

TNC UPDATE #47

11-2020



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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COVID-19 UPDATES

For updates and information from the IUF and affiliates about affiliates' and company actions faced with the COVID-19 pandemic please go to our dedicated web site here:

[COVID-19: INFORMATION AND RESOURCES FOR AFFILIATES](https://www.iuf.org/Covid19)

Or place this link in your browser:

www.iuf.org/Covid19

COVID-19 issues appear in the reports on all IUF sectors in this edition of the IUF's TNC Update.

AGRICULTURE

International agricultural supply chains

The IUF identified attacks on workers' rights at a vineyard in South Africa and provided a detailed report to the Swedish alcohol monopoly Systembolaget and the Finnish alcohol monopoly Alko. Systembolaget and Alko are both customers of the vineyard. Both companies have launched investigations. In ongoing discussions with both monopolies, the IUF is insisting that these abuses be remedied.

A planned joint mission of the IUF and Systembolaget and Alko to Italy has been postponed due to current travel restrictions. The mission will be rescheduled for 2021. Meetings were planned with IUF affiliates and Italian wine producers in part to outline the content and purpose of the Memoranda of Understanding (MoU) the IUF signed with Systembolaget in August 2017 and with Alko in April 2020.

BEVERAGES

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The Coca-Cola Company (TCCC)

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IUF affiliates continue their efforts to support independent and democratic unions at Coca-Cola in **Haiti, Indonesia, Ireland, the Philippines**, and **the United States**. [CLICK HERE](#) to send a protest message to The Coca-Cola Company.

The IUF International Coca-Cola campaign **“Refreshing Tastes, Repressing Rights”** targets the two-faced nature of The Coca-Cola Company. Affiliates can download a new campaign leaflet in [English](#), [French](#), [Spanish](#), [German](#), [Japanese](#), and [banners](#) and posters to promote the campaign through their publications, union websites, and social media.

The Secretariat continues to provide information to investors, international organizations, and NGO's including the UK's National Union of Students (NUS) and its purchasing company (NUSLL), the Irish national students' organization (USI) and ethical investor groups.

IUF affiliates are demanding the reinstatement of Lutfi Arifiyanto, Atra Narwanto, Danies Andriadi, and Jamaludin at Coca-Cola Amatil in **Indonesia**. The IUF and FSBMM members continue to fight for their right to form and join independent unions at Coca-Cola Amatil. FSBMM has uploaded a Facebook video that you can view [here](#).

The IUF Secretariat attended a **virtual TCCC annual shareholders meeting** in April 2020 to raise specific COVID-19 workers' health concerns. The Company's response was weak and evasive.

On October 25, **Coca-Cola European Partners (CCEP)** officially announced its intention to acquire **Coca-Cola Amatil**. If Coca-Cola Amatil's shareowners approve the acquisition, the new bottler will operate across Europe and Asia-Pacific. That will inevitably impact the IUF's campaign defending human rights in what then be CCEP's Indonesian business.

The IUF-affiliated Coca Cola Workers' Union (STCC) in **Uruguay** reported a distribution sector restructuring that threatened jobs. Two months of negotiations between the employers' Federation of Drink Carriers (FETRABE) and the union ended with an agreement avoiding job losses. [Read more here](#). The union was

supported by the IUF's Latin American Coca-Cola workers federation, FELATRAC, and the IUF.

On October 16, the company announced that it would be retiring almost half of its total of 500 brands this year to focus on its top-performing brands. Coca-Cola also announced significant restructuring world-wide. IUF affiliates are monitoring any impact on jobs.

The **10th IUF Global Coca-Cola Workers Alliance** meeting took place virtually on November 4. Over 60 union representatives from 23 countries joined the meeting and assessed the impact of COVID-19 on Coca-Cola's operations, threats to employment, rights and issues affecting workers' terms and conditions.

Affiliates also discussed strategies to build more support for unions currently facing attacks on rights. You can get a report of the meeting from the Secretariat (contact burcu.ayan@iuf.org).

