

# BASELINE STUDY: FAIRTRADE CERTIFICATION IN THE BANANA HIRED LABOUR SECTOR

DOMINICAN REPUBLIC, COLOMBIA & GHANA

2016



## INTRODUCTION

Independent consultants from LEI Wageningen UR in the Netherlands conducted baseline data collection on both Fairtrade-certified and non-Fairtrade certified plantations to provide a basis for future impact assessments. Surveys were combined with individual, in-depth interviews, gaming sessions and direct observation.

The study aimed to gather data on a range of indicators salient to production from key banana origins in Latin America (namely the Dominican Republic and Colombia) and Ghana (as the country with the most certified organisations in West Africa). The study also aimed to gather baseline data in order to track how the revised Hired Labour Standard impacts working conditions and worker empowerment on Fairtrade plantations.



## KEY FINDINGS



### WORKERS' INCOME

Fairtrade certification contributes towards overall workers' income through a number of in-kind benefits received by wagedworkers in all three countries of study. A clear link can be made between the investment of the Premium and economic benefits – especially in terms of the impact that in-kind benefits such as the provision of food, housing and education has on a household's expenditure.



### EMPOWERMENT

Workers on Fairtrade-certified plantations were found to feel more empowered and generally have a stronger sense of ownership of the plantation they work for than those working on non-Fairtrade certified plantations. Workers on Fairtrade-certified plantations also generally have a higher level of job satisfaction, better past and current development perspectives on issues such as income, health and schooling (than workers on non-Fairtrade certified plantations).



### COLLECTIVE BARGAINING

Survey results highlight the positive contribution of Fairtrade certification in terms of worker representation in two out of three of the case study countries. In the Dominican Republic, workers on Fairtrade plantations are more often members of plantation workers' committees, report higher levels of trust in these committees and feel more listened to by their supervisors. In Colombia, positive differences between workers on Fairtrade-certified and non-Fairtrade certified plantations were found regarding trust in the workers' union.



### STANDARD OF LIVING

Fairtrade certification was found to contribute significantly to an increased standard of living amongst workers in the Dominican Republic. Workers on Fairtrade-certified plantations were found to be more satisfied with their standard of living, have a higher level of savings and can be considered to be more food secure. The study found no significant differences, however, in land ownership or the number of household assets between workers on Fairtrade-certified and non-certified plantations in Ghana or Colombia.

# Research Methods

The report presents the results of a baseline study in the banana sector in Latin America and Ghana. Data was collected on both Fairtrade-certified and non-Fairtrade certified plantations in the Dominican Republic and Colombia. No suitable counterfactual existed in Ghana; the year of certification was, therefore, used for comparison purposes. A plantation certified in 1996 was compared with a plantation certified in 2012. A mixed methods approach was adopted, involving worker surveys, in-depth interviews

with management and workers, gaming sessions and direct observation. In total, 1137 wageworkers (653 from Fairtrade-certified plantations and 485 from non-Fairtrade certified plantations) were surveyed across the three countries of study between February and May 2015. Wageworkers were randomly selected from the plantations following the development of a sampling framework. In each country of study, a minimum of 40% of certified plantations were included to ensure sufficient external validity.

# Learning and recommendations



## AWARENESS RAISING

The study highlighted several areas for continued awareness raising amongst workers, particularly in the areas of grievance and sexual harassment policies, in-kind benefits and workers' rights. Fairtrade is currently in the process of conducting participatory learning workshops with staff members in each country engaged in the study to assess how we can best act on these recommendations. This will ensure that the study findings and recommendations are actioned by the relevant departments in our system and that practical actions are designed going forward.



## FOCUS ON WOMEN & MIGRANT WORKERS

Suggestions to continue exploring precise pathways to positively influence the position of women and migrants

reinforce the importance of our strategy focus and programmes in this area. We will also continue to examine how we can best support the position of women using our Gender Strategy to guide our approach.



## ENSURING COMPLIANCE WITH HEALTH & SAFETY PROCEDURES

The study recommended that improvements could be made regarding the timing and supply of health and safety equipment as well as working with both supervisors and workers to ensure compliance. Workshops will be held with banana producers and Fairtrade staff and the workers' rights advisory committee will ensure that any learnings are shared and actioned. This will include engaging workers and supervisors in discussions around compliance to and use of health and safety standards and equipment.

# Fairtrade response

Fairtrade introduced its revised Hired Labour Standard in 2014. Subsequent rounds of data collection building on the baseline data collected in this study will be highly useful to assess the impact of these revisions in due course. Since 2016 the Fairtrade system has also been committed to ensuring that wage improvements in bananas will be linked to the amount of business conducted on Fairtrade terms and that all workers will enjoy these wage benefits by 2020. We believe that we can further influence positive change through our leading role and partnership with other standard setters in the Global Living Wage Coalition. Another essential building block of our Living Wage Strategy is our work with global and local trade union organisations. Fairtrade's focus on promoting freedom of association and collective bargaining

has been reflected in requirements for plantations to sign a Freedom of Association Protocol and to provide a Right to Unionize Guarantee to their workers. Fairtrade is also embracing the consultants' recommendations by implementing learning workshops with staff and producers to ensure that we act on findings. We will take account of those areas noted for future research, including on standards of living, living wage, income security, workers' rights, workers' perception of job satisfaction and trust.

**ABOUT FAIRTRADE** FAIRTRADE IS ABOUT BETTER PRICES, DECENT WORKING CONDITIONS AND FAIR TERMS OF TRADE FOR FARMERS AND WORKERS.

**FOR MORE INFORMATION** VISIT [FAIRTRADE.ORG.UK](http://FAIRTRADE.ORG.UK) OR [FAIRTRADE.NET](http://FAIRTRADE.NET)



**FAIRTRADE**  
INTERNATIONAL