

TNC UPDATE #40

05-2019



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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Systembolaget

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After signing the Memorandum of Understanding (MoU) with the Swedish alcohol monopoly, Systembolaget, in August 2017 ([see TNC Update #33](#) – consult the Secretariat for password if needed), the IUF has continued to meet with Systembolaget to work on implementation of the MoU. This has included the development of an appendix for the incident reporting procedure. It has been agreed that wine will be the first product that is investigated followed by cane sugar (for rum). In **South Africa**, activities have been conducted to explain the MoU and the incident reporting procedure.

The IUF and Systembolaget will conduct a joint visit to **Italy** later this year to meet with our affiliates and to investigate working conditions in Italian wine production.

The Secretariat is also planning to convene a meeting in 2019 to bring together unions representing workers in all 5 Nordic alcohol monopolies and in alcohol production to discuss effective coordination in future engagement with the alcohol monopolies.

BEVERAGES

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The Coca-Cola Company (TCCC)

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IUF affiliates continue to support the “Zero Rights” campaign to form and join independent unions and access bargaining rights for Coca-Cola workers in Haiti, Indonesia, Ireland, the Philippines and the United States.

On February 21-22, 2019, The Federation of Coca-Cola Unions (FCCU) in **the Philippines** extended its solidarity and support to Coca-Cola workers and their unions in Indonesia, Ireland,

Haiti and the US at its national conference attended by leaders of all FCCU local unions.

Nineteen IUF affiliates from 11 countries met for the IUF European region **EFFAT's Coca-Cola Coordination Group** meeting in Berlin on March 18 and 19 to develop union action to protect their members' futures in the Coca-Cola system. Trade union representatives discussed ways to strengthen their coordination and received updates on the IUF's ongoing "Zero Rights" campaign. Affiliates pledged ongoing support to the campaign.

In **Indonesia** on March 29, 2019, the Coca-Cola Workers Union Council, a member of IUF-affiliated FSBMM, organized a demonstration at the Cibitung Coca-Cola factory gate. On March 30, 2019, and on April 8, 2019 IUF-affiliated FSBMM members in Indonesia organized further protests at the Bawen and Cibitung plants, the latter to coincide with the visit of the managing director of CCA Australia.

All unions present at these protests pledged ongoing support to the fight for the recognition of independent unions and collective bargaining rights.

The **IUF's Executive Committee** met in Geneva, Switzerland, on April 3-4 and expressed strong and unconditional support for the Coca-Cola "Zero Rights" international campaign.

The IUF-affiliated **German food workers' union (NGG)** held a series of warning strikes involving 2,200 NGG members at all 35 Coca-Cola locations between April 8 and 10, 2019.

Against this background and despite a very tough negotiating position taken by Coca-Cola European Partners (CCEP), on the night of April 12, 2019 NGG concluded a new collective bargaining agreement covering approximately 8,000 employees. Wages and salaries were increased by 120 euros per month for 2019 (retroactively from January 1, 2019), and by 90 euros per month from 2020 onwards. This is an increase of around 8% - 9% with some variance between states. Remuneration for trainees will increase by 60 euros per month in 2019 and by 45 euros in 2020. The collective agreement runs for two years. All other provisions contained in the previous agreement – working time, partial retirement schemes, etc. – have been extended until the end of 2020.

IUF affiliates representing Coca-Cola workers from 18 countries, including countries that represent some of Coca-Cola's major markets, joined a meeting of the **Coca-Cola Workers' Alliance** in Geneva on April 8 and 9. Amongst

a number of issues raised at the two-day meeting were longstanding rights abuses in a number of countries. The IUF Coca-Cola Workers Alliance unanimously reaffirmed their unconditional solidarity with workers whose rights are currently denied in these 5 countries.

Jeremy Corbyn, the leader of the **UK Labour Party**, took time out of a busy schedule to express his support for the IUF's "Zero Rights" campaign. Read more [HERE](#).

In April, the **Irish Union of Students (USI) National Congress** in Ireland passed a motion to support SIPTU and the IUF's #TasteZeroRights campaign in protest particularly of Coca-Cola's denial of workers' rights to unionise and engage in collective bargaining in the west of Ireland. USI represents 347,000 students. Read more [HERE](#).

