



FRUITS OF LABOR

By MARGIE MASON and ROBIN MCDOWELL

Associated Press

FRUITS OF LABOR

1. PALM OIL LABOR ABUSES LINKED TO WORLD'S TOP BRANDS, BANKS

Sept. 24, 2020: An Associated Press investigation into millions of invisible workers in the palm oil industry in Malaysia and Indonesia found many of them suffering from various forms of exploitation – the most serious including child labor, outright slavery and allegations of rape.

<https://apnews.com/article/virus-outbreak-only-on-ap-indonesia-financial-markets-malaysia-7b634596270cc6aa7578a062a30423bb>

2. RAPE, ABUSES IN PALM OIL FIELDS LINKED TO TOP BEAUTY BRANDS

Nov. 18, 2020: On vast plantations across Indonesia and Malaysia, an Associated Press investigation found that women are burdened with some of the most dangerous jobs in the production of palm oil and many quietly face sexual abuse.

<https://apnews.com/article/palm-oil-abuse-investigation-cosmetics-2a209d60c42bf0e8fcc6f8ea6daa11c7>

3. CHILD LABOR IN PALM OIL INDUSTRY TIED TO GIRL SCOUT COOKIES

Dec. 29, 2020: An Associated Press investigation has found an army of children toiling beneath a canopy of towering palm oil trees in Indonesia and Malaysia, feeding into the supply chains of some of the world's most popular snack foods, including America's iconic Girl Scout cookies.

<https://apnews.com/article/fruits-of-labor-9921800108>

SUPPLEMENTAL MATERIAL

US SENATORS DEMAND ACTION AFTER AP EXPOSES PALM OIL ABUSES, SEPT. 28, 2020

<https://www.ap.org/ap-in-the-news/2020/us-senators-demand-action-after-ap-exposes-palm-oil-abuses>

US SAYS IT WILL BLOCK PALM OIL FROM LARGE MALAYSIAN PRODUCER, SEPT. 30, 2020

<https://apnews.com/article/malaysia-archive-asia-e2258c8e29cf5dbc6906d14303614679>

GIRL SCOUTS CALL ON COOKIE BAKERS TO ADDRESS CHILD LABOR, DEC. 30, 2020

<https://apnews.com/article/child-labor-d7d1b95c279e244341e90de0eed5a78e>

US BANS SECOND MALAYSIAN PALM OIL GIANT OVER FORCED LABOR, DEC. 31, 2020

<https://apnews.com/article/forced-labor-malaysia-261eb108042b23eee596091a40a9a9aa>

▶ VIDEO: PALM OIL IN PRODUCTS OFTEN OBSCURED BY MANY NAMES, SEPT. 23, 2020

<https://www.youtube.com/watch?v=DTFvRrxw2WY>

▶ VIDEO: ONLY ON AP: PALM OIL IN COOKIES TIED TO CHILD LABOR, DEC. 29, 2020

<https://www.youtube.com/watch?v=49VkQn53Ik0&t=6s>

MALAYSIAN PALM OIL GIANT COUNTERS SEXUAL HARASSMENT CLAIMS, DEC. 15, 2020

<https://apnews.com/article/malaysia-indonesia-5dda23dc85d7161909bbf5c7ea6a1f19>

Sept. 24, 2020

Palm oil labor abuses linked to world's top brands, banks

By **MARGIE MASON** and **ROBIN MCDOWELL**

Associated Press

PENINSULAR MALAYSIA — Jum's words tumble out over the phone, his voice growing ever more frantic.

Between sobs, he says he's trapped on a Malaysian plantation run by government-owned Felda, one of the world's largest palm oil companies. His boss confiscated and then lost his Indonesian passport, he says, leaving him vulnerable to arrest. Night after night, he has been forced to hide from authorities, sleeping on the jungle floor, exposed to the wind and the rain. His biggest fear: the roaming tigers.

All the while, Jum says his supervisor demanded he keep working, tending the heavy reddish-orange palm oil fruit that has made its way into the supply chains of the planet's most iconic food and cosmetics companies like Unilever, L'Oreal, Nestle and Procter & Gamble.

"I am not a free man anymore," he says, his voice cracking. "I desperately want to see my mom and dad. I want to go home!"

An Associated Press investigation found many like Jum in Malaysia and neighboring Indonesia — an invisible workforce consisting of millions of laborers from some of the poorest corners of Asia, many of them enduring various forms of exploitation, with the most serious abuses including child labor, outright slavery and allegations of rape. Together, the two countries produce about 85% of the world's estimated \$65 billion palm oil supply.

Palm oil is virtually impossible to avoid. Often disguised on labels as an ingredient listed by more than 200 names, it can be found in roughly half the products on supermarket shelves and in most cosmetic brands. It's in paints, plywood, pesticides and pills. It's also present in animal feed, biofuels and even hand sanitizer.

The AP interviewed more than 130 current and former workers from two dozen palm oil companies who came from eight countries and labored on plantations across wide swaths of Malaysia and Indonesia. Almost all had complaints about their treatment, with some saying they were cheated, threatened, held against their will or forced to work off unsurmountable debts. Others said they were regularly harassed by authorities, swept up in raids and detained in government facilities.

They included members of Myanmar's long-persecuted Rohingya minority, who fled ethnic cleansing in their homeland only to be sold into the palm oil industry. Fishermen who escaped years of slavery on boats also described coming ashore in search of help, but instead ending up being trafficked onto plantations — sometimes with police involvement.

The AP used the most recently published data from producers, traders and buyers of the world's most-consumed vegetable oil, as well as U.S. Customs records, to link the laborers' palm oil and its derivatives from the mills that process it to the supply chains of top Western companies like the makers of Oreo cookies, Lysol cleaners and Hershey's chocolate treats.

Reporters witnessed some abuses firsthand and reviewed police reports, complaints made to labor unions, videos and photos smuggled out of plantations and local media stories to corroborate accounts wherever possible. In some cases, reporters tracked down people who helped enslaved workers



Binsar Bakkara • AP

Men from Bangladesh ride in the back of a truck heading to an immigration detention center in Medan, North Sumatra, Indonesia. Officials said a few dozen men were found locked in a house, waiting for a broker to bring them illegally by boat to Malaysia, with some planning to work on palm oil plantations.

escape. More than a hundred rights advocates, academics, clergy members, activists and government officials also were interviewed.

This story was funded in part by the McGraw Center for Business Journalism at CUNY's Newmark Graduate School of Journalism

Though labor issues have largely been ignored, the punishing effects of palm oil on the environment have been decried for years. Still, giant Western financial institutions like Deutsche Bank, BNY Mellon, Citigroup, HSBC and the Vanguard Group have continued to help fuel a crop that has exploded globally, soaring from just 5 million tons in 1999 to 72 million today, according to the U.S. Department of Agriculture. The U.S. alone has seen a 900 percent spike in demand during that same time.

Sometimes they invest directly but, increasingly, third parties are used like Malaysia-based Maybank, one of the world's biggest palm oil financiers, which not only provides capital to growers but, in some cases, processes the plantations' payrolls. Financial crime experts say that in an industry rife with a history of problems, banks should flag arbitrary and inconsistent wage deductions as potential indicators of forced labor.

"This has been the industry's hidden secret for decades," said Gemma Tillack of the U.S.-based Rainforest Action Network, which has exposed labor abuses on palm oil plantations. "The buck stops with the banks. It is their funding that makes this system of exploitation possible."

As global demand for palm oil surges, plantations are struggling to find enough laborers, frequently relying on brokers who prey on the most at-risk people. Many foreign workers end up fleeced by a syndicate of recruiters and corrupt officials and often are unable to speak the local language, rendering them especially susceptible to trafficking and other abuses.

They sometimes pay up to \$5,000 just to get their jobs, an amount that could take years to earn in their home countries, often showing up for work already crushed by debt. Many have their passports seized by company officials to keep them from running away, which the United Nations recognizes as a potential flag of forced labor.

Countless others remain off the books and are especially scared of

As global demand for palm oil surges, plantations are struggling to find enough laborers, frequently relying on brokers who prey on the most at-risk people.



Binsar Bakkara • AP

Palm oil workers hold a rally demanding to be treated fairly in Rantau Prapat, North Sumatra, Indonesia, on Nov. 15, 2017. The Associated Press has found systematic labor abuses on plantations.

speaking out. They include migrants working without documentation and children who AP reporters witnessed squatting in the fields like crabs, picking up loose fruit alongside their parents. Many women also work for free or on a day-to-day basis, earning the equivalent of as little as \$2 a day, sometimes for decades.

The AP is not identifying most of the workers or their specific plantations to protect their safety, based on previous instances of retaliation. Many of the interviews took place secretly in homes or coffeeshops in towns and villages near the plantations, sometimes late at night.

The Malaysian government was contacted by the AP repeatedly over the course of a week, but issued no comment. Felda also did not respond, but its commercial arm, FGV Holdings Berhad, said it had been working to address workers' complaints on its own plantations, including making improvements in recruitment practices and ensuring that foreign laborers have access to their passports.

Indonesians such as Jum make up the vast majority of palm oil workers worldwide, including in Malaysia, where most locals shun the dirty, low-paying jobs. The two nations share a similar language and a porous border, but their close ties do not guarantee safe employment.

Unable to find a job at home, Jum says he went to Malaysia in 2013, signing a contract through an agent to work on a Felda plantation for three

years. He endured the harsh conditions because his family needed the money, but says he asked to leave as soon as his time was up. Instead, he says, his contract was extended twice against his will.

