

# **THE POWER OF CONSUMERS**

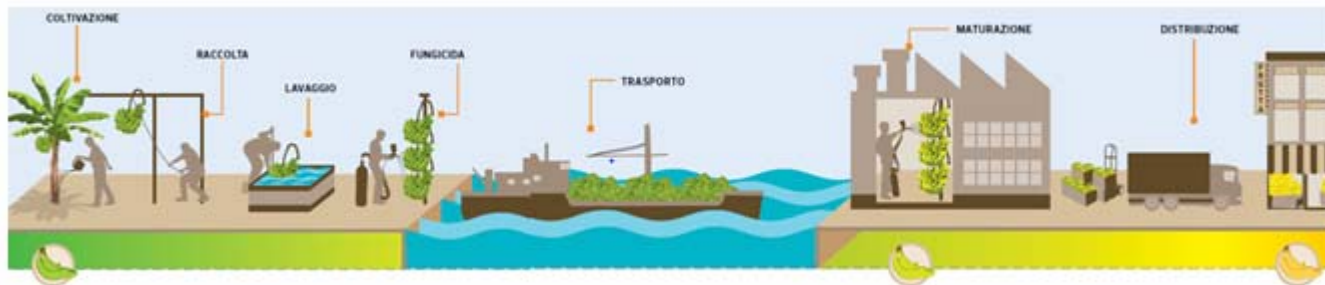
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# A Snapshot of the Bananas Industry for European Consumers

The research focus to increase knowledge and understanding of **social, environmental and economic issues** amongst consumers for whom it is difficult to check the conditions under which the bananas they buy are produced.



# Who

In 2011 five European consumers organizations decided to investigate the bananas industry:



**Austria**

**Belgium**



**Italy**

**Portugal**



**Spain**

# Why

- To **raise awareness** of how consumer actions and choices can help to improve the conditions of people in producing countries
- To verify the safety of the products (pesticides residual on the fruits)
- To build a dialogue with producers as key stakeholders

# Companies/Brands



# Main Criteria:

\* Openness to dialogue  
and transparency



\* Respect of  
producers/workers rights and

environmental protection

throughout the supply chain



# Timeframe

**2011-12 => 2012-02 Launch of the survey.**

Questionnaires sent to banana brands representatives, meetings, 2nd WBF in Ecuador

**2012-04=> 05 Field validation:** documents review, confidential interviews with workers, management interviews, physical assessment of all production facilities and other areas (canteens, rest areas, waste and chemical storage areas, etc.).

Interviews with workers and stakeholders outside the production site.

# Research Output

2012-09 => 10 Results publication

Articles in five monthly product-testing magazines (1,500,000 subscribers totally)





# A **video** with testimony collected during the 2<sup>nd</sup> WBF

<http://www.youtube.com/watch?v=8MPbrKol-GI>

<http://www.youtube.com/watch?v=iTndzp8bp1E>



## Statistiche video

Rendi queste statistiche pubblicamente visibili

Visualizza altre statistiche

### Visualizzazioni e origine delle visite



## Pubblico

### Dati demografici principali

Uomo, 45-54 anni

Donna, 45-54 anni

Uomo, 35-44 anni

# Survey Results

## 1. Corporate CSR and Social Supply Chain Policies

Out of the five multinational brands all but Vida Verde earned top marks for their general corporate policies, and yet only Dole agreed to a validation of their CSR policies on the ground.

- Small regional producers have yet to articulate their corporate social responsibility commitments into their missions and visions, and yet they were among the most open to dialogue and engagement.
- Best policies belong to Dole, followed closely by Chiquita, with Eko-Oke/Altromercato and Bonita coming in further down as third.

# *Dole*

Social audits undertaken particularly in light of external social certification process (SA8000 for own farms) and client requirements.

These audits have resulted to corrective action plans and continued monitoring. There was no validating evidence of these external social audits conducted in the production sites visited however.

# *Chiquita*

There is a description of the SA8000 certification process in Chiquita's website.

While there are metrics on the percentage of owned farms that have been SA8000 certified, there are no corresponding metrics in the case of independent contractors and the findings from any monitoring.

There is also no public information if and how Chiquita internally audits its suppliers/owned farms.

# ***Eko-oke/Altromercato (Agrofair)***

There are social aspects to GlobalGap and Fair Trade certification audits undertaken in supplier sites. There were, however, no audit results presented for validation, assessing the results of regular and annual social audits of producers that allow the tracking of overall social performance, including health and safety and other social compliance standards, with corresponding areas for improvement identified.

# ***Bonita***

The company website reports that to ensure compliance (with Bonita's standards), the company "will conduct regular, unannounced internal and external audits of production/service facilities".

