World Banana Forum (WBF)

Working together for sustainable banana production and trade
Task Force on Gender Equity (GE-TF)

WEBINAR

Bananas, Business and Gender: Making company risk-based due diligence work for women in the banana supply chain

Report of the WBF Task Force on Gender Equity (GE-TF)

Tuesday, 23 November 2021

1. Welcome by the Food and Agriculture Organization of the United Nations (FAO)

On behalf of the World Banana Forum (WBF) Secretariat, hosted by the Food and Agriculture Organization of the United Nations (FAO), **Mr Pascal Liu**, Responsible Global Value Chains Team Leader, **FAO**, welcomed participants to the third of a series of webinars this year, organized by the WBF Task Force on Gender Equity (GE-TF)¹ and coordinated with Fairtrade Germany.

The webinar examined the topic of 'Bananas, Business and Gender: Making company risk-based due diligence work for women in the banana supply chain'. Mr Liu introduced the webinar with an explanation of due diligence, specifically as it relates to the topic of gender and risk-based due diligence.

Increasingly, due diligence requirements by governments are applied to agricultural imports. Mr Liu cited the OECD-FAO definition of due diligence: a process through which enterprises can identify, assess, mitigate, prevent, and account for how they address the actual and potential adverse impacts of their activities as an integral part of business decision making and risk management.

The goals of due diligence systems are 1) to avoid negative impacts by companies on workers, local communities, on the host country and on the environment and natural resources, and 2) to generate positive impacts in terms of rural social agricultural development and sustainable agricultural development.

¹ For more information, refer to http://www.fao.org/world-banana-forum/working-groups/social/gender-equity/en/

Due diligence can help companies manage risk better and increase their resilience to shocks like COVID-19 and natural disasters like hurricanes, which are common in banana producing areas in Latin America and the Caribbean. In addition, it can help companies become more sustainable, economically, socially and from an environmental perspective, which includes better gender rights.

Due diligence requirements on companies are not new. In the early 2000s, governments started to impose due diligence requirements on retailers to ensure food safety. Increasingly, due diligence also applies to environmental, social and governance (ESG) aspects of business activities, and as a result there are growing requirements for it in many important markets, including the United Kingdom of Great Britain and Northern Ireland, the United States of America, France, Australia, and more recently, Germany. The European Union is preparing a directive on corporate due diligence and corporate accountability. Due diligence refers to the entire supply chain, and therefore has an extra territorial scope. Law on due diligence can have implications for developing countries that export to countries where it is mandatory or will become mandatory.

2. Introduction by the Chairperson

Ms Camila Reinhardt Hurtado, WBF Secretariat, introduced the webinar's agenda and stated that the growing need for requirements on risk-based due diligence, social and environmental, has been a priority area for discussion in the WBF and in its various working groups.

Within these discussions, members of the GE-TF have expressed a desire to raise awareness on how gender-specific risks can be integrated into and addressed through supply due diligence processes, with the aim of supporting continued efforts for fostering gender equity along banana supply chains.

The webinar's topic came about from discussions among GE-TF members and from the interest of industry stakeholders to deepen their understanding of risk-based due diligence. The objective of the webinar was to hear about this topic from panelists who represent diverse stakeholder groups from different regions.

3. Summary of the presentations by panelists

3.1 A presentation on the OECD-FAO Guidance for Responsible Agricultural Supply Chains, its risk and due diligence framework, and how to integrate a gender perspective

By Mr Tomislav Ivančić, Advisor on Responsible Business and Investment, FAO, with Ms Erica Carvell, Junior Policy Specialist, Responsible Business Conduct, FAO



Mr Tomislav Ivančić opened by stressing the importance of encouraging gender equity through the act of risk-based due diligence and tailoring company business models to encourage positive change.