He says he initially was housed with other Indonesians in a crude metal shipping container, sweltering in the tropical heat. Later, his bed consisted of a bamboo mat next to a campfire, with no protection from the elements and the snakes and other deadly animals foraging in the jungle.

“Sometimes I sleep under thousands of stars, but other nights it is totally dark. The wind is very cold, like thousands of razors piercing my skin, especially during a downpour,” he says. “I feel that I was deliberately abandoned by the company. Now, my hope is only one: Get back home.”

He has lived this way too long, he tells the AP over the phone — scared to stay, and scared to leave.

“Please help me!” he begs.

A HALF-CENTURY AGO, palm oil was just another commodity that thrived in the tropics. Many Western countries relied on their own crops like soybean and corn for cooking, until major retailers discovered the cheap oil from Southeast Asia had almost magical qualities. It had a long shelf life, remained nearly solid at room temperature and didn’t smoke up kitchens, even when used for deep-frying.

When researchers started warning that trans fats like those found in margarine posed serious health risks, demand for palm oil soared even higher.

Just about every part of the fruit is used in manufacturing, from the outer flesh to the inner kernel, and the versatility of the oil itself and its derivatives seem endless.

It helps keep oily substances from separating and turns instant noodles into steaming cups of soup, just by adding hot water. It’s used in baby formula, non-dairy creamers and supplements and is listed on the labels of everything from Jif Natural peanut butter to Kit Kat candy bars.

Often hidden amid a list of scientific names on labels, it’s equally useful in a host of cleansers and makeup products. It bubbles in shampoo, foams in Colgate toothpaste, moisturizes Dove soap and helps keep lipstick from melting.

But the convenience comes with a cost: For workers, harvesting the fruit

Often hidden amid a list of scientific names on labels, it’s equally useful in a host of cleansers and makeup products.

can be brutal.

The uneven jungle terrain is rough and sometimes flooded. The palms themselves serve as a wind barrier, creating sauna-like conditions, and harvesters need incredible strength to hoist long poles with sickles into the towering trees.

Each day, they must balance the tool while carefully slicing down spiky fruit bunches heavy enough to maim or kill, tending hundreds of trees over expanses that can stretch beyond 10 football fields. Those who fail to meet impossibly high quotas can see their wages reduced, sometimes forcing entire families into the fields to make the daily number.

“I work as a helper with my husband to pick up loose fruit. I do not get paid,” said Yuliana, who labors on a plantation owned by London Sumatra, which has a history of labor issues and is owned by one of the world’s largest instant-noodle makers.

Muhamad Waras, head of sustainability at London Sumatra, responded that wage issues and daily harvesting quotes are regularly discussed and that workers without documents are prohibited.

The AP talked to some female workers from other companies who said they were sexually harassed and even raped in the fields, including some minors.

Workers also complained about a lack of access to medical care or clean



Ore Huiying • AP

An Indonesian migrant worker rests after working on a palm oil plantation run by the government-owned Felra in Malaysia, in early 2020.

water, sometimes collecting rain runoff to wash the residue from their bodies after spraying dangerous pesticides or scattering fertilizer.

While previous media reports have mostly focused on a single company or plantation, the AP investigation is the most comprehensive dive into labor abuses industrywide.

It found widespread problems on plantations big and small, including some that meet certification standards set by the global Roundtable on Sustainable Palm Oil, an association that promotes ethical production — including the treatment of workers — and whose members include growers, buyers, traders and environmental watchdogs.

Some of the same companies that display the RSPO's green palm logo signifying its seal of approval are accused of continuing to grab land from indigenous people and destroying virgin rainforests that are home to orangutans and other critically endangered species. They contribute to climate change by cutting down trees, draining carbon-rich peatlands and using illegal slash-and-burn clearing that routinely blankets parts of Southeast Asia in a thick haze.

When asked for comment, some product manufacturers acknowledged the industry's history of labor and environmental problems, and all said they do not tolerate any human rights abuses, including unpaid wages and forced labor. Most stressed they were working toward obtaining only ethically sourced palm oil, pushing governments to make systemic changes, and taking immediate steps to investigate when alerted to troubling issues and suspending relationships with palm oil producers that fail to address grievances.

Nestle, Unilever and L'Oréal were among the companies that noted they had stopped purchasing directly from Felda or its commercial affiliate, FGV. Eliminating tainted palm oil is difficult, however, because labor problems are so endemic and most big buyers are dependent on a tangled network of third-party suppliers.

While some companies, such as Ikea, Colgate-Palmolive and Unilever, directly confirmed the use of palm oil or its derivatives in their products, others refused to say or provided minimal information, sometimes even when "palm oil" was clearly listed on labels. Others said it was difficult to know if their products contained the ingredient because, in items such as cosmetics

Nestle, Unilever and L'Oréal were among the companies that noted they had stopped purchasing directly from Felda or its commercial affiliate, FGV.



Binsar Bakkara • AP



Top: Workers load palm oil fruit weighing up to 50 pounds (22 kilograms) each into a truck on a palm oil plantation in Sumatra, Indonesia, Nov. 13, 2017. Above left: An Indonesian migrant worker sharpens the blade of his sickle used for cutting down palm oil fruit from tall trees in Sabah, Malaysia. Above right: A young girl collects palm oil fruit on a palm oil plantation in Sumatra, Indonesia.

and cleaning supplies, some names listed on labels could instead be derived from coconut oil or a synthetic form.

“I understand why companies are struggling because palm oil has such a bad reputation,” said Didier Bergeret, director of social sustainability at the Consumer Goods Forum, a global industry group. “Even if it’s sustainable, they don’t feel like talking about it whatsoever.”

In response to the criticism, Malaysia and Indonesia have long touted the golden crop as vital to alleviating poverty, saying small-time farmers are able to grow their own palm oil and large industrial estates provide much-needed jobs to workers from poor areas.

Nageeb Wahab, head of the Malaysian Palm oil Association, a government-

supported umbrella group, called the allegations against the industry unwarranted. He noted that all the companies in his association, which are most of the country's mid- and larger operations, must meet certification standards.

"I am surprised with all the allegations made. All of them are not true," he said. "There may be violations by some, but definitely it is isolated and not from our members' plantations."

But Soes Hindharno, spokesman for the Indonesian Ministry of Manpower and Transmigration, told the AP that many Indonesian workers who cross over to Malaysia illegally to work on plantations "are easily intimidated, their wages are cut or they are threatened with reporting and deportation." Some have their passports seized by their employers, he said.

He added that many of the concerns raised by AP about labor conditions in Indonesia had not been brought to his level, but said any company found not following government rules and regulations could face sanctions, including having their operations shut down.

The AP traveled to Jum's Felda plantation in Malaysia earlier this year to meet with him, but calls to his cell phone went unanswered. Fellow workers confirmed he no longer slept in the barracks and instead, vulnerable with no identity papers, had to hide from the police.

Jum's co-workers at least had a roof covering their heads, but their shelter resembled a barn. The filthy kitchen had a hotplate and just a few pots and pans. Only two outdoor squat toilets were functional, forcing many men to share, and a mold-covered cement trough served as a communal basin for washing. Pesticide sprayers were stacked along the metal walls, just feet from their bunks.

The men said they were forced to work unpaid overtime every day. One complained of abdominal pain, saying he was too sick to go to the fields and had been asking the company to give him back his passport so he could return home. He said he was told he must pay more than \$700 to leave – money he did not have.

"We work until we are dying," said a worker sitting in a room with two other colleagues. Their eyes filled with tears after learning Felda was one of the world's largest palm oil producers.

"They use this palm oil to make all these products," he said. "It makes us very sad."

The men said they were forced to work unpaid overtime every day. One complained of abdominal pain, saying he was too sick to go to the fields...

And the global pandemic has only complicated matters, limiting the flow of workers and contributing to even greater labor shortages in Malaysia.

The workers AP interviewed came from Indonesia, Malaysia, Bangladesh, India, Nepal, the Philippines and Cambodia, along with Myanmar, which represents the newest army of exploited laborers.

Among the latter are stateless Rohingya Muslims such as Sayed.

Decades of oppression and outbreaks of violence have sent nearly a million Rohingya fleeing Myanmar in the last five years. Sayed was among those who escaped by boat — only to be held hostage, he said, and tortured by human traffickers in a jungle camp in Thailand.

After his relatives paid a ransom, Sayed said he was sent to Muslim-majority Malaysia, where thousands of Rohingya have sought refuge. He heard about a job paying workers without permits the equivalent of \$14 a day, so he jumped into the back of a truck with eight other men and watched for hours as the busy highways narrowed to a dirt mountain track surrounded by an endless green carpet of palm oil trees.

Once on the plantation, Sayed said he lived in an isolated lean-to, dependent on his boss to bring what little rice and dried fish he was given to eat. He said he escaped after working a month and was later arrested, spending a year and a half in an immigration detention center, where guards



Gemunu Amarasinghe • AP

A Malaysian worker harvests palm fruits from a plantation in peninsular Malaysia, on Wednesday, March 6, 2019. Though labor issues have largely been ignored, the punishing effects of palm oil on the environment have been decried for years.

beat him.

“There is no justice,” he said. “People here say, ‘This is not your country, we will do whatever we want.’”

Shamshu, who also is Rohingya, said he, too, made a run from his plantation after realizing he would never get paid. But that didn’t end his troubles.

Shamshu had a U.N.-issued refugee card, which can provide some protection even though Malaysia does not recognize it as a legal document, but he and others said it’s common for authorities to tear them up. He said he was stopped by police and spent four months in prison and then six months in an immigration detention center, where he was flogged.

During one beating, he described how a guard smashed his face against a wall, while two others pinned his arms and legs.

