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Acknowledgements

Thank you to the following for their contributions to this report: Alistair Smith and Jacqui Mackay (Banana Link) and David Hachfeld and Franziska Humbert (Oxfam Germany).

Design: Paul Lievens (Banana Link)

Cover photo: Mirjam Hägele (Oxfam Germany)

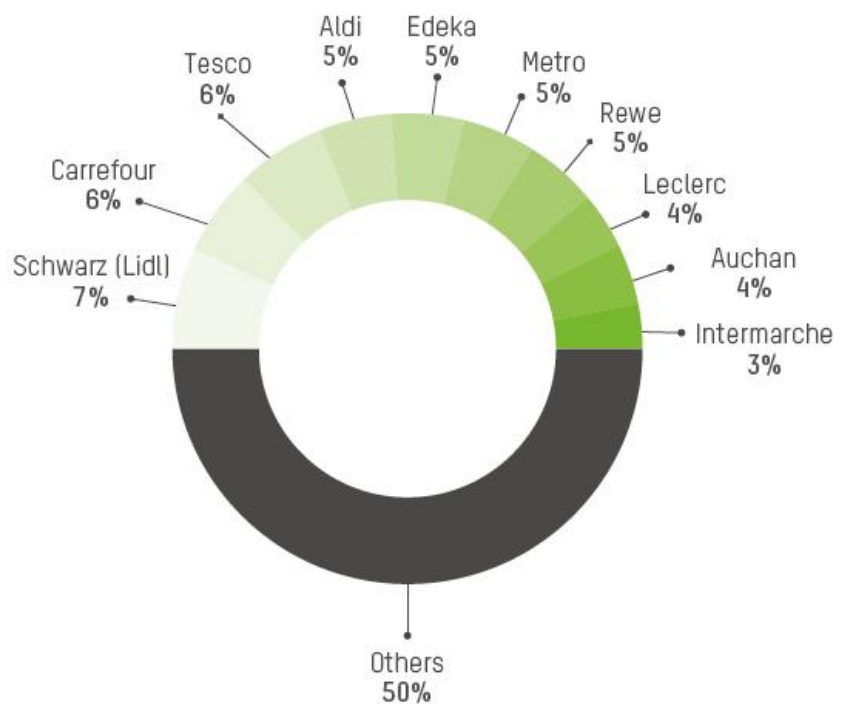
1. Introduction

The year 2016 has seen a spate of announcements by supermarkets expressing their renewed commitment to sustainability. The flagship product chosen by many to symbolise this commitment will be bananas and to a lesser extent pineapples. Several chains including Lidl and Aldi are promising 100% certified bananas.

The claim being made, and frequently repeated by journalists in press reports, is that these bananas will be “sustainable bananas”¹. As Jon Covey, head of fresh produce buying at Lidl, UK put it: “This move is yet another milestone in Lidl’s ambition to provide its customers with sustainably sourced produce.”²

It is perhaps a surprise to find that it is the hard discounters, Lidl and Aldi, which appear to be leading the defection from low-pay / big-pollution industrial agriculture towards supposedly socially and environmentally kinder ‘sustainable systems’, while other big retailers, like Tesco and the Wal-mart subsidiary Asda in the UK and Edeka and Rewe in Germany, are following hard on the discounters’ heels.

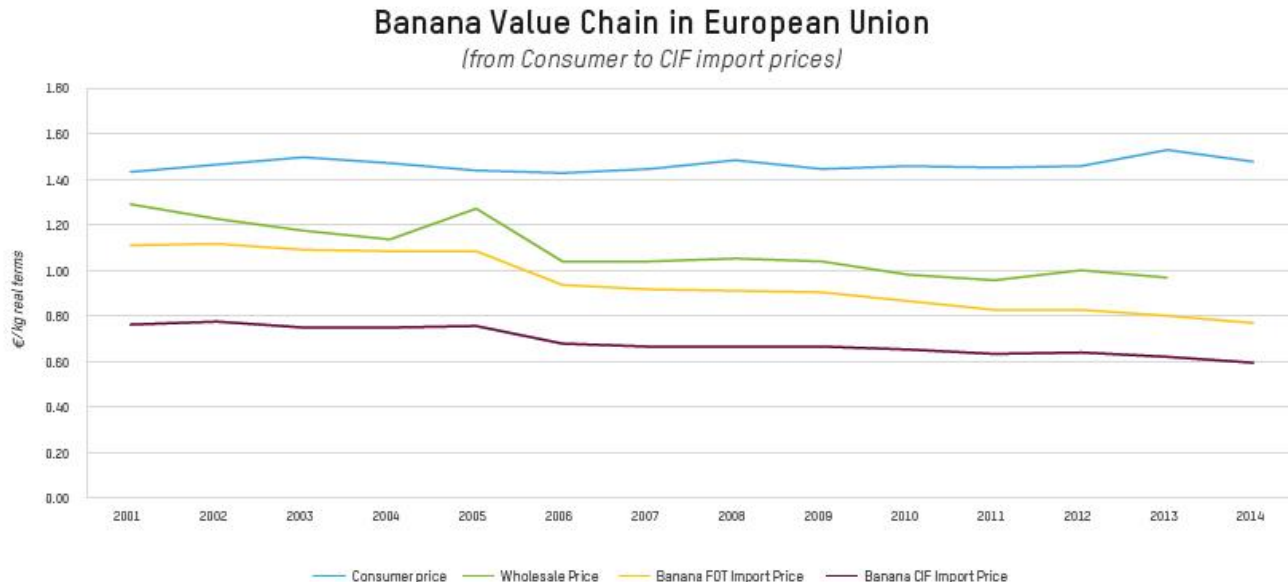
Share of grocery market by retailer in the European Union (by value)



Source: BASIC, based on Planet Retail, European Grocery Retailing, May 2014

Up until now, the hard discounters have generally been seen as a source of trouble by other EU retailers. They have been growing well since the 2008 financial crisis and by 2014 they had already captured 17% of the EU retail market³. Their challenge to other more traditional supermarkets has been to offer hard-pressed consumers even lower prices than those offered by the already highly competitive supermarkets and hypermarkets. The established big chains were forced to try to match the even lower prices of the up-and-coming discounters. As prices paid by consumers declined, so prices paid to banana producers by supermarkets were forced down (by 20% between 2001 and 2014)⁴; and as

producer prices were squeezed, they in turn had to find ways to cut costs of production (costs which had already been pared away relentlessly after years of pressure from the supermarkets).



Source: BASIC, based on data from Comtrade, Eurostat, CIRAD and national offices of statistics

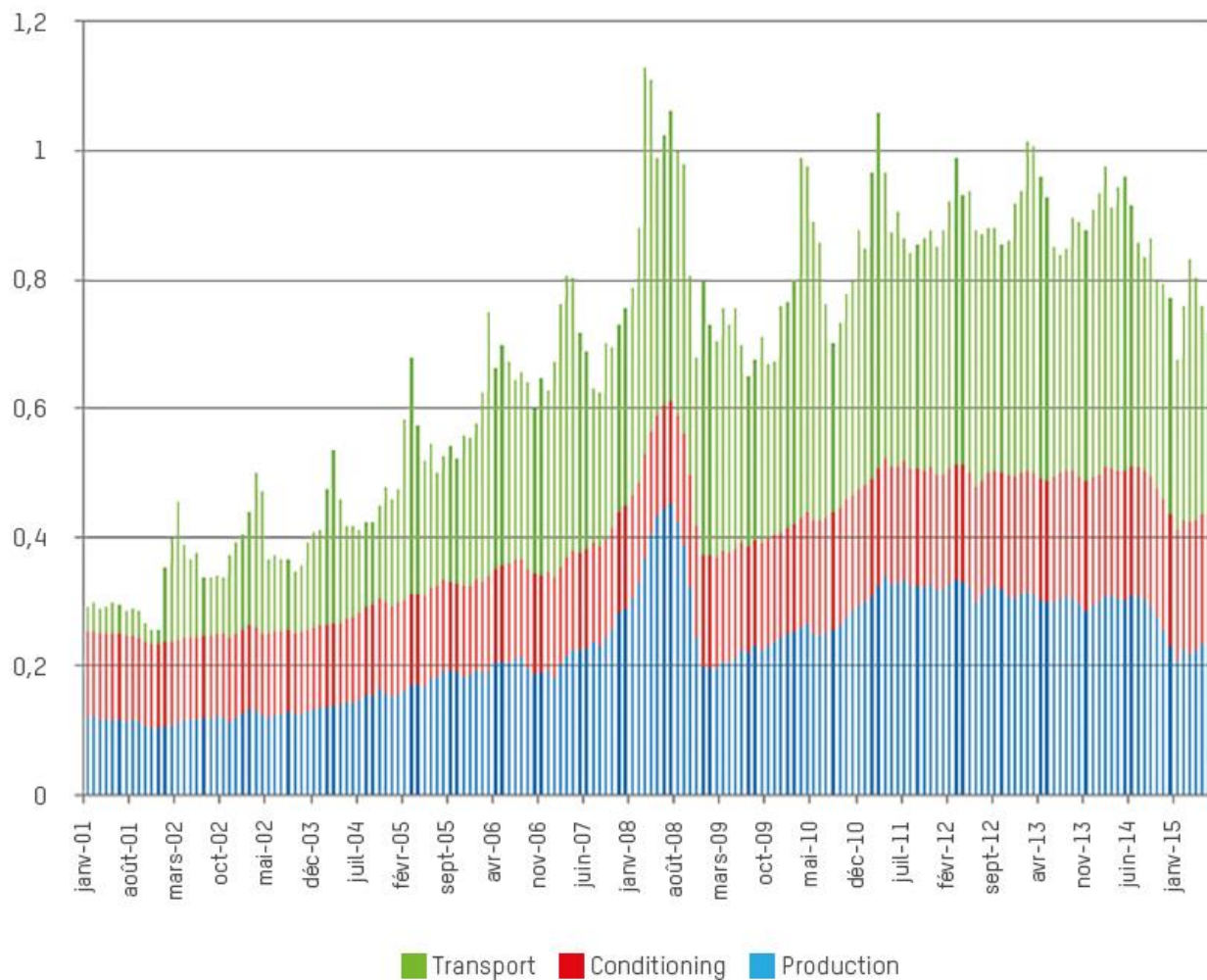
Many of these costs, like transportation and agrochemicals, could not be cut. In fact, on the contrary, these costs actually went up significantly in the same period. Between 2001 and 2015 the costs of shipping increased by 233%; of fertilisers and pesticides by 195% on average; and of packaging materials by 150%⁵. Savings had to be found elsewhere. Most plantations had made any efficiency savings they could a long time ago, meaning that the only areas which could potentially be cut were workers' pay and expenditure on environmental protection.