PepsiCo

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In **Honduras**, negotiations between the Beverage and Similar Industry Workers Union (STIBYS) and Embotelladora La Reyna (CBC-PepsiCo) for a new collective agreement have taken more than four years. Workers have received no salary increases during that time and the outsourcing of jobs has increased.

STIBYS, the employer and the Ministry of Labour have now reached an agreement that paves the way for mediation that was suspended several months ago as a result of the pandemic.

The IUF Secretariat organized a second **conference call with PepsiCo corporate management** in mid-October to discuss PepsiCo's COVID-19 protocols. The IUF also asked PepsiCo, as a **Cargill** customer, to raise concerns with the company about Cargill's actions in **Turkey** (see some background in the Food Processing Division information below). PepsiCo agreed to do so.

An **IUF affiliates/PepsiCo corporate management meeting** will take place in the first quarter of 2021. The IUF will confirm the date in due course.

BREWERIES

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AB InBev

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In **Colombia**, AB InBev is systematically dismissing workers and pressuring workers to resign through what are then



described as "voluntary" retirements. These dismissals have been decimating the Union of Workers of the Beer, Beverage, Food, Malt, and Similar Industry (USTIAM) because many of those fired or forced to leave are members of the union. The company also refuses to recognize USTIAM which means workers are denied their right to seek union support and representation when faced with dismissal. [Please read more here.](#)

In August, the IUF-affiliated Beverage and Related Industry Workers' Union (STIBYS) in **Honduras** denounced violations of the collective agreement by Cervecería Hondureña SA owned by AB InBev. A month later, the union sent a new list of demands to the company. However, national authorities have determined that it is impossible to negotiate new agreements until the country can normalize activities during the current pandemic.

STIBYS has mobilized at the national level. The union held rallies in front of the Cervecería Hondureña facilities throughout the country on October 6. During the rallies all COVID-19 protocols were respected. [Read more here.](#)

STIBYS has also called on the Ministry of Labor to intervene to stop the continuous abuse of employees' rights by Cervecería Hondureña. [Read more here.](#)

The CBC Peruana Company is a strategic partner of AB InBev bottling PepsiCo soft drinks and energy drinks under license in **Peru**. Negotiations have started for a new collective agreement and workers have reported significant harassment by management. The national employers' federation has announced that the company intends to sign a two-year agreement. However, they have also said there would be virtually no wage increases over those two years. [You can find more here.](#)

Heineken

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Heineken experienced a sharp sales drop as a result of the pandemic crisis. In October, as part of a significant restructuring, the company announced it plans to cut its personnel costs by around 20% in its head office and regional offices. The company has warned that more jobs could be lost though further restructuring across its local operations. The restructuring will occur from the beginning of 2021 because Heineken had previously promised no structural layoffs as a consequence of COVID-19 during 2020.

In 2019 Heineken employed 85,853 workers worldwide. Around 1,700 of these work in Heineken's head office and regional offices. The company has declined to publicly announce a figure for how many jobs are likely to be cut in total.

Affiliates representing Heineken workers should inform the Secretariat of any threats to employment arising from this restructuring.

CATERING

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Industrial catering companies continue to lay off workers as the pandemic restricts entertainment and sports events. The advice to companies to request workers to work from home wherever possible has also led to a decline in catering services to corporate clients. With airline travel also severely restricted hundreds of thousands of airline catering workers have been laid off.

Sodexo

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Work continues on the proposed Sodexo-IUF health and safety agreement reported in [TNC Update #46](#). Sodexo and the IUF will meet online on November 4 in an attempt to finalize a letter of intent and to establish the composition and a timeline for a technical working group.

Sodexo is working with the French Government and selected French employers to actively train and redeploy workers into alternative positions. The company recently announced that it would terminate 2000 positions in **France** and hoped to reduce this to 1000 following active redeployment within Sodexo. Sodexo has contacted IUF French affiliates to investigate all options to maximize employment.

