



## ETI Italy & Organic Farm Foods collaboration opportunity fresh produce and beyond

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*Global Supply Chain Social Impact and Human Rights Consultant*



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# Context & meeting objectives

- **June - FNET survey** on recruitment fee highlighted Italy as an area of concern for some of you
- **July – OFF approached ETI Working Group:** idea of exploring whether more Fresh Produce players to collaborate through the WG
- **Sept – FNET recruitment fee WG meeting** highlighted broader risk than tomatoes/South/Caporalato
- **This meeting objectives** - Explore FNET members' interest to collaborate through the Italian WG Project within “**Fresh Produce**” with **OFF** and/or **beyond**



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# Agenda

- Introductions
- HR Risk linked to Italian production
- Risk / impact mitigation & challenges
- ETI Italy WG project
- Discussion questions and next steps



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# Introduction



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ETI (UK, Norway, Denmark and Sweden) are membership organizations, consisting of companies, non-governmental organizations and trade unions who share a commitment to promote respect for workers rights in global supply chains



Ella Frankel

- Senior Advisor: Food, Farming & Fisheries at Ethical Trading Initiative (UK based)
- ETI Italy Working group Project manager, since sept 2021



Candida Barbato

- Global Business and Human rights – Senior consultant (Italy based)
- ETI Italy Working Group Project coordinator, since 2020

- **Chatham House Rule**



# Organic Farm Foods / Ethical Food Company

Experts in farming, supplying & championing organic fresh produce.



## The Organic Way

Our **passionate team** expertly deliver sustainable, ethical and commercially viable organic produce.

Working in partnership with industry leaders and trading bodies, we aim to **shape and influence the future of organics** in the years to come.



## Products

Organic apples, pears, exotics, citrus, stone fruit, grapes, berries, melons and avocado across 52 weeks.

Organic practices give benefit to our water and soils without compromise to food safety or quality.



## Supplier Base

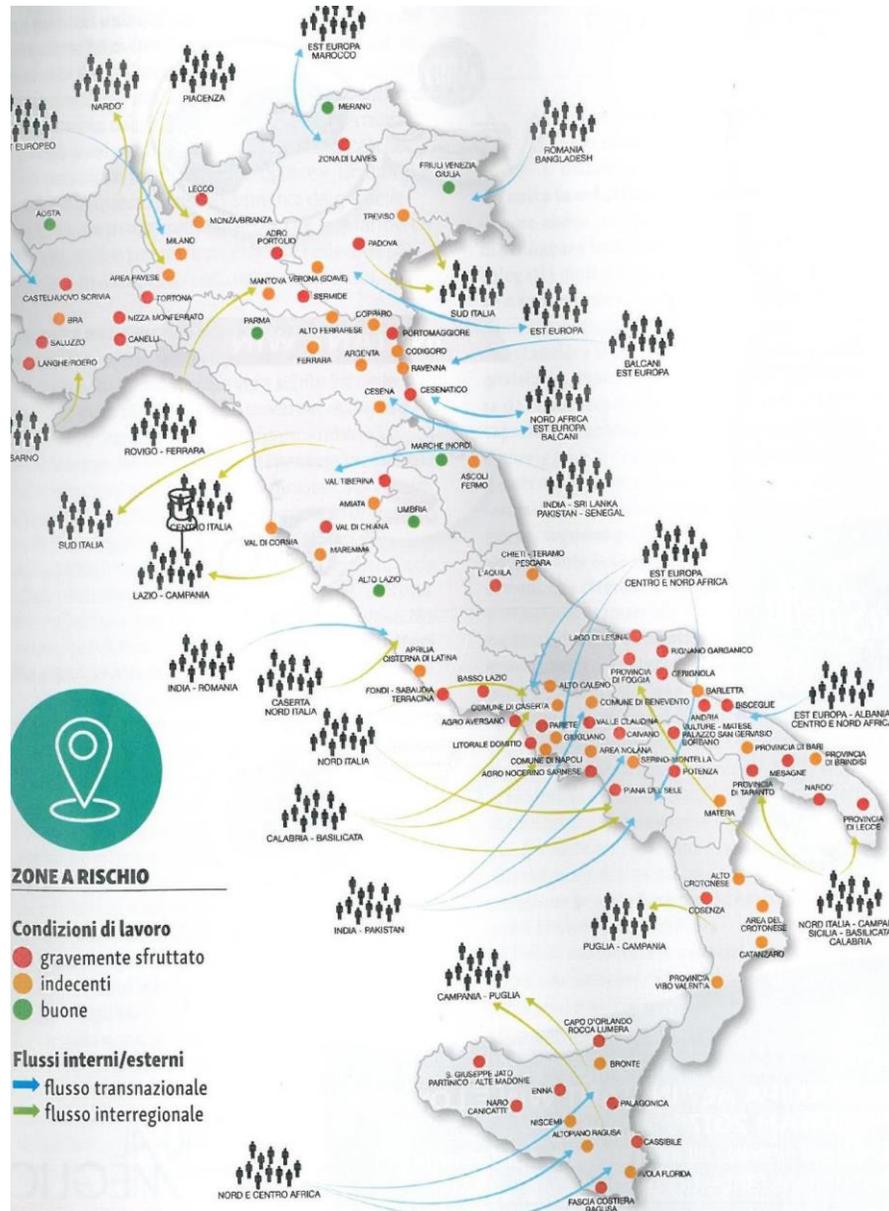
Organic specialist delivering tailored plans to UK customers.

