

COMMUNICATION ON ENGAGEMENT (COE)

Period covered by this Communication on Engagement: February 2016 – February 2018

Part 1. Statement of Continued Support by the Chief Executive or Equivalent

February 2nd 2018

To our Stakeholders:

I am pleased to confirm that GVC reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti Corruption. This is our Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication on Engagement, we describe the actions that our organisation has taken to support the UN Global Compact and its Principles as suggested for a an organisation like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

Sincerely yours,

Dina Taddia
President, GVC



DESCRIPTION OF ACTIONS:

GVC, GRUPPO DI VOLONTARIATO CIVILE is a non-governmental, secular and independent organisation established in 1971 in Bologna, Italy.

We work to return dignity to entire communities, we fight poverty and injustice so that the fundamental rights of every person can be recognised. In almost fifty years of activity, we have reached the remotest corners of the world, setting up thousands of sustainable development cooperation projects.

We operate in 24 countries. From Africa to Latin America, from Asia to the Middle East, through to Europe. In the societies where we work we involve relevant stakeholders such as people, civil society organisations, governments and local authorities as well as the private sector to ensure that human and fundamental rights are respected. The goal of our work is to provide access to water, food, health, education and work to thousands of individuals while protecting the environment.

Even in humanitarian emergencies, we work with the intent of establishing the foundations for reconstruction and development. To this end, each one of our projects is organised so that every community discovers within itself the resources necessary to become self-sufficient and independent.

Besides the international cooperation programs, we are also committed to promoting active citizenship education and awareness of development issues in Italy and Europe: we organise seminars, workshops for children and teachers, exhibitions, conferences and events.

One of the most eagerly awaited events is the *Terra di Tutti Film Festival* ('Everyone's Land'), a festival featuring documentary films from the Global South with the objective to promote principles such as human rights, active citizenship, fair trading practices as well as reflect upon global challenges such as environmental problems that affect human safety and wellbeing. The Festival gives a platform for people whose voices often go unheard, serving as amplifiers of critical thinking which challenges stereotypes and prejudices as well as promoting the development of skills and the trust in individuals necessary to build a more equitable and sustainable world.

The Principles of the UN Global Compact

1) Human Rights:

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: make sure that they are not complicit in human rights abuses.

a. GVC – Business and Human Rights:

GVC along with other Italian NGOs such as Actionaid Italia, Amnesty International Italia, Campagna Abiti Puliti, Cospe, Equo Garantito, Fair, Fairwatch, Focsiv, Fondazione Finanza Etica, Human Rights International Corner (HRIC), Mani Tese, Oxfam Italia, Society for International Development (SID) are involved in establishing a network of Italian NGOs on Business and Human Rights that has a role in:

- Pushing forward the 2016-2021 National Action Plan (NAP) on Business and Human Rights, which was published in December 2016 but not yet implemented;
- Pushing forward the implementation of Due Diligence of Italian companies that focuses on the principle of accessibility and transparency in respect to the non-financial report addressed to the concerned institution CONSOB (the National Commission for Companies and the Stock Exchange);
- Raising awareness on the respect of human rights among companies and promoting their new active role in this dimension.

The National Action Plan for 2016-2021 resulted from a multi-faceted activity of the Italian Inter-ministerial Committee for Human Rights (CIDU) in line with the implementation of the *Guiding Principles on Business and Human Rights* unanimously endorsed by the UN Human Rights Council in 2011.

In Italy, the NAP was approved on the 1st of December 2016, focusing on the following priorities: 1. promoting human rights due diligence processes; 2. tackling *caporalato* (agribusiness exploitation of undocumented labour); 3. promoting fundamental labour rights in the internationalization process of enterprises; 4. strengthening the role of Italy in a human rights-based international development cooperation; 5. tackling discrimination and inequality and promoting equal opportunities; 6. promoting environmental protection and sustainability. However, the NAP does not have a clear definition of tasks and timeframe of implementation. This aspect hinders the possibility of concretely implementing the guiding principles and NGO advocacy actions due to the absence of defined interlocutors.