Similar stories were repeated to the AP by several other migrant workers, including Vannak Anan Prum, a Cambodian who published a graphic novel in 2018 depicting his abuse.

“There is still a scar ... and I still have pain,” Shamshu said of his caning. “I think it was connected to electricity because I passed out.”

In some of the worst cases of abuse, migrant workers said they fled one kind of servitude for another, detailing how they were trafficked, sold and enslaved not once, but twice.

Five men from Cambodia and Myanmar told the AP strikingly similar stories about being forced to work on Thai fishing boats for years at different times. They said they managed to break free while docking in Sarawak, Malaysia, before being scooped up by police and quickly sold again onto plantations.

“In Cambodia, I often heard my parents talking about the hardship of their lives under the Khmer Rouge regime, but I myself have met this hardship, too, when I worked at the Thai fishing boat and at the Malaysian palm oil plantation,” said Sren Brohim, 48, who escaped by offering to fish for free in exchange for a boat ride home. “Working at these two places was like working in hell.”

Rights groups confirmed being double-trafficked is not uncommon, especially five to 10 years ago, when recruiters and human traffickers would wait along the coast for runaway fishermen.

Last year in Malaysia, another Cambodian man who said he spent five

He described how a guard smashed his face against a wall, while two others pinned his arms and legs. Similar stories were repeated to the AP.



• AP Photo

Smoke rises from a processing mill at a palm oil plantation in Sumatra, Indonesia, Saturday, Sept. 8, 2018.

years enslaved at sea and four more on plantations was among those who surfaced. Instead of being repatriated as a victim of human trafficking, rights groups said he was jailed for months for being in the country illegally.

A Burmese man, Zin Ko Ko Htwe, said he also was brought to a plantation after escaping from a boat in 2008 and spent several months working there, without being paid. He decided to run one day, but said his supervisors chased him down, pulled out a gun and surrounded him.

“Come out!” he recalled them yelling. “If you don’t, we will kill you!”

Ko Htwe was taken back to the plantation, where he said his bosses tied his hands together and, at gunpoint, told him to kneel before the other workers as a warning. He eventually managed to escape, but didn’t make it home until 2016 — nearly a decade after he left.

“We gave our sweat and blood for palm oil,” Ko Htwe said. “We were forced to work and were abused.”

When Americans and Europeans see palm oil is listed as an ingredient in their snacks, he said, they should know “it’s the same as consuming our sweat and blood.”

THE PALM INDUSTRY’S DOMINANCE is perhaps best grasped by viewing its footprint from 35,000 feet in the air. Trees planted in neat rows stretch across miles of flatlands in both countries, straddling coffee-colored rivers and

eventually ringing terraced mountains for as far as the eye can see, creating a patchwork of green nearly the size of Kansas.

It's easy to understand the allure, considering that crops like rapeseed, sesame and corn require a lot more land while producing far less oil.

Malaysia and Indonesia started ramping up commercial production in the 1960s and '70s, supported by the World Bank and the International Monetary Fund, which saw palm oil as an engine for economic growth in the developing world. Today, following advances in transportation and capabilities in refining, the two countries have a near-monopoly on the global supply, even as production expands across Africa and Latin America, where a litany of labor abuses also have been reported.

China and India have become major customers, and the crop now is being eyed as a potential energy source for power plants, ships and airplanes, which would create even more demand.

"If the whole Western world would stop using palm oil, I don't think that would make any difference," said Gerrit van Duijn, a former refineries manager at Unilever, one of the world's largest palm oil buyers for food and personal care products.

The trees take only three or four years to mature and then bear fruit year-round for up to three decades.

The trees take only three or four years to mature and then bear fruit year-round for up to three decades. But most companies can't maintain the pace of expansion without outside funding. Every 10,000 acres of new planting requires up to \$50 million, van Duijn estimates.

Asian banks are by far the most robust financiers of the plantations, but Western lenders and investment companies have poured almost \$12 billion into palm oil plantations in the last five years alone, allowing for the razing and replanting of ever-expanding tracts of land, according to Forest and Finance, a database run by six nonprofit organizations that track money flowing to palm oil companies. The U.S. institutions BNY Mellon, Charles Schwab Corp., Bank of America, JPMorgan Chase & Co., and Citigroup Inc., along with Europe's HSBC, Standard Chartered, Deutsche Bank, Credit Suisse and Prudential, together account for \$3.5 billion of that, according to the data.

Other contributors include U.S. state pensions and teachers' unions, including CalPERS, California's massive public employees fund, and insurance companies such as State Farm, meaning that even conscientious consumers many unwittingly be supporting the industry just by visiting

ATMs, mortgaging homes, insuring cars or investing in 401K retirement accounts.

Bank of America, HSBC, Standard Chartered, Deutsche Bank, Credit Suisse, CalPERS and State Farm responded by noting their policies vowing to support sustainability practices in the palm oil industry, with many also incorporating human rights into their guidelines. JPMorgan Chase declined comment, and BNY Mellon, Citigroup and Prudential did not respond. Charles Schwab called its investment “small.”

Some, including Norway’s government pension — the world’s largest sovereign wealth fund, worth about \$1 trillion — have divested or distanced themselves from palm oil companies in recent years.

But Norway and many big-name banks and financial institutions around the globe continue to maintain ties with Malaysia’s biggest bank, Malayan Banking Berhad. More commonly known as Maybank, it has provided almost \$4 billion in financing to Southeast Asia’s palm oil industry between 2015 and 2020, or about 10 percent of all loans and underwriting services, according to Forests and Finance.

Though the group accuses Maybank of having some of the loosest social and environmental assessment policies in the industry, its shareholders include institutions such as the Vanguard Group, BlackRock and State Street Corp.



Binsar Bakkara • AP

Two passengers look out to sea from a ferry headed to Nunukan, Indonesia on Monday, Dec. 3, 2018, the last stop before crossing the border to Malaysia.

The biggest gains for banks affiliated with palm oil come from big-ticket financial services, such as corporate loans. But some of the same institutions also offer banking services for workers, handling payrolls and installing ATM machines inside plantations.

“And this is where banks, such as Maybank, may find themselves at the heart of a forced-labor problem,” said Duncan Jepson, managing director of the global anti-trafficking nonprofit group Liberty Shared. “Financial institutions have ethical and contractual obligations to all their clients, as set out in the customer charters. In this case, that means both the palm oil company and its workers.”

Jepson said abnormal paycheck deductions are commonplace industry-wide, which should trigger investigations by the banks’ risk management teams into possible money-laundering.

In a statement, Maybank expressed surprise at the criticism of its standards, saying that “we reject any insinuation that Maybank may be involved in any unethical behavior.” The bank said it had not received any complaints about worker paychecks and “does not arbitrarily make deductions to client accounts unless instructed or authorized to do so by the account holder.” It said it would immediately investigate any complaints brought forward. It also pushed back against allegations that it has loose social governance standards.

Jepson said abnormal paycheck deductions are commonplace industry-wide, which should trigger investigations by the banks’ risk management teams into possible money-laundering.

Asked for comment on their investments, BlackRock reiterated its commitment to sustainable practices, Vanguard said it monitors companies in its portfolio for human rights abuses, and State Street did not respond.

Jepson’s organization filed a petition with the U.S. government earlier this year, citing allegations of child and forced labor, and seeking a ban on all palm oil imports from Sime Darby Plantation. The giant Malaysian-based producer told the AP that it has taken several steps to address labor concerns, including setting up a multilingual worker helpline. Two similar petitions were filed last year by other groups against FGV Holding, Felda’s commercial arm.

FGV Holdings, which employs nearly 30,000 foreign workers and manages about 1 million acres, has a 50/50 joint-venture with American consumer goods giant Procter & Gamble Company. FGV Holdings has been under fire for labor abuses and was sanctioned by the RSPO certification group two years ago.



Gemunu Amarasinghe • AP

Shamshu, a member of Myanmar's long-persecuted Rohingya minority, changes clothes upon returning home in peninsular Malaysia, Monday, March 4, 2019. Shamshu is part of an invisible workforce.

Nurul Hasanah Ahamed Hassain Malim, FGV's head of sustainability, noted that while the company is striving to make improvements, the issues raised stretch beyond just FGV and that the government also should play a role in protecting migrant workers.

"It is an industry issue. And I would say that it's not only specific to plantations — you would see that in other sectors as well," she said.

Several workers at different companies, including Jum's plantation, showed the AP their pay stubs and ledgers documenting daily wages. Some noted they were regularly docked for not meeting quotas or shorted on their salaries every month, sometimes for years, to pay off the brokers who recruited them. In one case, more than 40 percent was subtracted from a Malaysian employee's earnings, including a deduction for electricity.

Some months, Jum and the others said they made as little as \$10 a day. Most labored the same hours, doing identical jobs, but said they never knew what amount to expect until checking the Maybank accounts where their salaries were deposited each month.

Karim, a Bangladeshi worker who arrived in Malaysia legally 12 years ago after being promised a position in an electronics company, said he wound up working for a subcontractor on many large plantations owned by the biggest companies.

“I have been cheated five times in six years,” he said, adding that once when he asked for his unpaid wages, his boss “threatened to run me over with his car.”

Many of these conditions should not be a surprise to companies buying palm oil and those helping finance the plantations.

The U.S. State Department has long linked the palm oil industry in Malaysia and Indonesia to exploitation and trafficking. And a 2018 report released by the Consumer Goods Forum found indicators of forced labor on estates in both countries — essentially putting the network’s 400 CEOs on alert. Its members include palm oil customers like Nestle, General Mills Inc., PepsiCo Inc., Colgate-Palmolive Company and Johnson & Johnson.