Working with organic partners across the world to deliver **best in class supply** and **varietal strategy**.



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# HR Risk linked to Italian production & root causes



## Issues

- High incidence of “illegal” employment (black and grey work)
- Mostly affecting temporary and seasonal workers, including Italian
- Partially linked to illegal intermediation
- Illegal intermediation increasing & evolving (e.g. cooperative senza terra)

## Sector risk distribution

- Primary production most affected, beyond tomatoes / produce
- Other sectors also affected including manufacturing

## Regional risk distribution

- Northern regions increasingly exposed to new forms of caporalato

## Key Root causes

- Spot-buys and price pressure
- Organised crime affecting food production/distribution and labour organisation
- Poor service organisation for growers (on-demand recruitment and worker transport)
- Lack of culture of legality and due diligence
- Availability of a large number of vulnerable workers



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# HR Risk / impact mitigation – role of international buyers and challenges

## Role of International buyers / Importers / Primary Suppliers

- Review commercial practices
- Strengthen your due diligence / Promote good practises at farm level
- Engage with local suppliers/intermediaries to do the same
- Advocate for change
- Support local initiatives
- Link suppliers/farmers to local initiatives

## Challenges (what we have heard from Importers)

- Current farm-based risk assessments and compliance approaches not sufficient
- Challenges to incentivise local suppliers to do any due diligence beyond audit
- Lack of leverage



# ETI Italy Working Group group – vision (work in progress)

## UK EU based members

Sainsbury's

TESCO

Waitrose



MARS  
Food

SOK

Morrisons  
Since 1889

VINMONOPOLET

BAKKAVÖR

M&S  
EST 1884



- **Goal/Vision**
  - To use the collective leverage of members to improve the human rights impact of their Italian supply chains
- **Through**
  - Supporting project members to **strengthen their due diligence processes, engage local stakeholders/suppliers, advocate for change and support local initiatives**
  - Supporting growers in adopting robust labour practices.

