

# TNC UPDATE #30

## 02-2017



*A regular update of IUF TNC activity exclusively for IUF affiliates. More detail can be requested from the individual IUF staff person identified with each entry.*

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## AGRICULTURE

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### Sugar

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### ASR Group

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On January 5 the **Belize Workers' Union (BWU)** signed an agreement with the Belize Sugar Industries Ltd. (BSIL) granting a five percent wage increase over three years. Also agreed is a 45-hour week-work running from Monday through Friday. The agreement covers the period from October 1, 2016 to September 30, 2019.

As part of the ongoing cooperation with the BWU, the IUF has introduced Occupational Health and Safety (OHS) issues in field work, with the union committed to an ongoing consultation with the workers on these issues.

The ASR Group is the world's largest cane sugar refiner with concerns in the US, the UK and Portugal, and corporate links in Florida (US) and the Dominican Republic.

## BEVERAGES

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### Coca-Cola

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Representatives from the IUF Secretariat and four Coca-Cola producing countries in Europe met in Madrid, **Spain** on 17 and 18 January to show solidarity with the IUF-affiliated **Federacion de Industria de CC.OO** union.

Coca-Cola workers at the Fuenlabrada factory in Madrid have been fighting against the closure of the factory. The representatives visited the factory and stood in solidarity in a protest outside the Supreme Court. The Supreme Court has since confirmed that reinstatement of employees

will be at a new logistics centre, and not the factory, as demanded by part of the workforce.

## **PepsiCo**

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Global snacks and drinks giant PepsiCo claims high human rights standards but tough struggles to secure basic human rights continue in **Pakistan**, **India** and **Guatemala** (see [earlier TNC Updates](#) and the [IUF main website](#)).



Recently the IUF released an update for investors calling on them *‘to take a closer look at PepsiCo’s human rights performance in the light of a growing number of conflicts stemming from violations of fundamental rights at the company’s own operations (Pakistan and Guatemala) and suppliers (India). PepsiCo claims to be dedicated to respecting human rights standards but consistently violates the right of workers to form trade unions and to bargain collectively = a basic human right.’*

You can read the IUF’s complete release and rejoinder to PepsiCo’s response on the website of the Business & Human Rights Resource Centre:

<https://www.business-humanrights.org/en/pepsico-accused-of-anti-union-activity-in-pakistan-guatemala-and-india>

In **Pakistan**, women workers from the IUF-affiliated **PFWF** union at the PepsiCo Frito-Lay plant in Lahore carried out a demonstration on January 13 to protest against ongoing harassment and threats from management. Management at the plant continue to deny workers their basic rights by refusing to negotiate with the officially recognised union.

## **BREWERIES**

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### **AB InBev/SABMiller**

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IUF affiliates continue to assess the implications of the AB InBev acquisition of SABMiller. European affiliates are using the AB InBev European Works Council access to information to better understand AB InBev’s plans.

AB InBev’s agreement to sell a number of licenced **Coca-Cola bottling operations** in Africa and Latin America that were formerly run

by SABMiller is likely to mean those IUF members will be working directly for the Coca-Cola Bottling Investment Group (BIG) at least in the medium term. The consequences of this acquisition which is likely to be completed in the latter part of 2017 will be discussed with The Coca-Cola Company leading up to the next meeting of the IUF/Coca-Cola “Atlanta Process” meeting in May 2017.

### **IUF Brewery Division**

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The Division was founded at the 2016 international brewery unions’ conference held in Istanbul.

At the conference a number of affiliate facilitators led a major part of the work and now form an initial team to build momentum for the division in the coming 12-24 months. That team will meet in New York on March 7 & 8, 2017. They will draft a programme and a strategy to be shared with and further developed by brewery affiliates throughout the IUF.

### **New Web platform for Brewery Division Collective Agreements**

A web platform has been created to allow IUF brewery affiliates to share collective agreements in the major transnational brewery companies. Members of affiliates can request an invitation to access the site and upload and download agreements here:

<https://www.breweryworker.org/>

## **CATERING**

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### **Airline Catering**

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The IUF shares airline catering jurisdiction with its sister Global Union Federation, the ITF.

