in Indonesia? That is, how does AOI identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does AOI ensure that risks are mitigated and that violations of the company's child labor policy are quickly discovered and addressed?

PT.AOI field technicians visit each contracted grower 20-24 times per year to provide guidance to growers on how to address labor issues on their farms as well as monitor for compliance on the ALP measurable standards, including child labor. In addition to these regular visits, PT.AOI management conducts one random, unannounced visit to each grower during the peak season, which is when we have found child labor incidents are most likely to occur.

To monitor child labor on farms, field technicians follow the below steps:

1. Visual Observation
2. Grower Interview
3. Worker Interview
4. Written Documentation Review (*if incident indicated*)

Throughout these visits, we collect data on the farm and the grower so that we can assess the risk level of each farm. These risk assessments allow us to focus our training and monitoring on higher risk growers. For example, a grower who has no children under 18 living at home and does not hire labor is a low risk for labor issues. However, a grower who has several children living at home and a relatively large tobacco plot has a higher level of risk for child labor issues and we would therefore tailor our training and monitoring accordingly.

In respect of mitigation of risk and addressing any potential violations of ALP, if it is determined by PT.AOI that there is a violation of AOI's ALP policy and/or applicable regulations, the field technician will raise a prompt action concern and record it in our Grower's Management System (GMS)⁴. For example, if a field technician were to find an individual under 18 on the farm handling CPAs, the field technician will begin communication with the grower and worker to obtain confirmation on the age (by official ID review) and a description of the activity (or activities) that the youth is tasked with performing. The field technician will then remind the grower about their contractual obligations regarding child labor and require that the youth immediately be moved to a different, non-hazardous task. On a follow-up visit, the field technician will check on the situation and determine whether the youth is still at risk. If the situation has been resolved, the case will be closed. If not, the field technician will seek guidance

³ Please refer to Appendix B.

⁴ Please refer to AOI's letters sent to Human Rights Watch dated April 22, 2015 and October 30, 2015 for detailed information about GMS.

from his or her superior on next steps and the incident will be taken into consideration for future grower contracts.

In the 2015-2016 crop season, PT.AOI has conveyed messages about all of the ALP principles to 100 percent of its contracted growers through individual and group trainings.

8. Has AOI identified or received any reports of child labor on tobacco farms supplying tobacco to AOI in Indonesia in 2013, 2014, or 2015? If so, what actions has AOI taken?

As previously mentioned, in 2011, PT.AOI introduced the ALP principles to its contracted growers. Our team began analyzing and studying ALP incidents on its contracted growers' farms to learn more about the root causes of the child labor incidents, as well as speaking to growers about why some of their historical practices needed to change. Grower education continued over the next year and PT.AOI began documenting incidents in East Java and West Nusa Tenggara in 2013. As indicated below, PT.AOI has identified incidents of child labor on our contracted farms in 2013, 2014 and 2015:

- **Child Labor Incidents in 2013**
 - Central Java: not monitored
 - East Java: 20 cases
 - West Nusa Tenggara: 10 cases
- **Child Labor Incidents in 2014**
 - Central Java: 0 cases
 - East Java: 68 cases
 - West Nusa Tenggara: 39 cases
- **Child Labor Incidents in 2015**
 - Central Java: 0 cases
 - East Java: 2 cases
 - West Nusa Tenggara: 91 cases

Relative to the child labor incidents reported in 2015, the majority of the tobacco-related tasks that youth were involved with included harvesting, tying and sorting leaves. The ages of youth involved in these tasks ranged from 12-17. For each incident reported, the field technician followed the steps listed in our response to question 7 and worked with the growers to collaboratively develop solutions that reduce risk for the youth. All reported incidents were addressed during the season and the cases have been resolved. Moving forward, our action plan is to continue monitoring the farms where we documented child labor incidents and, if we find that the issues arise again, we will take it into consideration for future contracts.

When reviewing this data, it is important to keep in mind the following factors:

1. PT.AOI is contracting with an increasing number of growers each year. A higher number of contracted farms increase the probability of labor incidents. As our number of

contracted growers has increased, PT.AOI has increased our staff accordingly so that we can maintain a grower to field technician ratio of 48-55 growers per field technician.

2. Growers are increasing the sizes of their farms and, as a result, they have an increased need for labor.
3. In 2014, we recorded any activity of children around a farm or curing barn as child labor. This included children playing on farm or near the barns, which resulted in a significant increase in the number of documented incidents.
4. Since introducing ALP to our field technicians in 2011, our field technicians' comfort level with honestly and accurately reporting child labor issues has improved, resulting in higher numbers of documented incidents. This is a positive development as it provides PT.AOI with additional opportunities to improve working conditions on contracted farms.

Through our ongoing monitoring and analysis, PT.AOI has learned a great deal about the reasons why youth are working in tobacco production and how this may vary from region to region.

In the East Java area, the farming culture is based around the family and child labor incidents usually involve children of the grower. There are strong family bonds which tie all family members to farming activities. The average size of a farm in East Java is approximately one hectare, thus it is small enough to be managed with a small group of workers and helping on the family farm is seen as a way to reduce labor costs. Additionally, the families view farm work as an opportunity for children to learn about the tobacco growing process which is a potential business for them in the future. Because the children are viewed as helpers, they are not paid by the growers.

One way that PT.AOI is addressing labor concerns in the Burley area of East Java is by providing hand-held rotovators (mini tractors) to growers. In partnership with one of our customers, we cover the majority of the cost of the machines for the growers. By supplying these machines, we are eliminating some of the need for labor during land preparation and, therefore, are decreasing child labor risks during this task. To date, the hand-held rotovator program covers 60 percent of our Burley areas and is planned to cover 75 percent in 2016.

In West Nusa Tenggara, most youth hired to work on tobacco farms are not the children of growers. Growers in this area prefer hiring adults and, in fact, growers' children are generally not interested in helping their parents on the farms. If youth are found working on these farms they are typically identified as temporary workers and are paid by piece work. Their motivation to work is for financial gain, not to meet the needs of their family.

Since our monitoring has begun, we have not identified any child labor incidents in Central Java. During the 2014-2015 season, we monitored 546 workers in this province and found that the youngest individual was 28 years old. Growers in this area are typically very receptive to the ALP principles as tobacco growing tends to be a side business to their primary occupation.

Regardless of location, child labor incidents among our growers are most likely to take place during the post-harvesting time, although tasks and risk for incidents vary by the type of tobacco.

In East Java, where Burley and Sun Cured are cultivated, and in Central Java, where Dark Fire Cured is cultivated, it does not take long to harvest the crop, so we see fewer incidents.

However, the Flue Cured Virginia tobacco of West Nusa Tenggara takes a substantial amount of time to harvest and there is a greater risk for child labor. Growers in this province also prefer to hire youth for the post-harvesting task of stringing/tying tobacco because youth perform the task more quickly than adults.

To mitigate the risk of children being involved with this task, PT.AOI is testing a trial Metal Clips Adaptation project. In this trial project, rather than stringing tobacco on a bamboo stick with cottons string, the sticks are replaced with wires and the workers clamp tobacco with metal clips. This approach not only minimizes safety risks, it also increases workers' efficiency. With the increased efficiency, fewer workers are required and the risk of child labor is reduced. The goal of this project is to reduce labor costs for the grower, thus improving his profitability and reducing the risk that children will be involved in this task. PT.AOI introduced the project to four growers in 2014 and increased it to 66 in 2015. The Company plans to review the impact of the project at the end of the 2015-2016 crop season and determine its effectiveness in minimizing child labor incidents.

By taking a gradual approach with the implementation of ALP and our expectations of growers, we have achieved a greater understanding of the root causes of child labor in East Java, Central Java and West Nusa Tenggara. This information has enabled PT.AOI to develop child labor elimination programs which will have a lasting impact. For example, PT.AOI, in collaboration with PT HM Sampoerna, Philip Morris International's affiliate in Indonesia, has developed a child labor elimination program which is aimed at providing opportunities to help youth reach their full potential. Launched in 2014, the program delivers a series of extracurricular after-school activities, such as marching band, agriculture class, creativity club and educational theatre. The activities, which were developed in partnership with Indonesian NGOs Kafilah Multikreasai and Putera Sampoerna Foundation, are focused on creating fun learning experiences for youth, conveying messages about safely working on farms as well as child labor issues. In 2014, PT.AOI rolled the program out to 507 children in two schools in West Nusa Tenggara and two schools in East Java.

Due to the extremely positive reception of the afterschool activities, PT.AOI expanded the program in 2015 and formally named it the Child Labor Eradication Initiative in Tobacco Area (CERIA) program. The goals of CERIA include:

1. Prevent growers and workers' children from working in tobacco and engaging in hazardous tasks.
2. Support and educate children under the age of 15 years old (the age at which compulsory schooling ends).
3. Develop social change and raise awareness to eradicate child labor in tobacco growing areas.
4. Improve education quality by contributing added value to school activities.
5. Strengthen livelihoods and improve economic situations in communities and households.

The program expansion also included the addition of four schools in East Java and West Nusa Tenggara. The schools were identified based on PT.AOI growing areas with the highest populations of youth at risk. Nearly 1,200 children under the age of 15 participated in these programs and, in partnership with one of our customers, PT.AOI awarded scholarships to 79 outstanding high school students in Central Java, East Java and West Nusa Tenggara. We plan to continue expansion of the program in the 2016-2017 crop season.

Another example of a child labor risk management program we have initiated is the development of a financial record book, Tobacco Operational Record, which PT.AOI provides to all contracted growers and their families. While distributing the book, PT.AOI field technicians educate the growers about how to record their expenses throughout the season, providing them with greater clarity on how much profit they can expect to make at the end of the season. On Oct. 21, 2015, we also collaborated with Social Transformation and Public Awareness (STAPA) Community Learning Group to host a financial literacy training in Lumajang, East Java, for our growers and their families. Growers who participate in financial literacy training are able to better plan for and document expenses during the season, thus improving their economic condition. With improved financial management, growers will have more capital to hire labor legally and send their children to school as opposed to requiring them to work on family farms.

9. We would welcome any additional information AOI would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

It will take a continued multi-stakeholder approach to fully address child labor in tobacco growing in Indonesia. As you are aware of from our previous correspondence, Alliance One actively participates in the Eliminating Child Labor in Tobacco (ECLT) Foundation and has signed the Pledge of Commitment and Minimum Requirements⁵ on combatting child labor. Additionally, Alliance One supports the recent project ECLT has undertaken to better understand the prevalence of child labor and hazardous child labor in selected areas of Java and West Nusa Tenggara.

Please refer to our previous correspondence⁶ for additional information on AOI's commitment to eliminating child labor in tobacco production.

Health and Safety

10. What steps does AOI take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?

Please refer to our response to our response to question 6.

⁵ <http://www.eclt.org/wp-content/uploads/2014/12/ECLT-Foundation-Members-Pledge.pdf>

⁶ Please refer to AOI's letters sent to Human Rights Watch dated April 22, 2015 and October 30, 2015.

In addition to the safety information provided by our field technicians, at individual and group training sessions, and at PT.AOI's GAP Day, PT.AOI hosts additional health and safety trainings for growers and workers. CPA manufacturers lead the discussion on proper CPA application and provide information as to how growers and workers can stay safe on the farm. These trainings cover a wide variety of topics, including:

- Green Tobacco Sickness,
- CPA Application,
- Knapsack calibration⁷,
- Personal Protective Equipment (PPE) and
- Re-Entry Interval (REI) signs.

In 2012, PT.AOI distributed PPE free of charge to 100 percent of our contracted growers and their workers. This included a mask, hand gloves, aprons and caps. Since that time, we have continued to provide PPE to any newly contracted growers as well as replace the PPE as needed to ensure that it is still effective. We recognize that providing effective PPE in Indonesia is a challenge as much of the currently available PPE is made of heavy material which is very hot for workers and they may choose to stay cool rather than protect themselves from other risks. We would appreciate guidance from Human Rights Watch on any PPE recommendations.

11. What policies does AOI have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does AOI monitor the implementation of these policies?

Pursuant to ALP, PT.AOI growers are contractually required to store, apply and dispose of all CPAs in accordance with the applicable CPA manufacturer' label recommendations, requirements and application rates, and in full compliance with applicable law, as well as secure and store all CPAs in a location inaccessible to youth. These requirements include the use of PPE.

Similar to our monitoring practices for child labor and health and safety concerns, PT.AOI monitors for compliance with pesticide requirements through individual farm visits by field technicians and random visits by management. During each visit, field technicians observe if growers/workers follow safe working procedures or meet the measurable standards associated with the Safe Work Environment principle. If a grower is identified as not meeting the standards (e.g., not wearing gloves during fresh leaves sortation), our field technicians make a note in GMS and remind the growers and workers their contractual obligations to comply with all aspects of ALP, including with respect to fostering a safe work environment. Additionally, the field technicians discuss the importance of conforming to the safety protocols provided by the CPA manufacturers during CPA application and provide recommendations on what PPE may be needed during CPA application and provide recommendations on what PPE is needed to provide

⁷ Knapsacks are the tools which growers use to spray CPAs on their tobacco crop. They must be gauged in order to ensure proper application.

protection from GTS/CPA exposure. Field technicians will continue following up with the farm until the issue is closed.

In 2013, PT.AOI distributed CPA lockbox storage boxes to 100 percent of our contracted growers. Since that time, we have continued to provide these boxes to any newly contracted growers. Our field technicians monitor the boxes during their visits, both for placement of the box and for condition. We recommend that the box be placed out of children's reach at a height of at least 1.8 meters, but it may be lower for some growers considering that the average Indonesian height is 1.6-1.7 meters. It should also be placed far away from food. If the box is in poor condition, we will provide a replacement.

In addition to the safety training provided by CPA manufacturers, PT.AOI collaborates with the manufacturers to collect empty agrochemical containers and fertilizer bags. Contracted growers provide PT.AOI leaf technicians with their empty containers, which are then held at one of our warehouses until the CPA company comes to collect them. Field technicians monitor for grower participation in this program during the individual farm visits and document how many containers the growers are giving to PT.AOI. In addition to minimizing health concerns, this program minimizes the risk of containers being buried or left in the fields.

Conclusion

Alliance One takes the findings in your report very seriously. As evidenced by our multiple programs aimed at mitigating child labor issues, ongoing awareness initiatives and education for contracted growers, and continued focus on reducing the volume of tobacco purchased from third-party suppliers, we are actively working to eliminate child labor and other labor abuses within our supply chain. While we are making progress on this issue, there are still many challenges that remain and we look forward to future discussion with Human Rights Watch as we work together to achieve our shared objective.

We are committed to doing our part to eliminate child labor from tobacco production.

Annex B

PT.AOI Grower Awareness Materials

ALP Principles Leaflet

KODE PRAKTEK-PRAKTEK PEKERJA PERTANIAN (ALP)

PT. Alliance One Indonesia (AOI) berkomitmen untuk menghapuskan pekerja anak dan pelanggaran kerja lainnya dimanaupun ditemukan dan untuk menciptakan kondisi kerja yang aman dan adil di semua lahan pertanian yang menebak tembak kepada AOI.

Kode ALP ini mendukung tujuan tersebut dengan memastikan praktik-praktik pekerja, prinsip-prinsip dan standar yang AOI harapkan untuk dipenuhi pada semua lahan pertanian yang AOI kontrak untuk membeli hasilnya. Kode ALP ini berlaku untuk seluruh anggota keluarga dan anak-anak yang berada dalam lingkup kerja serta jalinan dan atau Deklarasi Organisasi Dunia Internasional (IO) tentang Prinsip dan Hak Dasar di tempat kerja serta konvensi ILO terkait fairness, prinsip-prinsip dan standar Kode ALP ini harus diterjemahkan dan dilaksanakan sejalan dengan semua Undang-Undang tersebut di atas dan konvensi ILO.

Dukungan bagi petani mitra untuk tetap mematuhi Kode ALP ini melalui pelatihan dan dukungan teknis. Bagi petani, adalah diharapkan untuk mengevaluasi praktik-praktik yang dilakukan di peritan mereka berdasarkan pada persyaratan yang ditetapkan oleh Kode ALP dan melakukan perubahan-perubahan yang diperlukan untuk memastikan dapat dilakukan melalui audit independen.

Petani dan para pemasok tembakau diharapkan dapat mengaplikasikan Kode ALP ini dengan tekun dan transparan serta bekerjasama bersama AOI dalam meningkatkan praktik-praktik pekerja pertanian yang berkesinambungan.

KODE PRAKTEK-PRAKTEK PEKERJA PERTANIAN (ALP)

PEKERJA ANAK
Pekerja anak tidak diperkenankan.

► Standar Pengukuran

- Tidak memperkenankan atau melakukannya pekerja anak. Usia minimum untuk bekerja tidak boleh kurang dari usia penerapan undang-undang dan usia maksimum apabila bekerja di bawah 15 tahun atau usia minimum yang ditetapkan Undang-Undang Negara, masing-masing negara dan atau usia antara 13 dan 15 tahun atau diatas usia minimal untuk pelajaran mengan atau pelajaran dilaksanakan di bawah usia 15 tahun.
- Tidak ada pekerja berusia dibawah 18 tahun yang terlibat dalam segala jenis pekerjaan berbahaya.

Dalam hal usaha tanaman, seorang anak hanya boleh membantu cuaca tanam kultur dan tumpang tumbuhan menggunakan alat-alat sederhana dan tanpa membahayakan kesehatan dan keselamatan dirinya.

PENGHASILAN & JAM KERJA

Penghasilan yang diperoleh selama periode pembayaran atau musim tanam harus dapat memenuhi kebutuhan dasar pekerja serta memadai untuk memenuhi siswa pengajar dan pengeluaran rumah tangga. Untuk itu, jam kerja tidak boleh lebih dari 40 jam per minggu.

► Standar Pengukuran

- Upah untuk seorang pekerja harus mencakup gaji, honorarium, dan imbalan kerja, sembilan, standar hakikat Nasional atau standar patutan pertanian yang bersedia.
- Upah seorang pekerja dibayarkan secara rutin, setidaknya setiap dua minggu.
- Jam kerja mematuhi Undang-Undang Negara. Diluar lembar, jam kerja normal tidak lebih dari 40 jam per minggu.
- Jam kerja lembur berfaedah sukarela.
- Upah lembur dibayarkan lebih tinggi sebagai gantian ditentukan oleh undang-undang kerja yang berlaku di negara tersebut bersama dengan undang-undang kerajaan.
- Semua pekerja dibayar tunjangan, hari libur dan cuti sesuai hak mereka sebagaimana ditetapkan dalam Undang-Undang Negara.

PERLAKUAN ADIL

► Standar Pengukuran

- Tidak ada kekerasan fisik, ancaman kekerasan fisik atau kontak fisik dengan niat melukai atau mengintimidasi.
- Tidak ada kekerasan atau penyelehan seksual.
- Tidak ada kekerasan atau penyelehan verbal.

Tidak ada diskriminasi terhadap ras, warna kulit, kasta, jenis kelamin, status sosial, etnis, agama, bahasa, dialek, suku, sebagai perlakuan peringku, suku, kehamiran, anak dan sosial, kecacatan, orientasi seksual, kewarganegaraan atau keturunan.

Petani memiliki akses terhadap mekanisme persyarapan akibat yang solid, transparan dan tanpa disyaratkan mengingkatkan pengaruh.

Petani harus memperlakukan adil terhadap pekerja. Peternak, dituntut untuk memberikan hak atau mental atau bentuk keterikatan mereka tidak diperkenankan.

► Standar Pengukuran

- Pekerja tidak bekerja di bawah literatur gelap, senjata atau ancaman dan harus memenuhi upah langsung dan pemberian kerja.
- Pekerja bebas menggunakan pekerjaan mereka kepasangan dengan waktu pembentukan pengingat.
- Pekerja tidak dilarang menyediakan uang jaminan kepada pemilik kerja.
- Upah atau penghasilan dari hasil panen dan pekerjaan yang dilakukan tidak diturunkan melalui biaya persyaratan pembayaran yang salah dan disyaratkan.
- Petani tidak menahan dokumen identitas di pekerja.
- Pekerja tidak memperoleh pekerja dari pekerjaan yang dilakukan.

► Standar Pengukuran

- Pekerja tidak berkerja di bawah literatur gelap, senjata atau ancaman dan harus memenuhi upah langsung dan pemberian kerja.
- Pekerja bebas menggunakan pekerjaan mereka kepasangan dengan waktu pembentukan pengingat.
- Pekerja tidak dilarang menyediakan uang jaminan kepada pemilik kerja.
- Upah atau penghasilan dari hasil panen dan pekerjaan yang dilakukan tidak diturunkan melalui biaya persyaratan pembayaran yang salah dan disyaratkan.
- Petani tidak menahan dokumen identitas di pekerja.
- Pekerja tidak memperoleh pekerja dari pekerjaan yang dilakukan.

PEKERJA PAKSA
Semua pekerja pertanian harus berfaedah sukarela. Pekerja paksa tidak diperkenankan.

LINGKUNGAN KERJA YANG AMAN

► Standar Pengukuran

- Pekerja tidak mendapatkan lingkungan kerja yang aman dan bersih serta menghindari langkah-langkah yang semestinya untuk mencegah terjadinya cedera dan penyakit.
- Pekerja tidak diperbolehkan melakukan puncang atau memaraskan tembakau dengan menggunakan gunting, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).
- Pekerja tidak diperbolehkan menggunakan mesin atau alat yang berpotensi membahayakan dirinya sendiri atau orang lain, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).
- Pekerja tidak diperbolehkan menggunakan mesin atau alat yang berpotensi membahayakan dirinya sendiri atau orang lain, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).

Petani harus mendapatkan lingkungan kerja yang aman dan bersih serta menghindari langkah-langkah yang semestinya untuk mencegah terjadinya cedera dan penyakit.

Pekerja tidak diperbolehkan melakukan puncang atau memaraskan tembakau dengan menggunakan gunting, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).

Pekerja tidak diperbolehkan menggunakan mesin atau alat yang berpotensi membahayakan dirinya sendiri atau orang lain, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).