Far from being seen as the defenders of sustainability then, the hard discounters were perceived by many as being one of its principal attackers and as being one of the great motors of the race to the bottom.

It is perhaps unsurprising therefore that some commentators have welcomed the announcement of '100% sustainable bananas' with a degree of enthusiasm. Surely if even the hard discounters are 'going green' then the future of food production will be secure?

However, the devil, as always, is in the detail and when the details are examined and particularly when the realities of everyday life on plantations are examined, the picture does not look so rosy.

For several years many supermarkets have offered some products which can reasonably claim to offer sustainability (or at least to be more sustainable than mainstream production). Both Fairtrade and organic products offer very tangible benefits but both normally require consumers to pay higher prices⁶. The higher prices which consumers pay finance systems of production in which workers and/or the environment are treated more fairly and with greater care. However, in most supermarkets, these products represent only a very small percentage of total sales and the majority of consumers choose to buy 'conventional' bananas and pineapples which are almost invariably very much cheaper.



Banana cost index per stage (European Import Supply Chains)

Source: CIRAD (2015)

What is new about the 2016 announcements is that in future not only the higher priced [Fairtrade International](#) and organic fruit will be sustainable but so also, it is claimed, will be the cheap, conventional fruit. In the case of Lidl and Aldi, at first in the UK and Germany (and later in other EU countries it is expected) 100% of fruit, not already labelled Fairtrade, will be certified by the Rainforest Alliance.



Rainforest Alliance certification (symbolised by its Green Frog logo) will, it is implied, guarantee sustainability and it will do this at the same low prices which consumers have come to expect from the hard discounters.

In this paper, we will look at the standards and verification systems used by the Rainforest Alliance and look into the realities of daily life on Rainforest Alliance certified banana, pineapple and tea plantations. We will then be in a position perhaps to decide whether we should be celebrating Lidl and Aldi's conversions to sustainability or mourning the Rainforest Alliance's decision to embrace the hard discounters.

2. What is the Rainforest Alliance?

The [Rainforest Alliance](#) (RA) was founded in April 1987 by a 24 year old American, David Katz, who was troubled by the increasingly rapid destruction of rainforests and the extinction of species caused by the loss of their unique habitats⁷. From the outset, the Alliance's focus was environmental, and its main remit was to save the rainforest and to counter the spread of agriculture and commercial logging in virgin forests.

To this end, the RA launched a series of projects in forestry, sustainable tourism and agriculture. In 1990 it launched its Eco-OK programme for banana plantations. The Eco-OK label was replaced in 2001 by the Rainforest Alliance Certified label. In 2006 criteria were established for pineapple production and pineapple farms began to be certified with the RA label.

To qualify to use the Rainforest green frog logo, banana and pineapple plantations had to comply with certain standards. In 1998, the RA set up the Conventional Agriculture Network, which was later renamed the Sustainable Agriculture Network (SAN). SAN's standards are developed and revised by its International Standards Committee, composed of SAN's Secretariat and currently a group of 9 experts⁸.

Use of the RA label has expanded rapidly, particularly in coffee, cocoa, tea and bananas since 2010. Around 1 million metric tonnes of bananas were certified in 2010. Today (according to RA sources⁹) over 6 million tonnes display the green frog logo, meaning that 5.5% of world banana exports were RA certified in 2014. Growth in the label's use has been exponential since 2010. Nevertheless the decision by several major EU supermarkets to go 100% Rainforest Alliance will give an impressive boost even to this already well-established trend in market penetration.

The growth of the RA is an impressive achievement and a tribute to Katz' vision and the hard work of the RA team. However, the rapid expansion of RA certification has invited a growing suspicion that much of its success can be attributed to the laxity of the standards themselves and the undemanding nature of the RA certification process.

2.1 SAN standards



The document which describes the SAN standards (or the [Sustainable Agricultural Standard](#), SAS, as it is known by SAN¹⁰) begins with a statement of SAN's mission, vision and theory of change¹¹.

Its **mission**, it says, is: *"To be a global network transforming agriculture into a sustainable activity."*

Its **vision** is that of: *"A world where agriculture contributes to the conservation of biodiversity and sustainable livelihoods."*

SAN's **theory of change** states among other things that:

"Within the Theory of Change, support strategies contribute to improving farming practices, management systems, and farmer knowledge. These, in turn, contribute to improved farm sustainability for biodiversity, natural resources, farm productivity and resilience, and the livelihoods of farmers, workers and their families. When these sustainability benefits are

magnified across many farms, in synergy with the activities of other partners and stakeholders, SAN's broader impact of creating and maintaining sustainable, resilient rural landscapes is advanced."

According to its Theory of Change, the motor for the process of change is the support strategies themselves. These strategies lead to better farming and therefore to sustainability and therefore to resilient rural landscapes. The key to the whole business is therefore the strategies. These are the "activities and investments made to advance the SAN mission" and they are presented in the following terms:

SUPPORT STRATEGIES Activities and investments made to advance the SAN mission	<ul style="list-style-type: none">• Establish & implement the SAN Sustainable Agriculture Standard (standard-setting, policies & systems)• Increase consumer and market demand for certified products• Provide training & support for farmers and groups• Facilitate access to tools, inputs & services to support sustainable agriculture
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The second, third and fourth items are clearly important strategies if SAN's version of 'sustainable agriculture' is going to be successfully disseminated and we will look at these briefly later before going on to consider whether SAN (or rather the Rainforest Alliance in particular) is actually delivering the results and impacts it predicts in its Theory of Change. At this stage we will focus on the first strategy. It is SAN's standards, which it calls the 'Sustainable Agriculture Standard' which provide the foundation for the entire edifice of hoped-for change.

2.2 SAS – Sustainable Agriculture Standard

Within the Sustainable Agriculture Standard (SAS), there are 100 criteria, grouped under ten guiding principles.

The ten 'principles' are as follows:

- Principle 1:** Social and Environmental Management System
- Principle 2:** Ecosystem Conservation
- Principle 3:** Wildlife Protection
- Principle 4:** Water Conservation
- Principle 5:** Fair Treatment and Good Working Conditions for Workers
- Principle 6:** Occupational Health and Safety
- Principle 7:** Community Relations
- Principle 8:** Integrated Crop Management
- Principle 9:** Soil Management and Conservation
- Principle 10:** Integrated Waste Management

There are different numbers of criteria under each of the ten principles. The largest number of criteria (20) occur in Principles 5 and 6 (relating to fair treatment of workers and health and safety respectively). The smallest number (5) occurs in Principle 9 (Soil) while Principles 3, 7 and 10 (respectively wildlife, community and waste management) have only one more (with 6 criteria each). The number of criteria relating to each of the remaining Principles falls within the range of 8 to 11.

Of the 100 criteria, 24 are critical (23 if the one relating uniquely to the sugar industry is ignored) and have to be fulfilled to achieve RA certification. In addition to complying with the critical criteria, farms

must also comply with at least 50 per cent of the applicable criteria, relating to each of the ten guiding principles and at least 80 per cent of the total applicable criteria of the Sustainable Agriculture Standard.

Looked at overall the standards appear on paper to be quite comprehensive. Difficulties may arise however when what is written on paper is interpreted and used on farm by auditors. It is not possible to present a detailed analysis of all 100 criteria as this would be too lengthy a process (and probably of little interest to most readers!). It will, however, be useful to examine a very small selection of the criteria in order to make clear some of the kinds of weaknesses which might potentially be involved in the standard.

The most important criteria are the so-called 'Critical Criteria'. A farm has to comply with all 23 of these if it is to achieve or maintain its certified status.

The first of the Critical Criteria is criterion 1.3 (the '1' refers to Principle 1 and the '3' means that it is the third criteria listed under Principle 1: Social and Environmental Management System).

"1.3 Critical Criterion. The farm's upper management must demonstrate a commitment to certification and to complying with the requirements stipulated in the standard and by law. The management must also be familiar with and endorse the system and its programs and support its execution by providing the necessary resources."¹²

This seems fairly straightforward and also essential. Nevertheless it is difficult to test even such a basic requirement as this. A frequent complaint made by banana and pineapple producers is that supermarkets are demanding too many different certifications, standards and labels. Producers have to bear the costs of making the changes (if any) required by each standard and also the costs (often significant) of the auditing process, usually without any financial reward - although this is not the case with either the Fairtrade or organic labels, which are compensated by higher prices paid to the producers.¹³ Producers often do not actively choose to adopt a label, apart from those of Fairtrade or organic. Rather they may be imposed by buyers as a condition of purchasing fruit from them. A single producer supplying a number of supermarkets may find that it has to comply with three, four or five different standards, ranging from [GlobalGAP](#) (which is more or less a standard requirement for exporting fruit to retailers in the EU market), through a range of private standards (such as [SA8000](#), Rainforest Alliance, [ETI Base Code](#)) to even standards drawn up by individual supermarkets (such as [Tesco Nurture](#), [WWF/Edeka](#), [Rewe Pro Planet](#), etc.).

