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PRESS RELEASE

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ETI Director calls for industry-wide action to help poor farm workers reap benefits of global trade

Ethical Trading Initiative (ETI) members including Marks & Spencer, Sainsbury's, the Ethical Tea Partnership, TGWU and Oxfam launch new food manufacturing and retailing industry-wide guidelines today (22 September) on improving working conditions for workers on smallholding farms.

Many common food items, including tea, coffee and vegetables, are produced on smallholdings. But the millions of workers world-wide who own or work on them can suffer some of the worst terms and conditions of work. ETI consultations with over 500 smallholders in Kenya showed that workers employed by smallholders – as well as the smallholders themselves - often lack such essentials as drinking water and protective clothing, not to mention a living wage and the right to form and join trade unions.

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But food retailers and supermarkets can make a difference. ETI members have spent three years grappling with tough questions about how to improve the working conditions of smallholders and their workers and have come up with practical guidelines for action: the *ETI Smallholders Guidelines: recommendations for working with smallholders*.

ETI Director Dan Rees points out: "Companies that have publicly declared their commitment to sourcing ethically have a responsibility to address the working conditions of people throughout their supply chain – including those at the very margins."

Rees adds that action is required not just from supermarkets and food retailers, but the entire food industry:

Says Rees: "the entire food industry – not just retailers but suppliers, trade unions and NGOs - must work together to make sure poor workers on smallholding farms don't lose out from global trade. I urge all those involved to put these guidelines to use and so play their part in helping reduce global poverty".

Supermarkets and retailers are urged to keep smallholders in their supply chains so they can work with them to improve conditions over time:

Says Sue Longley of the IUF¹: "Smallholders play an important part in the food chain yet their role is frequently misunderstood or ignored. It is important that the measures to try to ensure ethical standards along supply chains do not result in smallholders being excluded from access to markets."

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Notes to editors:

1. *ETI smallholder guidelines: recommendations for working with smallholders* is for use by retailers, purchasers, auditors, NGOs, trade unions and smallholders. It provides detailed guidance and tools for implementing corporate labour codes with smallholders and their workers. Download a free copy of the guidelines in English, Spanish or KiSwahili from www.ethicaltrade.org, or for a hard copy contact the ETI Secretariat, Cromwell House, 14 Fulwood Place, London WC1V 6HZ.
2. *What is ETI?* The Ethical Trading Initiative (ETI) is an alliance of companies, trade union bodies, development and campaigning organisations established in 1998 to improve the lives of workers and their families in global supply chains. We believe that companies producing, supplying and selling goods for consumer markets should observe national and international labour laws. Our purpose is to identify and promote responsible corporate practice that will help make this a reality.
3. *Who at ETI has developed the guidelines?* The ETI group working on this project has unparalleled practical experience of working with and for smallholders. Group members include leading UK supermarkets Asda, Marks & Spencer, Sainsbury's, Somerfield and the Co-op, and major supplier companies including the Ethical Tea Partnership, Premier Foods, Ringtons and Flamingo Holdings. The Transport and General Workers' Union (TGWU) has also been heavily involved, as have Oxfam, Africa Now, Fairtrade Foundation, Traidcraft and Twin Trading.
4. *When and where is the launch?* The launch is being held at ETI's offices in Holborn today, 22 September 2005, between 2 and 4.30pm. A launch was also held on 14 September in Nairobi, Kenya.
5. *Who is speaking at the launch?* Speakers at the launch of the Guidelines include Dr. Maggie Opondo, ETI project officer in Kenya; Louise Nichols, Marks & Spencers, Steve Homer, Flamingo Holdings and Teresa MacKay of the Transport and General Workers' Union (TGWU).
6. *What and who are smallholders?* As a rule-of-thumb, smallholders grow small volumes of produce on small plots of land all over the world. They are also usually part of the so-called 'informal' economy - which means, among other things, that they may not be registered and tend to be excluded from aspects of labour legislation. Precise definitions of what is a smallholder vary greatly according to the type of crop, and to the social, cultural, economic and political context.
7. *What is the Ethical Tea Partnership?* The Ethical Tea Partnership is a powerful association of tea packers that includes Unilever, Sara Lee Douwe Egberts, Tetley GB and the Brooke Bond Tea Co.
8. *What do the smallholders guidelines ask of retailers?* The Smallholders Guidelines have specific recommendations and toolkits for retailers, purchasers, smallholders, trade unions and non-governmental organisations. The recommendations for retailers are to:
 - **keep sourcing from smallholders.** This includes formally acknowledging and communicating the presence and important role played by smallholders in their supply chains.
 - **know what's going on.** As the specific characteristics of smallholders vary greatly from place to place, retailers need to carry out a proper assessment of the needs and priorities of smallholders in different parts of their supply chain, and to build a tailored approach to improving conditions that is based on their findings.
 - **provide support down the supply chain.** Retailers should work with their suppliers to help smallholders meet the labour standards in their code of conduct, for example by providing appropriate training.

- **give it time.** Smallholders tend to have very limited resources, so patience is needed. Develop a long-term action plan, putting in place incremental steps to improve labour conditions over time. No-one is expecting retailers or purchasers to bring smallholders into full compliance with the ETI Base Code overnight.