Pekerja tidak diperbolehkan menggunakan mesin atau alat yang berpotensi membahayakan dirinya sendiri atau orang lain, kecuali telah diizinkan, untuk menghindari penyakit tembakau (GTS).

KEBEbasAN BERSERIKAT

Petani harus mengakui dan menghargai hak pekerja atas kebebasan berserikat dan berundur secara kolektif.

► Standar Pengukuran

- Pekerja tidak diperbolehkan menghalangi hak pekerja atas kebebasan berserikat dan berundur secara kolektif.
- Pekerja bebas bergabung atau membenarkan organisasi dan serikat pilihan mereka dan untuk berundur secara kolektif.
- Pewakilan pekerja tidak dikriminalisasi dan harus memiliki akses untuk menjalankan fungsi perwakilan mereka di tempat kerjanya.

KEPATUHAN TERHADAP HUKUM

Petani harus mematuhi semua Undang-Undang Keteraturan dan negara mereka.

► Standar Pengukuran

- Semua pekerja mendapatkan informasi mengenai hak-hak mereka atas hak-hak dan persyaratan pekerjaan mereka dan hak-hak mereka atas hak-hak dan persyaratan pekerjaan mereka.
- Bila disyaratkan oleh Undang-Undang Negara, petani dan pekerja membuat kontrak kerja formal dan pekerja menerima salinan kontrak kerja tersebut.
- Syarat dan ketentuan kontrak kerja tidak bertentangan dengan Undang-Undang Negara.

Child Labor Posters



Safe Work Environment Poster



Green Tobacco Sickness Leaflet

**GREEN TOBACCO SICKNESS
GTS**

CARA AMAN DALAM MEMETIK TEMBAKAU

A. SARUNG TANGAN yang tidak mudah tembus

Pada Saat Pemetikan SELALU GUNAKAN

B. Pakaihan LENGAN PANJANG

C. Pakaihan yang TIDAK MUDAH TEMBUS

Catatan
Perhatikan hal-hal di atas agar kulit anda tidak berkontak langsung dengan daun tembakau : Namun perhatikan agar anda tidak merasa kengerahan

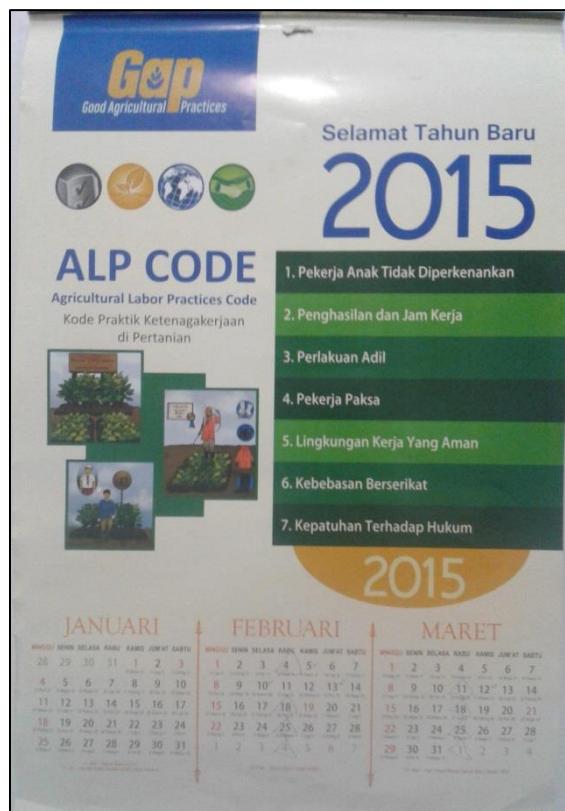
ANJURAN SAAT MEMETIK TEMBAKAU
Penting untuk keselamatan anda

01 USAHKAN KONDISI KERING
Hindari pakanan basah saat menangan daun basah. Ganti pakalan secara rutin ketika baju basah atau terkena getah tembakau.

02 USAHKAN KONDISI SEJUK
Hindari GTS (Green Tobacco Sickness) dengan menjaga suhu tubuh anda. Usahakan bekerja pada saat lingkungan masih sejuk. Jika suhu lingkungan menjadi lebih panas, istirahatlah dan takir nafas dalam-dalam. Bila perlu, minta bantuan medis.

PETANI BUAKSANA BEKERJA DENGAN HATI-HATI
Lindungi diri anda dari Green Tobacco Sickness

2014 Farmer GAP Day Gifts



350 Fifth Avenue, 34th Floor
New York, NY 10118-3299, USA
Tel: +1 212 290 4700
Fax: +1 212 736 1300; +1 917 591 3452

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Elin Martinez, *Researcher*
Margaret Wurth, *Researcher*
Bassam Khawaja, *Fellow*
Helen Griffiths, *Associate*
Susan Raqib, *Associate*
Mano Rostami-Mouripour, *Associate*

Lois Whitman,
Senior Advisor
Founder, Director (1994-2012)

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James Ross, *Legal & Policy Director*
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Joel Motley, *Co-Chair*

November 16, 2015

HUMAN
RIGHTS
WATCH

HRW.org

Martin J. Barrington
Chairman and Chief Executive Officer
Altria Group, Inc.
6601 West Broad Street
Richmond, Virginia 23230

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Barrington,

Thank you for Altria Group's letter to Human Rights Watch of October 29, 2015. We have appreciated our dialogue with Altria Group around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information Altria Group has shared with Human Rights Watch to date about its policies and practices regarding human rights in the

tobacco supply chain. We are interested to learn more about Altria Group's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does Altria Group purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on Altria Group's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of Altria Group's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does Altria Group or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Altria Group in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Altria Group in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does Altria Group or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Altria Group in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Altria Group require training or certification for individuals to be able to sell tobacco to Altria Group's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information Altria Group has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to Human Rights Watch of October 29, 2015, we understand that Altria Group "require[s] international suppliers to comply with the minimum age requirements prescribed by applicable country specific laws." Your letter to Human Rights Watch of February 11, 2014 also stated, "Specific to child

labor our position is clear and consistent across all geographies – all suppliers, including tobacco suppliers, must comply with the minimum age requirements prescribed by applicable laws or the International Labour Conventions, whichever is higher.” We would be grateful if you could clarify the policy in effect in Indonesia for farms supplying Altria Group. Are there exceptions to this policy for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions?

6. How does Altria Group communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?
7. What steps does Altria Group take to conduct due diligence concerning child labor in Indonesia? That is, how does Altria Group identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does Altria Group ensure that risks are mitigated and that violations of the company’s child labor policy are quickly discovered and addressed?
8. Has Altria Group identified or received any reports of child labor on tobacco farms supplying tobacco to Altria Group in Indonesia in 2013, 2014, or 2015? If so, what actions has Altria Group taken?
9. We would welcome any additional information Altria Group would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

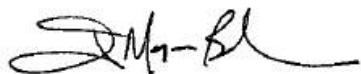
10. What steps does Altria Group take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does Altria Group have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does Altria Group monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Altria Group's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

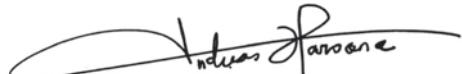
In addition, we would welcome the opportunity to meet again with representatives of Altria Group to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia



November 20, 2015

Ms. Jane Buchanan & Mr. Andreas Harsono
Human Rights Watch
350 Fifth Avenue, 34th Floor
New York, NY 10118

Dear Ms. Buchanan & Mr. Harsono:

Thank you for your November 16, 2015 letter to Martin J. Barrington regarding your recent child labor research findings in Indonesia.

Currently Altria's Operating Companies do not source leaf tobacco from Indonesia either directly or indirectly nor do we have any plans to do so.

For reference, Altria's Operating Companies' purchases of offshore tobacco are executed through leaf suppliers.

Our suppliers of offshore tobacco are expected to have programs in place that support compliance with the minimum age requirements prescribed by applicable laws or the International Labor Conventions, whichever is higher.

If you have any questions, feel free to contact me at 804-274-2391.

Sincerely,

A handwritten signature in black ink, appearing to read "Linwood Sykes".

Linwood Sykes
Director, Leaf Procurement

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299, USA
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November 16, 2015

HUMAN
RIGHTS
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HRW.org

Nicandro Durante, Chief Executive
British American Tobacco PLC
Globe House
4 Temple Place
London WC2R 2PG
UNITED KINGDOM

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Durante,

Thank you for British American Tobacco's (BAT) letter to Human Rights Watch of October 30, 2015. We have appreciated our dialogue with BAT around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts,

government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine

poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information BAT has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco supply

chain. We are interested to learn more about BAT's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does BAT purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on BAT's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of BAT's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does BAT or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with BAT in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by BAT in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does BAT or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by BAT in 2013, 2014, and 2015 was purchased through this system?
 - b. Does BAT require training or certification for individuals to be able to sell tobacco to BAT's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information BAT has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to Human Rights Watch of October 30, 2015, we understand that BAT's child labor policy follows International Labour Organization standards, and prohibits work by children under 15, except for light work by children ages 13 to 15. We also understand that BAT bans children under 18 from performing hazardous

- work, and has a specific list of hazardous activities, as described in your letter. Is BAT implementing this policy in Indonesia? If not, what is BAT's policy regarding child labor in tobacco farming in Indonesia? Are there exceptions to this policy for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions
6. How does BAT communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through "middleman traders," in its supply chain in Indonesia?
 7. What steps does BAT take to conduct due diligence concerning child labor in Indonesia? That is, how does BAT identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does BAT ensure that risks are mitigated and that violations of the company's child labor policy are quickly discovered and addressed?
 8. Has BAT identified or received any reports of child labor on tobacco farms supplying tobacco to BAT in Indonesia in 2013, 2014, or 2015? If so, what actions has BAT taken?
 9. We would welcome any additional information BAT would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

10. What steps does BAT take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does BAT have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does BAT monitor the implementation of these policies?

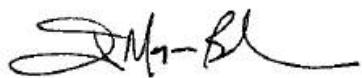
We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect BAT's

policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of BAT to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

14 December 2015

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www.bat.com

Ms Jane Buchanan and Mr Andreas Harsono
Children's Rights Division
Human Rights Watch
350 Fifth Avenue
34th floor
New York
NY 10118-3299
USA

Dear Ms Buchanan and Mr Harsono,

Thank you for your letter dated 16 November 2015, addressed to our Chief Executive regarding issues pertaining to child labour in Indonesia. I am responding in my capacity as Head of Sustainability for British American Tobacco (BAT).

I note with concern the preliminary findings from your research into child labour in tobacco farming in Indonesia.

As we have previously communicated to Human Rights Watch (HRW), any alleged incidences of child labour are clearly concerning. We understand there may be issues around confidentiality but if you are able to identify any specific farms where alleged incidences have taken place we will immediately investigate and where needed, take remedial action.

Our global approach

You will know from previous correspondence that BAT has had a long-standing commitment to combatting child labour, having first formalised our Child Labour Policy in 2000 and co-founded the Eliminating Child Labour in Tobacco Growing (ECLT) Foundation in 2001.

Our approach, as in other parts of the business, is based on the principle of constantly seeking to improve our processes and performance and we agree fully with the position and guidance provided by the International Labour Organisation (ILO) in its efforts to promote the rights of the child and for decent work places for all. This includes Convention 138 on minimum age and Convention 182 on the worst forms of child labour.

Following the publication of the UN Framework and Guiding Principles on Business and Human Rights, we reviewed our approach in consultation with stakeholders to strengthen it further. As a consequence, we published our new human rights policy in September 2014 as part of our revised Standards of Business Conduct (SoBC) which can be viewed at www.bat.com/sobc.

Our SoBC explicitly states that BAT does not condone or employ child labour, and seeks to ensure that the welfare, health and safety of children are paramount at all times.

Our SoBC set high standards of behaviour for ourselves and our suppliers, included but not limited to alignment with the following minimum age policies:

- No one under 18 will be employed in any work assessed as hazardous to their health, safety and well-being; and
- No one under 15 (or, if higher, the age for finishing compulsory schooling in the country concerned) will be employed.
 - However, where local law permits, we consider it acceptable for children between 13 and 15 to help on their families' farms provided it is light work, does not hinder their education or vocational training, or include any activity which could be harmful to their health or development, for example, handling mechanical equipment or agro-chemicals.

Recognising the inherent challenges presented by child labour within an agricultural supply chain, BAT has run a Social Responsibility in Tobacco Production (SRTP) programme since 2000. The programme covers a wide range of practices including positive environmental management as well as social aspects; human rights, labour practices and hazardous work are included. The performance of contracted leaf growers in this and other labour and occupational health issues noted in your letter are monitored through SRTP. The programme sets out the minimum performance levels we expect of suppliers and demonstrates best practice by encouraging continuous improvement across our leaf supply chain.

SRTP has been subjected to numerous reviews over the years in a bid to continually strengthen our approach. As part of our on-going commitment to improvements we are now working as part of an industry initiative to develop a new supplier assessment programme for the whole tobacco industry, to be known as the Sustainable Tobacco Programme. This process is drawing on extensive experience, standards and best practice from across the industry, external standards, such as those of the International Labour Organization (ILO), and additional enhancements.

Our business in Indonesia

In 2014, BAT purchased more than 400,000 tonnes of tobacco from over 100,000 contracted farmers and third-party suppliers globally. Indonesia accounts for some 3.5% of this total. Tobacco leaf is sourced from three areas, Central Java, East Java and West Nusa Tenggara (Lombok). We do not purchase tobacco from West Java. Around 70% of this volume is bought directly from contracted farmers in the Lombok region and the other 30% is bought from third party suppliers.

As you might be aware, BAT took management control of the Indonesian business, PT. Bentoel Internasional Investama, Tbk (Bentoel) in 2010. After which we brought in BAT management to complement existing management structures and ensure that BAT policies and procedures could be embedded across the business. This has been an extensive exercise covering each and every aspect of the business from manufacturing through to trade marketing and included all back office functions such as IT and legal services.

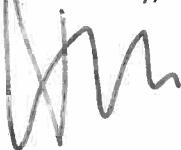
Integration of the leaf supply chain has been a gradual process that takes into account the complexities of the tobacco supply chain and cultural norms in Indonesia. Our SRTP programme has been integrated across the vast majority of our leaf supply chain, covering 100% of leaf bought from directly contracted farmers (some 70% of total leaf purchases). Based on supplier returns, the overall score for our Indonesian suppliers of leaf in the child labour section of SRTP in 2014 was 90%. An onsite audit by AB Sustain is planned for 2016.

The remaining 30% of leaf is purchased through middlemen agents which is a legacy of our acquisition and how leaf has traditionally been purchased in Indonesia. We communicate BAT policies and expectations to these buying agents, however we recognise we have work to do in this area and we are currently exploring options as to how we can ensure that the Group's policies and procedures are adhered to across the full supply chain – an ambition hampered further by our position as a relatively small player in the Indonesian tobacco market.

Cross-industry collaboration will be key to success and we are involved with, and fully supportive of, the multi-stakeholder approach to combatting child labour in Indonesia as proposed by the Eliminating Child Labour in Tobacco Growing Foundation.

We would be more than happy to meet with you in person to discuss further your findings.

Yours sincerely,



Jennie Galbraith
Head of Sustainability

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January 20, 2016

HUMAN
RIGHTS
WATCH

HRW.org

Jennie Galbraith
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Dear Ms. Galbraith,

Thank you for your letter of December 14, 2015. We are grateful for the dialogue we have had with British American Tobacco concerning child labor in Indonesia and the United States.

We would welcome the opportunity to learn more about the Social Responsibility in Tobacco Program (SRTP), which BAT has mentioned in all of its correspondence and dialogue with Human Rights Watch, as the mechanism through which it monitors certain issues in its supply chain.

We have reviewed your letters to Human Rights Watch as well as the information available on the BAT website and on the AB Sustain website. The publicly-available information provides only a general overview of the topics covered. We would welcome more detailed information about this program and its implementation in order to understand more meaningfully BAT's efforts at due diligence in its supply chain, in line with the UN Guiding Principles' recommendations on transparency and reporting that "should cover topics and indicators concerning how enterprises identify and address adverse impacts on human rights." Specifically:

1. What are the specific SRTP "minimum performance levels" expected of suppliers, referred to in your December 2015 letter, with respect to child labor?
2. How, specifically, are the SRTP minimum performance levels regarding child labor communicated to suppliers? Who communicates these standards to suppliers? How frequently?
3. In detail, how does the SRTP self-assessment mechanism evaluate suppliers' compliance with these minimum performance levels on child labor? What are the specific indicators to measure compliance? Could you provide examples of the questions used on the self-reporting materials?

4. Regarding SRTP audits by AB Sustain, can you please provide details regarding the nature of these audits, including: audit frequency, whether audits involve announced or unannounced visits to suppliers, at what point in the production cycle audits take place, the written materials consulted as part of the audit, any interviews conducted for the audit, the auditors' training and experience in human rights and child labor?
5. When was the last audit by AB Sustain in Indonesia? Can you provide detailed results?
6. Beyond SRTP audits by AB Sustain, does BAT take any other measures to verify the accuracy of the self-reporting by suppliers?
7. While we understand that BAT publishes SRTP scores on its website, it is challenging to understand the meaning of these scores without detail about what exactly is being measured, how frequently, by whom, using which indicators, and relying on what methodology. Does BAT publish any reports detailing this kind of information with regard to the self-reporting or the audits by AB Sustain? If it has not, does BAT plan to publish reports, in the interest of transparency?
8. Are there any measures that BAT, through the SRTP or through other means, takes to monitor compliance by suppliers of the minimum performance levels concerning child labor during the tobacco growing season? If so, what measures does it take? How frequently?
9. What are some examples of how the SRTP program "demonstrates best practice," referenced in your December 2015 letter, with regard to child labor?
10. The BAT website notes as a strengthening of SRTP in 2012: "The introduction of a formal review of SRTP performance by supplier management prior to submission to British American Tobacco." Could you please elaborate in detail the nature of this formal review with respect to child labor?
11. Regarding 2012 improvements to the SRTP, the BAT website also mentions that: "More formal reference is given to the treatment of child labour in the context of ILO conventions 138 and 182." Could you please specify what is meant by "more formal reference" to these conventions concerning child labor?
12. In your December 2015 letter, you mention that BAT is currently exploring options to expand its policies and procedures across the full supply chain in Indonesia, including in the open market/system of middlemen traders. Could you provide additional details about these options?

In addition, further to our email correspondence of November 2015, we would also welcome further clarification about BAT's prohibition on hazardous work for children under 18.

BAT's October 30, 2015 letter to Human Rights Watch specified that in its supply chain BAT prohibits hazardous work for children under 18, including harvesting, topping, and suckering tobacco, and a number of other tasks. The letter did not specify any exceptions to this prohibition.

However, in an email of November 18, 2015, BAT stated, "Where suitable precautions take place to mitigate GTS, as they do with [Reynolds American], who require that youth

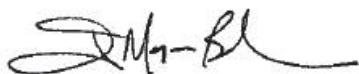
16 and 17 years old have safety training and appropriate personal protective equipment (PPE) provided by the farmer prior to commencing work, we consider this acceptable.”

- Can you please clarify BAT’s position concerning hazardous work for children under 18 in its supply chain? Does BAT allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances and in which countries?

In addition to welcoming a written response from you to these questions, we would be grateful for the opportunity to meet with you and other BAT representatives. Are there any dates in the second half of March that would be convenient for you?

In addition, we would welcome your assistance in arranging a meeting with relevant staff from AB Sustain to understand more about the SRTP program and the mechanisms of its implementation.

Sincerely,



Jane Buchanan
Associate Director
Children’s Rights Division

15 March 2016

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Dear Ms Buchanan,

Thank you for your letter of January 20, 2016.

As you are aware, BAT has run a Social Responsibility in Tobacco Production (SRTP) programme since 2000. Suppliers include British American Tobacco local companies and third party leaf dealers. The programme covers a wide range of practices including positive environmental management as well as human rights, labour practices and hazardous work. The SRTP content and guidelines are based on international standards including International Labour Organization (ILO) conventions and operates under a principle of continuous improvement.

The principle of continuous improvement applies not only to the suppliers under review but to the SRTP process in itself. AB Sustain facilitates a pan-industry committee – of which we are an active participant – that reviewed the SRTP methodology scope, content and measurement. As a result of the work of this committee, a revised and updated industry-wide version of SRTP, to be known as Sustainable Tobacco Production (STP), will be introduced during 2016. The scope and content of STP is significantly different to that of SRTP, including many improvements to the Child Labour section. We would like to provide you with an overview of this new, strengthened approach when we meet on 16 March.

Meanwhile, please find responses to your questions outlined below. All of which can be covered in more detail at our meeting, should you wish, although please bear in mind from mid-2016 onwards we will be operating under the STP programme

1. What are the specific SRTP minimum performance levels expected of suppliers?

- The minimum performance level of the child labour section is 60%. From a reporting perspective the minimum standards are expressed as a percentage for ease of communication and performance tracking. The scores are driven by a supplier's ability to collect statistically robust data to identify the existence of child labour, school attendance, and activities carried out by children on the farm. The minimum standard of 60% means that data is robust, issues have been identified and programmes are being implemented to address issues. If issues have been identified but not addressed, the supplier will not meet the minimum standard.

2. How, specifically, are the SRTP minimum performance levels regarding child labour communicated to suppliers? Who communicates these standards to suppliers/ How Frequently?

- Clear expectations for suppliers are set out in the Leaf Supplier Manual and within the SRTP process itself. Minimum performance levels are also communicated annually via Leaf Supplier Manual. The manual is provided direct to the suppliers by the leaf supplier management team in BAT and suppliers are required to confirm that they have received the documents. In addition, the SRTP process itself includes a Declaration on Labour Policies & Practices that a supplier must sign, confirming that they will actively seek to comply with the policies and practices required of them, including those on child labour.

