



## *Briefing note for public buyers*

### Banana supply chains: addressing labour rights violations and risks

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This briefing note will provide public buyers with some guidelines to address risks and violations in their banana supply chains. It should help to identify solutions that will improve working conditions for banana workers and their communities, who are subject to high levels of exploitation and harm.

It draws on the expertise of [Banana Link](#), an organisation with more than 20 years of expertise on labour rights issues in the banana industry, and a wide network of labour rights organisations including trade unions around the world that inform its work. Banana Link plays a critical role in international forums such as the World Banana Forum<sup>1</sup> and engages with retailers, brands, certification bodies and growers around the world to improve working conditions and workers' rights in the banana sector.

## 1. Key facts about the banana trade

The banana trade in a nutshell:

- 20 million tonnes of bananas are exported annually, making them the most traded fruit worldwide
- One of the biggest global fruit trade in terms of volume and value in some of the Northern consumer markets
- Bananas' global export value represented \$9-10 billion USD in 2023. 45% of the bananas exported came from Latin America, 31% are from Central America and 19% from Asia
- A quarter of banana exports are destined for the European market, making it the largest importing bloc in the banana global market, accounting for 32%, followed by North America and Asia representing 25% each
- The banana production system is based on large monocrop plantation
- Trade is dominated by four big multinationals, namely Fyffes, Chiquita, Dole and Del Monte who represent almost 50% of the banana trade. The rest of the market includes six large national companies accounting for 15%.

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<sup>1</sup> <https://www.fao.org/world-banana-forum/about-the-forum/en/>

- Multinationals have an important role in the banana supply chain, controlling the export, import and ripening. However, in recent years, some retailers in the USA and the UK are taking over more steps like ripening and import.
- There is a lack of transparency in the banana supply chain but an ongoing movement related to living wage is contributing to greater visibility and corporate accountability.

Public authorities buy significant volumes of bananas for hospitals, schools, universities and other public settings. Public buyers tend not to have a direct relationship with suppliers and often buy bananas from a local wholesaler, but may require certifications, such as organic or Fairtrade.

## 2. Critical labour rights risks in the banana supply chain

Labour rights violations are extremely common in the banana industry. Workers are often subject to:

- High degree of exposure to dangerous chemicals, which endangers banana workers' health, and has wider damaging impacts to local communities and the environment
- Low wages - most are paid below a living wage and are often employed on insecure and temporary work contracts
- Discrimination, especially for women and migrants
- Barriers to freedom of association, trade union persecution and repression
- Sexual harassment and abuse
- Excessive working hours
- Exclusion from labour legislation protection as agricultural workers

## 3. Evidence required and assessed

Most public buyers ask for certifications to demonstrate compliance with their socially responsible procurement requirements. The key certifications in the banana industry are Fairtrade and Rainforest Alliance, as well as organic certifications. The Global GAP standard is the most common starting point for retailers, upon which other certifications are built.

However, there are **flaws and gaps with certification schemes**. Some of these are:

- The cost of certification is borne by the suppliers and not the big buyers, which creates a general conflict of interest and additional pressures for cost-saving by suppliers. Usually reducing labour costs are the only way to make these savings. This may also create a conflict of interest between producers, certifiers and brands, all of whom are seeking business from the same customers. The system is skewed to provide approvals to win businesses, rather than expose problems or challenges, such as worker rights violations.
- There is a tendency for retailers to ask banana producers / brands to meet their own standards plus additional certifications. This 'over-certification' creates duplication, confusion and considerable costs for suppliers that could instead be spent on improving wages and working conditions.
- There is a lack of credibility of Rainforest Alliance<sup>2</sup> on key labour rights risks, especially freedom of association.
- Global GAP only covers key labour rights issues in its GRASP standard. Private auditors often lack training and experience to identify core violations like freedom of association and discrimination.
- Fairtrade: workers committees that are prerequisite of certification can inhibit independent unions. Certification of large plantations has led in some cases to market saturation, and a moratorium on certifying any new banana producers for several years.
- Certification schemes do not always guarantee improved working conditions for banana workers. (e.g. some Rainforest Alliance certified banana plantations have been exposed for extremely poor working conditions<sup>3</sup>).

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<sup>2</sup> <https://media.business-humanrights.org/media/documents/files/documents/20160531-oxfam-sweet-fruit-bitter-truth-en.pdf>

<sup>3</sup> <https://media.business-humanrights.org/media/documents/files/documents/20160531-oxfam-sweet-fruit-bitter-truth-en.pdf>

Banana Link flagged some **challenges for specific certification bodies:**



**FAIRTRADE**

- Private certification for smallholder organisations or for plantations that hire workers.
- Social and environmental standards
- Minimum farmgate and export prices per country for the banana box, higher if organic.
- In UK + EU around 10% of market share.



