



Summary of the study results

Analysis of the current situation of workers in the Ecuadorian banana sector with regard to decent working conditions and trade union representation



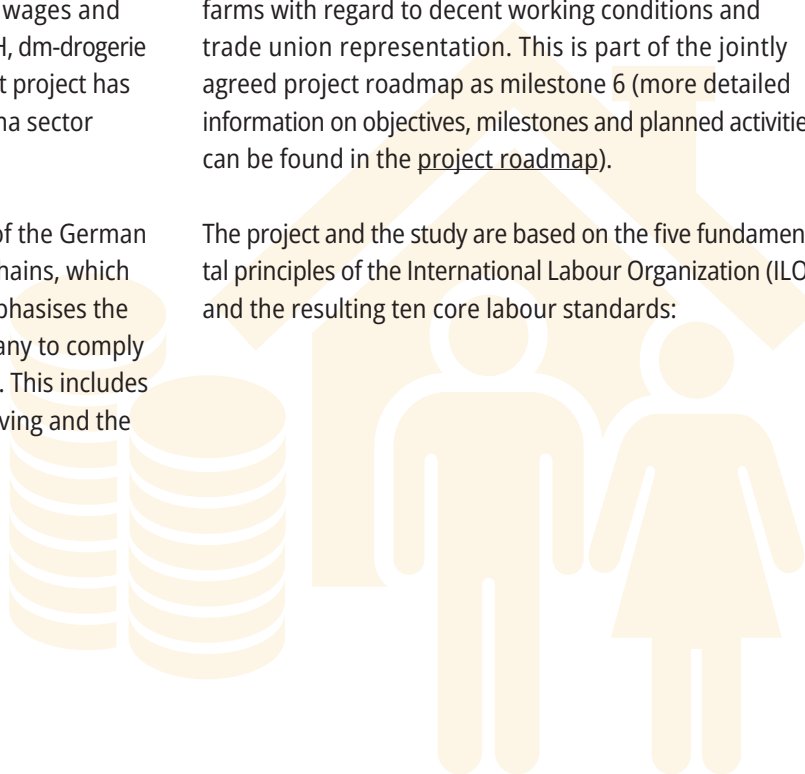
Background

In 2019, several German retailers signed a joint voluntary commitment to holistically promote living wages and incomes as well as decent work. The members of the German retailers' working group on living wages and incomes are currently ALDI North, ALDI SOUTH, dm-drogerie markt, Kaufland and the REWE Group. A joint project has been implemented in the Ecuadorian banana sector since 2021.

The project also takes place in the context of the German Act on Corporate Due Diligence in Supply Chains, which came into effect on 1 January 2023 and emphasises the responsibility of companies based in Germany to comply with human rights due diligence obligations. This includes fair wages to ensure a decent standard of living and the prohibition of child and forced labour.

In order to create a qualitative and quantitative basis for its further work on living wages in the banana sector and to identify key issues, the working group analysed supplier farms with regard to decent working conditions and trade union representation. This is part of the jointly agreed project roadmap as milestone 6 (more detailed information on objectives, milestones and planned activities can be found in the [project roadmap](#)).

The project and the study are based on the five fundamental principles of the International Labour Organization (ILO) and the resulting ten core labour standards:



Ten core labor standards

- | | |
|--|--|
| 1 Employment opportunities | 6 Stability and security of the workplace |
| 2 Adequate income and productive work | 7 Equal opportunities and equal treatment at work |
| 3 Reasonable working hours | 8 Safe working environment |
| 4 Compatibility of work, family and private life | 9 Social security |
| 5 Work to be abolished | 10 Social dialogue, employer and employee representation |

Scope and methodology

The study commissioned by GIZ and carried out in Ecuador analysed the current situation of workers in the banana sector with regard to decent work and representation by trade unions. It was carried out on eight plantations that have a business relationship with members of the working group: three large farms (over 100 hectares), three medium-sized farms (between 30 and 100 hectares) and two small farms (less than 30 hectares) in the provinces of Guayas, Los Ríos and El Oro. To conduct the study, a total of 598 interviews were carried out and, in addition to workers, executives, administrators and HR managers were also interviewed.

Furthermore, one of the objectives of the study was to determine the situation and active participation of women on the plantations. According to official sources published by the Ecuadorian Ministry of Agriculture and Livestock in the 2023 situation report, the participation of women in the banana sector is around 22 %.

In the working group's survey, the proportion of women participating in the study was 19.4 % (116 women), so the sample used is consistent with the data at national level. In addition to appropriate remuneration, the focus of the study was on "social dialogue". These aspects were also examined in the context of gender equality in the banana sector.

The questionnaire was supplemented by questions on perceived working conditions that can have an impact on the quality of life and work. The interviews included questions on quality (and possible changes) in the following areas: Accommodation for farm workers, food and access to internet on farms, transport options for travelling to and from farms. The aim is to create a better understanding of the various aspects that define decent work. Of course, regional differences – here within Ecuador – are included in the analysis.



