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[PUBLIC VERSION]

Ms. Marideth Sandler  
Chairperson, GSP Subcommittee  
Office of the United States Trade Representative  
600 17th Street, NW  
Room 514  
Washington, DC 20508

Re: 2008 GSP Annual Product Review (**Case Nos. 2008-08 and 2008-09**) -- Post-Hearing Comments in Support of Petition to Add Single Strength (Not Concentrated) Pineapple Juice (HTS Subheadings 2009.41.20 and 2009.49.20) to the List of GSP Eligible Articles and for a Competitive Need Waiver for Single Strength (Not Concentrated) Pineapple Juice from the Philippines (HTS Subheading 2009.49.20)

Dear Ms. Sandler:

These post-hearing comments are being filed on behalf of Dole Packaged Foods, LLC (“DPF”) to respond to the questions raised by the GSP Subcommittee during the October 20, 2008 public hearings, and pursuant to the notice published in the *Federal Register* on September 12, 2008 (73 *Fed. Reg.* 53054). In addition to responding to the questions raised during the GSP Subcommittee hearing, DPF will also take this opportunity to briefly summarize its arguments supporting its request to add single strength pineapple juice classified under HTS Subheadings 2009.41.20 and 2009.49.20 to GSP eligibility, and for a Competitive Need Limit Waiver for the Philippines for single strength pineapple juice imported under HTS Subheading 2009.49.20.

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Initially, we note that DPF's responses to both the "Product Questions" and the "Worker Rights Questions" raised by the GSP Subcommittee are fully set forth in the document contained in *Attachment 1* to this submission. These responses, we believe, will further clarify the situation with respect to DPF's Philippines operations, and refute allegations made by the International Labor Rights Forum ("ILRF") in its pre-hearing comments and at the October 20, 2008 hearing. While the ILRF would cast our petition as a gift to multinationals and elite landowners, in reality, granting our petition would benefit and provide crucial support to small independent farmers engaged in sustainable agriculture. DPF respects the importance of worker rights and is committed to helping the communities in which it operates, whether through social programs, infrastructure and other economic development programs, health programs, and/or environmental programs. DPF's Corporate Social Responsibility program in the Philippines, which is contained in *Attachment 2*, reflects this overriding commitment of DPF to its workers and the communities in which it operates.

DPF's purpose in seeking GSP eligibility for single strength pineapple juice is to remove a relatively high tariff that is presently imposed on this product that no longer serves any purpose other than to add to the cost of the imported product. The tariff discriminates against imports of single strength pineapple juice, and therefore, against countries that export single strength pineapple juice. The 4.2¢/liter tariff (approximately 10% *ad valorem*) imposed on single strength pineapple juice imported into the United States under HTS Subheadings 2009.41.20 and 2009.49.20 is over four times greater than the import duty imposed on from-concentrate pineapple juice. Maui Pineapple, the last significant U.S. producer of single strength pineapple juice, has effectively exited the juice segment of the pineapple business. Thus, there is no meaningful U.S. industry for this tariff to protect. We expect removal of the current import duty to result in increased price competition in the U.S. pineapple juice market, which will benefit U.S. consumers.

Favorable action on the petition will also make the U.S. tariff structure relating to pineapple juice more consistent with the treatment of other fruit juices within the U.S. HTS, as well as the tariff structures of most other major trading countries (and the

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Harmonized System), whose tariffs (and nomenclature) do not distinguish between single strength and from-concentrate pineapple juice.

Finally, the benefits of GSP eligibility would accrue to Beneficiary Developing Countries under the GSP program that export single strength pineapple juice, by making these exports more competitive with exports of from-concentrate pineapple juice. GSP eligibility would certainly benefit the Philippines, and particularly Mindanao, where DPF's Philippine affiliate operates. These benefits would come in the form of greater production and increased employment. Such a result would be very consistent with U.S. foreign and economic development policies in this region. Other Beneficiary Developing Countries that export single strength pineapple juice (Thailand, Indonesia) would likewise enjoy the opportunity for similar benefits.

We also again reiterate our request for a Competitive Need Limit Waiver for single strength pineapple juice from the Philippines classified under HTS Subheading 2009.49.20. This request is an integral part of our petition.

For all of the above reasons, we respectfully request that the GSP Subcommittee advise the President to add single strength pineapple juice classified under HTS Subheadings 2009.41.20 and 2009.49.20, to the list of GSP eligible articles, and also to grant a Competitive Need Limit Waiver for single strength pineapple juice from the Philippines classified under HTS Subheading 2009.49.20.

Should you have any further questions regarding DPF's petition, please do not hesitate to contact the undersigned.

Sincerely,

/s/

Donald S. Stein

/s/

Regina K. Vargo

# *Attachment 1*

## PUBLIC VERSION

### GSP Subcommittee Questions

For

Mr. Danko Stambuk & Timothy J. Oswald, Esq. of Dole Packaged Foods

#### Product Questions

1. In your pre-hearing brief, you indicated that if the GSP status is granted to this product, additional production could occur in the Philippines, and new jobs could be created. What is the probable time frame to achieve these objectives?

The vast bulk of these jobs would be created by expanding Dole's growership program that buys pineapples from small independent farmers that own 1-3 hectares of land and are organized in a cooperative. We anticipate that it would take 18 months to three years for this expansion to become fully operational although the farmers' engagement with the program would start almost immediately. Once GSP duty-free treatment for single strength pineapple juice and a competitive need limit waiver are granted, Dolefil would initiate a gamut of business processes and procedures to include:

- inviting small farmers to be participants in its pineapple grower program;
  - evaluation of qualified growers and suitability of land for pineapple growership (soil analysis, slope, elevation, security, accessibility etc.);
  - evaluation of documentation to prove farmer's title to the land;
  - clearing of title from encumbrances;
  - organizing the growers into cooperatives duly registered with the proper government agencies;
  - training on cooperative governance, proper work ethics, and business systems;
  - developing linkages with and endorsements from the local government units and tribal leaders;
  - securing the necessary government permits;
  - developing linkages with banks as the financing entity;
  - propagation of required planting materials;
  - training on pineapple production;
  - land preparation, planting and growing the fruit (3 year cycle);
  - monitoring to ensure compliance with technology; and
  - harvesting and processing the fruit into juice.
2. Which other developing countries, if any, do you expect to benefit from the possible addition of this product to the U.S. GSP program? Which would you believe most likely to expand production if demand increases?

In addition to the Philippines, Thailand and Indonesia are the most likely potential beneficiaries of duty-free treatment for single strength pineapple juice under GSP.

*Thailand* -- Thailand is the world's largest producer of pineapples. According to the Food and Agriculture Organization (FAO) of the United Nations, Thailand produced 22 percent more pineapples than the Philippines in 2007. Pineapple juice is a co-product of pineapple production, and in 2007 (as well as for the first 8 months of 2008), Thailand was the leading supplier to the United States of single strength pineapple juice with a Brix value not exceeding 20 (HTS Subheading 2009.41.20), and the leading supplier by far of from-concentrate pineapple juice (HTS Subheadings 2009.41.40 and 2009.49.40).

With the demise of Maui Pineapple's canning facility in 2007, Thailand petitioned for changed circumstances and succeeded in having its antidumping duties on canned pineapple fruit revoked.<sup>1</sup> The Philippines can expect to face even greater competition from Thailand in the future as Thailand ramps up pineapple production in the aftermath of the lifted AD order. The Thai product just got cheaper in the U.S. market and the Thai producers (who mainly produce for store "private label" product) will certainly increase production. While the immediate benefit of the lifted order will be realized in increased production and sales of canned pineapple, juice production will also likely increase and, as the Thai producers gain more market share and distribution in canned pineapple, they can be expected to exploit those opportunities to also sell more Thai juice.

*Indonesia* -- According to the FAO, Indonesia ranks number one in hectares planted in pineapple. Indonesia is the third largest supplier of from-concentrate pineapple juice to the United States. Indonesia does not currently supply single strength pineapple juice to the United States, but it has provided limited quantities in the past. As a major producer of pineapples with a growing food processing industry, Indonesia could expand into the single strength pineapple juice business.

*Central America* -- Honduras and El Salvador supply limited amounts of single strength pineapple juice to the United States but already receive duty free benefits under CAFTA. Costa Rica is a mid-tier supplier of both single-strength and from-concentrate pineapple juice and is expected to receive duty-free treatment under CAFTA in the near term.

*Least Developed Beneficiary Countries* -- Single strength pineapple juice is already duty-free under GSP for LBDCs.