## Italy based members (canned tomatoes)

PRINCES  
GROUP

ATLANTE  
FOOD OF THE WORLD

GIAGUARO  
Industria conserve alimentari

LDH (LA DORIA) LTD

organic  
farm foods

ethical  
FOOD CO

Ethical  
Trading  
Initiative

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# 2021 workplan - some examples

- **Resources / support for local suppliers (canned tomatoes focus)**
  - Local meetings
  - 1:1 support
  - Shared resources
    - List of shared Producers Organisations
    - Farm level risk assessment criteria
    - ET policy (Italian)
    - Farm visit risk assessment check list (DRAFT)
    - Producers Organisations engagement material
- **Resources and support for retailers, importers, local suppliers (broader agriculture)**
  - Quarterly Horizon scanning
  - Stakeholders engagement
  - Collaboration with FNET and Spanish Ethical Trade forum

## ETI Italian Produce WG Workplan 2021 Part 2 – Horizon scanning – Output 2.1 June updates

These horizon scanning updates aim to inform the ETI Italian Produce WG members as well as the project's TWS members of key human rights developments and initiatives within the Italian agriculture landscape. The aim is to enable members to evaluate salient supply chain risks and support the identification of individual or collective actions aiming at managing such risk, including further engagement, support and / or partnerships with local stakeholders / initiatives. The source of these updates is publicly available reports as well as local stakeholder engagement that the ETI consultants undertakes at specific request of ETI, the Local Technical Working Group and/or the UK Working group members.

Given the limited resources allocated to this activity, if any WG member has information about key Italian human rights developments that are useful to share with the group, please do send it to [casafids@socialstanco.com](mailto:casafids@socialstanco.com).

April 2021

- On 28 of April the "associazione di categoria" Italia Ortofrutta, which represents Italian COOPs and Opa, organised an online event to present the results of a research study done by University of Tuscia in collaboration with some Opa with information obtained via FilippiAgate, focusing on the economics of processed tomatoes growers. The conclusions will be presented at the WG meeting.
- CBM, Dutch Food Retail Association which includes 26 members with almost 4.300 stores and 300.000 employees and FNV The Netherlands Trade Union Confederation (FNV) has 1.3 million members, making it the largest trade union in the Netherlands are sponsoring a research project on Italian Tomatoes.
  - The Project objective is "to investigate the opportunities for Dutch retailers and food producers to contribute to a positive change in relation with the human rights issues in the Italian supply chain of suppliers of processed tomatoes".
  - So far the project has produced a desk review of existing studies outlining salient issues, root causes and key recommendations.
  - The study is attached.
- Impactbuying - spin-off of SIM Supply Chain, an international operating organisation that provides transparency and traceability in complex chains.
- Il Giornale del Cibo, provided an update on the Riccoletto Brand - the canned tomatoes produced in Italy respecting the rights of workers. Read the full article in Italian [here](#).
  - The tomatoes produced under this brand come from Foggia, are collected by migrants of the Casa Sankara - Givetta Out association and since February they are available in 360 super markets and hyper-super of Coop Alleanza 3.0 in Friuli Venezia Giulia, Veneto, Lombardy, Emilia-Romagna, Marche, Abruzzo, Puglia, Basilicata, Sicily.
  - As a reminder from last update, Casa Sankara is a worker led association managing accommodation and land allocated to them by the Regione Puglia.
- According to Coldiretti, in Puglia there is up to 24,000 companies in the agriculture sector led by women. They need less bureaucracy, access to funds and training. Read the full article in Italian [here](#).

May 2021

- The local newspaper [La Grotta 3](#) published an article on Princes, reporting the cooperation with Coldiretti for the application of blockchain technology to tomatoes in order to guarantee ethical provenance of product and true Italian derivation.
  - The article stresses that this is the first agreement for the supply chain of transformed goods involving all the actors of the chain, including 300 companies.
  - Moreover, the article highlights the relevance of the use of blockchain for the exports, reporting Great Britain as one of the major importers of Italian tomatoes.
- Prefecture of Foggia signed an agreement with the Regione and the Ministry of the Interior - Department for Civil Liberties and Immigration regarding the former Reception Centre for Asylum Seekers (Cera) in Borgo Marone, in the province of Foggia. Complete article published by the national newspaper [Ansa](#).