This means that producers may develop a rather world-weary and unenthusiastic relationship to all these imposed standards. As more and more supermarkets (now even Lidl and Aldi) are adding the Rainforest Alliance (or rather SAN) standards to the list of requirements, a great many producers will see this as just another hurdle to jump, in order to gain access to supermarket shelves. The experience of civil society organizations and of trade unions, which monitor the realities on the ground, show that producers often 'go through the motions' and make an effort to appear to 'tick all the boxes' whenever auditors visit and verification inspections are being carried out.¹⁴ Once the auditors leave, many quickly revert more to the spirit of their core business model which is to supply supermarkets at the cheapest possible prices with fruit which looks cosmetically perfect and which therefore also usually requires intensive use of agrochemicals during cultivation. Many producers feel that they are the victims of a great injustice and say, off the record, that it is unreasonable to demand high standards, if supermarket buyers (and the consumers on whose behalf they are buying) refuse to pay a fair price.

If a producer who supplies Lidl or Aldi or any other supermarket is suddenly told that he has to comply with Rainforest Alliance standards, such a producer may well see this as just another irritating and expensive imposition by buyers. Does this mean that, when the auditor comes to inspect a farm, he will share his frustration with the agent hired to check up on him? Clearly not. Producers have been playing the game with a range of certifying bodies and auditors for years and they will do what is necessary to create the right impression. They will appear to "endorse the system" and to be "committed to

certification”, whatever they may feel in private, and they will probably do it with great charm and amicability. If they want to keep selling to EU supermarkets, they will need to create the right impression.

The essential point being made (which applies to quite a few of the criteria in the standards) is that while the criterion itself looks perfectly sensible and desirable, it is very difficult and probably impossible to test.

There are other kinds of defects with some of the other criteria. For example, the only Critical Criterion under ‘Principle 3: Wildlife Protection’ is the following:

“3.3 Critical Criterion. Hunting, capturing, extracting and trafficking wild animals must be prohibited on the farm. Cultural or ethnic groups are allowed to hunt or collect fauna in a controlled manner and in areas designated for those purposes under the following conditions:

- a. The activities do not involve species in danger of or threatened with extinction.
- b. There are established laws that recognize the rights of these groups to hunt or collect wildlife.
- c. Hunting and collection activities do not have negative impacts on the ecological processes or functions important for agricultural and local ecosystem sustainability.
- d. The long-term viability of the species’ populations is not affected.
- e. These are not for commercial purposes.”¹⁵

Again, given the Rainforest Alliance’s aspirations to conserve biodiversity, this is a perfectly reasonable and desirable criterion. However it is one which in practice would be extremely unlikely to apply to banana and pineapple plantations, supplying supermarkets in the EU. Most of these plantations tend to be in areas of intensive monoculture in which any potential game animals left long ago. There is not usually a tradition of hunting in major banana and pineapple producing areas.

The point here is that in principle this criterion could be seen as applicable to large scale banana and pineapple plantations but in practice a farm like this would almost certainly achieve compliance without having to do anything at all. (This criterion might have great benefit, of course, in some other industries and contexts.)

It should be remembered that a producer has to ‘pass’ all the Critical Criteria, 50% of all criteria under each Principle and 80% in total of all 100 criteria. Every criterion which is easy to fulfil, for whatever reason, is helpful in getting enough boxes ticked and in getting the producer over the pass line. If only 10% of the criteria are easy to fulfil, then the producer might have to make a real effort to pass an additional 70% of the remaining criteria. If on the other hand 90% can easily be fulfilled, he won’t have to make any effort or do anything at all in order to achieve and maintain certification (provided the easy criteria include all the Critical Criteria of course.)

While some criteria can potentially be fulfilled easily because they are very much open to interpretation (assuming the producer can develop a good rapport with the auditor) and while some others are undemanding because the conditions they relate to will almost certainly already exist on most commercial banana and pineapple plantations selling to the EU market, there is another (and quite large) group of criteria which are potentially easy to fulfill because they are usually a standard part of national legislation and yet they are routinely overlooked on many (and some observers would say most) plantations already. Almost any of the criteria listed under Principles 5 and 6 (Fair Treatment of Workers and Health and Safety) could be chosen to illustrate the point, for example:

“5.6 Critical Criterion. Workers must receive pay in legal remuneration greater than or equal to the regional average or the legally established minimum wage, whichever is greater, according to their specific job. In cases where the salary is negotiated through collective bargaining or

other pact, the worker must have access to a copy of this document during the hiring process. For production, quota or piecework, the established pay rate must allow workers to earn a minimum wage based on an eight-hour workday under average working conditions, or in cases where these conditions cannot be met.”¹⁶

Again this is a perfectly desirable criterion. However it is also one which is not substantially different from any other ‘voluntary’ standard already imposed on the industry by retailers, nor is it much different from the provisions of most national labour laws in the relevant exporting countries. Although this is an absolutely standard requirement (and one which in some form or another has existed for at least 20 years), it is also one which, according to reports from trade unions and workers, is repeatedly flaunted in practice. It is, of course essential that this criteria is included in the standard, but the key question will be: ‘Is the Rainforest Alliance’s system of auditing going to prove to be any better than government labour inspectorates or the auditing carried out by other private standard systems, both of which, according to critics, have regularly failed to guarantee anything even as simple as a (vastly inadequate) national minimum wage?’.

Although most of the 40 criteria in Principles 5 and 6 of SAS are fairly usual in style and content and reflect national legislation and/or existing standards which are already required by retailers, there are a few points where they appear stricter than some of the other standards. For example, in the area of health and safety, the SAS asks for longer restrictions on re-entry by workers after spraying for some classes of chemicals than do some of the other standards. This is certainly to SAN’s credit. However workers in most major exporting countries in Latin America have reported being required to re-enter and continue work almost immediately after spraying has ceased (or even being required to continue to work during aerial spraying), suggesting that gross violations of such health and safety protocols are not uncommon in the banana and pineapple industries. If SAN insists that minimum re-entry periods should be extended from the 24 hour minimum, specified in some national legislation, to a more demanding 48 hours for WHO class 1a and b chemicals, this is, in principle, excellent news. However, if managers of plantations routinely disregard such requirements anyway, then making the rules slightly more demanding will make no practical difference. As we shall see later, while violations of rules like this are widespread in the industries under consideration here, Rainforest Alliance Certification and auditing procedures do not appear to have been more successful in containing abuses than have other certification systems or national labour and occupational health authorities and their staffs.¹⁷

There is no doubt that the SAN standard contains a fairly thorough treatment of labour rights and of health and safety issues; that it does this mostly to a high standard and that on occasions it goes slightly beyond the requirements of some other standards and/or national legislation. If all these requirements were thoroughly executed, workers would probably benefit from SAN and the Rainforest Alliance’s interventions.

However everything depends on how strong the auditing procedure is in practice. As auditing is carried out in private, it is difficult to gauge from an examination of the standards alone whether producers are really constrained to make significant changes or whether they can achieve compliance while simply continuing with business as usual.

There are two areas however where real change might be necessary and these both relate to environmental issues (the original core concern of the Rainforest Alliance). In the area of Ecological Conservation there are two Critical Criteria which must be met, as follows:

“2.1 Critical Criterion. All existing natural ecosystems, both aquatic and terrestrial, must be identified, protected and restored through a conservation program. The program must include the restoration of natural ecosystems or the reforestation of areas within the farm that are unsuitable for agriculture.

2.2 Critical Criterion. From the date of application for certification onwards, the farm must not destroy any natural ecosystem. Additionally, from November 1, 2005 onwards no high value ecosystems must have been destroyed by or due to purposeful farm management activities. If any natural ecosystems have been destroyed by or due to purposeful farm management activities between November 1, 1999 and November 1, 2005, the farm must implement the following analysis and mitigations:

- a. Conduct an analysis of the ecosystem destruction to document the scope and ecological impact of the destruction.
- b. Develop a mitigation plan with advice from a competent professional that is consistent with applicable legislation and that compensates for the negative impact.
- c. Implement the activities of this mitigation plan, including for example the set aside of a significant percentage of the farm area for conservation purposes.”¹⁸

Having said this, a great many industrial-style plantations are featureless blocks of flat land with no natural ecosystems left; these would probably not have to undertake remedial action unless there were parts of the farm which were ‘unsuitable for agriculture’.

There are also requirements for soil conservation which may be beneficial in plantations where soil structure, erosion and run-off had previously been ignored as a result of poor agronomic practices.

