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March 31, 2014

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

Cc: Jennifer P. Goodale Vice President, Contributions Philip Morris International Avenue de Rhodanie 50 1007 Lausanne, Switzerland

Dear Mr. Calantzopoulos,

Thank you for your letter of February 4, 2014 and for the meeting of February 6, 2014. We appreciate the constructive dialogue with Philip Morris International. We have appreciated the opportunities to learn more about Philip Morris International's policies and practices concerning child labor. We look forward to seeing you on April 10 in Raleigh when we will present our findings and recommendations at the Farm Labor Practices Group meeting.

We are writing today to share with you some additional information regarding the counties in North Carolina, Kentucky, and Tennessee in which children reported working. We are also taking this opportunity to share our key recommendations to businesses purchasing tobacco in the United States.

Counties where Children Reported Working

As we explained previously, consistent with our methodology for investigating human rights worldwide, we go to great lengths to protect the confidentiality of interviewees. Out of concern for interviewees' security, we are unable to report specific farms where children worked, but we can share a list of counties where children reported working in North Carolina, Kentucky, and Tennessee (attached). We do not preclude the possibility that children work in tobacco farming in other counties in these states. Due to the very small number of children we interviewed in Virginia, we are unable to provide county-level information for that state.



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While we hope our list of counties might help to guide Philip Morris International's efforts to address hazardous child labor on farms in its supply chain, we would encourage the company to do a comprehensive investigation of child labor in every county from which Philip Morris International purchases tobacco. Due to the small size of our team and the nature of our methodology, we are not in a position to conduct a broad survey to examine conditions in every tobacco-growing county in the US. However, our research indicated patterns of hazardous child labor on tobacco farms in many different locations, and we urge Philip Morris International to look beyond the counties we identified in order to investigate thoroughly child labor on all US tobacco farms in its supply chain.

Recommendations

We would like to take this opportunity to share our initial recommendations for tobacco manufacturing companies and tobacco leaf companies which we believe are essential to protect children from hazards particular to tobacco farming. We look forward to discussing these recommendations with you. Human Rights Watch has also developed detailed recommendations for other relevant actors, including the US Congress, the US Senate, the President of the United States, the US Department of Labor, the Environmental Protection Agency, tobacco-producing states, tobacco growers' associations and Farm Bureaus, agricultural employers, and the International Labour Organization.

Human Rights Watch bases these recommendations on our research findings which we detailed to you in our December 11, 2013 letter, extensive reviews of available public health literature, interviews with public health researchers, analysis of national laws and practice, analysis of ILO laws and reports, interviews with ILO experts on child labor, interviews with representatives of the Eliminating Child Labour in Tobacco Growing Foundation (ECLT), and ECLT materials.

Based on our findings, Human Rights Watch believes that no child under age 18 should be permitted to work with tobacco in any form, including plants of any size or dried tobacco leaves, due to the inherent health risks posed by nicotine and the pesticides applied to the crop.

Because exposure to tobacco in any form is unsafe, Human Rights Watch has determined, based on our field investigations and other research, that as a practical matter there is no way for children under 18 to work safely on US tobacco farms when they have direct contact with tobacco plants of any size or dried tobacco leaves, even if wearing protective equipment. Though protective equipment may help mitigate exposure to nicotine and pesticide residues, rain suits and watertight gloves would not completely eliminate absorption of toxins through the skin and would greatly increase children's risk of suffering heat-related illnesses. The inadequacy of protective equipment to protect children, as documented by Human

Rights Watch in the US, seems likely to extend to tobacco farms outside the United States.

A number of countries have laws or regulations prohibiting all children from working in tobacco farming, or from performing the majority of tasks in which they come into direct contact with tobacco in any form, including Brazil, India, Malawi, Kazakhstan, Russia, and Uganda.

Recognizing the risks to children of work in tobacco farming, the US Department of Labor proposed regulations in 2011 that would have prohibited all children under 16 (the minimum age for hazardous work in agriculture in the US) from "all work in the tobacco production and curing, including, but not limited to such activities as planting, cultivating, topping, harvesting, baling, barning, and curing." The regulations were withdrawn in 2012. The ILO Committee of Experts has strongly urged the US government to reconsider withdrawal of the proposed regulations.