3. Your brief mentions investment by a Dole affiliate in environmental, water, school and health projects in Mindanao. Can you provide more detail on the types of projects being implemented and how those projects could be affected if GSP were granted?

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<sup>1</sup> Dole Packaged Foods notes that the demise of the Maui cannery suggests an analogous case of "changed circumstances" with respect to this GSP petition and the earlier one. Indeed, given that the demise of Maui Pineapple's cannery warranted having duties lifted on canned pineapple fruit that had been determined to be traded unfairly, it would be curious indeed to maintain the duties on canned pineapple juice that is fairly-traded.

Please refer to the powerpoint presentation in Attachment 2 on Dolefil's Corporate Social Responsibility programs. The vast bulk of the employment gains from Dolefil's petition are expected to result in a significant expansion of the growership program.

4. What percentage of pineapples does Dole buy from independent growers? Are these growers small or large landholders? Does DPF provide these independent growers with financing, technical training or any other assistance that would boost their productivity?

Approximately [\*\*\*\*\*] percent of Dolefil's pineapple tonnage is purchased from independent growers. Most of these growers are small farmers with 1 to 3 hectares of land under the pineapple growership program, a tripartite arrangement among Dolefil, the Grower Cooperative and the LandBank of the Philippines.

Under the program Dolefil provides: 1) proven technology and technical training in planting pineapples; 2) pineapple planting materials; 3) a source of low-cost farm inputs since Dolefil imports in bulk; 4) bank guarantees on LandBank of the Philippines' production loans to the growers; and 5) a ready market for the produce. The program is geared toward ensuring the success and productivity of the farmer-growers.

5. Liz Teague: Mr. Stambuk's prepared statement this morning noted on page 3, that when looking at pineapple juice imports, "the only fair way to view them is as a single market, combining the four tariff subheadings covering pineapple juice." Can Dole please clarify this comment?

Dolefil recognizes that the competitive need limit in the GSP program is based on a tariff-line analysis, and that a country is deemed sufficiently competitive when its import share of total U.S. imports for a specific tariff subheading exceeds 50 percent or more, as is the case with the Philippines and HTS Subheading 2009.49.20 (where the Philippines' import share of single strength pineapple juice with a Brix value greater than 20 is 99.8 percent). However, the GSP program also allows the President the discretion to grant a competitive need limit waiver. Dolefil is arguing that such a waiver is justified in this instance, both because the HTS Subheading in question does not define a product for which the 50 percent threshold has any commercial meaning, and because of strategic foreign policy reasons.

To elaborate on the first argument, there is a single market for pineapple juice in the United States. [\*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*.] Our customers do not specify the type of pineapple juice they want, nor do they care what type they receive. Thus, as a practical matter, all four tariff provisions that relate to imports of pineapple juice constitute only a portion of the U.S. market for pineapple juice.

Just as there is a single market for pineapple juice in the U.S., there is also a single import market for pineapple juice. It would be misleading to try to gauge the competitiveness of a

country in pineapple juice based on its import share of just one of these provisions (single strength or from-concentrate, above or below a certain Brix value), as these four categories together constitute a single market for pineapple juice imports. To determine the competitiveness of a particular country in the U.S. import market for pineapple juice, a country's import share should be based on the sum of imports from the country for all four pineapple subheadings as a share of the sum of imports from the world for all four pineapple subheadings. Such an analysis would show that *all imports of pineapple juice from the Philippines* account for only 44% of *total U.S. imports of pineapple juice from the world* (January - August, 2008). The Philippines share of the relevant market drops in half because *single strength* pineapple juice with a Brix value over 20, the only pineapple juice subheading in which the Philippines dominates, accounts for only 28 percent of total U.S. imports of pineapple juice (*i.e.*, of all four subheadings). In our view, it simply makes no commercial sense to look at only a slice of the pineapple juice market when evaluating the competitiveness of the Philippines. Hopefully, this is a clearer elucidation of our statement that "the only fair way to view them [pineapple juice imports] is as a single market, combining the four tariff subheadings covering pineapple juice."

6. Is pineapple production seasonal or does the same level of production take place year-round?

Pineapple production in Dolefil is not seasonal but rather takes place all year-round.

### **Worker Rights Questions**

1. What is the size of your current work force, and how is it broken down between full time employees and contract workers? If GSP eligibility were granted for these pineapples, what effect do you expect it to have on the size and composition of your workforce?

Dolefil has approximately [\*\*\*\*\*] full time regular employees, and [\*\*\*\*\*] contract workers. With a grant of GSP there would be some marginal job gains in our workforce principally related to the canning of the harvest.

However, the vast bulk of the job increases would not be on Dole's payroll *per se* but in providing livelihood to roughly 2,000 independent farmers via the expansion of the pineapple growership program. Dolefil estimates that a grant of GSP would allow the company to expand its grower farms by at least [\*\*\*\*\*] (sufficient to generate an estimated production of [\*\*\*\*\*] tons of fruit) to new areas in the countryside. At a conservative hectare-to-job ratio of [\*\*\*\*\*], this would translate easily into [\*\*\*\*\*] jobs for poor farmers and their family members. Most of these small farmers are awardees of the Comprehensive Agrarian Reform Program (CARP), who would otherwise have no available technology to farm their land, no access to financing, and no steady market for their produce. This apparent lack of "support structures" is one of the major criticisms of the government's CARP program. Under Dolefil's pineapple growership program, the farmers receive -- 1) access to the company's proven technology in producing pineapples

which greatly increases the likelihood of a successful harvest; 2) access to financing through the LandBank of the Philippines at competitive rates since Dolefil issues guarantees to cover production loans to its growers; and 3) a stable market for their harvest as Dolefil buys their produce at an agreed price pre-determined at the start of the engagement. Under Dole's growership program, small farmers have achieved consistently favorable returns, and are comparatively better off than when they planted traditional crops. Recently, the company put in place an innovative "progressive pricing scheme" designed to further protect the growers, whereby Dolefil's buying price adjusts with the increases in the price of fertilizers and other farm inputs. Dolefil's pineapple growership program gives these small farmers freedom and independence from unscrupulous traders who lend farmers money at usurious rates of interest and/or who deny the farmers a reasonable return for their produce due to price fluctuations in the market, whether real or fabricated. Finally, there also would be small job gains for independent truckers who haul the planting material and pineapple crop.

2. How will Dole address the security concerns and uncertainties of working in Mindanao?

Dolefil is well-respected throughout the community, including by the local government, the indigenous peoples, the religious sector, the academe, etc. Dolefil is the preferred employer in the region with a turn-over rate of only [\*\*\*\*\*], and a compensation and benefit package which is clearly superior to those being offered by any other employer in the region, and comparable to the best employers in the Philippines. Furthermore, Dolefil's presence in the region as a socially responsible company is manifest in its focus to total community development through direct interventions in areas of education, environment, housing, water, health and medical care, infrastructure, transportation, safety, hygiene and sanitation, community organizational development, value formation/spirituality, livelihood development, disaster coordination and assistance, to name a few. Dolefil in partnership with the different stakeholders in the community is proud of its many accomplishments and pioneering programs which have touched the lives of thousands of people over many years. Dolefil takes a low-profile approach to these activities, viewing them as part of our responsibility to the community in which we work. However, these interventions have attracted both local and national recognition, and the company has received numerous awards and citations. The latest of these was the Hall of Fame Award for Outstanding Community Projects from the Philippine Economic Zone Authority, after the company was given the national award for community projects for three consecutive years in 2005, 2006 and 2007. (See list of awards, Appendix A)

Dolefil's track record for the past 45 years has been as a catalyst for sustainable economic development in the region and as an active partner of all stakeholders in the community. The respect of the community is captured in the often heard phrase, "Dolefil is Polomolok and Polomolok is Dolefil". We are not aware of any other company in the country that has achieved this level of immersion and acceptance in the community. This "social landscape" that we value is our own support structure that can overcome the security concern and uncertainties that may be present in Mindanao.

3. Could you provide estimates of annual wages and/or accrued income by the labor force employed by your organization in the Philippines?

Estimated annual wages for Dolefil's regular employees are [\*\*\*\*\*] (US\$1:Php45). Estimated annual costs of engagement of job contractors are [\*\*\*\*\*].

Regular rank and file employees' wages are on average [\*\*\*\*\*], which is [\*\*\*\*\*] that of the prevailing legally mandated wage rates now pegged at Php224.00 (plus Php21.00 Cost Of Living Allowance). Dolefil regular employees also enjoy other cash and non-cash benefits, which include generous leave benefits, bottom-line bonuses, rice allowances, medical coverage, life insurance, etc.

