



The World Banana Forum (WBF)

Working together for sustainable banana production and trade

Report of the multistakeholder discussion session at Fruit Attraction 2023 (FA23)

Attended by representatives of all constituent groups

5 October 2023

Fresh Food Logistic Summit – IFEMA (Madrid, Spain)

Title: Is an international multi-stakeholder agreement possible to reduce certification and audit costs?

Time: 15:00-16:00

Moderator: Victor Prada (WBF)

Speakers:

- Silvia Campos (Fairtrade International)
- Oscar Maroto (Rainforest Alliance)
- Ignacio Antequera (GlobalG.A.P.)
- Carolina Jaramillo (UNIBAN)
- José Antonio Hidalgo (AEBE)
- José Francisco Zúñiga Cotes (ASBAMA)
- Hilario Pelligrini (ADOBANANO)
- Emerson Aguirre (AUGURA)
- Jorge Sauma (CORBANA)

Opening remarks from the World Banana Forum (WBF), Food and Agriculture Organization of the United Nations (FAO)


Mr Prada opened the session by highlighting the need to find solutions to reduce the rising costs for producers created by the multitude of certification standards and auditing processes in the banana industry.

GlobalGood Agriculture Practices (GLOBALG.A.P.)

Mr Ignacio Antequera, Sales & Stakeholder Relations Director (GLOBALG.A.P.), began his intervention by informing participants of the ongoing efforts aimed at lowering certification costs and harmonizing standards within GLOBALG.A.P. They consistently engage with international stakeholders (e.g. retailers, producer associations etc.) and consider their respective demands when establishing and aligning certification standards. Further collaboration with other certification schemes is ongoing to create “lists of combined verifications” in order to reduce audit duration and enable producers to address multiple certifiers simultaneously. **Mr Antequera** reiterated GLOBALG.A.P.’s dedication to harmonizing market standards and facilitating the auditing process for producers.

Rainforest Alliance (RA)

Mr Oscar Maroto, Latin America Fruit Manager (RA), concurred with the points raised by GlobalG.A.P. and added that RA is currently shifting from strict adherence to certification criteria towards a prioritization of impact targets, aiming to make the process more meaningful and cost-effective. Furthermore, RA is exploring strategies to make auditors adopt a risk-oriented approach, thereby reducing audit duration and minimizing on-site visits, potentially leveraging smart meters as well. Mr Maroto recognised that the initial implementation phase presented many challenges,



demanding significant investments from producers. Nevertheless, he noted that this initially steep learning curve will gradually become more manageable over time. It was also expressed that RA is willing to align with standards set by other certification schemes, both in terms of system approach and contents, albeit without implying strict equivalence. The importance of collaborative actions to prevent producers from shouldering the entire burden was underscored, and it was emphasized that while certifications are valuable tools, they are unable to tackle structural challenges within the sector, shining light on the pivotal role of multistakeholder platforms in addressing these issues.

Fairtrade International

Ms Silvia Campos, Senior Advisor for Bananas (Fairtrade International), raised the issue that certifications costs are not reflected in fair prices for producers who adhere to these standards in order to market their product to the European market. It was stressed that producers are integral to the system, participating not only in public consultations, but also in decision-making processes, and that they have voiced their concerns to Fairtrade about the potential cost increase if certifications requirements were to become more intricate. **Ms Campos** emphasized the necessity to reach a consensus regarding the fair compensation of certified producers and invited all certifying agencies represented by panellists to support the transition from a cost-centric approach to one that recognizes the value generated by producers. Fairtrade strongly encouraged certification bodies to work together in finding pragmatic solutions and determining the extent to which a harmonization of standards can be achieved.

UNIBAN

Ms Carolina Jaramillo, Sustainability Director (UNIBAN), strengthened the need for collaborate among the represented certifying agencies. She acknowledged that certifications played a key role when they were introduced in the industry, as they constituted the first steps towards greater environmental and social sustainability. At present, some certifying agencies have agreed to streamline the audit process for the salary matrix by permitting a single auditor to assess compliance for two distinct certifications. Ms Jaramillo also pointed out that due to UNIBAN's organizational structure, each farm supplies bananas to multiple retailers, each with their own certification programs, requiring producers to meet multiple requirements. To this end, multi-stakeholder discussions with retailers could help address this challenge. It was also highlighted that producers often seek certifications as a way to meet export standards rather than as a recognition of the value they generate, due to the necessity to access the European market and sell their produce. It is therefore important to empower producers to feel more self-reliant, responsible, and proud of their certification achievements, which serves as a testament to their good practices and ongoing progress for a more sustainable banana industry.

