

The World Banana Forum (WBF)
Working together for sustainable banana production and trade
Fruit Logistica – Report

Plenary Session at the Fresh Produce Forum
“Is pre-competitive cooperation possible in the banana industry?”

Attended by the World Banana Forum members and Fruit Logistica participants

5 February 2020, 15:00–16:00

Hall B/CityCube Berlin, Germany

Moderator: Mr Pascal Liu, Team Leader on Responsible Global Value Chains and Coordinator of the World Banana Forum (WBF)’s Secretariat, FAO

Panellists:

- Mr Hugo Hays, Global Director Food Safety and Compliance, Fyffes
- Mr Mariano Jiménez Zeledón, Deputy Manager of Legal and Corporate Affairs for the Costa Rican National Banana Corporation (CORBANA)
- Ms Christelle Lasmé, Group Corporate Social Responsibility Manager, Compagnie Fruitière
- Mr Xavier E. Lazo Guerrero, Minister of Agriculture and Livestock of Ecuador
- Mr Leonard Mizzi, Head of Unit, Directorate-General (DG) for International Cooperation and Development - Rural development, food security and nutrition, European Commission
- Mr Florian Schütze, Head of Division Corporate Social Responsibility and Purchasing International, Lidl
- Ms Adela Torres, General Secretary of SINTRAINAGRO, COLSIBA

Summary. This multi-stakeholder panel discussed efforts in the banana industry to enable global pre-competitive cooperation in order to achieve economic sustainability. A special focus was placed on present activities aiming to enable a global approach to the issue of distribution of value and corporate responsibility, where the role of diverse stakeholders was debated.

Link to the event:

<https://www.fruitlogistica.com/Events/ProgramOverview/index.jsp?eventDateId=588151&pageTitle=Can+the+banana+industry+trigger+a+new+era+of+doing+business%3F>

Summary of panel discussions

Mr Pascal Liu opened the session, paying tribute to all members of the WBF and industry stakeholders present at the Fresh Produce Forum. He informed the audience of the key sustainability challenges faced by the industry under the economic, social and environmental dimensions. He emphasized that these challenges are compounded by climate change. The Intergovernmental Panel on Climate Change has warned that drastic actions are needed urgently to reduce GHG emissions and contain global warming under +1.5 degrees Celsius to avoid a chain reaction that would have disastrous consequences for the world. Therefore, the banana sector needs both to adapt to climate change and mitigate it. He stressed that a multi-disciplinary global approach is necessary to tackle these issues, requiring an integrated supply chain approach from producers all the way upstream to consumers. He concluded by highlighting that the WBF was precisely created to support such efforts of enabling stakeholder collaboration and dialogue, for the betterment of the banana industry. He then proceeded to introduce the panellists and posed diverse questions to guide their interventions.

Mr Xavier Lazo, Minister of Agriculture and Livestock of Ecuador, was requested to expand on the topic of potential agreements between banana exporting countries and European buyers that could support

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producers in covering the costs of sustainable production, considering in particular the Ecuadorian context. He thus provided a brief description of the banana industry in Ecuador, emphasizing that banana is the country's most exported agricultural commodity, with unprecedented production levels. This means that the industry requires a significantly large workforce to support production activities, and therefore provides salaries and income for thousands of Ecuadorian households. He added that in order to enable an improved distribution of value along banana supply chains that allows for the payment of fair wages to workers, Ecuador supports efforts that encourage greater transparency in the industry. Such transparency can be effective in recognizing internal progress, but also external realities in the global market, which can be used to influence and improve working conditions and poverty levels of hundreds of thousands of workers.

He stressed that the country and industry cannot continue bearing the strong downward pressure on prices. An appropriate analysis of costs is necessary to integrate all the externalities related to production. This requires proper discussions with all actors along the supply chain. In addition, he emphasized that certification and standardization are necessary. Furthermore, improvement of the product with respect to use of pesticides and organoleptic properties is essential for producing and exporting a product of high quality. He added that Ecuador strives to evolve towards banana production that is environmentally-friendly and thus respectful with climate change. In fact, he said, the country has a clear public policy to ensure these measures. Ultimately, he concluded that in order to achieve the aforementioned goals, transparency between supply chain actors and along the chain is key. He further made a call to retailers and actors along the chain to suggest other efforts that can be made on the production end to support concerted actions.

Mr Florian Schütze proceeded to present his perspective on the role of producers and traders in providing greater transparency for retailers to ensure that higher payments for the banana box indeed support better wages for workers. In this respect, he informed participants on the voluntary agreement reached by seven German retailers - including Lidl, Aldi Süd and Nord, Kaufland and Rewe - to work together to promote living wages for workers and living incomes for farmers along their store brand supply chains, including banana supply chains. The agreement, which was signed in January 2020, is endorsed by the German Federal Ministry of Economic Cooperation and Development. He informed that the initiative arose as a result of increased consumer pressure to provide adequate working conditions for workers, as well as demands for greater transparency to enable supply chain tracing and for consumers to understand where their food is coming from. Ultimately, German retailers have acknowledged that low incomes are a key issue in food supply chains, and through this initiative they can address wage gaps and implement sustainable practices to support decent working conditions for workers.

Mr Schütze further reported on an initiative that Lidl attempted to implement nearly two years ago, where the company aimed to sell only Fairtrade bananas in its stores. The company tried to promote the initiative and inform consumers about these efforts through various communication channels and social media over a determined period of time. However, he underlined that this was only one part of the puzzle. In the end, although the initiative was piloted in several countries, it did not prove feasible in the medium- or long-term due to the huge competition and price wars in the market. He thus stressed that drastic changes in the industry cannot be done through standalone activities. A movement in the industry to enable living wages needs to be the result of a concerted effort of all actors along the chain, including support from all retailers. The voluntary agreement established by German retailers is a first step on the consumer end, though greater transparency efforts are also needed on the producer end. He concluded

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by stating that technology could be a useful tool to enable retailers to provide the required transparency to consumers on the costs of sustainable production.

Next, **Mr Leonard Mizzi** reported on the measures that could be adopted by the European Commission to encourage European retailers to implement policies on responsible business conduct with their suppliers. He stated that business as usual cannot continue. Two issues need to be considered: industry downward price pressure and consumers' willingness to pay for sustainability. As such, he agreed that there is a need for a multi-stakeholder approach to attain sustainability in the industry.

He informed participants that the European Commission aims to push a multilateral approach for global value chains involving countries across Latin America and Africa. Referencing the EU Green Deal, he further stated that it is the intention of the European Commission to improve the standards of the industry. He underlined that, currently, the link between the various standards and consumers' willingness to pay a higher price is not clear. A multi-stakeholder approach therefore requires the participation of consumer groups as well in order to collectively discuss both, the role of certification schemes in contributing to poverty alleviation in rural areas, as well as the likelihood of responsible consumers accepting a price dimension to sustainability. If a causal relationship between certification schemes and poverty alleviation is not clear, consumers may be unwilling to pay a higher price for certified products, resulting in a continued price war between retailers. He also highlighted the important role of the WBF in supporting this process.

He added that the EU is aware that price concerns may jeopardize the sustainability of the industry. As such, he stressed that it is important to understand that ensuring transparency is essential and needs to be put at the core of discussions with European consumers. Mr Mizzi stated that a matter of a few cents increase in the retail price may support the costs of sustainable production in developing countries. Therefore, he emphasized that responsible consumers will require new technology to understand traceability and transparency, with blockchain being one potential tool. However, different technologies must be explored to determine the best available tool for enabling transparency. He concluded by reiterating that stakeholders need to work together along global value chains in order to reduce poverty and support decent standards of living for agricultural workers, ultimately stating that everybody in the supply chain must understand that there is a price to pay for sustainability.