Dolefil pays its contract workers the minimally-mandated Philippine daily wage, including a cost of living adjustment and a full-range of other benefits. This wage, which is detailed in Appendix B, amounts to \$6.51 per day, before overtime or any holiday or night shift differential that may be applicable.

Dolefil categorically denies and objects to the assertion by the ILRF that “[c]ontractual pineapple harvesters who labor for Dole are paid on average a mere US \$1.86 per day, nearly three times less than the Filipino minimum wage.” The ILRF admits its source is simply random local interviews that even included children.

4. Apart from the labor force, who or what other Philippine sectors directly earn incomes from your operations in the Philippines?

The sectors that directly earn income from Dolefil operations are, among others:

- The agricultural sector composed mostly of pineapple, papaya, nata de coco and guava growers, which generates an estimated gross earning of [\*\*\*\*\*] annually for their deliveries to the company. Small farmers in this sector would be the principal beneficiaries of a grant of GSP benefits for single strength pineapple juice and a CNL waiver for the Philippines.
- The transportation sector, which generates an estimated gross earning of [\*\*\*\*\*] annually for the hauling of fruit, raw materials, finished products and by-products, as well as for the ferrying of Dolefil employees to and from the place of work.
- The local business sector providing various supplies, which generates an estimated gross earning of [\*\*\*\*\*] annual from various purchases of the company.

- The various landowners (individuals and cooperatives) which generate an estimated gross earning of close to [\*\*\*\*\*] from land lease rentals.

5. The public comments provided by the International Labor Rights Forum paint a troubling picture of Dole's labor practices in the Philippines. In particular, the allegation that Dole Packaged Foods uses contract labor to avoid workers' right to employment security, the right to organize, and payment of minimum wages seems in direct contravention to Dole's stated CSR policy. What is your company's response to these allegations?

The engagement of cooperatives to do legitimate job contracts is a legal and accepted business practice in the Philippines. Dolefil's use of job contracting is a legitimate exercise of management prerogative and is used in good faith primarily to support new business ventures until their success is established and to temporarily replace workers on leave. In contrast to the assertions of the ILRF, Dolefil pays its contract workers minimum wage and all other mandated payments. (See answer to question 3.) Dole's contractual employees do not exceed its regular employees, and the number of regular employees has continued to rise throughout the incumbency of the Amado Kadenon (AK) union (see answer to question 1), despite the fact that the AK is aligned with the National Federation of Labor Unions (NAFLU) and the Kilusang Mayo Uno (KMU), known to be the most militant labor organizations in the country.

Dolefil is frankly dumbfounded by the ILRF's assertion that it is engaged in anti-union activities and has been as far back as the 1990s. Dolefil has an established record of supporting freedom of association among its workers and their right to organize, and has been unionized since the 1960s. Today, the incumbent union for most rank and file employees is the AK-NAFLU-KMU; prior to 2001 it was the Pawis ng Makabayang Obrero (PAMAO), which has been aligned with the National Federation of Labor (NFL) since 1988; and there were several other unions before the PAMAO. In addition to the AK-NAFLU-KMU, current rank and file employees in General Santos City are represented by another bargaining unit, the United Workers of Dole Calumpang (UWDC), also aligned with the NFL; and Dolefil's salaried office and technical personnel are represented by the Labor Employees Association of Dolefil (LEAD). The workers chose their own representation, but to ensure the sustainability of the unions, there is a long standing (since the 1960s) provision in Dolefil's collective bargaining agreement on union-shop which provides that "The COMPANY, as a condition of continued employment, shall require all new employees within the bargaining unit to apply for membership with the UNION within 2 weeks after they have attained regular status."

When the AK-NAFLU-KMU won the 2001 certificate election, Dolefil immediately began to work with the union's leadership, notwithstanding that at the time the union was not yet legally registered because of a protracted legal battle with another union. The union president had direct access to the managing director. At the union's request, the company

helped them construct their union office. The company applied its company discounted rate to the union's purchase of a van to enhance their mobility. The company provided special direct electrical connection to their union office which even now cannot be serviced by the local electric cooperative. The company agreed to unprecedented perks and benefits in the CBA, for example, the union president can now collect paid time without reporting for work.

The company's respect for the rights of labor is demonstrated by the fact that **NO complaint on any labor case was filed by the AK-NAFLU-KMU against the company for the years since the union assumed the position as bargaining agent in 2001 until the 3<sup>rd</sup> quarter of 2006.** Tension related to the renewal of Dolefil's CBA with the AK-NAFLU-KMU began around that time. Simply put, Dolefil did not acquiesce to what it viewed as unreasonable demands by the union, including a 22% wage increase every year for the next 3 years, eight union officers paid full-time without having to report for work, and bottom line bonuses equivalent to 12 weeks pay. In response, the union initiated concerted efforts to malign and destroy the good name of the company and there was a sudden increase in incidents of sabotage. Dolefil imposed disciplinary actions on the offending employees after affording them due process. The impasse over the CBA was ultimately resolved by the Secretary of the Department of Labor and Employment in a manner provided for under the Labor Code.<sup>2</sup>

New problems arose, however, as some union members objected to a "Special Assessment Fee" of P558.50 which the AK-NAFLU-KMU assessed each union member for the negotiations. Union members alleged more than 60 counts of document falsification against union officials, claiming they did not authorize the deduction. These criminal cases are still pending.

Allegations of corruption by the union officials on the handling of union finances also surfaced, including the charge that the union was 'skimming' P2.00 to P2.50 per kilo off the 25 kilogram Rice Allowance due to union members by substituting cheap low quality rice. Acting on complaints by employees, the Department of Labor and Employment initiated an audit of the union's finances and have asked it to account for P5,647,022.65 which allegedly represents the excess rice subsidy from 2001-2006 and is said to have been invested in a mini-mart without the authority of the general membership.

Thereafter, another intra-union dispute was filed with the Department of Labor and Employment resolving to "declare the increases in union dues illegal and ordering the union to refund/reimburse to the complainants the amount of P1,030,610.00".

It is not incumbent on the GSP Subcommittee to determine the truth of these various claims. Dolefil is bringing them to your attention as they constitute, in our view, important background for accessing the parties' varying perspectives and claims. We would also ask that the Subcommittee view the allegations by the ILRF against Dolefil in the light of Dolefil's many international certifications, in particular the SA8000. The SA8000 Standard

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<sup>2</sup> In contrast, the other two union organizations noted above signed their CBA renewals with Dolefil after only 3 and 2 days of bargaining, respectively.

is an audited certification standard based on the international workplace norms of the International Labor Organization (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child. Elements of the SA8000 standard that relate to the ILRF allegations include:<sup>3</sup>

1. Child Labor: No workers under the age of 15; minimum lowered to 14 for countries operating under the ILO Convention 138 developing-country exception; remediation of any child found to be working
  2. Forced Labor: No forced labor, including prison or debt bondage labor; no lodging of deposits or identity papers by employers or outside recruiters
  3. **Health and Safety: Provide a safe and healthy work environment; take steps to prevent injuries; regular health and safety worker training; system to detect threats to health and safety; access to bathrooms and potable water**
  4. **Freedom of Association and Right to Collective Bargaining: Respect the right to form and join trade unions and bargain collectively; where law prohibits these freedoms, facilitate parallel means of association and bargaining**
  5. Discrimination: No discrimination based on race, caste, origin, religion, disability, gender, sexual orientation, union or political affiliation, or age; no sexual harassment
  6. **Discipline: No corporal punishment, mental or physical coercion or verbal abuse**
  7. Working Hours: Comply with the applicable law but, in any event, no more than 48 hours per week with at least one day off for every seven day period; voluntary overtime paid at a premium rate and not to exceed 12 hours per week on a regular basis; overtime may be mandatory if part of a collective bargaining agreement
  8. **Compensation: Wages paid for a standard work week must meet the legal and industry standards and be sufficient to meet the basic need of workers and their families; no disciplinary deductions**
  9. **Management Systems: Facilities seeking to gain and maintain certification must go beyond simple compliance to integrate the standard into their management systems and practices.**
6. Can you please explain why the Supreme Court found that Dole Philippines has not complied with the “Cease and Desist” order regarding contract labor from the Department of Labor and Employment of the Philippines? What is the status of Dole’s compliance with the cease and desist order? What is the status of Dole’s

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<sup>3</sup> The elements are downloaded from the website SA8000.org, which provides more information on the evolution of the standard and how auditing is conducted. Auditing is also discussed in the answer to question 7.

compliance with the 2006 decision by the Supreme Court of the Philippines to reinstate contract workers as regular employees? To the extent that Dole has not complied with either the order or the Supreme Court decision, why has it not done so?

