



# Agents Working Group Meeting

The Food Network for Ethical Trade – 11<sup>th</sup> January 2021



# Attendees

Gian Stefano Cecca - Atlante

Alison Walker – Fullers Food

Candida Barbato – Socialstance

Clare Clifton – Worldwide

Deborah Johnson – M&S

Emily Rowbotham – LDH

Fiona Wheatley - Bakkavor

Margaret Lishmund – Winterbotham Darby

Helen Smith – Winterbotham Darby

Georgia Worrall - Caterers Choice

Louise Herring – FNET



## Apologies

Harvey Sansome – Global Pacific

Paul Williams – Princes Group

Carl Cooper – Westbridge Foods

# Competition Law Statement

*“Today we are meeting to discuss the Food Network for Ethical Trade.*

*We take competition compliance seriously. Whilst discussions can cover matters of interest to our industry, we cannot discuss or exchange sensitive commercial information.*

*If at any time during this meeting, you think our discussions may be in breach of competition rules, please inform the Chair. The Chair may close the meeting at any time if she believes that discussions are in breach of competition law”*

# Agenda

Approximate timing	Item
09.00	Welcome and introductions (LH)
09.00-09.30	Common challenges for agents and next steps for the group
09.30-09.40	FNET presentation on Italian working risks
09.40-09.50	Presentation from Gian about Italian supply chain
09.50-10.00	Helping suppliers understand risk presentation – member comments
10.00	Close (LH)

# First meeting 13.10.2021

## Common challenges identified:

- Lack of leverage with suppliers – how to encourage change?
- Retailers are setting targets without considering the agent particularities and without aligning between each other
- Some agents are lacking effective supplier questionnaires and/ or ET experience
- Working in small ET teams with vast supply chains
- How to treat suppliers which are not on SEDEX (questionnaires, not so expensive audits)?

## Proposed actions:

- Sourcing countries of all agents will be shared anonymously to identify whether agents as a group can have more leverage with their suppliers
- Collect common challenges of suppliers if synergies in sourcing countries identified
- Create a more proactive relationship as a group with the retailers
- Currently monthly meetings in this group for the time being

# Second meeting November 2021

## Minutes

- Welcome and introduction of one new member – Carl from Westbridgefoods
- Presentation of Global Pacific's supplier CSR Questionnaire by Harvey:
  - Using office 365 Share Point
  - Questions and answers can be easily edited
  - Suppliers only receive a link to fill it in, and do not need office 365 license for it
  - The quicker it is to go through (yes/no answers), the higher the survey response rate
  - Winterbotham Darby also using Share Point
- Presentation of common sourcing countries analysis (see attached)



## Proposed actions:

- Agents sharing top 4 common sourcing countries
  - **Italy:** Atlante, Global Growers, LDH, Princes, Winterbotham Darby, Worldwide Foods
  - **France:** Atlante, Fullers, Global Growers, LDH, Princes, Winterbotham Darby
  - **Spain:** Fullers, Global Growers, Princes, Winterbotham Darby, Worldwide Foods
  - **UK:** Atlante, Fullers, LDH, Princes
- Followed by Thailand, Poland, Belgium, Germany, Indai
- Monthly meetings changed to every 2 months
- Idea is to continue the meetings with 30mins covering 1 topic and 30mins covering 1 common sourcing country

# Italy labour issues

145 000 (2016)

live in conditions of slavery



400,000 labourers risk being illegally employed by mafia-like organisations



April 26, 2017

## A Woman's Death in Italy Spotlights Modern Slavery

Tweet Share 7

RELATED CAMPAIGNS & TOPICS  
**Bankrupt Slavery: Dismantling the Business of Human Trafficking, Human Trafficking**

Earlier this month the [New York Times](#) ran a story on Paola Clemente, a 49-year-old woman who died working in the grape fields of southern Italy. The investigation into her death uncovered a complex network of human trafficking and forced labor exploitation

### Oxfam study on unfair working conditions in Italy's wine industry

The organisation interviewed 79 workers on behalf of Swedens Systembolaget.