Many large suppliers have pledged to root out labor abuses after pressure from buyers who have denounced it. But some workers said they are told to hide or coached on what to say during auditors’ scheduled visits when only the best conditions are often showcased for sustainability certification.

It’s a system that keeps those like Jum from ever being seen.

The U.S. State Department has long linked the palm oil industry in Malaysia and Indonesia to exploitation and trafficking.

SOON AFTER HIS PHONE CALL with the AP pleading for help, Jum decides to slip away from his plantation, without even telling his friends goodbye. Instead, he sends them an abrupt text saying he’s had enough and will try to find an illegal boat home to Indonesia.

It’s a dangerous plan. The risk of getting caught or dying at sea is all too real. He could simply disappear.

Days pass with no word. But finally, Jum emerges: He has reached the Malaysian coast, but doesn’t have enough money to pay smugglers for the trip home. He is huddled in a small metal hut to avoid being spotted, wiping away tears and running his hands through thick tangles of black hair.

“If I get caught,” he tells the AP on a video call, “I’m afraid that I will not be able to see my mother again.”

Jum is hiding in a popular corridor for migrants without papers, and authorities are aggressively patrolling the area. Smooth-talking brokers also are on the hunt, waiting to pounce on vulnerable workers and promising safe passage for a price that often climbs once a trip begins.

Jum has always shielded his family from his troubles and the thought of turning to them for help fills him with shame. But as the days continue, he

has no choice: He makes the call and they borrow the money needed to finally bring him home.

When it's time to go, Jum spends the night in the forest with a group of fellow Indonesians also nervous about the risky crossing. He readies himself to plunge into the disorienting blackness of the South China Sea before dawn to swim to the waiting boat, one of the most treacherous legs of the journey.

Once Jum climbs aboard, totally spent, he quickly realizes to his horror that the man who extracted \$600 in exchange for transport all the way to his village has disappeared. He tries to ask what happened, but is silenced and told to hand over his phone unless he wants it tossed into the water.

"No questions!" the captain screams at him. "Do you want to live or die?"

Jum spends the journey relentlessly scanning the water for lights from border patrol vessels that could catch them as the boat is slammed by waves powerful enough to capsize it. He doesn't relax until he touches Indonesian sand.

He is safe. But he also is broke, and his family remains thousands of miles away. He looks for work, but no one will hire him without proper identification papers — his Indonesian ID card, which says he is 32, expired years ago — so he relies on strangers for food and shelter.

After a stretch of silence, Jum finally reaches out to the AP again — crying,



Binsar Bakkara • AP

A woman sprays pesticide at a palm oil plantation in Sumatra, Indonesia. Workers often cannot get medical care or access to clean water, sometimes relying on collecting rain runoff to wash the residue from their bodies after spraying dangerous chemicals or scattering fertilizer.

wracked with hunger. The AP asks if he wants to be put in touch with the local International Organization for Migration office, which takes him to a shelter and designates him as a victim of trafficking. He is quarantined due to a mounting number of coronavirus cases until at last — three months after fleeing his plantation — he is placed on a plane home.

His excitement at seeing his family is muted by the humiliation he feels returning empty-handed after working on the plantation for seven years. But it doesn't matter to them.

“For my parents, the most important thing was that I came back home safe and healthy,” he says. “I felt so relieved when my feet stepped back in my home village. It's a great relief, like someone who just escaped punishment. ... I feel like a free man!”

With just an elementary school education, Jum's only job now is tending a neighbor's rice fields for almost no money. It's a problem many migrant workers face: Are their families better off when they're away? At least then there's one less mouth to feed, and they're able to send a little cash home.

Brokers often jump on those who have returned home to such little opportunity, trying to lure them away again with renewed promises of riches.

So it's no surprise when the phone call comes from an agent in Malaysia who already has obtained Jum's new number.

Come back, the agent assures him. Things will be better this time. Just come back.

Associated Press reporters Sopheng Cheang and Gemunu Amarasinghe contributed to this report.

Nov. 18, 2020

Rape, abuses in palm oil fields linked to top beauty brands



Binsar Bakkara • AP

A female worker sprays herbicide in a palm oil plantation in Sumatra, Indonesia, on Saturday, Sept. 8, 2018.

By **MARGIE MASON** and **ROBIN McDOWELL**

Associated Press

SUMATRA, Indonesia — With his hand clamped tightly over her mouth, she could not scream, the 16-year-old girl recalls — and no one was around to hear her anyway. She describes how her boss raped her amid the tall trees on an Indonesian palm oil plantation that feeds into some of the world's best-known cosmetic brands. He then put an ax to her throat and warned her: Do not tell.

At another plantation, a woman named Ola complains of fevers, coughing and nose bleeds after years of spraying dangerous pesticides with no protective gear.

Making just \$2 a day, with no health benefits, she can't afford to see a doctor.

Hundreds of miles away, Ita, a young wife, mourns the two babies she lost in the third trimester. She regularly lugged loads several times her weight throughout both pregnancies, fearing she would be fired if she did not.

These are the invisible women of the palm oil industry, among the millions of daughters, mothers and grandmothers who toil on vast plantations across Indonesia and neighboring Malaysia, which together produce 85 percent of the world's most versatile vegetable oil.

Palm oil is found in everything from potato chips and pills to pet food, and also ends up in the supply chains of some of the biggest names in the \$530 billion beauty business, including L'Oréal, Unilever, Procter & Gamble, Avon and Johnson & Johnson, helping women around the world feel pampered and beautiful.

The Associated Press conducted the first comprehensive investigation focusing on the brutal treatment of women in the production of palm oil, including the hidden scourge of sexual abuse, ranging from verbal harassment and threats to rape. It's part of a larger in-depth look at the industry that exposed widespread abuses in the two countries, including human trafficking, child labor and outright slavery.

Women are burdened with some of the industry's most difficult and



Binsar Bakkara • AP

A woman helps load palm oil fruit into a wheelbarrow, navigating barefoot through the rough jungle floor in Sumatra, Indonesia, Wednesday, Feb. 21, 2018.

dangerous jobs, spending hours waist-deep in water tainted by chemical runoff and carrying loads so heavy that, over time, their wombs can collapse and protrude. Many are hired by subcontractors on a day-to-day basis without benefits, performing the same jobs for the same companies for years – even decades. They often work without pay to help their husbands meet otherwise impossible daily quotas.

“Almost every plantation has problems related to labor,” said Hotler Parsaoran of the Indonesian nonprofit group Sawit Watch, which has conducted extensive investigations into abuses in the palm oil sector. “But the conditions of female workers are far worse than men.”

Parsaoran said it’s the responsibility of governments, growers, big multinational buyers and banks that help finance plantation expansion to tackle issues related to palm oil, which is listed under more than 200 ingredient names and contained in nearly three out of four personal-care products – everything from mascara and bubble bath to anti-wrinkle creams.

The AP interviewed more than three dozen women and girls from at least 12 companies across Indonesia and Malaysia. Because previous reports have resulted in retaliation against workers, they are being identified only by partial names or nicknames. They met with female AP reporters secretly within their barracks or at hotels, coffee shops or churches, sometimes late at night, usually with no men present so they could speak openly.

The Malaysian government said it had received no reports about rapes on plantations, but Indonesia acknowledged physical and sexual abuse appears to be a growing problem, with most victims afraid to speak out. Still, the AP was able to corroborate a number of the women’s stories by reviewing police reports, legal documents, complaints filed with union representatives and local media accounts.

Reporters also interviewed nearly 200 other workers, activists, government officials and lawyers, including some who helped trapped girls and women escape, who confirmed that abuses regularly occur.

Women are burdened with some of the industry’s most difficult and dangerous jobs, spending hours waist-deep in water tainted by chemical runoff.

This story was funded in part by the McGraw Center for Business Journalism at CUNY’s Newmark Graduate School of Journalism



Binsar Bakkara • AP



Female workers carry heavy loads of fertilizer at a palm oil plantation in Sumatra, Indonesia. Some women spread up to 880 pounds of fertilizer, nearly a half-ton, over the course of a day.

INDONESIA IS THE WORLD'S BIGGEST palm oil producer, with an estimated 7.6 million women working in its fields, about half the total workforce, according to the female empowerment ministry. In much-smaller Malaysia, the figures are harder to nail down due to the large number of foreign migrants working off the books.

In both countries, the AP found generations of women from the same families who have served as part of the industry's backbone. Some started working as children alongside their parents, gathering loose kernels and clearing brush from the trees with machetes, never learning to read or write.

And others, like a woman who gave the name Indra, dropped out of school as teenagers. She took a job at Malaysia's Sime Darby Plantations, one of the world's biggest palm oil companies. Years later, she says her boss started harassing her, saying things like "Come sleep with me. I will give you a baby."

He would lurk behind her in the fields, even when she went to the bathroom.

Now 27, Indra dreams of leaving, but it's hard to build another life with no education and no other skills. Women in her family have worked on the same Malaysian plantation since her great-grandmother left India as a baby in the early 1900s. Like many laborers in both countries, they can't afford to give up the company's basic subsidized housing, which often consists of rows of dilapidated shacks without running water.

That ensures the generational cycle endures, maintaining a cheap, built-in workforce.

"I feel it's already normal," Indra said. "From birth until now, I am still on a plantation."

OUT OF SIGHT, HIDDEN BY A SEA OF PALMS, women have worked on plantations since European colonizers brought the first trees from West Africa more than a century ago. As punishment in Indonesia back then, some so-called female "coolies" were bound to posts outside the boss' house with finely ground chili pepper rubbed into their vaginas.

