

Webinar notes

April 9 2020
18:00 to 19:30 CEST



Webinar:

Corona virus crisis: impact on small farmers and workers across the textiles, agriculture and electronics global value chains

Rethinking Value Chains Network

Facilitated by the Fair Trade Advocacy Office (FTAO).



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The Rethinking Value Chains networks organised on 9 April 2020 a webinar on the impact of the Coronavirus crisis on small farmers and workers of agricultural, electronics and textile value chains. Recording of the webinar [available here](#).

Below are the main points raised by the speakers that provided kick-off inputs, which was followed by the audience of over 150 participants.

Kahlil Apuzen-Ito ([Foundation for Agrarian Reform Cooperatives in Mindanao Philippines](#)) drew attention to the short-term impact of small scale banana farmers in the Philippines. In the short term, the main impact on farmers is the halt in production of organic inputs which will delay the much needed organic fertilization of farms and will significantly affect the quality and quantity of the cooperative banana production in the coming months. Coupled with other supply uncertainties and reduced labor support due to the quarantine, the current crisis has highlighted existing vulnerabilities in the value chains, which will need to be addressed to develop resilience. She also finds that among partner small scale farming communities, the coronavirus crisis has increased awareness or consciousness around the need for sustainability and food security, i.e. outside of the cash economy, seed sharing and growing food for family consumption.



Small Family Farming Cooperatives
Organic Banana Value Chain in Davao Region, Philippines



Short-term Impact of Covid 19 crisis:

- Lockdown and limited work capacity
- Essential workers' safety and health
- Total lockdown halt organic compost production

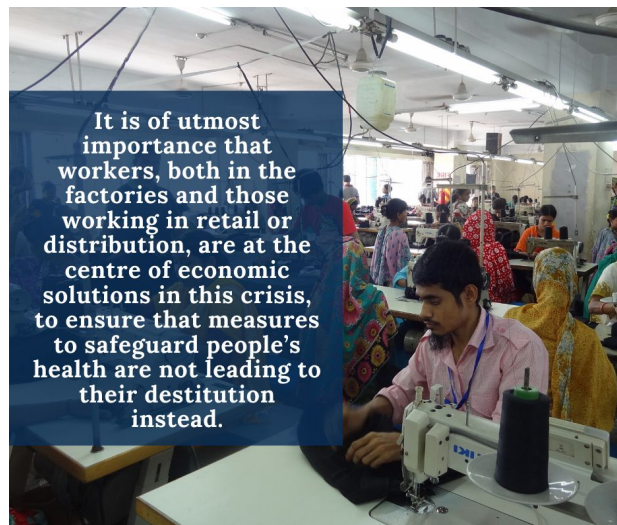
**Packaging supply for harvest uncertain*



Wilbert Flinterman ([Fairtrade International](#)) reported on the huge impact that the crisis is having on flower supply chain, which is particularly hard as result of closure of florists and restrictions in various European countries (e.g. Switzerland) to sell flowers in supermarkets. The Dutch auction near Amsterdam, which is the biggest flower auction in the world, only managed to sell 25% of its normal volume, and ended up burning unsold flowers. This has huge repercussions for workers in flower farms in East Africa. For example, in Uganda and Kenya tens of thousands of workers have been sent home without pay. Compounded by lock-down orders from local governments, this raises a hunger risk for workers who cannot leave their house to find other sources of income. He reported that Fairtrade International has since the crisis taken various actions, such as making use of Fairtrade premium more flexible (so that it can best-used for short-term needs of workers/farmers), protective equipment measures and reaching out to trade unions and industry partners to find locally-specific solutions. It is also exploring setting up a farmer fund.



Dominique Muller ([Labour Behind the Label](#), [Clean Clothes Campaign](#)) reported on catastrophic impact on workers in the garment industry. Billions of euros of orders have been cancelled, factories have therefore been closed in producing countries due to lack of orders. Millions of workers have been laid off and are now without jobs and social protection. Those still working face unsafe conditions. In the short term, it is essential that brands honour their contracts and financial institutions provide relief funds. In the mid term, money from government bailouts in consumer countries must include the workers. Trade unions are key partners to develop solid social protection mechanisms. In the long term, this crisis will have a massive impact on the future of the fashion industry, and we need to ensure that the new fashion industry which comes after this is more resilient and fair.