In particular, the NAP foresees the establishment of a non-institutional group, composed of companies, trade unions, NGOs, CSOs, human rights defenders, academics etc., with the role of monitoring the implementation of the NAP together with the Working Group on Business and Human rights (GLIDU). As of November 2017, the group was not yet established and in view of the Midterm review planned for mid-2018, NGOs requested more actions and transparency for them to push forward the Plan.

Due to this situation, the above mentioned NGOs got together to create this Network, which is in a very early phase, still informal for now.

Several activities were carried out to get the issue on the national policy agenda. The advocacy actions are highlighted below:

i. Organisation of a workshop entitled *“Diritti Umani e Impresa. Verso una regolamentazione degli attori economici?”* on Human Rights and Business on the 4th of October in Rome, Italy.

The aim of the workshop was to:

- Raise awareness of Parliamentarians, Government, civil society organisations and Universities, regarding the work done on this subject at the United Nations in Geneva;
- Solicit Italian institutions involved in this matter to share their positions and national activities and provide country data on the implementation of the Voluntary Guidelines;
- Share and disseminate the appeal in support of the binding treaty of the international civil society group treaty alliance;
- Promote parliamentary initiatives to direct the Italian Government, in the context of the European position for intergovernmental negotiation in Geneva;
- Define the steps aimed at building an Italian platform on Human Rights and Business.

For the first time a public dialogue has been initiated among Italian institutions to discuss forms of binding regulation for large size companies and the logic of corporate social responsibility in order to contribute to the Global Goals and the UN 2030 Agenda.

ii. Drafting a letter addressed to Angelino Alfano, Minister of Foreign Affairs, and Carlo Calenda, Minister of Economic Development. The letter aimed at getting to know Italy's position in respect to the IGWG session on Binding Treaty held from the 23rd – 27th October 2018.

iii. Participation in the open consultation of CONSOB on the implementation of provisions of the Legislative Decree of the 30th of December 2016, n. 254 on the communication of non-financial information. The Network has requested the following: the contents of the reports are to be accessible, operational and comprehensible for all stakeholders; a detailed description of the supply chain and no conflict of interest are necessary to ensure the effective independence of the statutory auditor.

iv. Advocating the President of the Inter-ministerial Committee for Human Rights (CIDU) to promote the participation of NGOs and CSOs to the non-institutional advisory group (foreseen in the NAP) and to hold a meeting by the end of 2018. The Working Group on Business and Human rights (GLIDU) was established within the CIDU to monitor the progressive implementation of the NAP and coordinate the work done.

v. Participation in the first meeting convened by GLIDU, held on the 20th of November 2017 in Rome. The aim of the meeting was to:

- Request a greater transparency in the process of implementation of the NAP;
- Identify the target Ministers to ensure implementation of the foreseen measures by communicating the list of institutional representatives with regards to Business and Human Rights;
- Define the application of the timetable;

- Formally request the establishment of the coordination and working group composed of representatives of the non-institutional advisory group which works with the GLIDU;
- Request to apply the terms of reference and responsibility between buyers and suppliers.

b. Terra di Tutti Film Festival (TTFF)

In 2016, the review of documentaries and social cinema from southern world countries celebrated its 10th edition. The opening ceremony was attended by the winners and finalists from the previous editions, with screening of documentaries on the topic '10 years of Fortress Europe'.

As every year, over 60 films from Italy and abroad were shown, in more than 10 themed categories, all aiming to keep the spotlight on social issues such as protection of human rights, active citizenship, decent work and fair trading practices, climate change and migration.

In 2017, COOP Alleanza 3.0 dedicated a prize called *Voices of Invisible Women* for the best documentary on women and gender issues. The winner, *2 Girls* (by Marco Sperone) was chosen by a jury composed of members of COOP and awarded during the closing ceremony at TTFF. The documentary was also screened to raise awareness among the members of COOP. Around 50 members participated in the event.

In addition, EmilBanca – Cooperative Credit – dedicated a prize called *Stories of Invisible Youngsters*. The winner film, *Blooms in the Concrete* (by Karine Morales and Caroline Pèricard), was chosen by a jury composed of volunteers in coordination with the management of the Festival and awarded during the closing ceremony at TTFF.

2) Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

a. Make Fruit Fair Project:

Building on the previous Make Fruit Fair campaign experience (2012-2015) a second phase was launched in March 2015 in Berlin. GVC and 18 NGOs across Europe are working to improve conditions for the workers and farmers that grow and pack European tropical fruit. Southern partners include trade unions: FAWU (Cameroon) and SINTRAINAGRO (Colombia), as well as small farmer organisations, UROCAL (Ecuador) and WINFA (Windward Islands).

Make Fruit Fair Project (<http://makefruitfair.org>) funded by the European Commission, aims to achieve decent work conditions, fairer trade relations and more sustainable consumption in Europe.

The campaign will continue to lobby the European Commission to stop retailers abusing their buying power, report cases of human right violations in the food production and call for European importing businesses to be responsible for their own production along the whole supply chain.

GVC and its' partners have launched an Urgent Action to end violations carried out against trade unions and its' members in Ecuador, Peru and Colombia to advocate for an impactful

dialogue with European multinational corporations responsible of discriminating labour right through their suppliers and subcontractors.

The initiatives are:

- ANEXCO, Costa Rica, launched in September 2015 – 23,988 European supporters; target company: production company of Pineapple, subsidiary company of the Irish multinational corporation Fyffes;
Call for:
 - Immediate halt to harassment and discrimination against trade union members;
 - Constructive dialogue with ANEXCO;
 - ANEXCO to respect the fundamental ethical principles recognized by parent company;
 - Fyffes as a member of the Ethical Trading Initiative (ETI), sponsored by the UK Government, and the biggest importer of bananas in Europe, ANEXCO as a subsidiary company must align to these principles.Results: a meeting with the Deputy Minister of Labour was organized. The agreement included a tripartite roundtable (unions, industry and ministries) addressing only the banana industry.
- TAL SA, Peru, launched in March 2015 - 847 European supporters;
The action took the company TAL SA to the Labour Court on charges of unjustified dismissal of employees only because they were members of the SITETSA union.
A framework agreement on the right of trade unions and sectoral dialogue was signed by seven banana producers associations and the main trade union in the sector, SITAG.
- SURAGROH, Honduras, launched in February 2017 – 41,805 European supporters;
FESTAGO reports how a subsidiary company of Fyffes (SURAGROH) promotes a campaign that undermines the image of trade unions as well as intimidating workers interested in affiliating. The members of the unions are in fact placed on black lists that prevent them from working in the sector, as well as cases of death threats to union representatives.

Principle 6: the elimination of discrimination in respect of employment and occupation.

b. Make Fruit Fair Project: World Banana Forum:

On the 8th and 9th of November 2017, GVC participated in the World Banana Forum meeting held in Geneva.

The World Banana Forum (WBF) is a space in which the main stakeholders of the global banana supply-chain work together to achieve consensus on best practices for sustainable production and trade.

The mission of the World Banana Forum is to:

- Inspire collaboration between stakeholders in order to produce pragmatic outcomes for the betterment of the banana industry;
- Achieve consensus on best practices regarding workplace issues, gender equity, environmental impact, sustainable production and economic issues;

- The WBF brings together retailers, importers, producers, exporters, consumer associations, governments, research institutions, trade unions, and civil society organisations.

GVC actively participated in the Task Force on Gender Equity that was created within the World Banana Forum (<http://www.fao.org/world-banana-forum/en>).

The Task Force on Gender Equity has been set up to ensure that gender equity is pushed forward as a cross-cutting theme across the various activities of the WBF and its' three Working Groups on sustainable production systems and environmental impact, distribution of the value and labour rights.

The Task Force group seeks to contribute towards a better understanding of gender issues and the realities faced by female workers along the global banana chain while ensuring that women representatives of the global banana industry are present and active in all decision-making processes that affect them.

The Task Force was set up following the first Global Meeting of Women Banana Representatives in Ecuador 2012 directly preceding the Second World Banana Forum Conference. A series of recommendations on gender equity were presented to the WBF Conference and its working groups that formed a work plan for following activities on gender.

In particular, in 2017, GVC participated in the WBF Task Force on Gender Equity.