### 'Agromafia' Exploits Hundreds of Thousands of Agricultural Workers in Italy

By Maged Srouf



### The long road Are your tinned tomatoes picked by slave labour?

How the Italian mafia makes millions by

Migrant farmworkers in the Italian region of Calabria | Photo: ANSA/Quotidiano Del Sud

EXPLOITATION | AGRICULTURE | FARMING | MIGRANT WORKERS

### Secret slaves: Indian farm workers in Italy

### How The Pandemic Helped Gangmasters Exploit The Invisible Agricultural Workers Of Italy

#### Robots Take Over Italy's Vineyards as Wineries Struggle With Covid-19 Worker Shortages

Italian winemakers have increasingly relied on migrant workers for the autumn harvest, but travel restrictions and soaring wage costs are pushing many to turn to machines

# Italian agricultural risks

- Broad labour exploitation risks:
  - No contract or contract below hours worked
  - A salary between 30 and 50% of legal minimum (Contratto Collettivo Nazionale del Lavoro)
  - Working hours from 8 to 14 per day
  - Lack of H&S measures (e.g. water, toilets, PPE)
  - Women paid 20% less than men
  - Lack of grievance system / unionisation / other forms of abuses
- Grey and black work, however, occurs also without intermediaries and it is a very widespread phenomenon in all sectors
- Whilst 20% of workers impacted by caporalato across the nation are Italians, unions say that the proportion of Italians impacted by grey work in all sector, especially in agriculture is greater

<https://www.ildolomiti.it/cronaca/2020/dalle-cooperative-senza-terra-alle-agromafie-il-trentino-fa-gola-al-nuovo-caporalato-omizzolo-mette-fuori-gioco-il-tessuto-economico-locale>

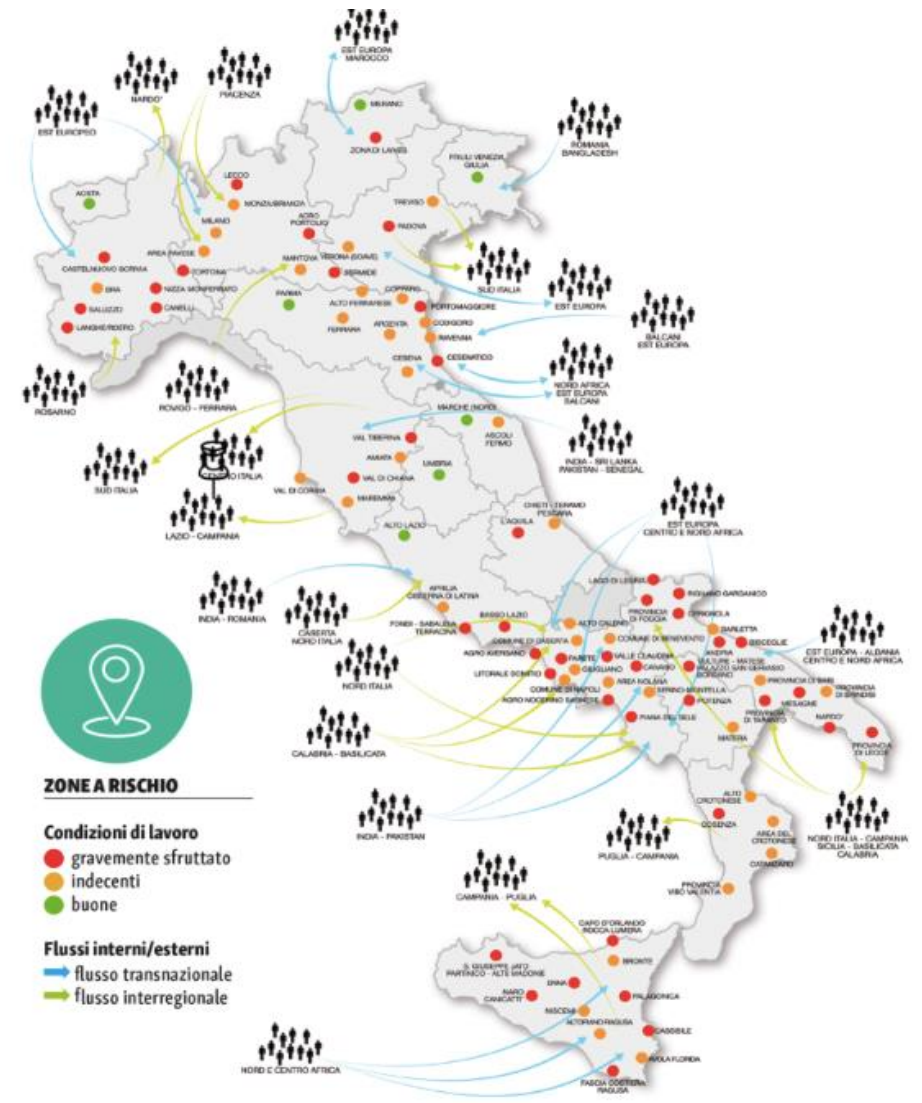
<https://oxfamlibrary.openrepository.com/bitstream/handle/10546/620619/rr-people-behind-prices-tomato-060219-en.pdf>