2.3 Other support strategies

In addition to SAS and the verification process, SAN (and therefore the Rainforest Alliance) has other support strategies. It promotes its standard with noticeable success and it offers training for farmers and groups as well as facilitating access to inputs. While it is difficult to get details from outside the network of exactly how this works, it appears that much of the other work is associated not so much with the everyday business of certifying farms but rather with a series of special projects, which depend on external funding from such institutions as the [Global Environment Facility](#), the [Multilateral Investment Fund](#), [USAID](#) and a number of UN institutions etc. These special projects are high profile and may be featured in annual reports and other publicity materials. Many of these projects embrace a farming or forestry component, which is audited and certified, but there may also be a noticeable environmental benefit, which cannot be delivered by certification alone but which depends on substantial injections of external funding. Such special projects seem to involve mostly the forestry, tourism and coffee sectors and no such projects were mentioned in the latest (at the time of writing) available annual report (2014) for either the banana or pineapple sectors.¹⁹

3. From standard to certification

3.1 Certification

SAN authorises a number of bodies to audit farms and approve certification. 84% of all certifications for all products are carried out by a division of the Rainforest Alliance, RA-Cert (also known as Sustainable Farm Certification International Ltd., SFC). The remaining 16% are mostly carried out in regions which do not export bananas or pineapples to the EU. Most banana and pineapple plantations are certified by RA-Cert and therefore effectively by Rainforest Alliance itself, although certification in Ecuador and Colombia is carried out by local organisations, [CyD Certified](#) and [NaturaCert](#) respectively²⁰. As a leading member of SAN, Rainforest Alliance sets its standards and also certifies and audits farms (or sub-contracts auditing).

Where violations are found, plantations are normally given warnings, encouraging them to improve performance in future. There is a system for whistle-blowing but workers are not always comfortable using it²¹.

The only external challenges to the system tend to come from trade unionists and civil society organisations which are in touch with the daily realities of life on Rainforest Alliance certified farms (or occasionally by journalists or other media, often responding to information provided by the former). Neither of these agencies have the financial resources to monitor RA farms systematically. Nevertheless, when they do find the resources to investigate, violations of standards (including Critical Criteria) appear almost invariably to be found. This inevitably raises questions as to the overall reliability of RA and its certification system.

3.2 The auditing process and decertification

It has already been noted that the usual reaction to violations is for the auditor to issue warnings and to encourage producers to take the appropriate remedial action. Furthermore the SAN standards state explicitly that auditors need to make their own judgments as regards the applicability of particular criteria to particular plantations (except in the case of Critical Criteria). We have also already observed that there is room for interpretation in the application of many of the individual criteria - exactly how much 'commitment to certification is required', for example, in Criterion 1.3 mentioned above? Where is the dividing line between an inadequate and an adequate level of commitment? Inevitably this must be depend on the auditor's judgment.

Taking all of this into account, it is clear that there must be considerable flexibility in the auditing process and auditing must depend to at least some degree on the feelings and impressions of the auditor.

Given that the process is likely to involve some flexibility and probably some subjectivity, it may be worth considering some practical features associated with the auditing process. Although no details are available at present on the precise contractual relationship between Rainforest Alliance and its auditors, auditors in most private standards of this kind tend to be paid per audit. An auditor may well have an on-going relationship with a farm and might be required to return every year to re-audit. An auditor who repeatedly assesses farms so negatively as to make de-certification inevitable will soon lose his or her income stream. Roughly a third of the Rainforest Alliance's income stream (according to its 2014

annual report²²) comes from certification. Rainforest Alliance also has a public relations interest in being able to claim that certified farms mostly comply with the SAN standards (rather than their repeatedly failing which might raise questions as to whether such farms should ever have been certified in the first place). If de-certification rates were high, farms might also feel discouraged from embarking on what might appear to be a process involving considerable reputational and commercial risk. It is clearly against the interest of a farm to lose its certification and it is not really strongly in the interest of a supermarket chain like Lidl for its suppliers to regularly fail.

Overall, de-certification is not really in the interest of any of the parties involved. It is not intended to imply by this that auditors or any of the other parties are corrupt or deliberately behaving badly. The point is simply that if there is any flexibility, subjectivity of judgment or ambiguity in any aspect of the standard or its application, then it would be in the interest of all the parties involved in this essentially private arrangement to lean towards making charitable judgments.

It is worth contrasting such private arrangements with the public arrangements involved in government legislation and its enforcement. When a health and safety inspector finds a violation of national legislation s/he would normally be in a position to impose a fine on the miscreant (probably via a court or tribunal) and in the case of a severe violation a premises could be closed and its license to operate cancelled. The threat of such sanctions is more likely to ensure compliance with health and safety standards than an audit (which ultimately is being financed by the business in question anyway).

3.3 Relationship between national legal standards and voluntary standards

In the case of most countries which export bananas and pineapples to the EU, there is already a considerable amount of law pertaining to environmental pollution, labour law and health and safety. These countries are often signatories of most of the important [ILO Conventions](#) which have a bearing on these industries. Furthermore it is usual for these countries to have a system of inspectors and courts which have responsibility for enforcing the various laws.

The problem however is that most of these, essentially low or middle income countries, do not have or do not choose to make available the resources necessary to make such systems of enforcement effective. The result is that there are often perfectly good national laws (backed up often by international legal instruments like the ILO Conventions) but the level of compliance is inadequate.

The failure of these systems to work and the evident systematic violation of environmental, safety and labour standards by many fruit producers (including historically a number of international companies) has led to a demand for private voluntary standards of which there are already a considerable number. According to a [SOMO](#) report there are “at least 50 sustainability standards [which] offer their services to farms, food companies and/or retailers”²³.

It is noteworthy that many of these standards, including SAN, take what is in national legislation or the ILO conventions and make this the basis for their own standard. This is very clear for example in the case of SAN’s health and safety standards which appear to be good but which are mostly little more than a repetition of what has already been required legally for years in many producing countries²⁴.

The crucial question is then: when there is a culture of lax standards and when a supplier effectively pays an auditor to be certified and when all the parties involved have a financial or other interest in creating a good impression so that consumers who buy certified fruit believe that they are getting ‘sustainable bananas’ or ‘sustainable pineapples’ or ‘sustainable tea’, can we really expect that this will lead to a more reliable outcome than, for example, supermarkets contributing to the expenses of national inspectorates and even building into the process of legally-endorsed inspection incentives to sanction miscreants?

Such an approach would be unlikely to be popular with producers. Recent experience has shown that industries everywhere, if they must accept external controls, prefer systems where they police themselves and, if necessary, even pay for the policing themselves.

Given that the whole process of setting standards, certifying and auditing is essentially private and voluntary, the only way of judging its effectiveness is for research to be carried out independently by people who have no relation to any of the interested parties involved in what is finally a set of commercial relationships.

4. Evidence from independent studies

It is only by looking at such independent studies that there is any real chance of getting a view which is not potentially influenced by the standard setters themselves. Such independent studies tend to be carried out or commissioned by civil society organisations (CSOs) or by trade unions. It is difficult for these groups to undertake systematic research on environmental impacts, since this would usually require prolonged access to farms ideally over a period of years. Farms are often reluctant to admit researchers as they may potentially find information which farmers may prefer to keep private.

CSOs and trade unions find it easier to gain access to workers as they can be interviewed outside the farm gates, at home or in other public places. Where trade unions are reasonably well-established, they can sometimes arrange for researchers to be admitted into farms for short visits, during which they can interview workers and sometimes managers in the work context. Given the practical difficulties, most of the independent research available focuses on social and labour issues, where workers' testimonies can provide useful information.

Preliminary investigations of RA's performance in banana and pineapple farms have been carried out in the last two years by [Oxfam Germany](#) (May 2016)²⁵, by a number of Latin American trade unions²⁶ and by [SOMO](#) (Netherlands – for the tea, coffee and flower sectors, May 2015)²⁷. Their findings in Costa Rica, in Ecuador, in Honduras, Panama, Nicaragua and in Guatemala (and in Kenya and Indonesia for tea) will be drawn upon below to get an impression of the kinds of non-compliance with SAN standards which have been reported on Rainforest Alliance certified farms.

4.1 Failure to recognise trade union rights

5.13 of the SAN standard requires that:

“5.13 Critical Criterion. Workers must have the right to freely organize and voluntarily negotiate their working conditions in a collective manner as established in ILO Conventions 87 and 98. The farm must have and divulge a policy guaranteeing this right and must not impede workers from forming or joining unions, collective bargaining or organizing for ideological, religious, political, economical, social, cultural or any other reasons. The farm must periodically provide opportunities for workers to make decisions regarding their rights and alternatives to form any type of organization for negotiating their working conditions.”²⁸

Non-compliance with this Critical Criterion by Rainforest Alliance certified farms was alleged in all the independent studies referred to above and in most of the countries which these studies examined.²⁹ Reports of non-compliance were recorded for each of the three sectors covered by the studies, i.e. bananas, pineapples and tea.³⁰

- In South Guatemala Finca Alamo, a banana supplier to Chiquita, Dole and Del Monte did not allow trade unions³¹
- In Honduras trade union formation was disallowed in a number of independent banana fincas. In two cases complaints made to Rainforest Alliance did however lead to them being de-certified³²
- In Costa Rica trade unions are permitted by law. However there is widespread harassment of trade union members in both banana and pineapple farms.³³ Many plantations tolerate a low

level of membership but when a trade union gets more than a few members these are encouraged to leave the union or they are dismissed. Plantations prefer to promote an alternative form of association known as ‘solidarista associations’ (or Solidarismo). The Costa Rican government has periodically tried to get these associations recognised by the ILO. These attempts have been unambiguously rebuffed by the ILO which maintains that Solidarista associations are not trade unions, are not able to defend workers’ rights and cannot undertake collective bargaining on their behalf. (See Box 1)

- In Ecuador, Oxfam Germany asked workers if they were allowed to join trade unions on RA certified farms. “...respondents interviewed randomly on the plantations certified by Rainforest Alliance negated the question whether the company they worked for – Lidl supplier Matias is one of them – would allow the establishment of a trade union.”³⁴
- In Indonesian tea plantations “the legitimacy of the trade unions is also clearly disputed. In all certified companies, company management was involved in their formation. In Rainforest Alliance certified tea company, Chakra Dewata, respondents even claimed that workers were not involved in the union formation process at all. They claim that the trade union is merely a façade set up to comply with certification demands. Consequentially they claim that the collective bargaining agreement was not the result of collective bargaining but a statement pushed by the management and signed by a management-friendly worker representative.”³⁵

BOX 1: Edgar Morales, member of the Union Nacional de los Trabajadores y Trabajadoras (UNT):

“Unfortunately, and this is a shame for Costa Rica, the rights of workers are not respected in the pineapple sector. The worst part is that the right to organisation is not respected – the right of workers to organise themselves in order to defend their rights. The management does not allow us to go on plantations, and if we wait outside to talk to the workers, they call the police or make the workers take a different exit.”