Mr Mariano Jimenez then commented on the issue of oversupply in the market and potential ways to mitigate the issue. He first provided background information on price disputes and trade tariffs imposed on agricultural commodities, explaining the ongoing debate amongst banana producing countries in Latin America. He highlighted the strong regional competition between producers due to trade measures imposed by the EU. In addition, Mr Jimenez explained the challenges faced by producers in a globalised market that is increasingly characterized by greater purchasing power of corporations and big retailers. He stated that producers face many risks - such as environmental threats - that buyers at the other end of the supply chain do not, and therefore they often bear the burden of these costs. He added that producers also have limited power and must abide by the conditions set by retailers, otherwise they face the possibility that their contracts will be terminated. For instance, if producers are not able to deliver due to environmental extreme factors such as storms or hurricanes, they risk losing business. He stressed that it is therefore important to protect banana producing countries from the risks and consequences of climate change, and support them in mitigation and adaptation efforts.

In relation to standard setters' activities on living wages, Mr Jimenez also explained that it is important to analyse distribution of value throughout the global value chain. He stated that, nowadays, approximately

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35% of the margins remain under the control of the retail sector, while on average 10% of the margins remain among producers. He therefore stressed that such activities on living wages are again putting greater pressure on producers to close living wage gaps, while placing certain producing countries at an unfair advantage over others. He asked if the focus should not instead be placed on the retail end, rather than creating further burdens for producers to deal with on the production side.

Finally, further to the aforementioned risks, he also argued that some new policies within the EU's Green Deal place new limits on chemical use and enforce the elimination of certain molecules used in the industry. He added that these measures, once again, put all the pressure on producers who are now required to find alternatives or use new and more costly agrochemicals. The system reached limits where molecules are forbidden without alternatives, making production almost impossible, he said. He concluded his remarks by making a call to all banana producers to unite and work together to ensure these issues are addressed along global supply chains.

Ms Christelle Lasme continued the discussions by sharing Compagnie Fruitière's experience regarding responsible business conduct policies that support better wages and improved standards of living for workers on their plantations. As part of its CSR mission, Compagnie Fruitière has established as one of its objectives the need to make a sustainable contribution to the socio-economic development of the territories in which it operates. This requires a strategy that is built around three areas, namely: the (1) promotion of sustainable agriculture and activities with a lower environmental impact; (2) establishment of a positive foothold in the territories where it is located; and (3) promotion of exemplary working conditions throughout the value chain.

In the case of their production activities in Africa, she mentioned that an important factor that needs to be considered is the social conditions for workers and their families, as the continent faces different social realities than most other places around the world. Working conditions and social protection for African workers are indeed critical, she said. As such, it has been a priority for the company to offer an overall package, including sustainable working conditions (wages, health and safety, workers' rights, staff welfare, etc.) and overall benefits for the community, rather than ensuring solely a living wage. Therefore, she informed that the company has given special attention to ensuring the provision of adequate infrastructure in the locations where they operate. This has entailed, for instance, sponsoring scholarships and building schools or hospitals, not only for their workers but for the surrounding communities. Compagnie Fruitière looks at this package as something that provides a decent standard of living, with a holistic approach that benefits the broader community. Despite all of the efforts being done as producers to raise sustainability standards in efforts to support their workers and production, banana prices continue to fall. She concluded by stating that this is an issue that needs to be addressed collectively.

Ms Adela Torres responded to the question posed to her regarding the activities that could be carried out by trade unions, such as SINTRAINAGRO, to guarantee that workers receive fair wages. She informed participants that COLSIBA, which has a strong trade union presence in the banana industry, has been fighting for workers' rights and working towards dialogue and consensus with producers and employers for over 35 years. These efforts have allowed trade unions to develop strong relationships with employers and enabled collective bargaining agreements between employer and worker representatives that have supported better wages for workers, amongst other benefits. In Colombia, for instance, the banana industry has taken a regional approach to dialogue and negotiations, which entails one collective bargaining agreement that covers 265 companies. This is a good example of a successful or good practice, as 98% of workers in the industry in Uraba belong to a trade union and therefore also receive the minimum salary established in the agreement through tripartite discussions.

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She stressed that tripartite and multi-stakeholder discussions, such as those that take place within the WBF, are critical. The intervention of all constituents, including worker representatives, is necessary to reach agreements that can preserve adequate working conditions for workers. In addition, she reiterated comments made by other panelists, that producers often have difficulties participating in global discussions where retailers and other actors in the chain are included, for the reasons previously mentioned. The WBF platform, however, allows for this necessary dialogue, where buyers can be informed on the difficulties faced by producers and their workers, and can further foster collaboration to support producers in mitigating production risks and challenges. Ms Torres concluded her intervention by emphasizing the need to involve all the actors in the chain to achieve medium- to long-term results.

Finally, **Mr Hugo Hays** concluded the panelists' interventions by addressing the issue of challenges faced by producers and traders in relation to enabling better wages for workers. He began his intervention by stating that, as Fyffes has moved its focus from trader to also grow its own fruit, the company has had to look at production with fresh eyes to ensure that it takes appropriate measures to provide adequate wages for workers. First, it has looked at the cost of living of workers, through benchmarking exercises with the GLWC and other industry stakeholders. However, these costs vary between countries, and future efforts to support living wages in this respect need to address these variations. The company has also examined wage structures on farms. If wages of some workers are increased, then the wages of other workers need to be increased in accordance with the wage ladder already in place, thus creating a multiplier effect. Finally, he stated that in terms of demonstrating compliance with living wages or increasing wages, Fyffes works together with certification schemes. However, there are also important challenges associated with certification and the standards that need to be set; as such it is important to work on advocacy to reach a global consensus and agreement on the issue. Lastly, he stressed the need to bring greater transparency to the industry.

Mr Pascal Liu closed the session by thanking the panellists for their contributions and supporting their statements that the industry requires increased efficiency, transparency and productivity, through a fair distribution of value. This is precisely what the WBF strives to achieve. Having detailed information on costs of production in producing countries and increasing transparency on costs and prices along the supply chain would help convince consumers to pay prices that enable sustainable banana production and trade. As such, he invited interested participants to join the WBF in support of these efforts.

**Session 1. Climate change adaptation and mitigation:
successes and lessons learned from sustainable banana production**

Attended by the World Banana Forum members and Fruit Logistica participants

6 February 2020, 09.15–10.15 Berlin, Germany

Moderator: Ms Camila Reinhardt Hurtado, WBF Secretariat, FAO

Panellists:

- Mr Paul Lievens, Policy and Communications Officer, Banana Link
- Mr Paul Bouzon, Corporate Social Responsibility Manager, Compagnie Fruitière
- Mr Robert Adams, President, ONE Banana/AgroAmérica
- Mr Rommel Betancourt, President, Inter-American Commission for Organic Agriculture (ICOA/CIAO)
- Mr Raúl Clemente Ledesma Huerta, Minister of the Environment, Ecuadorian Ministry of Environment

1. Summary of panel discussions

Mr Rommel Betancourt, President of the Inter-American Commission for Organic Agriculture (ICOA/CIAO) opened the discussion on climate change by highlighting the moral relevance of the subject. He stressed the importance of uniting all objectives across different countries in Latin America and the Caribbean and of strengthening the Codex Alimentarius at the highest level, especially by bringing together norms, laws and recommendations that go beyond the scientific basis of the Codex. Mr Betancourt added that the Codex, similar to the multilateral system, is in a crucial phase. He underscored the need to show that scientific interests prevail over other interests, adding that now is the time to build a consumer protection law encompassing fair trade and health.

Minister Raúl Clemente Ledesma Huerta of the Ecuadorian Ministry of Environment stressed his concern on climate change and its impact on the banana industry, highlighting that banana represents 2 percent of Ecuador's GDP and is, therefore, key for the economy of his country. Beyond climate change, he cited pesticide and fertilizer use, which greatly contributes to greenhouse gases. The latter, he said, can be better managed through small farms since products can be used more selectively (e.g. by spraying pesticide on a single disease-affected plant). Minister Ledesma furthered this point by stating that, certainly, this small farm approach means more expenses and greater costs due to manual labour. In commenting on further agroecological issues, he added that water pumps use fossil fuel. Alternatively, since Ecuador enjoys privileged sun exposure, he underscored the relevance for his country to implement regulations that support solar energy. Minister Ledesma said, however, that this is not enough, since the real issue is price. He mentioned a previous meeting with environmental ministries where one discussion involved the market and how it requires the best possible product at the lowest possible price. He stated that if the market is unable to pay the right price for health and environmentally friendly products, then producers cannot cope. Minister Ledesma concluded by emphasizing that politics can provide incentives, and that these incentives can balance this difference in markets.