3. In detail, how does the SRTP self-assessment mechanism evaluate supplier's compliance with these minimum performance levels on child labour? What are the specific indicators to measure compliance? Could you provide examples of the questions used in the self-reporting?

- Each supplier is assigned a score based on the following criteria:
 - The extent to which data has been collected concerning children on farms and if a programme to address any identified issues has been developed and/or implemented
 - The extent to which data has been collected on school attendance and if a programme to address any identified issues has been developed and/or implemented.
 - The extent to which exposure of children to risks on farms has been assessed and addressed.
- As an example, the specific indicators contained in SRTP in respect of data collected around child labour on farms are as follows:
 - The Company has undertaken no Farm Survey relating to Child Labour on Farms
 - The Farm Survey indicates there are Child Labour issues, a programme has been developed to address these concerns but not yet been implemented
 - The Farm Survey indicates there are Child Labour issues, a programme has been developed to address these concerns and been implemented
 - Child Labour issues identified by the Farm Survey have been addressed OR the Farm Survey confirms no Child Labour issues

4. Regarding SRTP audits by AB Sustain, can you please provide details regarding the nature of these audits, including: audit frequency, whether audits involve announced or unannounced visits to suppliers, at what point in the production cycle audits take place, the written materials consulted as part of the audit, any interviews conducted for the audit, the auditors' training and experience in human rights and child labour?

- Suppliers complete detailed annual SRTP self-assessments, reporting on a broad range of criteria. Each of these annual self-assessments are independently validated by AB Sustain every year who compare year-on-year submissions as part of a desk-based exercise to ensure on-going accuracy.
- As a separate exercise, each supplier is comprehensively reviewed on a four year cycle, which will be shortened to a three year cycle when a revised and updated industry-wide version of SRTP (STP) is introduced during 2016. Trained AB Sustain assessors make announced visits to supplier premises and supplying farms and conduct in-depth reviews and interviews. These visits take place at various points in the production cycle.

- Given SRTP is a broad spectrum programme, all AB Sustain assessors have an understanding of all required areas, including social auditing skills. Assessors training include, IOSH Managing Safely, ISO Lead Assessor, Social Auditing, Agronomy including FACTS and BASIS, Conservation and NPTC qualifications as well as regular updates on any SRTP programme amendments.
- The assessors utilize a combination of paper and electronic data capture tools, as well as gathering photographic evidence. Photos are not authorized for public release and are only used within the programme for evidential purposes. The scope of the programme includes all aspects of sustainability both at leaf processors' premises and on their supplying farms. Informal interviews are conducted with factory workers and farm workers, during which the supplier under review is allowed to be present.

5. When was the last audit by AB Sustain in Indonesia? Can you provide detailed results?

- The submissions from leaf suppliers in Indonesia are validated each year by AB Sustain.
- An onsite review of leaf suppliers in Indonesia was last conducted by AB Sustain in 2013 and another onsite review is scheduled for 2016 – this will be conducted under the new STP programme. Of the three suppliers covered in the 2013 AB Sustain review, two exceeded the minimum standards. The one supplier that did not meet minimum standards is no longer supplying tobacco leaf to BAT.
- Based on supplier self-assessment returns from directly contracted suppliers, the overall score for our Indonesian suppliers of leaf in the child labour section of SRTP in 2014 was 90%. The score is an average of all suppliers in the market but in general, a score of 90% indicates that data collected is robust, issues have been identified, programmes are in place and that the suppliers are successfully managing the risks around child labour.

6. Beyond SRTP audits by AB Sustain, does BAT take any other measures to verify the accuracy of the self-reporting by suppliers?

- As mentioned in question 5 above, the self-assessment returns are validated by AB Sustain every year. When variances in scores (either year on year or by country) are identified as part of this process BAT will liaise with the supplier to better understand the situation and discuss a remedial action plan if necessary.

7. While we understand that BAT publishes SRTP scores on its website, it is challenging to understand the meaning of these scores without detail about what exactly is being measured, how frequently, by whom, using which indicators, and relying on what methodology. Does BAT publish any reports detailing this kind of information with regard to the self-reporting or the audits by AB Sustain? If it has not, does BAT plan to publish reports, in the interest of transparency?

- We do not currently disclose any further detail than the scores we publish as part of our annual sustainability report and on bat.com and have no current plans to extend this reporting. Many of our suppliers are independent businesses and to publically disclose scores associated with their performance, either positive or negative, is not appropriate, particularly as public disclosure of company-specific scores is not part of the agreement under which we operate the SRTP programme. We operate on the principle of continuous improvement and believe that our current approach – one of working in close partnership with suppliers and farmers to ensure the highest social, environmental and agronomy standards - is one that delivers the best results for all parties involved.

- 8. Are there any measures that BAT, through the SRTP or through other means, takes to monitor compliance by suppliers of the minimum performance levels concerning child labor during the tobacco growing season? If so, what measures does it take? How frequently?**
- Worldwide, we have over 1,000 leaf technicians based in the field and who regularly visit the farms under their responsibility. It is the role of these leaf technicians to provide farmers with agronomy support, to share best practices and to have an oversight of environmental and labour practices on farms. If our leaf technicians have concerns over child labour, or any other practices throughout the growing cycle, it is addressed as part of this on-going partnership.
 - In addition, suppliers are constantly liaised with regarding commercial and other issues, and the feedback from SRTP is normally part of those discussions.
- 9. What are some examples of how the SRTP program “demonstrates best practice,” referenced in your December 2015 letter, with regard to child labour?**
- The SRTP content and guidelines are based on international standards including International Labour Organization (ILO) conventions and definitions and includes the principles of decent work for Youth and the principles of Good Agricultural Practices (GAP). This, coupled with a principle of continuous improvement, ensures the programme meets many elements of external best practice.
- 10. The BAT website notes as a strengthening of SRTP in 2012: “The introduction of a formal review of SRTP performance by supplier management prior to submission to British American Tobacco.” Could you please elaborate in detail the nature of this formal review with respect to child labour?**
- We appreciate that this has not been worded as clearly as it could have been on bat.com. This in fact refers to an additional safeguard we have put in place in the form of a formal review of the full report produced by AB Sustain, rather than a specific review on child labour.
 - Each year, AB Sustain presents a report on all leaf suppliers' performance to the central leaf purchasing team at BAT. The report highlights every instance, from both the self-assessment questionnaires and the on-site reviews, where a supplier has fallen below minimum standards. BAT then query each instance with the suppliers and develop an action plan where appropriate.
- 11. Regarding 2012 improvements to the SRTP, the BAT website also mentions that: “More formal reference is given to the treatment of child labour in the context of ILO conventions 138 and 182.” Could you please specify what is meant by “more formal reference” to these conventions concerning child labor?**
- SRTP has incorporated formal and explicit reference to ILO and other regulations within the requirements for suppliers

12. In your December 2015 letter, you mention that BAT is currently exploring options to expand its policies and procedures across the full supply chain in Indonesia, including in the open market/system of middlemen traders. Could you provide additional details about these options?

- As we noted in our last letter, the SRTP programme in Indonesia covers 100% of leaf bought from directly contracted farmers (some 70% of total leaf purchases). The remaining 30% of leaf is purchased through a complex network of trading agents which is a legacy of our acquisition and how leaf has traditionally been purchased in Indonesia. Although we are exploring options as to how we can ensure that the Group's policies and procedures are adhered to across the full supply chain; unfortunately, due to the commercial sensitivities involved, we are not able to disclose further details until internal agreement has been reached on which option will best fulfil this ambition. We will be happy to update you on the most up-to-date situation at our meeting on 16 March.

13. Can you please clarify BAT's position concerning hazardous work for children under 18 in its supply chain? Does BAT allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances and in which countries?

- Within the current SRTP guidance for suppliers, no person under 18 should be engaged in hazardous work. Hazardous work includes, but is not restricted to, the following:
 - Harvesting, topping and suckering (because it may involve exposure to Green Tobacco Sickness)
 - Operating moving vehicles or machinery with moving parts
 - Using sharp tools while moving (e.g. a machete)
 - Handling and applying CPAs or fertilisers
 - Carrying heavy loads
 - Working at heights
 - Working long hours that interfere with health and well-being
 - Working in extreme temperatures
- As with agriculture in general, the differing nature of tobacco growing and its associated agronomy practices in diverse geographies and cultures around the world has, to date, been a barrier to the development of a definitive industry-wide list of what can be considered to be hazardous work on a tobacco farm. However, BAT is delighted to be a participant in a project funded by the Eliminating Child Labour in Tobacco Growing Foundation (ECLT) and facilitated by the International Labour Organisations (ILO) into this pressing issue.
- The project will develop, through consultation with tobacco companies, growers associations, trade union representatives and a number of other occupational health and safety experts, ILO guidance on occupational health and safety in tobacco growing. This will include guidance for family farms and for young workers who are above the general minimum age for employment but still below 18 years of age.
- Until such a time as an industry-wide definition of hazardous work is finalised, we will continue to adhere to our own definition as outlined above.

The responses outlined above all relate to the current SRTP programme. However, the new STP programme will be introduced in 2016. We look forward to meeting with you and your colleagues on 16 March when we can discuss STP and its strengthened approach in more detail.

Yours sincerely,



Jennie Galbraith
Head of Sustainability & Reputation Management

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Joel Motley, *Co-Chair*

November 20, 2015

HUMAN
RIGHTS
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HRW.org

Ling Chengxing
Chief Executive Officer
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55 Yuetan South Street,
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CHINA

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Chengxing,

Please accept our regards on behalf of Human Rights Watch. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response. We hope to initiate a constructive dialogue with China National Tobacco regarding the progressive elimination of child labor in tobacco farming in Indonesia.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts,

government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine

poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to

combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about China National Tobacco's policies and practices regarding human rights in the tobacco supply chain. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. We would be grateful to receive brief data on China National Tobacco's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. Does China National Tobacco also purchase tobacco from other countries? If so, we would be grateful for data on how China National Tobacco's tobacco purchasing in Indonesia compares to other countries.
3. Does China National Tobacco contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with China National Tobacco in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by China National Tobacco in 2013, 2014, and 2015 was purchased from contracted growers?
 - c. What kind of training is provided to farmers contracted to grow tobacco for China National Tobacco?
4. Does China National Tobacco purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by China National Tobacco in 2013, 2014, and 2015 was purchased through this system?
 - b. Does China National Tobacco require training or certification for individuals to be able to sell tobacco to China National Tobacco's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Due Diligence

5. What due diligence policies or procedures does China National Tobacco have in place to identify, prevent, mitigate, and account for possible impacts of your company or your suppliers on human rights, including child labor and labor rights?

6. How does China National Tobacco ensure that all your suppliers are using rigorous human rights due diligence measures?

Child Labor

7. What policies or procedures does China National Tobacco have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to China National Tobacco and to China National Tobacco subsidiaries and suppliers?
8. What is China National Tobacco's policy regarding work by children under 18 on tobacco farms supplying China National Tobacco in Indonesia, and globally?
9. Under China National Tobacco's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying the company, and under what circumstances?
10. Does China National Tobacco prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If the company prohibits hazardous work for children under 18, what specific tasks does China National Tobacco define as hazardous?
 - a. Does China National Tobacco allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
11. How does China National Tobacco communicate its standards and expectations regarding child labor to growers and suppliers in its supply chain?
12. How does China National Tobacco monitor for child labor or other human rights abuses in its supply chain?
13. Has China National Tobacco identified or received any reports of child labor on tobacco farms supplying tobacco to China National Tobacco in 2013, 2014, or 2015? If so, what actions has China National Tobacco taken?

Health and Safety

14. In China National Tobacco's view, what are the dangers to children of work in tobacco farming?
15. What steps does China National Tobacco take to ensure that tobacco farmers and workers in its supply chain are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide

exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?

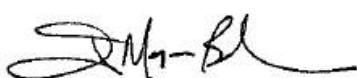
16. What policies does China National Tobacco have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain to active spraying of pesticides or other hazardous chemicals? How does China National Tobacco monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect China National Tobacco's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 18, 2015.

In addition, we would be grateful for the opportunity to meet with you or senior executives from China National Tobacco to discuss our findings and recommendations. Please contact Margaret Wurth at +1 (484) 554-3194 or wurthm@hrw.org to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

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November 20, 2015

HUMAN
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HRW.org

Mr. Michael Bambang Hartono
Mr. Robert Budi Hartono
PT Djarum
Jl. Aipda K.S. Tunbun 2C/No. 57
Jakarta, 11410, Indonesia

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Michael Bambang Hartono and Mr. Robert Budi Hartono,

Please accept our regards on behalf of Human Rights Watch. Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the progressive elimination of hazardous child labor in tobacco farming worldwide. In 2010 we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 we published a report on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch has concluded that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for children under 18.

Since December 2013, we have met or corresponded with executives of nine of the world's largest tobacco companies about their child labor policies and procedures in the United States and globally. All tobacco companies are responsible for ensuring that children are protected from hazardous work on tobacco farms in their supply chains.

We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response. We hope to initiate a constructive dialogue with Djarum regarding the progressive elimination of child labor in tobacco farming in Indonesia.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members.

Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about Djarum's policies and practices regarding human rights in the tobacco supply chain. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. We would be grateful to receive brief data on Djarum's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. Does Djarum also purchase tobacco from other countries? If so, we would be grateful for data on how Djarum's tobacco purchasing in Indonesia compares to other countries.
3. Does Djarum contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Djarum in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Djarum in 2013, 2014, and 2015 was purchased from contracted growers?
 - c. What kind of training is provided to farmers contracted to grow tobacco for Djarum?
4. Does Djarum purchase tobacco through the traditional "middleman trader" system?

- a. If so, what proportion of the total tobacco purchased by Djarum in 2013, 2014, and 2015 was purchased through this system?
- b. Does Djarum require training or certification for individuals to be able to sell tobacco to Djarum's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Due Diligence

5. What due diligence policies or procedures does Djarum have in place to identify, prevent, mitigate, and account for possible impacts of your company or your suppliers on human rights, including child labor and labor rights?
6. How does Djarum ensure that all your suppliers are using rigorous human rights due diligence measures?

Child Labor

7. What policies or procedures does Djarum have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to Djarum and to Djarum subsidiaries and suppliers?
8. What is Djarum's policy regarding work by children under 18 on tobacco farms supplying Djarum in Indonesia, and globally?
9. Under Djarum's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying the company, and under what circumstances?
10. Does Djarum prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If the company prohibits hazardous work for children under 18, what specific tasks does Djarum define as hazardous?
 - a. Does Djarum allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
11. How does Djarum communicate its standards and expectations regarding child labor to growers and suppliers in its supply chain?
12. How does Djarum monitor for child labor or other human rights abuses in its supply chain?
13. Has Djarum identified or received any reports of child labor on tobacco farms supplying tobacco to Djarum in 2013, 2014, or 2015? If so, what actions has Djarum taken?

Health and Safety

14. In Djarum's view, what are the dangers to children of work in tobacco farming?
15. What steps does Djarum take to ensure that tobacco farmers and workers in its supply chain are informed about nicotine poisoning/Green Tobacco Sickness, risks associated

with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?

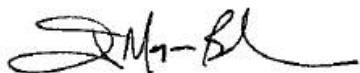
16. What policies does Djarum have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain to active spraying of pesticides or other hazardous chemicals? How does Djarum monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Djarum's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 18, 2015.

In addition, we would be grateful for the opportunity to meet with you or senior executives from Djarum to discuss our findings and recommendations. Please contact Margaret Wurth at +1 (484) 554-3194 or wurthm@hrw.org to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

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Joel Motley, *Co-Chair*

November 20, 2015

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HRW.org

Ms. Juni Setiawati Wonowidjojo, President,
Board of Commissioners
Mr. Susilo Wonowidjojo, President, Board of Directors
PT Gudang Garam Tbk.
Jl. Semampir II/1
Kediri 64121, Indonesia

Re: Child labor in tobacco farming in Indonesia

Dear Ms. Juni Setiawati Wonowidjojo and Mr. Susilo Wonowidjojo,

Please accept our regards on behalf of Human Rights Watch. Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the progressive elimination of hazardous child labor in tobacco farming worldwide. In 2010 we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 we published a report on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch has concluded that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for children under 18.

Since December 2013, we have met or corresponded with executives of nine of the world's largest tobacco companies about their child labor policies and procedures in the United States and globally. All tobacco companies are responsible for ensuring that children are protected from hazardous work on tobacco farms in their supply chains.

We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response. We hope to initiate a constructive dialogue with Gudang Garam regarding the progressive elimination of child labor in tobacco farming in Indonesia.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about Gudang Garam's policies and practices regarding human rights in the tobacco supply chain. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. We would be grateful to receive brief data on Gudang Garam's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. Does Gudang Garam also purchase tobacco from other countries? If so, we would be grateful for data on how Gudang Garam's tobacco purchasing in Indonesia compares to other countries.
3. Does Gudang Garam contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Gudang Garam in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Gudang Garam in 2013, 2014, and 2015 was purchased from contracted growers?
 - c. What kind of training is provided to farmers contracted to grow tobacco for Gudang Garam?
4. Does Gudang Garam purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Gudang Garam in 2013, 2014, and 2015 was purchased through this system?

- b. Does Gudang Garam require training or certification for individuals to be able to sell tobacco to Gudang Garam's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Due Diligence

5. What due diligence policies or procedures does Gudang Garam have in place to identify, prevent, mitigate, and account for possible impacts of your company or your suppliers on human rights, including child labor and labor rights?
6. How does Gudang Garam ensure that all your suppliers are using rigorous human rights due diligence measures?

Child Labor

7. What policies or procedures does Gudang Garam have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to Gudang Garam and to Gudang Garam subsidiaries and suppliers?
8. What is Gudang Garam's policy regarding work by children under 18 on tobacco farms supplying Gudang Garam in Indonesia, and globally?
9. Under Gudang Garam's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying the company, and under what circumstances?
10. Does Gudang Garam prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If the company prohibits hazardous work for children under 18, what specific tasks does Gudang Garam define as hazardous?
 - a. Does Gudang Garam allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
11. How does Gudang Garam communicate its standards and expectations regarding child labor to growers and suppliers in its supply chain?
12. How does Gudang Garam monitor for child labor or other human rights abuses in its supply chain?
13. Has Gudang Garam identified or received any reports of child labor on tobacco farms supplying tobacco to Gudang Garam in 2013, 2014, or 2015? If so, what actions has Gudang Garam taken?

Health and Safety

14. In Gudang Garam's view, what are the dangers to children of work in tobacco farming?
15. What steps does Gudang Garam take to ensure that tobacco farmers and workers in its supply chain are informed about nicotine poisoning/Green Tobacco Sickness, risks

associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?

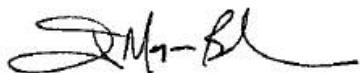
16. What policies does Gudang Garam have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain to active spraying of pesticides or other hazardous chemicals? How does Gudang Garam monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Gudang Garam's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 18, 2015.

In addition, we would be grateful for the opportunity to meet with you or senior executives from Gudang Garam to discuss our findings and recommendations. Please contact Margaret Wurth at +1 (484) 554-3194 or wurthm@hrw.org to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
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November 16, 2015

HUMAN
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WATCH

HRW.org

Alison Cooper, Chief Executive
Imperial Tobacco Group PLC
121 Winterstoke Road
Bristol BS3 2LL
UNITED KINGDOM

Re: Child labor in tobacco farming in Indonesia

Dear Ms. Cooper,

Thank you for Imperial Tobacco Group's letter to Human Rights Watch of October 26, 2015. We have appreciated our dialogue with Imperial Tobacco Group around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information Imperial Tobacco Group has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco supply chain. We are interested to learn more about Imperial Tobacco

Group's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does Imperial Tobacco Group purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on Imperial Tobacco Group's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of Imperial Tobacco Group's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does Imperial Tobacco Group or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Imperial Tobacco Group in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Imperial Tobacco Group in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does Imperial Tobacco Group or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Imperial Tobacco Group in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Imperial Tobacco Group require training or certification for individuals to be able to sell tobacco to Imperial Tobacco Group's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information Imperial Tobacco Group has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to

Human Rights Watch of October 26, 2015, we understand that Imperial Tobacco Group’s Social Responsibility in Tobacco Growing Programme (SRiTP) follows International Labour Organization standards, and prohibits work by children under 15, except for light work by children ages 13 to 15. We also understand that Imperial Tobacco Group bans children under 18 from performing hazardous work, and has a specific list of hazardous activities, as described in your letter. Your October 26, 2015 letter states that the company’s “policies on child labour are applicable globally.” Is Imperial Tobacco Group implementing these policies in Indonesia? If not, what is Imperial Tobacco Group’s policy regarding child labor in tobacco farming in Indonesia? Are there exceptions for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions? Your October 26, 2015 letter to Human Rights Watch states, “Work of 12-15 year olds needs to be light and not regular, nor should it interfere with [the] child’s right to access to education and social development.” Does Imperial Tobacco Group allow children under 13 to engage in light work in certain contexts? If so, in what contexts and under what conditions?

6. How does Imperial Tobacco Group communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?
7. What steps does Imperial Tobacco Group take to conduct due diligence concerning child labor in Indonesia? That is, how does Imperial Tobacco Group identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does Imperial Tobacco Group ensure that risks are mitigated and that violations of the company’s child labor policy are quickly discovered and addressed?
8. Has Imperial Tobacco Group identified or received any reports of child labor on tobacco farms supplying tobacco to Imperial Tobacco Group in Indonesia in 2013, 2014, or 2015? If so, what actions has Imperial Tobacco Group taken?
9. We would welcome any additional information Imperial Tobacco Group would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

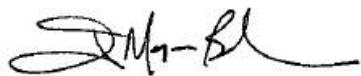
10. What steps does Imperial Tobacco Group take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does Imperial Tobacco Group have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does Imperial Tobacco Group monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Imperial Tobacco Group's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of Imperial Tobacco Group to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
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Jakarta, Indonesia



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Human Rights Watch
350 Fifth Avenue, 34th Floor
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04 December 2015

Dear Ms. Buchanan and Mr. Harsono,

I am writing in response to your letter, which was dated November 16, 2015 and passed to me for reply from the office of Mrs. Alison Cooper. We thank you again for the opportunity of continued dialogue and to respond to your queries regarding tobacco sourcing interests in Indonesia. We value collaboration and see it as an essential part of the progress towards the elimination of child labour.

