



## **4.07 Strengthening Organization in the Agri-Food Sector**

### **1. What, in brief, is the solution?**

Promoting policies and action that support the establishment, growth and functioning of rural workers' organizations and guarantee the rights of freedom of association and collective bargaining of all workers, building the capacity of cooperatives and other membership-based organizations of farmers, and empowering producers to organize into formal associations.

### **2. What was/were the source(s) from which this solution emerged?**

Over many decades, the ILO has been implementing programmes and initiatives aimed at strengthening the capacity of unions to improve outreach, organization and collective action, and to meaningfully participate in social dialogue and advocate for their members. Successful interventions have also been conducted in the agri-food sector, with positive results.

### **3. What problem is it trying to address within food systems?**

In many countries, agricultural and rural workers continue to face obstacles arising out of legislation or practice when it comes to organizing in trade unions and exercising their rights to freedom of association and collective bargaining. Upholding workers' rights to organize and bargain collectively can contribute to effective industrial relations and social dialogue, which in turn will help ensure all other rights and reduce social auditing costs in the supply chain. Discriminatory practices and legislative or administrative obstacles (such as restricted ability of workers to establish organizations in accordance with their terms and needs, due, for example, to requirements for minimum membership or funds) often impede the right of workers to establish and join trade unions. In some countries, agricultural and rural workers are specifically excluded from certain laws such as those specifying minimum wages, paid sick leave, union membership or social security. In other countries, labour protection legislations (e.g. employment injury benefits or insurance schemes) may exclude or inadequately protect certain categories of workers such as casual, daily or migrant workers. Seasonality in agriculture may also leave many workers out of union membership and collective bargaining. As a result, there are relatively few agricultural trade union members compared to the total number of workers in the sector.

While small-scale producers and farmers can be instrumental in improving rural livelihoods and enhancing food security, they are often unable to make this important contribution due to the lack of organization, which prevents them from realising economies of scale and increase market power.

### **4. Why is addressing that problem important for achieving the goal of your working group?**

Strong, independent and effective organizations of rural workers and employers is a prerequisite to enabling rural communities' participation in economic and social development. They ensure that rural people's voice is heard in the elaboration and implementation of law and policy that directly affects their work and life, thereby contributing to sustainable livelihoods and inclusive development.

Cooperatives and producer organizations can:

- increase the bargaining power of smallholder farmers to ensure they capture a fair share of the value, leading to higher price yields, and can secure better prices for agricultural inputs
- pool together resources, knowledge and information to upgrade productive capacities and enhance their members' technical and entrepreneurship skills
- act as intermediaries or guarantors for borrowing by members, or through credit and loan arrangements among members, which may help their members move up the supply chain, and help give youth a lower risk



- help farmers to adopt grades and standards that enable them to capture a greater proportion of the value added of their produce helping their members comply with food safety or other industry requirements
- stimulate knowledge sharing, adoption of new technologies, training and improvements in such areas as agronomic practices; agribusiness management; post-harvest management, thereby also contributing to reducing food waste and food loss
- promote formalization and provide access to related benefits
- be particularly beneficial for vulnerable groups such as migrant and youth workers in gaining access to finance, and productive resources and participation in policy-making and democratic processes, including in leadership positions
- contribute to gender equality and women's empowerment by providing economic opportunities to women leading to increased incomes and an increased say in household decision-making
- Address labour related issues (e.g. child labour, forced labour, discrimination). For example, given that the majority of cooperatives, producer and farmer associations operate in agriculture, where 71 percent of child labour is found, they can: ensure that their own business operations and their supply chains are child labour free; engage in community mobilization and awareness-raising campaigns among their members and within the communities where they operate; provide guidance and community leadership, and contribute to the planning and delivery of health, educational and other basic social services in their communities; promote livelihoods opportunities and the use of appropriate technologies as means of increasing income of their members; provide collective voice and negotiation power for their members with the public authorities in securing a range of economic and social rights including services such as child care; and stimulate decent youth employment opportunities through training and education programmes.

### 5. How can this solution address that problem (theory of change)?

The proposed solution, which entails action aimed at improving legislation, in line with the 1998 ILO Declaration on Fundamental Principles and Rights at Work and other relevant ILO standards<sup>1</sup>, and formulating policies and interventions aimed at strengthening organization in the agri-food sector, should enable agricultural workers to exercise their fundamental right to freedom of association and collective bargaining, thereby helping to secure decent conditions of work and contribute to stable labour relations in a sector and, ultimately, to a successful transformation of food systems. Cooperatives and producer organizations will help to empower smallholder producers, providing them with improved economic conditions as well as a collective voice and power to defend their interests. They will improve small-scale producers' access to markets, including high-value markets (such as niche organic products) and technology, and connect them to enterprises further up the supply chain, shortening the supply chain in some cases. They will also help generate income and employment for their members and provide an avenue for other enterprises and service providers to reach an otherwise inaccessible smallholder sector. The ILO Recommendation on the promotion of cooperatives, 2002 (No. 193) defines cooperatives as autonomous associations of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically controlled enterprise.

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<sup>1</sup> These include, among others: the Right of Association (Agriculture) Convention, 1921 (No. 11); the Plantations Convention, 1958 (No. 110); the Rural Workers' Organisations Convention, 1975 (No. 141).



## **6. Why does this solution align to the definition and criteria for a ‘game changing solution’ developed by the Summit?**

The Food Systems Summit’s acknowledgement of the critical contribution that the organizations of rural and agricultural workers, employers and farmers, as well as cooperatives and producer associations could make in building sustainable and resilient livelihoods and building sustainable food systems will be a crucial game changer. A strong emphasis on the issue in the discussions and conclusions/outcomes document of the Summit could help to generate a commitment and action by governments to tackle barriers to organizing in the agri-food sector and develop relevant legislation and integrated national policies that promote the establishment, growth and functioning of rural and agricultural workers’ organizations and guarantee the rights of freedom of association and collective bargaining of all workers. It could also lead to policy and action, including concrete initiatives at the country level, aimed at promoting the establishment and growth of cooperatives and farmer organizations.

## **7. Existing evidence supporting the argument that this solution will work, or at least achieve the initial outcomes**

Numerous ILO initiatives, policy related work and development cooperation projects focusing on improving organization in the agri-food sector and capacity building of workers’ organizations and cooperatives.

## **8. What is the current and/or likely political support for this idea?**

There is a widespread political support for the ILO’s Decent Work Agenda, including ILO Conventions, as reflected in the Sustainable Development Goal 8, which aims to “promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all”. In this context, the proposed solution will make an important contribution to achieving SDG8 and in particular targets 8.5 on “full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value”; 8.7 on the elimination of forced labour and child labour; and 8.8 on the protection of labour rights and promotion of safe and secure working environments for all workers.

## **9. Are there certain contexts for which this solution is particularly well suited, or, not well-suited.**

Well-suited for all countries and in particular those with large rural economies and agri-food sectors.