The status of the “Cease and Desist” order issued in 1993 by the regional Department of Labor was in litigation with respect to the complaints of Esteva<sup>4</sup> until the Supreme Court ruled in November 2006. The case eventually came to be entitled *Dole Philippines, Inc. vs. Esteva et. al.* Prior to the Supreme Court ruling, Dolefil maintained that it was not the appropriate party of interest to the case (instead, the cooperatives were). The National Labor Relations Board had affirmed this view. Subsequent proceedings initiated by the cooperatives also had overturned the original cease and desist order based on a new Departmental Order that was issued in 1997. The Supreme Court held otherwise. It found that Dolefil was a “necessary party” to the administrative case and therefore bound by the orders of 1993 and 1994, and that those orders had the force and binding effect of a final judgment as regards to the circumstances of the time and place. The Supreme Court ordered complainants’ reinstatement without loss of seniority rights with full back wages up to date of reinstatement. **Dolefil has since complied with the decision of the Supreme Court to the full satisfaction of complainants.** Moreover, the Department of Labor and Employment has found that all cooperatives that are engaged with Dolefil at the present time are legitimate job contractors.

7. The ILRF submission states that, in the Philippines, Dole outsources most of its workforce to cooperatives. How far down its supply chain does Dole Packaged Foods take responsibility for employees and the conditions under which they produce Dole’s products?

The ILRF is not correct when it states that Dolefil outsources most of its workforce to cooperatives. The figures presented in question 1 clearly show that a majority of Dolefil’s workers are regular employees.

The company takes responsibility to ensure that all its employees, as well as the workers of all its job contractors/suppliers, including cooperatives, likewise enjoy all the rights, benefits, privileges, and legal standards guaranteed to all employees by the Labor Code and all other pertinent labor and social legislation.

### ***Social Accountability 8000***

The Social Accountability 8000 management system is designed to protect worker’s basic rights, to improve worker conditions and to enhance worker-manager communications. The basic elements of its standards are enumerated in the answer to question 5. Dolefil has been certified compliant with the international standards of SA8000 since March 2001 for its entire operation covering the Agriculture, Industrial and Support Services Divisions,

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<sup>4</sup> All other complaints were dismissed by the courts with finality at an earlier stage.

making Dolefil one of only six (6) companies in the entire Philippines that is certified compliant under this internationally recognized standard by Societe Generale De Surveillance (SGS). Since 2001, the company has successfully undergone 11 surveillance audits and 3 recertification audits, which likewise covers its various business partners. The latest recertification audit was conducted on September 24-28, 2007.

As a SA8000 certified company, it is the policy of Dolefil to ensure--

- Respect for individual rights
- Legal compliance with labor laws
- No child labor, forced labor or discrimination
- Respect for freedom of association and the right to organize
- Fair work and just compensation
- Promotion of health and safety
- Partnership with suppliers

“Partnership with suppliers” means that Dolefil is duty-bound to have all its growers, job contractors, suppliers, service providers and other business partners, including the various cooperatives, also to be compliant with the standards of SA8000. All job contractors, including cooperatives, are audited by internal auditors of Dolefil, and by external auditors from SGS for compliance with the standards. This is in addition to the monitoring/ investigations conducted by the Department of Labor and Employment through its Regional Offices to ensure that the cooperatives and other business partners are compliant with all Philippine labor laws and regulations.

Dolefil’s standard contract with all its business partners, including cooperatives, provides, as follows:

“CONTRACTOR warrants that in the performance of its obligation under this contract, it shall comply with all existing laws, rules and regulations, that may now or hereafter be issued by the government, including but not limited to environment and labor laws. Toward this end, the CONTRACTOR warrants that 1) all its employees shall be properly compensated in terms of wages, overtime pay, nightshift differentials, holiday premiums and such other payments, benefits and standards that may be due to said employees pursuant to the Labor Code, Social Legislation, and prevailing Wage Orders; 2) it shall provide for and extend Social Security, Pag-ibig, and Medicare membership and benefits to all its employees; 3) it shall comply with all occupational safety and health standards; 4) it shall not engage in any form of child labor and discrimination, and 5) it shall comply with all applicable law and industry standards on working hours, which shall not exceed 48 hours work per week, exclusive of overtime work which shall not exceed 12 hours per employee per week, with provision for at least one day off every seven day period. ...

In this connection, the CONTRACTOR agrees to undergo periodic training on compliance with the above laws and regulations at a time place designated in advance by the COMPANY for the purposes of ensuring full understanding of and compliance with all such laws and regulations.

The breach of any of the above-mentioned warranties shall be deemed to be a material breach of this contract sufficient to cause its termination.

The COMPANY maintains strict compliance with all existing laws, rules and regulations, in its areas of operations. In line with its corporate social responsibility, the COMPANY requires that all its business partners observe the same degree of compliance with the existing law. Therefore, breach of the any of the above-mentioned warranties shall be deemed to be a substantial breach of this contract sufficient to cause its termination.”

These safeguards are designed to ensure that all of Dolefil’s job contractors, suppliers, service providers and other business partners, including cooperatives, observe compliance with all SA8000 standards for the benefit of their respective workers.

8. The International Labor Rights submission states that “industrial waste” from one of Dole Philippines’ facilities may result in some health problems for your workers. Does your company provide “whistle blower” protections to employees who bring health and safety concerns to company or government officials?

***Whistle-Blower Protection***

Dole’s worldwide code of conduct (available on [dole.com](http://dole.com)), acknowledged by all employees, has a provision (page 10) regarding reporting of violations which explicitly prohibits retaliation against anyone reporting a violation. Another website, [doleintegrity.com](http://doleintegrity.com), provides the ability to submit confidential reports, use toll free phone numbers, etc.

To be specific, Dole’s Guidance Documents for Social Accountability 8000 provide protection to employees who raise health and safety concerns to company and government officials, particularly:

“9.10 The company shall investigate, address and respond to the concerns of employees and other interested parties with regard to conformance/non-

conformance with the company's policy and/or the requirements of this standard; the company shall refrain from disciplining, dismissing, or otherwise discriminating against any employee for providing information concerning observance of the standard."

"9.11 The company shall implement remedial and corrective action and allocate adequate resources appropriate to the nature and severity of any non-conformance identified against the company's policy and/or the requirements of the standard."

In addition, the Guidance Documents provide that "The company's Social Accountability Manager should ensure there is a confidential, accessible and free system for workers to lodge complaints or appeals regarding the company's conformance to SA8000. Also, the Corrective Action taken to rectify the complaint should be communicated to the workers filing the complaint, or in cases of anonymous complaints, to the worker-elected SA8000 representative. **In companies where a trade union is present, trade union representatives should be involved in the complaint processing and settlement procedures.** (emphasis added)"

*There is no basis to the claim of banned chemicals endangering the community*

All chemicals used by Dolefil in its cannery and fresh fruit packing operations are classified food grade by CODEX Alimentarius and US FDA. The pesticides used in its agricultural operations are limited to those allowed for use by the US FDA and EPA. These are applied strictly in accordance with manufacturer's specifications and US FDA and EPA guidelines. The use and application of the said chemicals and pesticides strictly comply with Good Manufacturing Processes (GMP) and Good Agricultural Processes (GAP). The required training and Personal Protective Equipment (PPE) are likewise provided to workers. Further, all products exported by Dolefil are subject to microbiological and chemical testing at each port of entry prior to release to the markets. No presence of pathogens and residues harmful to humans has been reported from importing countries like the US, Japan, Europe, the Middle East and Asia Pacific. The company is likewise being audited internally by its own ISO14000 audit team and externally by the SGS for compliance with ISO14000 environmental standards, and by the Philippine Fertilizer and Pesticide Authority. As a ISO14000 certified company since 1999, Dolefil's operations, policies and procedures meet ISO14000 environmental standards – compliance with ISO14000 standards, accident prevention, waste reduction and segregation, and safe products. As an ISO9000 certified company since 1995, all of Dole's processes and procedures are properly documented to ensure consistent quality that meet all rules and regulations issued by above international food regulatory bodies.