[https://www.oxfam.se/sites/default/files/the\\_workers\\_behind\\_swedens\\_italian\\_wine.pdf](https://www.oxfam.se/sites/default/files/the_workers_behind_swedens_italian_wine.pdf)



# Italian agricultural risks

<b>Forced labour</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Medium scope, major scale, remediable	Potential – likely	Contributes	Low – moderate	
<b>Low wages</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Large scope, moderate scale, remediable	Potential – very likely	Contributes	Moderate	
<b>Excessive working hours</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Medium scope, major scale, remediable for most	Potential – very likely	Contributes	Low	
<b>Health and safety risks in vineyards and wineries</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Moderate scope, major scale, remediable for most	Potential – likely	Contributes	Moderate	
<b>Lack of access to remedy</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Large scope, moderate scale, remediable	Potential – very likely	Linked	Low – medium	
<b>Restrictions to freedom of association</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Medium scope, moderate scale, remediable	Potential – very likely	Linked	Low – medium	
<b>Sexual harassment and gender discrimination</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Small scope, moderate – major scale, remediable	Potential – likely	Linked	Low	
<b>Poor, unsafe and unsanitary housing</b>				
<b>Severity</b>	<i>Actual/potential</i>	<i>Contribution</i>	<i>Leverage</i>	
Medium scope, moderate scale, remediable	Potential – likely	Contributes	Low	



The Workers Behind Sweden's Italian Wine: An illustrative Human Rights Impact Assessment of Systembolaget's Italian wine supply chains - Oxfam Policy & Practice

# Italian regulatory framework - recruitment

## Recruitment fees

- In Italy, temporary work agencies are NOT allowed to demand or receive (directly or indirectly) any payment from workers.
- Any form of sign-up worker fee is forbidden, including fees to finalize the employment contract or to participate in trainings organized by the temporary work agencies.

## Slavery

- Article 13 of the Constitution declares that personal liberty is inviolable
- Articles 600 and 602 of the penal code criminalise placing or holding a person in conditions of slavery –defined as the exercise over a person of powers and rights corresponding to ownership – and the sale and purchase of slaves.



## Intermediaries / modern slavery

- The article 603 of penal code was reformulated by the law no 199/2016 which defines two crimes
  - **Illegal labour intermediation** – criminalise labour provision to third parties in condition of exploitation as crime
  - **Labour exploitation** – criminalise the use, recruitment or employment of labour in condition of exploitation also but not only through labour intermediation
- **Labour exploitation** is defined as :
  - Working conditions that contravene labour laws on legal minimum, working hours / rest day & H&S
  - Provision of working conditions, living conditions and surveillance methods degrading for workers