The IUF and ITF have a history of cooperation over matters concerning airline catering workers particularly when it requires support of workers in conflicts with airline catering companies.

The IUF is currently surveying its affiliates in the sector to begin building a more extensive union map of the airline catering sector. This work will show affiliates in more detail where we have union organization and how strong it is, particularly in the two major airline catering companies, LSG SkyChefs and Gate Gourmet. It will also identify the major issues workers face in this sector. This information will guide us in developing a stronger international union alliance in airline catering and identify issues for common campaigning and, in turn, bargaining.

## DAIRY DIVISION

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### **Arla Foods**

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The next IUF/Arla Foods meeting is scheduled for March 14 and a wider group of affiliates with members in Arla will meet prior to the meeting with the company to review progress and set future objectives. The major focus of our work with Arla has been aimed at limiting the use of agency labour and supporting affiliates in their efforts to increase permanent regular employment.

### **Danone**

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At the Consultation and Information Committee (CIC) meeting in December 2016 (the meeting of union representatives from Danone operations world-wide), the IUF and Danone gave a joint presentation on the Agreement on sustainable employment and access to rights (a tool to limit the use of all forms of precarious work throughout the company).

A leaflet produced by the IUF to accompany the Agreement was presented at the meeting exclusively for IUF-affiliated unions which preceded the CIC. The leaflet, now available in the IUF languages, will be circulated to IUF affiliates and soon be available on the IUF website. More language versions will follow.

In 2017, the smaller strategic biannual meetings between Danone and an IUF team of affiliates are scheduled to take place on 24-25 April (with the participation of Danone CEO Emmanuel Faber) and on 8-9 November.

### **Fonterra**

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The annual IUF/Fonterra meeting will be held on February 15 at a time when the company is continuing its expansion into Asia. Fonterra has significantly increased its sales of cheese into Korea on the back of a one year old free trade agreement between New Zealand and Korea. Fonterra is investing in a warehouse in Korea to import and distribute its products.

Fonterra is facing increased competition to source raw milk in its home market of New Zealand as other TNCs have established themselves in the milk rich country. Prominent among the new entrants sourcing raw milk are Danone and two Chinese companies Yili and

Yashili (Mengniu). Danone also has a sizable stake in Mengniu.

The IUF affiliated **NZ Dairy Workers Union** has been successful in its strategy to organize workers who work for new employers in their industry and now has members and collective bargaining agreements with Danone, Yili and Yashili as well as with some new smaller domestic companies.

### **Froneri**

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Following the creation, on 1 October 2016, of a new global ice cream company through a 50-50 joint venture between Nestlé's ice cream business and R&R Ice Cream, the IUF has been developing work with affiliates with membership and potential membership in this company. The IUF mapping of Froneri shows solid union presence at former Nestlé sites and an absence of unions at most former R&R sites. Following the meeting held in October 2016 for affiliates from countries with R&R ice cream facilities, the IUF Secretariat will now work with affiliates to identify opportunities to increase union membership within Froneri and support organizing efforts through coordination of affiliates. This will be supported by discussions with both Nestlé and Froneri to protect members and potential members and ensure workers can freely access their rights.

## DISTILLERIES

### **Grenada Distillers Limited**

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Whilst only a relatively small regional/local Caribbean distillery the company has recently been the target of IUF action in support of members there.

Since April 2015, management at Grenada Distillers Limited has been refusing to meet with and fully recognize the IUF-affiliated **GTAWU** union in **Grenada**.

The IUF Secretariat has demanded that management stop denying its employees their internationally guaranteed human rights.