Core results

Two types of results can be extracted from the study: the quantitative results, which are mainly based on interviews with individual interviewees; and the qualitative results, which allow a more direct analysis of perceptions and opinions in the sector. Both are discussed in more detail below:

A Employment opportunities

54.5 % of employees surveyed said that there are employment opportunities throughout the year, while 45.5 % of employees could not confirm this and said that there are only temporary employment opportunities.

B Adequate income and productive work

56 % thought that wages were adequate, while 44 % answered no to this question. Although many of them have been working for years, their wages have not been increased.

C Reasonable working hours

68.2 % answered yes to this question, i.e., that they consider the working hours to be reasonable, and 31.8 % answered no. The study sees a connection here to statements that workers on some farms do not receive the legally prescribed days off and that breaks are only sufficient for taking a meal.

D Compatibility of work, family and private life

88.8 % of respondents answered yes to this question, while 11.2 % said that working hours are not compatible with family and private life. The proportion of those who answered negatively to this question does not include migrant workers from other provinces of Ecuador. Due to the distance between their place of work and home, they usually stay on the plantations and travel home 1-2 times a month.

E Abolition of child labour

85.1 % were in favour of the abolition of child labour in the banana sector; 14.9 % confirmed that child labour is still a reality in the sector and cannot simply be abolished due to cultural and economic factors. For example, smallholder farms are dependent on the cooperation of the whole family.

F Job security

65.6 % of respondents attested to the banana sector compliance with job security, while 34.4 % did not. The latter can presumably be attributed to the fact that some workers do not know what type of contract they have, as they do not have a copy of their contract.

G Equal opportunities and equal treatment in employment

66.6 % see equal opportunities and equal treatment for all workers, while 33.4 % continue to see discrimination against marginalised groups in the banana sector. Overall, marginalised groups are still offered fewer opportunities on the farms, e.g. in terms of available jobs, fair pay systems and training opportunities.

H Safe working environment

96 % consider the banana sector to be a safe working environment, while 4 % said it was not.

I Social security

98.2 % answered yes to the question of whether they are covered by the state social security institution (Instituto Ecuatoriano de Seguridad Social, IESS), while 1.8 % answered no to this question. The latter presumably include workers who have a different type of contractual relationship in which they are paid on a piecework or parcel basis. The latter work independently and are therefore not entitled to social security. They are assigned a plantation area – usually seven to ten hectares per worker – on which they carry out all activities throughout the entire period.

J Social dialogue, employer and employee representation

81.8 % confirmed some kind of social dialogue and representation of employers and employees, whereas 18.2 % did not.



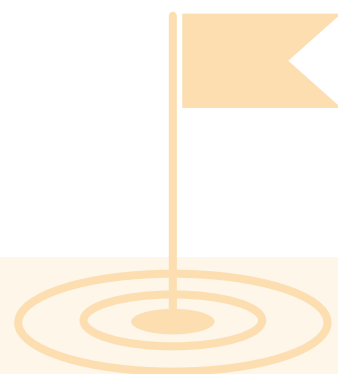
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Insights and challenges

The results of the study show that significant progress has already been made in Ecuador with regard to decent working conditions in the banana sector. This is not least due to the fact that all the plantations studied have concluded contracts with predominantly international certification organisations, which include indicators such as social security, appropriate wages and social dialogue within the certification processes and thus contribute to decent working conditions. It is important to emphasise that the participating companies have shown great interest in the results of the study in order to make improvements and corrections. The owners of the farms or employers expressed a willingness to implement strategies and mechanisms to improve the areas or indicators rated as insufficient by the workers interviewed. On this basis, one of the main recommendations of the study to the German retailers' working group on living wages and incomes is to develop a participatory, consensual and fair approach together with the employers or owners of the farms. The aim should be to strengthen the indicators for which the percentage of confirmations in the survey was below 50 % and/or the percentage of denials was above 50 %.

Based on the study results, the working group is interested in developing further activities, especially for the following indicators:

- Ensuring long-term job security; this process benefits workers in various areas with a view to a sustainable process and professional development;
- Eliminating child labour and forced labour along the banana supply chain;
- Creating regulations for issuing contracts and providing wage and salary statements for workers;
- Continue to implement activities to create training opportunities for women and youth to enable them to access other areas of work and thus achieve greater gender equality, decent work and economic growth.



Based on the results of the study, the aim of the German retailers' working group is to promote activities that specifically improve the situation on the farms in the areas mentioned above. At the same time, the working group will look for opportunities to involve new players in the development of these activities. The aim is not only to achieve an improvement for Ecuador, but also for other banana-growing countries in order to make the banana supply chain more sustainable and transparent in terms of decent labour.



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Federal Ministry
for Economic Cooperation
and Development

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Initiative for Sustainable
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