Mr Paul Lievens, Policy and Communications Officer of Banana Link, emphasized fostering collaboration within the industry to address environmental, ecological and economic issues as key, citing this joint effort as his reason for participating in the WBF's agroecological practices and water management Working Group 01 (WG01). Within the WBF framework, Banana Link and the Foundation for Agrarian Reform Cooperatives in Mindanao (FARMCOOP) have contributed to the initiation of a network of small family

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farmers in Latin America, the Caribbean and the Philippines. He encouraged the audience to collectively recognize both the United Nations Decade of Family Farming (2019–2028) and smallholder farmer contributions to food security, innovation and agroecological production. Mr Lievens said that Banana Link aims to facilitate knowledge sharing around examples of innovative forms of agroecological production of small farmers, as well as successful larger scale, such as organic production in Ghana.

Mr Paul Bouzon, Corporate Social Responsibility Manager of Compagnie Fruitière and member of the WBF, reported on the challenges of organic production worldwide. He highlighted that Compagnie Fruitière, as a conventional producer of over 500 000 tonnes of bananas in Ghana, Cameroon and the Ivory Coast, had initially seen organic production as unobtainable. Regardless, Mr Bouzon noted that Compagnie Fruitière converted 10 years ago and now has 1 000 ha of organic production in the three African countries, as well as Ecuador. He observed that Compagnie Fruitière could grow not only organic but also alternative conventional production, adding that organic production has encouraged them to implement agroecological practices that prevented chemical use and naturally defended plantations against disease/pests. Supported by CIRAD, he stated that research has enabled Compagnie Fruitière to find the best plants and planting methods to reduce water consumption, improve soil structure and reinforce its biodiversity. Ultimately, he noted that although organic is beneficial for humans and nature, it is not 100 percent viable in certain countries at the moment. Mr Bouzon concluded by citing their Third Root effort to strike a balance and exchange between organic and conventional banana production, keeping climate change as a permanently inconstant factor.

Mr Robert Adams, President of ONE Banana/AgroAmérica and member of the WBF, discussed water management and lessons learned from the private sector in Guatemala. He highlighted how ONE Banana, as an organic and conventional operation, has prioritized sustainable production in Guatemala, Ecuador and Peru for over 60 years by most recently developing a score card to track improvement through the years, adding that this initiative is now aligned with the UN Sustainable Development Goals (SDGs). Mr Adams emphasized efficient water use as key, citing several efforts on behalf of ONE Banana. These include working alongside seven river basin community committees in Guatemala to understand their needs and share knowledge on water usage; implementing precision microspray irrigation techniques; investing in real-time soil probes to monitor the structure of soil and water levels within it; lessening infrastructure and community stress through 18 reservoirs; and reusing banana production plant water to avoid waste. He concluded by stating that these actions have reduced farm water usage by over 50 percent.

Q&A

Mr Pascal Liu, Team Leader on Responsible Global Value Chains and Coordinator of the WBF at FAO, thanked the panellists for their interventions. He informed participants of [the WBF initiative to help measure and reduce carbon and water footprints](#) in the banana production cycle. Mr Liu stated that the WBF has been developing this activity in Costa Rica since 2016 and produced a methodological guide to reduce carbon and water footprints with support from Costa Rica's Ministry of Environment and Ministry of Agriculture (Phase I). An automated online version of the guide is now under development to be applied in Costa Rica, Guatemala and potentially other countries. This tool will be validated and implemented on farms during Phase II and in collaboration with GESTARSE. After its testing is over, the tool will be made available online to operators and producers so that they can use it throughout the value chain. Training and feedback sessions are to be held in Guatemala and Costa Rica in 2020. He concluded by inviting those interested in collaborating through this tool to contact the WBF Secretariat.

Ms Silja Marschke of WWF Germany asked all participants if banana prices and costs would rise due to more sustainable production, and if this would be met by a worldwide willingness to pay. Minister Ledesma said that although managing higher prices for a more sustainable banana production is a

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common wish, prices and costs follow market demand. He highlighted that consumers do not perceive higher sale prices on bananas as a guarantee for better quality and environmental responsibility, as is the case for organic production. Further, he saw this as not just a matter of price setting since a lower price always wins, concluding that if the market cannot be regulated, then the only option would be state intervention.

Mr Mariano Jiménez Zeledón, Deputy Manager of Legal and Corporate Affairs for CORBANA, commented that agrochemicals are expensive, and their excessive use is disadvantageous. Despite this, he stressed their inevitable widespread use, making it impossible to operate a big plantation as totally organic. Having said this, he asked all panellists if they were aware of European Union (EU) policy changes about the reduction of maximum residue limits and the elimination of certain molecules, and added that this hinders production without providing alternatives. He concluded by stating that Latin American countries are collaborating with the World Trade Organization (WTO) and that CORBANA is asking the Costa Rican government to establish a new panel on this issue. Mr Betancourt responded on behalf of both ICOA/CIAO and the Regional Coordination for Latin America and the Caribbean. He reiterated the need to accept safe standards due to new challenges facing agriculture (i.e. climate change; new, more resistant diseases; urban sprawl and population growth). He underscored that authorities should aim for higher tolerance, based on science, so that producers can cope. To conclude, he stated that governments are rightly concerned about consumer health for both conventional and organic production, stressing that environmental protection and best practices are inherent in this. He advocated for a balance between high yields and sustainability.

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Session 2. Is pre-competitive cooperation possible in the banana industry? Part 1

Attended by the World Banana Forum members and Fruit Logistica participants

6 February 2020, 10.30–11.30 Berlin, Germany

Moderator: Mr Victor Prada, Secretary, World Banana Forum Secretariat, FAO

Panellists:

- Ms Sonia Cordera, Senior Program Manager Fresh & Ingredients, IDH, The Sustainable Trade Initiative
- Mr Xavier Lazo, Minister of Agriculture, Ecuadorian Ministry of Agriculture and Livestock (MAG)
- Mr Sebastian Lesch, Head of Unit – International Agricultural Policy, Agriculture, Innovation, German Federal Ministry for Economic Cooperation and Development (BMZ)
- Dr Till Ludwig, Advisor for Sustainable Agricultural Supply Chains and Standards of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH/ABNB

Summary of panel discussions

Mr Victor Prada, Secretary of the World Banana Forum (WBF) at FAO, continued the discussions held during the Fresh Produce Forum on the previous day on the distribution of value in the banana industry, which has been a topic of concern since the banana industry's mass commercialization. He emphasized that the WBF and its members view pre-competitive cooperation as the only way forward, adding that this requires multi-stakeholder collaboration and consensus in advocating for human rights tied to health, labour conditions and the environment. Through Working Group 02 (WG02), the topic of distribution of value has been a priority since the WBF's inception in 2010. Mr Prada highlighted the WG's previous work on wage analysis and monetization of externalities. He further pointed towards WG02's cost of sustainable production pillar, its current work on living wages and its partnership with the Global Living Wage Coalition (GLWC). Ultimately, the goal of the WG is to develop a unique example of pre-competitive cooperation.