The company's waste water treatment facility is a natural physical treatment facility consisting of a total of 13 lagoons (see Flow Chart in Appendix C) located at the rear portion of the cannery where all processed waste water (mostly water, syrup, cleaning agents and other pineapple debris) flows in and where it is retained for 45 days, more or less, moving from one lagoon to the next to undergo natural bio-degradation (no chemical additives) before effluent is discharged into an outside dry creek. This facility and treatment

process is compliant with all standards set by the Philippines' Department of Environment and Natural Resources (DENR). Monthly monitoring reports are submitted to the DENR. This includes weekly test results on the waste water (COD, BOD, pH etc.) which shows its properties are well within the legal standards. (See Wastewater Data in Appendix D.)

Lagoons 6 to 9 are teeming with 'tilapia' (St. Peter's fish), as well as 'snake turtles' that have made these lagoons their habitat. Migratory birds also are seen frequenting the lagoons, attracted to the 'tilapia' fingerlings and the phyto-planktons present in the water. Although access to the area is restricted, not a few people have also been seen surreptitiously fishing in the lagoons, as 'tilapia' is a favorite local fare.

9. ILRF's public comment notes that Dole Philippines has filed criminal libel charges against a union leader for exercising his right to free speech. What is your company's position on the criminal libel charges against Mr. Serohijos?

Dolefil believes that the libel charges against Mr. Serohijos are justified in light of baseless and alarming allegations by Mr. Serohijos that seriously damaged Dolefil's reputation in the absence of a strong denial.

Freedom of association and freedom of expression are rights guaranteed under the Philippine Bill of Rights and regarded as hallmarks of any constitutional democracy. However, it is also an established legal principle that these rights may not be abused to recklessly or maliciously destroy the good name and reputation of another. The Philippine Supreme Court has said that "...the freedom to express one's sentiments and belief does not grant one the license to vilify in public the honor and integrity of another. Any sentiments must be expressed within the proper forum and with proper regard for the rights of others...Malice, which is the doing of an act conceived in the spirit of mischief, or criminal indifference to the rights of others or which partake of a criminal or wanton nature, is presumed from any defamatory imputation, particularly when it injures the reputation of the person." (Lucas vs. Roco, 344 SCRA 481)

The libel law in the Philippines is being criticized by ILRF as being arcane and a holdover from the colonial era. However, other more developed jurisdictions like the US, England, Canada, Australia, and Singapore also have criminal libel laws (defamation, calumny, slander, vilification) from which the Philippines derived its own law.

Article 355 of the Revised Penal Code of the Philippines provides the penalties for libel -- "*prison correction* in its minimum and medium periods (6 mos. and 1 day to 4 yrs and 2 mos.) OR a fine ranging from 200 to 6,000 pesos (US\$4.44 to \$133) OR both, in addition to the civil action which may be brought by the offended party". The courts are given wide latitude to impose the penalty of imprisonment OR fine OR both. In a series of recent decisions (Brillante vs. Court of Appeals et. al. 474 SCRA 480; Buatis, Jr. vs. People of the Philippines, 484 SCRA 275) the Philippine Supreme Court has established the emergence of a clear pattern of preference for the imposition of *only a fine* rather than imprisonment in libel cases. The High Court in fact went a step further by issuing Administrative Order No.

08-2008, directing all courts and judges to take note of its rule of preference (*only a fine*) on the matter of imposition of penalties for the crime of libel. This was hailed as a victory by proponents of de-criminalizing libel laws.

***The libel charge was a reasonable measure of self-protection***

At the height of the CBA negotiations, the union began making allegations that Dolefil used banned/hazardous chemicals and improperly disposed of unsafe waste water. Local flyers/posters, radio broadcasts and speeches were made on the subject. Initially Dolefil viewed the allegations as an attempt to create bargaining pressure and either ignored or denied the allegations.

Then on July 19, 2006, the *Periodico Banat*, which has considerable circulation in General Santos City and the Province of South Cotabato, published an article containing quotes by Oscar Serojihos, Jr., claiming that the company was dumping banned and dangerous chemicals in its waste basin and releasing the same during the rainy season to the detriment of the health and safety of the residents of General Santos City. Mr. Serojihos had never brought these concerns to the attention of Dolefil management, they were reckless and unfounded, and they caused unnecessary alarm to the populace of General Santos City. The libel charge was a reasonable counter-measure of a responsible corporate citizen in the face of baseless allegations. On July 21, 2006 an internal administrative disciplinary action was initiated against Mr. Serojihos where he was charged with making false or malicious statements against the company. And on October 17, 2006, Dolefil filed a criminal case for libel against the publisher of *PeriodicoBanat* and against Mr. Serojihos. A preliminary investigation conducted by the Prosecutor in the Province of South Cotabato found probable cause warranting the indictment of all the respondents.

As a result the corresponding Information for Libel was filed in court where the matter is now pending. In their counter affidavits, while the newspaper claims that the article was a result of an interview between a news journalist and Mr. Serojihos, Mr. Serojihos now denies "...making any reference to a possible exposure of Gensan (*General Santos City*) to a risk from chemicals from Polomolok or from Dole Philippines in particular. I did not say those words. Neither did I say or report that the water basin is allowed to overflow during the rain... Neither did I say that banned chemicals are being used."

***The Union itself has filed several libel charges against employees***

ILRF points to a *single* libel charge against Mr. Serojihos as abusive conduct by Dolefil, rather than justified by exceptional circumstances. At the same time, ILRF has conveniently failed to mention that the AK-NAFLU-KMU itself has initiated the filing of *eight (8) separate counts* of libel under Article 353 of the Revised Penal Code against at least three (3) regular employees of Dolefil who were openly disgruntled and passing out flyers critical of the union. The employees' criminal cases are now pending before the Regional Trial Court. The GSP Subcommittee may wish to ask the ILRF if it views the criminal libel charges filed by the union as impinging on the employees' freedom of speech and association.

10. According to the public comments provided by ILRF, Dole Packaged Foods LLC pays its pineapple harvesters in the Philippines three times less than the minimum wage. Is this the case, and if so, why?

This allegation was already refuted in the answer to question 3. Regular rank and file employees' wages are on average [\*\*\*\*\*] which is [\*\*\*\*\*] that of the prevailing legally mandated wage rates now pegged at Php224.00 (plus Php21.00 Cost of living allowance), plus an equivalent amount consisting of other cash and non-cash benefits.

Workers of cooperatives who enter into job contracts with Dolefil are likewise paid by their respective cooperatives in compliance with the legally mandated minimum wages and are given all other benefits due to them under the Labor Code and pertinent social legislation. Being business partners of Dolefil, these cooperatives are audited by the company's internal auditors and by external auditors from the SGS for compliance with the standards of SA8000 which include, among others, payment of at least minimum wages and other legal standards provided by the Labor Code and other social legislation.

These cooperatives adopt varying modes of payments for their workers, all of which are nonetheless valid and legally compliant with prevailing laws in the country. These modes of payment may be on a "per day" basis or on a "piece-rate" basis, both of which are valid and legal. In fact, the piece-rates adopted are certified just and reasonable by the Department of Labor and Employment after 'time and motion studies' have been conducted.

There may be certain instances where after only a few hours work, all farm activities may be cancelled and the farm workers sent home due, for example, to heavy rain. In such circumstances, the workers may not be paid by the cooperative for a full day's work but only for the number of hours actually worked in consonance to the rule "equal days pay for equal days work". But this represents the exception, not the rule.

11. Could you please elaborate upon the political and economic benefits that Mindanao will gain? For example, what types of jobs will be created?

Please refer to the answers to question 1 and question 14.

12. Your brief says that there is no longer any "meaningful" domestic production of single strength pineapple juice; what do you mean by "meaningful"?

When we stated that "there no longer is any *meaningful* U.S. production of single strength pineapple juice" (emphasis added) in the United States, we meant there is no longer any significant commercial production of the product in the United States. We did not use precise figures because they are not available to us; we do not know exactly how much single strength pineapple juice may still be produced in the United States. The USDA's Yearbook of Fruits and Nuts stopped providing production statistics for pineapples in 2007, noting that providing this information would divulge information to competitors. We do

know that the last major U.S. producer of single strength pineapple juice, Maui Pineapple, says it has reduced its pineapple plantings to only 2,000 acres and that the smaller company will focus on the sale of fresh premium pineapples to local markets and a handful of selected accounts on the mainland.<sup>5</sup> Even if Maui Pineapple diverted 20 percent of its pineapple production to juice, they would still supply less than half a million gallons. We are aware of only one other small producer of single strength pineapple juice in the United States -- Campo Fresco, located in Puerto Rico, which primarily serves the local market. Given that the 2007 USDA Yearbook lists the total U.S. consumption of pineapple juice to be 65.2 million gallons, we believe our characterization of U.S. production as not commercially “meaningful” is accurate.