With regard to your questions, we provide the following information.

Tobacco Leaf Purchasing

We can confirm that we do and have purchased tobacco leaf from Indonesia. In 2015 we purchased some 2,400 MT of Indonesian tobacco being 1.4% of ITG's global purchases. Our tobacco is sourced only from Central and East Java and not the other provinces you cite. Whilst Indonesia is not of the highest volumes in our Group requirements, it does feature in the top 20 countries for sourcing origins. In addition to this regardless of sourcing volumes, all suppliers and origins are required to participate in our Social Responsibility in Tobacco Growing (SRiT) programme and operate in accordance with our Supplier Standards and Code of Conduct.

Through our suppliers, we purchase from a combination of contracted farmers and the traditional 'middleman trader' system. Around 12% of our 2015 tobacco purchase was from contracted farmers. As we deal with suppliers our requirements are based on our supplier standards and the Code of Conduct, rather than a certification. Whilst we are aware that our suppliers purchase from the 'middleman trader', they do undertake activities to address farmer training and enhanced awareness on a number of labour and health and safety issues.

Child Labour

We can confirm that in accordance with our Group policies, SRiTP is both applicable and operational in Indonesia. We do not have any exceptions to our Group policies based on geography or indeed any other factor. Our policy requirements and expectations in Indonesia are exactly as detailed in our previous letter that you cite, dated October 26, 2015.

In the SRiTP we recognise that on family farms children may, on occasion, help with tasks. In this specific context, the following has been stipulated within SRiTP:

"In the case of family farms, a child may only help on his or her family's farm provided that the work is light work and the child is between 13 and 15 years or above the minimum age for light work as defined in national legislation, whichever affords greater protection. Work of 12-15 year olds needs to be light and not regular, nor should it interfere with child's right to access to education and social development."

In the case of Indonesia, national legislation defines the minimum age for light work as 13, therefore we do not allow for children under 13 to engage in light work in any context.

All suppliers are required to participate in SRiTP and operate in alignment to our Code of Conduct. This is part of our contractual requirements. Any new suppliers are given training in SRiTP and we have on-going dialogue and communication around SRiTP. This is through our Leaf Purchasers and our Leaf Sustainability personnel. SRiTP is also reinforced through the assessment visits that are undertaken by the appointed consultants 'AB Sustain'. Our suppliers undertake further training and awareness-raising activities about standards and requirements with 'middleman traders' and growers. We have reassurance and evidence that this occurs through the visits undertaken by AB Sustain, our own visits and the information provided by suppliers.

Given the nature of our supply chain, we count primarily on our suppliers to address any incidence of child labour. Given labour-practice legislation in place in Indonesia and the current schooling system, it is our understanding that the risk of child labour is more to do with the family farm situation. We would therefore welcome more robust national regulation that would enable our suppliers to assert a stronger viewpoint with farmers in this specific situation. In general our suppliers know that any concerns or suspicions of child labour are to be reported to the local police and to the local labour department (DEPNAKER).

We have not been made aware of any specific reports of child labour, however we acknowledge that concerns exist as highlighted by your research. We are therefore pleased that Indonesia is a country of developing focus for the Eliminating Child Labour in Tobacco Growing (ECLT) Foundation. By following the work and reports heralding from the International Labour Organization (ILO), we know that the issue of child labour is a complex, and one that spans across a number of industries, particularly in the agricultural sector. We therefore welcome and support the work of ECLT which we see as important to bring both project data and knowledge, whilst in parallel driving stakeholder engagement, to help address both community and societal awareness and change. We hope that the developing work of ECLT in Indonesia will strongly supplement the efforts we are undertaking to address child labour in our own supply chain.

Health and Safety

Health and safety aspects form part of our requirements on suppliers and are again addressed through the introduction and on-going application of SRiTP. This is then further extended by our suppliers with 'middlemen traders' and growers. Our Leaf Sustainability team also support by working with suppliers on things like training manuals that are used to support farmers. With regard to the use, handling, and application of pesticides and other crop protection agents, we align and refer to the work of CORESTA, namely the guidance under Good Agricultural Practices. Our suppliers also have Leaf Technicians who work with and support the farming base. They are technically competent in such matters and provide specific knowledge, guidance and training.

In terms of the training and awareness, I share with you some images provided by one of our suppliers. These images are part of communication and training directed to farmers and 'middlemen traders' to inform them about minimising the risk of green tobacco sickness and other good agricultural practices.





I hope that this letter meets your requirements and the information provided is of help.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Kirsty".

Kirsty Green-Mann
Head of Corporate Responsibility

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January 20, 2016

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HRW.org

Dear Ms. Green-Mann,

Thank you for your letter of December 4, 2015. We are grateful for the dialogue we have had with Imperial Tobacco Group concerning child labor in Indonesia and the United States. We would welcome the opportunity to learn more about the Social Responsibility in Tobacco Program (SRTP), which Imperial has mentioned in all of its correspondence and dialogue with Human Rights Watch as the mechanism through which it monitors certain issues in its supply chain.

We have reviewed all of your letters to Human Rights Watch as well as the information available on the Imperial website and on the AB Sustain website. The publicly-available information provides only a general overview of the topics covered. We would welcome more detailed information about this program and its implementation in order to understand more meaningfully Imperial's efforts at due diligence in its supply chain, in line with the UN Guiding Principles' recommendations on transparency and reporting that "should cover topics and indicators concerning how enterprises identify and address adverse impacts on human rights."

Specifically:

1. Can you please specify the suppliers providing Indonesian tobacco to Imperial Tobacco?
2. Beyond compliance with minimum age requirements and prohibition on hazardous work in line with ILO conventions, are there other specific SRTP requirements expected of suppliers and farmers with respect to child labor? If so, what are they?
3. How, specifically, are the SRTP requirements regarding child labor communicated to suppliers and farmers? Who communicates these standards? How frequently?
4. In your December 2015 letter, you note that suppliers purchasing tobacco through the middleman trader system in Indonesia "undertake

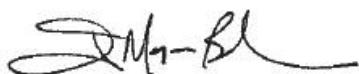
- activities to address farmer training and enhanced awareness on a number of labor and health and safety issues.” Could you please provide more information regarding these activities? Who participates in them?
5. In detail, how does the SRTP self-assessment mechanism evaluate suppliers’ compliance with requirements on child labor? What specific indicators are used to measure compliance? Could you provide examples of the questions used on the self-reporting materials?
 6. Your January 22, 2014 letter states that in addition to SRTP self-reporting and audits by AB Sustain, Imperial prepares “a schedule of site visits to review the self-assessments, improvement plans, and progress.” Imperial’s website notes that leaf suppliers “are subject to both a phased cycle of onsite audits to check against the supplier’s self-assessment and independent review by our appointed external service providers.”
 - a. We would welcome more information about these site visits/phased cycle of onsite audits: including: who specifically is visited, frequency, whether the visits are announced or unannounced, at what point in the production cycle visits take place, the written materials consulted as part of the visit, any interviews conducted, the training and experience in human rights and child labor of those performing the visits.
 - b. Could you please clarify whether these audits evaluate only the supplier, with whom Imperial has a contract, or whether they also evaluate the practice of farmers in the supply chain?
 - c. Did Imperial undertake any site visits in Indonesia in 2013-2015? If so, could you provide more information regarding these methodological topics, as well as the results of these visits?
 7. Regarding SRTP audits by AB Sustain, can you please provide details regarding the nature of these audits, including: audit frequency, whether audits involve announced or unannounced visits to suppliers, at what point in the production cycle audits take place, the written materials consulted as part of the audit, any interviews conducted for the audit, the auditors’ training and experience in human rights and child labor?
 - a. When was the last audit by AB Sustain in Indonesia? Can you provide detailed results?
 8. Are there any measures that Imperial, through the SRTP or through other means, takes to monitor compliance by suppliers and farmers in the supply chain of the requirements concerning child labor during the tobacco growing season? If so, what measures does it take? How frequently?
 9. While we understand that Imperial has published SRTP scores, it is challenging to understand the meaning of these scores without detail about what exactly is being measured, how frequently, by whom, using which indicators, and relying on what methodology. Does Imperial publish any reports detailing this kind of information with regard to the self-assessments, the audits by AB Sustain, or its

- own site visits? If it has not yet done so, does Imperial plan to publish reports, in the interest of transparency?
10. We are aware from your website that Imperial plans to “conduct an independent Human Rights Impact Assessment across [its] value chain in 2016.” Could you please share any more information about this assessment, who will conduct it, what the terms of the assessment will be, and any plans to publish the report, including the methodology of the assessment?

In addition to welcoming a written response from you to these questions, we would be grateful for the opportunity to meet with you and other Imperial representatives in the near future. Are there any dates in the second half of March that would be convenient for you?

In addition, we would welcome your assistance in arranging a meeting with relevant staff from AB Sustain to understand more about the SRTP program and the mechanisms of its implementation.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division

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November 16, 2015

HUMAN
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Mitsuomi Koizumi
President, Chief Executive Officer and
Representative Director
Japan Tobacco, Inc.
JT Bldg. 2-1, Toranomon 2-chome
Minato-ku, Tokyo
105-8422
JAPAN

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Koizumi,

Thank you for Japan Tobacco Group's letter to Human Rights Watch of October 27, 2015. We have appreciated our dialogue with Japan Tobacco Group around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell

tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine

poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information Japan Tobacco Group has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco supply chain. We are interested to learn more about Japan Tobacco

Group's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does Japan Tobacco Group purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on Japan Tobacco Group's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of Japan Tobacco Group's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does Japan Tobacco Group or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Japan Tobacco Group in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Japan Tobacco Group in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does Japan Tobacco Group or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Japan Tobacco Group in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Japan Tobacco Group require training or certification for individuals to be able to sell tobacco to Japan Tobacco Group's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information Japan Tobacco Group has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your detailed

- letters to Human Rights Watch, the information shared in our meetings, and the information on your website, we are familiar with the child labor provisions of Japan Tobacco Group's Agricultural Labor Practices (ALP), and we understand the ALP constitutes "global minimum requirements" for growers supplying the company. Given that Japan Tobacco Group is expanding its ALP, hoping to reach all growers by 2019, is Japan Tobacco Group implementing the ALP in Indonesia? If not, what is Japan Tobacco Group's policy regarding child labor in tobacco farming in Indonesia? Are there exceptions for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions?
6. How does Japan Tobacco Group communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through "middleman traders," in its supply chain in Indonesia?
 7. What steps does Japan Tobacco Group take to conduct due diligence concerning child labor in Indonesia? That is, how does Japan Tobacco Group identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does Japan Tobacco Group ensure that risks are mitigated and that violations of the company's child labor policy are quickly discovered and addressed?
 8. Has Japan Tobacco Group identified or received any reports of child labor on tobacco farms supplying tobacco to Japan Tobacco Group in Indonesia in 2013, 2014, or 2015? If so, what actions has Japan Tobacco Group taken?
 9. We would welcome any additional information Japan Tobacco Group would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

10. What steps does Japan Tobacco Group take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does Japan Tobacco Group have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco

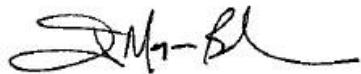
farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does Japan Tobacco Group monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Japan Tobacco Group's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of Japan Tobacco Group to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia



Human Rights Watch

350 Fifth Avenue, 34th floor
New York, NY 10118-3299
USA

Geneva, 8 December, 2015

Dear Jane, Mr Harsono,

Thank you for your letter of November 16, outlining your preliminary findings on child labor in Indonesia. We are pleased to continue our valuable dialogue on how to improve labor standards in agriculture, and to provide you with information that will hopefully serve to supplement your own research in Indonesia and further explain our approach to child labor issues.

As you are aware from our previous meetings and correspondence, the JT Group takes the issue of child labor very seriously. One part of our approach is to implement a set of clear standards for improving labor conditions everywhere that we purchase tobacco. With the support and guidance of the ILO we have developed such standards and are committed to having them communicated, and 100% observed by both our directly-contracted and indirectly-contracted growers, at the latest by 2019, through our ALP (Agricultural Labor Practices).

In response to your questions on our tobacco leaf purchases in Indonesia, you will understand that commercial sensitivities do not allow us to provide you detailed data regarding quantities or values of tobacco purchased in a specific sourcing country. However, we can summarize our activities in Indonesia as follows:

- While we do not have directly-contracted growers in Indonesia, we source Indonesian tobacco through third-party suppliers in the provinces where you conducted your research.
- Our third-party suppliers source the majority of their tobacco for JTI through their directly-contracted growers, though some of their tobacco may be bought via the middleman system to which you referred.
- Indonesian tobacco represents a relatively small volume in our sourcing strategy, approximately 3 200 tons, about 1.3 % of our total annual leaf purchases, in 2015.
- The volumes purchased in Indonesia and their proportion to our total leaf purchase have not fluctuated to any significant degree over the period mentioned in your letter.

One key point that we would like to make very clear: Our commitment to improving labor conditions and ending child labor is unequivocal. Regardless of the size of our purchases, or whether we purchase tobacco ourselves directly or through third party, we remain determined to creating positive change and a long-term future for tobacco growers.

As such, the strategy that we have previously explained to you, and in particular our ALP, are as important in Indonesia as elsewhere, and are applied with the same degree of thoroughness and diligence.

The global roll out of ALP through third-party suppliers is ongoing, with Indonesia currently scheduled to begin in 2017. The ALP roll-out takes time as its effectiveness depends on the understanding and commitment of both the growers and the farming experts who work for our third-party suppliers to support them. This is achieved through developing a clear picture of actual conditions on the ground and comprehensive training programs that take these into account. This process of localization is essential in ensuring that those who are responsible for upholding our ALP standard have a clear understanding of how to translate words into actions.

That being said, as a result of the fruitful meetings and written exchanges that we have had, we hope that you will recognize that our approach toward tackling issues such as child labor and workers' health and safety is globally harmonized.

One point that you raise, which we have not previously discussed, is the issue of whether we apply different standards to family-workers on farms (as opposed to those being employed purely for commercial reasons). The answer is no. We apply one set of clear standards everywhere that we source quality tobacco.

We welcome the publication of a more detailed report, since we believe that Human Rights Watch's work in this area continues to raise public awareness of the complexities around child labor in farming. We look forward to future opportunities for us to continue to work together in making a difference.

Yours sincerely,



Maarten Bevers
Vice President
Corporate Affairs & Communications
Global Leaf

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Lois Whitman,
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Founder, Director (1994-2012)

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January 20, 2016

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Maarten Bevers
Vice President,
Corporate Affairs and Communications, Global Leaf
Japan Tobacco International
JT Bldg. 2-1, Toranomon 2-chome
Minato-ku, Tokyo
105-8422 JAPAN

Dear Maarten,

Thank you for your letter of December 8, 2015 in response to Human Rights Watch's letter sharing our findings on child labor in tobacco farming in Indonesia. We appreciate the ongoing dialogue we have with Japan Tobacco International on these issues.

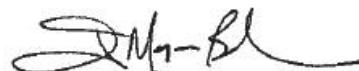
We are writing with a few additional questions to help us better understand JTI's policies and procedures regarding child labor globally, and in Indonesia.

1. Your letter notes that JTI's Agricultural Labor Policy (ALP) program is not yet implemented in Indonesia, but will be rolled out in 2017. Could you please provide us with a list of countries where JTI's ALP is operational and when it became operational in each of those countries?

2. Since JTI's ALP is not yet operational in Indonesia, what policies and procedures, if any, does JTI currently have in place to identify, prevent, and mitigate potential human rights concerns, including child labor, in its supply chain in Indonesia? What steps, if any, are currently in place to monitor implementation of those policies and procedures in JTI's supply chain in Indonesia?

Thank you for your attention to these questions. We would also like to confirm a time for a conference call and will email you directly regarding that.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division



Human Rights Watch

350 Fifth Avenue, 34th floor
New York, NY 10118-3299
USA

Geneva, 23 February, 2015

Dear Jane,

Thank you for your letter of January 20. Let me take this opportunity to wish you, and all at Human Rights Watch, ongoing success in promoting human rights and justice around the world in 2016.

With regard to your request (namely, additional details regarding the roll-out of our Agricultural Labor Practices [ALP] implementation, including the plan for Indonesia), I am happy to take you through these at our upcoming meeting on March 15.

At that time I can provide you with our full global ALP implementation plan. In order for this to be productive I would like to establish whether we have a shared understanding of the term 'operational' (as used in your letter). For us, we describe ALP as being successfully operational only after farming experts in the fields: are fully trained on ALP; communicate our expectations to farmers; give support to farmers to improve tobacco growing practices; observe the effect of this support and tailor it accordingly; and define how our investment plan can accurately target the root causes in those communities where issues have occurred.

Thanks to our meetings and ongoing correspondence, you are certainly familiar with the fundamentals of our programs. We believe that further discussion will allow you to better appreciate the attention to detail and investment-focus that distinguish JTI's approach.

Given the thoroughness with which ALP was developed and rolled-out, it is to be expected that its full implementation be done with the same thoroughness. That means training and observing upwards of 80,000 farmers, and critically, adapting this training and ALP itself to local situations. We are equally committed to holding our third-party suppliers accountable, but do so in addition to fully accepting our responsibility.

ALP, for us, is a long-term commitment: it will never be a case of 'job-done'. It is a sincere aspiration in the face of a problem that has persisted for generations. It is being addressed with a sense of urgency by JTI through meaningful action, committed employees, cooperative farmers, willing community leaders, and expert advisers. It takes time. The challenge is compounded by the constantly shifting nature of our farmer base: their numbers change each year, their family situations evolve, new growers take up tobacco, while some leave farming behind and migrate to the city.

Though tobacco accounts for a tiny fraction of the world's crops (less than 0.5 %), I am encouraged by the progress that we have made. Our employees are proud of the positive changes that JTI has brought to tobacco growing communities.

At our meeting I would like to discuss, in addition to our ALP global roll-out plan, the possibility that you might come and see how our programs work in Brazil, a country where we've made substantial advances through ALP implementation and targeted investment. By visiting our farmers and meeting the people whose lives and opportunities have been changed for good, you will further understand our commitment to human rights standards and the long term future of tobacco farming.

Yours sincerely,

Maarten Bevers
Vice President
Corporate Affairs & Communications
Global Leaf

JT International SA

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Joel Motley, *Co-Chair*

November 20, 2015

PT Nojorono Tobacco International
Jl. Jenderal Sudirman No. 86B
Kudus, Indonesia

HUMAN
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HRW.org

Attn: Chief Executive Officer or President

Re: Child labor in tobacco farming in Indonesia

Please accept our regards on behalf of Human Rights Watch. Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the progressive elimination of hazardous child labor in tobacco farming worldwide. In 2010 we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 we published a report on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch has concluded that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for children under 18.

Since December 2013, we have met or corresponded with executives of nine of the world's largest tobacco companies about their child labor policies and procedures in the United States and globally. All tobacco companies are responsible for ensuring that children are protected from hazardous work on tobacco farms in their supply chains.

We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response. We hope to initiate a constructive dialogue with Nojorono regarding the progressive elimination of child labor in tobacco farming in Indonesia.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

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In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

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Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

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Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

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Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

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Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

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Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; squatting or kneeling while wrapping and bundling tobacco leaves.

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EDUCATION

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WAGES AND HOURS

Working Hours

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While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about Nojorono's policies and practices regarding human rights in the tobacco supply chain. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. We would be grateful to receive brief data on Nojorono's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. Does Nojorono also purchase tobacco from other countries? If so, we would be grateful for data on how Nojorono's tobacco purchasing in Indonesia compares to other countries.
3. Does Nojorono contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Nojorono in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Nojorono in 2013, 2014, and 2015 was purchased from contracted growers?
 - c. What kind of training is provided to farmers contracted to grow tobacco for Nojorono?
4. Does Nojorono purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Nojorono in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Nojorono require training or certification for individuals to be able to sell tobacco to Nojorono's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the

sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Due Diligence

5. What due diligence policies or procedures does Nojorono have in place to identify, prevent, mitigate, and account for possible impacts of your company or your suppliers on human rights, including child labor and labor rights?
6. How does Nojorono ensure that all your suppliers are using rigorous human rights due diligence measures?

Child Labor

7. What policies or procedures does Nojorono have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to Nojorono and to Nojorono subsidiaries and suppliers?
8. What is Nojorono's policy regarding work by children under 18 on tobacco farms supplying Nojorono in Indonesia, and globally?
9. Under Nojorono's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying the company, and under what circumstances?
10. Does Nojorono prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If the company prohibits hazardous work for children under 18, what specific tasks does Nojorono define as hazardous?
 - a. Does Nojorono allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
11. How does Nojorono communicate its standards and expectations regarding child labor to growers and suppliers in its supply chain?
12. How does Nojorono monitor for child labor or other human rights abuses in its supply chain?
13. Has Nojorono identified or received any reports of child labor on tobacco farms supplying tobacco to Nojorono in 2013, 2014, or 2015? If so, what actions has Nojorono taken?

Health and Safety

14. In Nojorono's view, what are the dangers to children of work in tobacco farming?
15. What steps does Nojorono take to ensure that tobacco farmers and workers in its supply chain are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
16. What policies does Nojorono have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain to active spraying of

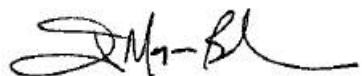
pesticides or other hazardous chemicals? How does Nojorono monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Nojorono's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 18, 2015.