Minister Xavier Lazo of the Ecuadorian Ministry of Agriculture and Livestock (MAG), offered his perspective on practical transformations throughout the value chain of the banana industry based on two commonly held points: sustainability and justice. He reiterated that everyone in the industry wants a fair price. The question arose of what else is needed or has yet to be started in the value chain, commenting that, undoubtedly, all actors are advancing social and environmental standards but that this requires support from the state. Whether exporting or importing, he said that both the public and private sector strive for the same objectives, albeit varyingly. He suggested focusing and building on successful, existing frameworks within the industrial process. Moreover, he urged everyone to address the Fusarium wilt Tropical race 4 (TR4) threat, which is currently being faced by over 8 000 producers in the country alone. Due to the vast number of producers in Ecuador, Minister Lazo added that challenges exist in meeting crucial awareness raising and capacity building campaigns. He said that public policy in Ecuador also faces two concerning indicators: aging farmers and low education levels. Minister Lazo underscored that civil society indicators must improve through an integrated response of clear, short-term strategies to sustain the economy. He highlighted that Ecuador loses competitiveness if a neighbouring country's currency is devalued, as the national currency is linked to the US dollar. Traceability, quality and productivity are important, he added, but so are the inclusion of rural women and modern organization in the form of cooperatives. Supporting this, he noted that the country's 8 000 producers, many of whom are 1–3 ha smallholders, often face competition challenges when producing for a wider market. In relation to practical public policy aspects, he said that the government has a law in place that is specific to the banana sector, as well as a legal minimum living wage, but this does not necessarily resolve other issues related to living standards, such as access to potable water. However, he emphasized that rural women from

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small family farms can drastically change the socioeconomic reality. Citing effective diagnostics to measure poverty through sustainable development indicators, he stressed that basic questions to smallholders and producers can help raise awareness and lead to simple improvements. As such, he stressed the need to be sensitive to the challenges faced in the industry. Minister Lazo highlighted the importance of focusing on decent salaries and including producers in the process, considering the banana industry accounts for Ecuador's top employment sector. He underscored the need for a transparent model to eradicate poverty and improve sustainability efforts throughout the entire value chain. For this, he said that a process of decommodification is necessary. Minister Lazo ultimately expressed the country's need to invest in future generations.

Mr Sebastian Lesch, Head of Unit for the International Agricultural Policy, Agriculture and Innovation of the German Federal Ministry for Economic Cooperation and Development (BMZ), discussed the government's measures to ensure extra payments for banana growers and workers. He cited the underestimated value and unsustainable retail price of bananas. In terms of the German market, Mr Lesch mentioned how a recent study has shown that sustainability is more important than price for many consumers. He asserted that all globally traded products should and must contribute to sustainable development in the countries they source from in a way that is economically viable (e.g. with respect to living wages for smallholder farmers, child labour, environmental impacts, etc.), adding that fair and equitable banana prices are a must. To support these efforts, Mr Lesch stated that the government is tackling the retail side by facilitating a voluntary commitment amongst nearly 70 percent of German retailers on living wage and living incomes to support decent work and promote agricultural employment. He introduced the multi-stakeholder platform, Action Alliance on Sustainable Bananas (ABNB), which aims to enable dialogue between key stakeholders at country level to increase the market share of sustainable bananas. He commented that German retailers, importers and exporters – through ABNB – work with producers in exporting countries to support sustainable banana production and good agricultural practices. Mr Lesch further cited ABNB's efforts to lobby amongst certification systems where living wages and international standards may be absent. He said that BMZ aims to raise attention to these issues, ensuring the public perception that every consumer decision has an impact on the livelihood of workers around the world. Further, he cited that Germany is also ensuring a mix of voluntary and legal guidelines, such as a retail-side supply chain law to implement realistic preventions. Mr Lesch concluded by noting that these topics, which affect all commodities, will be explored as Germany takes the European Union (EU)'s presidency in the second half of 2020.

Ms Sonia Cordera, Senior Program Manager of Fresh & Ingredients for IDH, The Sustainable Trade Initiative, presented the recent Dutch retailer commitment to living wages. Through the Sustainability Initiative on Fruit and Vegetables (SIFAV), she noted that IDH's role among private sector players focuses on the retail-side of the supply chain through common, multi-stakeholder goals on transparency, which includes mainstreaming social compliance from a business perspective, raising retailer awareness on banana sourcing and monitoring social conditions. In this respect, she added that IDH initiated collaborative projects, one of them being the support to living wage benchmarks and cost of living studies to close gaps in various producing countries. An Excel tool, which she cited as a Salary Matrix, now helps farm owners assess worker salaries through an estimated regional living wage. This, she said, made the discussion tangible and opened the possibility for a more transparent dialogue where all supply chain actors strive for coordinated efforts, adding that an IDH and SIFAV-supported public Commitment on Living Wages by Dutch retailers was released in October 2019. Ms Cordera highlighted that by 2025, private sector partners aim to close banana supply chain wage gaps by at least 75 percent. She stated that living wage gaps need to be measured to provide a baseline over time. Further, she noted that IDH is working with certification schemes and social standards to refine the Salary Matrix to ensure that this is an embedded tool to be uniformly measured and applied. Ms Cordera stressed that such initiatives have

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been an important step in transforming supply chain dialogue and data approach, concluding with an open call to have more industry players join such commitments.

Dr Till Ludwig, Advisor for Sustainable Agricultural Supply Chains and Standards of the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), presented a recent commitment on living wages and living income among seven retailers – with support from BMZ and GIZ – in efforts to proactively improve the global supply chains from an environmental and social sustainability perspective. He noted that the action steps begin by promoting the urgency and relevance of guaranteeing human rights, as well as improving standards of living in their own supply chains, highlighting that many supply chain actors are unaware of the necessity of having living income and a living wage. Secondly, he commented that retailers are committed to the goal of achieving living income and living wages in their sustainability policies. Dr Ludwig said that beyond being just a moral argument, this is now a measurable indicator. He cited that the third step is to map and analyse the global supply chains, primarily private label products where retailers control more, to reveal hot spots from not only a living wage but also a human rights perspective. Lastly, Dr Ludwig commented that the final step is to implement tailored measures that will close identified gaps in both living income and living wages. These need to be monitored and communicated publicly. The ultimate goal is to create traceable and transparent supply chains. He concluded by stating that although this is a German commitment, it is not exclusive to German retailers and will be aligned with the IDH approach.

Q&A

Mr Prada commented on the synergy of approaches and commitments stemming from this discussion, stating that there is at once both a public and private sector will and consumer interest to improve supply chains. He asked Minister Lazo how the Ecuadorian government might support and respond to the measures taken by the Dutch and German stakeholders to enable transparent supply chains. Minister Lazo responded that efforts should happen through strong agricultural public policies. For instance, he said that in order to address externalities and a loss of competitiveness due to Ecuadorian dollarization, the country must consider best practice certifications and pursue tangible results in terms of their implementation throughout the agricultural sector. In addition, he cited that agricultural credit systems are relevant, and that the private sector must further stimulate credit through agricultural credit policies. Minister Lazo further discussed the need to focus on technical assistance for producers – particularly associations and smallholder farmers – to face challenges related to market competition and climate change. Last, he stated that monitoring systems are important in overcoming rural poverty, adding that pragmatic and transparent approaches must address factors that hinder labour conditions and competitiveness. Minister Lazo said that fiscal and public policies have to catch up with what is already being done to reduce vulnerability and increase agility in the sector over the next decade. He underscored the importance of the banana sector for Ecuador and how natural resource protection, smallholder farm family support and a stable market are the way forward.

Mr Alistair Smith, International Coordinator at Banana Link, asked Minister Lazo about the possibilities of replicating the successful Colombian model of a long-term commitment between producers and trade unions to support living wages in the industry. Minister Lazo responded by stating that the Ecuadorian government has always been open to such approaches, but that it is also necessary to understand the historical context of each country. However, he added, trade union freedom is promoted within Ecuadorian legislation. He concluded by saying that, at the end of the day, everyone wants better production and quality, and Ecuador has progressed significantly in regard to the topic of wages and will continue its efforts for further improvements.

Mr Mariano Jiménez Zeledón, Deputy Manager of Legal and Corporate Affairs of CORBANA, offered a Costa Rican perspective on socioeconomic, environmental and wage laws. With respect to the latter, he

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mentioned that prevailing wages in the banana industry are 20–35 percent above the minimum. Mr Zeledón highlighted his concerns regarding the foundations of the debates taking place, which relate to external actors calculating a living wage in a determined country and imposing these figures on local actors, despite the presence of collective bargaining mechanisms in some cases. He stated that if the EU were to stop imposing taxes for each banana box being imported into the region, then producers would be able to subsidize some of the costs and their own production. The focus, he added, needs to shift from producer to retailer, since the latter controls the market. Mr Zeledón stated that if the retailer can support more, then producers can do more to hedge against both TR4 and climate change. Mr Lesch clarified that BMZ does not impose prices on anyone and that the German government wants to tackle the problem of living wages from different perspectives, one of them being retail. He said that BMZ works cooperatively along the supply chain to ensure social and ecological sustainability. Ms Cordera further commented by recognizing the problem on behalf of all actors and that this debate needs to be discussed collectively with all supply chain actors. She highlighted, however, that it is necessary to have concrete tools to talk about these issues and to create the market demand for such products. Mr Prada noted that the living wage benchmark is a tool, non-imposed, and that alternatives are needed.

