BEFORE
THE OFFICE OF CHILD LABOR, FORCED LABOR AND HUMAN TRAFFICKING BUREAU OF INTERNATIONAL LABOR AFFAIRS UNITED STATES DEPARTMENT OF LABOR

STATEMENT OF THE INTERNATIONAL SUGAR POLICY COORDINATING COMMISSION OF THE DOMINICAN REPUBLIC

ON
CHILD LABOR, FORCED LABOR, AND FORCED OR INDENTURED CHILD LABOR IN THE PRODUCTION GOODS IN FOREIGN COUNTRIES AND EFFORTS BY CERTAIN COUNTRIES TO ELIMINATE THE WORST FORMS OF CHILD LABOR

MAY 20, 2011

Robert W. Johnson II
Washington Counsel

Johnson, Rogers & Clifton L.L.P.
401 – 9th Street, N.W.
Suite 640
Washington, D.C. 20004-2163
Tel: (202) 253-2112
Email rwjoffice@aol.com

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STATEMENT
OF
THE INTERNATIONAL SUGAR POLICY COORDINATING COMMISSION OF THE DOMINICAN REPUBLIC

MAY 20, 2011

INTRODUCTION

The International Sugar Policy Coordinating Commission of the Dominican Republic (Dominican Sugar Commission)[1] welcomes the opportunity to submit this statement to the Office of Child Labor, Forced Labor and Human Trafficking (OCFT) within the Bureau of International Labor Affairs (ILAB) of the U.S. Department of Labor (DOL) in connection with OCFT's request for information set out in a recent Federal Register Notice.

That Notice, dated April 25, 2011, (76 F.R. 2291 et seq.), requested information to be used by DOL in preparation of its reporting under Congressional mandates and Presidential directive. The first request sought information on the use of forced labor, child labor, and/or forced or indentured child labor in the production of goods internationally, as well as information on government, industry, or third-party actions and initiatives to address these problems. DOL will use the information as appropriate to maintain the list of goods that ILAB has reason to believe are produced by child labor or forced labor in violation of international standards under the Trafficking Victims Protection Reauthorization Act (TVPRA) of 2005, Section 105(b), and the List of Products Produced by Forced or Indentured Child Labor under Executive Order 13126 of 1999.

This statement is intended to supplement the Dominican Sugar Commission's June 14, 2010, response to the DOL's 2010 request for information on the same subject.

This statement will provide information regarding the current operations of the sugar producers in the Dominican Republic and their efforts to adopt "best practices" to modernize

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[1] The International Sugar Policy Coordinating Commission of the Dominican Republic is an umbrella organization comprised of the sugar producers in the Dominican Republic. Its purpose is to communicate the views and analyses of its members on international issues that may affect the Dominican sugar industry, including Dominican sugar exports to the United States and other markets.

their operations; to continue and enhance their status as good citizens with respect to "corporate social responsibility"; and to provide a wide range of benefits to their employees and the growers of the sugarcane used in their operations, and their families.

BACKGROUND

1. **REGULATORY FRAMEWORK.** This statement is being submitted in connection with the ILAB's publication of an initial list on September 10, 2009, of goods believed to be produced by child labor or forced labor in violation of international standards under the Trafficking Victims Protection Reauthorization Acts (TVPRA) of 2005 and 2008.[2] The TVPRA of 2005 requires the ILAB to "develop and make available to the public a list of goods from countries that [ILAB] has reason to believe are produced by forced labor or child labor in violation of international standards." The TVPRA of 2008 established January 15, 2010, as the deadline for ILAB to publish an initial list. That list claimed that Dominican sugarcane was produced by child labor and forced labor. Dominican sugarcane was also included on the first update to the list published December 15, 2010, as being produced by child labor and forced labor.

The Dominican Sugar Commission strongly disagrees with that assertion, and trusts that this statement, and other materials submitted to the ILAB and other organs of the U.S. Government, will convince the Labor Department that there is no rational

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[2] Codified as sections 7101 and 7103 of the Trafficking Victims Protection Act (TVPA). The TVPRA directed the Secretary of Labor, acting through the Bureau of International Labor Affairs (ILAB), to "carry out additional activities to monitor and combat forced labor and child labor in foreign countries." 22 U.S.C. 7103(b)(1). The law specified these activities as (22 U.S.C. 7103(b)(2)):
(A)Monitor the use of forced labor and child labor in violation of international standards;
(B)Provide information regarding trafficking in persons for the purpose of forced labor to the Office to Monitor and Combat Trafficking of the Department of State for inclusion in [the] trafficking in persons report required by Section 110(b) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7107(b));
(C)Develop and make available to the public a list of goods from countries that the Bureau of International Labor Affairs has reason to believe are produced by forced labor or child labor in violation of international standards;
(D)Work with persons who are involved in the production of goods on the list described in subparagraph (C) to create a standard set of practices that will reduce the likelihood that such persons will produce goods using the labor described in such subparagraph; and
(E)Consult with other departments and agencies of the United States Government to reduce forced and child labor internationally and ensure that products made by forced labor and child labor in violation of international standards are not imported into the United States.

basis for believing Dominican sugarcane is produced by child labor or forced labor. Furthermore, the Dominican Sugar Commission believes that Dominican sugarcane should be removed from DOL's "List of Goods Produced by Child or Forced Labor".

The Government of the Dominican Republic (GODR), through its Embassy in Washington made a detailed submission on April 8, 2010, which analyzed the methodology used by ILAB in preparing the list; and provided information on the legal framework for the prevention of child labor and forced labor in the country; and described current working conditions, and the GODR's efforts and the private sector's efforts to prevent child labor and forced labor, and social programs and initiatives to combat child labor and forced labor. (We understand that the GODR is submitting a statement in response to the April 25, 2011, request for information). This statement will not repeat the information provided by the GODR in its April 8, 2010, submission, or its new submission but will provide specific information on the sugar industry to refute the allegations that Dominican sugarcane is produced by child labor and/or forced labor.

2. PREVIOUS CLAIMS OF CHILD LABOR AND FORCED LABOR. It is extremely important to remember that a number of assertions have been made in the past about child labor and forced labor in the Dominican sugar industry, **all of which have been thoroughly analyzed by previous Administrations and dismissed after lengthy and rigorous investigations of the accusations.** ILAB officials in the current Administration may have been unaware of these previous investigations - and the U.S. Government's dismissals of accusations of child labor and forced labor - when they included Dominican sugarcane on the September 10, 2010, list, and even the December 15, 2010, update. It would be instructive to take a look at some of the previous investigations to see how the accusations that led to the initiation of the investigations were found to be over-dramatized, misleading and essentially without merit, or to the extent the allegations had any merit, remedial steps were taken to correct any problems.

A. "Americas Watch" GSP Case. In 1989 the U.S. Trade Representative (USTR) initiated a review of worker rights in the Dominican Republic (Case 011-CP-89) following the acceptance of a May 31, 1989, petition filed by Americas Watch which alleged mistreatment of Haitian cane-cutters. The case was continued in 1990 (Case No. 018-CP-90) to give adequate time to investigate the allegations concerning the Haitian "braceros", and allegations made by the AFL-CIO in its own petition regarding mistreatment of workers in the country's free zones and elsewhere. Also investigated were allegations raised in the petitions concerning child labor and forced labor.

In April 1991, after an extensive two year investigation,

USTR made a decision in favor of the Dominican Republic on the basis that the Bush Administration determined the Dominican Government "[has] taken or [is] taking steps to afford internationally recognized worker rights", that is, substantial steps had been taken to protect workers and prevent any violations of applicable labor laws and regulations. That determination was made on the basis of a report, issued in April 1991 by the GSP Subcommittee of the Office of the U.S. Trade Representative (USTR). The GSP Subcommittee report covered a range of labor rights concerns in the Dominican Republic, including a detailed section on "Allegations of Worker Rights Violations of Haitian Sugar Cane Cutters", based in part on reports by the U.S. Embassy in Santo Domingo which analyzed labor practices on Dominican sugarcane plantations.

In August, the USTR rejected a new petition from Americas Watch requesting continued review of worker rights during the 1991-1992 season. Over the next few years, more complaints were filed by Americas Watch and affiliated organizations, but the U.S. Government refused to initiate any investigations based on such complaints.

B. "Primetime Live" Broadcast. On May 30, 1991, the ABC program, "Primetime Live", made allegations of child slavery and other abuses of Haitian "braceros" (cane cutters) in the Dominican Republic. The program contained a segment showing a child cutting cane in a burning field with an armed guard forcing him to do so. The Government of the Dominican Republic strenuously denied the allegations, and subsequent investigation uncovered the fact that the episode was a fake - that the "Primetime Live" producer staged the entire scene, paying actors to take direction and act out a scripted performance. The actors were located during the course of the investigation and admitted their roles in this sensationalized and shameful attempt to attract television ratings.

Following this, the House Subcommittees on Western Hemisphere Affairs and on Human Rights and International Organizations held a hearing on the treatment of Haitian cane cutters in the Dominican Republic. At the June 11, 1991, hearing, Joseph Becelia, the director of the State Department's Office of Caribbean Affairs, defended the GODR's efforts to improve conditions for Haitian cane cutters, and the State Department submitted a follow-up report to Chairman Torricelli which stated that "Based upon our continuing review of the Bracero issue, we believe that the GODR does <u>not</u> have a policy of exploiting Haitian youths in slave-like conditions." [Emphasis added].

C. AFL-CIO Unionization GSP Case. In June 1993, the AFL-CIO filed a petition with USTR seeking to have the Dominican Republic's GSP eligibility status revoked because of the country's alleged deficiencies regarding unionization in the

country's free zones and other alleged abuses of workers, including allegations of child labor (Case No. 004-CP-93). Again, a favorable determination was made by the U.S. Government after a lengthy investigation. See the December 20, 1994 Federal Register Notice announcing the termination of the investigation based on the remarkable efforts made by the Dominican Government to protect worker rights in the free zones, and the action taken by the AFL-CIO to withdraw its petition in October 1994.

D. DR-CAFTA Reviews. On August 5, 2004, the United States signed the Dominican Republic-Central America-United States Free Trade Agreement (CAFTA-DR) with five Central American countries (Costa Rica, El Salvador, Guatemala, Honduras, and Nicaragua) and the Dominican Republic. The DR-CAFTA agreement enhances protections for worker rights in the signatory countries by making labor obligations a part of the core text of the trade agreement. It includes unprecedented provisions that commit DR-CAFTA countries to provide workers with improved access to procedures that protect their rights. Moreover, it goes beyond the Chile and Singapore Free Trade Agreements (FTAs) through a 3-part cooperative approach to improve working conditions by: (1) ensuring effective enforcement of existing labor laws; (2) working with the International Labor Organization (ILO) to improve existing labor laws and enforcement; and (3) building local capacity to improve workers rights.