In addition, we would be grateful for the opportunity to meet with you or senior executives from Nojorono to discuss our findings and recommendations. Please contact Margaret Wurth at +1 (484) 554-3194 or wurthm@hrw.org to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

Kantor pusat :
 Jl. Jend. Sudirman 86 B
 Telp. : (0291) 439161 (7 lines)
 Fax. : 62.0291.432464
Kudus - 59311



Perwakilan² :
 Jakarta
 Bandung
 Surabaya
 Kudus

December 23, 2015

To
 Human Rights Watch
 Attn. Ms. Margaret Wurth
 350 Fifth Avenue, 34th Floor
 New York, NY 10118-3299, USA

Dear Ms. Margaret Wurth,

Replies your letter dated 20th November 2015 Re. Child Labor in Tobacco Farming in Indonesia, please be informed that our company, as well as other cigarette manufacturers in Indonesia, is organized under the same organization called "GAPPRI (Gabungan Perserikatan Pabrik Rokok Indonesia)". Should you need any information regarding cigarettes or tobacco farming, including about child labor, you can directly contact them on following address:

GAPPRI (Gabungan Perserikatan Pabrik Rokok Indonesia)
 Jl. Kebon Kacang 30 No. 1B,
 Jakarta Pusat 10240
 Telp. (021) 3193 4400, 3192 3481
 Fax. (021) 3192 3481
 Attn. Mr. Ismanu Soemiran

Thank you for your attention.

Best regards,

PT. NOJORONO
KUDUS

Stefanus JJ. Bathalim
 PT. Nojorono Tobacco International
 Kudus, Indonesia

cc. : Mr. Ismanu Soemiran, GAPPRI

350 Fifth Avenue, 34th Floor
New York, NY 10118-3299, USA
Tel: +1 212 290 4700
Fax: +1 212 736 1300; +1 917 591 3452

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Juliane Kippenberg, *Associate Director*
Michael Bochenek, *Senior Counsel*
Elizabeth Calvin, *Senior Advocate*
Bill Van Esweld, *Senior Researcher*
Elin Martinez, *Researcher*
Margaret Wurth, *Researcher*
Bassam Khawaja, *Fellow*
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Lois Whitman,
Senior Advisor
Founder, Director (1994-2012)

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James Ross, *Legal & Policy Director*
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Joel Motley, *Co-Chair*

January 11, 2016

Mr. Stefanus JJ. Batihalim
PT Nojorono Tobacco International
Jl. Jenderal Sudirman No. 86B
Kudus, Indonesia

HUMAN
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HRW.org

Dear Mr. Batihalim,

Thank you for your reply of December 23, 2015. Human Rights Watch has written to GAPPRI Chairman Ismanu Soemiran. We look forward to a response from GAPPRI to our questions concerning their role in ensuring protection of human rights, including prohibiting hazardous child labor, in tobacco farming in Indonesia.

At the same time, we would be grateful for a detailed response from you regarding the policies and procedures established and implemented by PT Nojorono Tobacco International concerning child labor.

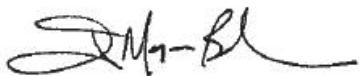
Private entities, including businesses, have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights. For example, the United Nations Guiding Principles on Responsible Business detail basic steps companies should take to respect human rights including to avoid causing or contributing to adverse human rights impacts through their own activities and to seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products, or services by their business relationships. "Business relationships" are understood to include relationships with business partners, entities in the value chain, and any entity directly linked to a company's business operations, products, or services.

For this reason, we are seeking a detailed response regarding the child labor policies and practices of PT Nojorono Tobacco International, including policies vis-à-vis its suppliers. We have sought similar responses from a number of other leading Indonesian and international tobacco product manufacturing companies purchasing tobacco in Indonesia, including other GAPPRI members.

We also reiterate our interest in meeting with you or other Nojorono Tobacco International staff to discuss these matters, in the interest of

establishing a constructive dialogue on protection of children from hazardous work in tobacco farming in Indonesia. Please contact me, Andreas Harsono, at harsona@hrw.org or +62 815 950 9000 to identify a mutually convenient time for such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

350 Fifth Avenue, 34th Floor
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Joel Motley, *Co-Chair*

November 16, 2015

HUMAN
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HRW.org

André Calantzopoulos
Chief Executive Officer
Philip Morris International, Inc.
120 Park Avenue
New York, New York 10017

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Calantzopoulos,

Thank you for Philip Morris International's (PMI) letter to Human Rights Watch of November 2, 2015. We have appreciated our dialogue with PMI around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information PMI has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco supply

chain. We are interested to learn more about PMI's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does PMI purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on PMI's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of PMI's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does PMI or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with PMI in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by PMI in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does PMI or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by PMI in 2013, 2014, and 2015 was purchased through this system?
 - b. Does PMI require training or certification for individuals to be able to sell tobacco to PMI's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information PMI has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your detailed letters to Human Rights Watch, the information shared in our meetings, and the information on your website, we are familiar with the child labor provisions of PMI's Agricultural Labor Practices (ALP) Code, and we understand the ALP Code defines "the labor practices, principles and standards PMI expects to

- be met on all tobacco farms with which PMI or PMI's suppliers have contracts to grow tobacco for PMI." How does PMI implement the ALP in Indonesia, including with growers who directly contract with PMI as well as with growers who may be supplying tobacco through middleman traders? What does PMI envision as the kind of work children engaged in family farming can perform?
6. How does PMI communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through "middleman traders," in its supply chain in Indonesia?
 7. What steps does PMI take to conduct due diligence concerning child labor in Indonesia? That is, how does PMI identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does PMI ensure that risks are mitigated and that violations of the company's child labor policy are quickly discovered and addressed?
 8. Has PMI identified or received any reports of child labor on tobacco farms supplying tobacco to PMI in Indonesia in 2013, 2014, or 2015? If so, what actions has PMI taken?
 9. We would welcome any additional information PMI would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

10. What steps does PMI take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does PMI have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does PMI monitor the implementation of these policies?

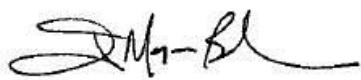
We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect PMI's

policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of PMI to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia



PHILIP MORRIS INTERNATIONAL
MANAGEMENT SA

December 14, 2015

Ms. Jane Buchanan
Associate Director, Children's Rights Division
Mr. Andreas Arsono
Senior Researcher, Indonesia
Jakarta, Indonesia

Human Rights Watch
350 5th Avenue, 34th Floor
New York, New York 10118-3299

Dear Ms. Buchanan and Mr. Arsono,

I write in response to your inquiry to Mr. André Calantzopoulos, Chief Executive Officer of Philip Morris International, Inc. (PMI)¹, dated November 16, 2015, regarding Human Rights Watch's (HRW) research on child labor in tobacco farming in Indonesia.

We sincerely appreciate HRW's interest and the constructive dialogue we have maintained on this complex and difficult issue. It has helped us to shape and improve our Agricultural Labor Practices (ALP) program around the world.

Once again, you bring to our attention issues of serious concern. Unfortunately, the overall scenario depicted by your research is not unlike PMI's affiliate (HM Sampoerna) and its suppliers' assessment of the local situation when back in 2011/2012 we were setting on the implementation of the ALP Program.

Despite the challenging circumstances in Indonesia we believe to have made significant progress over the last three growing seasons. Some of the issues you raise still surface through the internal and external monitoring processes implemented, but we also see positive and encouraging changes in attitudes and practices. Much more needs to be done and we remain fully committed for those changes to spread and consolidate.

We also note that despite HM Sampoerna's strong market standing and the commitment of its local suppliers the reality is that the Indonesian tobacco leaf market is largely dominated by local companies (almost the entire tobacco production of Indonesia is used by the domestic industry) and the vast majority of the overall tobacco production is beyond the reach of our ALP Program.

¹ In this letter, "PMI", "we", "us" and "our" refer to Philip Morris International Inc. and/or its subsidiaries including affiliates.



PHILIP MORRIS INTERNATIONAL
MANAGEMENT SA

Included in this letter are specific responses to your questions (Annex I), but we would also like to take this opportunity to highlight our strategic focus on the ALP Program implementation in Indonesia and contextualize the steps we have taken.

In Indonesia, tobacco is produced mostly by smallholder farmers following the same general pattern that can be observed in the whole Indonesian agricultural sector, where 30% of the farmers own less than 0.2 ha and 26% own between 0.2-0.5 ha². Typically, tobacco farmers are also rice and / or corn farmers, rotating these other crops in the same plot throughout the year. An estimated 61.6% of child laborers in Indonesia are working in agriculture³ and child labor in tobacco farming cannot be dissociated from this wider context.

There are around 550.000 tobacco farmers growing many different tobacco types over vast and diverse regions from Aceh to Sulawesi, with an estimated total production area of 198.000 ha⁴. The main growing areas are situated in Java (70% of overall production) and West Nusa Tenggara (Lombok) (20%)⁵.

Further to the huge scale and the atomized nature of the production units, another typical feature of tobacco farming in Indonesia is the multi-layered supply chain. After the farm, tobacco normally goes through a number of “poolers”, “intermediaries” and “middlemen” before reaching its final buyer. Lack of traceability and visibility into production conditions limit buyer’s ability to promote good agricultural and labor practices and to prevent child labor.

In this context, we believe that the single most important step for PMI to have a decisive positive impact on child labor has been the decision to progressively move away from the multi-layered supply chain and to implement an Integrated Production System (IPS), where our suppliers directly contract farmers (or farmer groups) and provide technical and other support throughout the season.

This is the only way to gain access to, and leverage with farmers so as to make tangible and sustainable improvements in the conditions of production, including labor practices, of farms in our supply chain. As a consequence, the proportion of tobacco we purchase from contracted growers grew significantly from 12% in 2011 to more than 60% in 2014⁶ and we will continue focusing our efforts to increase this number.

² Agricultural Census 2013 – Statistics Indonesia

³ US DoL, ILAB Report 2014

⁴ Tree Crop Estate Statistic of Indonesia 2013-2015 – Directorate General of Estate Crop

⁵ Agricultural Census 2013 – Statistics Indonesia

⁶ Final data from 2015 still not available



PHILIP MORRIS INTERNATIONAL
MANAGEMENT SA

Meanwhile, work at the community level with non-IPS farmers to raise awareness and to improve practices remains an important complementary element of our approach but we are also aware of its inherent limitations. Without IPS, we lack leverage as the farmers are not bound to follow our ALP Code, we lack visibility into the actual farm practices and, most importantly, there are hundreds of thousands of farmers which we alone cannot reach. Our efforts therefore focus on improving the social and economic conditions of selected communities which is by nature less impactful than IPS.

We believe our strategy is nevertheless bearing its fruits and we provide detailed information about our efforts and progress below.

We also welcome the opportunity for a more in-depth discussion about the ongoing efforts and the findings of your research, and look forward to our upcoming meeting in New York.

Sincerely,

A handwritten signature in blue ink, appearing to read "Miguel Coleta".

Miguel Coleta

Sustainability Officer

Encls: Annex I – PMI's answers to the questions raised by HRW

Cc: Mr. André Calantzopoulos, Chief Executive Officer
Mr. Marco Mariotti, Senior Vice President, Corporate Affairs
Mr. Paul Janelle, President Director, HM Sampoerna
Mr. Nicolas Denis, Vice President, Leaf



PHILIP MORRIS INTERNATIONAL
MANAGEMENT SA



Annex I

PMI's answers to the questions raised by HRW

1 - Does PMI purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on PMI's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.

PMI's local affiliate, HM Sampoerna, purchases tobacco in Indonesia through four suppliers:

- Sadhana (our main supplier by volume)
- Alliance One International (AOI)
- Pandu Sata Utama
- Tempurejo

Given the commercially sensitive nature of tobacco purchase data, we do not disclose specific information related to our purchases. However, we can say that in 2014⁷ we have purchased 66% of our Indonesian tobacco volumes in East Java (down from 74% in 2013), 15% in Central Java (up from 10% in 2013), 18% in West Nusa Tenggara (up from 14% in 2013), and only 1% in West Java (down from 2% in 2013).

This year we did not purchase in West Java. In some areas of East Java we are facing difficulties with the introduction of IPS and are currently assessing our footprint in those areas.

2 – How does the volume of PMI's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?

Without providing specific data related to our purchases, tobacco leaf from Indonesia totals approximately 10 % of PMI's worldwide leaf purchases, and is used almost exclusively in production for the domestic market.

3 – Does PMI or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?

- a. *If so, how many farmers were contracted with PMI in 2013, 2014, and 2015, and in which provinces?*
- b. *What proportion of the total tobacco purchased by PMI in 2013, 2014, and 2015 was purchased from contracted growers?*

HM Sampoerna's suppliers contract directly with both individual tobacco farmers and farmer groups. The very small size of the farms does not always allow for an individual approach to IPS. Where feasible our suppliers seek to establish an individual approach (currently approximately 40% of the total number of IPS farmers), but are also leveraging the traditional

⁷ Final volume split per region still not available for 2015



groups of neighboring farmers who come together for supporting each other's production⁸ to reach a wider number of farmers. Typically these groups will appoint an informal leader who takes responsibility for the contract and act as the liaison with our suppliers (e.g. gathering other farmers for knowledge sharing sessions or other initiatives).

As noted above, we believe that only through the introduction of IPS we can fully implement all the elements of the ALP Program and have an impact in improving labor conditions in our supply chain, including the implementation of internal and external monitoring processes that allow us to understand and measure progress over time.

Since 2011 the total number of contracted farmers has evolved from 7,000 farmers to around 27,000 farmers in 2015.

Likewise, the proportion of tobacco purchased from contracted growers grew from 12% in 2011 to more than 60% in 2014⁹.

Moving into direct contracts as part of an IPS approach is a complex process that requires major investments in human resources and infra-structure. It implies changing farmer's "traditional way of doing things", which only happens when they understand the benefits, in terms of improved incomes (better yields and quality), reduced costs, and the well-being of their family and workers. That cannot be done overnight and requires a long-term commitment.

Notwithstanding the material benefits are clear. We observed in 2014 clear improvements in IPS farmers' yields (and consequently income) vs. non-IPS farmers, ranging from more than 50% increases in Madura to 20% increases in Jember.

However, there are also challenges to the expansion of IPS which relate to the way the traditional supply chain system works. For example, to expand IPS in areas where there are many middlemen or intermediaries operating, our suppliers take on a significant financial risk with the potential for farmers to "side-sell" into the traditional channels and the difficulty to enforce contracts. The expansion rate is thus also conditioned by mutual trust between farmer and buyer which can only be built over the course of the season(s) and based on positive outcomes for both parties.

4 – Does PMI or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?

- a. *If so, what proportion of the total tobacco purchased by PMI in 2013, 2014, and 2015 was purchased through this system?*
- b. *Does PMI require training or certification for individuals to be able to sell tobacco to PMI's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?*

⁸ These traditional groups organize themselves also to work on other crops (e.g. rice) and they are an association of equals to maximize the limited resources available. Differences among the group members are resolved through traditional channels, e.g., first through discussion within the group and ultimately, when that is not possible, through mediation by the local religious leader.

⁹ Final volume data for 2015 not available yet.



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The evolution of our purchases in the open market (or traditional “middlemen trader” system) has been inversely proportional to our IPS purchases. From 88% of our volume in 2011, these purchases represented less than 40% in 2014¹⁰.

We are not aware of any existing training or certification scheme focusing on child labor or labor practices for companies or individuals operating in the open market (or traditional “middlemen trader” system).

As noted above, HM Sampoerna does not buy leaf directly from farmers but from suppliers who have to meet several requirements, such as:

- Being a registered company
- Submit business license and notarial deeds
- Comply with PMI code of conduct
- Comply will local law and regulations
- Not listed in SDN
- Commit to the implementation of PMI's GAP and ALP Program

HM Sampoerna operates in a market that is dominated by local companies who do not necessarily share our approach to supply chain issues. Further, the complexity of the traditional “middlemen trader” system makes it difficult for any company to have a structured approach with the innumerable players of the traditional open market.

5 - We are grateful for the information PMI has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your detailed letters to Human Rights Watch, the information shared in our meetings, and the information on your website, we are familiar with the child labor provisions of PMI's Agricultural Labor Practices (ALP) Code, and we understand the ALP Code defines “the labor practices, principles and standards PMI expects to be met on all farms with which PMI or PMI's suppliers have contracts to grow tobacco for PMI.” How does PMI implement the ALP in Indonesia, including with growers who directly contract with PMI as well as with growers who may be supplying tobacco through middleman traders? What does PMI envision as the kind of work children engaged in family farming can perform?

As noted by HRW, the ALP Code principles and standards apply to farms that have contracts to grow tobacco for PMI, so the core of our strategy in Indonesia to implement the ALP Program and Code is the introduction of those contracts, moving away from the middleman traders system.

Acknowledging that this is a relatively slow process and that the overall objective of the program¹¹ is valid regardless of the purchase system, HM Sampoerna also has significant programs in place to improve labor conditions among non-IPS farmers, focusing on topics such as child labor, use of crop protection agents (CPA) or green tobacco sickness (GTS), which we will describe below under questions 6, 8 & 10.

¹⁰ Final volume data for 2015 not yet available.

¹¹ “Progressively eliminate child labor and other labor abuses and to achieve safe and fair working conditions on all farms from which PMI sources tobacco”



HM Sampoerna has been reaching out to local authorities, sector associations (such as the Indonesia Tobacco Community Alliance - AMTI) and media to raise awareness about IPS and Good Agricultural Practices (including ALP).

Further, HM Sampoerna is currently developing a new project with the ECLT Foundation, with the ultimate aim of building a multi-stakeholder platform to sensitize all relevant local stakeholders and mobilize them to take common action against child labor. In 2015, ECLT conducted two scoping visits and had preliminary discussions with a wide range of stakeholders, including the Indonesian government, ILO, NGOs and industry. The project plan was approved at ECLT's last board meeting (September, 2015) and involves in a first stage a baseline study in cooperation with the government, ILO and local universities, and an awareness raising campaign targeting specific tobacco growing areas.

Regarding work by children on the family farm, some conditions have to be met for such work on tobacco related activities to be admissible:

- Work is not hazardous¹²;
- In the case of children 13-15 years old, it may be acceptable that farmers involve their own children in part of the farm work provided that:
 - o The work does not interfere with children's education
 - o Farmers' children are only given safe jobs that only involve light work
 - o Farmer or another responsible adult is always present and supervising their work
 - o The work includes training, e.g., they are learning how the family business works
 - o There is a strict limit on the hours spent at work each day and week so that they have enough time for education (including the time needed for homework), for rest during the day, and for leisure activities
- For children below the legal limit for light work (13 in the case of Indonesia) we deem all tobacco related activities inappropriate.

6 – How does PMI communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?

Our suppliers are contractually bound to the ALP standards who in turn bind their contracted farmers and these are trained individually and in group sessions.

To support the implementation of the ALP Program our suppliers currently have more than 215 field technicians who are in regular contact with the 27.000 farmers involved in the IPS system. In their regular visits field technicians communicate our ALP Code standards, collect farm profiles, monitor practices, and support farmers in addressing problems and making improvements. In these visits, field technicians are regularly accompanied by their supervisor and their individual experiences are shared and discussed regularly in internal group meetings of field technicians.

¹² We refer to previous correspondence with HRW where we detail the conditions and activities we believe clearly fall into this category



Throughout the season all field technicians receive regular refresher trainings on different ALP topics and their knowledge is assessed both with written and oral tests.

A range of communication materials was developed to support field technicians' engagement with farmers on child labor, including posters, farmer's notebook / planner, and an educational video that field technicians can play on their tablets during the farm visit.

As you know, we also commission external assessments of the progress we are making with the ALP Program. These assessments include verification of the management process in place as well as the farm level status with regards knowledge and understanding about our program and current practices.

One of those assessments was conducted by Control Union (CU) over this year's crop season and focused on Sadhana's¹³ IPS farmers in Lombok. Although we do not yet have the final report, we do have some information that was shared by the assessors during the closing meeting.¹⁴

CU's assessment found that the internal structure and management processes necessary for our supplier to manage the ALP program consistent with our expectations were in place. Our suppliers significantly increased their capacity with new staff dedicated to support IPS implementation, but CU also found that there is a need to maintain and reinforce the focus on field technicians' training as the ALP Code standards were not clear to all (e.g. some field technicians interviewed considered 18 as the minimum age for working, while others were not capable to identify all the activities / conditions we deem hazardous). . Farmer's levels of awareness about our standards also needs to improve (currently at 64% - again, probably a reflection of the inclusion of many new farmers over last season), but the buy-in among those that understood was high (over 94%) which suggests that the communication approach is effective.

We also leverage on farmer's traditional celebrations of harvesting and planting season, to sensitize farmers about the issue of child labor and to promote good practices. These celebrations take place in almost all tobacco growing areas in Indonesia, and during 2013 – 2015 HM Sampoerna held a roadshow in 13 locations across Central Java, East Java and Lombok (involving around 12,000 farmers). The objectives were to increase public awareness about the importance of education, prevent childrens' involvement in hazardous farming activities, improve knowledge about GTS and the measures to prevent it, and other relevant health and safety practices. During these farmer festive days a number of activities were organized to achieve these objectives:

- Handicraft training and economic empowerment activities for farmers' wives guided by local women leaders, previously trained by the ALP country team to introduce messages about children education, child labor prevention, etc.
- Small group edutainment sessions on topics such as ALP, GTS, etc. (e.g. role playing sessions with local actors on GTS and healthy lifestyles)
- Agro-Expo display of new technologies (e.g. safer, labor saving technology)

¹³ Sadhana is our main supplier by volume.

¹⁴ We expect that by the time we have the opportunity to meet face-to-face in New York we will have available the results of CU assessment and have the opportunity to discuss them in further detail.



- Individual booths to illustrate good practices (e.g. where field technicians would simulate proper usage of CPA protection equipment demonstrating how and when to use CPAs)

During these festivities HM Sampoerna's rescue team (SAR), which includes medical doctors and specially trained volunteers, provide free medical checkups to tobacco farmers and the surrounding communities (also providing information on GTS)¹⁵.