Peter Pawlicki ([Electronics Watch](#)) reported a similar scenario in the electronics sector to that of garment (see above). In China, initially workers were not able to get to their factories, now they are back, but there are fears of infection as protective measures are often not adequately applied. The [China Labour Strike Map](#) already shows a number of protests sparked by wage arrears. Workers in Malaysia, Philippines, Vietnam, Indonesia and India are experiencing existential challenges as lockdowns are in place. In the long term we should be wary of calls for an end to globalisation and criticize lean/just-in-time production systems that are at the centre of the current challenges. Solidarity potentials are only one of the benefits for workers that are part of global production networks.

Alison Tate ([International Union Confederation](#)) highlighted the huge negative impact the crisis is having on the livelihoods of people around the world. More than a health crisis, it is now a income, employment, economic and financial crisis. This will have huge negative impact on the already huge inequalities between rich and poor within societies. As explained in a recent [blog](#) by ITUC's Sharan Burrow, ITUC is calling on (again) for a global social protection fund. Due to the present crisis, this long-time demand of the trade union movement may eventually be achieved. She added that it is time for a [new social contract](#).

Following the kick-off interventions, a rich debate took place with the more than 150 webinar participants. Below is a non-exhaustive list of some key ideas shared during the discussion.

- The coronavirus crisis has proven that globalisation based on free trade and the “invisible hand” of the market is not working to meet societal needs. The role of the State will be strengthened after this crisis.
- Small farmers were amongst the most negatively-impacted by climate change, which has prompted changes in how they can grow food and numerous plagues. Given their advanced average age, small farmers are now also being disproportionately impacted by illness and death from Covid-19.
- The crisis is also an opportunity, as it has increased the citizens’ consciousness of how vulnerable supply chains, the role that workers and small farmers (they are part of the solution) and the need to rethink how we produce and consume.
- Once short-term urgent measures to protect the most heavily impacted have been put in place, we need to be careful that when we restart we are not taken over by companies that are itching to make money again or lulled back into older patterns of consumption. It is essential to promote a proliferation of social enterprises, cooperatives and other business models whose main objective is not share. The platform economy and digital economy enterprises are often aimed seeking maximising financial return to investors, often paying very little taxes due to loopholes and tax havens and bypassing worker protection laws.
- It is essential that civil society organisations, including NGOs and trade unions, support each others’ campaigns and keep on putting pressure to make sure that the changes we want to see happen. Civil society actors and academics working on global value chains are most welcome to join the “Rethinking Value Chains” Network.

Additional resources mentioned during the webinar

- ITUC overview of Covid-19 responses: www.ituc-csi.org/covid-19-responses
- ITUC survey (www.ituc-csi.org/ituc-globalcovid-19-survey-30march)
- Clean Clothes Campaign blog
(<https://cleanclothes.org/news/2020/live-blog-on-how-the-coronavirus-influences-workers-in-supply-chains>)
- IUF resources on short-term measures
(<http://www.iuf.org/show.php?lang=en&tid=384>)
- European Center for Constitutional and Human Rights: POLICY PAPER: Garment supply chains in intensive care? Human rights due diligence in times of crises:
www.ecchr.eu/fileadmin/Publikationen/ECCHR_PP_SUPPLYCHAINS_COVID_EN.pdf
- IUF demands on agriculture:
www.iuf.org/w/sites/default/files/2020%20IUF%20COVID-19%20Demands%20-%20Agriculture.pdf
- IMF/World Bank Spring Meetings must provide global leadership and coordination
(www.ituc-csi.org/imfworld-bank-spring-meetings)
- FTAO resources on Covid-19 impact on small farmers, workers and global value chains, and reactions from Fair Trade movement:
www.fairtrade-advocacy.org/covid-19