13. Your brief states that Dole is an exemplary corporate citizen in the Philippines; can you describe in detail some of the health and education programs that Dole provides to its employees there?

Please refer to the CSR powerpoint in Attachment 2.

Dolefil provides generous health-related benefits including paid sick leave, paid PTB (Pulmonary Tuberculosis) leave, paid maternity/paternity leave, maternity assistance, medical benefits for covered employees and dependents (which include out-patient treatment, confinement, dental treatment, annual physical exam), transportation allowances for referrals to major cities, anti-rabies vaccine, and group life insurance. In addition, Dolefil sponsors Dole-lympics (Sports Programs); “Usapang K” (Kalusugan) Seminar literally meaning “Let’s Talk About Health” covering a wide variety of subjects including hypertension, diabetes, dengue, AIDS, STD etc.; Tuberculosis-Directly Observed Treatment Program (TB-DOTS); and Family Welfare Programs. The company maintains its own hospital, Howard Hubbard Medical Hospital, dedicated to address the medical requirements of all its employees. Dolefil is one of only eight (8) known company’s in the entire country that own a tertiary hospital to address the medical needs of its employees.

In education various technical and behavioral trainings are extended to all employees from the rank and file to management staff (including new hire orientations, annual management systems refresher courses, team-building sessions, safety seminars, first aid seminars, chemical handling seminars, trades progression training, basic supervision, supervisory skills enhancement program, management development program, work appreciation and values enrichment programs etc.)

The following highlight some of the unique activities and programs which emphasize how Dolefil has immersed the company in the community:

### ***Food Day Every Friday***

Every Friday the company invites around ten (10) farmer cooperatives (which the company also organized and supports as part of its community programs) to sell fresh and nutritious

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<sup>5</sup> News release by Maui Land & Pineapple, Inc., on July 25, 2008 and current website.

fruits and vegetables near the pedestrian gate to give employees access to fresh fruits and vegetables at farm gate prices. Employees need not go through the inconvenience of going to the public market (5 kms. away) nor spend money for fare just to buy fruits and vegetables. The program is also a boon to the farmer cooperative since their products are sold in the shortest time possible and assures them of a reasonable gain.

One of the cooperatives participating in Food Day is based in a predominantly Muslim area which used to be notorious as a lair of rebels. With the assistance of Dolefil, the cooperative was organized and funding was facilitated for their various projects (organic farming, livestock dispersal, fish culture, etc.). Former rebels have laid down their arms, joined the cooperative and are now engaged in farming – a classic “Arms to Farms” experience.

***“The Community Runs With Dole” Fun Run***

With the aim of increasing the awareness on health and wellness to all employees as well as to the entire community, Dolefil initiated this Fun Run held during its Foundation Day and now in its third year. For a registration fee of only Php10 (US\$0.22) anyone can join and this entitles him to some light snacks. The amount generated is matched by the company and is donated in support of the on-going church construction at Jesus the Good Shepherd Parish. The last Fun Run was participated in by more than 28,000 runners, which literally filled the stretch of a five kilometer provincial road in Polomolok.

14. Can you describe in detail the single strength pineapple juice value chain, noting the number of workers involved in each step of the production process?

The single strength pineapple juice value chain is basically [\*\*\*\*\*] involved in juice production. The farmers do all the needed agricultural work, i.e. planting, cultivation, field maintenance, harvesting etc. as it is required. The cannery side is not labor-intensive as the fruit is received and goes through a ginaca machine and then to the juice plant, which is highly automated. The transportation aspect is quite minimal, i.e., delivery of planting materials at the start and delivery of harvested fruit to the cannery, and is done through private haulers/truckers.

15. During the hearing, you mentioned some type of certification that is renewed yearly through audits. Could you elaborate on what is actually being certified and what the certification process entails?

The following are the certifications currently in place in Dolefil:

- ISO 9001 – Quality Management Systems covering the entire operations company-wide including the farms; certified since July 17, 1995 by Societe Generale De Surveillance
- ISO 14001 - Environmental Management System for the entire operations; company-wide including the farms certified since October 4, 1991 by Societe Generale De Surveillance

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- SA 8000 - Social Accountability for the entire operations company-wide including the farms; certified since March 6, 2001 by Societe Generale De Surveillance
- GMP - Good Manufacturing Practices for its two canneries; certified since June 22, 2000 initially by the American Institute of Bakers International and thereafter by Retailer Quality Assurance Asia Pacific for Grocery Manufacturers Association-Suppliers Audits for Food Excellence
- Food Safety/HACCP - Food Safety and Quality Management Systems (for US) for canneries; certified since May 27, 2002 by AIB International and thereafter by RQA-GMA-SAFE
- BRC Global - Food Safety and Quality Management System (for Europe etc.) for canneries; certified since May 27, 2002 by Europe Food Safety Inspection Service
- SGF/IRMA - Food Safety and Quality for our Juices (for Europe); certified since January 1998 by Schutzgemeinschaft der Fruchtsaft-Industrie e. V.(Protective Association of the Fruit Juice Industry/International Raw Materials Assurance)
- Kosher - Kosher requirements for canneries; certified since January 18, 1993 by Kosher Overseers Associates of America
- Halal - Halal International Standards for canneries; certified since May 18, 2005 by Islamic Dawah Council of the Philippines
- ISO 17025 - Philippine National Standard ISO/IEC 17025 requirements and Philippine Accreditation Office conditions for laboratory accreditation; certified since July 1995 by Department of Trade and Industry
- ISPS Code - International Code for the Security of Ships and Port Facilities; certified since January 1, 2005 by the Office of Transportation Security of the Department of Transportation and Communications

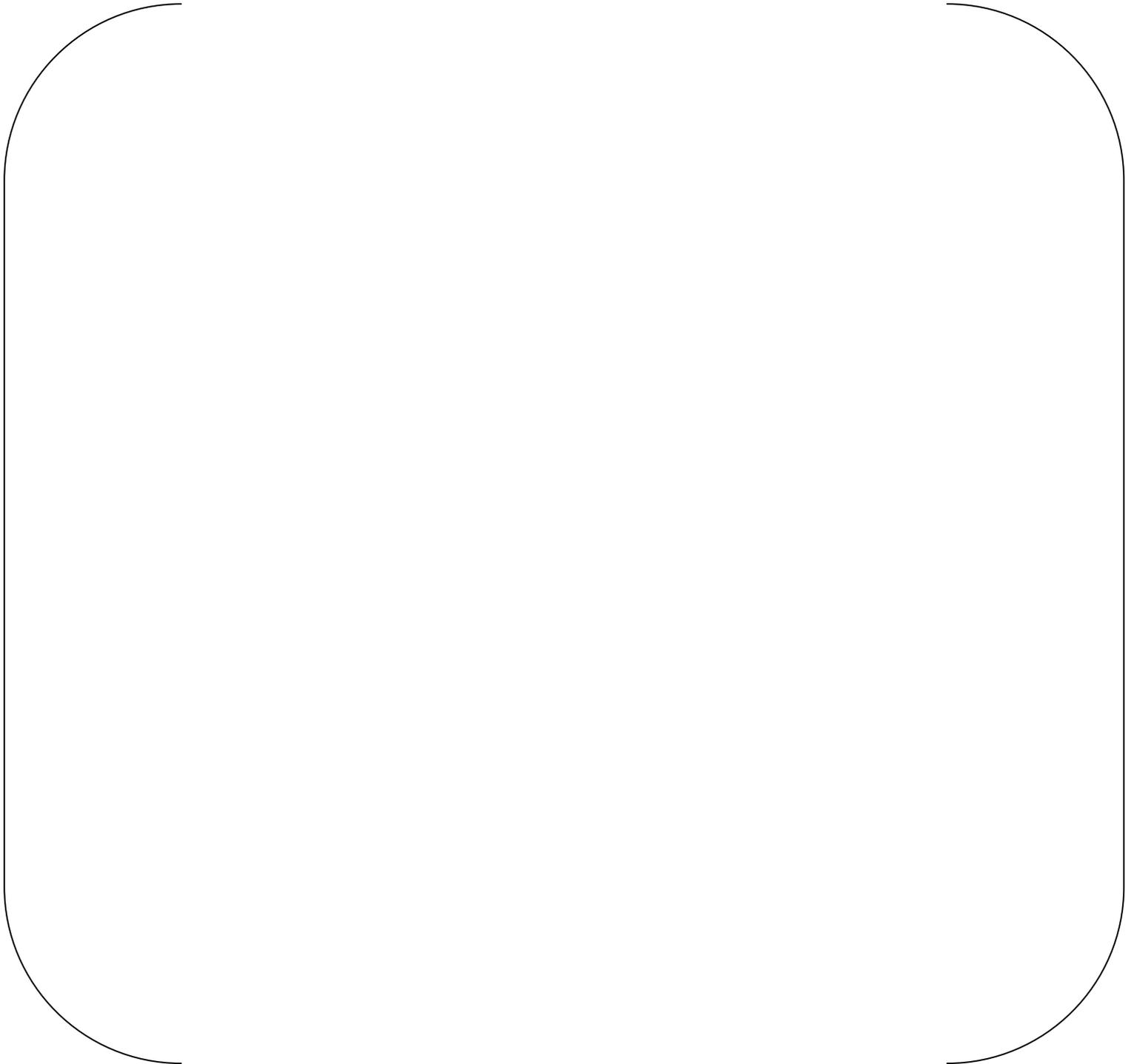
These internationally recognized standards and certifications, which involve the conduct of actual on-site facility, process, people, systems, and documentary audits, show Dolefil's highest level of social responsibility and dedication to providing quality to its people, products, environment, systems, customers and the community.