He provided a summary of supply chains in terms of global demand, supply, and environmental and social risk. He stated that the global population will reach 8.6 billion in 2030, 9.8 billion in 2050; with 83 million people added to global population each year (UN DPI, 2021). This means there will be a need to feed many more people, in both producer and consumer countries. Additional challenges exist. Global food demand will increase up to 56 percent by 2050 (Van Dijk, 2020). And finally, a significant number of people don't have access to basic food. In 2020,

nearly one third of the world (2.37 billion) did not have access to adequate food (FAO, 2020).

In line with the global developments on responsible supply chains, FAO works with governments and companies to make a positive contribution to economic, environmental and social progress with a view to achieving sustainable development, including the United Nations Sustainable Development Goals (SDGs); and to avoid and address adverse social (including human rights) and environmental impacts in their own business activities and prevent/mitigate adverse impacts directly linked to their operations, products or services linked to the larger supply chain.

OECD-FAO Guidance for Responsible Agricultural Supply Chains

Adopted in 2016, the OECD-FAO Guidance was jointly developed by the OECD and FAO following a two-year process led by a multi-stakeholder advisory group that included governments, investors, agri-food companies, farmers' organizations, civil society organizations, among others. The process also involved a <u>public consultation</u> that featured contributions from an array of different stakeholders.

The OECD-FAO Guidance provides a common framework and a globally applicable benchmark for the application of responsible business practices in agricultural supply chains. It covers several areas that are key to business and development in the agricultural sector, illustrating impacts in areas such as: food security and nutrition, human and labour rights, gender, climate change and natural resource depletion, governance, animal welfare, land tenure rights, and technology and innovation. The OECD-FAO Guidance incorporates established standards for responsible business conduct (RBC) including the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights (UNGPs), and the UN Committee on World Food Security's Principles for Responsible Investment in Agriculture and Food Systems (CFS-RAI).

Characteristics of the 5-Step Framework for Risk-Based Due Diligence:

- Rooted in adapting business models to identify, assess, mitigate, and prevent impacts in supply chains;
- 2) Prioritizes by severity and likelihood of the impact;
- 3) Considers leverage and impacts caused, contributed, or linked to business activities;
- 4) Flexible, tailored to companies of different sizes, contexts, etc.;
- 5) Dynamic ongoing, responsive, and informed by stakeholder engagements; and
- 6) Views disengagement as a last resort.

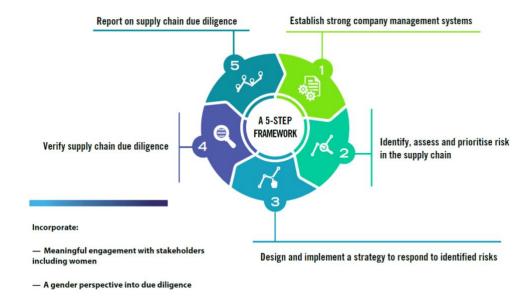


Figure 1. 5-Step Framework for Risk-Based Due Diligence, OECD-FAO Guidance for Responsible Agricultural Supply Chains

Since its launch, the Guidance has been translated in 11 languages and referenced in policies and initiatives of over 60 governments, including the European Commission, G7 and G20. In 2021, the OECD-FAO Guidance was embedded as a central agricultural reference for enterprises and due diligence in the EU Code of Conduct on Responsible Food Business and Marketing Practices, the private sector commitment to the EU Farm to Fork Strategy, and referenced by the European Parliament as the featured agricultural sector guidance on due diligence in their recommendations to the European Commission on the EU Directive on Corporate Due Diligence and Corporate Accountability.

Gender risks in agricultural supply chains

Ms Erica Carvell explained that agriculture is the main source of employment and income for many women in rural areas. Engagement in global value chains has significant socioeconomic opportunities, especially in developing economies, where women make up 33 percent of the workforce of exporting firms compared with 24 percent of non-exporting firms (World Bank, 2020). However, women experience differences in equality of opportunity, e.g., access to and use of inputs, size and ownership of plots, education, and training. Women are often more exposed to risks associated with discrimination, sexual harassment, poor working and sanitary conditions, and unequal pay. As a result, multinational companies engaged in global value chains must adopt a gender-sensitive lens to policies and risk management strategies to help women realize the full benefits of their contribution.