Mr Juan José Pons, representative of the Ecuadorian Producers and Exporters Association, commented on a previous remark regarding Colombia's trade union freedoms. He stressed that in Ecuador, trade union freedom is a constitutional right. He noted that while Colombia is striving to negotiate a living wage, Ecuador has already achieved it through the *Salario Digno*. Mr Pons is concerned that a living wage was the only topic discussed on this panel, in light of so many other issues that should be addressed to enable pre-competitive collaboration in the industry. Minister Lazo further stated that the country's internal agreements are consolidated with international agreements. Mr Prada clarified that "pre-competitive" implies that ensuring basic human rights come before commercial activities.

Ms Jennie Coleman, President of Equifruit, asked about the potential of consumers perceiving voluntary sustainability commitments undertaken jointly by European retailers as a form of collusion. She also inquired about the influence of actors who have not committed to such voluntary efforts, citing risks of continued price wars. Mr Ludwig responded with GIZ's perspective that voluntary is a good first step, even if not legally binding. He added that securing 70 percent of retailer sign-on is positive. Mr Ludwig concluded that by collaborating with other initiatives, such as those of IDH, the initiative can expand into broader and cross-border commitments. Mr Lesch added that collective voluntary commitments put the initiative one step ahead.

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Session 3. Is pre-competitive cooperation possible in the banana industry? Part 2

Attended by the World Banana Forum members and Fruit Logistica participants

6 February 2020, 11.40–12.40 Berlin, Germany

Moderator: Mr Victor Prada, Secretary, World Banana Forum Secretariat, FAO

Panellists:

- Mr Wilbert Flinterman, Senior Advisor, Workers' Rights and Trade Union Relations, Fairtrade International
- Ms Christelle Lasme, Group Corporate Social Responsibility Manager, Compagnie Fruitière
- Mr Daniel May, Banana Team Leader, German Agency for International Cooperation (GIZ) GmbH/ABNB
- Mr Juan José Pons, Ecuadorian Producers and Exporters Association
- Ms Anny Stoikova, Global Lead Living Wage, Rainforest Alliance
- Ms Adela Torres, General Secretary of SINTRAINAGRO, COLSIBA

Summary of panel discussions

Mr Daniel May, the Secretary General of the German Action Alliance for Sustainable Bananas (ABNB), continued the second part of this panel by presenting the ABNB initiative. He highlighted that this national multi-stakeholder platform promotes the import of more sustainable bananas into the German market. Mr May emphasized that challenges involve not only living wages but also biodiversity, water management, TR4 and more, adding that ABNB aims to align industry efforts based on a common understanding between stakeholders. He highlighted the importance of transforming the industry through improved certification systems and consumer awareness. With cooperative climate change adaptation as another priority, he urged all stakeholders to align with efforts that promote transparency.

Mr Wilbert Flinterman, Senior Advisor of Workers' Rights and Trade Union Relations for Fairtrade International (FI), discussed how pre-competitive cooperation can address living wage challenges on certified plantations. He underscored the relevance of the Global Living Wage Coalition (GLWC) in bringing together standard setters to define and measure living wage benchmarks in various sectors and countries, which can ultimately serve to inform standard-setting activities. He also highlighted the importance of the WBF in bringing supply chain actors together, including standard setters, to discuss the issue of living wages through inclusive and open dialogue. Mr Flinterman mentioned Fairtrade's leadership in promoting a living wage for workers – supporting a common methodology for measurement and funding several benchmark studies in the banana industry. He stressed the importance of the Fairtrade principle that buyers pay a fair price to cover the cost of sustainable production, arguing that destructive price competition will always undermine such fairness as long as the industry, as a whole, does not change its existing purchasing practices. Further, he stressed the importance of making a living wage a right in practice. He noted that living wage as a human right has reached consensus, however, it is not just about getting enough money to workers but also ensuring that workers themselves become entitled to a living wage. As such, he added, collective bargaining plays a fundamental role. He emphasized that a global banana supply chain cannot be socially sustainable if farmers and workers, through trade union representation, cannot co-own the outcome of discussions about their livelihoods. Moreover, he stressed that social dialogue is vital so that a living wage does not become a mere box to tick. Mr Flinterman pointed out that living wages must be placed within the context of economic security, decent work and inclusive growth. The next steps for FI involves active contributions to the GLWC and the WBF, continued calls for collective bargaining between trade unions and employers, implementation of living wage negotiation requirements in plantation standards and the release of a new fresh fruit standard.

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Ms Anny Stoikova, Global Lead on Living Wage for Rainforest Alliance, discussed their recent merge with UTZ and the need for new certifications to address global supply chain challenges, noting that sustainable livelihoods goes hand in hand with eco-protection systems. Rainforest Alliance/UTZ has a built-in living wage criteria, and their experience in addressing living wage calls for a set of interventions, enabling practices and stakeholder alignment. She said that defining and calculating a living wage is a first step. Her organization has established over 30 living wage benchmarks with FI and the GLWC. Since bridging the gap remains key, she commented that this requires transparency throughout the supply chain, shared responsibilities, fair distribution and, finally, higher prices. Workers must be able to negotiate better wages and working conditions for themselves. She highlighted the need to strengthen freedom of association and collective bargaining, as well as improve auditing methodologies. In emphasizing a process of continuous improvements, Ms Stoikova stated that living wage criteria are mandatory in their current code of conduct. She added that, even more, a smart metre approach for certified plantations to enable and assess progress is fundamental in fulfilling the missing link in many standard setting organizations, citing the IDH Salary Matrix as a key tool to develop a harmonizing approach for measuring prevailing wages. Ms Stoikova highlighted that transparency is the first step in a due diligence process, while shared responsibility means paying higher prices. Last, she stated that some companies are willing to pay more to not only make an impact but also ensure workers receive the benefits.

Mr Juan José Pons, coordinator of the Ecuadorian Cluster of Banana Producers, which includes associations such as AEBE, ACORBANEC, AGROBAN and the Agricultural Chamber for the Second Area, discussed what European buyers can do to justly improve worker salaries. He explained that since 1936, Ecuador has had a constitutional labour code that protects workers' rights. This code, which he noted is continually improved, imposes a fair wage (*Salario Digno* in Spanish) for all formal workers in the country that is 8 percent higher than the minimum wage. Although there is no collective agreement system for sector-based work, he emphasized that freedom of association is a right, and labour contract rights can be agreed upon individually (i.e. a small company or work council can form a trade union). Regardless, Mr Pons said that the labour code guarantees all rural and urban workers additional rights. He underscored the importance of rights as the foundation for peace. However, he stated that the issues affecting the industry cannot be reduced to a matter of salary and workers' rights only. Threats, he said, come for instance from the European Union's (EU) low tolerance for chemical substances (e.g. the elimination of 900 agricultural molecules), which can ultimately impact and reduce yields, thereby leading to increased production costs. Mr Pons highlighted that climate change is also a threat in that growing seasons no longer correspond to the banana high season, thus impacting productivity and competitiveness. He added that TR4, with neither cure nor alternative genetics, demands heavy research and prevention investment, citing that even the best protection from Australia requires USD 2 000–3 000 per ha. Mr Pons underscored the need for a better market price and a strengthened producer voice along the supply chain.