The IUF Secretariat together with the IUF President and a SIPTU representative from Ireland joined the **TCCC shareholders meeting** in Atlanta on April 24, 2019 and raised questions directly with the CEO and Chairman as well as Coca-Cola Company Board members about the failure of the company to remedy ongoing human rights violations in the Coca-Cola system.

Led by the **IUF's European organization EFFAT**, unions in Europe representing Coca-Cola workers organized a demonstration on Monday April 29 at the Coca-Cola European Partners (CCEP) headquarters in Anderlecht to protest against CCEP's poor labour relations policies. Read more [HERE](#) for the details of the demonstration and demands of Coca-Cola unions in Europe.

PepsiCo/Frito-Lay

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The **IUF PepsiCo and Frito-Lay unions' network** meeting took place on April 9-10, 2019 in Geneva. Trade union representatives discussed ways to strengthen their international coordination and cooperation. IUF affiliates identified potential actions in response to restructuring plans and deployment of new technologies, automation and outsourcing locally and more widely in PepsiCo. A discussion took place to strengthen the IUF's engagement with PepsiCo/Frito-Lay.

The IUF Secretariat presented evaluations of responses to IUF surveys on gender equality and occupational health and safety (OH&S).

The preliminary results of the gender equality survey responses show that gender-based discrimination in PepsiCo occurs mainly in hiring, namely not hiring women or not trying to attract women applicants to the majority of jobs normally

covered within the bargaining unit. This is often explained using the argument that these jobs are “not suitable” for women, which is mainly based on the notion that hard physical work is needed and that women cannot handle that. This is an argument that today many affiliates challenge. Another argument often arising in discussions with management is that in some countries cultural and social mindsets and a lack of qualifications or training provided for women limit their ability to apply for the majority of technical, distribution and warehouse positions.

The tentative conclusions to be drawn from an initially small number of responses to the OH&S survey showed a noticeable distinction between PepsiCo facilities located in OECD economies and those located in poorer countries. The meeting stressed that there should be no justification for workers in poorer economies having to face greater risks to both their health and their safety.

Please contact burcu.ayan@iuf.org for a detailed meeting report, action points and the full evaluation reports of the gender equality and OH&S surveys.

The 3rd international **IUF affiliates/PepsiCo corporate management meeting** will take place on Wednesday June 19, 2019 in Washington DC, USA. Please raise any new labour rights' issue/s by writing to burcu.ayan@iuf.org

BREWERIES

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AB InBev

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An [on-line petition](#) launched by the IUF in June 2018 attracted over 15,700 signatures calling on AB InBev to act to put an end to the victimization of union leaders and members, unconditionally reinstate them and enter into good faith negotiations for a new collective bargaining agreement with the union at their **Sonepat brewery in India**.

AB InBev is still failing to effectively intervene with local AB InBev India management to remedy these ongoing rights abuses.

More than 400 days of struggle for union and collective bargaining rights and continued peaceful protest action by the Haryana Breweries Limited Mazdoor Union (HBLMU) has secured the unconditional reinstatement of 2 union members while the struggle for the reinstatement of all unfairly terminated union

leaders continues and workers continue to join the union.

Please support the campaign in whatever way you can, including the use of your union's social media outlets and any other communication channels. You can get further campaign material, including banners and handbills, by contacting burcu.ayan@iuf.org.

The IUF has formally filed a **complaint under the OECD Guidelines** with the Belgian national Contact Point.

The Union of Workers of the Brewing Industry of Panama (**STICP**) and the Industrial Union of Workers of the Manufacturing and Commercialization of Refreshments, Beverages, Soft Drinks, Beers, Spirits and Similar (**SITRAF COREBGASCELIS**) presented AB InBev a joint proposal for a collective agreement that aims, among other things, to reduce outsourcing. There are around 300 jobs outsourced in AB InBev Panama, and both STICP and SITRAF COREBGASCELIS are seeking to negotiate permanent jobs in place of those outsourced jobs.

The IUF Secretariat plans to organize an **International Brewery Unions' Conference** in late September 2019 in Belgium. Further details of this conference will be sent to affiliates in the coming days.

CATERING

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Compass

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U.S. affiliate the **UFCW** has met resistance to an organizing campaign at the University of Dallas in Texas following months of agreed “neutrality” from the company. Compass unilaterally, and without notice to the union, hired external “union busting” consultants “to provide an alternative opinion” in the period leading up to the ballot on whether workers would unionize.