Q2 - Updates

# 2021 workplan – Quotes form participants

## Quotes from participants

*Participate in the group has enabled us to stay current on the latest government initiatives relevant for growers and to be informed about best practises*

Italy-based supplier

*Working in collaboration has enabled us to share some of the work and to strengthen the message*

Italy-based supplier

*Considering that this is the first initiative of this kind in Italy in terms of collaboration, good progress has been made*

Italy-based supplier

## Improvement areas

- Stronger government and other stakeholders influence – higher profile
- More international buyers & local suppliers involved
- Measure impact - M&E
- Farm level engagement



# 2022 workplan – currently exploring

## Resource / support – for importers and retailers

- Suppliers Engagement material
- Sector specific working group/s
- Individual program support

## Resources / support / training - for Italy-based mid level suppliers

- Updated Farm-level risk assessment tool and SAQ
- Updated Farm visit check list
- New: Issue mitigation guidance
- New: Introduction to good practises meetings (e.g. workers engagement platforms)
- New: Ethical training of agronomist /technical staff
- New: Individual program support
- Update on government initiatives

## Information sessions for Italy based COOPs/OPS & growers delivered by local experts

- Training on H&S and good ag practises
- Aspects of labour law training
- Management system training

## New members engagement (EU retailers & importers)

## On-going: Horizon scanning and initiatives map, Local stakeholder engagement

Area	Requirement	Criteri di Valutazione	Punteggio di verifica
Generale	Policy and reporting system	Verificare che il sito ha un sistema di gestione delle risorse umane e che c'è un responsabile per l'implementazione di tale sistema	Documentale e intervista al management
3. Salute e sicurezza	PRE DOCUMENTO DI VALUTAZIONE DEI RISCHI	Il DPR deve essere formato da almeno 3 persone, ME + RE + almeno 10 DPR deve essere formato nei confronti, in relazione al tipo di attività, almeno tre attività e deve includere tutti i tipi di rischio contemplati dal D.Lgs. 81/08	Documentale
4	PIANIFICAZIONE, IMPLEMENTAZIONE E MONITORAGGIO	Verificare la presenza della sezione del studio congiunto con i comitati dell'Ente. Il sistema è formato a del D.Lgs. 81/08	Documentale e verifica in sito
5	VISITA INDIVIDUALE	Verificare l'AVVERTENZA (S) / l'attuazione della sorveglianza sanitaria (se prevista) per gli operatori in agricoltura, aperti, addetti ai trattamenti, impiegate, stagionali, addetti alla raccolta, ecc. e che sia rispettata la sicurezza	Documentale
6	FORMAZIONE	Verificare la presenza dell'RSPP da parte del Datore di Lavoro, può intendere lo stesso Datore di Lavoro. L'addetto deve ricevere formazione appropriata (obbligatoria)	Documentale e verifica in sito
7	SAFETY DATA SHEET (SDS) / FDS	Verificare la presenza del SDS, elenca dei dipendenti e formalizzato con un verbale appeso in un'area accessibile a tutti (documentazione) / la scheda deve essere in italiano e / la sua distribuzione deve essere gratuita	Documentale e verifica in sito
8	PREVENZIONE DEI RISCHI DI INCENDIO	Identificare i DPI previsti dall'art. 81 del DPR 81/08. Nel caso siano previsti lavoratori non idonei, deve essere verificata la presenza di almeno un DPO (datore di lavoro) e un DPA (datore di lavoro) / il datore di lavoro deve essere formato e / la sua formazione deve essere gratuita	Documentale e intervista al management
9	ATTREZZATURE	Verificare che le attrezzature siano conformi a quanto specificato nei manuali di istruzioni, prove di prova della sicurezza (PPE), macchine, impianti, nonché in altri documenti, applicazioni di dispositivi specifici, depositi di carburante, ecc.	Verifica in sito
10	CERTIFICAZIONE	Tutti i fornitori che consegnano i prodotti agricoli devono possedere la relativa qualifica in corso di validità. Gli addetti devono essere adeguatamente formati e qualificati	Documentale