Ms Christelle Lasmé, Group Corporate Social Responsibility Manager of Compagnie Fruitière, presented the concept of “decent work” within the company. She highlighted that Compagnie Fruitière employs 22 000 workers, where the majority of them are based in Africa with an average of five dependent family members. With respect to the issue of living wages, she said that the company took on an ethics-based initiative since its creation to pay salaries that are at least twice the minimum local salary. However, she stressed that this is not enough, adding that it is necessary to consider the social context and the presence or lack thereof of sound framework or basic infrastructure. In order to address these concerns, she discussed how Compagnie Fruitière has made additional investments, such as building hospitals, not only for the workers but also the community. Ms Lasmé said that choosing to ignore the reality of lacking social structures, even in education, is not an option. She emphasized that these efforts were not done in pursuit of social peace but rather of rights. All of this, she added, represents part of a ‘package’ that is offered to workers, highlighting that this supports a path towards decent work. She defined decent work as going

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beyond issues on wages, emphasizing the need to take into account the expectations of workers through trade unions and social dialogue. Moreover, she stated that these efforts need to be conveyed to the final consumer. Ms Lasme concluded that in the absence of social infrastructure, addressing the wage issue may not necessarily enable decent living standards.

Ms Adela Torres, General Secretary of SINTRAINAGRO and representative of the Latin American Coordinator of Banana and Agroindustry Unions (COLSIBA), said that cooperative platform agendas like the WBF have highlighted the importance of wages. She emphasized that, beyond wages, this area of concern involves improved regulations. Ms Torres noted that for the worker, who often goes unseen, this translates into a better life. Working conditions in the banana industry can often remain precarious and exploitative, she added, leaving workers with neither benefits nor salaries to sustain a family. She cited SINTRAINAGRO's work with FI on a Colombian living wage study and further supported the replication of such efforts in other banana producing countries. She highlighted that 98 percent of banana workers in Uraba, Colombia, are unionized and that positive social dialogue with companies is a crucial element in their negotiations today, yet this significant progress has only been achieved after a violent and challenging history. Ms Torres underscored the need to do much more and, despite difficulties, expressed optimism in ensuring this happens by working together. Lastly, she demanded protection for the banana industry. She said that producers must invest in it if they want the industry to keep going. Ms Torres stressed that this is an evolution for everyone: better wages for workers, better infrastructure and better products. In concluding, she stated that this leads to social justice and needs to be put into practice.

Q&A

Ms Marike de Peña, General Manager of BANELINO (Bananos Ecológicos de la Línea Noroeste) and President of CLAC (The Fairtrade Producer Network for Latin America and the Caribbean) questioned the complicated nature of having both voluntary and mandatory approaches to achieve living wages, considering these approaches would have diverse impacts on the large, medium and small producers that are characteristic of the industry. Ms de Peña commented that the mandatory nature of living wage criteria of standard-setting organizations may pose challenges to smallholders who cannot cover such costs. She further commented on other challenges, including low prices and EU barriers towards small producers that threaten their ability to continue operating in global markets. Ms de Peña said that mandatory approaches are being implemented in situations where compliance poses greater challenges, while voluntary approaches are implemented along parts of the supply chain that have greater market power and higher value concentration. Ultimately, she stressed that a decent wage is a human right that must be guaranteed, and that this requires a decent product price. She noted, however, that only Fairtrade International had discussed fair prices here. Ms de Peña said that addressing fair prices is the first condition in achieving living wage objectives.

In response, Mr Pons said that obligation is a process, adding that state laws and even supermarkets provide a degree of obligation but, at the end of the day, it is a matter of supply and demand. Mr Paolo Gomez from the province of El Oro responded that these efforts are very imposing, stating that Ecuador is not a European colony. As a representative of small producers and family farms, he stated that they pay 50–60 percent more than the minimum salary. He noted that if the producers, regardless of size, are doing well, then the workers will do well. Mr Gomez said that, essentially, this requires a fair price, where the market is the deciding factor.

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Session 4. Global collaboration to tackle Fusarium TR4

Attended by the World Banana Forum members and Fruit Logistica participants

6 February 2020, 13.45–15.15 Berlin, Germany

Moderator: Mr Pascal Liu, Team Leader on Responsible Global Value Chains; Coordinator, WBF Secretariat, FAO

Panellists:

- Mr Luud Clercx, Project Manager, AgroFair
- Mr José Francisco Zúñiga, President, ASBAMA
- Mr Emerson Aguirre Medina, President, AUGURA
- Ms Morag Webb, Head of Science and Policy, COLEACP
- Mr Thierry Lescot, Agronomist, CIRAD
- Mr Patricio Almeida, Executive Director, Agrocalidad, Ecuadorian Ministry of Agriculture and Livestock
- Mr Fazil Dusunceli, Agricultural Officer (Plant Pathology), Plant Production and Protection Division, FAO
- Mr Hugo Hays, Global Director of Food Safety and Compliance, Fyffes

Summary of panel discussions

Mr Pascal Liu addressed the recent Fusarium Tropical race 4 (TR4) outbreak in Latin America, a region that contributes to some 80 percent of global banana exports. He noted the relevancy of TR4 under the UN's International Year of Plant Health 2020 (IYPH). Fusarium TR4 originated in Asia and has spread westward over the past decades. This fungal disease transfers through spores into the soil, presenting a multi-faceted challenge to producers. At the moment, the only successful measure is prevention. He highlighted that smallholder farmers are more vulnerable; therefore, rapid reporting is key. Water, wind, human/animal interaction and contaminated soil and plant material facilitate the spread. Despite these challenges, the TR4 outbreak has prompted a sustainable, resilient and inclusive reframing of the industry that requires a global multi-stakeholder response. This led the WBF to go beyond the technical scope of its [TR4 Task Force \(TR4TF\)](#) and establish the [TR4 Global Network \(TR4GN\)](#).

Mr Luud Clercx, in his role as Co-founder of the TR4TF, introduced this initiative that had been ignited by the disease's 2013 transcontinental leap to Africa. He announced that the WBF and its TR4TF are developing the TR4GN as a permanent and inclusive collaboration node, and as a catalyst of knowledge and information sharing to tackle the disease. Mr Clercx highlighted that the TR4GN aims to utilize web-based tools and awareness/guidance materials to reach all stakeholders in the banana industry, commenting that it also promotes the creation of partnerships to fight Fusarium TR4.

Mr Patricio Almeida, Executive Director of Agrocalidad, presented Ecuador's public and private sector research, emphasizing a key message: action through integrated cooperation. He stressed the relevance of not only regional private sector-supported technical programs but also public sector policies and regulations to protect Ecuador's agricultural integrity, including 8 000 banana producers. Mr Almeida cited that this accounts for 500 000 direct and 2.5 million indirect jobs — 17 percent of the workforce. Amongst other data, he highlighted that bananas represent 2 percent of Ecuador's GDP and over 35 percent of agribusiness. Moreover, he said that 80 percent of producers are smallholder family farmers. Mr Almeida commented that decommodifying Ecuador requires clear public policies, and sustainability depends upon key productive factors linked to certification and best practices, adding that such tools are public, free and accessible so that small farmers can compete internationally. He went on to cite Ecuador's previously

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highlighted *Salario Digno* as the highest in Latin America, a topic considered in the National Banana Law. Further, he commented on educational challenges in the country's rural areas amidst aging farmers. He said that promoting young people's return to rural areas and agricultural work is vital. Lastly, he outlined roles and responsibilities regarding TR4, expressing that although the private sector implements regional biosecurity measures, the public sector should support compliance through governmental leadership. Mr Almeida concluded that the coordination of resources and networks must be international, intensive and permanent. He favours the role of academia and research regarding new banana varieties to support preventive measures that the sector must apply.

Mr José Francisco Zúñiga, President of ASBAMA, spoke from the frontlines of the TR4 outbreak in Colombia. He discussed actions taken in Magdalena and La Guajira, where banana production accounts for 46 and 36 percent of GDP, respectively — in just 2 500 ha in La Guajira alone. Mr Zúñiga noted that northern Colombia has increased national export production by 80 000 tonnes per year since 2016, reaching 680 000 tonnes in 2018. He underscored the banana industry's social relevance in creating over 15 000 direct and 50 000 indirect jobs. Turnover in 2018 was USD 313 million, adding that despite the outbreak, the same growth rate is expected for 2019. He said that fighting TR4 requires strategic points and collaboration amongst the private sector, unions, universities/institutes, the Ministry of Agriculture and the Instituto Colombiano Agropecuario (ICA). Mr Zúñiga stressed the Presidential Decree as key in stabilizing the outbreak through a unified management centre for stakeholders throughout the chain to discuss and take action. He further outlined ASBAMA's efforts to work hand in hand with producers in guaranteeing security protocols, including a single-point entrance and mandatory disinfection sites for people, vehicles, tools, equipment and infrastructure that have empowered 250 small banana producers. Mr Zúñiga concluded by emphasizing the outstanding role of smallholder farmers and collaborative work.