With respect to child labor and forced labor in the Dominican Republic, it should be noted the DR-CAFTA specifically addresses laws and their enforcement regarding internationally recognized labor rights, including "a prohibition on the use of any form of forced or compulsory labor" and "a minimum age for the employment of children and the prohibition and elimination of the worst forms of child labor". Further, the United States has provided monies to the ILO to fund a "transparent public report" every six months on ILO findings of progress by DR-CAFTA governments in their efforts to improve labor law enforcement and working conditions.

While further details on the operation of the DR-CAFTA and its review and consultation mechanisms are beyond the scope of this statement, the point is that the DR-CAFTA has worked significantly to improve the framework and enforcement mechanisms to prevent child labor and forced labor in the Dominican Republic and the Central American member countries.

E. "Price of Sugar" Film. Another attempt was made in 2007 to accuse the Dominican sugar industry of child labor and forced labor practices. This took the form of a supposed "documentary film" entitled "The Price of Sugar" produced by an American, Bill Haney, and narrated by Paul Newman. The film focused on the activities of a priest named Father Christopher Hartley to eliminate abuses of workers in the sugarcane operations of one

Dominican producer Consorcio Azucarero de Empresas Industriales (CAEI), part of Grupo Vicini. The film has gathered a measure of attention due to the promotional efforts of Father Hartley and Mr. Haney. However, it seems the producers of the film copied the methodology of the 1991 "Primetime Live" television program, and staged a number of scenes, and mis-identified persons and places as being a part of CAEI's operations, when they were not. Two members of the Vicini family have sued Mr. Haney for defamation and the case is pending in the U.S. Court of Appeals for the First Circuit.

Apart from the damage to the Vicinis' reputation, the film has had another pernicious effect - apparently some people have believed it to be an accurate depiction of conditions in the Dominican sugar industry, including, it seems, some Government officials in the U.S. Embassy in Santo Domingo. This film and other materials supplied by Father Hartley and his followers appear to have affected their objectivity and colored their reporting on sugar issues. The Dominican Sugar Commission submits that "The Price of Sugar" contains many serious distortions about living and working conditions in the Dominican industry, and in no way reflects actual circumstances.

F. "The Sugar Babies" Film. A similarly inflammatory - and allegedly "documentary" - film was produced about conditions on Central Romana Corporation's sugar operations in the Dominican Republic. This film, "The Sugar Babies: The Plight of the Children of Agricultural Workers in the Sugar Industry of the Dominican Republic" was released in 2007 as well, and also featured Father Hartley in his usual role. Produced by Amy Serrano, the film did not garner as much attention as "The Price of Sugar", but like "The Price of Sugar", it attracted criticism for its inaccuracies.

Accurate information on the sugar operations of Consorcio Azucarero de Empresas Industriales, Central Romana Corporation, and the other private Dominican sugar producer, Consorcio Azucarero Central, is set out in following sections of this statement.

THE DOMINICAN SUGAR INDUSTRY

1. HISTORICAL CONTEXT. Historically, the sugar industry was the engine of the Dominican economy; sugar was more important to the Dominican economy than to any other country.[3] Until the

[3] Columbus introduced sugarcane to Hispaniola, but sugar plantations did not flourish in the Dominican Republic until the 1870s. Investment by United States sugar companies, such as the United States South Porto Rico Company and the Cuban-Dominican Sugar Company, rapidly transformed the Dominican economy.

early 1980s the Dominican Republic maintained a fairly stable level of sugar production, with about 1 million short tons, representing 80% of total production, available for export. In 1976 production reached a peak volume of roughly 1.25 million short tons, and exports to the United States totaled 900,389 MT. The country's sugar exports to the United States averaged 730,291 MT during the 1975-1981 period, entitling the Dominican Republic to the largest share of the allocated Tariff Rate Quota (TRQ). At the request and encouragement of the United States, the country has since diversified its agricultural economy away from its dependence on sugar. Despite ongoing diversification efforts, in the late 1980s the Dominican Republic was one of the world's largest producers of sugarcane.

The role of sugar changed markedly in the 1980s as external conditions (including actions by the United States - reductions in the U.S. sugar quota and assistance for diversification in Dominican agriculture) forced the national economy to diversify.[4] Sugar prices had reached unprecedented highs in 1975 (when sugar export revenues peaked at $577 million) and again in 1979. The international recession of the early 1980s, however, pushed prices to their lowest levels in forty years. Lower world prices hurt the Dominican economy, but the reduction of sales to the United States market, as a result of quota reductions that began in 1981, was even more costly because of the preferential price the United States paid under the quota system. The international market continued to be depressed in the late 1980s. The market had been glutted by over-production, caused principally by European beet growers; major soft-drink manufacturers had also switched to high-fructose corn sweeteners and away from cane sugar. This resulted in a substantial decrease in Dominican sugar production. It made no economic sense for the Dominican sugar industry to continue exports to the depressed world market when profitable exports to the United States, needed to offset losses on world market sales, were severely restricted by the reductions in the U.S. TRQ throughout the 1980s and 1990s.

These companies had established themselves by the 1890s, and between 1896 and 1905 sugar output tripled.

[4] In November 1981, U. S. Ambassador Robert L. Yost announced the possibility that by 1990 the United States could end its sugar importations, due to increases in production of high fructose corn syrup and its potential displacement of sugar. For this reason, he urged nations such as Dominican Republic to diversify their agricultural economies away from their dependence on sugar. To help in this effort, the United States provided special funding, which was later used to stimulate the production of non-traditional crops. While the Caribbean Basin Initiative offered the Dominican Republic increased duty-free access to the U.S. sugar market (780,000 MT), this promised access was severely limited by the application of the sugar quota program. Economic development took place in other sectors, such as free zones, tourism, and alternative agriculture. This diversification was financed in part by direct foreign investment and also by USAID, which made significant contributions to a number of projects.

2. DOMINICAN EXPORTS TO THE U.S. The Dominican Republic is the largest exporter of raw sugar to the United States, holding 17.6 percent of the allocated Tariff Rate Quota. Historically, the sugar industry had been the nation's largest employer and the main source of the country's export earnings.[5] From 1978-1987, sugar exports provided roughly 30 percent of the Dominican Republic's foreign exchange, which is needed to finance the purchase of the many essential imports that cannot be produced in the Dominican Republic. (The great bulk of manufactured items the Dominican Republic imports are of U.S.-origin). For example, the Dominican Republic's sugar exports to the United States averaged 805,000 tons per year during the 1975-1981 period, and under the Caribbean Basin Initiative it was contemplated that the Dominican Republic could export 859,794 tons (780,000 MT) per year duty-free. Because of the operation of the U.S. sugar quota program, the Dominican Republic's sugar quota has steadily eroded. The country's quota for FY 2010 was initially set at 185,335 MT, the so-called "guaranteed minimum" under WTO rules. However, the U.S. increased this by 32,033 MT in April 2010 due to shortages in the U.S. domestic production, and a further slightly smaller increase is expected shortly. Over the past twenty five years the Dominican Republic has failed to realize some US$6 billion in potential sales to the United States due to the shrinkage in its U.S. sugar quota.

3. RECENT DEVELOPMENTS IN THE DOMINICAN SUGAR INDUSTRY. There have been several recent developments that have affected the Dominican Republic's sugar production, and thus its ability to supply domestic needs and have sugar available for shipment to the world market, and to the United States. Among the most important are the damage caused by Hurricane Georges in 1998, and the restructuring and privatization of the sugar industry beginning in 1999. In September 1998, Hurricane Georges hit the Dominican Republic with winds over 120 mph and more than 20 inches of rain. Significant amounts of sugarcane were destroyed in the fields and several mills suffered severe damage. In 1999 the Dominican Government completed the process of privatizing its government-owned sugar operations; Consejo Estatal del Azúcar (CEA), and private producers began operating the CEA-owned mills in 2000. However, this process suffered setbacks as some of the new producers experienced financial difficulties and technical problems in re-opening the old mills or starting up new production facilities. As a result, the Dominican Republic has had to import raw and refined sugar for domestic production

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[5] The elimination of United States sugar quotas for Cuba after the Cuban Revolution of 1959 further enhanced the economic role of sugar, as the Dominican Republic assumed Cuba's former status as the main supplier under the quota system.

several times in the past few years.

A number of mills have ceased production in recent years encouraged by U.S. policy. [Angelina, Rio Haina, Ozama, Santa Fe, Catarey, Esperanza, Amistad, Quisqueya, Consuelo, Boca Chica, Monte Llano, and CAEI]. Central Romana, Cristóbal Colón, and Barahona currently produce sugar which is exported under the TRQ. The Porvenir mill did not produce for several years but is expected to produce about 10, 000 MT for domestic consumption this crop. It is unclear if this level will be met, but, in any case, all of Porvenir's production is intended for the internal Dominican market. Production improved in the past few years, reaching a level over 530,000 MT in 2003-2004; total production this year is estimated at between 530,000 - 540,000 MT, according to INAZUCAR, the Dominican Sugar Institute.

A very significant development in the country's sugar industry is the movement to mechanical harvesting. Until recent advances, harvesting had to be done manually due to the uneven and rocky terrain on which sugarcane is grown in the Dominican Republic. The industry employed from 75,000 to 80,000 laborers in the years between 1970 and 1999, when mechanical harvesting began to be introduced. Now it is estimated that only 30% of the country's cane is harvested by hand; 70% is harvested mechanically. The country's producers now have the machinery and equipment to harvest essentially all the cane mechanically, but still employ cane cutters to provide jobs and income to the rural communities.

DOMINICAN SUGAR PRODUCERS' OPERATIONS, CORPORATE SOCIAL RESPONSIBILITY, AND ACTIVITIES TO PREVENT CHILD LABOR AND FORCED LABOR

1. SUGAR PRODUCTION IN GENERAL. Most sugar mills and cane fields are concentrated in the southeast coastal plains. There are three private groups which produce sugar for export: Central Romana Corporation, CAEI, and Consorcio Azucarero Central. Central Romana and CAEI grow sugarcane on their own lands and also purchase cane from independent growers known as "colonos". Consorcio Azucarero Central leases land from the State Sugar Council (Consejo Estatal del Azúcar - CEA), and operates a mill in the southwestern part of the country at Barahona. Consorcio Azucarero Central does not purchase any sugar from colonos; it grows all the sugarcane it mills on the land it leases from CEA. (The Dominican Government created CEA in 1966 to manage the lands and facilities formerly held by the Trujillo family). CEA still owns large amounts of land, but the CEA lands are largely in disrepair, following attempts at privatization. Only 1 of

CEA's ingenios[6], Porvenir, is operating, and only to produce sugar for domestic consumption.

The other important grower group is the "colonos", or independent cane farmers, both large and small, who contract with an ingenio to sell their production. It is estimated that combined the colonos have roughly 60,000 acres of land. In the mid-1980s there were approximately 4,500 colonos. There are significantly fewer now. Many of the colonos are members of the association, Federación Dominicana de Colonos Azucareros - FEDOCA, which represents their interests in a range of issues.