There is no information or details, however, on the percentage of the supply chain audited or the results of the social audits. Further, there is no information publicly available on whether the monitoring extends to sub-contractor and supplier production sites.

## 2. Corporate and Supply Chain Environmental Protection Policies and Measures

- Even small producers compared well against the environmental policy performance of big multinational brands. Part of this is accounted for the need to certify organic production – which most small producers aimed at.
- Best policies belong to Dole, followed by Eko-Oke/Altromercato and Chiquita.



# *Dole*

- Strong requirements on safe agrochemical use, reduction of energy consumption/carbon footprint, recycling of materials from processes, water save, waste disposal and management, including water disposal and treatment.
- Validation of the monitoring of own and independent farms. However, while there is ample data on the situation in “certified farms”, there is no process description about remaining areas/targets for improvement in farms that have yet to be certified, as well as the environmental performance of other independent farms.

# ***Eko-oke/Altromercato (Agrofair)***

- Strong environmental requirements in place on the treatment and care of bananas relative to the use and control of agrochemicals in both cultivation and treatment and packing.
- There is regular internal monitoring, in addition to external audits prior to certification by GlobalGap in producer sites.

# *Chiquita*

- The last Corporate Responsibility Report (2008) discusses minimum pesticide, fungicide and herbicide use, with preference given to lowest toxicity options.
- Chiquita reports that there are annual external audits from the Sustainable Agriculture Network of its owned farms. There is, however, no monitoring process description including Chiquita's internal monitoring (if any), the results of the monitoring and no information publicly available on whether the monitoring extends to sub-contractor/independent producers' sites.

### 3. Production Sites' CSR and Social Supply Chain Policies

- In terms of the ILO's core labour standards, while there were no critical issues found, the weakest performance appears to be on non-discrimination.
- The weakness of equality of treatment, especially vis-à-vis women is evident not only in the dismal share of women in the workforce but also in opportunities for training and for promotion.

- Production sites were strongest on fair and humane treatment but weakest in the criteria of fair compensation and employee benefits.
- The absence of employment contracts in most cultivation sites in particular (or the non-provision of copies of contracts to permanent workers) increases the vulnerability of workers to be both “invisible” and uninformed.

# *Freedom of Association and Collective Bargaining*

- Former union banana workers interviewed continued to report belonging to a blacklist of union organisers that has kept them from finding employment after they have been dismissed by plantations.
- For small producers hired workers are not able to join a union because the small number of workers in farms will not permit them legally to do so.

# *Discrimination and Equality of Treatment*

- Demand for extraneous personal information in job application forms (age, nationality, number/names/ages of children) that had no justifiable basis to be used in determining hiring decisions.
- Exclusion of women in training and promotion.
- Non-compliance to legal requirements on the hiring of disabled workers.

# *Occupational Health and Safety*

There is less than robust regular internal monitoring of occupational health and safety standards in all production sites, even in sites where there is an “assigned” health and safety officer (usually related to a requirement of certification).



## 4. Production Sites' Environmental Performance

- None of the workers directly reported on any negative environmental impact on neighbouring communities of the practice of aerial or chemical spray.
- There were no contractual terms of engagement with suppliers that took environmental standards compliance into consideration.
- Adequate level of performance for EMS and environmental requirements for banana production but poor for environmental pollution reduction measures.

## **5. Corporate Policies and Measures on Transparency**

As a measure of CSR stakeholder engagement and public accountability, only half of brands invited accepted to join this survey.

Transparency was embedded into our validation process: from the engagement and cooperation of brands and producers to providing privacy and non-interference in the conduct of an independent validation of CSR performance during the production site field visits.

# Good Practices

## **DOLE in Ecuador**

- Code of Conduct, Collective Bargaining Agreement, Work & Health and Safety policies reproduced in booklets and distributed to workers.
- Collective Bargaining Agreement with FENACLE since 2011.
- Water re-circulation in washing facility.
- Plastic bags recycled into corner boards for pallets.
- Multiple MSI, NGO dialogue.
- Dale Foundation community initiatives.

# Good Practices

## EKO-OKE/ALTROMERCATO (AGROFAIR) in Ecuador

- Bonus for quality vs. ordinary tasks
- *Carpeta Azul* – blue book for guiding suppliers towards environmental compliance
- FLO and Fair Trade dialogue

# Non-participating Brands

The reasons for non-participation of multinational brands like

## **Del Monte, Chiquita and Bonita**

which range from the structural to the high cost of engagement are hard to put into context when small producer organisations with a small management staff were able to open its doors and engage for this project in the interest of addressing the **rights of consumers to know**.

**Thank you!**



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