Applying the 5-Step Framework:

- adopt/integrate a policy on gender into enterprise processes, management systems, and establish a grievance mechanism in collaboration with relevant women;
- identify the gender-composition of relevant supply chain actors and conduct consultations with women to understand specific concerns and risks;
- design and implement a risk management strategy that considers the multifaceted roles women play in the sector and addresses the root causes of risk;
- verify success or shortcomings of the due diligence and risk management system, ensuring women's active participation and views are represented; and
- provide affected women and business partners with clear, accurate and timely report on identified risks and the steps and measures taken to mitigate or prevent them in a gender sensitive and accessible manner.

More information and recommendations are provided in the OECD-FAO policy note on <u>Integrating a gender perspective into supply chain due diligence</u> (FAO, 2021).

3.2 A look at the discussions on supply chain due diligence from a civil society perspective and how to take gender justice into account

By Ms Teresa Hoffmann, Policy Advisor Fair Trade & Sustainable Economies, Bread for the World



Ms Teresa Hoffmann provided an overview of proposals and laws discussed under mandatory due diligence, as well as risks that should be considered from a civil society perspective, including gender-specific risks. That is, how to take gender justice into account when conducting due diligence, including on the ground.

In 2011, the UN Human Rights Council endorsed the UN Guiding Principles on Business and Human Rights. This was the first global framework of its kind to prevent, address and remedy the impact of the global business act on human rights. In many ways the guiding principles laid the cornerstone for past and current processes for anchor binding due diligence obligations in laws or legislations.

National action plans followed, and requirements were set forth on a national level to fulfil the principles. Today we are observing a paradigm shift from voluntary standards to binding legislations. To achieve the SDGs, this paradigm shift is very important, and due diligence is only one of many instruments that can be used.

Does the German Supply Chain Law take gender equity into account?

Ms Hoffman then proceeded to highlight some aspects of the new German Supply Chain Law, which was adopted in 2021 and is due to come into effect in 2023.

She stated that, currently, the Supply Chain Law does not take gender aspects into account in a sufficient way:

- Only minor gender aspects are included in the German National Action Plan on Business and Human Rights (2016-2020).
- The Supply Chain Law does not list any gender-specific conventions, such as:
 - UN Women's Rights Convention The Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) and
 - ILO C190 (Violence and Harassment Convention, 2019).

Taking gender justice into account in drafting social and environmental due diligence legislation

Ms Hoffmann highlighted some specific risks faced by women and girls in agriculture, including the banana industry, such as:

- extremely long working hours, also for pregnant women;
- unfair dismissals;
- sexual harassment and violence against women (at workplace and on the way to work);
- often no childcare facilities available;
- often no contractual guarantees for women's labour force;
- often double burden (unpaid care work);
- underrepresented in trade unions;
- general discrimination due to age, motherhood, being a woman; and
- low participation in leadership positions.

In order to ensure that these gender-specific risks are considered in due diligence processes, Bread for the World, together with a group of civil society organizations, published a joint position paper in 2020 titled "Gender Justice in Global Supply Chains: Demands on Policy-Makers and Business". In this publication, recommendations on how to ensure gender justice through due diligence legislations for companies were provided, including:

- respecting CEDAW and committing to it in the company's declaration of principles;
- following a gender-specific approach in company risk and impact assessments;
- taking gender-specific measures to prevent negative impacts of the company's activities;
- · reporting based on gender-specific data; and
- implementing safe and accessible complaint mechanisms.

3.3 Insights on how due diligence requirements can impact banana producer efforts to address human rights risks and gender inequalities in their own operations

By Ms Christelle Lasme, Group Sustainability Manager, Compagnie Fruitière



Ms Christelle Lasme is head of the corporate social responsibility (CSR) department for Compagnie Fruitière, which is a producer and importer of fruits and vegetables that are brought to European markets. Ninety percent of the company's workforce is located in Africa.