2. CENTRAL ROMANA CORPORATION. Central Romana Corporation, Ltd., (CRC) is an agro-industrial and tourism company whose main focus is sugar production. Central Romana was founded in 1912, and its first sugarcane harvest was in 1917. The company is based in the city of La Romana, in the Eastern region of the Dominican Republic. With approximately 25,000 total employees, the company is the Dominican Republic's largest private sector employer. While Central Romana purchases about 35% of the sugarcane it crushes from colonos, it harvests much of this cane itself, rather than having the colonos cut it themselves.

Basic Data

Mills:	One
Mill's Capacity per year:	4 million MT of ground sugarcane
Sugar Production per year:	400,000 MT of sugar
Rural Workers during Crop:	Between 7,000 and 9,000
Sugarcane from Colonos:	Approximately 35%
Bateyes:	87
Total Batey Population:	30,000 of which 7,000 are employees
Housing:	369 multiple housing units for singles, and 5,372 single homes for families, provided by the company for free.
Schools:	57 schools for children who live in the bateyes. 8,000 children attend the schools.
Medical Facilities:	1 main hospital, 2 ambulatory primary healthcare centers, and 3 mobile healthcare units, which service the bateyes. Includes an oral healthcare mobile unit.

[6] An "ingenio" is a sugar mill with associated sugarcane lands. Workers' settlements ("bateyes") are often located near the mill and surrounding fields; they usually include stores, schools, and a number of other facilities.

Unionization: Central Romana's Worker's Union, (Sindicato Unido de Trabajadores del Central Romana Corporation), is the largest union in the country, with 15,000 members.

Labor Policies

- Child labor. Central Romana has a policy of zero tolerance toward child labor - anyone who violates this policy will face termination plus all other applicable sanctions. Central Romana's contracts with its unionized workers contain provisions explicitly prohibiting child labor. In addition, every year Central Romana issues written instructions to the colonos who supply sugar to the company that they cannot use child labor in their own growing or harvesting activities. Moreover, Central Romana closely supervises its colonos' activities. It administers their planting, growing, and harvesting, and is in a position to detect (and stop) any child labor as its lands surround those of the colonos. The company's primary schools at the bateyes have a 90%+ attendance record plus playgrounds for after school activities, which help keep children in the classroom and entertained. The minimum working age in the Dominican Republic by law is 16 years old. Central Romana tries to avoid employing workers that are under 18 years of age to comply with international labor laws.

- Workers' rights. Regardless of a laborer's migratory condition, all Central Romana sugarcane workers and their families have the right to be treated with respect, to receive free schooling, free medicine and medical care, and to be paid in cash for their services. In addition, they are free to go in and out of the bateyes as they wish, and to find other jobs, if desired. Central Romana does not, under any circumstance, "import" any sugarcane workers from any country, including Haiti.

- Central Romana Corp. has 47 harvesters and 300 tractors which is more than enough equipment needed to cut its sugarcane mechanically, at a lower cost than with manual labor. However, thousands of cane cutters return every year looking for employment that they cannot find in their own country, so the company's policy is to try and employ them.

- Worker's Union: Workers are well-organized at Central Romana. As an example, the Sindicato Unido de Trabajadores del Central Romana Corporation is the largest in the country, with 15,000 employees. In the last labor contract,

of February 2007, all 15,000 affiliated workers received a base salary increase of 30%. **Especially noteworthy is that the ILO selected one of the collective bargaining agreements made between Central Romana and its union, as a "best practice".**

- **Also extremely significant is a recent statement from the Executive Committee of this Union which states in the clearest possible terms that there is no child labor, forced labor or mistreatment of the workers in any fashion at Central Romana. A copy of that communication is attached as Exhibit A.**

Workers' Living Conditions

Housing

Central Romana Corporation has consistently worked to improve the living and working conditions of its employees. The company has built 369 multiple houses for singles and 5,372 single family homes in its 87 bateyes, where company field workers and their families live at no cost to them. In addition, sugarcane field workers receive:

- Potable water
- Besides the homes in the sugar cane fields, Central Romana has built and given 1,000 houses to its employees in the urban area. Another 5,000 workers live - at no cost to them - in company-owned housing, and another 6,000 employees are now home owners thanks to the company's housing assistance program.
- Hundreds of workers have received land, where they have built their own houses.
- Workers at the bateyes purchase their food from private mini-markets called "colmados" owned by third parties (these don't belong to Central Romana).
- Central Romana subsidizes 80% of the price of meat for its workers. Workers pay $5 pesos per kilo (two pounds) for ground meat compared to $50 or $60 charged in regular super markets. Other products like vegetables, cheese, and processed meats are available for the workers at subsidized costs much lower than the regular market.
- Hundreds of children and adults play volley ball, basketball, softball and baseball at the company's sports facilities.

Healthcare Services

Employees' health care is another major concern for Central Romana. The company has built and managed a central hospital, two ambulatory healthcare clinics, three mobile healthcare units and one oral healthcare mobile unit. The company also has developed major projects that focus on disease prevention. All employees and their families have access to medical services - including medicine - for free.

Central Romana invested more than US$ 1.8 million in 2008, to provide health care services for its employees, including:

- 140,398 free physician visits were conducted during 2008.
- The Central Hospital employs 47 doctors and 68 nurses, and has 82 beds, surgery rooms, labs, X-ray facilities, maternity services and others.
- A total of 82,143 patients were seen at the Central Hospital in 2008.
    - 45,960 patients were seen and assessed at the Central Hospital's outpatient center in 2008.
    - 36,183 patients were seen in the emergency room at the Central Hospital in 2008.
- 20,000 patients were seen and assessed at the outpatient clinics in 2008.
- 37,809 patients were seen by the mobile medical units in 2008.
- 120 children per week were treated at the oral healthcare unit in 2008 (approximately 6,500 per year).
- More than US$ 23 million has been invested to expand the Central Hospital. This expansion is expected to double the number of people who can be treated, including four new surgery rooms with state-of-the-art equipment, MRI capability as well as sonograms and Doppler studies. A heliport will facilitate better handling of major emergency cases. The new wing is slated to open in September 2011.

Corporate Social Responsibility

Corporate responsibility is an integral part of Central Romana's values. Below are some highlights:

- Central Romana Corporation financially supports El Patronato Benéfico Oriental and Fundación MIR, two important charity organizations in the Dominican Republic.

- Central Romana donates DR$ 14 million pesos (almost US$ 500,000) every year to both institutions.

- El Patronato Benéfico Oriental provides housing, food, education, medical assistance and medicines for 1,300 children, raging in age from newborn to 18 years old.

- Fundación MIR helps women and children who have been infected with the HIV virus.

- 13,000 people have access to medical and spiritual assistance.

- Through its efforts, Fundación MIR has been able to assist with reducing the risk of HIV transmission from mother to child by 88%.

Membership in UN Global Compact.

Central Romana Corporation has been a member of the United Nations Global Compact since November 2005. The UN Global Compact is a strategic policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. With over 8,700 corporate participants and other stakeholders from over 130 countries, it is the largest voluntary corporate responsibility initiative in the world.

The UN Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus and are derived from:

The Universal Declaration of Human Rights

The International Labour Organization's Declaration on Fundamental Principles and Rights at Work

The Rio Declaration on Environment and Development

The United Nations Convention Against Corruption

The UN Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, the environment and anti-corruption. The ten principles are:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2: make sure that they are not complicit in human rights abuses.

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: the elimination of all forms of forced and compulsory labour;

Principle 5: the effective abolition of child labour; and

Principle 6: the elimination of discrimination in respect of employment and occupation.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: undertake initiatives to promote greater environmental responsibility; and

Principle 9: encourage the development and diffusion of environmentally friendly technologies.

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Central Romana has made two submissions to the UN Global Compact detailing its progress in complying with the ten principles. The first communication was made on 13 August 2008, and the next on 27 August 2010. The most recent submission is included in Exhibit B and may also be found at:

http://www.unglobalcompact.org/system/attachments/7719/original/2da Comunicaci n de Progreso COP Central Romana Corporation 2010.pdf?1282936299.

3. CONSORCIO AZUCARERO DE EMPREAS INDUSTRIALES (CAEI). CAEI is a privately-held business owned and operated by Grupo Vicini, an Asset Manager Corporation headquartered in the Dominican Republic which is involved in many different fields: tourism and real estate, industry and energy, finance, food, beverages, and retail, as well as communications. In addition, CAEI produces sugar, mangoes, pineapples, and cattle which make a large contribution to the Dominican Republic's GDP. Grupo Vicini's

sugar is produced by its Consorcio Azucarero de Empresas Industriales (CAEI) entity.

Basic Data

Mills:	1 (Cristóbal Colón)
Mill's Capacity per day:	5,500 MT of ground sugarcane/600 MT of sugar
Mill's Capacity per year:	875,000 MT of ground sugarcane
Sugar Production per year:	90,000 MT of sugar
Industrial Workforce:	240
Rural Workers during Crop:	1,100
Sugarcane from Colonos:	Approximately 40%
Harvest Method:	40% mechanical; 60% manual
Bateyes:	59
Total Batey Population:	6,300 of which 1,100 are workers
Schools:	26 schools, with 3,107 students
Medical Facilities:	16 centers for primary health care
Workers Health Security:	All workers, their companions, and children are covered
Unionization:	Sindicato de Trabajadores de la Industria Azucarera (workers and employees) del Ingenio Cristóbal Colón with 716 members. Sindicato de Obreros y Trabajadores del Ingenio Angelina has 95 members. Sindicato Autónomo de Trabajadores del Ingenio CAEI has 83 members. There is a Collective Agreement with all 3 Unions guaranteeing compensation and working conditions exceeding legally-required levels.

CAEI owns and operates the Cristóbal Colón mill which has the current capacity to produce 90,000 MT of raw sugar per crop year. Total production in 2009 amounted to 69,451 MT. About 40 percent of CAEI's sugarcane is mechanically harvested. CAEI's plans with respect to modernization of its mill and harvesting are to have its entire cane crop fully mechanized within the next several years. In the mill equipment is being modernized in conjunction with equipment suppliers to enable the mill to generate energy in the near future. In the farms, CAMECO harvesters and support equipment such as tractors and wagons are replacing manual harvesting.

Workers' Living Conditions

Housing

CAEI's workers - 900 cane cutters and 200 technical support workers - presently live in 59 bateyes which are being centralized into 2 modern living areas. Nuevo Cayacoa is the first of the housing facilities that has been built at cost of over US$ 14 million. The purpose of the new developments is to improve and modernize housing in the cane fields and surrounding areas. Nuevo Cayacoa has over 100 houses equipped with all the necessities for modern living, including a large school. This school, named Atabeira, has more than 700 students (elementary through high school) and is administered by Fe & Alegria, a Catholic institution. Also within the community there is a large Medical Center to attend to the healthcare needs of the workers and their families. A large community center and a commercial block are also part of the Nuevo Cayacoa Housing Facility. CAEI and Fundación INICIA have been working in a program to retrain workers who are going to be displaced by the mechanization process. CAEI's near term goal is to be a fully mechanized modernized industry which will allow it to compete in times of free trade and globalization. It is also exploring the possibility of producing ethanol in the country.