# Italian regulatory framework – recruitment fees

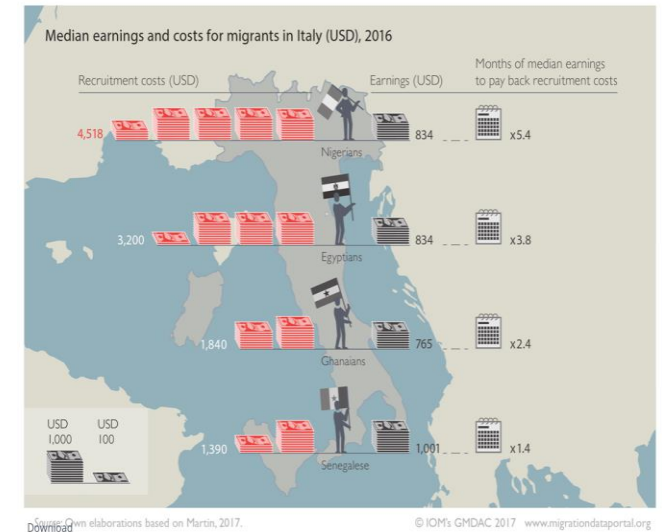
## Historical recruitment fees

- Paid by majority of N. African & Asia migrants during journey to Italy whether documented or not. Paid to entities, often NOT residing in Italy
- Documented migrants reported to pay fees for agency fees, security clearances and skills certificates
- Undocumented migrants from Africa pay fees to people along the way. Amounts vary depending on nationalities

## Fees paid on a daily basis to caporali

- Caporali are informal labour providers (one or a network of individuals) who collect and transport labour from accommodation to place of work. Sometimes they organise and monitor labour performance
- Fees are paid to caporali in cash on daily basis for transport, food and other necessities. In the South of Italy, workers are reported to pay on average 5 euro for transport, 1,5€ for water and 3€ for food. Generally caporali receive a compensation from the employer too. With time, this practise has become increasingly organised and controlled by criminal networks.
- Caporali are used by farms with large labour needs at peaks (harvesting or other operations) or with challenges to recruit labour in isolated areas. In mechanised harvest, caporali are also used in certain situations (e.g. weather conditions, type of products, etc)

FN•ET Very prominent in agriculture in the South it has been reported to happen in the Center and in the North.



# Italian regulatory framework – cooperatives without land (a “new” form of caporalato)

## Fees paid on a daily basis to caporali

- More organised form of caporalato consisting in fictitious companies constituted to benefit from flexible tax and labour laws
- Some are legally formed in Easter Europe, some are Italian entities constituted as cooperatives. Many have foreign owners (prestanome). They tend to be temporary entities.
- They offer labour to companies under either Easter European or flexible Italian contractual models.
- The employment relationship is between the workers and the labour provider, often however the “company” who uses the workers also manages them
- Mostly these entities recruit directly from Easter Europe, as well Africa and Asian workers.
- Across sectors and regions but prominent in agriculture especially in the larger primary production sites of North Italy

# Existing ethical trade initiatives

- Active since 2017 among UK and EU retailers importers. Collaboration among Italy companies established at end of 2020
- Goal: to improve human rights impact of Italian supply chains of project members by using collaboration to improve labour conditions, due diligence & monitoring
- 2021 activities -
  - Defined shared risk assessment criteria among Italian participants
  - Developed awareness raising material for COOPs / Ops for Italy based companies to delivered
  - Developed shared COOP maps to identify overlapping supply chain for Italy based participants
  - Raised awareness among UK/EU/Italian members about government, NGOs & producers associations projects, relevant for growers
  - Provided quarterly updates on human rights developments in the countries as well as emerging risk



# Next steps and next meeting

1. Members would like to meet again in two month's time – March 2020 – members please respond to Doodle to schedule next meeting [https://doodle.com/poll/3n9tq3cpc7rbxh9q?utm\\_source=poll&utm\\_medium=link](https://doodle.com/poll/3n9tq3cpc7rbxh9q?utm_source=poll&utm_medium=link)
2. Next meeting will cover Spain – proposal to members that we invite representative of the Spanish Ethical Trade Forum to present and/ or potentially a member with operations in Spain – Members to feedback on preference