As the decades passed, palm oil became an essential ingredient for the food industry, which saw it as a substitute for unhealthy trans fats. And cosmetic companies, which were shifting away from animal- or petroleum-based ingredients, were captivated by its miracle properties: It foams in toothpaste and shaving gel, moisturizes soaps and lathers in shampoo.

New workers are constantly needed to meet the relentless demand, which has quadrupled in the last 20 years alone. Women in Indonesia are often "casual" workers – hired day to day, with their jobs and pay never guaranteed. Men receive nearly all the full-time permanent positions, harvesting the heavy, spiky fruit bunches and working in processing mills.

On almost every plantation, men also are the supervisors, opening the door for sexual harassment and abuse.

The 16-year-old girl who described being raped by her boss – a man old enough to be her grandfather – started working on the plantation at age 6 to help her family make ends meet.

The day she was attacked in 2017, she said the boss took her to a remote part of the estate, where her job was to ferry wheelbarrows laden with the bright orange palm oil fruits he hacked from the trees. Suddenly, she said, he grabbed her arm and started pawing her breasts, throwing her to the jungle floor. Afterward, she said, he held the ax to her throat.

"He threatened to kill me," she said softly. "He threatened to kill my

whole family.”

Then, she said, he stood up and spit on her.

Nine months later, after she says he raped her four more times, she sat by a wrinkled 2-week-old boy. She made no effort to comfort him when he cried, struggling to even look at his face.

The family filed a report with police, but the complaint was dropped, citing lack of evidence.

“I want him to be punished,” the girl said after a long silence. “I want him to be arrested and punished because he didn’t care about the baby ... he didn’t take any responsibility.”

The AP heard about similar incidents on plantations big and small in both countries. Union representatives, health workers, government officials and lawyers said some of the worst examples they encountered involved gang rapes and children as young as 12 being taken into the fields and sexually assaulted by plantation foremen.

One example involved an Indonesian teen who was trafficked to Malaysia as a sex slave, where she was passed between drunk palm oil workers living under plastic tarps in the jungle, eventually escaping ravaged by chlamydia. And in a rare high-profile case that sparked outrage last year, a female preacher working at a Christian church inside an Indonesian estate was tied



• AP Photo

A 17-year-old mother gives a bottle to her 2-week-old baby, whom she says was born as a result of a rape in Sumatra, Indonesia, Sunday, Sept. 9, 2018. She started working on a plantation as a young child to help her family survive, never going to school or learning how to read or write.

up among the trees, sexually assaulted by two workers and then strangled. The men were sentenced to life in prison.

While Indonesia has laws in place to protect women from abuse and discrimination, Rafail Walangitan of the Ministry of Women Empowerment and Child Protection said he was aware of many problems identified by the AP on palm oil plantations, including child labor and sexual harassment.

“We have to work hard on this,” he said, noting the government still has a long way to go.

Malaysia’s Ministry of Women, Family and Community Development said it hadn’t received complaints about the treatment of women laborers so had no comment. And Nageeb Wahab, head of the Malaysian Palm Oil Association, said workers are covered by the country’s labor laws, with the ability to file grievances.

Those familiar with the complexities of plantation life say the subject of sexual abuse has never drawn much attention and that female workers often believe little can be done about it.

“They are thinking it happens everywhere, so there’s nothing to complain about,” said Saurlin Siagan, an Indonesian activist and researcher.

Many families living on plantations struggle to earn enough to cover basic costs, like electricity and rice. Desperate women are sometimes coerced into using their bodies to pay back loans from supervisors or other workers. And younger females, especially those considered attractive, occasionally are given less demanding jobs like cleaning the boss’ house, with sex expected in exchange.

In the few cases where victims do speak out, companies often don’t take action or police charges are either dropped or not filed because it usually comes down to the accuser’s word against the man’s.

“The location of palm oil plantations makes them an ideal crime scene for rape,” said Aini Fitri, an Indonesian official from the government’s women and children’s office in West Kalimantan province. “It could be dangerous in the darkness for people, especially for women, but also because it is so quiet and remote. So even in the middle of the day, the crime can happen.”

Many beauty and personal goods companies have largely remained silent when it comes to the plight of female workers, but it’s not due to lack of knowledge.

A powerful global industry group, the Consumer Goods Forum, published a 2018 report alerting the network’s 400 CEOs that women on plantations

Desperate women are sometimes coerced into using their bodies to pay back loans from supervisors or other workers.



Binsar Bakkara • AP

Above: Indonesian women deported from Malaysia for working illegally, wait to be processed by Indonesian immigration officers.



Left: A little girl helps her parents work on a palm oil plantation in Sabah, Malaysia, Monday, Dec. 10, 2018. Many children gather loose kernels and clear brush from the trees with machetes, never learning to read or write.

were exposed to dangerous chemicals and “subject to the worst conditions among all palm oil workers.” It also noted that a few local groups had cited examples of women being forced to provide sex to secure or keep jobs, but said few workers were willing to discuss the sensitive issue.

Even so, almost all of the pressure aimed at palm oil companies has focused on land grabs, the destruction of rainforests and the killing of endangered species such as orangutans.

Those concerns led to the 2004 formation of the Roundtable on Sustainable Palm Oil, an association that promotes and certifies ethical production, including provisions to safeguard laborers. Its members include growers, buyers, traders and environmental watchdogs. But of the nearly 100 grievances lodged in Indonesia and Malaysia in the last decade, most have not focused on labor until recently. And women are almost never mentioned.

The AP reached out to representatives affiliated with every cosmetic and personal goods maker mentioned in this story. Some didn't comment, but most defended their use of palm oil and its derivatives, with many attempting to show how little they use compared to the roughly 80 million tons produced annually worldwide. Others said they were working with local nonprofits, pointed to pledges on their websites about commitments to sustainability and human rights, or noted efforts to be transparent about the processing mills in their supply chains.

But the AP found that labor abuses regularly occur industrywide, even from mills that source from plantations bearing the RSPO's green palm stamp.

That includes Indonesian companies like London Sumatra, which withdrew from the RSPO last year after the association cited it for a series of labor abuses. London Sumatra told the AP that it adheres to labor laws and takes "the health of our workers very seriously."

In some cases, women working at various palm oil companies illegally said they were ordered to hide in the jungle when sustainability auditors arrived, while others were told to smile if they encountered any visitors.

The AP used U.S. Customs records, product ingredient lists and the most recently published data from producers, traders and buyers to link the laborers' palm oil and its derivatives from the mills that process it to the Western brands' supply chains – including some that source from mills fed by plantations where women said they were raped and young girls toiled in the fields.

Abuses also were linked to product lines sought out by conscientious consumers like Tom's of Maine and Kiehl's, through the supply chains of their giant parent companies Colgate-Palmolive and L'Oréal. And Bath & Body Works was connected through its main supplier, Cargill, one of the world's biggest palm oil traders.

Coty Inc., which owns global staples like CoverGirl and is tapping into partnerships with Gen Z newcomers like Kylie Cosmetics, did not respond to multiple AP calls and emails. And Estee Lauder Companies Inc., owner of Clinique and Aveda, acknowledged struggling with traceability issues in its RSPO filing. When asked by AP whether specific products used palm oil or its

In some cases, women working at various palm oil companies illegally said they were ordered to hide in the jungle when sustainability auditors arrived.

derivatives, there was no response.

Both companies, along with Shiseido and Clorox, which owns Burt's Bees Inc., keep the names of their mills and suppliers secret. Clorox said it would raise the allegations of abuses with its suppliers, calling AP's findings "incredibly disturbing."

Johnson & Johnson makes its mill list public, but refused to say whether its iconic baby lotion contains palm oil derivatives.

One case uncovered by the AP involved a widow named Maria who said her supervisor began sexually harassing her when she first started working at a Malaysian-owned company in Indonesia. She said she successfully fought off his advances until she returned home one night to find him inside, waiting for her.

"I tried to remind him about his wife and his children in the village, but he hugged me tighter while pulling my pants down. Then he raped me," she said. "After that, he left me. But almost two hours later, he came back and raped me a second time."

She said she stayed quiet at first because he threatened her life and her job. But the attacks continued, she said, including once when he jumped her while she was working in the field "crushing me so that I couldn't move."



Binsar Bakkara • AP

A woman walks with a sack of fertilizer to be spread in a palm oil plantation in Sumatra, Indonesia. Some workers suffer from collapsed uteruses, caused by the weakening of the pelvic floor from repeatedly squatting and carrying overweight loads.

That time, she said, she kept a semen-filled tissue as evidence. She later confronted the man and his wife and also complained to company and union officials. She attempted to file a police report, but instead was directed to seek compensation directly from the man, a union representative said. She was never paid and ended up moving to another plantation to get away from the boss, who has since quit.

Rosita Nengsih, the director of the Women, Children and Family Legal Aid Institution in the Indonesian province of West Kalimantan, said most victims are reluctant to report rapes to authorities, adding it's typical to settle complaints through so-called "peace solutions" in which the victim's family may be paid off. Sometimes parents force their daughter to marry her rapist to lessen the shame, often after pregnancy occurs.

The province where Nengsih works borders Malaysia on the island of Borneo, which is shared by the two countries. It is a porous corridor for Indonesian workers, including women and young girls hoping to earn enough in the wealthier neighboring country to pull themselves out of poverty. Many travel there illegally, sometimes falsifying documents or lying about their ages, leaving them vulnerable to exploitation.

Sometimes parents force their daughter to marry her rapist to lessen the shame, often after pregnancy occurs.