Additional information on Nuevo Cayacoa was set out in Exhibit A to the Dominican Sugar Commission's June 14, 2010, Statement.

Labor Policies

CAEI has very strict rules against child labor certified by several external audits including some American based multinational clients. The labor standards and practices of CAEI are consistent with Dominican law and the ILO, and have been certified by independent audits from national and international organizations.

Moreover, CAEI has recently instituted a new policy of using biometric identification based on fingerprints to ensure that all workers are over the age of 18. No worker may enter CAEI's facilities or cane fields without this identification card.

Healthcare Services

CAEI maintains 16 centers for primary care for workers, employees, and their families. The Medical Center at Nuevo Cayacoa will provide first rate primary care free to all residents in the new complex.

Code of Conduct

Grupo Vicini and all of the associated companies including CAEI have a mandatory Code of Conduct that incorporates universally accepted principles to include labor standards, and ethical behavior and has workers as the principle focus of the corporation. This Code of Conduct requires strict adherence to all laws in force, but also is designed to ensure implementation of the highest ethical standards and principles of corporate social responsibility. The Code of Conduct explains, at page 6, that Grupo Vicini's business principles are based on:

- The principles of the United Nations Universal Declaration of Human Rights;
- The standards established under the United Nations Global Compact;
- Key conventions of the International Labour Organization; and
- The principles of the United Nations Convention on the Rights of the Child.

A copy of Grupo Vicini's Code of Conduct was set out in Exhibit B to the June 14, 2010, Statement.

Corporate Social Responsibility

For over a century and a half, Grupo Vicini has not only done business in the Dominican Republic, but has done it with a great sense of responsibility and concern for its people. During the past year, Grupo Vicini centralized its social responsibilities under one umbrella, its own foundation "Fundacion Inicia" and through this entity it supports other foundations such as Fundacion Virgen del Perpetuo Socorro and Fundación Corazón a Corazón. Fundacion Inicia was created in 2008 with the objectives and goals of providing equal opportunities to all Dominicans and to contribute to the development of education, health, work, planning and training. Fundación Virgen del Perpetuo Socorro focuses on health issues reaching a large segment of the population. It was created with the main objective of helping low-income cancer patients. Fundación Corazón a Corazón is devoted to helping children who have cardiovascular problems, to provide them with an opportunity of a healthy, productive life.

To help assist the victims of the 2009 earthquake in Haiti, Grupo Vicini contributed $5 million USD to several institutions including Save The Children, The Red Cross, and World Food Program, direct donations for Haitians homeless and refugees and to the Republic of Haiti.

4. CONSORCIO AZUCARERO CENTRAL. Consorcio Azucarero Central, CxA, (CAC) is an agro-industrial concern dedicated solely to the production of raw sugar from sugarcane. The company has a 30 year lease on the Barahona Sugar Mill (Ingenio Barahona) from the Dominican Government, which began in 2000. The sugar mill is located in the province of Barahona while its sugarcane fields are spread over the provinces of Barahona, Independencia, and Bahoruco, all situated in south-western area of the country. The rehabilitation of the sugar mill is still ongoing and production has been increased from 11,000 MT in 2000 to 70,000 MT in 2010 (est.). At present the company has more than 2,500 employees.

Basic Data

Mills:	One
Mill's Capacity per year:	700,000 MT of ground sugarcane
Sugar Production per year:	70,000 MT of sugar
Number of Employees:	2,522
Harvest Method:	70% mechanical; 30% manual (approx. 375 cutters)
Number of Sugar Growers:	None. CAC cultivates, grows and harvests all its sugarcane. There are no "colonos".
Bateyes:	17 (which are independent communities.
Total Batey Population:	27,909 of which 20% of active adults are employees.
Unionization:	Barahona Sugar Mill Workers Union and Barahona Sugar Mill Cane Cutters Union.

Bateyes:

Around and within the Barahona Sugar Mill plantation there are 17 bateyes with a total of 5,629 families, a population of 27,909 and approximately 5,187 houses. These bateyes are independent communities with municipal authorities that receive funds through the Government's national budget. At the time of the Privatization Process (2000), control of the Barahona Sugar Mill factory, plantation and other installations was transferred to Consorcio Azucarero Central (CAC), as the Lease Operator, but the bateyes were not.

Nevertheless, CAC helps the population of the bateyes in many ways thru the use of the company's heavy equipment to help maintain roads, irrigation canals, and other public assets. Also, CAC helps and promotes sports, health and environmental concerns in the bateyes through its foundation.

Medical Services:

The company has a medical clinic in Batey 6 and one at the factory, where they offer first aid care, prevention and referrals. During harvest, these clinics operate 24 hours a day. In downtime (maintenance period), they operate during office hours. In addition, employees of the company receive medical care through CAC's Health Care Providers medical centers in the provinces. The company also has an ambulance service that serves its staff and is available to all the surrounding communities.

Every year CAC organizes and carries out several preventive healthcare operations. These are coordinated together with the Ministry of Health and other private organizations. They include immunizations, dental check-ups, blood pressure measurements, and general health check-ups, etc.

Labor Policies:

The company adheres to its internal Employment Rules, which contains rules and policies governing the operation of the company. These Employment Rules have been authorized by the Dominican Labor Ministry. Child labor is categorically not permitted in CAC. Employees who break these rules are subject to dismissal as stated in CAC's rule book. There is a section in the company's Human Resources Department which monitors and ensures that child labor is not used in CAC's cane fields.

In December 2009, the International Labor Organization (ILO/OIT in Spanish) recognized CAC as one of the two companies in the country for their model program to eradicate all forms of child labor. This recognition took place pursuant to the ILO's International Programme on the Elimination of Child Labour (IPEC).[7]

An article describing this recognition appeared in Tuesday,

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[7] According to its website, http://www.ilo.org/ipec/programme, the ILO's International Programme on the Elimination of Child Labour (IPEC) was created in 1992 with the overall goal of the progressive elimination of child labour, which was to be achieved through strengthening the capacity of countries to deal with the problem and promoting a worldwide movement to combat child labour. IPEC currently has operations in 88 countries, with an annual expenditure on technical cooperation projects that reached over US$61 million in 2008. It is the largest programme of its kind globally and the biggest single operational programme of the ILO.

The number and range of IPEC's partners have expanded over the years and now include employers' and workers' organizations, other international and government agencies, private businesses, community-based organizations, NGOs, the media, parliamentarians, the judiciary, universities, religious groups and, of course, children and their families.

December 8, 2009, edition of the Dominican newspaper, El Nuevo Diario, a copy of which appeared in Exhibit C to the June 14, 2010, Statement. The selection of CAC as a model business for its elimination of child labor was also reported by the Business and Human Rights Resource Centre, an independent entity with a website containing news and reports about "companies' human rights impacts worldwide - positive and negative." The link to the report on CAC's selection is:

http://www.business-humanrights.org/Links/Repository/632435.

Unionization:

Currently, CAC has two unions: The Barahona Sugar Mill Workers Union and the Barahona Sugar Mill Cane Cutters Union. The company maintains written collective agreements with these unions governing the protection and provision of employee benefits.Harvest Operations:

CAC's cane harvest is conducted 70% by mechanical harvesters and 30% manually. CAC employs only 375 cane cutters. The company has 11 harvesters that could handle 100% of the harvesting, but in order to offer work to these cutters, who mainly live in the area, CAC's maintains the manual operation at 30% of total.

The list of workers at CAC has not changed over the last two seasons, making the employee turnover in the cane harvesting department essentially zero.

Starting at the beginning of harvest, the cane cutters are given medical check-ups coordinated by the company, to ensure their proper health. Also, meetings are held with each working group to discuss work-related topics, and make sure there are no misunderstandings about compensation, working conditions, and similar subjects that may be of concern to the workers. In addition, the company provides free lunches, water and, as with every other employee, provides free transportation in buses to and from the cane fields.

Corporate Social Responsibility:

The company maintains a policy of social responsibility for the communities that surround it. In the past year, RD$ 22,000,000.00 (US$610,000.00) was invested in social work by the company, together with the Central Barahona Foundation. These funds were spent as follows:

• RD$ 7,293,976.00 in grants to church groups, sports trusts, farmers, various community activities, assistance to victims of the disaster in Haiti.

• "Implementation Work" project in 17 bateyes to benefit 2,000 families per month.

• "Implementation of Recovery of Agricultural Land" that included 600 farmers.

• Sessions on environmental sanitation and home improvements to 1,500 families.

• Fish Farm Project, directed by Bombita Women's Association.

• Agro-forestry Research Center, providing technical support for communities in biodiesel production, in conjunction with the Dominican Institute for Sustainable Development (Instituto Dominicano de Desarrollo Integral - IDDI)[8], CODESPA[9], and the Organic Banana Producers Cooperative.

• Construction of an industrial kitchen to provide affordable food to the communities, in conjunction with IDDI and CODESPA.

• Construction of a wholesale supply warehouse (CAMI) supplying low cost foodstuffs and supplies to grocery stores and retailers in the plantation area, in conjunction with IDDI and CODESPA.

Living Conditions of Workers:

CAC's workers for the most part own their own homes. The company provides housing to a limited number of employees, and it rents more that 40 houses in the area.

Education:

The company, in order to help raise the academic level in the area of Barahona, has built, through its Central Barahona Foundation, a school that provides modern teaching instruction methods to children of employees. It also helps to train teachers in the sugarcane plantation.

Central Barahona Foundation, in alliance with the Barahona Sugar Mill Cane Cutters Union, maintains six schools for children, ages three to five years, located in as many communities. Each school has 30 children. The Foundation pays the teacher's salaries, and

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[8] Created in 1984, the Instituto Dominicano de Desarrollo Integral, Inc. (IDDI) is a non-profit organization that has as its objective contributing to overcoming the effects of poverty in both rural and urban areas.

[9] Codespa Foundation is a non-profit, non-governmental organization (NGO) helping poor people and communities in the developing countries of Asia, Africa and the Americas. Founded in 1985 and based in Spain, the organization is presided over by Prince Felipe of Spain. From the beginning of its history Codespa Foundation promoted development programs in the countries with close cultural and historical links with Spain (Latin America, the Caribbean). Later it expanded its aid operations to other parts of the world.

pays for school breakfasts, educational materials, and school supplies.

CONCLUSION

The Dominican Sugar Commission appreciates the opportunity to submit this statement. The Dominican sugar industry has made significant progress in the past several years in improving the working and living conditions for workers and their families, and especially to the point, has made tremendous progress in eliminating child labor and forced labor.