**BIO**

- Private certification recognised by many governments.
- Based on production without synthetic pesticides, requiring a range of other ecological practices.



**RA**

- Private environmental certification.
- Roots in campaign against plantation expansion to primary forests of Costa Rica.
- 2000s: social requirements added.
- No minimum price mechanism.
- Poor record on labour rights.




**GLOBALGAP**


- De facto requirement of all retailers
- Food safety requirement
- Business to business instead of consumer facing

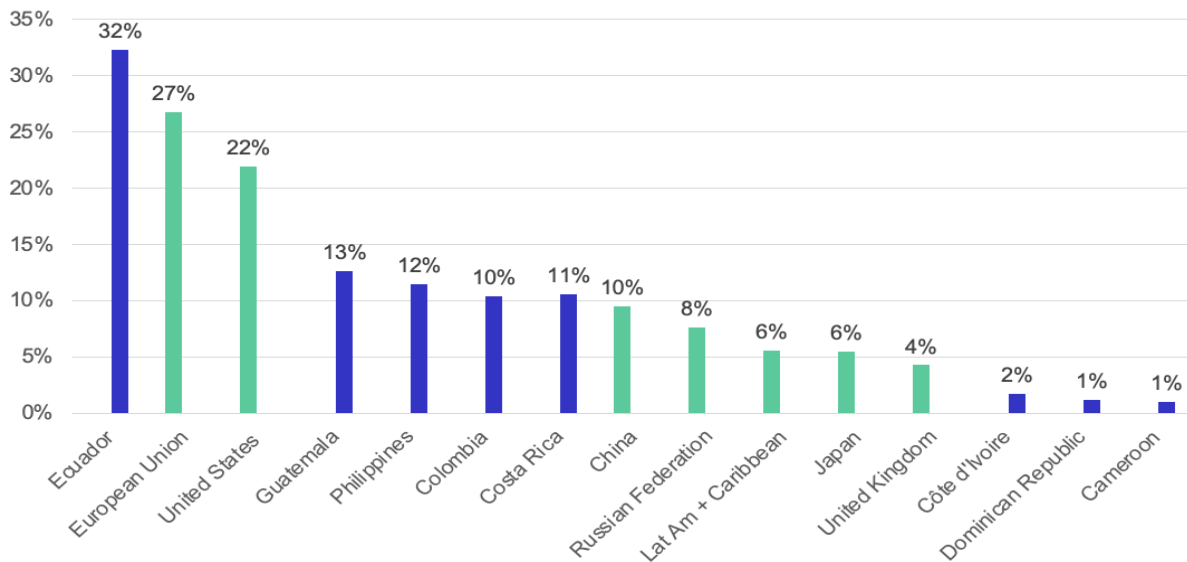
## The global banana trade

### Share of global imports and exports

(Source: FAO BANANA Market Review Preliminary results 2023)

 = Imports

 = Exports



Source: Banana Link, based on data from CIRAD Fruitrop based on Eurostat figures, FAO BANANA Market Review Preliminary results 2023




- The global banana trade is concentrated in Latin America
- Ecuador is the top banana-producing country and European Union's biggest supplier of bananas (1.6 million tonnes of imported bananas came from Ecuador in 2023).

- The top three banana exporters (Ecuador, Philippines and Guatemala) are all in the top ten worst countries for workers according to the ITUC's Global Rights Index<sup>4</sup>.
- Numerous complaints<sup>5</sup> to ILO committee on Freedom of Association<sup>6</sup> over the years;
- Due to the importance of bananas in the global food market, retailers and public buyers need to comply with emerging and more stringent legislative requirements on human rights due diligence and preventing modern slavery.

## Relevant legislation and international standards

- The Universal Declaration of Human Rights;
- The ILO Declaration on Fundamental Principles and Rights at Work;
- ILO core conventions: no. 29 and 105, no. 87 and 98, no. 100, no. 111, no. 138 and 182;
- Other ILO conventions: no. 1 and 30, no. 26 and 131, no. 135, no. 155, no. 190;
- UN Sustainable Development Goals;
- EU Corporate Sustainability Due Diligence Directive – 2023.

