





Buy a Banana, Get a Sustainable Future Free?

Lidl has announced that all the bananas it sells in its discount stores in Germany and the UK will be certified by <u>Rainforest Alliance</u> and/or <u>Fairtrade International</u> from now on and it is expected that in time this policy will be extended to Lidl stores in other EU countries. According to Jon Covey, head of fresh produce buying at Lidl, UK: "<u>This move is yet</u> another milestone in Lidl's ambition to provide its customers with sustainably sourced produce."

When you buy Fairtrade bananas, you are usually required to pay a higher price and the extra premium will be used both to guarantee a minimum price for its suppliers and to finance the "Fairtrade Premium". This "Fairtrade Premium" generates tangible social and environmental benefits for producers and workers and they decide how the premium is spent.

If you buy Rainforest Alliance certified bananas or pineapples however, you will still be able to pay the usual low prices which have made Lidl's stores so popular. Whatever benefits there are, if there are any, will be free to the consumer but is it actually plausible to claim that cheap tropical fruit, even if it is certified, can really be 'sustainably sourced'?

Increasingly popular



Rainforest Alliance certified products (which today include bananas, pineapples, coffee, tea, palm oil and a great many other commodities) are increasingly popular with retailers and other businesses which offer cheap food and drink. Among the companies selling products which carry the Rainforest Alliance's green frog logo are McDonald's, Dunkin Donuts, Kraft, Unilever, Mars and a great many others not usually perceived as

particularly socially or environmentally responsible.

Once a product is stamped with the green frog logo, an impression is created that you, the consumer, might be making a difference; that you might be making the world a better, fairer place; that perhaps you are even saving the rainforest by choosing Rainforest Alliance products but is this really true? Does buying these products make tropical fruit production more sustainable and does it secure the future for yourself and your children?

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 habitats. 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 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 <u>Sustainable Agriculture Network</u> (SAN). SAN's standards are developed and revised by its International Standards Committee, composed of SAN's Secretariat and currently a group of 9 experts.

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 over 6 million tonnes display the frog logo, meaning that 5.5% of world banana experts were RA certified in 2014.

This 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.

SAN standards



Within the <u>Sustainable Agriculture Standard</u>, there are 100 criteria, grouped under ten guiding principles. Six of these principles involve ecological criteria, one relates to management systems and the other three contain social criteria. Of the 100 criteria, 16 are critical and have to be passed to achieve RA certification.

The critical environmental criteria require the protection of existing ecosystems on the farm, the non-destruction of rainforest for farming

activities and an embargo on hunting wild animals. Farms may not discharge waste into natural water systems and there is a list of forbidden chemical and biological substances.

The critical social criteria require that:

• farms do not employ children under the age of 15, use forced labour or apply discriminatory employment practices;

- workers must have the right to organize freely and to negotiate their working conditions collectively;
- farms must have and divulge a policy guaranteeing this right and must not impede workers from forming or joining trade unions or from undertaking collective bargaining; and
- wages should at least equal the regional average or legally established minimums.

Other critical criteria include, in the area of health and safety, that workers in contact with agrochemicals should use personal protective equipment and, in the area of community relations, that farms should put in place policies and procedures which identify and take into account the interests of local populations.

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. 46 per cent of all criteria are checked in each individual audit.

It is not possible to analyse the SAN criteria in detail here. However it is worth noting that the critical criteria are mostly requirements which are already contained in national legislation, existing company Codes of Practice and in other standards such as <u>GlobalGAP</u>, which are already required by EU retailers selling imported bananas and pineapples. Only one criteria relating to restoration of natural ecosystems appears to add value beyond usual pre-existent requirements.

When it comes to non-critical criteria, there is enough flexibility in the requirements to make it possible for most commercial banana and pineapple plantations to achieve certification without any great difficulty.

Certification

SAN authorizes 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, which means that 100% (or very nearly 100%) of banana and pineapple plantation audits are carried out effectively by Rainforest Alliance itself. As a leading member of SAN, Rainforest Alliance sets its standards and as the owner of RA Cert it also audits farms.

Where violations are found, plantations are normally given warnings, encouraging them to improve performance in future. There is a system for whistle-blowing and RA usually responds quickly to allegations. Some complainants report however that making and following up a complaint can involve a lot of time and effort and there can be no guarantee that they will be satisfied by the outcome.

The only external challenges to the system tend to come from trade unions and civil society organisations which know about the daily realities of life on Rainforest Alliance Certified farms. 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 to be almost invariably found. This inevitably raises questions as to the overall reliability of RA and its certification system.

Do certified farms comply with SAN Standards?

It is not always easy for external agencies to get access to farms. This makes it difficult to assess RA's environmental impacts in any detail. It is easier to assess the Alliance's social impact as information can be obtained, if necessary, by interviewing workers and trade union organizers outside the plantation gates.

Preliminary investigations of RA's performance in banana and pineapple farms have been carried out by <u>Banana Link</u> (UK), by <u>Oxfam Germany</u>, by a number of Latin American trade unions and by <u>SOMO</u> (Netherlands – for the tea, coffee and flower sectors). Their findings are briefly outlined below:

In Costa Rica, in Ecuador, in Honduras and in Guatemala (and in Kenya for tea) researchers found Rainforest Alliance Certified farms where:

- Trade union membership and activities were suppressed and unionised workers sacked
- Wages paid were below the legal minimum requirement
- Hours worked exceeded legal limits and overtime was not paid
- Areas for eating and sanitary facilities were not provided
- Migrant workers were contracted at lower rates than national workers
- Use of subcontractors generated instability in the workplace
- Safety equipment was inadequate and agrochemical contamination occurred
- Workers suffered health problems associated with the use of agrochemicals
- Contracts without social security and other social guarantees were used
- There was evidence of environmental non-compliance

Ecuador and Costa Rica are the biggest suppliers of bananas to the EU. Costa Rica is the biggest supplier of pineapples. Some of the farms investigated are known to supply Lidl (and also Aldi).

So does Rainforest certification deliver?

It would appear that RA certification does not provide a guarantee that even such "critical criteria" as basic labour rights or payment of minimum wages have been respected.

The Sustainable Agriculture Network and Rainforest Alliance aspire to offer sustainable tropical fruit and to do this at no extra cost to consumers. When supermarkets offer fruit

to consumers at exceptionally low prices however they need in turn to buy from their own suppliers at the lowest possible prices.

"Hard discounters" like Lidl and its competitor, Aldi have driven prices down to levels not seen since the 1970s <u>Other supermarkets are trying to match these low prices but costs</u> to producers have risen dramatically in this period.

Can it be realistic to expect banana and pineapple growers to produce sustainably when the prices they are paid barely cover the costs of production? Is it surprising that, when researchers investigate Rainforest Alliance Certified farms, they find that SAN standards are not being met? Producers have to pay RA for certification which adds further to their costs. When low prices are paid to producers it makes it more difficult for them to meet the costs of sustainable production and this makes it more likely that production systems will lead to negative social and environmental impacts.

option.

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



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