The IUF contacted the global corporate office in the UK to explain that the company had an obligation to facilitate employees' access to rights including the right to join a union. The hiring of such consultants is an exercise to dissuade workers from exercising their rights at work. The IUF will hold discussions with Compass concerning its obligations to facilitate access to and respect for the right of workers to join a union of their choosing in a neutral environment.



DAIRY DIVISION

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The next meeting of the **Dairy Division Steering Group** is scheduled following the Dairy and Meat Divisions and AWTG Board climate change workshop in Omaha, Nebraska in the week 6-10 May.

The Steering Group will consider the recommendations of the IUF **Lactalis** meeting held in January this year, to strengthen an international union alliance within this company. The Steering Group will also discuss how we can strengthen the union alliance within **Saputo**, another company which is growing rapidly through acquisitions. Since the last Dairy SG meeting, Saputo has acquired Murray Goulburn, Australia's largest dairy processor, and Dairy Crest, a major UK based dairy company.

Arla Foods

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Arla have indicated to the IUF they are ready to discuss and agree a Memorandum of Understanding (MoU) or **joint statement on the IUF/Arla relationship** which will commit to the protection and defense of workers' rights and the monitoring role of the joint meetings. This will be progressed by the Secretariat and endorsed by the IUF affiliate group which meets with the company prior to final agreement.

The IUF and Arla Foods have progressed discussions on a **joint commitment to protect workers from sexual harassment in the workplace**. It is anticipated that the joint commitment will be signed this year.

Preliminary discussions have also commenced concerning affiliate access to workers in Arla facilities outside of Europe.

Lactalis

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Leaders of the **Lactalis-Mykolaiv Workers' Union** in **Ukraine** have been victimized following the instigation of a collective labour dispute to win a decent wage and after the participation of the leaders in the IUF Lactalis global meeting held in Geneva in January.

It resulted in a reprimand to the chairman of the trade union organization and suspension from work of the trade union committee member.

The union is demanding all intimidation and harassment cease and that constructive discussions between the local management

and the trade union commence and become permanent.

The IUF Secretariat is awaiting the results of a meeting between the local management and the trade union before taking any further action.

FAST FOOD

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McDonald's

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The Secretariat is still opposing McDonald's presence at the **UN Global Initiative on Decent Jobs for Youth** and is working with concerned affiliates on a dossier on McDonald's practices to be sent to the Board overseeing the initiative with the aim of cancelling the partnership.

FOOD PROCESSING

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Cargill

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Fourteen union activists and members of IUF affiliate Tekgida-İş, now known as #TheCargill14, were unfairly dismissed from their jobs on April 17, 2018 while organizing a union at Cargill in Bursa-Orhangazi, Turkey. To mark the first anniversary of their ongoing struggle, on April 17, 2019, trade unionists and their supporters gathered in front of Cargill's Istanbul head office calling on the company to reinstate the 14 workers immediately. The Cargill 14 remain united and determined.

IUF affiliates and their Cargill membership are now signing postcards calling on Cargill to reinstate the Cargill 14 now. If you are interested in taking part in this important solidarity action, please contact sarah.meyer@iuf.org (or the IUF Secretariat).

UFCW members at the Chain meetings held in St. Louis, Missouri, April 15-17, expressed strong solidarity support for the 14 workers dismissed by Cargill in Turkey for attempting to form a union (See above). Members signed postcards to be delivered to the Cargill CEO demanding that the workers' be reinstated. Workers in the Cargill Chain meeting resolved to raise again the union victimization in Turkey with their members and managers and to raise money for the solidarity fund for the dismissed workers. Stickers with the IUF logo and words "I am IUF" were distributed for members to wear in the Cargill plants.

Danone

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A Danone Extraordinary Consultation and Information Committee (CIC) meeting for European members was organized on April 16, 2019. It focused on proposed changes in the management structure integrating Danone Early Life Nutrition and Medical Nutrition divisions under one entity by geography in Europe, and on proposed changes for a new Danone regional footprint for company “clusters” in Europe. The restructuring to merge Early Life and Medical Nutrition divisions under a Specialized Nutrition division is expected to result in 277 job losses and the regional footprint restructuring is expected to lead to 9 positions being cut.

The next ***IUF/Danone Global Engagement Meeting*** will take place in Evian on May 27-28, 2019. Main topics on the agenda include specific rights issues in Malaysia, Indonesia, Russia and the USA, assessment of the “One Worker, One Voice, One Share” initiative, the Danone/IUF agreement monitoring initiative, assessment of key challenges linked to existing IUF/Danone international agreements, updating/re-negotiation of existing agreements, and potential areas for future agreements.