## 4. Supply chain mapping

				
Banana production takes approximately 9 months; bananas are harvested while still green.	Harvest bunches are transported to packing sheds where they are divided, inspected, sorted, washed and boxed for export.	Bananas are placed in refrigerated vessels or containers. They are shipped for 10 to 20 days to get to Europe.	When bananas arrive at destination, customs are cleared and they are trucked to ripening rooms.	Once ripened, yellow bananas are delivered to regional distribution centres of retailers & wholesalers, then sent to stores.

Banana production and distribution stages

Source: BASIC

<sup>4</sup> [International Trade Union Confederation Global Rights Index](#)

<sup>5</sup> Example of a complaint related to banana workers in Costa Rica:  
[https://normlex.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:50002:0::NO::P50002\\_COMPLAINT\\_TEXT\\_ID:4120986](https://normlex.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:50002:0::NO::P50002_COMPLAINT_TEXT_ID:4120986)

<sup>6</sup> Example of a complaint about freedom of association and collective bargaining in Ecuador:  
[https://normlex.ilo.org/dyn/normlex/en/f?p=1000:50002:0::NO:50002:P50002\\_COMPLAINT\\_TEXT\\_ID:4364421](https://normlex.ilo.org/dyn/normlex/en/f?p=1000:50002:0::NO:50002:P50002_COMPLAINT_TEXT_ID:4364421)

<sup>6</sup> <https://www.ilo.org/international-labour-standards/ilo-supervisory-system-regular-supervision/applying-and-promoting-international-labour-standards/committee-freedom-association-cfa>

## The Banana Split

Who is paid what in the price of a banana?<sup>7</sup>

### Conventional loose bananas Costa Rica

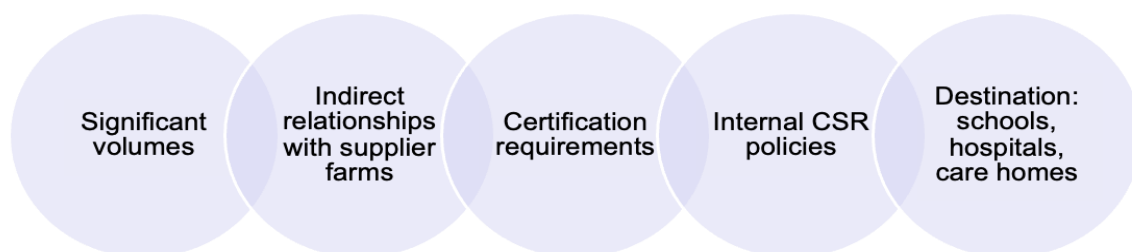


### Fairtrade loose bananas Colombia



Labour represents the greatest expense in the cost of production of bananas, between 40.2% and 48.5% in Ecuador, according to the FAO in 2016. To reduce this expense, producers pay lower wages.

## Public authority supply chains: key characteristics



<sup>7</sup> Banana Value Chain, EU imports, 2018

## 5. Engaging with suppliers: what can public buyers and retailers do?

### ✓ **Be informed**

- Don't assume certification schemes alone can guarantee ethical production
- Ask questions: demand more transparency from your supplier about where the bananas come from
- Engage with workers unions, NGOs and other expert organisations

### ✓ **Use your purchasing power**

- If possible, buy bananas from countries that enable strong and independent workers unions to operate
- Use your leverage to drive improvements, and collaborate with other public buyers

### ✓ **Build trust with responsible purchasing practices**

- Ensure your own and your suppliers' purchasing practices are fair. Fair prices and longer-term contracts build confidence of producers to invest in workers and the environment, rather than viewing them as areas to cut costs

### ✓ **Work with suppliers**

- Avoid zero-tolerance policies that lead to covering up issues instead of dealing with them

### ✓ **Publicly state your position and influence others with support for**

- Social dialogue and independent workers unions
- Gender equity and women's empowerment
- Just Transitions and sustainable agriculture
- Fair prices and responsible purchasing practices

### ✓ **Shared responsibility**

- Work together with other procurement teams, share information, develop good practice, pool resources
- Join multi-stakeholder initiatives e.g. World Banana Forum, Ethical Trading Initiative

### ✓ **Directly support workers and small farmers with country-specific programs**

- Union capacity building
- Occupational health and safety initiatives
- Gender programmes
- South to south learning exchanges
- Independent research

### ✓ **Nothing for the worker without the worker**



- Build worker voice and agency into any initiatives that aim to improve their lives.