Mr Emerson Aguirre Medina, President of AUGURA, discussed measures taken against TR4 by Colombia's largest banana producer-trader association. He stressed that TR4 is not just a problem for banana workers but also for the community and country. Therefore, he highlighted that the private sector supports the President to lead this fight. He stated that ministerial and governmental authorities created a President-led central unit to design a four-level strategy to contain the disease. Mr Medina further cited that the first level was to contain the disease in La Guajira's seven infected plantations of 185 ha, which was done in collaboration with ICA, and that the second level incorporates the national army and police to support biosecurity at plantations and disinfection points. As part of the third level, he highlighted that several disinfection points were built at the national level, adding 13 000 disinfected vehicles in the affected region. The fourth level, he said, is to shield banana farms in biosanitary terms. As 98 percent of plantations are unionized in Uraba, he noted that a pact was designed to prioritize biosecurity on behalf of producers and workers, the latter of which include 27 000 trained in agroindustry. Equally, he stressed that community awareness is key in supporting these efforts and that the entire world is affected. Therefore, far from being just a cost for the producer, he concluded that biosecurity should be an investment assumed by the entire supply chain.

Mr Liu reiterated that costs should be shared throughout the supply chain to lift the burden from producers. Pricing is key in helping producers cover large investments to protect crops in a sustainable manner.

Ms Morag Webb, Head of Science and Policy at COLEACP, offered both the producer and exporter perspective from her association's membership and activities in African, Caribbean and Pacific countries, as well as its European Union (EU) importers. She highlighted that for over 20 years, COLEACP has implemented technical assistance and capacity building programs for the fruit and vegetable sector. Within producing countries, she stressed that bananas are not only globally traded but also vital for domestic and regional markets. Most importantly, she noted that

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bananas and plantains provide subsistence. Ms Webb added that while the message to prevent and properly manage TR4 is reaching affected areas of the Americas and Asia, this is not the case in sub-Saharan Africa. Even in the major trading countries of West Africa, levels of awareness and preparedness amongst the authorities and some commercial producers remain low. Raising awareness and implementing biosecurity measures are a challenge, especially among smallholder farmers. However, she noted that the WBF and its TR4TF are developing relevant, consistent and accessible information and guidelines about TR4. Ms Webb further stated that while tackling TR4 requires massive resources at national and regional levels – and that this also needs to be taken on board at a donor and policy level – implementing the necessary measures on the ground can only be implemented by an industry that is sufficiently resourced, and with a return on investment that enables it to cover the additional cost. She concluded by stating that delivering the message on knowledge and action in the value chain is key, and COLEACP continues to raise awareness among key stakeholders in Africa.

Mr Thierry Lescot, Agronomist of CIRAD, discussed TR4 from a research and development perspective. He focused on banana varieties and models that differ from Cavendish monoculture agriculture, which accounts for over 95 percent of exports. He highlighted that CIRAD is focusing on two tasks to tackle the disease: 1) combined agroecological methods and new cultivation systems, and 2) selecting TR4 resistant or tolerant, non-GMO hybrids (Cavendish or not). CIRAD, he added, has been cooperating with research centres, specialized institutes/universities and ministries from all continents with banana producing countries, addressing issues like evaluation of varieties, field trials and the development of rapid detection methods. Mr Lescot underscored that the goal is to find not just tolerant but rather resistant varieties while identifying their genetic source. Despite an encouraging outlook, he stressed that this is not enough to face the situation. It is imperative, he commented, to rethink the entire system of production in order to have a deep impact on the fight against TR4. Therefore, he said that CIRAD is proposing an international alliance (World Musa Alliance) between industry and research centres to sustainably change agricultural practices and the genetic improvement of bananas, and to link interested value supply chain stakeholders. For this purpose, Mr Lescot noted that CIRAD produced a [document](#) with information regarding the alliance and hopes to move forward with WBF support.

Mr Fazil Dusunceli, Agricultural Officer of the Plant Production and Protection Division at FAO, stressed that the tools and methods to deliver the messages are crucial when it comes to awareness raising as a prevention strategy. He commented that the media wrongly presents Fusarium TR4 as the end of banana production. Mr Dusunceli furthered this point by highlighting that [FAO, in its efforts](#) to correct this, has emphasized that even though TR4 is a danger, the outbreak will not end production due to existing farm and plantation protection systems. The right language and correct message, he added, are key for both the public and the producers. He noted that the disease is a slow burning fire that takes years to spread (e.g. 20 years from Southeast Asia). Once present, however, Mr Dusunceli emphasized that it cannot be fully eradicated from the soil and, therefore, appropriate biosecurity measures need to be in place before TR4 enters a country. This ensures protection, he said: Cavendish can be produced for decades to come. He underscored that countries and farm owners must take simple yet effective biosecurity measures (e.g. TR4 check lists for risk areas). In response, he added that actions have been undertaken by means of the FAO Global Programme which, with limited resources, implements regional-level projects to support National Plant Protection Organizations (NPPO) and capacity development as prevention strategies in Asia, Africa and Latin America. He stated that players, such as the logistics sector and extension/seed systems need and must be heavily involved. Mr Dusunceli noted that transparency, timely communication and the recording of a TR4 outbreak is the best way to proceed. The UN's IYPH, he commented, creates a

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window of opportunity to enhance activities that prevent TR4 and make it a public topic. Prevention is key, and the [Guide for travelers](#) developed as part of the Global Programme is an important resource.

Mr Hugo Hays, Global Director of Food Safety and Compliance at Fyffes, spoke as both a producer and the biggest importer of bananas into Europe. He also stated that although TR4 may be a slow burn, it can spread quickly depending on varying irrigation systems to dramatically impact the sector and livelihoods. Positively, he expressed the industry's survival in past crises, stressing a need for varietal development, innovation and consumer education. He said that banana farms are more valuable than less productive crops and that assets require protection, therefore, fencing, trenches and single-point access are installed to protect their farm borders. Mr Hays highlighted existing efforts to adapt large-scale production standards and protocols to small farms in order to support the most vulnerable. Demonstrating leadership is key through internal guidance, leaflets, data and awareness campaigns for diverse users. He emphasized that an initial key strategy is to understand the issue. Hence, he further stated that crisis meetings have been held near the frontlines of the disease, leading to action and coordinated readiness. This has included GLOBALG.A.P. standards and its TR4 Add-on module with audit questions, which has provided supplier feedback to gauge compliance. He concluded by underscoring Fyffes' policy: come clean, leave clean. Information must be widely disseminated to address the right audience. While some countries are fast to respond, others are not, and this heightens the risk.

Mr Luud Clercx, Project Manager of AgroFair – an importer of Fairtrade and organic bananas from Latin America to the European market – mainly sourced from small producers organized in producer associations or cooperatives, noted that larger farms can protect themselves more easily than smallholder farms. For this reason, he said, AgroFair aims to keep smallholder farms on board and support them to strengthen preventive measures for their structures. He commented on the GLOBALG.A.P. + Add-on as a good instrument and guideline to support farmers and raise awareness amongst retailers. Further, he cited Peru as the most extreme case, due to high levels of fragmentation in the sector, and a challenge that calls for a territorial approach. Therefore, he noted that all stakeholders (producer organizations, the government, local authorities, NGOs and the private sector) should work together with 8 000–10 000 smallholder farmers who have, on average, 1-ha farms, adding that each of them are organized in 80 associations and cooperatives that manage 40 logistics centres. He cited AUGURA in Colombia as exemplary in their territorial and multi-stakeholder approach by providing not only trainings but also equipment and inputs to put preventive measures into practice. Mr Clercx underscored that intensive research and resources are demanded. Big banana industry bets on a resistant Cavendish. However, he proposed the promotion of more biodiverse systems and healthy, disease suppressive soils that can be created through cover crops or agroforestry. He concluded that there may be lower yields or higher production costs per hectare, and that a dialogue should be opened with the retail sector about prices and corporate responsibility to guarantee the implementation of preventive measures and a more sustainable banana.