Danone, USA

Freedom of Association and Collective bargaining rights at Danone, USA

A major positive step within Danone, USA follows fruitful discussions and progress that took place since February around ***neutrality and freedom of association***. In addition, the principle of arbitrated elections rather than elections under the National Labor Relations Board (NLRB), as well as proactive communication by the management on neutrality have been established. At a facility in Dallas, Danone USA workers are currently considering union representation with IUF-affiliated UFCW.

Three IUF affiliates (BCTGM, IBT and UFCW) are working closely with IUF Secretariat representatives to ensure the practical implementation of these principles by Danone.

In ***Russia***, a meeting was held on March 13 between a Danone Russia management team and IUF Russian affiliates representing Danone workers, supported by IUF representatives from the region and the International Secretariat. The meeting assessed union/management relations across a range of issues and ended with agreement that the positive progress that had

begun over recent months needed to be continued, consolidated and enhanced notably around freedom of association and collective bargaining rights.

A ***Joint Danone/IUF monitoring visit to Russia*** will take place in June and will visit three plants to assess the understanding of and compliance with IUF/Danone agreements and other international standards Danone claims compliance with. The joint Danone corporate management and IUF representative team will discuss with Russian management and IUF affiliates any actions needed to strengthen practical implementation of the IUF/Danone agreements and compliance with international workplace rights standards.

The ***Joint Danone corporate/IUF Secretariat monitoring team*** is planning similar activities in the ***USA*** (scheduled for August) and ***Indonesia*** (scheduled for the last quarter of 2019). Both countries were identified in earlier discussions as locations where significant workplace rights risks existed.

Nestlé

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The IUF met with senior Nestlé leadership including Laurent Freixe, Executive VP, CEO Zone Americas, on March 13 to discuss the application of the IUF/Nestlé Joint Operating Principles in the ***United States***.

It was agreed that Kathryn Rowan, Zone Americas HR manager, would meet with IUF affiliates and representatives of North American management on March 28.

Laurent Freixe committed to convene a (teleconference) meeting of operations heads and HR heads in the United States to discuss application of the joint operating principles in the USA.

The joint commitment of the IUF and Nestlé is to agree the principles to apply when union organizing efforts occur in the USA. These will include union access and the practice of neutrality and a clear statement that Nestlé supports freedom of association.

In addition, Laurent Freixe will attend the IUF/Nestlé global meetings until the IUF-Nestlé situation in the United States is normalized.

The meeting with representatives of North American management was held at the Purina headquarters in St. Louis, Missouri on March 28. The IUF representatives at the meeting reiterated that workers’ access to their rights to freedom of association and collective bargaining in the

United States without influence from management is the IUF priority for the global IUF/Nestlé bi-annual meetings.

The IUF requested the negotiation of a managed process for IUF affiliates to access Nestlé employees. The IUF also requested that the company do not hold employee meetings concerning union organizing activities without a union representative present and that employee questions be directed to the union. The company will respond at a further meeting to be held in the US on June 19.

Following on from the previous TNC Update with the announced closure of the Timisoara factory, the IUF-affiliated **Romanian union SINDALIMENTA** continued to meet the local management to negotiate a fair settlement package in line with the formula agreed with affiliates of workers affected by factory closures in other European countries.

Regular union protests outside the factory were held to urge Nestlé to change their original offer so workers would obtain a fair settlement. After being offered an inadequate settlement package, SINDALIMENTA planned to gather its members for a protest demonstration at the beginning of May outside the Nestlé global HQ in Vevey, Switzerland. Shortly after SINDALIMENTA announced its plans to take its fight to Vevey, Nestlé offered a substantially improved settlement package which was agreed and signed on April 17. SINDALIMENTA has expressed its gratitude to the IUF and its affiliates for the solidarity and support.

An agreement has been reached between IUF affiliate **STIAL** and Nestlé in **Brazil** following the outsourcing of warehouse workers at the Cordeiropolis facility in Sao Paulo. The agreement followed intervention by the IUF Secretariat with corporate management in Vevey to ensure local management negotiated a good faith settlement with STIAL.