Not only have all the private Dominican sugar producers improved and refined their business practices, and mounted major efforts to the benefit of workers and their families, every sugar exporter has undertaken to use "best practices" (particularly ILO core labor conventions) to provide a safe and healthy working environment, and to eliminate child labor and forced labor in the industry.

The Dominican sugar industry looks forward to working with the ILAB in this effort. We will be pleased to provide any further information that might be useful in this matter.

Robert W. Johnson II
Johnson, Rogers & Clifton L.L.P.
Washington Counsel

International Sugar Policy
Coordinating Commission
of the Dominican Republic

EXHIBIT A

SINDICATO UNIDO

DE TRABAJADORES DEL CENTRAL ROMANA CORP Y CENTRAL ROMANA
By Producia Comp. Inc. Registro No 27 / 62
Dr. Hernandez No 72 • Tel 813-3109, La Romana, R. D.
Afiliado a la C. T. U.

SINDICATO UNIDO DE TRABAJADORES CENTRAL ROMANA CORP Y CENTRAL ROMANA
Registro No. 27 62
La Romana, R. D.
By Producia Comp. Inc.

Comunicación De Carácter General

El Comité Ejecutivo Del Sindicato Unido, Organización Legalmente constituida desde hace mas de 40 años y registrada en el Ministerio de De Trabajo.

En reunión Ordinaria de este consejo, hemos discutido y aprobado conocer y hacer de conocimiento a la Empresa Central Romana Corp., y a cualquier otra instancia a nivel nacional e internacional, nuestra posición en cuanto al trabajo infantil y el trato de los Braceros y sus familiares en los bateyes.

Desde nuestra formación esta organización sindical se ha mantenido ligada al Ingenio Azucarero, propiedad del Central Romana Corp., en nuestra lucha hemos organizado y representado a todos los trabajadores incluyendo a los Braseros Extranjeros que se dedican al corte y alza de la caña, así como su cultivo y toda labor agrícola en sentido general.

En tal calidad hemos logrado negociar y firmar con esa Empresa numerosos Convenios Colectivos, que han contribuido a mejorar las condiciones económicas y sociales de los trabajadores y sus familiares, mediante la renovación cada tres años de esos acuerdos, con nuevas escalas salariales cada año, participación en los beneficios (Bonificación e Incentivos), así como desarrollar planes de servicios de salud, programas de viviendas propias para los trabajadores y educación para sus familiares.

Este Comité Ejecutivo, reconoce que la compañía Central Romana Corp., no solo ha sido respetuosa con las actividades Sindicales que realizamos de acuerdo con la Ley Laboral, sino que también ha cumplido

con lo pactado en los distintos Convenios Colectivos firmados, con nuestra Organización, los cuales han sido pactados, por tres años y renovados periódicamente sin ningún inconveniente.

En este sentido desde hace varios años acordamos con la Administración de la empresa desarrollar, estrategias conjuntas dirigidas a mantener el compromiso de ambas partes, con el único propósito de prevenir el Trabajo Infantil, en todos los centros de trabajos y bateyes.

Hemos observado y admitimos que este logro está plenamente satisfecho por nuestra organización, por otro lado debemos destacar que en nuestras Negociaciones Colectivas, enfatizamos de manera reiterativa la realización de los planes de salud y prevención de las enfermedades educacionales y de desarrollo comunitario, que la empresa lleva a cabo en beneficio de sus trabajadores y sus familiares, tanto en el Área Agrícola como en el Área Industrial. Todo esto hasta la fecha podemos decir que es un hecho, ya que el Sindicato participa a través de su representante.

Finalmente podemos afirmar que hemos mantenido con el Central Romana Corp., una permanente progresiva armonía de relaciones Obrero-Patronal, que se fortalece cada día y esto se debe a un trato justo y respetuoso a todos los trabajadores y los dirigentes, así como una mutua y franca colaboración en la toma de decisión, solución de los conflictos en el desarrollo de las actividades laborales.

Es decir, inconveniente que se presenta, las puertas de esta empresa atreves de la Gerencia De Recursos Humanos, así como los Ejecutivos de la empresa al más alto nivel, no han escatimado ni día, ni hora para comunicarse con el Sindicato en el momento que se presenta cualquier inconveniente en los Centros de Trabajo.

En conclusión ratificamos que en las aéreas de trabajo del Central Romana no existen menores trabajando y mucho menos maltratos a los braseros y de igual modo cualquier otro trabajador, en tal virtud felicitamos a la Empresa Central Romana por todos los aportes y esfuerzos que han venido realizando tanto en lo social como en lo económico a fin de mejorar el nivel de vida de sus trabajadores.

SINDICATO UNIDO DE TRABAJADORES DEL CENTRAL ROMANA CORP. Y CENTRAL ROMANA
Registro No. 27 62
La Romana, R. D.
By Produe Comp. Inc.

Por el Comité Ejecutivo:

Adriano Luche Belén
Pte. Federación Regional

Prospero Davance Juan
Asesor

Guillermo Luna Matos
Secretario General

José Belecio
Secret. de Organización

Franklin Hunt
Secretario de Finanzas

Manuel Enrique Castro
Secret. de Quejas y Conflictos

Pompilio Roche
Secretario de Prensa

Máximo Valera
Secret.de Acta y Corresp.

Luis José Pérez
Secretario de Eduacacion

Benito Luis
Secretario de R. Humanas

Alex Martínez
Secretario de Cooperativa

Simón Martínez
Secret. De Seg. Industrial

Ana Obdulia Jiménez
Secret. De Asuntos Inter.

Rafael Pache
Primer Vocal

Mártires Guzmán
Segundo Vocal

Tomas Fernando Polo
Tercer Vocal

Eunice Magna Santa
Cuarto Vocal

Braulio Ernesto Heredia
Primer Comisario

Blanco Heredia
Segundo Comisario

Miguel Mercedes
Tercer Comisario

Antonio Luis
Cuarto Comisario

Mauricio Juan
Quinto Comisario

Isidro Batista
Juez Presidente (Disciplina)

Remigio Salomón
Secretario (Disciplina)

Juan Julio de la Cruz
Miembro (Disciplina)

Amado Wiliam de la Cruz
Miembro (Disciplina)

Jose Tousent
Miembro (Disciplina)

EXHIBIT B

Central Romana Corporation, Ltd.

2da Comunicación de Progreso (COP)

Sobre los 10 Principios del Pacto Global

de las Naciones Unidas

27 de Agosto de 2010
La Romana, República Dominicana

Central Romana Corporation, Ltd.
CENTRAL ROMANA
La Romana, República Dominicana
RNC 112-00074

27 de agosto de 2010
La Romana, República Dominicana

Sr.
Ban Ki-moon
Secretario General
Organización de las Naciones Unidas
Nueva York, N.Y. 10017
Estados Unidos de Norteamérica

Distinguido señor Secretario General:

Me complace enviarle, según el cumplimiento de los requisitos de los 10 Principios del Pacto Global de las Naciones Unidas, la segunda Comunicación de Progreso (COP) de nuestra empresa Central Romana Corporation, Ltd.

Al mismo tiempo, aprovechamos la oportunidad para ratificarle el compromiso de nuestra compañía con las iniciativas de las Naciones Unidas a través de los 10 Principios del Pacto Global.

Atentamente,

Ramón A. Menéndez
Vicepresidente Ejecutivo

Cc.
John R. Gagain, Jr.
Gerente Ejecutivo Pacto Global República Dominicana

Central Romana Corporation, Ltd.

COMUNICACIÓN DE PROGRESO
CENTRAL ROMANA CORPORATION, LTD.

LOS PRINCIPIOS DEL PACTO GLOBAL DE LAS NACIONES UNIDAS:

Derechos Humanos. -

Para la empresa Central Romana Corporation, la transparencia en el apoyo y respeto al libre derecho de sus empleados y trabajadores es parte fundamental de su estructura corporativa.

Por tanto, la **salud** ha sido una de las tantas áreas en que la empresa ha enfocado sus inversiones sociales para el bienestar de todo su personal laboral. El programa de atención médica que mantiene Central Romana, tanto en la zona urbana como en la zona agrícola, es llevado a cabo trazando un plan logístico y tecnológico que cumple con los mejores estándares de calidad.

La construcción de un nuevo y moderno edificio hospitalario duplicará la capacidad de los servicios médicos ofrecidos actualmente, en conjunto con la red de ambulancias, las unidades móviles y los subcentros médicos ubicados en el campo. En el período comprendido entre los meses de enero a diciembre 2009 se realizaron 135,752 consultas médicas gratuitas. En igual espacio de tiempo 40,592 consultas fueron ambulatorias y 33,820 fueron casos de emergencias en el Centro Médico Central Romana.

En las zonas cañeras, tanto las unidades médicas móviles como los sub-centros de salud, atendieron más de 60 mil personas sin ningún costo del tratamiento ni los medicamentos. Igualmente con la unidad dental móvil, que atiende un promedio de más de 120 niños cada semana.

Además cada año son realizados diferentes operativos quirúrgicos en el Centro Médico del Central Romana, que junto con el apoyo de importantes instituciones de salud de los Estados Unidos, llevan a cabo estas jornadas completamente gratuitas para los pacientes.

Los operativos incluyen cirugías de manos, casos de otorrino, urología y oftalmológicos. Miles de personas, entre niños y adultos, han sido intervenidos en estos programas en los últimos 20 años.

La terminación del nuevo edificio hospitalario del Centro Médico Central Romana, cuya construcción y equipamiento se ha realizado con inversión propia, promete convertirse en el más avanzado centro clínico de toda la región Este y uno de los más importantes del país.

La empresa también mantiene su amplio programa de inversión en la construcción de viviendas para trabajadores y empleados, en las que más de 1,000 familias residen hoy en casas propias contruídas por la compañía.

Central Romana Corporation, Ltd.

COMUNICACIÓN DE PROGRESO
CENTRAL ROMANA CORPORATION, LTD.

LOS PRINCIPIOS DEL PACTO GLOBAL DE LAS NACIONES UNIDAS:

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La **educación**, uno de los principios fundamentales del Pacto Global, ha sido desarrollado por Central Romana desde su fundación. La escuela bilingüe Abraham Lincoln es el principal centro educativo que auspicia la empresa para que los hijos de sus empleados y trabajadores realicen sus estudios primarios y secundarios. Está catalogada entre las más prestigiosas y de mayor nivel académico en el país.

Además, Central Romana ha contruído y mantiene 60 escuelas rurales, donde asisten los hijos de los trabajadores agrícolas sin costo alguno. Actualmente están operando 57 de éstas escuelas bajo la supervisión del Estado Dominicano a través del Ministerio de Educación.

