



Banana workers' experience of ethical certification in Costa Rica

Overview

Most multinational banana plantations in Costa Rica are certified as compliant with social and environmental standards by private bodies. Yet, workers do not feel empowered to report violations and evidence of remediation is lacking. Violations to certain standards are widespread, and workers reported deterioration of working conditions and wages overtime, despite certification. The industry should seek alternative forms of social governance in supply chains that centre workers' experiences and entail robust, legally binding enforcement mechanisms.

Background

Ethical certification and product labelling schemes are commonplace in the banana industry. These schemes require multinational plantations and suppliers to comply with a range of labour and environmental standards to minimise harm to workers, compliance with which is monitored via workplace audits. However, the effectiveness of these schemes been called into question for many years by workers, their representatives, activists and researchers, who argue that certification fails to address the root causes of poor working conditions and low wages.

Methodology

This brief draws on research conducted in 2022 in Costa Rica as part of a wider project exploring the role and experience of workers in agricultural private supply chain governance initiatives. In Limón and Sarapiquí regions of Costa Rica, 73 workers participated through interviews and focus groups, and 13 stakeholders representing trade unions, certifiers and state organisations. All workers worked on plantations either wholly owned by or the sole supplier to major multinational fruit companies, and all held at least one ethical certification. The principal certifiers in Costa Rica are Rainforest Alliance, Global GAP, SCS Sustainably Grown, SA8000 and Fair Trade USA.

There are many barriers to workers effectively reporting abuse during audits

- Workers reported low levels of education among colleagues about the labour standards covering individual workplaces; standards are not always displayed in the plant.
- Workers variously reported that during audits, very few or even no workers were interviewed.
 Where interviews did take place, workers did not feel confident to speak truthfully.
- Audit manipulation was commonly reported. This includes training and threatening workers to answer audit questions favourably, only cleaning the plant and hiding faulty equipment when an audit is due, avoiding noncompliant areas of the plantation, and sending home 'problematic' workers such as trade union members and undocumented migrants.
- Complaints made directly to management are risky and rarely result in a positive outcome for workers.
- These barriers are underpinned by the growing use of short-term contracts, regular sackings
 of union members and discrimination against those who speak up, disincentivising reporting
 of standard violations.

Recommendation 1: Multinationals and supermarkets should engage in meaningful dialogue with workers and their independent representatives, acting on their experience and demands and supporting collective bargaining.

Recommendation 2: Workers and their representatives should be the primary, front-line monitors of their rights, protected from retaliation by the state.

Workers reported that where reports to auditors were made, there was no clear remediation

- No workers reported positive experiences or knowledge of successful remediation following a reported abuse during an audit.
- Enforcement via decertification is rare, and isn't in the interests of certifiers, plantations, multinationals and supermarkets.
- Workers seek alternative channels to seek remediation, such as through trade unions, the courts and everyday acts of 'getting by' that would not be necessary if certification was delivering its stated aims.

Recommendation 3: Multinationals and supermarkets should move towards legally binding collective agreements with workers organisations that can be enforced both within and across borders to hold fruit companies, plantations and retailers jointly liable for reported abuses.

Recommendation 4: The Costa Rican state and others in banana producing countries should build the capacity of local inspectorates and relevant ministries to monitor and enforce local laws, and move towards mandatory living wage payment on a regional basis.

Despite certification, working conditions and wages remain a challenge

- Due to supermarket price pressure, labour and workplace costs are squeezed.
- Standard violations were reportedly widespread, commonly including:
 - Insufficient and damaged personal protective equipment, poor sanitation, agrochemical exposure, unsafe infrastructure and housing.
 - Sacking, blacklisting and discrimination towards trade union members.
 - Forced and unpaid overtime (on some plantations).
 - Sexual harassment and sacking of pregnant and older women; verbal abuse and intimidation.
- Workers unanimously reported deterioration in their wages and working conditions over the past 5-10 years, particularly:
 - Wage stagnation, coupled with a rising cost of living. Gross wages on average hover around minimum wage but net wages can fall below when accounting for deductions, and are around only half the <u>Global Living Wage Coalition</u>'s calculated living wage for the region. Workers reported struggling to make ends meet, no savings and indebtedness.
 - Work intensification and rising productivity targets that create unsafe working environments.
 - Growing precarity and use of short-term contracts.

Recommendation 5: Supermarkets should pay more for bananas to enable more value to be transferred to workers wages and workplace conditions. This should involve responsible, long-term and collaborative sourcing practices with suppliers.

Conclusion

Multinationals and supermarkets should exercise 'Shared Responsibility' to collectively engage in dialogue with workers and promote fair purchasing practices. Combining this with centralising workers' experience and participation will move towards more sustainable and effective protection of banana workers through governance efforts.

Contact

Dr Remi Edwards

remi.edwards@sheffield.ac.uk

<u>@remiedwards.bsky.social</u>