With regards tobacco that is produced by non-IPS farmers, we necessarily need to take a different communication approach. We do not know which farms are producing the tobacco we ultimately purchase nor which farms are producing the tobacco that will ultimately be purchased by other companies. Further, this brings a limitation in terms of our leverage and determines that rather than "communicating our standards" we need to focus on the broader context of the community.

Since 2011, HM Sampoerna together with the Social Transformation and Public Awareness Center (STAPA - a local non-profit organization based in Pasuruan, East Java) developed a program to "Empower tobacco farmers' communities through community learning groups (CLGs)". This program provides a comprehensive approach to local tobacco growing community issues, ranging from labor and agronomy practices, to access to information and education, economic and gender equality. The program is designed to improve the social and economic conditions of the community (e.g. financial literacy training, alternative income generation activities) while changing their paradigm, attitude and behavior towards Good Agricultural Practices and ALP (e.g. ALP training during women empowerment activities).

Since 2011 this program has been active in 13 areas across Indonesia reaching 4,913 people in four provinces. In 2015 the CLGs program was conducted in six areas (two in Central Java, three in East Java, and one in Lombok) involving approximately 1,250 people.

7 – What steps does PMI take to conduct due diligence concerning child labor in Indonesia? That is, how does PMI identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does PMI ensure that risks are mitigated and that violations of the company's policy are quickly discovered and addressed?

Further to publicly available research¹⁶, we rely on the monitoring activities that are being introduced as part of the ALP Program to identify risks and actual problems at the farm level. Our monitoring process starts with our suppliers' field technicians that visit farms on a regular basis and includes external assessments by third-parties. Field technicians are expected to monitor, report and take action to address actual or potential child labor problems. They are supported by an ALP country team that involves supplier or our management staff, as the case maybe, whose role is to ensure transparent reporting, actions consistent with the principles of the program, and that systemic or highly prevalent issues are being addressed in a comprehensive way.

¹⁵ SAR team conducts these free medical checkups on an ongoing basis across all tobacco and clove growing areas in Indonesia. Since its inception in 2004 the SAR team supported over 80.000 people, both in disaster relief efforts and providing medical assistance and education on health topics.

¹⁶ E.g. information available at <http://www.ilo.org/jakarta/areasofwork/child-labour/lang--en/index.htm>



Further to the initial field visits conducted with our partners from Verité to identify main areas of risk, our suppliers started (during the 2012/13 crop season) to collect farm profile information using the global template developed for the ALP Program¹⁷.

While this information gathering initially started on paper support, two of our suppliers have now introduced a digital information gathering tool which encompasses both farm profile information and monitoring data. During 2015 they have gathered farm profile information for the approximately 27,000 farmers involved in IPS.

During the first phase of the program, the main child labor risks and issues (identified through farm profile information, field technicians' reports, joint field reviews with PMI and Verité staff) varied according to the region and type of tobacco but included in general issues such as school age children helping on the family farm doing hazardous activities (sticking the tobacco for curing was the most common issue), children helping their parents with harvesting and loading or unloading barns (more prevalent among older children), or less prevalent but still common issues such as children from the local community with legal age to work, working on neighboring farms (either for pay or as part of family's exchange of labor) and doing hazardous work (e.g. harvesting). Although not a general problem we also identified as a specific area of concern children's potential exposure to CPA's given the generally poor health and safety practices related to CPA usage.

This helped to define our priorities in terms of communications and to develop concrete initiatives to address these problems. For example, putting a greater emphasis upfront on GTS awareness and prevention, or proper CPA usage, as well as introducing alternative techniques to reduce labor needs. Under questions 8 & 10 we will provide more information about company initiatives to address the main risks related to child labor and health and safety.

Two of our suppliers have in the meantime moved into the second phase of the program and started to pilot the systematic monitoring of the ALP Code standards. During the current season, as of October 2015, out of the two ALP Code principles that were being systematically monitored in the areas of Lombok, Lumajang and Rembang (Child Labor and Safe Work Environment), there were over 1000 issues reported by the field technicians and over 10% of those issues related to child labor.

Each case was followed-up according to a procedure defined by our suppliers, which included follow-up visits (sometimes by the area supervisor) to ascertain whether the issue persisted, and, depending on the severity of the case, could include enforcement actions by the suppliers against farmers that were not adhering to our standards.

HM Sampoerna does not have any control over the day to day activities of our suppliers but holds regular meetings to monitor ongoing efforts and to support our suppliers in addressing challenges.

¹⁷ Please see appendix two at
http://www.pmi.com/eng/media_center/company_statements/documents/PMI_ALP_Progress_Report_2012.pdf



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According to our supplier's information, one of the most serious issues described in HRW's research, which were situations of children being exposed to or participating in activities involving CPA, is very rare among IPS contracted growers.

This is also corroborated by the information we have available from the external assessment conducted by CU that found no evidence of these situations, although it confirmed the remaining areas of risk identified upfront and that continue to surface in our internal monitoring.

CU's assessment data also shows that levels of awareness and training regarding CPA application were relatively high (>80%) which suggests progress with our communication efforts and could underpin the fact we are not identifying children exposure to CPA in IPS contracted farms. Unfortunately, we cannot rule out the possibility that such situations may occur, particularly with farmers that are selling in the open market and that, as such, we cannot monitor.

An additional source of information regarding child labor issues is the monitoring done in connection with specific interventions to address the problem. By way of example, in 2014 we commissioned the Putera Sampoerna Foundation to assess the impact of our after school program initiative (further described below in question 9) in the regions of Lombok (6 schools and 724 surveys) and Klaten (4 schools and 456 surveys). This program covers both IPS and non-IPS farmers and the assessment showed great feedback from the communities involved and found that this single initiative was reducing by up to 90% the time children spent on the farm. Further research is ongoing this year to understand to what extent this reduction of time spent on the farm is actually translating into a reduction of child labor.

8 – Has PMI identified or received any reports of child labor on tobacco farms supplying tobacco to PMI in Indonesia in 2013, 2014, 2015? If so, what actions has PMI taken?

Yes. Further to publicly available information which is not specific to farms supplying to PMI, we have been regularly reviewing with our suppliers the progress with the ALP program implementation, as noted above.

Further to training, communication and the individual actions taken by our suppliers when a child labor situation is reported, HM Sampoerna has put in place a set of initiatives to tackle the main issues and risks identified.

After School Program

This program focuses on increasing the awareness of tobacco farmer's family about the risks of child labor and in providing opportunities at school for children to maximize their potential. This program results from a collaboration of local governments and schools, and our partners from STAPA Center and the Putera Sampoerna Foundation, and is providing extracurricular activities for children in their respective schools. These activities vary according to each school but include educational games, dance, martial arts, music and farming. In 2015, this program is running in 25 schools (14 in Lombok, six in Klaten, two in Rembang, and three in Lumajang) with 2,325 children enrolled. As noted above this program initially achieved significant reduction in the time children spend on the farm and further research is ongoing to assess the actual impact on child labor incidence.



Scholarship Program

This program is carried out in areas where the company operates, including areas where we source tobacco and clove. To address the issue of school drop outs, this program targets high school students from financially disadvantaged families living in the rural communities. This scholarship program started in 2011 and has provided financial support to over 5,500 students across Indonesia, including many tobacco farmer's children.

Reduce labor needs on farms

Based on our own monitoring data, the most common activity children get involved on the family farm is the process of sticking the tobacco after harvest, in preparation for curing. It is a labor intensive process where there's risk of exposure to GTS for handling fresh green tobacco leaves. In Lombok, we started to introduce a more efficient technique ("clips") that eliminates the traditional sticking and reduces the risk of children being involved in the process. After harvest the tobacco is simply laid over a wood and metal clip which is then closed and hung for curing.

Still in 2013 we began monitoring the impact of this initiative and testing our assumptions about its potential to reduce child labor incidence. In the first year we closely monitored 145 farmers, split into two groups, with one using the traditional method and the other using clips. Although we have seen a reduction of child labor incidents of around 50% for the group using clips, we have also seen a tendency for children to be shifted to other activities like handling and sorting dried tobacco leaves. This suggests the need to couple this initiative with further training and complementary activities so that we prevent any displacement. Furthermore, given that clips represent a significant investment for farmers (compared to the traditional method) and the design of the clips is not yet perfect we are moving slowly with the introduction of this technique. Since 2013 we have introduced this technique to approximately 330 farmers (total of 295,600 units).

Another simple initiative that was driven by the insights of the initial stages of the program was to eliminate the activity of bundling the tobacco after the curing process. Although we do not deem this as a hazardous activity per se (with the dry cured leaves there is no risk of exposure to GTS), it is time consuming and yet another activity children were commonly involved in. Today 100% of Lombok and Lumajang IPS farmers are preparing the tobacco for sale without bundling the leaves.

Other ongoing initiatives with a direct or indirect impact on child labor will be described below under questions 9 and 10 as we refer to additional income generating / labor saving initiatives and health and safety, respectively.

9 – We would welcome any additional information PMI would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Child labor cannot be sustainably eliminated if the production conditions are not right. This requires a comprehensive approach to all aspects of production to cater for its sustainability. In addition to the various initiatives already described in this letter there are many others ongoing



which albeit not targeting child labor specifically can have an indirect impact. Just by way of example we list here a few of the projects ongoing in 2015:

- Mechanization of soil preparation (204 units being used by 1,290 farmers);
- Mechanization for seedling planting and fertilizer application (450 units);
- Tray systems to improve seedling quality;
- Direct access of IPS farmers to suppliers' buying station to shorten supply chain;
- Education for efficient use of water;
- Conversion of traditional barns to improve fuel efficiency (100 units) and use of alternative fuels (palm oil kernel shells) (1,162 farms)
- Several reforestation projects: bamboo for barn building materials (in Central Java) and trees for use in tobacco flue-curing (mainly Lombok), with around 4,5 million trees planted in the last three years.

10 – What steps does PMI take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning / Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?

Our approach to communication and monitoring of health and safety topics such as GTS or pesticide handling follows the same approach already described for child labor.

In addition to informational materials, individual and group training provided by field technicians of the suppliers, and follow up every time individual issues are identified, HM Sampoerna and its suppliers have since 2013 developed specific initiatives to tackle these problems, which include:

- Provision of safe CPA lock up storage to over 10,000 farmers;
- Distribution of over 26,000 units of long sleeve protective gear, and over 43,000 units of cotton gloves to prevent GTS exposure;
- Organized an empty container recycling scheme to reduce risks for people and the environment, currently reaching over 6,400 farmers;
- Introduced re-entry interval signage to prevent exposure to CPA after its application (started in 2015 in Lumajang, Lombok, Rembang, Blora).
- With the support from colleagues of HM Sampoerna's environment, health and safety department, our suppliers conducted specific training for field technicians to be better prepared to support farmers to identify hazards on the farm, determine the appropriate measures to manage or eliminate the risk
- With the support of a third-party (Industrial Clinic Services) two of our suppliers also organized in 2015 a first-aid training for all field technicians focused on tobacco farm issues, in particular potential CPA contamination and GTS.

The preliminary data from CU's assessment suggests progress in terms of awareness and training for CPA application for those involved in its use (>80%), but also suggests room for improvement with GTS awareness among farmers being still around 50%. It is clear for us that despite progress so far much remains to be done.

11 – What policies does PMI have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying



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of pesticides or other hazardous chemicals? How does PMI monitor the implementation of these policies?

Our ALP Code requires that only those trained and using adequate personal protective equipment are involved in CPA application, and that workers do not enter a field where CPA have been applied unless and until it is safe to do so as determined by those properly trained. We also recommend avoiding the use of CPAs wherever possible and our guidelines include a number of alternative, more sustainable strategies¹⁸. When conditions do demand that farmers use a CPA to defend against crop failure, our Good Agricultural Practices (GAP) program works to balance the potential environmental effects of using a CPA with farmers' economic concerns, always minimizing risk for both growers and workers present on the farm. Since its inception PMI's GAP Program has included training for farmers and workers about the correct use of CPA

We expect growers to comply with all applicable laws related to CPAs and with the health and safety ALP Code standards which, as noted above, is part of the ALP monitoring system.

Specifically in Asia, we have developed and launched this year an Integrated Pest Management master plan, with the objective to completely eliminate the usage of class I toxicity CPA's, use the less toxic substances available and minimize its application in tobacco.

¹⁸ http://www.pmi.com/eng/sustainability/good_agricultural_practices/pages/integrated_pest_management.aspx

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November 16, 2015

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Susan M. Cameron
President and Chief Executive Officer
Reynolds American
401 North Main Street
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Re: Child labor in tobacco farming in Indonesia

Dear Ms. Cameron,

Thank you for Reynolds American's letter to Human Rights Watch of October 30, 2015. We have appreciated our dialogue with Reynolds American around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information Reynolds American has shared with Human Rights Watch to date about its policies and practices regarding human rights in the

tobacco supply chain. We are interested to learn more about Reynolds American's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does Reynolds American purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on Reynolds American's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of Reynolds American's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does Reynolds American or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Reynolds American in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Reynolds American in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does Reynolds American or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Reynolds American in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Reynolds American require training or certification for individuals to be able to sell tobacco to Reynolds American's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information Reynolds American has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on the information on your website, we understand that "R.J. Reynolds and its

affiliates who buy tobacco contractually prohibit the employment of youth under 16 years of age in tobacco production. Youth 16 and 17 years of age may be employed by contracted growers, but only with written parental permission and only after receiving appropriate safety instruction. Youth who work on farms owned by their family are exempt from this policy.” Is Reynolds American implementing this policy in Indonesia? If not, what is Reynolds American’s policy regarding child labor in tobacco farming Indonesia? Are children working on farms owned or operated by family members exempt from this policy in Indonesia?

6. How does Reynolds American communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?
7. What steps does Reynolds American take to conduct due diligence concerning child labor in Indonesia? That is, how does Reynolds American identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does Reynolds American ensure that risks are mitigated and that violations of the company’s child labor policy are quickly discovered and addressed?
8. Has Reynolds American identified or received any reports of child labor on tobacco farms supplying tobacco to Reynolds American in Indonesia in 2013, 2014, or 2015? If so, what actions has Reynolds American taken?
9. We would welcome any additional information Reynolds American would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

10. What steps does Reynolds American take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does Reynolds American have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other

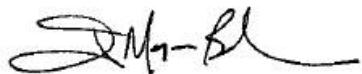
hazardous chemicals? How does Reynolds American monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Reynolds American's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of Reynolds American to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

Margaret Wurth

From: Wilson, John (Tripp) S <wilsonj4@RJRT.com>
Sent: Wednesday, December 16, 2015 11:47 AM
To: Margaret Wurth
Subject: Indonesia

RAI's operating companies use leaf dealers to acquire tobacco in Indonesia. The amount acquired is very small, accounting for 0.12% of total tobacco purchases. Leaf dealers' practices, including their human rights practices, are assessed pursuant to ABSustain's LeafTC program, about which we have spoken.

Thanks.

John S. Wilson, III
Vice President, Corporate Sustainability & Commercial Equity
RAI Services Company
336.741.7108

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November 16, 2015

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George C. Freeman III
Chairman, President, and Chief Executive
Officer
Universal Corporation
9201 Forest Hill Avenue
Stony Point II Building
Richmond, Virginia 23235

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Freeman,

Thank you for Universal Corporation's letter to Human Rights Watch of October 29, 2015. We have appreciated our dialogue with Universal around the elimination of child labor in tobacco farming. We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts,

government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine

poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are grateful for the information Universal has shared with Human Rights Watch to date about its policies and practices regarding human rights in the tobacco

supply chain. We are interested to learn more about Universal's activities in Indonesia. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. Does Universal purchase tobacco from Indonesia, either directly or through subsidiaries or suppliers? If so, we would be grateful to receive brief data on Universal's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. How does the volume of Universal's tobacco purchasing in Indonesia compare to the volume of tobacco purchased from other countries?
3. Does Universal or its subsidiaries or suppliers contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Universal in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Universal in 2013, 2014, and 2015 was purchased from contracted growers?
4. Does Universal or its subsidiaries or suppliers purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Universal in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Universal require training or certification for individuals to be able to sell tobacco to Universal's warehouses or facilities? If so, what does the certification process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Child Labor

5. We are grateful for the information Universal has shared with us in previous correspondence and meetings on its policies and procedures regarding the use of child labor in tobacco farming. Based on your letter to Human Rights Watch of October 29, 2015, we understand that Universal has adopted and implemented Philip Morris International's (PMI) Agricultural Labor Practices (ALP) program, including the detailed child labor provisions, for all growers in the United States. In addition, your letter states, "We have adopted the

- same ALP program and policies in other countries as well.” Is Universal implementing the child labor provisions of PMI’s ALP program throughout Indonesia? If not, what is Universal’s policy regarding child labor in tobacco farming Indonesia? Are there exceptions for children working on farms owned or operated by family members? If so, could you please explain the nature of these exceptions? To which companies does Universal supply tobacco purchased in Indonesia?
6. How does Universal communicate its standards and expectations regarding child labor to growers and suppliers, including growers who may be supplying tobacco leaf through “middleman traders,” in its supply chain in Indonesia?
 7. What steps does Universal take to conduct due diligence concerning child labor in Indonesia? That is, how does Universal identify real or potential child labor problems in the supply chain, including with any contracted growers and with suppliers of all sizes? How does Universal ensure that risks are mitigated and that violations of the company’s child labor policy are quickly discovered and addressed?
 8. Has Universal identified or received any reports of child labor on tobacco farms supplying tobacco to Universal in Indonesia in 2013, 2014, or 2015? If so, what actions has Universal taken?
 9. We would welcome any additional information Universal would like to provide to Human Rights Watch regarding its policies and practices toward eliminating child labor in tobacco farming in Indonesia.

Health and Safety

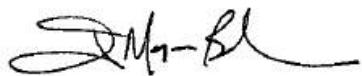
10. What steps does Universal take to ensure that tobacco farmers and workers in its supply chain in Indonesia are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
11. What policies does Universal have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain in Indonesia to active spraying of pesticides or other hazardous chemicals? How does Universal monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Universal's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 14, 2015.

In addition, we would welcome the opportunity to meet again with representatives of Universal to discuss our research findings and recommendations.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia



December 24, 2015

Ms. Jane Buchanan
Associate Director, Children's Rights Division
Mr. Andreas Harsono
Senior Researcher, Indonesia
Human Rights Watch
350 Fifth Avenue, 34th Floor
New York, New York 10118-3299

Dear Jane and Mr. Harsono,

Thank you for your letter dated November 16, 2015, regarding Human Rights Watch's preliminary findings concerning child labor in tobacco farming in Indonesia. George Freeman asked me to respond to your letter on behalf of the Universal group.

We appreciate the open dialogue we have with you and your team at Human Rights Watch. It has been helpful for us to speak with you directly on the topic of child labor to better understand what your group has seen during your visits and to discuss ideas for how this issue can best be addressed. As you are aware, our discussions with your group to date have primarily focused on the United States. We are hopeful that our discussions with you regarding Indonesia will also be productive.

As we move forward and in the spirit of our mutual cooperation, we encourage you to provide information concerning the locations of the children who said they worked in tobacco or the farms on which they worked. Our efforts will be better served when we share non-confidential information. If any of the farms you referenced are associated with Indonesian tobacco growers in East Java and Central Java with whom we have contracts, or with other third parties from whom we purchase tobacco in Indonesia, we would like to speak with those growers and third parties about the circumstances surrounding the children you interviewed and the activities they reported to you.

We have discussed the U.S. tobacco market with your group on several occasions, including detailed discussions regarding our recent implementation of the Agricultural Labor Practices ("ALP") program with our flue-cured and burley tobacco grower base. The overwhelming majority of our purchases in the U.S. are from our contracted growers, all of whom receive ALP training and materials. Each grower is visited by our employees who communicate ALP and monitor compliance. Those growers are concentrated primarily in two states, North Carolina and Kentucky.

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The Indonesian tobacco market and our operations there are much different than in the U.S. Tobacco is grown on smaller farms on average than in the U.S., are more geographically dispersed across the country, and the economic conditions for growers are not as favorable as in the U.S. While many growers sell through contracts with buyers, the majority of Indonesian tobacco is sold without buyer contracts through intermediaries who pool tobacco and sell it to buyers. Regarding our own operations in Indonesia, we purchase a range of styles of tobacco through a variety of methods. We purchase our tobacco in East Java and Central Java. While in the U.S. we only have a limited number of other competitors for tobacco purchases, in Indonesia we have many competitors (most of which purchase tobacco for sale to the large domestic market). We sell our tobacco to customers who produce cigarettes and dark tobacco products. The majority of the tobacco we purchase is used for wrapper and cigar filler in the international cigar market and most of the remainder is sold to Philip Morris International for their domestic use.

We purchase tobacco in Indonesia through five methods: (1) direct contract, (2) model farms, (3) a quasi-contract model in which we provide assistance to growers without a written contract (“assisted growers”), (4) corporate farms, and (5) open market via “middlemen” intermediaries. There are many varieties of tobacco grown in Indonesia, and the volume of each variety of tobacco we purchase, and the methods by which we purchase those varieties, vary year to year based on supply and demand, crop conditions and other factors. Generally speaking, however, the majority of our purchases are in the open market, followed by assisted grower purchases, direct contract purchases, corporate farming production and model farm production. We purchase certain tobacco varieties, like Connecticut Shade wrapper tobacco, solely through corporate farming operations, while we purchase other varieties such as Sun-cured tobacco through multiple methods. We are happy to discuss the different tobacco styles with you at a later date, but to simplify our response to your questions we discuss Indonesian tobacco generally in this letter.

As mentioned above, purchased volumes vary year to year. We do not publicly disclose our purchased volumes, but to give you a frame of reference Indonesia produced about half as much tobacco in 2014 as the U.S produced during the same season. Our purchases from those origins, however, are not proportional. We buy significant amounts in the U.S. while we purchase only a very small percentage of the tobacco grown in Indonesia. Another significant difference between the U.S. and Indonesia is the volume of tobacco purchased through direct contracts or through some other direct connection to the grower. Our contracted volume in the U.S. makes up the bulk of what we purchase, and in Indonesia our contracted volume, “assisted grower” purchases, corporate farming purchases and model farming purchases on average collectively represent between 20% and 30% of our total purchases. We purchase the remainder of our Indonesia tobacco requirements through the open market.