National Banana Corporation of Costa Rica (CORBANA)


Mr Jorge Sauma, Manager (CORBANA), praised certifications as product quality indicators and highlighted that all Costa Rican banana plantations currently adhere to one or more certification. However, it is undeniable that there is an issue of rising certification costs which needs to be addressed through the harmonization of standards and efforts to avoid burdening producers further. The need to involve producers in these discussions was strongly re-iterated, as a way to enable them to share their personal insights and challenges regarding certifications.

Association of Banana Growers of Magdalena and La Guajira (ASBAMA)

Mr José Zuniga, Executive President (ASBAMA), reiterated the importance of harmonizing certification criteria and alleviating the challenges faced by producers. It was suggested that using auditors from the same region as producers, rather than external providers, would be more efficient and cost-effective given that producers cover the costs of travel for external auditors. To this end, it was suggested that such an arrangement could be organised at the regional level, wherein auditors could assess all the plantations in the region during their visits instead of focusing on one plantation at a time. Furthermore, granting producers more time to meet these standards could assist them in devising an effective strategy. In order to further assist producers, communication between retailers and certifiers must be strengthened in order to establish fair prices for compliant products.

Association of Banana Exporters of Ecuador (AEBE)

Mr Jose Antonio Hidalgo, Executive Director (AEBE), shared the results of a recent AEBE analysis of nine banana certification schemes, which revealed a 60% overlap in the requirements they set. A 2010 European Union guide originally discouraged any overlap among certification, but producer associations argue such overlap has now become commonplace. The analysis uncovered that one company included in the study conducted audits for an extensive



two-month period within a single year. The necessary platforms to address such overlaps and the costs of high rates of auditing within the banana industry exist, what is required is a strong willingness from all stakeholders to collaborate, to unify certification standards and delineate a strategic plan to reduce overlap and certification costs. Producer associations suggested to extend the frequency of certain annual reporting for certifications to every 3 years to reduce administrative overload, and invited retailers to engage in these meaningful dialogues. The need for retailers to adopt Fairtrade's price-setting methodology was encouraged.

Colombian Banana Growers Association (AUGURA)

Mr Emerson Aguirre, President (AUGURA), stated that AUGURA producers work with numerous certifications and that audits are usually conducted annually, with some occurring every 6 months. For an average producer - typically managing 10 to 30 hectares and not affiliated with a cooperative - these audits impose significant economic and administrative burdens. For example, Colombian auditors are based in Bogota, which results in increased audit costs due to the need for the auditors to travel to the plantation. Moreover, there is a lack of fair compensation for meeting standards, despite the need for sustainability to encompass both environment and labour-related aspects. Producers also understand that there are issues related to increased certification costs, evolving requirements, and differing interpretations of results in the context of living wage certifications. Nevertheless, there seems to be a tangible opportunity to harmonize standards and optimize cost and time in relation to audits, which will subsequently support producers. It was then suggested that if a producer consistently meets requirements for two years, an extension of the audit validity should be granted.


Dominican Association of Banana Producers (ADOBANANO)

Mr Hilario Pellegrini, President (ADOBANANO), noted that the Dominican Republic has a rich history of engaging with certification schemes. 90% of banana producers in the country hold organic certifications, and 95% have GLOBALG.A.P. certification. While this was once seen as a measure of the progress of producers in their contributions for a sustainable banana industry, many producers are now considering relinquishing their certification due to the exponential rise in costs and standards. This change can be attributed to a paradigm shift where certifications are no longer viewed as a recognition of good agricultural practices, but they have rather become fully integrated in market dynamics, serving primarily as a means to gain a competitive edge over non-certified products. It was underlined that many producers now see certifiers as enforcers rather than allies, and that this issue is closely tied to the idea of shared responsibility. In order to reach long-lasting harmonization dialogue between producer associations, certifying bodies, and EU institutions must be established.