Nengsih recalled a case involving two Indonesian girls as young as 13 who were working on a Malaysian plantation with their parents and said they were repeatedly raped by the same supervisor until both became pregnant four months apart.

"Nothing happened to the foreman," she said. "He's still free."

THE CONDITIONS THESE WORKERS ENDURE stand in stark contrast to female empowerment messages promoted by industry leaders such as L'Oréal, one of the world's top cosmetic companies, and Unilever, one of the biggest palm oil buyers for consumer goods, which sources from more than 1,500 mills.

As Unilever's popular soap brand proclaims: "Dove believes that beauty is for everyone." And L'Oréal says it is working to stamp out sexual harassment "because we are all worth it."

In a global industry expected to reach \$800 billion within the next five years, cosmetic legacy brands – together with fast-growing celebrity and niche startups – proudly tout \$300 anti-wrinkle creams or glittery eyeshadows as sustainable and free of labor abuses, with little or no evidence.



• AP Photo

This combination of November 2020 photos shows the hands of five generations of women from a family that has worked on the same palm oil plantation since the early 1900s, ranging in age from 6 to 102. They each hold products made by iconic Western companies that source palm oil from Indonesia and Malaysia.

In response, L'Oréal said it “has put particular emphasis on supporting and empowering women, who are the first victims of many of the social and environmental challenges our world faces.” Unilever said progress needs to be made more quickly, but that “the safety of women in global agricultural supply chains ... including in the palm oil industry, remains a key concern.”

The women in Southeast Asia’s rugged, steamy plantations are a world away. Some haul tanks of toxic chemicals on their backs weighing more than 13 kilograms (30 pounds), dispensing 80 gallons each day – enough to fill a bathtub.

“Our lives are so hard,” said Ola, who has been employed as a day worker in Indonesia for 10 years and wakes each day aching from repeatedly lifting heavy loads. “After spraying, my nose bleeds occasionally. I think it’s connected to the pesticide.”

She doesn’t wear a mask because it’s too hot to breathe. She said the company doesn’t provide medical care to casual workers, and she has no money for a doctor.

Paraquat, one of the chemicals Ola and others spray, has been banned by the European Union and many other countries over possible links to a wide range of health issues, including an increased chance of developing

Parkinson's disease.

Glyphosate, the active ingredient in popular weedkiller Roundup, also is commonly used. Roundup's parent company, Bayer, agreed earlier this year to pay more than \$10 billion to end tens of thousands of lawsuits filed in the U.S. alleging the chemical caused serious illnesses, including cancer.

Some palm oil workers who use agrochemicals daily showed the AP raw webbing between their fingers and toes, along with destroyed nails. Others had milky or red eyes and complained of dizzy spells, trouble breathing and blurry vision. Activists reported that some totally lost their sight.

The workers said pesticides routinely blow back into their faces, splash onto their backs and seep into the sweaty skin on their stomachs.

"If the liquid shakes and spills out, it's also running into my private area. Almost all women are suffering the same itching and burning," said Marodot, whose five children also work to help their father meet his daily target. "I have to keep going until I finish working, and then clean it up with water. There's too many men around."

She said she has trouble seeing, and her face is dark and cracked from years in the sun.

When handed a \$20 lipstick by a journalist, a worker named Defrida was told it contained palm oil. She twisted the silver case and stared at the glistening pink stick – first with intrigue, then with disgust.

She twisted the silver case and stared at the glistening pink stick – first with intrigue, then with disgust.

Noting she would have to spray pesticide on 30 acres of rough jungle terrain just to afford a single tube, she pleaded with women who buy products containing palm oil: "Oh, my God!" she said. "Please pay attention to our lives."

She, along with nearly all the women interviewed, complained of pelvic pain and explained how almost every phase of their reproductive health is affected.

Some women are forced to undergo humiliating checks to prove they are bleeding in order to take leave during their periods.

Others suffering from collapsed uteruses – caused by the weakening of the pelvic floor from repeatedly squatting and carrying overweight loads – create makeshift braces by tightly wrapping scarves or old motorbike tire tubes around their mid-sections. Some workers described the pain as so agonizing that they could find relief only by lying on their backs with their legs in the air.

Despite a national health care program launched by the Indonesian

government, many palm oil workers still don't have access to medical services and, even when basic care is available, it typically is not extended to female day workers. The nearest clinics can be more than a day's drive by motorbike, so most workers just use aspirin, balms or home remedies when they're sick.

Still, they are better off in many ways than migrant women working without papers in Malaysia, mostly in the bordering states of Sarawak and Sabah on the island of Borneo.

The AP confirmed a horrific story involving a pregnant Indonesian woman who escaped captivity on a Malaysian estate owned by state-run FELDA, one of the world's biggest palm oil companies. She gave birth in the jungle and foraged for food before finally being rescued. In September, U.S. Customs and Border Protection banned all palm oil imports from FGV Holdings Berhad, which is closely affiliated with FELDA, after finding indications of child and forced labor and other abuses on its plantations.

Even on a day-to-day basis in Malaysia, migrant women fear arrest and deportation. Many rarely leave their plantations, even to give birth, at times risking their own lives and their babies'. And those who do venture out during emergencies can be held for weeks at the hospital until family members can collect enough money to pay exorbitant rates.

At one government facility in a border town, a menu of maternity ward



Binsar Bakkara • AP

Babies and toddlers of female palm oil workers nap in a makeshift daycare center in Sumatra, Indonesia, Tuesday, Nov. 14, 2017, as their parents work.

prices was posted on a blue bulletin board. A natural birth costs foreign migrants about \$630 – several times more than it would cost a Malaysian citizen, an amount that could take some women at least a year to pay back.

And that's if they're able to conceive and carry their babies to full term.

Groups of women interviewed by the AP in Indonesia wondered whether their arduous jobs, combined with the chemicals they handle and breathe, caused their infertility, miscarriages and stillbirths.

Ita was among those who said her work affected her ability to deliver healthy babies. She said she hid two pregnancies from her boss, knowing she likely wouldn't be called for daily work otherwise. With two children already at home to feed, she had no choice but to keep working for \$5 a day. In contrast, a permanent full-time female worker is entitled to three months of paid maternity leave.

Every day, as her belly grew, Ita said she continued to carry back-breaking loads over acres of fields, spreading 400 kilograms (880 pounds) of fertilizer – nearly a half-ton – over the course of a day. She lost both babies in her third trimester and, with no health insurance, was left with medical bills she couldn't pay.

"The first time I miscarried, and the doctor had to pull the baby out," said Ita, who has worked on the plantation alongside her mother since the age of 15. "The second time, I gave birth at seven months and it was in critical condition, and they put it in an incubator. It died after 30 hours.

"I kept working," she said. "I never stopped after the baby died."

Dec. 29, 2020

Child labor in palm oil industry tied to Girl Scout cookies



Binsar Bakkara • AP

A child carries palm kernels collected from the ground across a creek at a palm oil plantation in Sumatra, Indonesia, Monday, Nov. 13, 2017. Child labor has long been a dark stain on the \$65 billion

By MARGIE MASON and ROBIN MCDOWELL

Associated Press

They are two young girls from two very different worlds, linked by a global industry that exploits an army of children.

Olivia Chaffin, a Girl Scout in rural Tennessee, was a top cookie seller in her troop when she first heard rainforests were being destroyed to make way for ever-expanding palm oil plantations. On one of those plantations a continent away, 10-year-old Ima helped harvest the fruit that makes its way into a dizzying array of products sold by leading Western food and cosmetics brands.

Ima is among the estimated tens of thousands of children working alongside their parents in Indonesia and Malaysia, which supply 85% of the world's most consumed vegetable oil. An Associated Press investigation found most earn little or no pay and are routinely exposed to toxic chemicals and other dangerous conditions. Some never go to school or learn to read and write. Others are smuggled across borders and left vulnerable to trafficking or sexual abuse. Many live in limbo with no citizenship and fear being swept up in police raids and thrown into detention.

The AP used U.S. Customs records and the most recently published data from producers, traders and buyers to trace the fruits of their labor from the processing mills where palm kernels were crushed to the supply chains of many popular kids' cereals, candies and ice creams sold by Nestle, Unilever, Kellogg's, PepsiCo and many other leading food companies, including Ferrero – one of the two makers of Girl Scout cookies.

Olivia, who earned a badge for selling more than 600 boxes of cookies, had spotted palm oil as an ingredient on the back of one of her packages but was relieved to see a green tree logo next to the words "certified sustainable." She assumed that meant her Thin Mints and Tagalongs weren't harming rainforests, orangutans or those harvesting the orange-red palm fruit.

Olivia, who earned a badge for selling more than 600 boxes of cookies, had spotted palm oil as an ingredient on the back of one of her packages.

But later, the whip-smart 11-year-old saw the word "mixed" in all caps on the label and turned to the internet, quickly learning that it meant exactly what she feared: Sustainable palm oil had been blended with oil from unsustainable sources. To her, that meant the cookies she was peddling were tainted.

Thousands of miles away in Indonesia, Ima led her class in math and dreamed of becoming a doctor. Then one day her father made her quit school because he needed help meeting the high company targets on the palm oil plantation where she was born. Instead of attending fourth grade, she squatted in the unrelenting heat, snatching up the loose kernels littering the ground and knowing if she missed even one, her family's pay would be cut.

She sometimes worked 12 hours a day, wearing only flip flops and no gloves, crying when the fruit's razor-sharp spikes bloodied her hands or when scorpions stung her fingers. The loads she carried, sometimes so heavy she would lose her footing, went to one of the very mills feeding into the supply



Binsar Bakkara • AP

Ima, a girl who works informally to help her parents in a palm oil plantation, poses for a portrait in Sumatra, Indonesia.