Con la implementación del Programa de Alfabetización para Adultos (PROALFA), la empresa ha logrado reducir la tasa de analfabetismo en su fuerza laboral. Más de 318 trabajadores han sido beneficiados con los programas de lectura y escritura desde el año 2003.

La primera clase graduanda de trabajadores que alcanzaron el nivel básico de 8vo grado fue celebrada por PROALFA en el año 2009, como parte la dedicación de Central Romana en su gestión de capital humano. Los graduandos fueron certificados como tales por el Ministerio de Educación de la República Dominicana.

El derecho al acceso a la educación y al desarrollo profesional de los empleados y trabajadores en Central Romana también es reflejado en los distintos cursos, talleres y programas de enseñanza, como lo es la certificación de operadores de maquinarias pesadas e industriales, manejo defensivo para conductores de vehículos de motor, certificación de técnicos eléctricos para seguridad en redes de alta tensión, especialización de brigadas industriales de emergencia, así como otras facilidades de entrenamientos y capacitación.

La **alimentación** es un aspecto sumamente importante para Central Romana, garantizando a través de sus programas de subsidios de alimentos un mayor bienestar para todos sus obreros y trabajadores. La empresa dedica unas 1,500 tareas de tierra para el cultivo de plátanos, yuca, habichuelas, berenjena, zanahoria, batata, ajíes y tomates. Empleados de Central Romana tuvieron acceso a más de cinco mil quintales de estos productos en los últimos 11 meses, de los cuales el 60% fue distribuído en la zona agrícola.

De igual forma, la empresa facilita la adquisición de carnes de res y porcina, y otros productos procesados como embutidos y quesos, a un costo muy por debajo de los que ofrece el mercado local. Central Romana, a través de su Departamento de Promoción Social, mantiene además el programa alimenticio de huevos y carne de codornices, que por su alto contenido protéico es parte fundamental de la dieta en niños y pacientes TB.

Central Romana también desarrolla programas **deportivos y recreativos** que contribuyen en la co-relación social de los trabajadores para su sanidad física y mental. Coordinado por el Departamento de Actividades Deportivas, la empresa celebra distintos torneos de béisbol, softball, baloncesto y fútbol a nivel inter-departamental, y también en las divisiones agrícolas.

En los bateyes son utilizados también los Centros Comunales, espacios de recreación para celebrar matrimonios, cumpleaños, bautizos, charlas, y otras actividades.

Derechos laborales. -

Desde hace más de cuatro décadas, Central Romana Corporation y el Sindicato Unido de Trabajadores mantienen relaciones laborales armoniosas basadas en acuerdos y pactos que son renovados periódicamente entre los más de 15 mil afiliados que tiene el Sindicato, reconocido públicamente como el más grande del país. Es por esto que dicho modelo de relación laboral ha servido como ejemplo en el sector industrial de la República Dominicana.

El más reciente Convenio Colectivo fue acordado en el mes de abril del año 2010 e incluyó un aumento salarial general de un 25% para todos los trabajadores durante los tres años de vigencia de dicho pacto, iniciando con un 10% de aumento.

Otros beneficios marginales incluyen aumentos en la bonificación anual y la regalía pascual, así como otras mejoras en los planes de capacitación y desarrollo del personal, y los programas educativos para los hijos de los empleados, entre otras conquistas.

De esta manera, Central Romana sigue destacándose como empresa que brinda su apoyo a la libertad de asociación y reconoce el derecho efectivo a la negociación colectiva, siendo ésto uno de los principios del Pacto Global.

En el año 2009 la Administración de la empresa reafirmó su postura de acogerse a las leyes y normativas nacionales e internacionales que prohiben el **trabajo infantil,** y estableció la creación de un comité integrado por empleados de Central Romana y por miembros del Sindicato Unido de Trabajadores, que ratifica y vigila el rechazo a la mano de obra infantil en cualquiera de las áreas de trabajo de la compañía.

Así mismo, se notificó a cada Jefe y Supervisor sobre su responsabilidad de seguir manteniendo los controles necesarios que evitan el trabajo en los menores de edad.

Medio Ambiente. -

Central Romana mantiene un enfoque preventivo en materia de conservación del medioambiente. Por lo tanto, la empresa se ha preocupado en diseñar programas internos que procuren la protección de las áreas verdes.

Un ejemplo ha sido la creación de un vivero propio, en el que se reproducen distintas variedades de plantas que son utilizadas para reposicionar áreas cuya capa vegetal ha sido afectada por la mano del hombre. Este programa de mantenimiento de las áreas verdes ha tomado como fase inicial la Zona Industrial del ingenio y tiene como planes futuros integrar otras zonas al proceso, como la reforestación de especies endémicas.

La compañía mantiene vínculos y colabora con distintas entidades de conservación ambiental, incluyendo el Ministerio de Medioambiente de la República Dominicana. Bajo su supervisión y las de Inspectores Forestales, la compañía realiza diferentes jornadas de siembra de árboles en zonas específicas, involucrando la participación de estudiantes escolares y empleados de la empresa.

Más de 2,000 plantas de las especies Nin, Corazón de Paloma, Flamboyán, Almendra y Acacias han sido sembradas.

La zona minera de "El Peñón" sigue siendo un área de interés especial para Central Romana, en donde procura regenerar la capa vegetal de dicho entorno. Con la siembra de árboles, se ha ido logrando la creación de un cinturón verde que además sirve de pulmón natural para la purificación del aire.

En esta zona la empresa también sembró una extensa área con bambú, cuyo crecimiento alto forma una barrera natural. Para esto, Central Romana necesitó crear una laguna artificial que permita la cantidad de agua necesaria para el bambú crezca y se desarrolle..

Desde finales del año 2009, Central Romana ha colaborado y servido de soporte al proyecto que desarrolla la Sociedad Ornitológica de la Hispaniola y The Peregrine Fund, que busca reinsertar en zonas más protegidas a la especie en extinción del gavilán *Buteo Ridgway*, mejor conocido como el gavilán de la Hispaniola.

Críticamente amenazada, y a punto de desaparecer, ésta ave ha logrado adaptarse en la loma de La Herradura, en terrenos propiedad del Central Romana donde hay poca presencia humana y no es perturbada, para lograr su reproducción y multiplicación. Para lograr esto, la empresa Central Romana ha facilitado y permitido la creación de un pequeño centro de operaciones para realizar las respectivas investigaciones científicas en torno al gavilán.

Anti-corrupción. -

Durante casi un siglo, la empresa Central Romana Corporation ha sido modelo ejemplar dentro del sector económico y fiscal en la República Dominicana. Sin importar su evolución a través de los años, de acuerdo con los modelos corporativos que exige el mercado actual, la compañía mantiene los mismos lineamientos coherentes en los que fue fundada.

Registrada como empresa contribuyente al régimen fiscal, es una de las que mayores pagos realiza sobre los impuestos internos establecidos con el comercio y generación de ganancias en el país. Se caracteriza por su fidelidad en la contabilidad de ingresos y egresos producidos, y por su estricto apego a las leyes que rigen la Dirección General de Impuestos Internos de la República Dominicana.

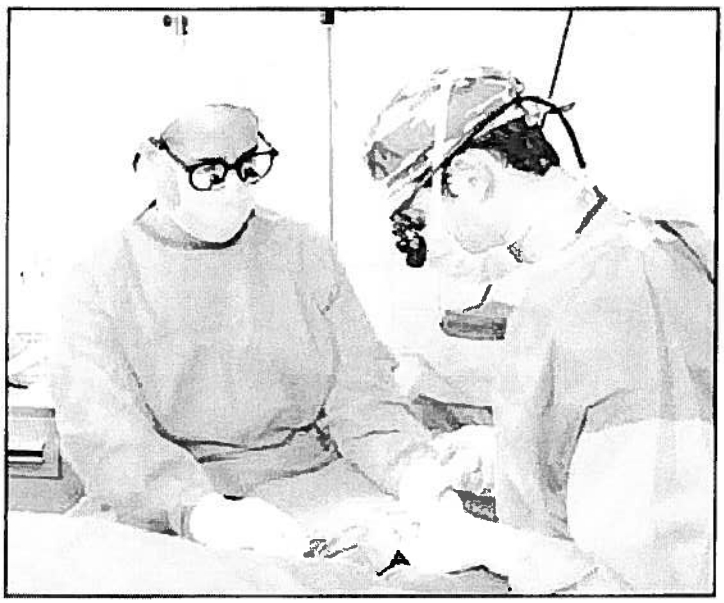
En el aspecto laboral, Central Romana no permite infracciones en su personal ni tampoco se reconocen individuos ni ocupaciones *sagradas* en el ámbito de trabajo. La empresa es firme en cuanto a acciones de malversación por parte de un empleado, y el mismo es sancionado y/o destituído según el hecho cometido. Tampoco oculta ni disimula hechos dolosos por parte de sus empleados, sino todo lo contrario, ejecuta en tomar una decisión que favorezca el bienestar de la empresa haciendo ésta del conocimiento general de la empleomanía.

ANEXOS

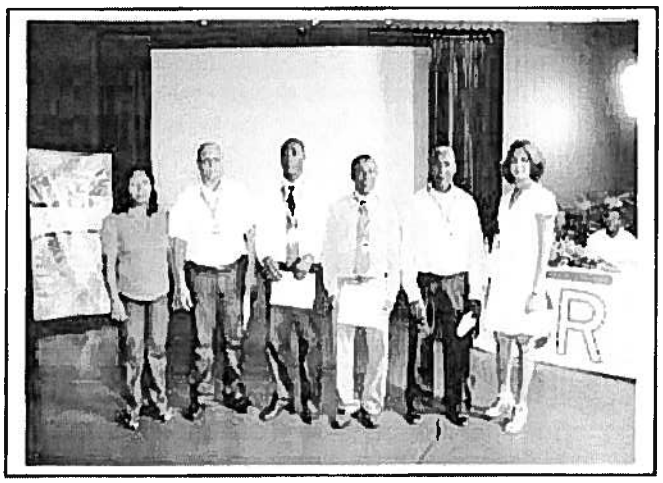
El nuevo edificio del Centro Médico Central Romana duplicará su capacidad de asistencia médica.

Un niño es evaluado por un doctor de la Fundación *Healing the Children* para el operativo oftalmológico.

