## STATEMENT OF THE DOMINICAN SUGAR INDUSTRY

## ON LETTER SENT JANUARY 13, 2022, BY MEMBERS OF CONGRESS TO BIDEN ADMINISTRATION OFFICIALS ON LABOR CONDITIONS IN THE DOMINICAN SUGAR CANE SECTOR

January 21, 2022

The Dominican Sugar Industry Coalition which represents the three private sector companies<sup>1</sup> that export **all** of the sugar to the United States from the Dominican Republic has been engaged with Dominican and U.S. authorities for almost a decade towards improving working conditions within the sugar cane sector of the Dominican Republic, and the coalition supports further engagement between the two governments to accelerate such progress.

As the companies of the Dominican Sugar Industry we want to assure all interested parties and stakeholders that we are committed to decent and humane conditions for our combined workforce of some 20,000. That is not to say we do not still have more to do to continue to improve the conditions for workers, as that is and should be an on-going process for any responsible company.

We have, however, made it clear, repeatedly, and do so again, that any incidents of child labor, forced labor or trade union rights violations at our companies would be an aberration, contrary to our policies, and immediately remediated if identified.

We have also provided access to our facilities and information requested by U.S. authorities for almost a decade.

The complaint filed against the companies under the DR-CAFTA in 2011, and the U.S. Department of Labor investigation initiated in 2012, did in fact compel us to review our policies and programs, assess and transparently disclose shortcomings in our operations, and undertake improvements – including with regard to health and safety training, personal protective equipment, the tracking of work hours and rest periods, transportation procedures, work contracts, and worker induction programs that we now undertake with Dominican authorities. We also have on-going programs to make investments to upgrade housing and living conditions in our worker communities.

Detailed information on these points is publicly available on a <u>website</u> we maintain, www.dominicansugar.org.

<sup>&</sup>lt;sup>1</sup> Central Romana Corporation (CRC), Consorcio Azucarero de Empresas Industriales (CAEI), and Consorcio Azucarero Central (CAC).

We note that U.S. authorities have acknowledged improvements in their past reports. We also note that our operations have been audited against the standards of our buyers, and the auditors have been aware of the allegations made against our sector. We further note U.S. and Dominican governments agreed upon a technical assistance project to enhance the labor inspection capacity of Dominican authorities for the agriculture sector that began to be implemented by the ILO in 2019, and which purportedly was to address concerns identified in the U.S. Department of Labor report on the DR-CAFTA complaint.

We also understand that despite all of the above, a narrative of concern about our sector remains. We believe that historical factors play a role here. We also note that there is a remaining part of the sugar cane sector operated by the government's *Consejo Estatal del Azúcar* (CEA) (State Sugar Council) and we have maintained a dialogue with the appropriate authorities on how to coordinate on policies applicable to the overall sugar cane sector.

Taking into account the current circumstances, the Dominican Sugar Industry believes further steps need to be implemented on an expedited basis to transparently establish that while working and living conditions in our companies are not perfect, they are not what some may be concerned they could be based upon certain press reports that contain old, inaccurate or out of context information.

Towards that objective, the DSI looks forward to immediately working with the Dominican authorities, our unions, and other stakeholders to address the concerns reflected in the letter released by members of the U.S. Congress on January 13, 2022, and to support further engagement between the Dominican and U.S. governments on this matter.

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