DAIRY DIVISION

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Bel Group

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As reported in [TNC Update #46](#), French TNC Groupe Bel is frustrating access to union membership and collective bargaining in **Turkey** through five years of obstructive legal action. Following a discussion involving the IUF and French affiliate FGA-CFDT, and correspondence from the IUF outlining the rights violations, the company responded by refusing to discuss the issues with the IUF until after court proceedings are concluded.

After consulting further with IUF Turkish affiliate Tekgıda-İş, the IUF plans to contact affiliates with members employed by Groupe Bel to request

messages of protest be sent to the company, as the next step in our demands for Groupe Bel to respect the right of workers in Turkey to join the union of their choice and to enter into collective bargaining.

Dairy Division Steering Group

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At a meeting of the **Dairy Division Steering Group** affiliates reported on issues at major dairy companies. Concerns were expressed particularly about two dairy TNCs.

Lactalis

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Lactalis is the major target of an IUF organizing campaign in private sector dairies in **India**.

In the **USA** the Kraft Heinz sale of part of its cheese operations to Lactalis, affects the Walton, New York State facility organized by the UFCW.

In **Germany** the IUF-affiliated NGG has recently successfully ended a collective bargaining dispute with Lactalis in Germany.

In **Australia** the UWU is entering into a similar dispute with Lactalis. Workers at the NGG site have sent a solidarity message to the workers at the worksite in Australia.

The IUF Secretariat is planning an online meeting of the **Lactalis International Union Alliance**.

Saputo

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Affiliates reported two different responses from Saputo to protecting the safety of workers during the pandemic. The United Workers Union (UWU) in **Australia** reported difficulties negotiating adequate testing procedures and paid leave for members employed by Saputo. In contrast, in **Argentina** ATILRA reported that Saputo had closely cooperated with the union and strictly adhered to all agreements and commitments.

FISHERIES AND SEAFOOD

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Thai Union

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In April, the Industrial and Commercial Workers Union (ICU) in Ghana reported a severe COVID-19 outbreak with 343 infected workers at the Pioneer Food Cannery Limited (PFC), a tuna cannery owned by the Thai Union company. The ICU intervened with

management demanding adequate treatment for affected workers. The union also called for medical assistance, delivery of PPE to all the workers after the re-opening of the plant, and re-organization of work schedules to the required physical distancing at the workplace.

ILO tripartite meeting on working conditions in aquaculture

COVID-19 travel restrictions has led to the postponement to 2021 of an ILO tripartite meeting on working conditions in aquaculture originally planned for this month.

FOOD PROCESSING

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IUF affiliates with food processing membership continue to negotiate stronger health and safety measures to protect workers and limit the spread of COVID-19. IUF affiliates have also negotiated essential pay increases and/or bonuses for their food processing membership in response to the COVID-19 pandemic. The IUF Food Processing Division continues to facilitate information sharing within company networks on COVID-19. If there is any information your union may wish to share on COVID-19 on a particular food processing company, please contact the IUF Secretariat at sarah.meyer@iuf.org.

Barry Callebaut

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In March 2020 a circular sent to all affiliates proposed setting up an international coordination group within the company ([see TNC Update #46](#)).

If your union wishes to be involved in this international coordination group at Barry Callebaut, please contact sarah.meyer@iuf.org.

Cargill

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Workers whom Cargill dismissed in April 2018 still want their jobs back and continue fighting for their rights with the support of the IUF and Cargill affiliates across the world.

From August 2020 to October 2020, dismissed workers supported by their union Tekgıda-İş held weekly actions in front of Cargill customer facilities. Other actions are ongoing and planned both in Turkey and internationally. Your union can support them by taking solidarity photos, speaking with and writing to Cargill as well as to Cargill customers. The IUF and Tekgıda-İş thank IUF Cargill affiliates who have already done so. Please contact sarah.meyer@iuf.org for further information.