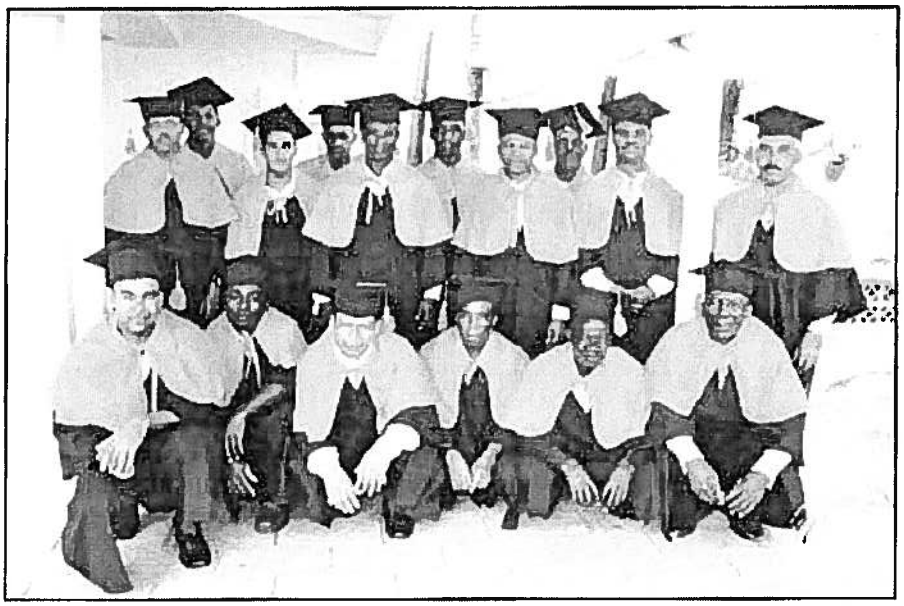
El operativo de otorrino permite, mediante la cirugía, corregir anormalidades en la boca, nariz y oídos.



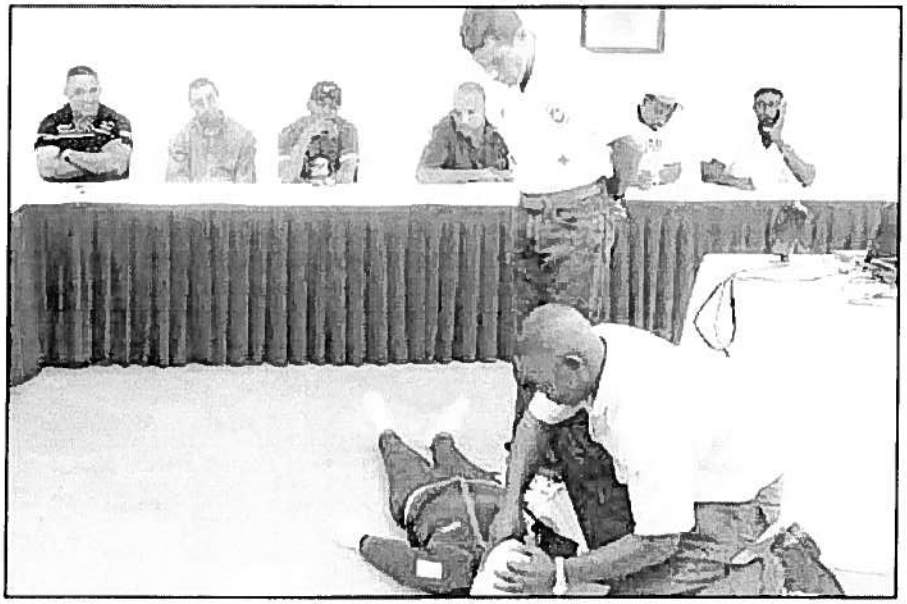
El doctor Michael Murphy, a la izquierda en la foto, es uno de los más renombrados cirujanos de manos en los Estados Unidos.



El Programa de Alfabetización para Adultos (PROALFA) es un importante proyecto de la Gestión de Capital Humano de Central Romana.



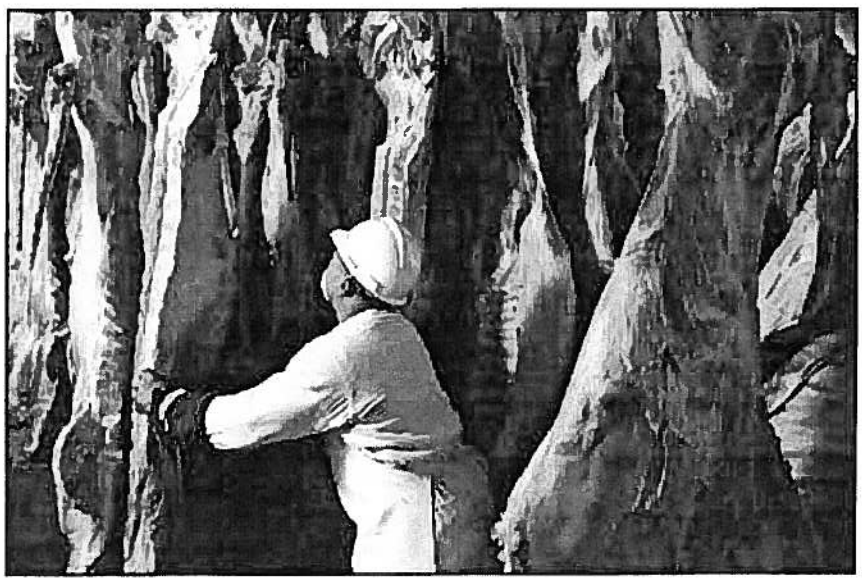
PROALFA celebró en noviembre de 2009 la primera graduación de trabajadores de Central Romana en educación básica hasta 8vo grado.



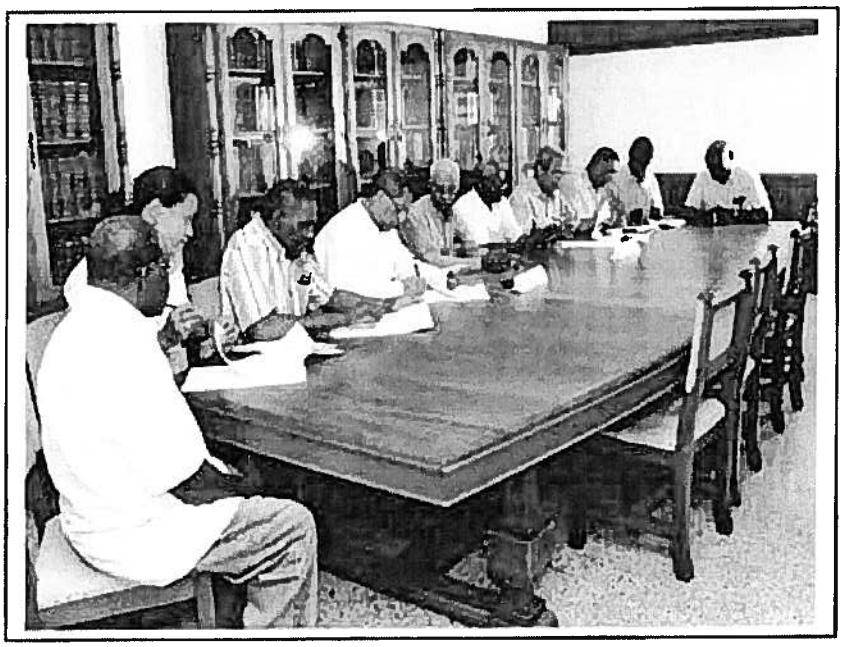
Taller de especialización para Brigadas de Emergencias.

Curso de manejo defensivo para conductores de vehículos de motor.

Miles de quintales de productos agrícolas han sido distribuídos en el último año entre los trabajadores de Central Romana como parte de los programas de alimentación que implementa la empresa.



La producción de carne permite a los trabajadores adquirirla a un precio mucho menor que los del mercado local.



Central Romana y el Sindicato Unido de Trabajadores firmaron en el año 2010 un nuevo Pacto Colectivo de condiciones laborales para sus más de 15 afiliados.

Central Romana Corporation, Ltd.
CENTRAL ROMANA
La Romana, República Dominicana
[illegible]

Septiembre 17, 200[illegible]

CIRCULAR DE CARÁCTER GENERAL

A: Todos los jefes de departamentos, supervisores y trabajadores del Central Romana Corporation, Ltd. y de las empresas afiliadas

En relación con la permanente preocupación expresada a través de distintos medios por comunicados nacionales y extranjeros sobre la gravedad del trabajo infantil, la Administración del Central Romana Corporation, Ltd. ha considerado oportuno dirigirse por este medio a todos los jefes de departamentos, supervisores y trabajadores en general para reafirmarles la determinación que siempre ha mantenido esta compañía, de acogerse y respetar las normas y acuerdos nacionales e internacionales que prohíben el trabajo de los menores.

Con tal propósito hace ya varios años que la empresa convino con el Sindicato Unido de Trabajadores incluir en el Convenio Colectivo el compromiso de ambas entidades de prestarse colaboración mutua para prevenir el trabajo de los menores en la empresa.

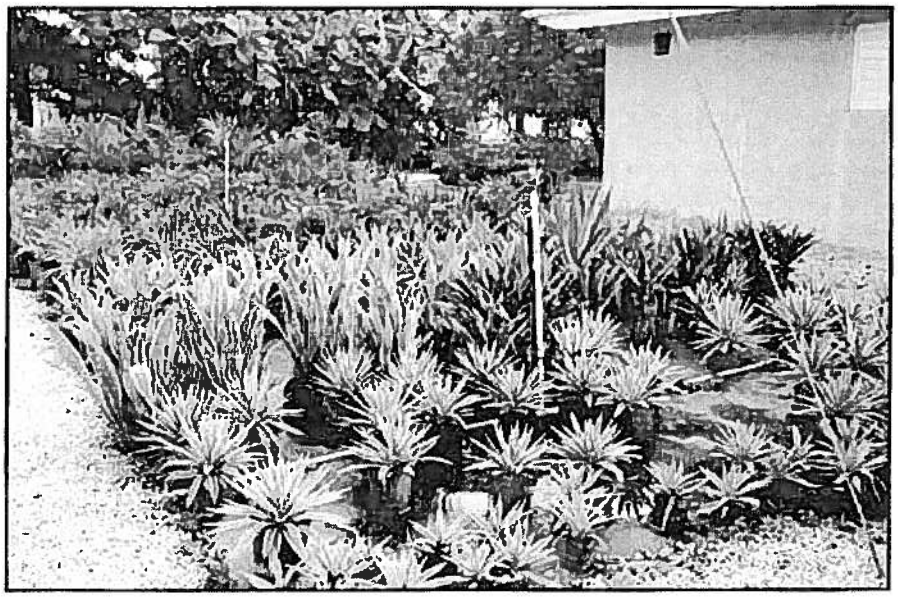
En consecuencia y con la finalidad de fortalecer esa política, anunciamos la creación de un comité de vigilancia y seguimiento para la prevención del trabajo infantil en las instalaciones de la empresa, formado por representantes de la compañía y del Sindicato Unido de Trabajadores.

Asimismo, cada jefe y supervisor será responsable de seguir manteniendo los controles necesarios para evitar que los menores de edad sean cubiertos en los centros de trabajo de la compañía.