Criteria	Description	Link to HR risk	Value (DRAFT)
<b>1.1 First tiers criteria - currently gathered</b>			
1.1.1	Whether the COOP/OP has identified any training in the field of HR. Personnel should have records of which COOPs attend training	Attendance to training is an indicator of staff allocated to and informed about the area of work (Farm or / labour rights)	NO (High score) / No (Low score)
1.1.2	Signs of issues or risk identified indicate internal handling which represents higher risk		yes (High score) / No (Low score)
1.1.3	The longer is the duration of the relationship between grower and COOP/OP the higher is the likelihood that the first tier has soundly identified or placed into due diligence indications		0-2 year (High score) / 3-4 year (Low score)
1.1.4	Does the first tier require its members to obtain an annual accreditation?	Existence of a certification or accreditation that some due diligence processes have been put in place	NO (High score) / No (Low score)
<b>1.2 First tiers criteria - phase 1 wish list</b>			
1.2.1	A person within the organisation of the first tier with engagement or leadership responsibility has signed an HR policy	Existence of a person to indicate that the organisation is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
1.2.2	There is evidence that the policy is introduced in contracts between the COOP and the grower with a requirement that grower must adhere to the terms of the policy	Evidence that policy is communicated to growers through formal means is an indication of lower risk because growers and workers have been influenced by the content of such policy	NO (High score) / No (Low score)
1.2.3	Whether the COOP/OP is using subcontractors to complete agricultural operations at multiple growers sites such as planting, weeding, spraying, etc.	Subcontracting for specific grower site operations is an indication of additional risk due to lack of transparency on the subcontracting practices of the subcontractor	yes (High score) / No (Low score)
1.2.4	Are there instances of any checks the first tier puts in place (e.g. contract signed by workers, daily DUC of workers in place, DUC, analysis of sample public, working hour monitoring to check equity in contract, etc)	Evidence of any checks is an indication that the first tier is conducting basic due diligence of its members and subcontractors hence is an indicator of lower risk	NO (High score) / No (Low score)
<b>2.1 Grower criteria - currently gathered</b>			
2.1.1	Whether the grower has a policy in place	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
2.1.2	Whether the grower has a policy in place that has been completed or not	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
2.1.3	Whether the grower has a policy in place that has been completed or not	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
<b>2.2 Grower criteria - phase 1 wish list</b>			
2.2.1	Whether the grower has a policy in place that has been completed or not	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
2.2.2	Whether the grower has a policy in place that has been completed or not	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)
2.2.3	Whether the grower has a policy in place that has been completed or not	Existence of a policy to indicate that the grower is beginning to work on HR due diligence issues	NO (High score) / No (Low score)



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## Tentative Next steps

- By 4 Nov - Interested companies to get in touch with Candida to express interest in principle / highlight/prioritise needs
- On 8 Nov – ETI members only meeting to discuss alignment on expectations – draft outline workplan
- On 25 Nov – ETI WG meeting for approval of 2022 joining fees and outline plan
- Dec - Jan
  - Interested companies will be contacted with info on outline plan, joining fees – time commitment
  - If interest from fresh produce - a (confidential) survey & discussion on how to collaborate





## Questions for discussion

Do you see value in collaborating with others to help you manage risk to your business and to workers in your Italian supply chain/s?

What challenges do you have and what benefits would you want to see resulting from the collaboration?



Thank you

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Organic Farm Foods / Ethical Food Company

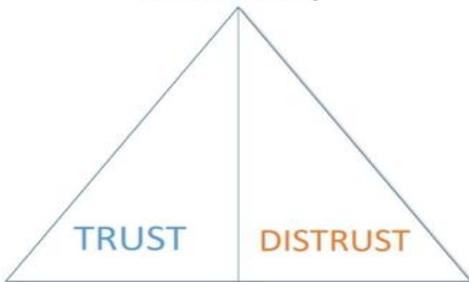
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Uncertainty



Probability  
for gain

Probability for  
loss



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# Importer survey questions