Danone

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In the **USA** 79% of workers at Danone's plant in Bridgeton, New Jersey voted to be represented by the IUF-affiliated Bakery, Confectionery, Tobacco and Grainmillers International Union (BCTGM). The election took place over two days on October 20 and 21 under conditions established by the **IUF/Danone US neutrality and access agreement**. For two weeks prior to the election BCTGM had an office and a representative on the site to talk to workers about the union. Strict COVID-19 protocols were fully respected. Management remained neutral and posted a neutrality statement that informed workers they could talk with the BCTGM representative on site and in private in the event they had any questions about union membership. The election was overseen by New Jersey Department of Labour mediators.

Danone has a joint venture with **Saputo** in **Australia**. The IUF-affiliated United Workers Union (UWU) is seeking improved COVID-19 protections for its members at the joint venture's Murray Goulburn Kiewa site in Victoria.

The IUF has contacted Danone corporate management asking for their intervention with their joint venture partner. Danone has relatively high protection standards at Danone facilities. The IUF has asked that Danone ensures those same high protection standards are put in place at this joint venture facility in Victoria.

Mondelēz

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Several IUF affiliates have reported that Mondelēz has increased or attempted to increase the use of non-permanent contract workers during the pandemic.

The IUF is planning to produce a company-wide picture of the presence of non-permanent workers in Mondelēz. Affiliates are asked to inform sarah.meyer@iuf.org the degree to which non-permanent workers are present in Mondelēz facilities where your union has membership.

Nestlé

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A small group of workers chose to form a union at Cereal Partners Worldwide (CPW), a Nestlé-General Mills Joint Venture, at Perm in **Russia**. CPW in Perm is managed by the same team that manages **Nestlé Perm**, which is organized

by IUF-affiliated **AIWUR**. Following the formation of the union at CPW, its members were harassed and threatened by management. The IUF contacted corporate management at Vevey, who communicated with the Group Head for HR at CPW. After investigation CPW claimed there was no proof of harassment but gave assurances of an open and respectful relationship with the new union and encouraged good faith discussions to reach solutions.

The **Nestlé-IUF bi-annual global meeting** was convened online on October 8. Progress was made during the meeting and in follow up discussions on issues relating to a serious collective bargaining impasse in **Malaysia** and an unacceptable management response to a COVID-19 outbreak at the Kejayan factory in **Indonesia**. It was noted that there was good cooperation in most countries between IUF affiliates and the company in managing safety during the pandemic. When issues have arisen they have usually been resolved locally.

The continued refusal of the company to facilitate workers' access to their rights in the **USA** fails to meet the principles outlined in the **Nestlé-IUF Joint Operating Principles**. The company attempts to dissuade workers from joining the union during every affiliate organizing drive and the collective bargaining which follows successful organizing is marked by company efforts to delay in order to frustrate the hopes of union members. The most recent example is the year-long bargaining for a first agreement between Nestlé and the BCTGM at Hartwell, Georgia on behalf of a small group of maintenance workers. The contract was finally agreed after campaigning by the BCTGM and IUF intervention with Nestlé head office as reported in [TNC update #46](#).

A pilot organizing activity with commitments to management neutrality was discussed with the company as a possible next step. However the Nestlé corporate Group HR responsible for the Americas wrote to the IUF President with accusations that union organizers had issued disrespectful and defamatory material in organizing campaigns in Hartwell Georgia and DeKalb Illinois. She also made it clear that the company would not enter into an agreement with the IUF and affiliates on management's communications to employees during organizing campaigns in the U.S., thus destroying the attempt to run a pilot organizing programme. The IUF has not closed the door to further discussions with senior corporate managers in an effort to achieve universal compliance on respect for rights and union recognition but it is most likely that the IUF Secretariat will soon request

affiliates in other regions to voice their support for sisters and brothers in the United States.

Substantial progress has been made in negotiating the renewal of the **NECIC (European Works Council) joint statement on COVID-19** which outlines safety and support measures for our members in Europe. The aim is to present a renewed joint statement to the NECIC meeting on November 24. Affiliates reported that the NECIC Joint Statement negotiated earlier in the year assisted discussions with the company on COVID related measures both in Europe and in other regions.