We sell Indonesian tobacco to a variety of customers, including several large customers like Philip Morris International and Imperial Tobacco Group that also purchase tobacco from us in the U.S. As you recall, those companies have social responsibility and labor programs that we follow. You are already familiar with Philip Morris International’s ALP program, and you are also likely familiar with the “Social Responsibility in Tobacco Production” or “SRiTTP” program followed by

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Imperial Tobacco Group and other large multinational manufacturers. As they relate to child labor and the health and safety issues you addressed in your letters, there is little difference in approach between those programs so we simply refer to them collectively as “Labor Standards” throughout this response. ALP and SRITP both limit work that can be performed by children under 18 years old, they prohibit anyone under 18 from performing “hazardous work”, they prohibit employment of children below 15 (or the minimum age provided by the relevant country’s laws), and with respect to children on family farms they only permit children between the ages of 13 and 15 to perform “light work.” Neither program allows for exceptions. With regard to the proper and safe use of crop protection agents and regarding other safety and health requirements, both programs are also similar. The Labor Standards we follow, for example, require proper training, compliance with the law, and promote the use personal protection equipment when handling CPAs or engaging in activities that increase the risk of green tobacco sickness.

Child labor in Indonesian agriculture, of which tobacco is just a part, is an issue being addressed by various stakeholders. Based on available information and our own observations in the market, it is predominantly found on family farms with respect to tasks requiring manual labor such as raising seedlings, transplanting, harvesting, sticking (poking sticks through the leaves in order to hang them for curing), and loading barns. Although the Indonesian government has increased its efforts with respect to addressing child labor generally through additional regulation and spending, enforcement is challenged due to a lack of government monitoring and enforcement resources. We see the tobacco industry as having a key role to play in that regard with respect to the growers with whom we have direct contact.

We are committed to addressing important labor issues in all our tobacco markets. Each market presents their own circumstances and challenges. The primary challenge in Indonesia is the predominance of the open market as a tobacco source, the resulting difficulty in establishing any direct contact with the growers, and the large number of local buyers that purchase tobacco for domestic companies without labor standard programs. The following is a brief overview of the different methods by which we purchase tobacco in Indonesia and how we communicate child labor and health and safety Labor Standards in each:

Direct Contract Growers: We enter into agreements in the form of a memorandum of understanding with growers for the purchase of their tobacco. This is also referred to as the “integrated production system” or “IPS”, which is similar in nature to what we have described to you in the U.S. market. We maintain strong ties to growers under the IPS model by providing growers with inputs and expecting in return that the grower will deliver their tobacco to us. Our field technicians visit the growers periodically to communicate practices and expectations and also to monitor the growers’ progress with respect to the same. The field technicians provide agronomy advice, communicate Labor Standards, collect information during visits regarding Labor Standards compliance, and report violations of the Labor Standards to our local team for follow up and remediation.

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We also communicate Labor Standards to IPS growers through contract language and training. We annually train all our IPS growers on various agronomy and Labor Standard issues including child labor, handling crop protection agents (“CPAs”), working at heights, and other health and safety issues. We pair our training and communications efforts with the dissemination of information and materials to our growers to support their understanding and compliance with the Labor Standards.

We have devoted considerable time and resources to implementing Labor Standards with our direct contract growers. We believe these efforts help us educate growers regarding effective and sustainable labor practices and monitor growers’ commitment and compliance. The IPS model presents considerable commercial risk to our company, however. The environment in Indonesia makes it difficult to strictly enforce contracts with the growers, so growers may not deliver their tobacco to our company despite receiving inputs from us, or growers may engage in “side-selling” whereby the grower will sell part of their tobacco production to other entities. As a general rule, we prefer to purchase tobacco through IPS systems in all our growing regions in the world because direct grower access promotes sustainability and quality production. In markets like Indonesia where there are many other avenues in which a grower can sell his tobacco, IPS production carries commercial risks because growers may default on their contract and deliver to someone else.

Model Farm Growers: We promote model farms or “demo farms” in certain growing communities, whereby we develop a relationship with a good grower in a desired farming community and we support him so he can produce his tobacco using model practices and procedures. We support model growers with inputs (and financing for some growers), policies and practices, and production in order to demonstrate to the surrounding growers that our production methods and practices are beneficial. The surrounding growers can see the results and we expect that they would want to follow those same practices and procedures in order to achieve similar results. Field technicians are significantly involved in model farm production and with the communications with the model growers, including with the same communication and training on Labor Standards as in the IPS model. Model farming achieves production goals, but it requires significant financial and personnel commitments from our company.

Assisted Growers: As noted above, successful model growers help us demonstrate proper production techniques and practices to the growing community surrounding them. That approach has been useful for us, because we buy tobacco from a number of the surrounding growers each year, which we call “assisted growers.” Although we have no written agreement with assisted growers, we provide them with the same technical guidance and information that we provide the model grower, including information and training on Labor Standards. In that regard, our use of field technicians, and the agronomy and Labor Standard connection to assisted growers, is similar to the IPS model. For example, when field technicians visit model farms to provide Labor Standard training and materials they do so in a group setting so the assisted growers can join and participate. The risks presented by assisted growers, however, is also similar to that of direct contract growers in that there is no commitment for the grower to sell his tobacco to us.

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Corporate Farm Growers: With certain growers or farming operations, we have chosen to maintain complete control over all aspects of production. On those farms, we lease the farm, finance the grower and control the operation, and the grower is responsible for the tobacco production. We provide all inputs, implement all policies and practices including Labor Standards, and use all the tobacco produced. Field technicians are fully involved and assist the growers on a daily basis. Corporate farms require more financing and capital expenditures than the IPS model, but the control we exercise over production ensures that the tobacco meets quality expectations and production follows Labor Standards and all other company policies and procedures.

Open Market Growers: The majority of tobacco growers in Indonesia produce tobacco on their own, without corporate financial or agronomy assistance. They harvest their tobacco and sell it on the very competitive open market either through intermediaries or “middlemen” or on their own. Most open market growers sell through middlemen, who pool tobacco from multiple growers and deliver it for sale to buyers in Indonesia. The remaining open market growers transport and sell their tobacco themselves directly to buyers. Open market growers rely on free market demand to bring them the highest price from among the many middlemen and buyers in Indonesia. The buyers of open market tobacco have little to no contact with the growers, and to the extent there is contact it is limited to whatever can occur on the day the grower’s tobacco is sold. Due to the sheer percentage of the Indonesian crop sold in the open market system, it becomes necessary to make open market purchases in order to fulfill customer volume requirements for certain styles of tobacco.

Our ability to communicate with growers in open market purchases is limited to what can be communicated on the day of sale to the intermediaries or to the growers who deliver their own tobacco. To date, that information has been limited because we have no recurring relationship with the seller and because we do not interact with the seller until the tobacco is brought to us for sale. In that sense, open market purchases are similar in nature to auction purchases in other tobacco origins. Due to our small size relative to other buyers and to the Indonesian market generally, intermediaries and open market growers sell most of their tobacco to local companies and domestic manufacturers and they bring what is left to us and to other small buyers like us. We would prefer to shift more purchases to the other models described above, but that process will take considerable time and effort without fundamental changes in the Indonesian tobacco market itself.

* * *

In order to address the challenges present in Indonesia and to promote a broader adoption of Labor Standards across the Indonesian market, we will continue to work within our existing purchase models to communicate the need for sustainable tobacco production that addresses child labor, worker safety and health, and other labor issues. In addition, we support efforts to eliminate child labor through available multi-stakeholder approaches. For example, in Indonesia we support

Ms. Jane Buchanan
Mr. Andreas Harsono
Human Rights Watch
December 24, 2015
Page 6 of 6

various school programs on child labor that promote education for children and allow for monitoring of child activity in the fields and child attendance at school. In addition, you should already be familiar with the Indonesia Country Plan approved by the Board of Directors of the Eliminating Child Labour in Tobacco Growing Foundation (“ECLT”) in September, 2015. The plan, to be implemented over calendar years 2016 and 2017, goes to great lengths to describe the background on the issues facing tobacco and agricultural production in Indonesia. Identified are the numerous sourcing areas within Indonesia as well as the various marketing systems previously discussed. In establishing the plan, ECLT engaged many non-government organizations as well as local government. Many of the findings are similar to other less-developed countries where data and awareness are lacking and where access to education, vocational and life skills training are far from optimal. Through engagement with employer associations, civil society and provincial governments, an extensive plan was developed and approved by the members of ECLT.

We await the distribution of your Indonesian report. We appreciate the opportunity to discuss these issues with you, and please let us know if you have any further questions about our operations.

Sincerely,



H. Michael Ligon
Vice President

cc: George C. Freeman, III
Chairman, President and Chief Executive Officer
Universal Corporation

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November 20, 2015

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HRW.org

Surjanto Yasaputra, Corporate Secretary
PT Wismilak Inti Makmur Tbk
Grha Wismilak
Jl. Dr. Sutomo No. 27
Surabaya, Indonesia

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Yasaputra,

Please accept our regards on behalf of Human Rights Watch. Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the progressive elimination of hazardous child labor in tobacco farming worldwide. In 2010 we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 we published a report on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch has concluded that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for children under 18.

Since December 2013, we have met or corresponded with executives of nine of the world's largest tobacco companies about their child labor policies and procedures in the United States and globally. All tobacco companies are responsible for ensuring that children are protected from hazardous work on tobacco farms in their supply chains.

We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response. We hope to initiate a constructive dialogue with Wismilak regarding the progressive elimination of child labor in tobacco farming in Indonesia.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of additional people, including parents of child workers, tobacco farmers, people who buy and sell tobacco leaves, warehouse owners, village leaders, health experts, government officials, representatives of nongovernmental organizations, and others.

Children reported participating in a range of tasks on tobacco farms depending on the type of tobacco grown and the curing process utilized in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most children worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning, called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning or Green Tobacco Sickness.

Very few children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked during hours when they were not in school. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members.

Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about Wismilak's policies and practices regarding human rights in the tobacco supply chain. In particular, we wish to know more about the following:

Tobacco Leaf Purchasing

1. We would be grateful to receive brief data on Wismilak's total tobacco purchases in Indonesia as well as its total tobacco purchases in each of the following provinces: West Java, Central Java, East Java, and West Nusa Tenggara in 2013, 2014, and 2015.
2. Does Wismilak also purchase tobacco from other countries? If so, we would be grateful for data on how Wismilak's tobacco purchasing in Indonesia compares to other countries.
3. Does Wismilak contract directly with tobacco farmers or groups of farmers in Indonesia?
 - a. If so, how many farmers were contracted with Wismilak in 2013, 2014, and 2015, and in which provinces?
 - b. What proportion of the total tobacco purchased by Wismilak in 2013, 2014, and 2015 was purchased from contracted growers?
 - c. What kind of training is provided to farmers contracted to grow tobacco for Wismilak?
4. Does Wismilak purchase tobacco through the traditional "middleman trader" system?
 - a. If so, what proportion of the total tobacco purchased by Wismilak in 2013, 2014, and 2015 was purchased through this system?
 - b. Does Wismilak require training or certification for individuals to be able to sell tobacco to Wismilak's warehouses or facilities? If so, what does the certification

process entail? Who are the certifiers? What actions do they take to verify that the sellers meet the requirements under the company's labor policies? How often are sellers required to go through certification?

Due Diligence

5. What due diligence policies or procedures does Wismilak have in place to identify, prevent, mitigate, and account for possible impacts of your company or your suppliers on human rights, including child labor and labor rights?
6. How does Wismilak ensure that all your suppliers are using rigorous human rights due diligence measures?

Child Labor

7. What policies or procedures does Wismilak have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to Wismilak and to Wismilak subsidiaries and suppliers?
8. What is Wismilak's policy regarding work by children under 18 on tobacco farms supplying Wismilak in Indonesia, and globally?
9. Under Wismilak's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying the company, and under what circumstances?
10. Does Wismilak prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If the company prohibits hazardous work for children under 18, what specific tasks does Wismilak define as hazardous?
 - a. Does Wismilak allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
11. How does Wismilak communicate its standards and expectations regarding child labor to growers and suppliers in its supply chain?
12. How does Wismilak monitor for child labor or other human rights abuses in its supply chain?
13. Has Wismilak identified or received any reports of child labor on tobacco farms supplying tobacco to Wismilak in 2013, 2014, or 2015? If so, what actions has Wismilak taken?

Health and Safety

14. In Wismilak's view, what are the dangers to children of work in tobacco farming?
15. What steps does Wismilak take to ensure that tobacco farmers and workers in its supply chain are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
16. What policies does Wismilak have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its supply chain to active spraying of

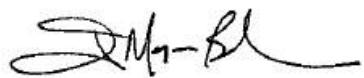
pesticides or other hazardous chemicals? How does Wismilak monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in early 2016. We are committed to accuracy in our reporting, and hope to reflect Wismilak's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by December 18, 2015.

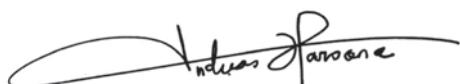
In addition, we would be grateful for the opportunity to meet with you or senior executives from Wismilak to discuss our findings and recommendations. Please contact Margaret Wurth at +1 (484) 554-3194 or wurthm@hrw.org to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

Margaret Wurth

From: Surjanto <surjanto@wismilak.com>
Sent: Wednesday, January 06, 2016 11:03 PM
To: Margaret Wurth
Cc: Helen Griffiths; Andreas Harsono
Subject: Re: Letter from Human Rights Watch to Wismilak

Dear Margaret,

Sorry for the late reply.

Regarding your letter concerning about the issue of child labor, I am sorry to tell you that we cannot give you any response, since we do not directly connected with the tobacco farmers.

Many Thanks and Regards,
Surjanto Y.

On Jan 5, 2016, at 6:11 AM, Margaret Wurth <wurthm@hrw.org> wrote:

Dear Mr. Surjanto,

I am writing again to bring to your attention the attached letter from Human Rights Watch to Wismilak dated November 20, 2015. We are committed to accuracy in our reporting, and we would like to reflect the company's approach to the important issue of child labor in tobacco farming in our forthcoming report. Could you please confirm that you have received the attached letter and let me know when we can expect a response?

I appreciate your help with this.

Best regards,
Margaret

Margaret Wurth
Researcher, Children's Rights Division
Human Rights Watch
350 5th Ave, 34th Floor | New York, NY 10118
+1 (484) 554-3194
wurthm@hrw.org

From: Margaret Wurth
Sent: Tuesday, December 15, 2015 5:27 PM
To: 'surjanto@wismilak.com' <surjanto@wismilak.com>
Cc: Helen Griffiths (griffih@hrw.org) <griffih@hrw.org>; Andreas Harsono <harsona@hrw.org>
Subject: Letter from Human Rights Watch to Wismilak

Dear Mr. Surjanto,

I am a children's rights researcher with the international nongovernmental organization Human Rights Watch, and I'm writing to share a letter from Human Rights Watch to Wismilak regarding recent research on child labor in tobacco farming in Indonesia. We sent the letter in the mail several weeks ago, and I have also attached it to this email message. We would be grateful if you could confirm that you have received this message and the attached letter, and let us know when we might be able to expect a response from Wismilak.

Best regards,

Margaret Wurth
Researcher, Children's Rights Division
Human Rights Watch
350 5th Ave, 34th Floor | New York, NY 10118
+1 (484) 554-3194
wurthm@hrw.org

<Human Rights Watch Letter to Wismilak 20 November 2015.pdf>

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January 11, 2016

Mr. Surjanto Yasaputera
Corporate Secretary

PT Wismilak Inti Makmur Tbk,
Grha Wismilak
Jl. Dr. Sutomo No. 27
Surabaya, Indonesia

surjanto@wismilak.com

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Dear Mr. Surjanto,

Thank you for your email reply of January 6, 2016.

We would be grateful for a detailed response from you regarding the policies and procedures established and implemented by PT Wismilak concerning child labor. Private entities, including businesses, have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights. All businesses should have policies and procedures in place to ensure human rights are respected and not abused, to undertake adequate due diligence to identify and effectively mitigate human rights problems, and to adequately respond in cases where problems arise.

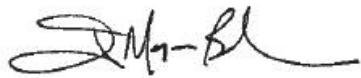
As you may be aware, the United Nations Guiding Principles on Responsible Business call on companies to seek to prevent or mitigate adverse human rights impacts not only in their direct operations, but human rights impacts linked to the products or services provided by their business relationships as well. "Business relationships" are understood to include relationships with business partners, entities in its value chain, and any entity directly linked to its business operations, products, or services.

For this reason, even if PT Wismilak does not directly contract with tobacco growers in Indonesia, we are seeking a detailed response regarding the company's child labor policies and practices, including how those policies and procedures are applied to any and all entities in PT Wismilak's tobacco leaf supply chain.

We have sought similar information from a number of other leading Indonesian and international tobacco product manufacturing companies purchasing tobacco in Indonesia.

We also reiterate our interest in meeting with you or other PT Wismilak staff to discuss these matters, in the interest of establishing a constructive dialogue on the protection of children from hazardous work in tobacco farming in Indonesia. Please contact me, Andreas Harsono, at harsona@hrw.org +62 815 950 9000 to identify a mutually convenient time for such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

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Joel Motley, *Co-Chair*

January 11, 2016

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Mr. Ismanu Soemiran
Chairman
Indonesian Cigarette Manufacturers Union
(GAPPRI)
Jl. Kebon Kacang 30/1B
Jakarta 10240, Indonesia

Re: Child labor in tobacco farming in Indonesia

Dear Mr. Soemiran,

Please accept our regards on behalf of Human Rights Watch. Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the progressive elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch has concluded that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

Since 2013, we have met or corresponded with executives of nine of the world's largest tobacco companies about their child labor policies and procedures in the United States and globally. All tobacco companies have a responsibility to ensure that children are protected from hazardous work on tobacco farms in their supply chains.

We are writing today to share preliminary findings from our recent research on child labor in tobacco farming in Indonesia, and to seek your response, which will be reflected in our reporting on the issue. Given GAPPRI's important role in the tobacco industry in Indonesia, we hope to initiate a constructive dialogue with GAPPRI regarding the progressive elimination of child labor in tobacco farming in Indonesia. Given our publishing schedule, we would appreciate receiving a response to our questions below by February 15, 2016.

PRELIMINARY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

Children reported participating in a range of tasks on Indonesian tobacco farms depending on the type of tobacco grown and the curing process used in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers

in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or

cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

While the government of Indonesia has the primary responsibility to respect, protect, and fulfill human rights under international law, private entities, including businesses, also have internationally recognized responsibilities regarding human rights, including workers' rights and children's rights.

The United Nations "Guiding Principles on Business and Human Rights," which were endorsed by the UN Human Rights Council in 2011, reflect the expectation that businesses should respect human rights, avoid complicity in abuses, and ensure that any abuses that occur in spite of these efforts are adequately remedied. They specify that businesses must exercise due diligence to identify, prevent, mitigate, and account for the impact of their activities on human rights.

REQUEST FOR INFORMATION

We are interested to learn more about GAPPRI's policies and practices regarding human rights. In particular, we wish to know more about the following:

Structure and Mandate of GAPPRI

We are aware that GAPPRI is an association of Indonesian tobacco manufacturing companies and that its membership includes several hundred Indonesian cigarette manufacturing companies of varying sizes and profiles. We would welcome more information about GAPPRI.

1. What are GAPPRI's main activities and what is its mandate vis-à-vis its members?
2. What are the requirements for membership in GAPPRI? How does GAPPRI monitor its members' compliance of those requirements?

Due Diligence

1. What due diligence policies or procedures does GAPPRI have in place to ensure that its members identify, prevent, mitigate, and account for possible impacts on human rights, including child labor and labor rights, in line with the United Nations Guiding Principles on Business and Human Rights?
2. How does GAPPRI ensure that all its members are using rigorous human rights due diligence measures?

Child Labor

3. What policies or procedures does GAPPRI have in place regarding the use of child labor in tobacco farming on farms supplying tobacco to GAPPRI members?
4. What is GAPPRI's policy regarding work by children under 18 on tobacco farms supplying GAPPRI members?
5. Under GAPPRI's policy, what specific tasks are permissible for children under 18 to do on tobacco farms supplying GAPPRI members?
6. Does GAPPRI prohibit "hazardous work" for children under 18, as defined by International Labour Organization standards? If it prohibits hazardous work for children under 18, what specific tasks does GAPPRI define as hazardous?

- a. Does GAPPRI allow for any circumstances under which children under 18 can perform these types of tasks? If so, under what specific circumstances?
7. How does GAPPRI communicate its standards and expectations regarding child labor to its members?
8. Does GAPPRI monitor for hazardous child labor or other human rights abuses among its members? If so, how does it monitor for these abuses?
9. Has GAPPRI identified or received any reports of hazardous child labor on tobacco farms supplying tobacco to GAPPRI members in 2013, 2014, or 2015? If so, what actions has GAPPRI taken?

Health and Safety

10. In GAPPRI's view, what are the dangers to children of work in tobacco farming?
11. What steps does GAPPRI take to ensure that its members are informing tobacco farmers and workers in their supply chains are informed about nicotine poisoning/Green Tobacco Sickness, risks associated with pesticide exposure, risks associated with dangerous tools, heavy loads, and working at heights, and other health and safety concerns?
12. What policies does GAPPRI have in place regarding handling and applying pesticides, as well as the proximity of workers on tobacco farms in its members' supply chains to active spraying of pesticides or other hazardous chemicals? How does GAPPRI monitor the implementation of these policies?

We plan to publish a report on child labor in tobacco farming in Indonesia in the first half of 2016.