“According to the statements made by the workers at Finca Once and Agricola Agromonte, trade union rights are disregarded at both companies: workers wanting to organise themselves are fired. Only a few belong to a trade union. Trade unions hardly have access to the plantations. In autumn 2015, 50 out of 100 members of the union UNT at Agricola Agromonte were dismissed because they had protested against wage reductions and the hiring via middlemen and had been on strike for two days. All in all, 70 people were made redundant.⁴¹ At Finca Once only four employees are members of a trade union.

“Finca Once and Agricola Agromonte support the “Solidarismo” movement. What makes it problematic is that at least Finca Once considers this as respecting trade union rights. The “Solidarismo” movement was created to secure workers in Costa Rica both in social and financial terms. With the support of their company, they can invest part of their wage as a form of a company pension scheme. This model is not to be confused with the right to organisation and to conduct collective negotiations. According to its management, 99 per cent of the workers at Finca Once are members of the Solidarismo movement.”

p21 [“Sweet Fruit, bitter Truth”](#), Oxfam Germany, May 2016

4.2 Failure to comply with wage requirements

Two Critical Criteria are particularly relevant here: **5.5** and **5.6**, quoted above. It is worth highlighting the last element of 5.6, as follows: “For production, quota or piecework, the established pay rate must allow workers to earn a minimum wage based on an eight-hour workday under average working conditions”.

This is particularly relevant as in most countries in the banana and pineapple sectors (and also on tea estates) piecework has become the norm. In the pineapple sector in particular the assessment of work tasks tends to be complex. As trade unions are often excluded, workers cannot usually rely on their union representative to represent them when work tasks are being assessed. It is usually left to a supervisor to decide independently whether to class a particular task (such as weeding an area of land) as being easy, medium or difficult. If it is easy, the work gang would be expected to clear a larger area in order to justify its members being paid the minimum wage in an 8 hour period. If it is difficult, they should be required to clear a smaller area. Workers report that supervisors are often unreasonably demanding and require more work to be done than is really feasible in an eight-hour period. They may therefore have to work 9 or 10 hours before it is considered that they have done their 8 hours worth of work.

In theory they should be paid overtime for the extra one or two hours necessary in such cases. However there is no guarantee that actual time spent working will be recorded. The SAN standard probably intends that such hours are recorded, as might be implied in non-critical Criterion 5.5. Nevertheless this is not stated explicitly. Workers frequently complain that they are not paid the minimum wage for the regular hours they work but auditors usually claim that plantations have complied with the criteria. It is unclear how exactly this discrepancy arises but it could be that workers' notional hours (corresponding to the amount of work a supervisor thought was achievable) are sometimes recorded rather than actual time worked.

Failure to pay minimal wages (which it should be noted are almost invariably considerably lower than actual living wages) was observed in most countries, according to the independent studies reviewed.

- In South Guatemala conditions in a number of Rainforest Alliance farms were reviewed. The Centro de Solidaridad report notes that in some cases the minimum wage is not paid, without specifying which particular fincas fail in this respect. In the case of Finca Alamo it reports that proper pay slips are not provided (although Criteria 5.5 requires this), leaving workers unable to work out whether or not they have been paid for overtime. Some fincas use contractors (violating Criteria 5.4 when not for a specialised or temporary function) who, if a trade union representative is unable to intervene, will frequently make unexplained deductions to expected pay³⁶.
- In Honduras pay does not often exceed national minimum wage levels, particularly in Fincas Cima and Mayari. Subcontractors are used alongside workers who have regular contracts³⁷.
- In Nicaragua full social security payments are not made, and companies cover only maternity and sickness elements (it is unclear if this applies only to some or to all 6 Chiquita suppliers³⁸).
- In Panama, Transnacional Fincas 64 and 65 often fail to make correct wage payments³⁹.

- In Costa Rica, pineapple plantations Finca Once (Lidl supplier) and Agricola Agromonte (a supplier of Aldi, Edeke and Rewe) use subcontractors as well as hiring labour direct. For workers who work for such middlemen the minimum wage may not be paid even for 10 hour working days. Middlemen often fail to make social security payments and 'contracts' with them tend to be oral and short term⁴⁰.
- In Kenyan tea companies (Williamson Tea Kenya Ltd and Eastern Produce Kenya Ltd) field workers were paid by volume of tea picked. Frequently they needed to work more than 8 hours to earn the minimum wage. They were sometimes required to work overtime (which should be voluntary) and this was not paid at higher (overtime) rates⁴¹.
- In Indonesian tea estates pickers are paid by weight. They frequently do not manage to earn even the minimum wage⁴² (see Box 2).

BOX 2: PT Pagilaran, Indonesia. RA Certified.

"In the tea sector pickers are paid per kilo. The kilo rate is calculated by the companies based on the prevailing regional minimum wage. However, based on worker estimates of the volume of tea picked per day, pickers on certified tea estates earn much less than the regional minimum wage. For example at the Rainforest Alliance certified tea company PT. Pagilaran, pickers take home an estimated IDR 22,000 (€2) per day. For a month with 26 working days this amounts to IDR 572,000 (€48). The minimum wage in the region where this company operates is however IDR 880,000 (€74). Wages of nonpermanent workers not picking tea (so not on a quota-based wage) are a little bit higher than those of pickers. With about IDR 30,000 (€3) per day however, their monthly wages are not at the regional minimum wage level either. Indeed, only permanent workers not picking tea (mostly staff) would have an income above minimum wage level at this and the other Rainforest Alliance certified tea company."

p31, Sanne van der Wal and Fleur Scheele, "[Goodness Guaranteed](#)", SOMO, May 2015

It was shown above that independent research claimed that Rainforest Alliance farms failed to comply with at least two Critical Criteria of the SAN standards in all but three of the 8 countries reviewed (and failed to comply with at least one of them in the remaining three countries) and that such non-compliance was reported in all three sectors covered (bananas, pineapples and tea). Failure to comply with a single Critical Criteria should lead to de-certification but (with the exceptions of 2 of the banana plantations in Honduras) this did not take place.

Non-compliance was also frequently reported in the case of health and safety criteria, the most frequent violations being failure to provide personal protective equipment (PPE) and failure to respect minimum re-entry times to plantations after aerial or other spraying. Poor training (and in some cases a complete absence of it) in health and safety was also frequently mentioned. There were reports of sexual harassment and of failure to provide secure employment. In some cases workers were not aware of RA certification (again a requirement for compliance) or more frequently they knew a plantation or estate was certified but had little knowledge of what this should imply. Although RA requires that procedures for making complaints to the certifier should be publicised, workers were frequently unaware of this possibility (and in one report claimed that complaint forms were available only in English⁴³). However, it is not necessary to document the full extent of these and other failures in this paper. Interested readers can refer to the original research reports for further details⁴⁴.

The important point to note in this context is that in spite of the SAN standards, and in spite of Rainforest Alliance's verification procedures (whether direct or subcontracted to other parties) non-compliance with standards appears, according to independent sources, to be fairly widespread. This must raise questions as to RA's ability to deliver SAN/RA's stated mission of: "be[ing] a global network transforming agriculture into a sustainable activity"⁴⁵.

4.3 Are Rainforest Alliance's Standards less demanding than other standards?

It has already been noted above that many plantations and tea estates are certified by a number of different standard setters. Indeed it can be difficult when undertaking research to find farms which have to comply with only a single standard. This makes it difficult to establish what the impacts of a single standard like that of the Rainforest Alliance is as opposed to the impact of a number of co-existent standards. If a relatively undemanding standard co-exists with a much more demanding standard, then the latter may be responsible for any improvements observed, while the less demanding standard has little or no impact and is effectively free-loading on the requirements already being imposed.

In the Oxfam and SOMO research, plantations or tea estates which had only RA certification co-existed in samples with other farms, which were certified with more than one standard. This allows for tentative comparisons to be made between the impacts of RA and other standard setters.

In SOMO's research on tea in Kenya a comparison could be made between Williamson Tea Kenya Ltd which was certified by Fairtrade, UTZ and Rainforest Alliance, and Eastern Produce Kenya Ltd (EPK) which was certified by Rainforest Alliance only. Wherever comparisons were made on specific issues, Rainforest Alliance's performance was notably poorer than the combination of Fairtrade, UTZ and RA.

- Workers at Williamson reported a decrease in sexual harassment following multiple certification but workers at EPK made no such reports.⁴⁶
- At Williamson 92% of workers were issued PPE (Personal Protective Equipment) while at EPK only 65% of workers received such equipment.⁴⁷
- Approximately 75% of workers were on permanent contracts in the certified plantations taken together while only approximately half of workers in EPK were permanent, while others were employed temporarily, mostly on rotating three month contracts.⁴⁸
- 70% of workers interviewed were aware of Williamson's certifications but only 60% of workers at EPK were aware of its RA certification.⁴⁹

In the case of Oxfam Germany's report there was no detailed information regarding other certification schemes in the Costa Rican pineapple sector. However in the section on bananas in Ecuador there were a number of samples, one of which focused on suppliers to the German supermarket Edeka. In this sample, a collaboration between the World Wildlife Fund (WWF) and Edeka had led to the introduction of an additional 120 criteria beyond the RA criteria, mostly focused on environmental protection and climate change. Some comparison could be made therefore between the RA-only certified and the RA-plus-WWF/Edeka certified samples.