Olam Group

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In February 2018, Olam Group became aware of workers' organizing activities in **Turkey** and immediately dismissed nine Tekgıda-İş union members from the company's plant in Giresun, Turkey. In March 2019, Olam Group dismissed a further six union members at its Kocaali plant and another two union members at its Giresun plant.

Prompted by IUF affiliates, Olam Group customers have raised questions with the company about the dismissals and other rights violations as part of those customers' own supply chain due diligence obligations.

Most recently, the IUF filed a submission with the European Bank for Reconstruction and Development (EBRD), following a USD200m loan they made to Olam this year. The IUF has called on the EBRD to ensure the Olam Group took action to remedy the rights violations at their Turkish operations.

Unilever

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The July 23, 2020 announcement that Unilever will spin off much of its tea business into a "separate entity" was reported in [TNC Update #46](#). IUF affiliates continue to closely monitor and share any developments related to the separation of the business. IUF members remain deeply concerned that the separation will have potentially serious implications for thousands of workers across the world.

HOTEL CHAINS

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Marriott

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On October 7, only a few months after winning the union election at the Sheraton Grand Conakry in **Guinea**, hotel union General Secretary Amadou Diallo and Deputy General Secretary Alhassane Diallo were sacked.

The hotel, owned by the Topaz group, was opened in 2016 with a significant investment from the World Bank Group's International Finance Corporation (IFC), an international financial institution that offers investments to encourage private sector development in developing countries at preferential loan rates.

The hotel is managed by the largest hotel chain in the world, Marriott. Despite the IFC's Performance Standards, a set of rules intended to protect workers, and despite multiple attempts by the IUF to prevent the dismissal of the union leaders, the IFC has chosen to allow violations of its own Performance Standards as well as ILO Conventions 87, 98 and 135.

The Secretariat is preparing a campaign for the reinstatement of General Secretary Amadou Diallo and Deputy General Secretary Alhassane Diallo, and will ask support from affiliates.

Meliá

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On September 29 and 30 and October 1, management abruptly informed 17 workers at Gran Meliá Jakarta, Indonesia, that the hotel would terminate them on October 20. Management had earlier informed the union representing those workers of possible staff reductions. However these dismissals took place without any engagement with their union.

The failure to negotiate with the union is a violation of the [IUF/Meliá International Worker Rights Agreement, signed in 2013](#). The IUF Secretariat has contacted Meliá's global Human Resources Management to demand the withdrawal of these dismissals and good faith negotiations with the union over any company action that would adversely impact union members.

Two meetings between local management and the union subsequently took place but ended without agreement. Management refused to engage in negotiations to explore alternative ways to reduce staff costs, including voluntary redundancies or early retirements, and

unilaterally adjusted the amount of money paid to the dismissed workers. FSPM is now preparing a public campaign against Meliá.

After consultation with the IUF Asia/Pacific regional office, the Secretariat will convene the IUF's Meliá working group as soon as possible and also raise this attack on fundamental rights as a priority issue at the forthcoming annual meeting with corporate Meliá management.

MEAT DIVISION

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The IUF is working with EFFAT-IUF Europe to support the **"Hungry for Fairness"** campaign with 10 demands for action in the meat sector at EU level. The focus of the campaign is on the exploitation of migrant workers through subcontracting. The campaign aims include strong regulation to make TNC's responsible for rights violations throughout the operations including cross border liability. The campaign also demands regulation to ensure direct employment and adequate housing is provided for migrant workers. The IUF Secretariat, along with affiliates from North America and Latin America will join European affiliates for an online campaign meeting on November 25.

The IUF Secretariat has been collaborating with public health specialists to produce a **brief on COVID-19 in meat processing plants**. It is planned to launch this publication in conjunction with the EFFAT-IUF Europe meat sector meeting on November 25.

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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