Perfetti Van Melle (PVM)

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After a long fight for [legal collective bargaining status](#) at global confectioner **Perfetti Van Melle's Bangladesh factory**, PVM Union leaders and members have been the target of threats and physical assault. Central to this fight against abusive labour practices was the PVM Union's call for an end to the exploitation of child labour supplied by Perfetti Van Melle's third party labour and services provider Rahat Corporation.

Following these demands made by the PVM Union, [20 thugs organized by Rahat Corporation](#) entered the Gazipur factory on April 9, 2019 and proceeded to beat and threaten union members while Perfetti Van Melle management stood by.

[CLICK HERE TO SEND A MESSAGE](#) to Perfetti Van Melle, taking part in IUF's Urgent Action campaign, calling on the company to: remediate and compensate for the harm it has caused to child labourers exploited by Rahat Corporation; guarantee the safety of all union members; end its business relationship with Rahat Corporation immediately; and engage in good faith collective bargaining with the PVM Union with the purpose of ultimately negotiating a collective bargaining agreement.

If you have Perfetti Van Melle union membership and would like to support PVM workers in Bangladesh, please contact the IUF Secretariat (sarah.meyer@iuf.org) to learn more about what you and your union can do.

Unilever

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Unilever's road transport logistics supply chain

The IUF/ITF initiative to raise social standards in Unilever's European road transport logistics supply chain continues to progress under the auspices of a joint IUF/ITF/Unilever steering group. Discussion is now focused around a due diligence model built on three elements; standards (already agreed), monitoring and remediation.

HOTEL CHAINS

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Accor (previously AccorHotels)

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Representatives of unions organizing Accor workers in Austria, Benin, France, Indonesia, Italy, Kenya, Morocco, Spain and the United States and Canada came together in Casablanca, Morocco on April 14 to assess the state of union organization in the company and advance the fight for global trade union rights and effective collective bargaining. The meeting reaffirmed IUF affiliates' ongoing support for the struggle to reinstate **Husni Mubarak, president of the FSPM in Indonesia**, who was unfairly terminated by management of the Pullman Jakarta on July 5, 2018. The meeting also formally resolved to intensify efforts to have Accor commit to a signed agreement on working jointly with the IUF **to eliminate sexual harassment in Accor-branded hotels**.

The company subsequently failed to implement proposed remedial actions agreed with the IUF in **Indonesia**, hiding behind owner's refusal to engage effectively. The Secretariat and concerned affiliates will discuss future steps in order to ensure that Accor meets its obligations under the OECD Guidelines and agreements reached with the IUF.

Marriott

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On March 5, **African affiliates** met in Conakry, Guinea, to elaborate a specific strategy for the region. The first action proposed was to send a letter signed by all affiliates to the Marriott CEO.

In April, at the **Global Marriott Unions Meeting**, affiliates shared actions undertaken during a year of global campaigning, and discussed plans for future actions. The campaign will continue to focus on sexual harassment with the aim of pushing Marriott to a formal commitment against sexual harassment as part of a strategy for formal recognition of the IUF and affiliates.

MEAT DIVISION

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The next meeting of the **Meat Division Steering Group** is scheduled following the Dairy and Meat Divisions and AWTG Board climate change workshop in Omaha, Nebraska in the week 6-10 May. The Steering Group will consider further steps to strengthen the Cargill campaign. Alongside the IUF work in Cargill, participants will be asked to consider practical ways to strengthen international union alliances in the other giants of the meat industry – **JBS**, **Smithfield (WH Group)** and even **Tyson** which until recently confined its operations to North America.

The Steering Group will also discuss TNC investment in alternative meats and plant based proteins and the potential effects on employment.

TOBACCO

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An **International Tobacco Workers Meeting** was held in Berlin on April 8-10. Forty participants, representing workers of JTI, PMI, BAT and other tobacco companies decided to strengthen coordination work by developing a **Tobacco Workers Division** within the IUF. The Division will implement the Call for Action adopted by the IUF 27th Congress in support of workers in tobacco growing, and develop TNC networks and specific plans of action to

eliminate gender inequality and gender-based violence in the entire sector.

British American Tobacco (BAT)

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On April 25, representatives of FLOC and IUF raised the issue of union rights avoidance by the farmers in North Carolina, supplying the US tobacco industry, at the Annual general meeting of BAT stakeholders. The campaign in support of FLOC continues.

Philip Morris International (PMI)

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A PMI Central and Eastern European unions coordination meeting will be held in Kutna Gora, Czech Republic on May 13.

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

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