## In summary:

DO	DON'T
<ul style="list-style-type: none"> <li>→ Ask your questions of your supplier, and get to know your supply chain better. Demand more transparency from suppliers around sourcing and due diligence on working conditions.</li> <li>→ Engage with experts: consult with workers unions and NGOs with local expertise who can advise, guide and support</li> <li>→ Consider the scope for protecting workers in tendering processes and sourcing requirements</li> </ul>	<ul style="list-style-type: none"> <li>→ Do not rely solely on your suppliers' certification. Ask for credible and quality evidence of their commitments or policies on human rights, labour rights.</li> </ul>

## 6. Examples of good practice

### Living wage

World Banana Forum agreement<sup>8</sup> in 2021 to achieve living wages and incomes for all in the global banana industry; Banana Link's advocacy led to this agreement;

2024: Joint statement of 20 German, British, Dutch and Belgian leading retailers<sup>9</sup> to work closely with trade unions and favour collective bargaining to close wage gaps. The Sustainable Trade Initiative (IDH), a public private cooperation foundation supported by several European

<sup>8</sup> <https://www.fao.org/world-banana-forum/working-groups/economic/world-banana-forum-declaration-to-living-wages-for-men-and-women-working-in-the-banana-industry/en/>

<sup>9</sup> [https://www.bananalink.org.uk/wp-content/uploads/2024/02/240206b\\_FLY\\_Statement\\_Retailers\\_GB-1.pdf](https://www.bananalink.org.uk/wp-content/uploads/2024/02/240206b_FLY_Statement_Retailers_GB-1.pdf)



governments and the German Economic Cooperation Ministry (GIZ)<sup>10</sup> has helped to secure public commitments from retailers.

In Ivory Coast, Banana Link is implementing a three-year programme to improve the remuneration of banana workers and close the gaps between the actual remuneration and the living wage<sup>11</sup>.

## Social dialogue

In Colombia, the social dialogue between the unions and the producers' association led to the signature of a four-year collective bargaining agreement, resulting in a 14% salary increase. It will lead to a 25% salary increase over a two-year period for 22,000 Colombian banana workers.

Banana Link is working on the creation of a permanent dialogue forum between plantation-based trade unions in Latin America, the Caribbean and Africa and the retailers.

## 7. Resources and initiatives

### Organisation - Experts on banana supply chain and labour rights

- [Banana Link](#) : follow up with Alistair Smith, International coordinator and Executive Director ([blink2005@orange.fr](mailto:blink2005@orange.fr)) or Holly Woodward-Davey, Project coordinator ([holly@bananalink.org.uk](mailto:holly@bananalink.org.uk))

### Multi-stakeholder initiatives

- [World Banana Forum](#) of the FAO – currently very limited public procurement presence
- Banana Link union to retailer dialogue mechanism
- [Ethical Trading Initiatives](#)

### Worker representation

- [What Difference does a Union Make](#) report by Mark Anner (2021) – Highlights the importance of workers unions in Guatemala

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<sup>10</sup> <https://idh.org/news/european-and-uk-retailers-step-closer-to-alignment-on-living-wages-in-banana-supply-chains>. See also Dutch banana retail commitment, <https://www.idhsustainabletrade.com/banana-retail-commitment/>

<sup>11</sup> <https://www.bananalink.org.uk/news/cote-divoire-roadmap-to-negotiate-living-wages-approved/>

- [Banana Link Côte d'Ivoire process](#) - Banana Link newsfeed
- Blog: [Trade Union Repression in the Costa Rican Bananera](#) – Dr Remi Edwards, University of Sheffield
- [ITUC Global Rights Index](#)

## **Workers' testimonies about labour rights risks**

- Actionaid France and Adventis (caption in English by Banana Link):  
<https://vimeo.com/user178772918>
- Actionaid France and Adventis (available in French with Spanish caption):  
<https://soutenir.actionaid.fr/bananaspleen>
- Asociación Nacional de Empleados Públicos y Privados (caption in English by Banana Link):  
<https://vimeo.com/1006950237?share=copy>

## **Living wages and decent work**

- [Statement of Retailer Working Groups in Belgium, Germany, Netherlands and UK on Living Wage Commitments](#)
- [Anker Research Institute](#) – non-profit organisation, generates living wage benchmark figures
- [Policy Guidelines for the Promotion of Decent Work in the Agri-Food Sector](#) – ILO
- Impact of Agro-chemicals in Costa Rica – [Guardian news piece](#) September 2024
- New Foresight report: [Driving Improvements in Wages and Working Conditions in the Banana Sector](#)

## **HRDD legislation**

- [Oxfam complaint against German retailers under Supply Chain Act](#)

## **Gender**

- [Women in the Banana Export Industry: Global Overview](#) - Banana Link report (2015)
- Anker Research Institute – [Gender Pay Gaps in the Banana Export Sector in Colombia](#)

## **Litigation**

- [Chiquita case ruling](#)