The GTAWU has now confirmed that following local and international action the company has changed its position. In stressing the role that the IUF intervention played GTAWU General President Andre Lewis wrote, "*The [IUF's] swift and assertive response to our Union's request is a clear demonstration of its commitment to International Solidarity!*"

## FISHERIES & AQUACULTURE

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### **DOHA, Morocco**

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Following a strike at its sardine canning factory in spring 2015, the DOHA Company locked out more than 500 workers and filed a lawsuit against union leader Rahmoun Abdellah, CDT Agadir Regional Secretary. The Court of Appeal rejected Mr Abdellah's appeal to lift the precautionary confiscation of his apartment and instead supported the ruling of the local court that charges be brought against him for causing the company financial losses.

This decision to prosecute an elected trade union official for actions taken while representing his members and essentially steal his home, contributes to growing injustice and social instability faced by workers in Morocco.

### **Citra Mina**

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Continued rights abuses by the Citra Mina Group, the Philippine's second-largest tuna exporter, have resulted in another worker death. In May and June 2016, two Citra Mina fishing vessels were detained in Indonesian waters for illegal fishing. Following [an established pattern](#) of dispatching fishing crews across international borders without documentation or permits and abandoning them when they are arrested or detained, Citra Mina refused to assist or to repatriate the crew members. One of the detained crew members died in detention on July 11. Action by the IUF and our affiliate SENTRO secured the return of 177 crew members in August, but the company left the captain of its vessel, Wilfredo Estampa, to be held solely responsible and imprisoned despite a severe illness. Captain Wilfredo died on November 7 as a result of his illness. Now the company has rejected appeals from his family to repatriate his body. We call on all IUF affiliates to express their support to Citra Mina workers by circulating to their members an appeal to take part in the on-line campaign: [https://www.iufcampaigns.org/campaigns/show\\_campaign.cgi?c=1031](https://www.iufcampaigns.org/campaigns/show_campaign.cgi?c=1031)

## FOOD PROCESSING

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### **International Food Processing Unions Conference**

The IUF is planning an *international food processing unions' conference* in mid-2017 to develop a comprehensive approach and understanding of the trends increasingly dominating the industry and strengthen international trade union organization and action within major food processing TNCs.

Additional information on this conference will be sent out in the coming weeks.

### **Cargill**

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The IUF is seeking to gain a greater understanding of union organization in Cargill to assist affiliates strengthen international union organization in the company.

The Secretariat is in the process of mapping Cargill internationally and is contacting IUF affiliates organizing in the food sector where we have identified Cargill locations.

### **Kraft Heinz**

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Research and worker training material are in development for use by the IUF's Kraft Heinz membership after unanimous endorsement of the proposed Kraft Heinz strategy by Kraft Heinz members. Affiliates are contributing relevant expertise in research and communications to advance this work and if your union would like to get directly involved, please contact the IUF Secretariat.

### **Mondelez**

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IUF Mondelez affiliates are getting ready to expand action against Mondelez during the **Global Week of Shame from March 27-31, 2017.**

Mondelez has become an even more aggressive financial engineering operation since it was carved out of the former Kraft foods Inc. in 2012. Today corporate management is determined to increase profits by squeezing workers through aggressive cost cutting. For Mondelez workers this has meant layoffs, plant closures and permanent restructuring.

Affiliates will determine appropriate forms of action which can include action within workplaces, public action, engagements with

local managements, web-based or social media action, etc.

We are proposing that all IUF affiliates with Mondelez membership develop and take part in actions in defense of quality permanent jobs at Mondelez during this period, as well as before and after. Please advise the IUF Secretariat of any action plans and share pictures of your actions with the Secretariat for social media and other coverage.

## **Nestlé**

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In 2017, the biannual meetings between Nestlé and the IUF are scheduled to take place on 22-23 May and 2-3 October. The IUF team will meet Nestlé's new CEO, Ulf Mark Schneider, at the meeting in May.

The Nestlé EWC, which is coordinated by the IUF, will meet in 2017 on 20-21 June and 27-28 November.

Amongst other issues (rights issues throughout Nestlé, equality issues and sexual harassment etc.) affiliates have raised concerns about the Nestlé Business Excellence programme that essentially concentrates and streamlines back office activities. The threat to jobs this poses is discussed at both the international and european meetings.