Mark Humphrey • AP

Olivia Chaffin, 14, stands for a portrait with her Girl Scout sash in Jonesborough, Tenn.

chain of Olivia's cookies.

"I am dreaming one day I can go back to school," she told the AP, tears rolling down her cheeks.

Child labor has long been a dark stain on the \$65 billion global palm oil industry. Though often denied or minimized as kids simply helping their families on weekends or after school, it has been identified as a problem by rights groups, the United Nations and the U.S. government.

With little or no access to daycare, some young children follow their parents to the fields, where they come into contact with fertilizers and some pesticides that are banned in other countries. As they grow older, they push wheelbarrows heaped with fruit two or three times their weight. Some weed and prune the trees barefoot, while teen boys may harvest bunches large enough to crush them, slicing the fruit from lofty branches with sickle blades attached to long poles.

In some cases, an entire family may earn less in a day than a \$5 box of Girl Scout Do-si-dos.

"For 100 years, families have been stuck in a cycle of poverty and they know nothing else than work on a palm oil plantation," said Kartika Manurung, who has published reports detailing labor issues on Indonesian plantations. "When I ... ask the kids what they want to be when they grow up, some of the girls say, 'I want to be the wife of a palm oil worker.'"

The AP's investigation into child labor is part of a broader in-depth look at the industry that also exposed rape, forced labor, trafficking and slavery. Reporters crisscrossed Malaysia and Indonesia, speaking to more than 130 current and former workers – some two dozen of them child laborers – at nearly 25 companies. Their locations are not being disclosed and only partial names or nicknames are being used due to fears of retribution.

The AP found children working on plantations and corroborated accounts of abuse, whenever possible, by reviewing police reports and legal documents. Reporters also interviewed more than 100 activists, teachers, union leaders, government officials, researchers, lawyers and clergy, including some who helped victims of trafficking or sexual assault.

This story was funded in part by the McGraw Center for Business Journalism at CUNY's Newmark Graduate School of Journalism

Indonesian government officials said they do not know how many children work in the country's massive palm oil industry, either full or part time. But the U.N.'s International Labor Organization has estimated 1.5 million children between 10 and 17 years old labor in its agricultural sector. Palm oil is one of the largest crops, employing some 16 million people.

In much smaller neighboring Malaysia, a newly released government report estimated more than 33,000 children work in the industry there, many under hazardous conditions – with nearly half of them between the ages of 5 and 11. The study was conducted in 2018 after the country was slammed by the U.S. government over the use of child labor, and it did not directly address the large number of migrant children without documents hidden on many plantations in its eastern states, some of whom have never seen the inside of a classroom.

Many producers, Western buyers and banks belong to the 4,000-member Roundtable on Sustainable Palm Oil, a global association that provides a green stamp of approval to those committed to supplying, sourcing, financing or using palm oil that's been certified as ethically sourced.

The RSPO has a system in place to address grievances, including labor abuse allegations. But of the nearly 100 complaints listed on its case tracker for the two Southeast Asian countries in the last decade, only a handful have mentioned children.

"It is an issue, and we know it's an issue," said Dan Strechay, the RSPO's global outreach and engagement director, adding that the association has started working with UNICEF and others to educate members about what constitutes child labor.

Strechay said many parents in Indonesia and Malaysia believe it's the "cultural norm" for their kids to work alongside family members, even if it means pulling them out of school. "And that's not OK," he said.

Palm oil is contained in roughly half the products on supermarket shelves

and in almost three out of every four cosmetic brands, though that can be hard to discern since it appears on labels under more than 200 different names.

And in a world where more and more consumers are demanding to know the provenance of the raw materials in the products they purchase, many companies are quick to issue assurances that they are committed to “sustainable” sourcing. But supply chains often are murky – especially in the palm oil industry – and developing countries that produce commodities in large volumes cheaply often do so by disregarding the environment and minimizing labor costs.

Most people take words like “organic,” “fair trade” and “sustainable” at face value. But not Olivia. She became increasingly worried about palm oil, rifling through the kitchen cupboards in her family’s century-old farmhouse in Jonesborough, Tennessee, to inspect the ingredients printed on cans and wrappers. Then she began digging through her shampoos and lotions, trying to make sense of the scientific-sounding names she saw there.

Now 14, Olivia has fired letters off to the head of Girl Scouts of the USA, demanding answers about how the palm oil is sourced for the organization’s cookies. She’s started an online petition to get it removed. And she and some other members of Troop 543 have stopped selling them.



Binsar Bakkara • AP

A boy collects palm kernels from the ground at a palm oil plantation in Sumatra, Indonesia.

The Girl Scouts did not respond to questions from the AP, directing reporters to the two bakers that make the cookies. Those companies and their parent corporations also had no comment on the findings.

“I thought Girl Scouts was supposed to be about making the world a better place,” Olivia said. “But this isn’t at all making the world better.”

MANY KIDS ARE INTRODUCED to palm oil soon after they’re born – it’s a primary fat in infant formula. And as they grow, it’s present in many of their favorite foods: It’s in their Pop-Tarts and Cap’n Crunch cereal, Oreo cookies, KitKat candy bars, Magnum ice cream, doughnuts and even bubble gum.

“Let them enjoy it,” said Abang, a skinny 14-year-old who dropped out of the fifth grade to help his father on an Indonesian plantation and has never tasted ice cream. He has accepted his own fate, but still dreams of a better future for his little brother.

“Let me work, just me, helping my father,” Abang said. “I want my brother to go back to school. ... I don’t want him in the same difficult situation like me.”

Though many consumers aren’t familiar with it, palm oil became ubiquitous nearly two decades ago after warnings about health risks associated with trans fats. Almost overnight, food manufacturers began shifting to the highly versatile and cheap oil.

Indonesia is the world’s largest palm oil producer and, with a population of 270 million, there is no shortage of strong backs. Many laborers migrate from the poorest corners of the country to take jobs that others shun, often bringing their wives and children as helpers in order to meet impossibly high daily quotas.

Others have been living on the same plantations for generations, creating a built-in workforce – when one harvester retires or dies, another in the family takes his place to hold onto company-subsidized housing, which often is a dilapidated shack with no running water and sometimes only limited electricity.

It’s a cycle that 15-year-old Jo was trying to break. Even though he had to help his family in the fields each day, heaving palm fruits high over his head and lobbing them onto trucks, his parents let him keep \$6 a month to cover school fees so he could attend morning classes.

“I am determined to finish high school to find a job outside the plantation,” said Jo, who toiled alongside his mother, father and grandfather. “My parents

Many laborers migrate from the poorest corners of the country to take jobs that others shun, often bringing their wives and children as helpers.



Mark Humphrey • AP

Above: Olivia Chaffin makes photographs in a wooded area as she works on a Girl Scout photography merit badge in Jonesborough, Tenn.



Binsar Bakkara • AP

Left: A child helps her parents work on a palm oil plantation in Sabah, Malaysia.

are very poor. Why should I follow my parents?”

But for many migrant children in neighboring Malaysia – which relies almost entirely on foreign workers to fill constant labor shortages – the hurdles to a brighter life seem insurmountable.

Male harvesters technically are not allowed to bring their families to plantations on Borneo island, which is shared by both countries. So children often follow behind, sometimes traveling alone on illicit smugglers’ routes known as “jalan tikus,” or rat roads. The perilous border crossings to the Malaysian states of Sabah and Sarawak can take place at night, either on foot across winding jungle paths or in packed speed boats racing without lights,

sometimes colliding or capsizing in the dark.

An official estimate says 80,000 children of illegal migrants, mostly from Indonesia and the Philippines, are living in Sabah alone, but some rights groups say the true number could be nearly double that. Without birth certificates and with no path to citizenship, they are essentially stateless – denied access to even the most basic rights, and at high risk of exploitation.

Migrant workers without documents are often treated “inhumanely” in Malaysia, said Soes Hindharno, an official from Indonesia’s Manpower Ministry. He said he had not received any complaints about child labor occurring in his own country, but an official from the ministry that oversees women and children’s issues acknowledged it was an area of growing concern in Indonesia.

Malaysia’s Ministry of Plantation Industries and Commodities did not respond to repeated requests for comment, but Nageeb Wahab, head of the Malaysian Palm Oil Association, a government-supported umbrella group, called allegations of child labor very serious and urged complaints to be reported to authorities.

Children of migrant parents grow up living in fear they will be separated from their families. They try to remain invisible to avoid attracting the ever-watchful eyes of police, with some keeping backpacks with supplies ready in case they need to flee their houses and sleep in the jungle to avoid raids.

Many never leave their guarded plantations, some so remote that workers must climb hills to search for a phone signal. And for those who dare to go out, trouble can come quickly.

Alex was 12 when he began working 10 hours a day on a small plantation with his father, hoisting fruits so heavy his aching muscles kept him awake at night. One day, he decided to sneak off to visit his favorite aunt in a nearby village. With no passport, Alex said authorities quickly found him and carted him off to a crowded immigration detention center where he was held for a month.

“There were hundreds of other people there, some my age, and also younger children, mostly with their mothers,” he said. “I was very afraid and kept thinking about how worried my mother and father must be. It made it hard to even eat or drink.”

**Children of migrant
parents grow up living
in fear they will be separated from their families.
They try to remain
invisible to avoid
attracting the ever-
watchful eyes of police.**

But the biggest obstacles faced by Alex and other child workers in the two countries are lack of access to adequate, affordable education and medical care.