- According to the report: "Between 95 per cent of the respondents on the plantations certified by WWF/Edeka and 65 per cent of the respondents that were randomly interviewed on plantations certified by Rainforest Alliance are covered by the social security scheme and directly hired by the respective company".⁵⁰

- “Many respondents report dismissals due to union affiliation: during the spot check on the plantations certified by WWF/Edeka, 35 per cent reported this; on the plantations certified by Rainforest Alliance, this figure was 90 per cent and at Matias, it was 58 per cent.”⁵¹
- When workers were asked about re-entry times to plantations which had been aerially sprayed, the paper reports that, during the spot check conducted on plantations certified by WWF/Edeka, individual workers recalled re-entry safety periods of eight hours or more, while in the RA-only samples workers did not.⁵²

Although it was possible to make comparisons only in the Kenyan and Ecuadorian studies, where such comparisons could be made Rainforest Alliance certification appears to perform less well as a stand-alone certification than it does when combined with other certification requirements. It is tempting to conclude that this might be because Rainforest Alliance is a less demanding standard than at least some of its competitors.

5. But whose story should we believe?

5.1. How credible are these independent studies?

Most independent studies rely to a large extent on the testimonies of workers and/or their trade union representatives (where trade unions are permitted). In some cases researchers are able to verify testimonies by cross-checking in various ways. For example, where workers claim that they are not earning the minimum wage, it is sometimes possible to confirm such claims by examining their pay slips. However researchers are often unable to get access to even such basic information as this. If a company does not issue pay slips, for example, then such cross-checking will clearly be impossible. (Auditors employed directly or indirectly by Rainforest Alliance do however have full access to such information via the farms' records).

When standard-setters or certifiers like SAN and the Rainforest Alliance are criticised by independent researchers, they are naturally keen to defend their reputations. Typically they will attempt to discredit any external research which produces unfavourable results and assert that the plantations or farms being criticised do, in fact, meet the required standards.

While it is not possible to examine Rainforest Alliance's reaction to all the allegations reported above, it is worth looking briefly at its response to the most recent study by Oxfam Germany (in Costa Rica and Ecuador).

The Rainforest Alliance's response to Oxfam Germany's report *Sweet Fruit, Bitter Truth* can be found at: <http://san.ag/web/statement-in-response-to-oxfam-de-report-sweet-fruit-bitter-truth/>

Interested readers can read the full statement themselves. Here only some extracts from the text will be provided and some brief comments will be made.

"The investigative audits we have done so far have not found supporting evidence, and we cannot corroborate Oxfam's allegations....."

"The allegations contained in the Oxfam-DE report are based upon interviews with workers. In contrast, the SAN investigations are based upon a multi-pronged approach, one used by other certification initiatives in the [ISEAL Alliance](#) (a body committed maintaining the quality of certification programs) as well as many respected ISO auditing systems. This method applies both to claims by management to support compliance and claims the farm is not in compliance with the SAN standard. Both the Rainforest Alliance and SAN believe this is a more robust approach in ensuring auditing and investigations are effective in assessing the performance of farms against the SAN standard and in ensuring continuous improvement on farms...."

"Many of the problems faced on farms and by workers are systemic in nature. They cannot be solved quickly and cannot be solved by certification and certification standards alone. Bigger issues around workers' and human rights – including national legislation, local enforcement and governance, and power imbalances in the supply chain – can be addressed only through determined cooperation between local, national, and international actors from civil society, the private sector, and government...."

"In Costa Rica the audit team included an experienced auditor who is an occupational health and safety expert and labour lawyer. The investigation concluded that Oxfam-DE's claims about worker safety, wages that are less than the minimum wage, and undocumented workers were unfounded....

"The audit did find isolated incidences where the legal work week of 60 hours during peak periods had been exceeded....

"The audit in Ecuador was carried out by an experienced auditor with support from a practicing lawyer. The audit team reviewed payroll documentation, including pay receipts signed by the workers, and interviewed field and packing plant workers...

"The evidence compiled indicated that workers received at least the minimum wage, benefits required by Ecuadorian laws, and that working hours and overtime were within legally established limits....

"Interviewed workers reported that they knew of their right to organize and join unions, and that they were not dissuaded from joining a union. There was no evidence that workers were dismissed for union or worker organization activities.

"Weaknesses were found in the system used by the farm to alert workers about the aerial spraying of the plantation. This could result in work that is programmed to take place in some areas that might coincide with spraying. The farm has been informed of this issue and will work to improve the warning system."

Overall then, Rainforest Alliance's reaction is that their system of auditing is robust. Their auditors include lawyers or other experts who have the support of lawyers. Presumably it is implied that these experts and lawyers are professionals and so it would be appropriate for us to have confidence in their integrity and skill. These lawyers found that everything (with two exceptions which are being resolved) was alright and they therefore maintain that Oxfam Germany's allegations are untrue. Interestingly, in the third paragraph quoted above, the Rainforest Alliance also admits that there are "systemic problems" on farms which they cannot resolve without help from governments and others. This appears to contradict their general position. Have their lawyers found that everything is OK or are there systemic problems (like "workers' and human rights") which have not been resolved?

Oxfam Germany on the other hand, as RA points out, has only the testimony of workers to fall back on. Presumably the implication is that the workers who spend long hours working on farms cannot provide accurate assessments of what happens on those farms while the skilled professionals who visit the farms briefly and examine company accounts and records can give accurate assessments.

Oxfam Germany replied to the Rainforest Alliance's robust response in an article posted on the Fresh Plaza website (Global Fresh Produce and Banana News) at:

<http://www.freshplaza.com/article/158891/Oxfam-Germany-reaction-to-the-Rainforest-Alliance-statement>

Again, interested readers can read their reply in detail for themselves. Here we can only consider some brief extracts.

"The investigations of Oxfam Germany and Rainforest Alliance arrive at different results. However the conclusions can be that there is ground for further investigation, such as why the results differ and how the working conditions for the laborers on the pineapple and banana plantations can be improved. The main difference between the research approach of Oxfam and the Rainforest Alliance is that Oxfam involved the unions and put emphasis on the involvement

of workers. This is an omission in the research approach of Rainforest Alliance. Oxfam Germany approached the assertion of the Rainforest Alliance with a wide range of evidence that supports their investigation: the survey of workers and tours of plantations (when possible), interviews with farm managers, evaluation of documents and interviews with experts, unions, government representatives, parliamentarians, and NGOs.

“...It is striking that unions aren’t mentioned [in RA’s response]. Unions are experts on working conditions on plantations and labor rights and a partner - it is incomprehensible that the RA doesn’t consider them in their investigations and audits.

“A main point [made by] Oxfam is the suppression of trade unions associated with a climate of fear among the workers. Regrettably Rainforest Alliance didn’t address this problem sufficiently. The dismissal of workers in Costa Rica for union activity is a known and common problem. This is confirmed by the media reports on the same Rainforest Alliance-certified plantations Oxfam checked. For some of these reports see: <http://elperiodicocr.com/pinera-agromonte-despide-a-70-trabajadores-y-po...>”

The neutral observer might legitimately wonder, in the light of this exchange, who he or she should believe and indeed there is no foolproof way of knowing whose story is nearer the truth. However Oxfam Germany does make one point which no-one could seriously challenge, which is that there appears to be a need to understand why the results of Oxfam Germany’s and the Rainforest Alliance’s investigations are so different.

A second question might occur to any well-informed reader who had been following the banana story for the last twenty or so years. As long ago as 1993, the Costa Rican banana trade union, [Sindicato de Trabajadores de Plantaciones Agrícolas](#) (SITRAP), made a video in collaboration with the Dutch development agency, [Solidaridad](#), and the UK NGO, Farmers’ Link (forerunner of [Banana Link](#)) . It was entitled “*The Bent World of the Banana*”.

Unfortunately the video is no longer available, but a flavour of its content is captured by the information on its external packaging – here’s what is written on the box:

“The human and environmental costs of producing bananas on large plantations in Central America are intolerably high. The companies who control the trade show no signs of accepting their responsibilities towards either their workers or the ecosystems which the plantations have displaced or contaminated. Unless a broad movement of consumers starts to respond to the demands of small producers and plantation workers for sustainable production and trade, these ‘banana republics’ will not change: people and their land will continue to be depleted....and will continue to die.”

The tragedy is that it would not be wildly inappropriate to write this very same paragraph today in 2016, some twenty-three years later, in spite of the best efforts of the Rainforest Alliance and other certifying bodies like it.

What is more important to note here however is the emphasis which SITRAP places in the video not only on the human but also on the environmental costs? SITRAP, and all the other trade unions in Latin America which are members of the [Latin American Coordination of Banana Unions](#) (COLSIBA), are passionately concerned about the environment. The SITRAP video documented in some detail the environmental impacts of banana production and both it and its partners in COLSIBA have been lobbying consistently ever since 1993 for improvements. Rainforest Alliance’s original motivation and core concern has always been environmental damage and its containment. It also claims that it is concerned for the plights of both workers and communities. In the light of these observations it would appear that Rainforest Alliance and the Latin American trade unions (and very probably the trade unions working in other industries and regions) *should* be natural allies.

The second question, referred to above, is therefore the following: how is it that far from being friends, the Rainforest Alliance and the trade union movement have ended up looking more like adversaries?