The three main pillars of CSR at Compagnie Fruitière are:

- 1) Sustainable environmental practices;
- 2) Community development which contributes to improving the living conditions of, not only the individual workers, but also their families and the community as a whole, especially women and young girls with the aim of promoting education for

the young girls, and empowering women to become economically independent; and

3) Exemplary working conditions – through the provision of fair and good working conditions that meet legal requirements but also through voluntary measures put in place to improve quality of life at work, gender equity, health and safety, fair remuneration, etc.

Throughout the years, standards and certifications have allowed Compagnie Fruitière to improve its practices, with Fairtrade being one of those key standards. Fairtrade has, for instance, been involved in the development of collective bargaining systems, together with the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations (IUF), which are powerful tools to strengthen relationships between workers and employers.

Since 2017, in France, there has been a Corporate Duty of Vigilance Law, which imposes on companies of a certain size increased responsibility and accountability for practices along their value chains. While this has been an important step, the operations at Compagnie Fruitière have not been impacted much as a result of the law. This is because much of what is required under this law has been implemented under the company's CSR strategy. The company's approach is based on a circle of continuous improvement. No strategy is perfect and what matters are the decisions taken to improve and develop the way business is done so that it remains sustainable for all. Along this journey, it is important to stress that partnerships have been an important element of support to Compagnie Fruitière's sustainability efforts.

The Corporate Duty of Vigilance Law requires companies to identify risks, acknowledge that there are risks in their value chain, and explain what means a company puts in place to tackle, alleviate and even eliminate those risks. Companies are required to put in place a whistle blowing mechanism to help workers report any case of human rights breaches they would have witnessed. This is a useful tool for Compagnie Fruitière, and a plus to its CSR strategy as it will allow the company to identify any potential blind spot in its approach.

Communication regarding gender issues is also key, and a relevant means for an employer to better understand what is happening within the company, acknowledge female workers' expectations and identify any areas for improvement. For instance, at Compagnie Fruitière in Ghana, a project was carried out with the help of Banana Link and IUF to analyse why the company was not able to hire as many women as expected. They obtained learning from the field about what was stopping them from hiring and retaining more women. As a result, Compagnie Fruitière developed new tools, made workspaces more adapted for women, and further built a nursery so newborns can stay nearby their mothers and be breastfed throughout the workday during the breaks.

Ms Lasme explained that Compagnie Fruitière's CSR policy has been designed in line with the ISO 26000 standard, which itself is aligned with the law. There is a movement that has been going on for some years now in many producer companies. The law will help speed up this ethical movement and its processes. Respect for human rights is key, she stressed. If a worker is unhappy in the workplace, this is bad for the health and development of the business. Gender issues should be addressed, communicated and worked on with partners, particularly with civil society.

3.4 Understanding the importance of comprehensive gender studies for supporting sustainability efforts in global banana supply chains

By Ms Vivian Rangel Castelblanco, Technical Advisor for INCAS Global+ Project, GIZ Colombia



Ms Vivian Rangel Castelblanco's presentation was based on a study that is still in progress on gender and generational change in the banana supply chain. It highlights the importance of research and studies in the banana industry. The program in Colombia, INCAS Global+ (Innovation for Sustainable Agricultural Supply Chains), is part of a global program in 11 countries with several supply chains, one of which is banana. It aims to increase sustainability in supply chains from the shelf to the field, starting from the consumer and working along the entire supply chain until the production level. Cooperation with global players is key, and all stakeholders must be considered in the supply chain. She stated that buyers must also be held responsible for holding up standards, which goes hand-in-hand with due diligence and CSR in the European markets.

The study focuses on the production side, emphasizing the importance of transparency throughout the supply chain. The objective of the study is to build a gender strategy and generational transfer. Actions focus on gender equity and generational change for women in the banana supply chain.

Bananas contribute to 166 000 jobs in Colombia, of which 25 percent are direct jobs. It is a supply chain that requires intense labour, about one person per hectare. Harvest is perceived as physically demanding, which is one of the reasons that there are primarily men in the fields. In Colombia there are two main production regions, and in each of these the work dynamics change.