**APPENDIX A**

**LIST OF AWARDS**

1. SCR Plaque of Appreciation for Community Development, August 12, 1997;
2. United Way Plaque of Recognition, February 3, 1990
3. Golden Service Community Award, March 25, 1998
4. Sikap-Gawa Award of the Bishops-Businessman's Conference of the Philippines, May 1997
5. Don Emilio Abello Hall of Fame Award, January 26, 1996; Don Emilio Abello Outstanding Award for improving energy efficiency, in 2003, 2004, and 2006
6. Department of Labor and Employment Pro Active Achievement Award for having institutionalized Family Welfare and Community Related Projects, December, 1998;
7. Award of Merit as one of the 25 Top Healthy Workplaces, May 2, 1996 by the Department of Health, Dept. of Labor and Employment, Dept. of Environment and Natural Resources, Dept. of Interior and Local Gov't, Employees Compensation Commission, Civil Service Commission and Safety Organization of the Philippines, Inc.
8. Merit Award for achieving Multiple Certifications for the following international standards: ISO 9001:2000 Quality Management System; ISO 14001:2004 Environmental Management System; SA 8000:2001 Social Accountability in November 2006
9. SSS Outstanding Employer in Mindanao Award in 2006
10. Outstanding Employer and Outstanding in Community Projects by the Philippine Economic Zone Authority, April, 2005-2006
11. Hall of Fame for Outstanding in Community Projects by the Philippine Economic Zone Authority, 2005-2007
12. Merit Award for Delivering Equitable Healthcare category during the 1st American Chamber Awards in November 2007
13. Awarded as Biggest Contributor in Real Property Taxes to the Province of South Cotabato in 2007
14. Don Emilio Abello Energy efficiency award to Dolefil Cobox Plant, Dec. 18, 2007
15. The Chefs Best Award for Best Taste for Canned Tropical Fruit Salad , 2007-2008
16. Outstanding Partner in Service, 2007-2008 awarded by the Rotary Club of Polomolok 101
17. SSS Top Employer Award in 2008

**APPENDIX B**





**APPENDIX D**



**PUBLIC VERSION**

# *Attachment 2*

PUBLIC VERSION



# Corporate Social Responsibility

Dole Philippines, Inc.  
Polomolok, South Cotabato





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## CSR Statement

Dole believes that the “Higher Purpose” of its corporate existence is in the development of people and their respective communities, beyond bare legal compliance, beyond image building, beyond basic social service, but

**TOTAL COMMUNITY DEVELOPMENT.**



## "Social Fence/Landscape" Concept

A visible social development landscape around the company's areas of operation and beyond.



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## Program Initiatives

- Education
  - Adopt-a-School Program
  - Reciprocating Action Program
  - Mindanao State University Scholarship Program
  - Filipino Art Lovers of Ethnic Heritage



- Basic Social Services
  - 'Colour Your Life' Wellness Program
  - Bantay Bata Coin Bank Project
  - Health Programs
    - Feeding Program / Sugar Bags
    - Medical Mission
    - Wheelchairs



## Strategies

- Community-Corporate Business Partnership
  - Growership Program – LPMPC
  - Harnessing Filipino Talent/Skills



- Watershed Management and Environmental Conservation
  - MICADEV Project
  - Gully Tree Planting
  - Chairs-for-Trees
  - Solid Waste Management Support
  - Massive Tree Planting Activity

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## Strategies

- Peace and Development
  - Sumbakil Coop Experience



- Partnership Development
  - Local Government Units
  - Non-Government Organizations
  - Religious Organizations
  - National Government Agencies and Dignitaries



## Adopt-a-School Program

### Background:

This program seeks to solve the perennial problems of poorly equipped schools, low desk-to-pupil ratio (1:3), shortage of textbooks (1:4), poorly trained teachers, crowded and overpopulated classrooms, and dilapidated school libraries.

### Solution:

Teachers' Training and Development

Provision of Supplementary Textbooks

Monitoring and Evaluation

Infrastructure and Facilities Support

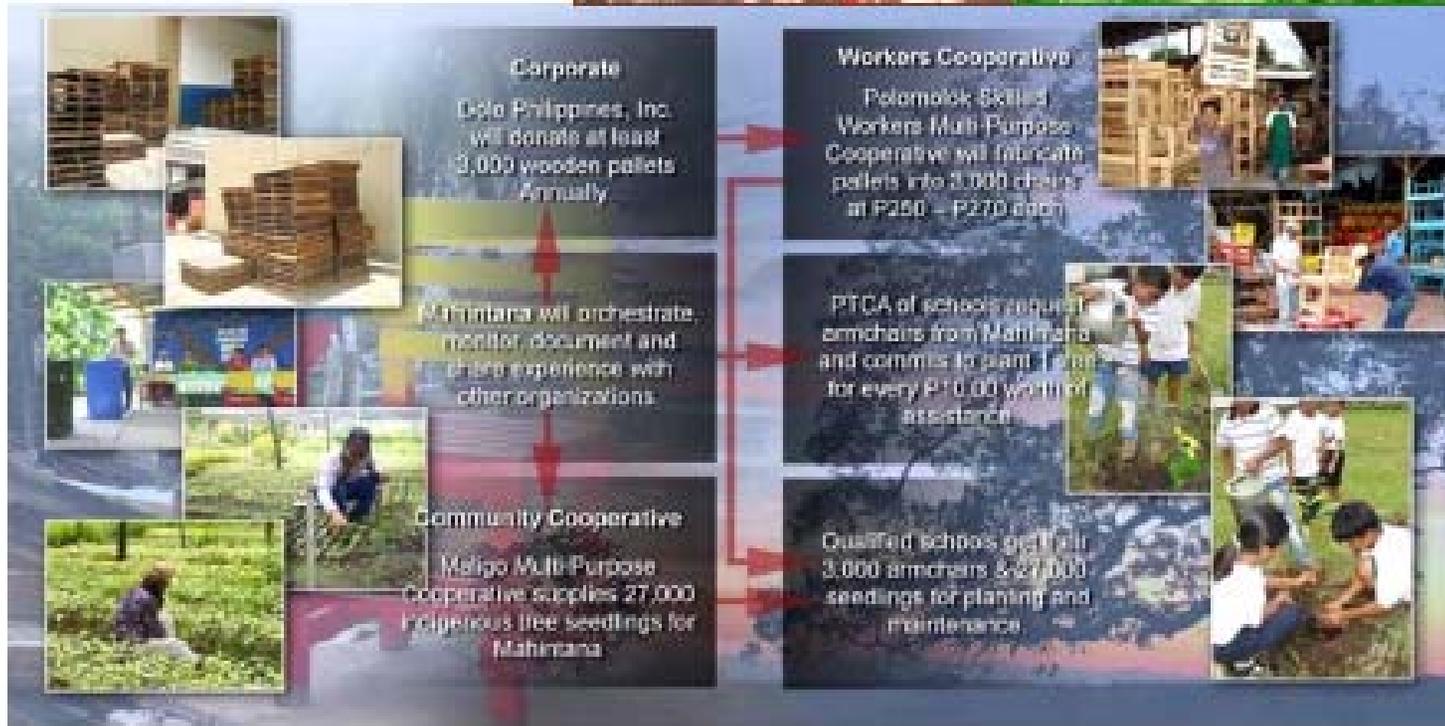
Networking and Linkaging (Resource Mobilization)



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# Chairs for Trees





## Mindanao State University Scholarship Program

To foster competency for better the future of bright and hopeful youth, Dolefil awards scholarship grants to poor and deserving Engineering students of MSU in Gen. Santos City.