The answer to this conundrum may well be contained in Oxfam's response to the Rainforest Alliance's defence, as already quoted above and repeated here.

"...It is striking that unions aren't mentioned [in RA's response]. Unions are experts on working conditions on plantations and labor rights and a partner - it is incomprehensible that the RA doesn't consider them in their investigations and audits.

"A main point [made by] Oxfam is the suppression of trade unions associated with a climate of fear among the workers. Regrettably Rainforest Alliance didn't address this problem sufficiently. The dismissal of workers in Costa Rica for union activity is a known and common problem."

These observations might hold the key to another conundrum. As already noted, Oxfam Germany's study, and the other independent studies, mostly have to rely on the testimonies of workers. However Rainforest Alliance said, as quoted above, that it (or its auditors) also interviewed workers when it checked Oxfam Germany's allegations and it heard a very different story from the one told to Oxfam Germany's researchers. For example: *"Interviewed workers reported that they knew of their right to organize and join unions, and that they were not dissuaded from joining a union."*

Could it be that in (what Oxfam refers to as) *"a climate of fear among workers"*, workers have the good sense to tell auditors the story they want to hear, simply to avoid reprisals? It is possible that, in spite of Rainforest Alliance's sincere attempts to provide safe ways for workers to express grievances (interviewing workers without the presence of managers, a hotline for whistleblowers, etc.) they are simply not perceived by workers as being potential allies in their search for fair working conditions. If this is the case, then the Rainforest Alliance might need to rethink its whole strategy, to put some distance between itself and its powerful friends in the retail industry and to develop a new rapprochement with the only agencies which are in constant contact with the people and communities involved in food production i.e. the trade unions.

5.2. "Time for a tea break?"

When one respected NGO, Oxfam Germany (and also, as we have seen above, SOMO and a number of trade unions) says one thing and another NGO, Rainforest Alliance, says another, it might be helpful to turn to a neutral party for help. It would also be useful to be able to see what is going on with our own eyes. Fortunately the BBC, which is usually acknowledged to be a reliable and even-handed source of information may be able to help us here, not, it is true, with the specific cases of bananas and pineapples but at least in the case of tea. What is more, they can allow us the luxury of glimpsing for ourselves the kinds of realities which are being reviewed in this paper, rather than having to rely merely on the written word.

BBC journalists, Justin Rowlatt and Jane Deith, investigated conditions in the Assam tea industry last year. Their full report, dated 8 Sept 2015 and a video clip showing some of these conditions can be found at the following link: <http://www.bbc.com/news/world-asia-india-34173532>

Some extracts from their report are reproduced here:

"The joint investigation by Radio 4's File on Four and BBC News in Assam, north-east India, found workers living in broken houses with terrible sanitation. Many families have no toilets and say they have no choice but to defecate amongst the tea bushes. Living and working conditions

are so bad, and wages so low, that tea workers and their families are left malnourished and vulnerable to fatal illnesses. There was also a disregard for health and safety, with workers spraying chemicals without protection, and on some estates, child labour being used.

"Many Indians live in dismal housing, but Indian law says decent housing and sanitation are part of a tea worker's pay. This is the justification plantation owners give for the extremely low wages in the industry. Tea workers in Assam earn 115 rupees a day, just over £1 (\$1.50), significantly below the minimum wage (177 rupees in Assam).

"This combination of appalling conditions and low pay on tea plantations can be deadly. Studies have confirmed levels of malnutrition on tea estates are very high, even by India's woeful standards. Nine out of 10 patients from tea plantations are malnourished, according to the medical director of Assam Medical College, one of the main general hospitals serving the tea region.

"Professor AK Das says malnutrition makes tea workers and their families vulnerable to diseases caused by their unhygienic living conditions." Diseases of poverty" are common, he says, with lots of patients coming in with diarrhea, respiratory tract infections, skin lesions and serious infections like TB and meningitis.

"He describes a tragic cycle: children come in so weak from malnutrition they struggle to recover from curable illnesses, and then quickly relapse after they are released from hospital. As a result, Prof Das says, tea workers' children - and their parents - are significantly more likely to die of their illnesses than other patients at the hospital.

"One girl who said she was 14, was picking tea at the prestigious Doomur Dullung estate. She said she had been working full time for two months. Two other children said they had been employed full time on estates owned by Assam Company since they were in their early teens. The UN rules on child labour say no child under 15 should work full time.

"There was also a disregard for health and safety on some tea estates. On one estate owned by Assam Company workers were spraying pesticides without the protective equipment required by law. These workers said although protective equipment was given out once a year, it would wear out within a couple of months and was not replaced. They reported side effects including breathing difficulties, numbness of the hands and face, a burning sensation on the skin and profound loss of appetite. On one McLeod Russel estate, workers were spraying chemicals with overalls but no other protection. Assam Company has called the BBC's allegations "baseless and false".

"Tea estates also police access to the workers' living areas very tightly, despite access being guaranteed by law. Tea workers are vulnerable to exploitation because the plantations control so many aspects of their lives. The right of public access is supposed to enable people to visit them to check on their welfare. Yet the BBC was denied entry to the workers' living area of one of McLeod Russel's estates, and were even imprisoned briefly within the factory compound.

"The fact that there is a very serious issue with living and working conditions on tea plantations in Assam is well known. In January last year Columbia Law School's Human Rights Institute published a major study into conditions on estates. The report said the "inhumane" and "abusive" conditions it found were endemic throughout the industry.

Under the subtitle '**Failing Frog**' the report says "All the estates the BBC visited have been certified by the Rainforest Alliance and awarded its "frog seal", displayed on the packaging of many leading tea brands.

“Rainforest Alliance is an NGO that claims to work to conserve biodiversity and ensure sustainable livelihoods. It says its frog seal signals that businesses are managed according to "rigorous criteria" designed to "protect workers, their families and local communities".

“Stephen Ekka, an activist with the local NGO PAJHRA, told the BBC he believes the Rainforest Alliance's green frog logo "is more about selling tea than about empowering workers".

“Rainforest Alliance acknowledged issues with the certification process.”Clearly an auditing process, because it rests on an annual inspection, is not going to be perfect," its director Edward Millard said.”

6 Conclusions

6.1 Sustainable bananas?

So will Lidl's decision to buy 100% certified bananas enable it "to provide its customers with sustainably sourced produce", as Jon Covey, Head of Fresh Produce Buying at Lidl UK was quoted as saying at the beginning of this paper?

As can be inferred from Sanne van der Wal and Fleur Scheele's analysis (see Box 3 below) in their paper "Goodness Guaranteed", SOMO, May 2015, the answer must surely be "No". What SAN and the Rainforest Alliance promise, they point out, is simply a production management system, which aims at progressively improving performance, not a set of final outcomes. As the SOMO authors say, ISEAL, the global association for sustainability standards, to which RA belongs, specifically advises its members not to use the word "guarantee", when talking about outcomes; and here we should be quite clear and remember that 'outcomes' implies real things happening in the actual world (such as trade union rights being respected) as opposed to processes which might set up the conditions in which such trade union rights will be respected (such as putting up a notice in an office saying 'Respect Trade Union Rights' perhaps).

BOX 3: SOMO on guarantees

.....it is important to reflect on sustainability certification in relation to 'guarantees', as certifications are about trust and reliability.

Certification can be defined as 'the provision by an independent body of written assurance (a certificate) that the product, service or system in question meets specific requirements'. In case of the sustainability certification reviewed in this report it is a production management system and not some end state that meets their specific requirements. These specific requirements are defined in standards that evolve and (hence) are reviewed regularly. In order to receive their certificate, a producer must not only have specifically required procedures and policies in place, but the outcome of these policies in practice must also be verified through regular auditing and the producers must also be willing to take corrective action in cases of non-compliance with standard requirements. All of this must lead to ever-evolving better practice.

In other words, what is assured by way of certification is a continuously improving approach or risk management process – not an outcome or output (at least not in terms of guarantees). Indeed, ISEAL, the global membership association for sustainability standards, explicitly advises its members not to use the word guarantee in claims in relation to their system or approach.

p12 Sanne van der Wal and Fleur Scheele, "[Goodness Guaranteed](#)", SOMO, May 2015

Consumers who buy products which are said to be sustainably produced may believe that they actually are sustainably produced and even Jon Covey himself appears to make the very understandable mistake of thinking that products bearing the green frog label are invariably "sustainably sourced". But if such labels do not imply any concrete outcomes in the world but simply mean that a particular management system (with outcomes uncertain) was applied to production then doesn't such labeling amount to very little in practice? Consumers who are particularly interested in management systems

may be delighted to be able to purchase fruit produced under their management system of choice but most of us less erudite souls are probably asking simpler questions like “If I buy this will it help save the rainforest?”

6.2 The Rainforest Alliance strategy

There can be no doubt that Rainforest Alliance has a sincere and laudable vision. To fulfil its mission it promotes a production management system which appears to have considerable merit combined with a noticeable flexibility. The application of this management system is verified by auditors whose exact modus operandi is not quite clear but whose work presumably is focused more on compliance with the management system itself than it is on outcomes, since these cannot, according to ISEAL’s philosophy, be guaranteed. In complying with the management system it is hoped that good outcomes will be delivered. Sometimes this may be the case but on other occasions it does not appear to be so.