Some Findings

Eight percent to 13.5 percent of women participate in the banana work force in Colombia, with their work mainly limited to post-harvest activities at the packaging stations. The main barriers to participation are lack of experience, stereotypes that discourage the hiring of women (e.g., bad attitude at work, risks of pregnancy which increases the cost of hiring).

Gender-based violence is also a reality, not only in workplace but also in the home. This is especially true in conflict and post-conflict armed areas. This and other social dynamics can impact women's participation in production circles.

Women in the banana sector tend to work in administrative roles and post-harvest work. Once training is done, how can companies guarantee women are hired? What are the key hiring challenges? How can social stigma be overcome?

There has been a commitment between labour unions and banana companies to hire at least two women per farm. There have also been advances in the formalization of labour requirements and the process of adopting an equity labour seal, to promote gender equity. Such initiatives should be recognized at the international level and be more visible so that the value of the certification is recognized widely in the export market.

Within this context, two questions arise:

- 1) What measures exist to get greater recognition of women and youth in the banana supply chain?
- 2) What alternatives exist to promote the adoption of policies and plans by supply chain actors for a greater integration of women and youth in the labour force?

The study has examined eight strategic areas to analyse the employability of women:

- 1. Transfer of information and technology
- 2. Organizational strengthening, especially in small producers
- 3. Marketing and sales
- 4. Fostering of education and the professionalization of employees
- 5. Access to credit, especially for small producers
- 6. Use of information and communication technology (ITC) tools
- 7. Promotion of business policies and procedures that include gender equity
- 8. Fostering of dialogue and partnerships in public policies

What were the findings from some of these strategic areas?

Under the strategic area of promotion of business policies and procedures that include gender equity:

- Definition of guidelines must include hiring goals for women and youth. Through an agreement with the union (Sintrainagro), a minimum number of women to be hired has been established. This absolute value loses value, especially in larger production units. How can we challenge the sector to have a hiring goal that is based, for example, on percentage which is in turn based on the size of the operation to ensure good participation of women, and not only in admin roles?
- Incentives should be given to companies that implement these policies in the production sector. For example, one incentive might be the implementation of gender equity policies as a prerequisite for suppliers to purchase. Working with external buyers outside of Colombia could also be effective. Banana companies, local government women's agencies and buyers would all take part in the above-mentioned strategies. Though this is still in development, there is support for the creation of internal policies for producers in Colombia. There is a need for alignment and synchronicity among players to achieve long term sustainability.

Conclusions from the study

What are the elements that need to be considered in the development of gender-based studies?

- 1. Consider the local economic context that defines hiring dynamics in the banana supply chain: for example, there are two regions in Colombia that have different production structures.
- 2. Analyse the political and social context that might be contributing to stereotypes that could limit women's participation in the production chain.
- 3. Review all the factors and aspects along the eight strategic areas, which can contribute to increased hiring of women.

4. Questions and discussions

During the Q&A session, a participant posed the question to **Ms Lasme**: Does Compagnie Fruitière have a diversity of business models? To what extent have gender issues been incorporated into the "nervous system" of the company? Are both women and men being targeted for strategies to create gender equity and change?

Ms Lasme responded: CSR is an appropriate model for any type of organization, and it contributes to the company's sustainability. Compagnie Fruitière's CSR strategy is based on ISO 26000, the most comprehensive international standard available.

One of Compagnie Fruitière's three pillars concerns working conditions which cover human rights, capacity building, training, and diversity and prevention of discrimination, among others. These policies are addressed to everyone in the company. While men and women are treated the same, lately, focus has been placed on women for the company to attract more women and retain the ones already working with us.

On the question of diversity within Compagnie Fruitière, **Ms Lasme** responded that it is an integrated company with each level of the value chain covered. If a policy is developed at head office, all the companies are required to implement it at their own level.