Q&A

Ms Marike de Peña (Fairtrade) opened the Q&A session by highlighting the need for critical self-evaluation within the industry, questioning whether the proliferation of certifications and criteria has truly improved sustainability, as many producers are struggling to comply at the expense of actual production. In this regard, concerns were raised about the exclusivity and potential negative impact of organic standards on small producers. To address these issues, an in-depth review of the value and feasibility of each criterion should be carried out. Producer associations then raised concerns about the sustainability of an industry which has to constantly meet new standards, particularly when retailers do not share an equal commitment to supporting producers. It was also noted that certifications should provide robust support to farmers who choose the organic path, as it demands significant investment in a largely conventional (i.e., non-organic) environment. Issues regarding sanctions for failing to comply with certification standards were then discussed, which producer associations strongly condemn as there is often insufficient consideration for due process and legal matters, resulting in seemingly arbitrary decisions. It was proposed that penalties should focus on correction rather than strict sanctions.

Stakeholders then discussed the overlap present in certification standards, citing previous studies conducted in the examination of 17 banana certification standards which found the same overlap of 60% found today. Those requirements were mainly related to environmental aspects, with few on social elements and none on economic aspects. It was questioned why stakeholder collaboration was elusive in the banana industry and it was suggested that a strategic roundtable be developed to address this issue and develop concrete solutions for tangible results. Participants were informed that GLOBALG.A.P. frequently holds roundtable discussions with producers to address these issues and does not automatically sanction producers for formal complaints received without clear evidence to support those complaints – a suggestion to take onboard for other certification schemes. Producer associations also noted that now, as opposed to the past, there exists a united transversal front from producers on this issue, with clear



delineated challenges and proposed solutions. One such solution is the acknowledgement of producer-specific circumstances by auditors who struggle to comprehend the challenges faced by producers, and therefore strictly audit based adherence to and compliance with standards. Nevertheless, challenges remain and producers are concerned of a growing trend from retailers to move away from existing certifications to creating their own – which could lead to inadequate compensation for Latin American producers and increased demands. To address these issues, the WBF proposed the establishment of a common agenda and suggested the development of an overarching certification that redefines criteria and promotes harmonization, with the overall objective of setting universal standards for producers. It was also highlighted that discussions should take place on how to reduce the reliance of retailers on multiple certifications, thereby decreasing the costs and burdens on producers. These points could serve as initial agenda items for a new Commission on Certifications, alongside other topics (e.g., certification duration).

IDH noted that certifications have contributed to the overall enhancement of environmental health and community well-being in banana-producing regions. However, new challenges have emerged that require effective solutions. Concrete solutions must be developed to break the cycle of redundant discussions and identify the main barriers hindering harmonization. Certifications have in the past collaborated to establish lists of combined verification but have faced challenges related to the auditing process and auditor training which meant efforts did not come to fruition. Further obstacles to harmonization come from the constant updates on requirements, which in turn require time-consuming adjustments. It was then suggested to run a pilot project in Latin American to assess the effects of a potential reduction in audit costs and set up a platform of exchange and mutual learning, which could facilitate the comparison of certifiers' standards, efforts and obstacles. This was supported by producer associations.

African stakeholders noted that the African banana sector is mired by similar certification challenges and that certifications are contingent upon consumer demand and the retailer preference. To address this issue, it was suggested to open a dialogue with retailers to determine which certification are of primary interest to them. Other challenges are posed by additional retailer-specific requirements and the need to comply with industry-specific standards, as part of action plans developed in collaboration with research institute (e.g., CIRAD), retailers and NGOs. Nevertheless, it was acknowledged that certifications have played a key role in enhancing environmental sustainability, improving workers living conditions, and enabling more collective bargaining.

The WBF Secretariat noted that the EU Corporate Sustainability Directive on Due Diligence (CSDDD) might set the requirements to be incorporated in certifications, which could help clarify retailer expectations. It was also pointed out that in other agricultural sectors there has been a mutual recognition of certification criteria which shows the results of collaborative efforts between certification standards. Stakeholders then emphasized the auditing process is the most expensive aspect of certification, especially for smallholder farmers and it would therefore be crucial to harmonize standards and decrease certification costs in an effective manner.

End of the Session

Mr Prada closed the session by thanking all panellists and participants for their important interventions and suggestions, highlighting the willingness of all stakeholders present in working towards a more sustainable banana industry.

Decisions:

- WBF will create a Commission on Certifications (nomenclature to be confirmed) to address the issues raised in the session. The Commission will be inclusive and open to all WBF members.
- WBF will draft a first agenda based on the topic recommendations made by panellists and participants, to be shared with members for their feedback and suggestions.