This evidence and our analysis are further detailed in our forthcoming report, as are additional recommendations. Our key recommendations to businesses purchasing tobacco in the United States include:

Regarding Child Labor

- Adopt and implement policies globally prohibiting the use of child labor anywhere in the supply chain. The policy should specify that hazardous work for children under 18 is prohibited, including any work in which children come into direct contact with tobacco plants of any size and dried tobacco leaves.
 Consistent with ILO conventions, the policy should also prohibit work by children under the age of 15, except for light work by children ages 13 to 15, or the minimum age provided by the country's laws, whichever affords greater protection. The policy should specify that it is in effect throughout the supply chain in all countries irrespective of local laws that afford lesser protections.
- Strive to phase out the use of child labor in the supply chain by establishing clear timeframes.
- Ensure that all contracts with growers and suppliers include specific language prohibiting the use of children in hazardous work under 18, including any work in which children come into contact with tobacco leaves of any size and dried tobacco leaves. Establish and carry out penalties for those in the supply chain who violate the no-child labor policy. The penalties should be sufficiently severe and consistently implemented so as to have a dissuasive effect. Discontinue contracts with farms that repeatedly violate the policy prohibiting child labor.

- Provide training to agronomists, suppliers, growers, workers, and others on the hazards to children of working in tobacco. Utilize outside experts on child labor to conduct these trainings where appropriate.
- Establish a regular and rigorous internal monitoring process in all countries in the supply chain.
- Engage qualified third-party monitoring for child labor in supply chains in all countries.
- Engage a third-party organization to develop a no-child labor policy as outlined above, including the structures for its effective implementation.
- Develop or enhance collaboration with local stakeholders to eliminate child labor on tobacco farms, including by:
 - Working with federal and local government officials, including the Office of Migrant Education, to ensure access to education for farmworker children.
 - o Implementing, with meaningful input and participation from farmworker children, their families, and local stakeholders, free summer programs each year for both migrant and local children, as an alternative to working in tobacco farming. Programs should provide age-appropriate educational, recreational, and leadership development opportunities to children under 18.
 - Collaborating with local stakeholders to identify other summer employment opportunities for children as alternatives to working on tobacco farms.
 - Where possible, cooperating with the ILO's International Programme on the Elimination of Child Labour (IPEC), UNICEF, nongovernmental organizations, and others undertaking efforts to prevent child labor, including through the provision of alternatives to working in tobacco farming.
 - Establishing a scholarship fund to provide young farmworkers with economic support to pursue higher education. The scholarship application should account for the unique circumstances of farmworker children's educational paths.
 - o Investing in rural health infrastructure to ensure tobacco workers and their children have access to health services.
 - Collaborating with land-grant universities and extension services to enhance agricultural education in tobacco-growing communities, and to provide farmworker families with access to land for small-scale agricultural enterprise.

Regarding Industry-Wide Multilateral Initiatives

- Develop an international industry-wide standard to prohibit hazardous work for children under 18 on tobacco farms, including any work in which children come into contact with tobacco plants of any size and dried tobacco leaves; establish minimum age requirements consistent with ILO conventions.
- Amend the US Tobacco Good Agricultural Practices (GAP) labor management guidelines to specify that hazardous work for children under 18 is prohibited, including any work in which children come into contact with tobacco plants of any size and dried tobacco leaves. Consistent with ILO conventions, the standard should also prohibit work by children under the age of 15, except for light work by children ages 13 to 15. This standard should be a contractual requirement for all US tobacco growers.
- Engage meaningfully in multi-stakeholder initiatives, including with a view to support tobacco industry efforts to promote the elimination of child labor in the tobacco supply chain, effective monitoring of these policies, and initiatives to support alternative employment, education, and recreational opportunities for children in tobacco-growing communities.
- Increase financial support to nongovernmental organizations working to eliminate hazardous child labor in tobacco farming.
- Establish a pooled fund to support programs that provide alternatives to child labor in US tobacco farming and/or consider expanding programs through the Eliminating Child Labour in Tobacco Growing Foundation to include the United States.

We look forward to discussing these recommendations with you and welcome any updates to Philip Morris International's existing policies and practices regarding child labor, so that we have the most up-to-date information for our research and reporting.

Best regards,

Arvind Ganesan

Director

Business and Human Rights Division

Jane Buchanan Associate Director

Children's Rights Division

Counties where Children Reported Working

State	Counties
Kentucky	Barren
	Bath
	Bourbon
	Boyle
	Clark
	Crittenden
	Fayette
	Franklin
	Harrison
	Henry
	Lincoln
	McCrory
	Metcalfe
	Monroe
	Montgomery
	Pulaski
	Scott
	Shelby
	Taylor
	Warren
	Washington
	Wayne
North Carolina	Duplin
	Greene
	Johnston
	Jones
	Lenoir
	Martin
	Nash
	Onslow
	Pitt
	Sampson
	Wayne
	Wilson
Tennessee	Grainger
	Hawkins
	Jefferson
	Macon
	Sumner