Ms Holly Woodward-Davey, Banana Link, commented that in the banana industry it is important to consider the impact of women being hired predominantly in the packhouse, which is often not as well paid as field work that is predominantly undertaken by men (especially in Latin America), and that this leads to a gender pay gap.

Mr Willy Paredes, CLAC, asked Ms Rangel Castelblanco whether GIZ's INCAS Global+ initiative is also being implemented in Peru. She responded no, not at the moment. Currently it only operates in Colombia and Ecuador. Peru is part of other projects related to Fusarium Tropical race 4 (TR4).

Ms Margherita Romanelli, WeWorld Onlus, asked how to integrate the topic of intersectionality and migration issues. Migration opens risks for exploitation, particularly. How can due diligence incorporate this component of irregular migration, this risk of exploitation? She also asked how to strengthen the capacity of civil society to be effective throughout due diligence processes, not just during consultation, in order to make a real impact. She asked how to analyse risk, and to protect migrants from being victims of violence and discrimination.

Mr Ivančić responded that agriculture is seasonal, by default, with workers only working a couple of months per year and often living in uncertain conditions. The larger the migration, the greater the risk. Women can be impacted in various ways including, geography, development challenges, source of migration, fragile states, food insecurity, and/or places prone to natural disasters. In addition, it is important to examine how business partners play a role in the supply chain. Are business partners in the supply chains being asked how they uphold rights for women? For other human rights concerns? He stated that often the code of conduct is not enough.

Ms Hoffmann asked Ms Lasme whether she had noted any negative impacts of the 2017 French Corporate Duty of Vigilance law, for example, the exclusion of the informal sector. Ms Lasme responded that she has not. She did mention that companies are obliged to follow, in great detail, what is happening in their value chains. Keeping track of suppliers creates a shared sense of responsibility along the chain. She added that there might be more support needed for workers in the informal sector. Here, stated Ms Lasme, is where governments, potentially NGOs and even companies have a role to play in helping people develop their businesses. In Côte d'Ivoire, Compagnie Fruitière has a program that supports individual farmers to work in cooperatives so they can come together to sell to the market.

Mr Cesar Maita, IDH Gender Lead, gave a comment and posed a question: it seems that all these measures to promote gender equality are following a human rights perspective. In that sense it is like an obligation for businesses. However, there is another approach under which gender equality may be a good strategy for business growth and improvement overall. For example, effective sexual harassment policies can lead to low staff rotation and therefore productivity would be higher. This approach may be more appealing for companies. Do panelists see this as a more practical approach to integrate gender equality in business? Why yes, why not?

Mr Ivančić responded that this was a valid perspective; however, the discussion for the webinar is risk-based due diligence, but it is dual - human rights and business. He agreed that the business aspect is important, posing the question: how can a company impact women through its supply chains? Better development outcomes for women, encourage issues that are common for women – day care etc. This might be one way a company mitigates risks.

Mr Marco Tulio, Augura, congratulated the panelists and complimented the choice of the webinar topic. With reference to Ms Rangel Castelblanco's presentation on Colombia, he noted that all these initiatives have a great social value, but there is also a responsibility on the part of commercial actors and businesses who make these efforts to allow women a more dignified role at work.

5. Conclusion and final remarks

Ms Reinhardt Hurtado thanked the panelists and participants for their presentations and discussion questions, stating that they provided key insights on risk-based due diligence and ways to integrate the gender dimension into this area of work in the banana industry.

She then briefly summarized the interventions provided by the five panelists, and closed the session by informing participants that a report of the webinar will be available in English, French and Spanish. If there are any remaining questions, Ms Reinhardt Hurtado encouraged participants to contact the WBF Secretariat.

To discover the benefits of becoming a member of the World Banana Forum and to take an active role towards a sustainable banana sector, please visit:

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World Banana Forum Secretariat Trade and Markets Division

Food and Agriculture Organization of the United Nations Viale delle Terme di Caracalla 00153 Rome, Italy

WBF@fao.org | www.fao.org/wbf |

@FAOwbf