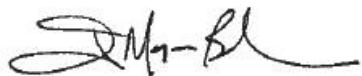
We are aware that GAPPRI's membership includes PT Gudang Garam, PT Djarum Kudus, PT Nojorono, and PT Wismilak. Human Rights Watch sent letters to each of these companies in November 2015 detailing our preliminary research findings on hazardous child labor in Indonesia and with questions regarding these companies' policies and practices on child labor. We have been in contact with these companies to secure responses to those letters. Also in November 2015, we wrote to Philip Morris International (PMI), parent company of PT HM Sampoerna, as well as to British American Tobacco (BAT), parent company of PT Bentoel. We have received responses from PMI and BAT.

We are committed to accuracy in our reporting. In addition to responses from the individual members of GAAPRI, we hope to reflect GAPPRI's policies and procedures on child labor in our report. To that end, we would welcome a formal response to this letter by February 15, 2016.

In addition, we would be grateful for the opportunity to meet with you or senior executives from GAPPRI to discuss our findings and recommendations. Please contact me, Andreas Harsono, at harsona@hrw.org +62 815 950 9000 to arrange such a meeting. We will also follow up with your office by phone regarding our request for a meeting.

Thank you for your attention to this matter.

Sincerely,



Jane Buchanan
Associate Director
Children's Rights Division
New York, United States



Andreas Harsono
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Founder, Director (1994-2012)

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March 11, 2016

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Via email: asrorun.niam@kpai.go.id; niam_76@yahoo.com

Cc: Maria Advianti: vierosjidi@yahoo.com; maria.advianti@kpai.go.id

Re: Child labor in tobacco farming

Dear Mr. Chairman,

Please accept our regards on behalf of Human Rights Watch. As you may know, Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch believes that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

We are writing today to share some key findings from our recent research on child labor in tobacco farming in Indonesia. We plan to publish our full research findings, along with recommendations to the government of Indonesia, tobacco companies, and other groups in a report in May 2016.

We were grateful to have the opportunity for a constructive meeting with Maria Advianti, Vice Chairwoman with the Indonesian Commission on Child Protection on September 3, 2015 in Jakarta to

discuss the preliminary findings of our research. We hope to have the opportunity to meet with you or other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other senior representatives of the Indonesian Commission on Child Protection join us at a meeting of experts and stakeholders in Jakarta around the publication of our report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

KEY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

Children reported participating in a range of tasks on Indonesian tobacco farms depending on the type of tobacco grown and the curing process used in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Indonesian Commission on Child Protection to the findings presented above. In addition, we would be grateful if the Indonesian Commission on Child Protection could respond to a few questions below. We were grateful to have the opportunity to discuss some of this with Maria Advianti during our meeting in September 2015 in Jakarta, but we would welcome a written response to the following questions:

- What types of programs or initiatives, if any, does the Indonesian Commission on Child Protection have in place to address child labor in agriculture? Does the Indonesian Commission on Child Protection have programs or initiatives to address child labor in tobacco farming specifically? If so, could you share some background and information on these programs?
- Can the Indonesian Commission on Child Protection share data or estimates on the number of children working in tobacco farming in Indonesia, or the number of children working in agriculture more broadly? Can the Indonesian Commission on Child Protection share data or estimates on the total number of children working in tobacco farming, and in agriculture more broadly, in each province?
- How many violations of child labor law were documented in 2015 by the Indonesian Commission on Child Protection or other government entities? In which sectors did these violations occur? What were the penalties issued?
- What was the role of the Indonesian Commission on Child Protection in developing Indonesia's list of hazardous work prohibited for children under the age of 18?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Indonesian Commission on Child Protection and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Indonesian Commission on Child Protection join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Indonesian Commission on Child Protection to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



Margaret Wurth
Researcher
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

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March 11, 2016

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Via email: benih.tansim@gmail.com

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We were grateful for the data and information provided to us in an October 19, 2015 letter from the Ministry of Agriculture to Human Rights Watch. We hope to have the opportunity to meet with you or other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other

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EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

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Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Ministry of Agriculture to the findings presented above. In addition, we would be grateful if the Ministry of Agriculture could respond to one additional question:

- Can the Ministry of Agriculture share any information about the process by which individuals who wish to buy and sell tobacco on the open market in Indonesia obtain registration or certification? Is training required as part of the certification process? If so, what kind of training? Who provides the training and certification? Is there a process by which certification must be renewed? How often are traders required to go through certification?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Ministry of Agriculture and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of Agriculture join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Agriculture to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



Margaret Wurth
Researcher
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
Asia Division
Jakarta, Indonesia

350 Fifth Avenue, 34th Floor
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Joel Motley, *Co-Chair*

March 11, 2016

Hon. Min. Anies Baswedan Rashid Ph.D.
Minister of Culture and Primary and Secondary Education
Ministry of Education and Culture
Jalan Jenderal Sudirman, Senayan
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HUMAN
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HRW.org

Via email: anies.baswedan@turuntangan.org

cc. Dr. Hamid Muhammad: hamid.muhammad@kemendikbud.go.id;
hamid559@gmail.com
cc: Muhammad Chozin: chozin@kemdikbud.go.id

Re: Child labor in tobacco farming

Dear Honorable Minister,

Please accept our regards on behalf of Human Rights Watch. As you may know, Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch believes that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

We are writing today to share some key findings from our recent research on child labor in tobacco farming in Indonesia. We plan to publish our full research findings, along with recommendations to the government of Indonesia, tobacco companies, and other groups in a report in May 2016.

We were grateful to have the opportunity for a constructive meeting with Muhammad Chozin, Special Staff to the Minister of Education, and two of his colleagues on September 4, 2015 in Jakarta to discuss the preliminary findings of our research. We hope to have the opportunity to meet with you or other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other senior representatives of the Ministry of Education and Culture join us at a meeting of experts and stakeholders in Jakarta around the publication of our report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

KEY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

Children reported participating in a range of tasks on Indonesian tobacco farms depending on the type of tobacco grown and the curing process used in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Ministry of Education and Culture to the findings presented above. In addition, we would be grateful if the Ministry of Education and Culture could respond to a few questions below. We were grateful to have the opportunity to discuss some of this with Muhammad Chozin during our meeting in September 2015 in Jakarta, but we would welcome a written response to the following questions:

- What types of programs or initiatives, if any, does the Ministry of Education and Culture have in place to ensure children working in agriculture remain in school and complete their compulsory education? Does the Ministry of Education and Culture have programs or initiatives to reach out to children who leave school or frequently miss school because they work? If so, could the Ministry of Education and Culture share some background and information on these programs?
- Can the Ministry of Education and Culture share recent data on the total rates of primary school completion and secondary school completion in Indonesia, as well as primary and secondary school completion in both rural and urban populations in each province of Indonesia?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Ministry of Education and Culture and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of

Education and Culture join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Education and Culture to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



Margaret Wurth
Researcher
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New York, United States



Andreas Harsono
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March 11, 2016

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HRW.org

Prof. Dr. Nila Farid Moeloek

Minister of Health
Ministry of Health, Republic of Indonesia
Jl H.R. Rasuna Said
Blok X.5 Kav. 4-9, Blok A
Jakarta 12950
Indonesia

Via email: contact@MoH.go.id

cc. Ms. Diah Saminarsih: diah.saminarsih@gmail.com

Re: Child labor in tobacco farming

Dear Honorable Minister,

Please accept our regards on behalf of Human Rights Watch. As you may know, Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch believes that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

We are writing today to share some key findings from our recent research on child labor in tobacco farming in Indonesia. We plan to publish our full research findings, along with recommendations to the government of Indonesia, tobacco companies, and other groups in a report in May 2016.

We were grateful to have the opportunity for a constructive meeting with Ms. Diah Saminarsih, Special Staff to the Minister of Health, on September 3, 2015 in Jakarta to discuss the preliminary findings of our research. We hope to have the opportunity to meet with you or

other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other senior representatives of the Ministry of Health join us at a meeting of experts and stakeholders in Jakarta around the publication of our report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

KEY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

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Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

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In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

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Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

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Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Ministry of Health to the findings presented above. In addition, we would be grateful if the Ministry of Health could respond to a few questions below. We were grateful to have the opportunity to discuss some of this with Ms. Diah Saminarsih during our meeting in September 2015 in Jakarta, but we would welcome a written response to the following questions:

- What types of programs or initiatives, if any, does the Ministry of Health have in place to address child labor in agriculture? Does the Ministry of Health have programs or initiatives to address child labor in tobacco farming specifically? If so, could you share some background and information on these programs?
- Can the Ministry of Health share data on the number of occupational illnesses, injuries, and deaths among tobacco farmers annually? Among children working in tobacco farming? We would be grateful if you could specify the causes of these illnesses, injuries, and deaths.
- Can the Ministry of Health share data on the number or frequency of pesticide-related illnesses among tobacco farmers annually? Among children working in tobacco farming?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Ministry of Health and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to

take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of Health join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Health to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



Margaret Wurth
Researcher
Children's Rights Division
New York, United States



Andreas Harsono
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Joel Motley, *Co-Chair*

March 11, 2016

Hon. Min. M. Hanif Dhakiri

Minister of Manpower and Transmigration
Ministry of Manpower and Transmigration
Jl. Jend. Gatot Subroto Kav. 51
Jakarta 12950
Indonesia

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HRW.org

Via email: redaksi_balitfo@depnakertrans.go.id

cc. Drs. Mudji Handaja, M.Si: a.mujihandoyo@yahoo.com;
muji@naker.go.id; mudji@djsn.go.id

Re: Child labor in tobacco farming

Dear Honorable Minister,

Please accept our regards on behalf of Human Rights Watch. As you may know, Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch believes that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

We are writing today to share some key findings from our recent research on child labor in tobacco farming in Indonesia. We plan to publish our full research findings, along with recommendations to the government of Indonesia, tobacco companies, and other groups in a report in May 2016.

We were grateful to have the opportunity for a constructive meeting with Drs. Mudji Handaja, Director General for Labor Inspection at the Ministry of Manpower and Transmigration, on September 2, 2015 in Jakarta to discuss the preliminary findings of our research. We hope

to have the opportunity to meet with you or other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other senior representatives of the Ministry of Manpower and Transmigration join us at a meeting of experts and stakeholders in Jakarta around the publication of our report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

KEY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

Children reported participating in a range of tasks on Indonesian tobacco farms depending on the type of tobacco grown and the curing process used in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Ministry of Manpower and Transmigration to the findings presented above. In addition, we would be grateful if the Ministry of Manpower and Transmigration could respond to a few questions below. We were grateful to have the opportunity to discuss some of this with Drs. Mudji Handaja during our meeting in September 2015 in Jakarta, but we would welcome a written response to the following questions:

- What types of programs or initiatives, if any, does the Ministry of Manpower and Transmigration have in place to address child labor in agriculture? Does the Ministry of Manpower and Transmigration have programs or initiatives to address child labor in tobacco farming specifically? If so, could you share some background and information on these programs?
- Can the Ministry of Manpower and Transmigration share data or estimates on the number of children working in tobacco farming in Indonesia, or the number of children working in agriculture more broadly? Can the Ministry of Manpower and Transmigration share data or estimates on the total number of children working in tobacco farming, and in agriculture more broadly, in each province?
- How many violations of child labor law were documented in 2015 by the Ministry of Manpower and Transmigration or other government entities? In what sectors did these violations occur? What were the penalties issued?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Ministry of Manpower and Transmigration and other government entities, international actors, and other groups to discuss the causes of

child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of Manpower and Transmigration join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Manpower and Transmigration to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



Margaret Wurth
Researcher
Children's Rights Division
New York, United States



Andreas Harsono
Senior Researcher, Indonesia
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Jakarta, Indonesia

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James Ross, *Legal & Policy Director*
Hassan Elmasry, *Co-Chair*
Joel Motley, *Co-Chair*

March 11, 2016

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Dra. Khofifah Indar Parawansa
Minister of Social Affairs
Ministry of Social Affairs
Jl. Salemba Raya No. 28,
Jakarta Pusat 10430
Indonesia

Re: Child labor in tobacco farming

Dear Honorable Minister,

Please accept our regards on behalf of Human Rights Watch. As you may know, Human Rights Watch is an international nongovernmental human rights organization that conducts research and advocacy in over 90 countries around the world on a wide variety of human rights issues (see www.hrw.org), including child labor.

We are committed to the elimination of hazardous child labor in tobacco farming worldwide. In 2010, we published a report on hazardous child labor and other human rights abuses in tobacco farming in Kazakhstan, and in 2014 and 2015, we published reports on hazardous child labor in tobacco farming in the United States. Based on our field research and analysis of international law and public health literature, Human Rights Watch believes that any work involving direct contact with tobacco in any form is hazardous and should be prohibited for anyone under age 18.

We are writing today to share some key findings from our recent research on child labor in tobacco farming in Indonesia. We plan to publish our full research findings, along with recommendations to the government of Indonesia, tobacco companies, and other groups in a report in May 2016.

We hope to have the opportunity to meet with you or other representatives of your office on our next trip to Jakarta in May 2016. We would also like to respectfully request that you or other senior representatives of the Ministry of Social Affairs join us at a meeting of experts and stakeholders in Jakarta around the publication of our

report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

KEY FINDINGS

Between September 2014 and September 2015, Human Rights Watch conducted research on child labor in tobacco farming in communities in four provinces in Indonesia: West Java, Central Java, East Java, and West Nusa Tenggara. We interviewed more than 100 children under 18 who reported working on tobacco farms in 2014 or 2015. We identified interviewees through outreach in tobacco farming communities, and with the assistance of journalists, researchers, local leaders, and organizations serving farming families. We also interviewed dozens of others, including parents of child workers, tobacco farmers, tobacco leaf buyers and sellers, warehouse owners, village leaders, health experts, government officials, and representatives of nongovernmental organizations.

Children reported participating in a range of tasks on Indonesian tobacco farms depending on the type of tobacco grown and the curing process used in the region. Children said they did the following jobs on tobacco farms: digging soil with hoes, preparing fields for planting, planting tobacco seedlings, watering fields, applying fertilizers, removing flowers and competing leaves from plants, removing worms and insects by hand, applying pesticides, harvesting tobacco leaves by hand, carrying bundles of harvested leaves, wrapping or rolling leaves to prepare them for drying, cutting tobacco leaves, spreading tobacco in the sun to dry, tying or piercing leaves to attach them to bamboo sticks for drying, lifting sticks of tobacco leaves and loading them into curing barns, climbing onto beams in curing barns to hang tobacco to dry, maintaining fires to heat curing barns, removing sticks of tobacco leaves from curing barns, untying dried tobacco leaves from bamboo sticks, sorting dried tobacco, and bundling dried tobacco into bales.

Most of the children interviewed worked on small plots of land farmed by their parents or other family members. Many children also worked for neighbors and other farmers in their communities. Children typically described working alongside their parents, siblings, or other family members, though sometimes children worked alone.

HEALTH AND SAFETY

Exposure to Nicotine

Almost all children reported handling and coming into contact with tobacco plants and leaves at various points in the growing season. Nicotine is present in tobacco plants and leaves in any form, and public health research has shown that tobacco workers absorb nicotine through their skin while handling tobacco plants.

In the short term, absorption of nicotine through the skin can lead to acute nicotine poisoning called Green Tobacco Sickness. The most common symptoms of acute nicotine poisoning are nausea, vomiting, headaches, and dizziness.

Many of the children we interviewed in Indonesia in 2014 or 2015 reported experiencing at least one specific symptom consistent with acute nicotine poisoning while handling tobacco, including nausea, vomiting, headaches, and dizziness.

Although the long-term effects of nicotine absorption through the skin are unknown, public health research on smoking indicates that nicotine exposure during childhood and adolescence may have long-term consequences on brain development.

Almost none of the children interviewed had received any education or training about the health risks of tobacco farming, including about acute nicotine poisoning.

Very few of the children wore any type of protective equipment while handling tobacco.

Exposure to Pesticides and Fertilizers

Most children interviewed said they handled and applied fertilizers to tobacco plants. Almost none of the children used protective equipment when they handled fertilizers.

Some children also described mixing or applying pesticides or other chemical agents to tobacco plants using tanks, often worn on their backs, with handheld sprayers. Some children mixed or applied pesticides without any protective equipment.

Some children also reported seeing other workers apply pesticides from backpack sprayers in fields in which they were working, or in nearby fields.

A number of children reported immediate sickness after handling or working in close proximity to pesticides, fertilizers, or other chemical agents applied to tobacco farms.

Exposure to pesticides can lead to long-term and chronic health effects, particularly for children whose bodies and brains are still developing.

Most children and parents interviewed had not received meaningful education or training about the hazards of pesticides.

Extreme Heat

Many children described suffering and feeling sick while working in extreme heat on tobacco farms. Public health research indicates children are more susceptible than adults to heat illness.

Sickness While Working

Most of the children we interviewed reported feeling sick at some point while working in tobacco farming, or after returning home from working in tobacco farming. Some children reported symptoms consistent with acute nicotine poisoning.

Repetitive Motions and Lifting Heavy Loads

Children reported engaging in repetitive motions for extended periods of time, including working bent at the waist or hunched over; reaching above their heads to remove flowers and leaves from tobacco plants; twisting their hands and wrists to bundle and tie tobacco leaves; and squatting or kneeling while wrapping and bundling tobacco leaves.

Children also often reported carrying heavy loads, including buckets and bundles of tobacco leaves, and lifting sticks of tobacco leaves above their heads to load them into curing barns.

Children reported pain and soreness from the work.

Work with Sharp Tools and at Heights

Most children said they did not use tools for tobacco cultivation, but some children reported using sharp hoes, scythes, or knives to dig in fields, uproot weeds, harvest, or cut harvested tobacco leaves for drying. Some children said they had sustained minor injuries while working with sharp tools.

A small number of children said they climbed onto bamboo beams in curing barns to hang sticks of tobacco leaves to dry with no protection from falls.

EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

Children's working hours varied considerably based on the tobacco growing season and school schedules. Most children did not work excessively long hours in tobacco farming.

Wages

Some children did not receive any financial compensation for their work, either because they worked for their own families or exchanged labor with other families in their communities. Other children said they were paid a daily rate for their work, most often when working for neighbors or extended family members. Some children were paid piece rate wages for tying tobacco leaves to bamboo sticks before curing.

Request for a Response

We would welcome a written response from the Ministry of Social Affairs to the findings presented above. In addition, we would be grateful if the Ministry of Social Affairs could respond to the following questions:

- What is the role of the Ministry of Social Affairs in preventing or addressing child labor in Indonesia? What are the ministry's primary activities, if any, related to child protection for children involved in child labor?
- What types of programs or initiatives, if any, does the Ministry of Social Affairs have in place to address child labor in agriculture? Does the Ministry of Social Affairs have programs or initiatives to address child labor in tobacco farming specifically? If so, could you share some background and information on these programs?
- Can the Ministry of Social Affairs share data or estimates on the number of children working in tobacco farming in Indonesia, or the number of children working in agriculture more broadly? Can the Ministry of Social Affairs share data or estimates on the total number of children working in tobacco farming, and in agriculture more broadly, in each province?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring together experts from the Ministry of Social Affairs and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of Social Affairs join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Social Affairs to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

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March 11, 2016

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Minister of Women's Empowerment and Child Protection
Ministry of Women's Empowerment and Child Protection
Jalan Medan Merdeka Barat No. 15
Jakarta 10110
Indonesia

Via email: humas.kpppa@gmail.com

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representatives of the Ministry of Women's Empowerment and Child Protection join us at a meeting of experts and stakeholders in Jakarta around the publication of our report to discuss the issue of child labor in tobacco farming in Indonesia. We have included additional details below.

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EDUCATION

Most children interviewed by Human Rights Watch attended school and worked in tobacco farming before and after school and on school holidays. Some children found it difficult to combine school and work, and described fatigue and exhaustion or difficulty keeping up with schoolwork. A few children had dropped out of school altogether in order to work to help support their families.

WAGES AND HOURS

Working Hours

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Wages

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Request for a Response

We would welcome a written response from the Ministry of Women's Empowerment and Child Protection to the findings presented above. In addition, we would be grateful if the Ministry of Women's Empowerment and Child Protection could respond to the following questions:

- What is the role of the Ministry of Women's Empowerment and Child Protection in preventing or addressing child labor in Indonesia? What are the ministry's primary activities, if any, related to child protection for children involved in child labor?
- What types of programs or initiatives, if any, does the Ministry of Women's Empowerment and Child Protection have in place to address child labor in agriculture? Does the Ministry of Women's Empowerment and Child Protection have programs or initiatives to address child labor in tobacco farming specifically? If so, could you share some background and information on these programs?
- Can the Ministry of Women's Empowerment and Child Protection share data or estimates on the number of children working in tobacco farming in Indonesia, or the number of children working in agriculture more broadly? Can the Ministry of Women's Empowerment and Child Protection share data or estimates on the total number of children working in tobacco farming, and in agriculture more broadly, in each province?
- How many violations of child labor law were documented in 2015 by the Ministry of Women's Empowerment and Child Protection or other government entities? In which sectors did these violations occur? What were the penalties issued?

Request to Meet

We understand many government entities, international actors, and other groups are already doing important work to eliminate child labor in Indonesia. We hope to bring

together experts from the Ministry of Women's Empowerment and Child Protection and other government entities, international actors, and other groups to discuss the causes of child labor in tobacco farming and ways to eliminate it. We hope that we can arrange such a meeting to take place in Jakarta between May 16 and May 20, 2016. We would like to respectfully request that you or other senior representatives of the Ministry of Women's Empowerment and Child Protection join us at this meeting. We will follow-up with your office by phone regarding details of the meeting.

In addition, we would be grateful for the opportunity to meet directly with you or other representatives of the Ministry of Women's Empowerment and Child Protection to better understand your office's programs and initiatives to address child labor in agriculture, and specifically in tobacco farming. We will follow-up with your office by phone to set a time for a meeting. Please feel free to contact Margaret Wurth (wurthm@hrw.org or +1 484-554-3194) to confirm a meeting.

We will plan to share a copy of our full report and recommendations with you prior to publication. Thank you for your consideration.

Sincerely,



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Researcher
Children's Rights Division
New York, United States



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