Some companies in Indonesia provide rudimentary elementary schooling on plantations, but children who want to continue their studies may find they have to travel too far on poor roads or that they can't afford it. In Malaysia, the problem is even bigger: Without legal documents, tens of thousands of kids are not allowed to go to government schools at all.

It's such an extensive problem that Indonesia has set up learning centers to help some of its children on plantations in the neighboring country, even sending in its own teachers. But with such heavy workloads on plantations, one instructor said he had to beg parents to let their sons and daughters come for even just a half-day of classes. And many children, especially those living in remote, hard-to-reach areas, still have no access to any type of education.

"Why aren't companies playing a role in setting up schools in collaboration with the government?" asked Glorene Das, executive director of Tenaganita, a Malaysian nonprofit group concentrating on migrant issues for more than two decades. "Why are they encouraging the children to work instead?"

Medical care also is woeful, with experts saying poor nutrition and daily exposure to toxic chemicals are undermining child laborers' health and development. Many Indonesian plantations have their own basic clinics, but



Binsar Bakkara • AP

Students of a boarding school rest in their dormitory in North Kalimantan, Indonesia.

access may be available only to full-time workers. Travel to a private doctor or hospital can take hours, and most families cannot afford outside care. Migrant children without documents in Malaysia have no right to health care and often are too scared to seek medical help in villages or cities – even in life-threatening emergencies.



Binsar Bakkara • AP

Many young palm oil workers also have little understanding about reproductive health. Girls working on remote plantations are vulnerable to sexual abuse, and teen pregnancies and marriages are common.

Ana was just 13 when she first arrived in Malaysia, quickly learning, as she put it, that “anything can happen to the female workers there.” She said she was raped and forced to marry her attacker, but eventually managed to break free after years of abuse and return home to start a new life. Now a mother with kids of her own, she abruptly left Indonesia last year again to look for work in Malaysia.

Many children do not have the option to ever leave. They are born on plantations, work there and sometimes die there. Overgrown headstones and crosses marking graves in crude cemeteries are found on some plantations near the towering palm trees.

Others, like 48-year-old Anna’s husband, are buried in community graveyards along the Indonesian and Malaysian border. A month after the palm oil harvester’s death, Anna lovingly tended his plot at the Christian site in Sabah, crammed with the bodies of hundreds of other migrants.

She said her son, whose own newborn baby was buried in the adjacent grave, had inherited his father’s job. He is the family’s main breadwinner now.

The cycle continues.

Olivia is not the first Girl Scout to raise questions about the way palm oil makes its way into the beloved American cookies.

More than a decade ago, two girls in a Michigan troop stopped selling S’mores and other seasonal favorites because they worried palm oil’s

Many children do not have the option to ever leave. They are born on plantations, work there and sometimes die there.



Binsar Bakkara • AP

Above: A child helps her parents work on a palm oil plantation in Sabah, Malaysia.



Left: A child collects palm kernels from the ground at a palm oil plantation in Sumatra, Indonesia.

expansion in Indonesia and Malaysia was destroying rainforests and killing endangered animals like orangutans.

After they campaigned for several years, the Girl Scouts of the USA became an affiliate member of the RSPO and agreed to start using sustainable palm oil, adding the green tree logo to its roughly 200 million boxes of cookies, which bring in nearly \$800 million annually.

The RSPO was created with the best of intentions and it attempts to factor in the interests of a wide array of groups, including environmental organizations, industry leaders and banks. Its mission was not to flip a switch overnight, but to encourage the mammoth palm oil industry to evolve after years of breakneck growth and little outside oversight.

Still, for many food and cosmetic companies facing increased pressure from conscientious consumers, the association's stamp of approval has

become the go-to answer when questions are raised about their commitments to sustainability.

Monitoring the millions of workers hidden beneath palms covering an area equal to roughly the size of New Zealand, however, is next to impossible.

Some women and children on remote, sprawling plantations told the AP and labor rights groups that they are ordered to hide or stay home when sustainability auditors visit. They said only the optimal, easiest-to-reach parts of a plantation are typically showcased, with poor living and working conditions in distant areas hidden from outside eyes.

“The RSPO promises sustainable palm oil. But it doesn’t mean that that palm oil is free of child labor or other abuses,” said Robin Averbeck of the Rainforest Action Network, a San Francisco-based nonprofit that has found pervasive problems on plantations, including those certified as sustainable. “It has simply become a tool for greenwashing.”

When contacted by the AP, companies reaffirmed their support of human rights for all workers, with some noting they rely on their suppliers to meet industry standards and abide by local laws. If evidence of wrongdoing is found, some said they would immediately cut ties with producers.

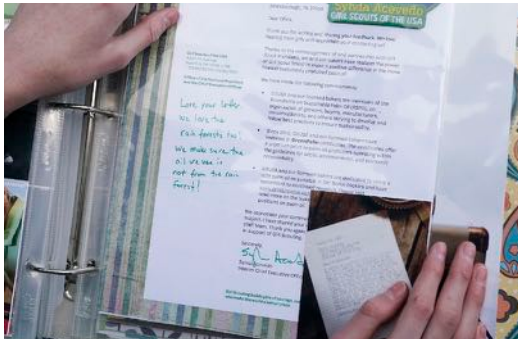
“We aim to prevent and address the issue of child labor wherever it occurs in our supply chain,” said Nestle, maker of KitKat candy bars. Unilever – the world’s biggest ice-cream maker, including Magnum – noted that its suppliers “must not, under any circumstance, employ individuals under the age of 15 or under the local legal minimum age for work or mandatory schooling.” There was no response from Mondelez, which owns Oreo cookies, or Cap’n Crunch parent company PepsiCo.

Consumers have their own challenges in trying to buy responsibly. Those, like Olivia, who want to make sense of where their palm oil really comes from often find themselves confused, since the dense terms used to explain what makes palm oil sustainable can sometimes raise even more questions.

Take Girls Scout cookies, for instance, which are made by two different U.S. bakers

Boxes from both are stamped with green palm logos. The maker of Olivia’s cookies, Little Brownie Bakers in Kentucky, has the word “mixed” beside

Consumers have their own challenges in trying to buy responsibly. Those, like Olivia, who want to make sense of where their palm oil really comes from often find themselves confused.



Mark Humphrey • AP

Top: Olivia Chaffin, center, walks in the woods with her parents, Doug, left, and Kim Chaffin, as Olivia works on a Girl Scout photography merit badge. Above left: Olivia Chaffin displays a 2017 response she received from the chief executive officer of the Girl Scouts to her concerns with palm oil being used in Girl Scout Cookies. Above right: Merit badges that Olivia has been awarded for selling Girl Scout Cookies.

the tree, meaning as little as 1 percent of the palm oil might be certified sustainable. ABC Bakers in Virginia says “credits,” which means money is going toward promoting sustainable production.

The bakers’ parent companies – Italian confectionary brand Ferrero and Canadian-based Weston Foods – would not comment on the issue of child labor, but both said they were committed to sourcing only certified sustainable palm oil.

Weston Foods, which owns ABC Bakers, would not provide any information about its palm oil suppliers, citing proprietary reasons, so the AP could not determine if its supply chain was tainted.

Palm oil, the highest-yielding vegetable oil, is an important part of the two Southeast Asian countries’ economies and the governments bristle at any

form of criticism, saying the industry plays an important role in alleviating poverty.

They have banned products touted as “palm oil-free” from supermarket shelves and created slogans calling the crop “God’s gift.” And when students at an international school in Malaysia were criticized last year for staging a play questioning the industry’s effect on the environment, school administrators responded with an apology.

Back in Indonesia, Ima could give a very different classroom presentation about palm oil, but she has no chance. She continues to toil full time on the plantation alongside her family, even though her mother had promised she eventually could resume her studies.

“Sometimes my friends ask me, ‘Why did you drop out? Why are you not at school?’” Ima said, her resentment readily apparent. “Because I have to help my father. If you want to replace me and help my father, then I will go to school. How about that?”

After learning about Ima, Olivia is even more determined to fight on. She sent letters to her customers explaining her reasons for no longer selling Girl Scout cookies, and many responded by donating money to her Southern Appalachian troop to show support.

Now, Olivia is asking Girl Scouts across the country to band with her, saying, “The cookies deceive a lot of people. They think it’s sustainable, but it isn’t.

“I’m not just some little girl who can’t do anything about this,” she says. “Children can make change in the world. And we’re going to.”

MEET THE TEAM



MARGIE MASON has reported for The Associated Press from more than 20 countries across four continents. Based in Southeast Asia for nearly two decades, she has worked as a regional medical writer, a correspondent in Vietnam and a bureau chief in Indonesia. In 2016, she and three other female AP journalists won the Pulitzer Prize for Public Service, along with numerous other awards, for a series of stories about slavery in Southeast Asia's fishing industry, resulting in more than 2,000 men being freed. She was a Nieman fellow at Harvard University and an Asian studies fellow at the University of Hawaii. She holds a journalism degree and an honorary doctorate from West Virginia University.



ROBIN MCDOWELL spent most of her career working in Southeast Asia, covering everything from bloody coups and al-Qaida-linked terrorist attacks to plane crashes, tsunamis and the ethnic cleansing of Rohingya Muslims. Now based in Minnesota, she continues to focus on the world's most vulnerable, including minorities and others who are persecuted because of their race, religion, gender or social status. She was on a team of reporters that won the 2016 Pulitzer Prize for Public Service for a series of stories that led to the freedom of 2,000 enslaved migrant fishermen in Asia, arrests, convictions and revisions to US law.