Q&A

Mr Alistair Smith of Banana Link commented on changing production systems and the relevance of soil management, citing activities conducted by Philippine smallholder farmers in this respect. He inquired about the role of fertilization and soil management in dealing with TR4 to integrate other species into monoculture. Mr Lescot responded that Cavendish cultivars can be productive under ecological systems, adding that old methods, such as leaving the land fallow and crop rotation are to be relied upon. He noted that this is ecologically sustainable but may not be economically viable based on current banana prices. Regarding pests, he noted that the banana borer can be managed using this approach. On the other hand, he said that organic bananas are grown in dry zones where Sigatoka does not spread. Lastly, Mr Lescot underscored that soil and topsoil biodiversity provide for a biological equilibrium that can counter TR4.

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The Moderator, Mr Liu, closed the session by stressing that the spread of TR4 is not inevitable. He emphasized that while the measures are comprehensive and require investments, the costs should be borne by the entire supply chain. Mr Liu noted the chance to rethink the existing paradigm and explore diversification. He said that even if yields are lower, the total agrosystem yield may be higher than the previous. Mr Liu also noted the implications of opening new markets for these new products. Lastly, he concluded that agroecology presents an opportunity for a new production system.

Session 5. Improving occupational health and safety in the global banana industry – lessons from multi-stakeholder collaboration

Attended by the World Banana Forum members and Fruit Logistica participants

6 February 2020, 15.30–17.00 Berlin, Germany

Moderator: Ms Camila Reinhardt Hurtado, WBF Secretariat, FAO

Panellists:

- Mr Robert Córdova, Undersecretary of Commercialization, Ecuadorian Ministry of Agriculture and Livestock
- Mr George Kporye, Corporate Affairs and Administration Manager, Golden Exotics Ltd.
- Ms Adela Torres, General Secretary of SINTRAINAGRO, COLSIBA
- Ms Lianne Zoetewij, Administrator/CEO, ASOGUABO

Summary of panel discussions

Ms Camila Reinhardt Hurtado of the WBF Secretariat at FAO set the scene for the panel discussion by addressing a major social challenge in the banana industry: improving occupational health and safety (OHS). She pointed out the industry's various risks, such as those related to agrochemical, biological and psychosocial factors, stressing the need to collectively address these issues in order to enable optimal worker conditions. Further, she cited how improved OHS environments positively impact industrial efficiency, highlighting knowledge sharing and strengthened multi-stakeholder collaboration as key factors in this process. In particular, she noted how Ecuador, which has achieved significant progress and institutional impact in this respect, offers globally applicable lessons to the discussion. Ms Reinhardt concluded by highlighting how the WBF's Banana Occupational Health and Safety Initiative (BOHESI) has contributed to gender-focused activities in Ghana and strengthened multi-sector efforts in Ecuador.

Mr Robert Córdova, Undersecretary of Commercialization for the Ecuadorian Ministry of Agriculture and Livestock, discussed the government's strategy in supporting the implementation of the mandatory OHS manual developed through BOHESI on banana plantations. He demonstrated that effective governmental oversight is two-fold, involving both communication and promotion. Communication, he said, covers the distribution of and training on the manual and audio-visual materials in rural areas to target 220 000–250 000 workers. He noted Ecuador's special land ownership segmentation that the government needs to follow. Mr Córdova also emphasized the need to promote the implementation of these materials without imposing. In highlighting a recent European Union (EU) tax incentive for adopting best practices, he discussed how Ecuador has a single tax law in the banana sector related to sales, where values adjust by 1.5–2 percent based on production. However, he noted that the government recently established a 1 percent tax break for banana producers who adopt best practices. Finally, Mr Córdova added that the government has several labour

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inspection offices where work inspectors can audit the implementation of the manual on plantations. He concluded by launching a series of 18 OHS training videos for workers that were recently developed in collaboration with the WBF under the BOHESI framework.

Ms Lianne Zoeteweyj, Administrator/CEO of the Association of Small Banana Producers “El Guabo” (ASOGUABO), shared her perspective on how the BOHESI manual is utilized within a 1–30 ha holder association of 130 producers, including mountain terrain holders who present particular risks. She highlighted how the manual has been put into practice in Ecuador, stressing the importance of OHS-focused certification and continued government support. Ms Zoeteweyj stated that the manual ensures OHS measures on farms. However, she also highlighted the need for visual training materials and on-site support for every producer, regardless of size. She cited that larger farms tend to be more compliant, whereas smaller farms require more training amidst high worker rotation. Ms Zoeteweyj noted that education and various ways of implementing and monitoring remain a priority. She concluded by noting the challenges faced in relation to the costs of compliance.

Mr George Kporye, Corporate Affairs and Administration Manager of Golden Exotics Ltd., discussed how OHS has unfolded in the broader context of Ghana’s Decent Work Programme. He highlighted the importance of the WBF in sharing and promoting best practices on OHS, considering Ghana’s relatively new position in the banana industry. Mr Kporye explained how, through multi-stakeholder collaboration, OHS committees of companies that are part of Ghana’s Banana Producers Association (BPA) have worked to integrate the BOHESI manual in their practices. He noted that it has been adapted to the Ghanaian context using country-specific laws, adding that extensive OHS education and training of trainer opportunities have been piloted. He also emphasized innovative gender initiatives that have now been incorporated into OHS measures, including new guidelines on health and safety for women workers. Mr Kporye concluded by underscoring the Ministry of Labour’s collaboration and interest in BOHESI activities, and how this can support future OHS laws.

Ms Adela Torres, General Secretary of SINTRAINAGRO, assessed the collaborative work undertaken by COLSIBA on women’s health in Latin America, underscoring the region’s complex situation amongst intensified OHS challenges. She cited that women experience a high percentage of injuries due to repetitive work, including rotator cuff injury and carpal tunnel syndrome. Ms Torres said that these, in addition to others, such as reproductive problems due to chemical exposure, are compounded with challenges in asserting women’s rights in the workplace. Further, she noted that although diagnostics and capacity building workshops raise awareness on this issue, many women remain incapacitated and unable to work. Lastly, she underscored that health services are often lacking or unsatisfactory. As such, Ms Torres noted that collaborative work at the trade union, regional and international level has been key in prioritizing and improving OHS amongst women.

Q&A

Mr Victor Prada, Secretary of the WBF at FAO, asked Mr Córdoba if the knowledge bank designed jointly by the WBF and Ecuadorian Ministry of Labour has been useful, and if materials might be accessible via the Ministry of Agriculture’s website as well. Mr Córdoba confirmed the important role that the Ministry of Agriculture will play in distributing these tools throughout the country to ensure this information gets into workers’ hands, as was done during the Fusarium Tropical race 4 (TR4) outbreak.

Mr Wilbert Flinterman of Fairtrade International said his organization is aware of non-compliance issues with hired labour standards regarding personal protective equipment (PPE), particularly with respect to materials used in tropical climates. He asked about possible solutions on how to safely and economically adapt equipment to workers’ conditions in the field. Mr Kporye stated that, in Ghana, this issue is often faced and research has led them to constantly adapt equipment, prioritizing not only safety but also worker comfort. Ms Zoeteweyj suggested sharing best practices across countries. Mr Prada followed this point by asking Mr

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Kporye if replicating the OHS videos in Ghana would be possible. He answered positively, stating that Compagnie Fruitière could potentially support.

Ms Jennie Coleman, President of Equifruit Inc., commented on the limitations in paying Fairtrade Premium, inquiring about possible mechanisms for workers to report changes within production methods and OHS. Mr Córdova stated that the method for implementing the manual on plantations involves the creation of OHS committees composed of company management and worker representatives. He highlighted that these committees monitor and report on compliance. Mr Córdova further answered a question on plantations that currently adhere to the manual, confirming that 40 000–50 000 workers are now covered.

Ms Reinhardt Hurtado concluded the session by thanking all participants. She highlighted that beyond multi-stakeholder collaboration, a key message is to build upon and replicate cross-country teachings, OHS improvements and gender components in the banana industry, with Cameroon as the next step.