A meeting was held in Geneva on the 7th of November 2017 in which companies, trade unions, certifiers and CSOs came together to discuss solutions to the following challenges facing the banana industry:

- Sexual abuse and gender-based violence;
- Women empowerment;
- Gender pay gap;
- Opportunities for employment in the sector (very low percentage of female workers);
- Health & Safety.

Moreover, GVC participated in the International Workers Forum organised by the workers of ASTAC (Asociación Sindical de Trabajadores Bananeros Agrícolas y Campesinos) in Guayaquil, Ecuador. The objective of the meeting was to gather testimony on human rights violations in tropical fruit production, in particular in the banana industry.

The meeting, held on October 2nd and 3rd 2017 is part of *Ruta por la Verdad* within the *Ruta del Ceibo* (<http://verdadparalavida>). The latter is in charge of analyzing the challenges of Agro Export and researching for the root causes, asking for the respect of human and constitutional rights that have been violated and restore mechanisms for the environmental and social damages caused.

The participation of European organisations in the Forum allowed to: discuss on responsibilities of European companies throughout the supply chain, gather data on violations in order to continue the advocacy actions carried out by NGOs, alert and make local authorities aware of the importance of disseminating the information towards the general public in Europe.

c. Working Group Profit No Profit:

Throughout 2016 and 2017 GVC participated in a working group, composed of Italian NGOs (GVC and others) and cooperatives (Confcooperative and Lega COOP). The WG is in charge

of discussing the eligibility criteria and principles of companies in order to access funds for international cooperation and corporate social responsibility. The work done by the group is reported to the working group PROFIT NO PROFIT established inside the Italian National Council, multi-stakeholder body foreseen by the Italian Cooperation law num. 125 of 2014.

d. Member of LINK 2007 – Cooperazione in Rete:

A network of Italian NGOs that aims to expand their role in the promotion of development policies and cooperation at an institutional level. In the last two years, the network promoted a path of dialogue and discussion on the European External Investment Plan among Italian institutions, companies and NGOs.

The EU Plan is part of the EU's contribution to the commitments launched in 2015, when the international community agreed on an innovative agenda on financing for development, which called for new partnerships, to mobilize private resources and to apply innovative financing models.

The aim of the plan is to strengthen sustainable private sector involvement, investments in infrastructure and renewable energies, and support sustainable economic development growth.

In January 2018 LINK Network organised a conference entitled *the New European External Investment Plan – Business Initiative in Africa and Mediterranean* to present the EU External investment plan in partnership with the Italian Ministry of Foreign Affairs and international cooperation (MAECI).

The conference involved all concerned actors: NGOs from the Network, Italian Institutions for international cooperation, financial institutions such as Cassa Depositi e Prestiti and SIMEST, private institutions such as the General Confederation of Italian Industry and Agriculture, alliance of Italian Cooperatives and some relevant private companies as ENEL, ENI and others.

More than 300 individuals attended the conference, mainly from the private sector, interested in understanding the way to work in the international cooperation field and to partner with NGOs.

e. Raising awareness activities:

i. Film screening:

In April 2016 a film screening event was organised in partnership with LIONS Ravenna, in which the documentary *Eco de Femme*, produced within the framework of an EU funded project implemented by GVC in Tunisia and Morocco, was shown to local entrepreneurs and residents in Ravenna, Italy. The project aims to strengthen the protection of social and economic rights of underprivileged women living in remote rural areas in the two Countries.

The event, which involved around 60 people, had the objective of raising awareness on gender equality and access to decent work through the creation of agricultural cooperatives as a democratic form to fight poverty. GVC project manager and the documentary director attended the event in order to present the work done as well as to promote the discussion.

ii. Participation in local events:

In April 2017, GVC participated in *Terra Equa Fair* on fair trade, social economy and fashion: <http://www.terraequa.it/p/ce-un-filo-che-lega-noi-agli-altri-e.html>

GVC organised an exhibition stand present the campaign *Make Fruit Fair* and raise awareness on the importance of achieving decent work conditions, fairer trade relations, and

more sustainable consumption in Europe. Thousands of people participate in this Fair. 700 people were involved in GVC awareness raising activity.