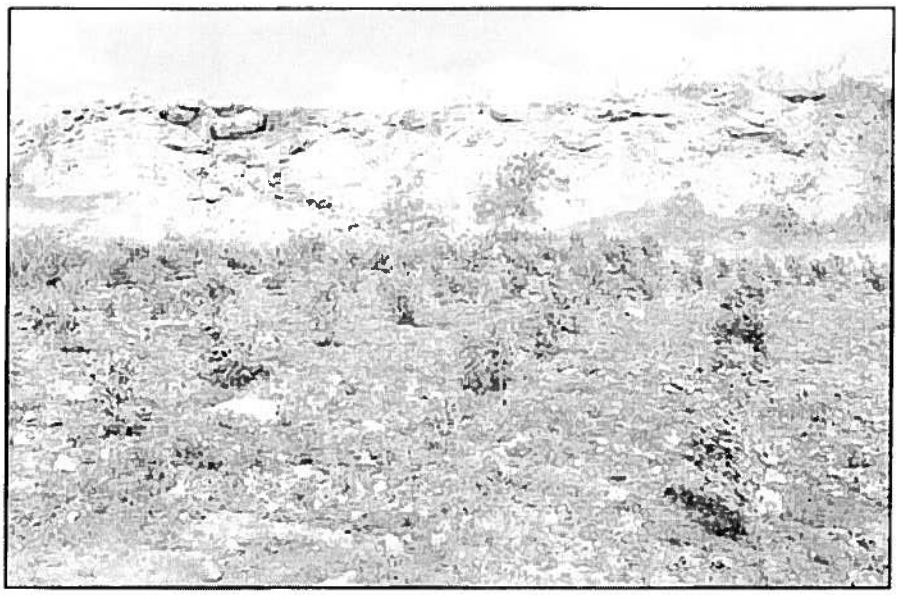
Ing. [illegible]
Vicepresidente [illegible]

Mediante este comunicado, Central Romana ratifica su postura de prohibición y rechazo a la mano de obra infantil

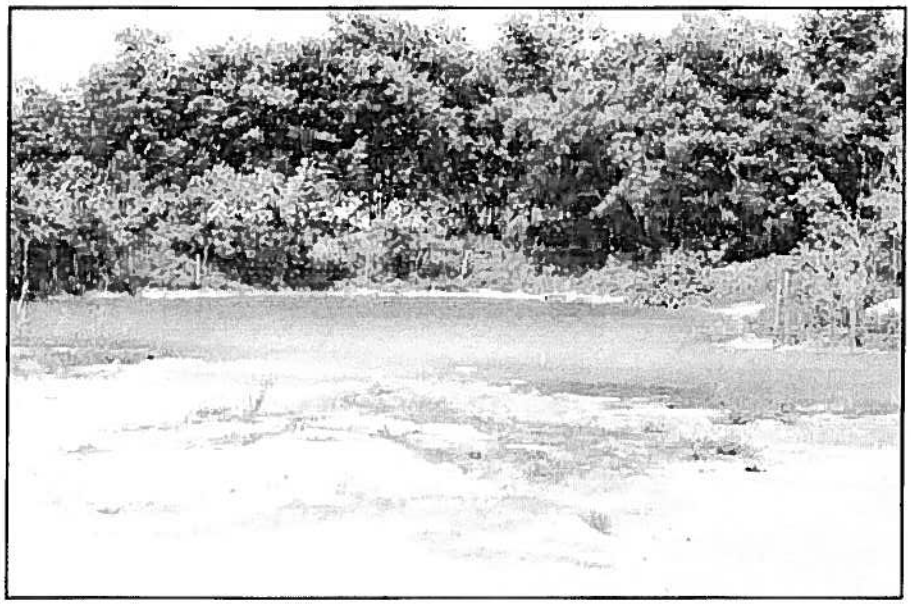
La creación de un vivero propio le ha permitido a la empresa reproducir distintas variedades de plantas para la siembra y reforestación.



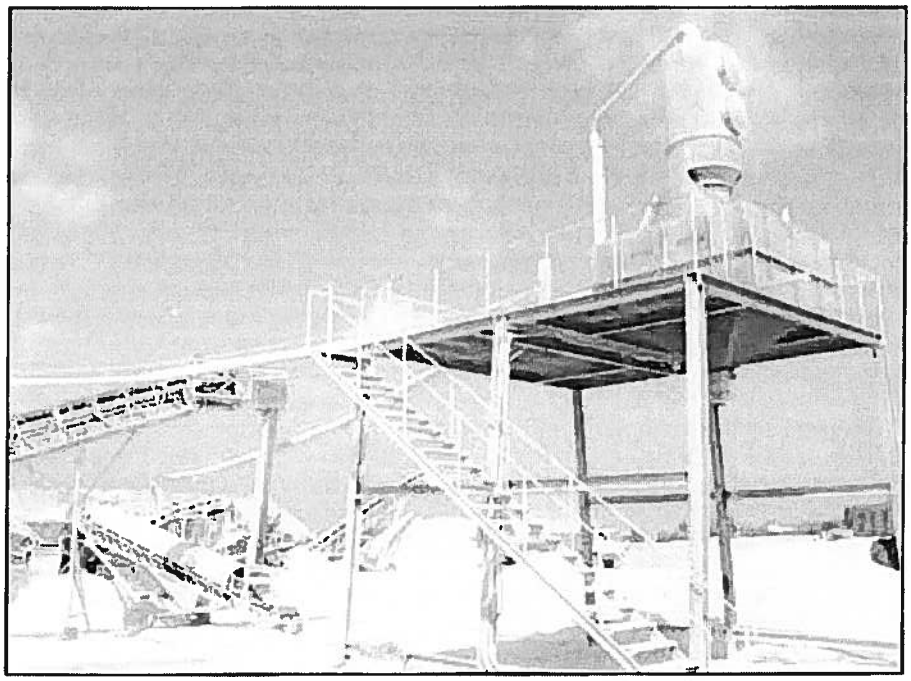
Plantas ornamentales y árboles son utilizados para repoblar áreas verdes.



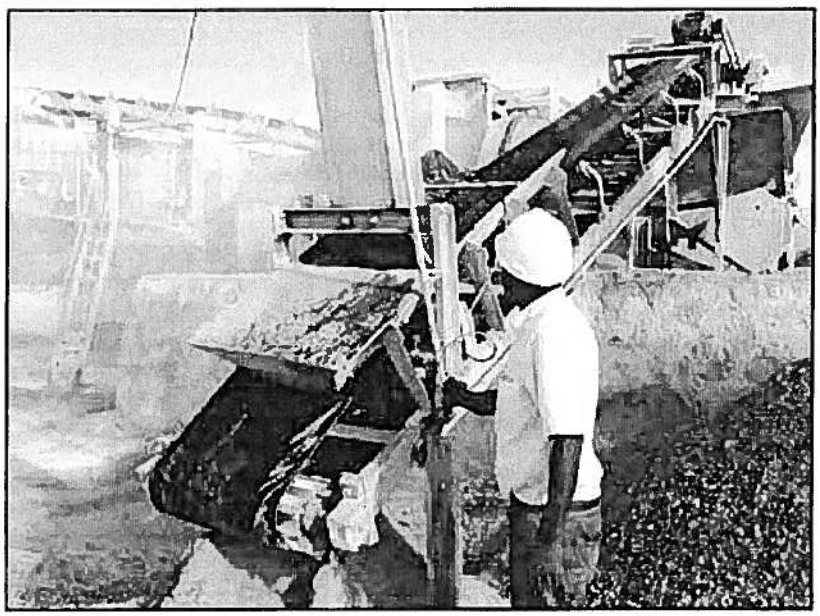
Distintas variedades de árboles como el Nin, la Acacia y el Framboyán han sido sembradas en la zona de El Peñón, recuperando su capa vegetal.



La siembra del bambú, al fondo, necesitó la creación de una laguna artificial que permite el suministro de agua abundante para el crecimiento de esta variedad de planta.



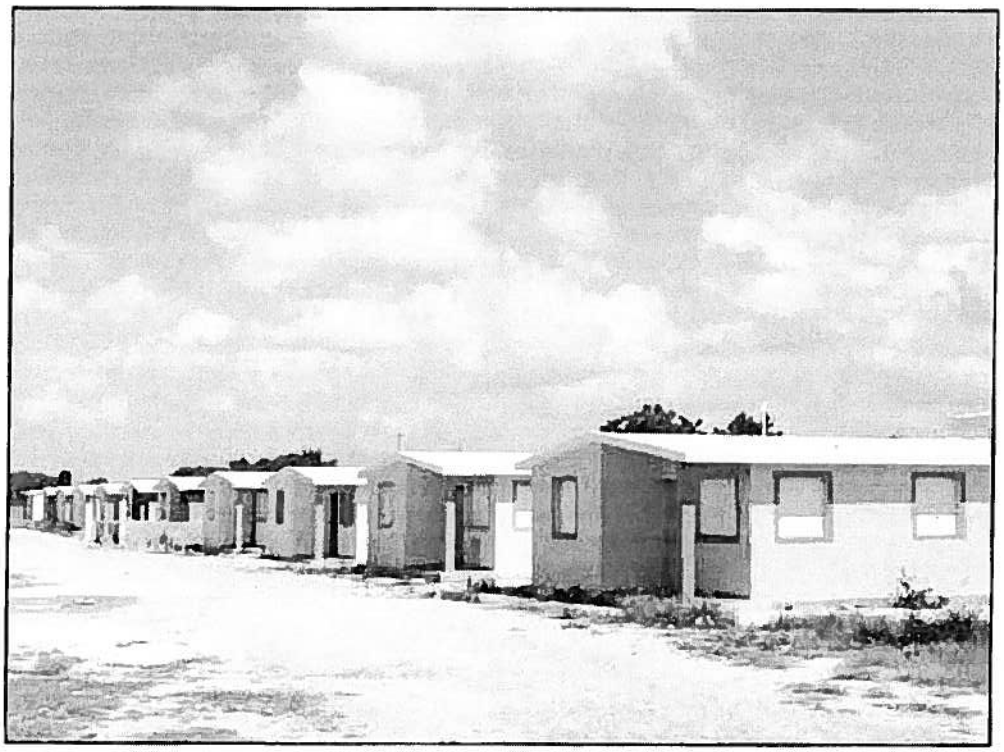
La instalación de estos filtros especiales reduce considerablemente el polvillo generado por el viento en la mina El Peñón.



Los aspersores en las correas de trituración de rocas humedecen la arena y evitan que levante polvo al aire.

Central Romana colabora con la *Sociedad Ornitológica de la Hispaniola* y *The Peregrine Fund* en el programa de protección y reproducción del gavilán Buteo Ridgwayi, un ave endémica actualmente en peligro de extinción en la República Dominicana.

La empresa permitió que en su propiedad se instalara un centro de investigación científica, igualmente un observatorio como en la foto, para monitorear las actividades del gavilán.



Central Romana realiza grandes inversiones en la construcción de viviendas para empleados, y desde su fundación ha entregado miles de casas a sus trabajadores.