## **HOTEL CHAINS**

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### ***Accor, Melia, Carlson Rezidor & Marriott initiative***

The working plan presented at the 14<sup>th</sup> HRCT Conference in November 2016, including the list of companies the Secretariat has identified as most relevant for the sector, was endorsed by conference participants. The Secretariat will continue to collect information on all major companies, but has identified four hotel chains as priorities for IUF work: Accor, Melia, Carlson Rezidor and Marriott (including of course its recently acquired Starwood business).

### ***Peninsula Hotels***

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In the **Philippines** three union leaders at the 5-star Peninsula Manila hotel, owned by the luxury Peninsula Hotels group, are facing harsh retaliation by hotel management for their involvement in the IUF's Global Housekeepers Campaign and for effectively representing their members at the hotel.

Union action linked to the week of action prompted inspections by the Department of Labor and Employment (DOLE) to issue an order to regularize 405 casual employees including 55 housekeepers at the hotel.

In January 3 in an attempt to undermine the IUF-affiliated NUWHRAIN and to reverse the significant gains for workers the union has won at the hotel, Peninsula Manila managers suspended Cesar Pagaling (Manila Peninsula Supervisors Chapter President) and Francisco Aliansas (Peninsula Employees Union Board of Director's member) for 15 days and dismissed Jenny Marcos (Peninsula Employees Union Board of Director's member).

An urgent action campaign has been launched that you can support [here](#).

### ***IUF International Housekeepers' Campaign***

***"Make my workplace safe – Dignity for Hotel Housekeepers!"***

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IUF affiliates in French-speaking West Africa expanded their work with housekeepers in connection with the third annual global week of action as part of their commitment to combat the vulnerability, abuse, unsafe working conditions and exploitation by unscrupulous and hostile employers. Workshops and conferences organized by unions in Benin, Burkina Faso, Ivory Coast, Mali, Niger, Senegal and Togo all identified fighting sexual harassment and securing safe, healthy, and dignified working conditions as common demands. The development of training programs to provide greater awareness and knowledge of the specific rights of housekeepers and other hospitality workers, and the obligations of employers were identified as necessary tools for improving working conditions. Negotiating good practices and building stronger union organizations were seen as integral parts of improving conditions for housekeepers.

## **MEAT DIVISION**

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The mapping survey of **Cargill** referred to in the Food Processing section of this TNC update will build our knowledge of this major meat processing company and will assist the meat division in assessing organizing strength and identifying organizing targets within Cargill operations.

The long running battle by the New Zealand Meat Workers Union (NZMWU) in a fight for the rights of its members employed by a local New Zealand company **Talleys/AFFCO** continues. Whilst Talleys/AFFCO is not a transnational company the struggle has been supported internationally through pressure on a number of the company's international retail customers.

## **TOBACCO**

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### **British American Tobacco (BAT)**

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The IUF's complaint on behalf of our US-affiliate FLOC against BAT under the OECD Guidelines has now reached its final hurdle: following rejection of mediation by BAT, the UK National Contact Point is in a process of further examining the complaint in view of issuing a Final Statement.

BAT has agreed to take full control over Reynolds American. BAT had previously withdrawn from direct business operations in the US, choosing to maintain only sizeable but not majority stake in Reynolds America. As such they had always sought to claim they were not party to the US issues. This recent development will have an impact on the conflict between FLOC and RAI changing as it does the role of BAT.

## **TNC UPDATE**

**"TNC UPDATE"** is a publication exclusively for IUF affiliates and governing bodies. It is not available to a broader audience.

**"TNC UPDATE"** is available to affiliates on the members-only **TNC UPDATES** section of the IUF's web site. Password is ch1213.

The publication regularly brings brief reports of IUF Secretariat activities in relation to the major TNCs which feature in the Secretariat's work. More detail can be obtained from the respective IUF staff person identified for each company.

The secretariat hopes this publication helps to inform affiliates of the work in this specific area undertaken on their behalf and adds to our ability to build union strength inside these companies.

Comments and suggestions about this from affiliates are welcome. They should be sent to [iuf@iuf.org](mailto:iuf@iuf.org)

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