In October 2016, GVC participated in the *Biennale dell'Economia Cooperativa* (<http://www.biennale.coop/>) organised by LEGACOOP Italia. The panels focused on topics as cooperative economy, development and new frontiers of the Italian cooperation. Dina Taddia, President of GVC presented GVC's work in regards to supporting local cooperatives of farmers and herders to fight poverty in Nicaragua, Mozambique, West Bank and Tunisia.

In March 2017, GVC participated in the Fair *Fa' la cosa giusta!* (<https://falacosagiusta.org/?lang=en>) in Milano.

GVC organised an exhibition stand to present the campaign *Make Fruit Fair* and raise awareness on the importance of achieving decent work conditions, fairer trade relations, and more sustainable consumption in Europe. Thousands of people participate in this Fair. 7,000 people were involved in GVC awareness raising activity.

f. Protection of Human and Labour Rights in Cambodia and Thailand:

Since 2013 GVC has been working to support Human and Labour Rights (HLRs) of Cambodian migrant workers that migrate to Thailand by combating human trafficking, labour exploitation and abuses.

This situation involves 1.2 million Cambodian migrants that work in Thailand, of which 69% migrate irregularly and 80% are subject to labour exploitation and abuses as well as having their wages withheld, illegal deduction and wages below minimum, excessive overtime, confiscation of ID, restriction of movement, harassments/violence, discrimination against women in salary and in case of pregnancy.

GVC, in cooperation with CWCC (Cambodia Women's Crisis Center), LSCW (Legal Support for Children and Women) in Cambodia and LPN (Labour Right Promotion Network Foundation) in Thailand, implemented a programme aiming to:

- Strengthen community response by increasing availability and quality of information on HLRs for migrants and access to legal support in case of violations;
- Raise public awareness on HLRs increasing the role of local CSOs/CBOs;
- Increase effective application of regulations and measures to promote and protect HLRs.

The activities implemented to achieve the above objectives are:

- Organisation of 95 self-help groups of migrants, potential migrants and their families to share information about HLRs and safe migration;
- Training of 960 people and sharing experience from village to national level, CBOs/CSOs, Local and National Authorities;
- Carry out studies and researches on migration, remittances, laws and policies framework against human trafficking and labour exploitation of migrants and level of their application;
- Advocating in technical working groups at provincial, regional and national level (Labour Forum, Provincial and National Counter Trafficking Committee, ASEAN Forum on Labour Migration etc.), and at international conferences;
- Organisation of 3 communication/awareness campaigns targeting 900.000 people to promote human and labour rights of migrants and their rights to be protected.

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges.

a. Make Fruit Fair: Case Studies at ASTAC Forum:

Within the framework of the project *Make Fruit Fair*, several case studies were produced on the impact of pesticides on production and its environmental and social damages, as well as reported violation of human rights made by specific multinational corporations and European supermarkets.

GVC has disseminated the results/data to consumers as well as through dialoguing with other actors of the supply chain, certification systems, supermarkets and policymakers to inform and explore together a possible solution to improve the conditions of food production in respect of the workers and the environment.

During the WBF meeting organised by the workers of ASTAC in Guayaquil (Ecuador), one of the studies conducted within the project was presented. The research outlines the threats of toxic agents and pesticides that the majority of workers of the banana industry are exposed to. The hazards of these substances and the viable solutions to protect the health of workers were discussed during the meeting; a special focus was also given to the protection of pregnant women and breast feeding mothers during the Gender Equity Meeting of WBF.

b. Make Fruit Fair: awareness raising activities:

Within the campaign of Make Fruit Fair, several awareness raising actions were carried out in regards to safeguarding the environment and the need for a sustainable production as well as improving workers' conditions. Actions implemented are the following:

i. Participation of GVC in the Press tour organised by MFF partner Action Aid-Peuples Solidaires, in which the journalist Stefano Liberti, author of the book *Signori del Cibo*, was involved. For many years, Liberti has worked on issues related to the global food industry and its detrimental effects on the planet, as well as focusing on the unsustainability of the actual food production model. Two articles on Italian National Press were published:

- 22nd May 2017, Internazionale, online newspaper, the article focused on precarious and indecent working conditions of Haitian migrants working in banana plantations in the Dominican Republic. 123,000 readers on average. <https://www.internazionale.it/reportage/stefano-liberti/2017/05/22/banane-equosolidali>
- 20th of July 2017, La Stampa, Tutto Green, daily newspaper, *Dominicana, tra gli haitiani senza documenti e diritti* – 232,392 readers on average.

ii. Participation in conferences and University courses: 6 events involving 650 participants;

iii. Organisation of GVC exhibitions stands in 66 locations including festivals on fair trade and socially conscious film festivals as well as supermarkets, reaching out to a total of 20,010 people;

iv. Organisation of 12 public initiatives, artistic performances and exhibitions, reaching out to 28,636 people;

v. Production of 3 video clips to raise awareness and denounce indecent conditions of workers in the banana plantations, translated into 9 languages and viewed by 36,250 – <https://www.youtube.com/watch?v=m0Tv1X4rpgw&list=PL9hYxBjODIyj5Hq82klk-EUADWy7WBnER>

vi. Production and dissemination of 3 hard copy newsletter targeting 17,645 readers.

vii. In the summer of 2016 Ms. Eva Carazo, academic researcher and environmentalist involved in drafting the case study *Sweet Fruit, Bitter Truth* (produced by Oxfam Germany in Costa Rica), was invited for a Speaker Tour in Bologna, Italy. The tour included the organisation of: several seminars in the Master degree course *Human Rights, Migration and Development* at the University of Bologna; meetings with local producers; meeting with the responsible of SOLIDAL COOP Mr. Vladimiro Adelmi with whom issues such as sustainable agricultural production and best practices carried out were discussed; meeting with the assistant of MEP Sergio Cofferati to discuss legal frameworks that promote transparency of the production chain.

c. Make Fruit Fair: Advocacy actions at the European level to demand for a legal framework that regulates Unfair Trading Practices (UTPs):

Since 2015, *Make Fruit Fair* campaign has been monitoring European political processes and advocating for a legal framework at the European level regarding UTPs.

On the 29th of January 2016 the European Commission published a report on the Voluntary Supply Chain Initiative, a follow-up of the 2014 communication on tracking unfair trading practices. The results of the analysis confirm that the current initiative is not ensuring the protection of the most vulnerable workers and the anonymity of those who report violations; thus, MFF advocacy effort carried out by the campaign is critical.

GVC has supported several advocacy actions:

i. Since 2015, GVC has been advocating for the implementation of the regulation of UTPs. Targeting political decision-makers to introduce policies for improved treatment of small farmers and workers in the tropical fruit supply chain at EU level through the launch of the *Pan-European MFF! Petition*.

The petition was promoted during EXPO Milan 2015. GVC was present with an exhibition stand *Food Playground* in collaboration with FAIR TRADE, in order to raise awareness of the general public on the hazard of fruit production and its' threat to human and environmental rights, reaching 58,707 visitors.

The campaign had gathered a total of 7,000 signatures in Italy and a total of 75,000 throughout Europe.

The petition is calling on EU Commissioner Elżbieta Bieńkowska (Internal Market, Industry, Entrepreneurship and SMEs) to support EU-wide stronger binding rules which stop unfair trading practices and enable small farmers, workers and EU consumers to get a fair deal.

This event was the start of a more fruitful partnership with COOP, the supermarket chain with the largest market share in Italy, that carried on through 2016 with a series of campaigns inside the stores to promote a sustainable and fair production of fruit *#buonaegiusta*.

ii. Advocating the Directorate General of the European Commission IMCO – Internal Market and Consumer Protection – for the creation of a Directive to establish a network of national level enforcers with shared minimum standards and proportionate centralized coordination. The action asked for the evaluation of the cost of doing nothing to prevent UTPs and suggested amendments on the Edward Czesak’s report which focused on unfair trading practices in the food supply chain.

Actions also targeted the European Parliament, promoting the vote, (scheduled on the 7th of June 2016) in favour of Edward Czesak MEP’s report and the amendment to that report on behalf of EU COMAGRI (Commission of Agriculture and Rural Development). As a result of these efforts, a call for legislation to support non-EU producers’ access to a redress system, was obtained.

Furthermore, the political atmosphere in other European institutions clearly favours a regulation of UTPS