Rainforest Alliance’s aspiration is global and it recognises that with so much at stake it needs to influence not just small groups of people but large companies which have the potential power to shape a more positive future or to destroy our environment and our livelihoods. It has been enormously successful in attracting the interest of such companies, with massive players like MacDonald’s, Dunkin’ Donuts, Krafts and a host of others now displaying the green frog logo. Now it is getting increasing support from big EU retailers, with even the hard discounters promising to sell its certified products exclusively for part of their ranges. The less RA certification demands of companies, the more of them are likely to get on the bandwagon and if a lot of companies make even just small changes the result might turn out to be significant. This is presumably the logic of RA’s strategy. However such baby steps are unlikely to deliver real sustainability.

One thing RA doesn’t ask of retailers is that they buy from suppliers at prices which reflect real costs of production, let alone the costs of sustainable production. The illusion is created (even if precise outcomes are never explicitly stated) that sustainability can be provided ‘on the cheap’ or, far worse, that sustainability actually *is* being provided on the cheap – that by “following the frog” we can eat at Lidl prices and somehow living wages will be paid and the costs of environmental protection spirited out of thin air. The danger for the green frog is that the more we know about actual outcomes on real farms, the less we are able to believe in its magic and that when we finally get to kiss the frog, it doesn’t turn into the prince we were promised but simply disappears in a puff of greenhouse gas.

6.3 The road ahead

The Rainforest Alliance can’t be faulted on the extent of its aspirations. Although in practice it has not always delivered even the minimum wage, it aspires to deliver a living wage. Minimum wages in most banana and pineapple producing countries are well below the levels needed to buy even the bare necessities of life (food, shelter, gas or electricity for cooking, healthcare, the costs of children’s education etc.)

According to Will Flinterman (Fairtrade International), writing in his [blog on the ISEAL alliance website](#) (14 April 2014): “we have joined with other standard-setting organisations to form a Living Wage Working Group, including SAI, GoodWeave, SAN/RA, UTZ Certified and Forest Stewardship Council. Together we are a strong voice for the voluntary standards movement promoting a single living wage definition and methodology.”⁵³

The creation of the [Global Living Wage Coalition within ISEAL](#) later that year was good news indeed. It was especially good to see these standard-setters had committed themselves to include living wages in their criteria in future (based on the well-respected Anker methodology).

However, Rainforest Alliance and the others are likely to find themselves at loggerheads with the retailers and especially with the hard discounters. For, however much standard-setters might hide behind management processes, they will finally need to deliver outcomes; and however much they might like to talk about win-win strategies - in which outcomes are delivered with little additional cost to the buyers and sellers along the chain - wages and especially real living wages will need to be paid for with hard cash.

6.4 Recommendations

- Rainforest Alliance needs to challenge retailers and insist that they pay fair prices which internalise the costs of sustainable production including the costs involved in paying living wages.
- Many trade unions are disillusioned with Rainforest Alliance and, in the banana and pineapple sector in Latin America, see its label as being little more than 'green-washing'. Rainforest Alliance should seek to engage with unions in the banana sector by, for example, proactively reaching out to local unions and the Regional Coordination of Banana & Other Agro Industrial Unions (COLSIBA) to offer regional or national opportunities for unions to discuss their concerns so that in future these can be addressed by Rainforest Alliance.
- Retailers like Lidl need to acknowledge that sustainable livelihoods will be delivered only when supermarket buyers agree to pay a price which reflects real costs. Lidl needs to pay fair prices and stop squeezing its suppliers.

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Further information



Banana Link is a not-for-profit co-operative based in Norwich, which works for fair and sustainable banana and pineapple trades. We raise awareness of the poor living and working conditions faced by plantation workers and small producers in Latin America, Africa and the Caribbean.

www.bananalink.org.uk



MAKE FRUIT FAIR believes that truly sustainable systems will be secured only when supermarkets pay their suppliers FAIR PRICES, prices which cover the real costs of sustainable production. "Buy a banana, get a sustainable future free" will never be a viable option.

www.makefruitfair.org

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¹E.g. <https://www.theguardian.com/business/2016/feb/01/lidl-promises-stock-only>

And www.the-grocer.co.uk/buying-and-supplying/sourcing/another-major-uk-food-retailer-to-follow-lidl-on-bananas/531161.article.

² See <https://www.theguardian.com/business/2016/feb/01/lidl-promises-stock-only-bananas-sustainable-sources>.

³ p11, *Banana value chains in Europe and the consequences of Unfair Trading Practices*, Oct 2015, BASIC.

⁴ p27, *ibid*.

⁵ p30, *ibid*.

⁶ Fairtrade International requires buyers to pay its Fairtrade Minimum Price (FTMP), which is intended to ensure that the costs of sustainable production are covered (this FTMP is different in different regions, being adjusted to take into account local costs). In the UK the supermarket chains Sainsbury and Waitrose sell loose Fairtrade bananas from Colombia at (currently) 68p/kilo in order to remain price competitive with other supermarkets. They do not therefore pass on the higher costs to consumers and they reduce their own profits or even make losses on loose bananas as a result.

⁷ <http://www.rainforest-alliance.org>.

⁸ *Ibid*.

⁹ <http://www.rainforest-alliance.org/work/impact/economic/industry-transformation>. Although this is RA's claim, the percentage quoted does not seem to be consistent with FAO figures for world banana exports.

¹⁰ http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.

¹¹ The Standard quoted in this document was the latest version on the Rainforest Alliance website available at the time of writing (version 4 of the July 2010 standard). Oxfam Germany has recently published a report 'Sweet Fruit, Bitter Truth', May 2016 which is critical of the RA. The RA in its response to criticism points out in one of its defensive strategies that Oxfam Germany was working with an out of date version of the SAN standard, a revised standard having been adopted in December 2015. Yet another new version is due to be adopted in September 2016. Standards are continuously being reviewed and changes are usually small and incremental. While the Standard quoted in this document may not be the latest version, it was the one which was in operation in 2015 during which time most of the on-farm research reviewed in this document was carried out (the Oxfam study in 2016 being the only exception). It is unlikely that more recent changes to the Standard will make any substantial difference to the discussions in this paper.

¹² http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.

¹³ To be more precise, Fairtrade International requires that producers are paid at least the regional Fairtrade Minimum Price, which, as noted above, is intended to cover the costs of sustainable production. This provides a very valuable price guarantee for producers. In extremely unusual circumstances (when global demand for bananas greatly exceeds global supply) the market price has actually for brief periods exceeded regional FTMPs. However it should be stressed that this is an exceptionally rare occurrence.

¹⁴ This comment is intended to apply not to Rainforest Alliance standards in particular but to a range of comparable voluntary standards.

¹⁵ http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.

¹⁶ *Ibid*.

¹⁷ See Section 3.3.

¹⁸ http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.

¹⁹ To read about examples of projects reviewed in this annual report visit www.rainforest-alliance.org/publications/ar-2014.

²⁰ Imaflora also undertakes a small amount of certification in Brazil.

²¹ See Section 4.

²² www.rainforest-alliance.org/publications/ar-2014.

²³P5, Sanne van der Wal and Fleur Scheele, "Goodness Guaranteed", SOMO, May 2015.

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- ²⁴ Certainly in the case of most Latin American countries exporting bananas and pineapples but probably less so in other regions and sectors. In the latter cases the RA standards may go much further than local national legislation.
- ²⁵ "Sweet Fruit, Bitter Truth", Oxfam May 2016.
- ²⁶ Including by El Centro de Solidaridad, Dr. Ruy Diaz and German Zepeda, August 2015, and an unpublished report. "Condiciones Laborales en las fincas Bananeras de la Costa Sur y Boca Costa" by SITRABI, Guatemala, May 2016.
- ²⁷ Sanne van der Wal and Fleur Scheele, "Goodness Guaranteed", SOMO, May 2015, available at www.somo.nl/publications-en/publication_4195.
- ²⁸ http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.
- ²⁹ The only country in the samples which included significant pineapple producers was Costa Rica. Non compliance in other Latin American countries usually relates therefore to bananas rather than to pineapples, except in the case of Costa Rica.
- ³⁰ Rainforest Alliance disputes the findings of many critical studies. This is a matter which we will need to return to towards the end of the paper.
- ³¹ P26, "Condiciones laborales de fincas bananeras certificadas en CA", Dr. Ruy Diaz y German Zepeda, Centro de Solidaridad, August 2015.
- ³² P 30, *ibid*
- ³³ E.g. p 21 Oxfam, *op.cit*.
- ³⁴ P27. Oxfam *op.cit*. Rainforest Alliance disputes many of Oxfam's claims, admitting to only two of the violations reported to in its report "Sweet Fruit, Bitter Truth" (May 2016). Links to Rainforest Alliance's rebuttals and Oxfam, Germany's response to these rebuttals can be found at: www.oxfam.de/reaktionen-supermaerkte.
- ³⁵ P30, SOMO, *op.cit*.
- ³⁶ P26 Ruy Diaz y German Zepeda, *op. cit*.
- ³⁷ P29 *ibid*.
- ³⁸ P32 *ibid*.
- ³⁹ P33 *ibid*.
- ⁴⁰ P20 Oxfam Germany, *op.cit*.
- ⁴¹ P24, SOMO, *op.cit*.
- ⁴² P31, SOMO, *op.cit*.
- ⁴³ P 37 Diaz and Zepeda.
- ⁴⁴ References to all the failures to comply outlined in this paragraph can be found in each of the studies reviewed in section 4.
- ⁴⁵ http://www.san.ag/biblioteca/docs/SAN-S-1-4_Sustainable_Agriculture_Standard.pdf.
- ⁴⁶ P22, SOMO, *op.cit*.
- ⁴⁷ P25 *ibid*.
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- ⁵⁰ P25 Oxfam, *op.cit*.
- ⁵¹ P27 *ibid*.
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This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of Banana Link and can under no circumstances be regarded as reflecting the position of the European Union.