This program assures the development of skills for the youth to gain competitive advantage for employment and for the Company a good pool of potential new hires.



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## Filipino Art Lovers of Ethnic Heritage (Faléh)

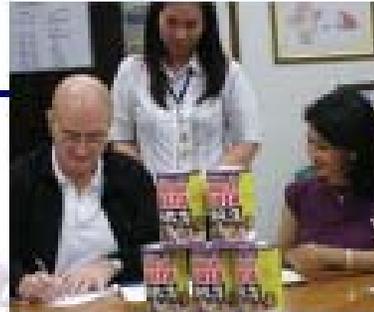


Dolefil continually hones the youths' love for country and culture by encouraging and training them through company-founded theater-performing group named Faléh, whose 200 members belong to different schools the municipality.





## Bantay Bata Coin Bank Project



Dolefil is an active supporter of the Bantay Bata 163 Project, which is organized by ABS-CBN, the biggest media network in the country, to effectively campaign against abuses of children's rights.

Dolefil donates over 50,000 tin cans to be used as coin banks for the entire Mindanao area, now reaching Luzon and Visayan Islands.

These coin banks can be seen on top of counters at the department and grocery stores, pharmacies, hotels, and other business establishment all over the country.

The funds raised will be used to alleviate the lives of thousands of Filipino children who are either malnourished, physically abused, sick, deprived of basic education, or forced to work as child laborers or prostitutes due to extreme poverty.



## Health Programs



To lookout for the health of the community and surrounding areas, Dolefil holds Free Clinics, Deworming and Immunization, Pre- and Post-Natal Services, STD/STI/HIV/AIDS Prevention, Responsible Parenthood, and Health Congress.

To offer better health services to the community, Dolefil maintains its own hospital, the Howard Hubbard Memorial Hospital.



## Kapit Bisig Para sa Kabataan Feeding Program

This project was launched in March 2007. It aims to reduce the presence of malnutrition in some municipalities in South Cotabato and Sarangani Province.

Dolefil, together with Mahintaha Foundation, Inc., has partnered with The South Cotabato Provincial Government, the municipalities-at-interest, cooperatives, and civic organizations in this endeavor.





## Sugar Bags

16,000 bags sold  
To benefit mothers of rehabilitated malnourished children under Feeding Program



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## Medical Mission – Philippine Medical Society of Florida



In-patient Major Surgery	
Cleft lip	35
Cleft Palate	16
Hernias	16
Thyroid Nodules	23
Others	13
	103
Minor excisions (ER)	48
Outpatient Medical	
Polomolok	472
T'boli	562
Maasim	747
Tupi/Tampakan	832
Polomolok	305
<i>OPDs Total</i>	2,918
<b>GRAND TOTAL</b>	<b>3,069</b>



## Alay gabay Para sa Maginhawang Buhay



This project is in coordination with the Wheelchair Foundation based in the US. To date, we have distributed 310 wheelchairs to beneficiaries around the municipalities of T'boli, Surallah, Tupi, Palomolok, and Maasim.



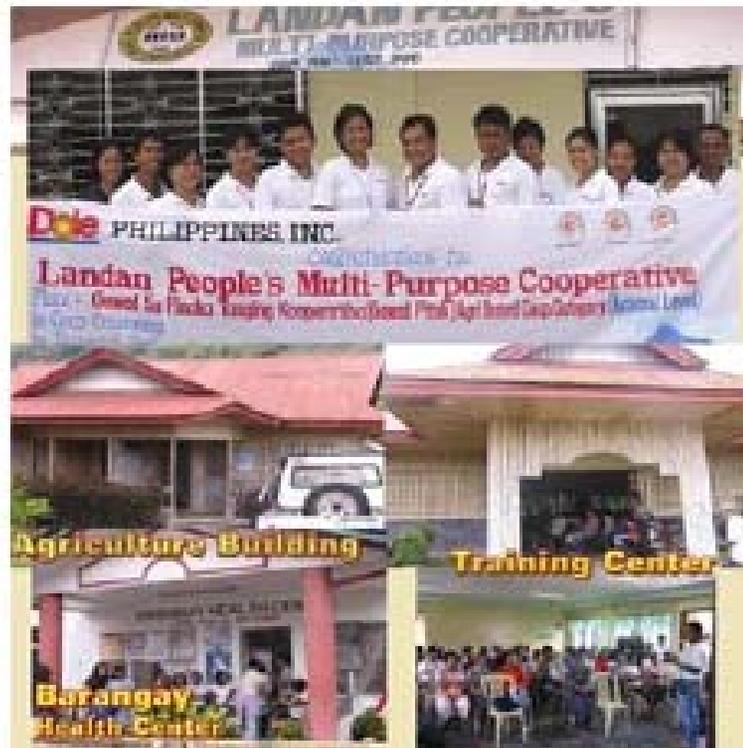


## Growership Program – Landan People's Multi-Purpose Cooperative

With Dolefil staunch support since 1993, LPMPC has now grown by heaps and bounds, winning the prestigious Gawad Pitak Award 2005 as the Most Outstanding Agriculture-based Cooperative in the Philippines.

To date, LPMPC has more than 1,200 members and P 150M in assets.

They offer Trucking, Contract Growing, Training, Trading, Credit, and Consumer Store Services, among others.



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## Mount Matutum Integrated Conservation and Development Experience (MICADEV) Project

Dolefil recognizes the need to constantly strive towards preservation of the environment, especially the protection of the watershed for quality future life. Hence, it supports the MICADEV.

The MICADEV, implemented by Mahintana Foundation, Inc., is an integrated approach in Environment, Community Organization, Economic / Livelihood Assistance, Basic Social Services, and Advocacy.

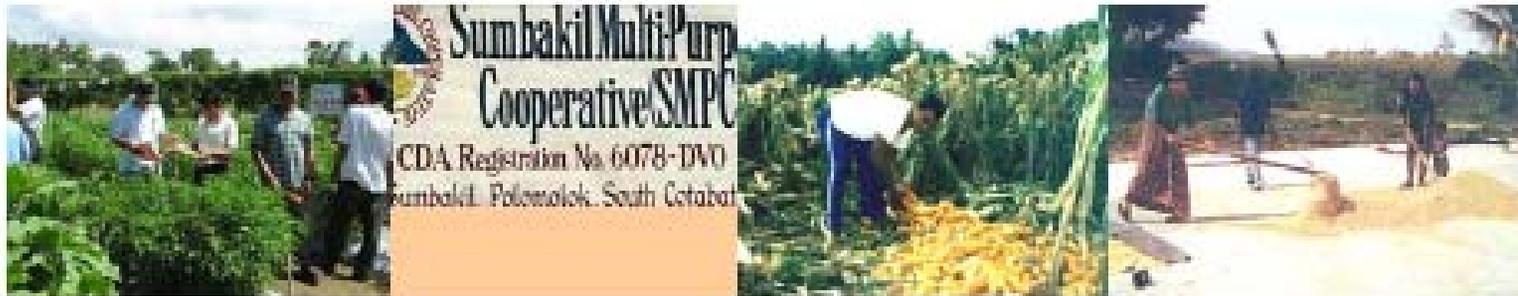
Over the years, it has significantly contributed to the declaration of Mt. Matutum as a protected area.



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## Sumbakil Experience



Dolefil believes in empowering cooperatives to better bring development to the countryside, and has adopted the Sumbakil Multi-Purpose Cooperative.

The Cooperative's mission is to help promote peace and progress, and improve the standard of living of its farmer-members for livelihood assistance.

Dolefil is firm and aggressive in its caring for people and helping them achieve a better quality of life.



## Religious



Organize health-related activities as fund raisers for the construction of Jesus the Good Shepherd Parish in Brgy. Cannery Site; also aids in the renovation of Our Lady of Lourdes Parish in Brgy. Poblacion.





End of Presentation

