Sindicato de Trabajadores de la Agroindustria y Similares

STAS



Introduction

This report is presented within the framework of the investigation being conducted by Ed Potter and Ron Oswald. The purpose of the report is to present – briefly and clearly – the position of STAS before the ongoing process with Fyffes/Sumitomo.

We would like to introduce this report with a quote from the Monitoring and Action Plan (MAP) Report that comes out of the CAFTA complaint launched in 2012. Under "Remaining Challenges", the Report from the United States Department of Labor states on October 12, 2018, that of the three remaining challenges, the second is:

"The violations, which are emblematic of the freedom of association, right to organize and bargain collectively, and acceptable conditions of work concerns raised in the Submission Report, were committed by the following companies: SurAgro, Melon Export (both plantations are part of Grupo Sol/Fyffes/Sumitomo), and Kyungshin Lear. The STSS's¹ work to ensure that violations are effectively remediated will be important in demonstrating that the systemic reforms are yielding results on the ground.²"

As indicated in this report, the case you are investigating is already registered under the MAP agreed between the US and Honduras, as part of the CAFTA complaint. The Sol/Fyffes Group/Sumitomo companies are cited as being in violation of freedom of association, the right to organize and bargain collectively.

In continuation, we will explain why the legal process taking place before the Ministry of Labor (MoL) and its corresponding appeals are part of a strategy that violates not only the right to freedom of association and collective bargaining for Fyffes workers, but also the rights of all Honduran workers.

To do this, we will explain:

- 1. Who STAS is and the grounds for which the melon sub-sectional is legal and legitimate.
- 2. Timeline of the process of creating the sub-sectional, annulment process and appeal.
- 3. Timeline of the anti-union discrimination exerted by Fyffes.
- **4**. A summary of other systemic labor rights violations committed by Fyffes.
- 5. Conclusion

We thank you for your attention and are available to answer any questions.

¹ Secretary of Labor and Social Security (STSS) is referred to as the Ministry of Labor (MoL)

² https://www.dol.gov/sites/default/files/documents/ilab/MAP%20Status%20Update%202018.pdf

1. Who is STAS?

STAS is *el Sindicato de Trabajadores de la Agroindustria y Similares*, STAS, or the Honduran Agricultural Workers Union, of Honduras. STAS is an industrial union duly registered and approved by the Honduran MoL.

In Honduras, the current Labor Code, article 471, recognizes four types of unions: Company-based unions, Industry unions, Craft unions and unions of various trades. STAS is an industrial union in accordance with article 471 b) of the Labor Code "... [the industrial unions are] formed by individuals who provide their services in several companies of the same industrial branch." In STAS's case, they are workers that belong to the agroindustrial branch throughout the nation's territory.

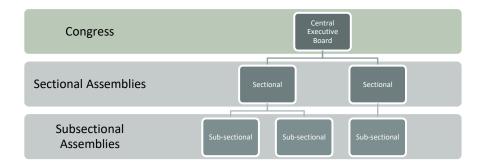
STAS is born on April 7, 2013, and receives its legal status on May 20th of the same year.³ The STAS affiliates currently belong to four industries: banana, sugarcane, palm oil and melon.

To receive its legal authority to operate i.e. the legal recognition of the State, STAS has gone through a process where it presented its bylaws (or statutes) for revision. The statutes are defined by law and govern the internal processes of the union. This is established in the Labor Code, article 473, "The unions are associations of free entry and exit of workers. The statutes will regulate the conditions and restrictions of admission..." The items that the bylaws must contain are described in detail in article 478, Clause 14.

Upon receiving the legal authority to operate, the MoL officially converts the statutes of the union organization into law for everything that concerns the internal organization & processes of the union. That is why the MoL signs and seals both the legal status (*personería juridica*) and the statutes.

In the statues, the organizational structure is as follows:

The organizational structure of STAS, as defined by its statutes, legally recognized by the MoL, in Chapter VII, Article 30, "The union shall be directed hierarchically in the following order: a) The Congress b) The Central Executive Board c) Sectional Assemblies d) Sub-Sectional Assemblies, e) Sectional Executive Boards, f) Sub-Sectional Executive Boards."



The congress and the assemblies are the maximum authorities of the union, being of absolute and rigorous fulfillment, the agreements and resolutions from them emanate to each level of the organization. The executive board of the three levels of the organization are the highest authority among the decisions made at the assembly spaces of each different level.

ARTICLE 53. - The Central Executive Board is the highest authority of the union between one Congress and another; it is in charge of orientation, defense, representation and the administration of the organization. It will last in its functions for two years from the swearing in date. It is elected by the Congress, and may be reelected in whole or in part.

ARTICLE 67. – The Sectionals is the organism that groups various sub-sectionals, that can come from one or several work centers of one or different companies in the same locality. The Central Executive Board will have

³ Registered in Volume IV of the Register of Workers' Organizations in Folio No. 698, Registration 698. The Executive Directorate of Income (DEI) recognizes STAS as a Legal Entity legally constituted, with the number 05129014662410.

the exclusive power to create sectionals. Initially the union will operate with two sectionals, a northwestern sectional and a southern central sectional. If the union needs to expand its coverage, it will be the power of the Central Executive Board to create more sectionals nationwide.

The jurisdiction and competence of the Sectionals to exercise their immediate and direct action shall be in the region where they reside or in the jurisdiction demarcated by the Central Executive Board.

ARTICLE 85. – The Sub-sectionals indicate the organisms that group workers of one or several work centers of a company. - The Central Executive Board will have the exclusive power to create the sub-sectional who will be under the direction of the Sectional that the Central Executive Board designates, each sub-sectional will be identified: first with the number of the branch to which it belongs, followed by the number of the sub-sectional according to the order they were organized. The same provisions of the Sectional will govern the sub-sectional's operation, and its Executive Board will be composed as defined below:

- Sub-sectionals with less than 15 members: One Secretary General
- Sub-sectionals with more than 20 affiliates: Secretary General, Records Secretary, Secretary of Acts
- Sub-sectionals with more than 50 affiliates: Secretary General, Secretary of Organization, Secretary of Acts, Treasurer, Records Secretary

As you can see, a minimum number is not established for the conformation of a sub-sectional, since all of the affiliated workers are already affiliated to STAS, the number of affiliates to the sub-sectional solely defines the composition of its Executive Board.

As an industry union, all the workers that are organized in sub-sectionals are covered under the same legal status (*personeria juridica*) [of the Central Executive Board]. Therefore, there is no requirement to do the protocol of a company-based union, which is what is accustomed to in Honduras.

The process of creating a sub-sectional under the statutes of STAS are the following:

1. Individual affiliation to STAS

The first step to create a sub-sectional is the affiliation of the individual workers that are interested in belonging to the union, STAS.

To affiliate to the union it is required that the worker, "Render their services in any company or business of agroindustrial farm and the like. That a sectional or sub-sectional exists or that they intend to organize one.⁴"

In other words, there is no requirement on the type of contract (temporary or permanent) under which a worker's services are rendered. The emphasis for affiliation is that a worker provides their services in the agroindustrial sector, and the like.

With clarification under article 9, paragraph a) "...the workers who have been dismissed and who go to the corresponding instances to exercise the rights that the law confers upon them, retain the quality of union members, until there is a definitive sentence."

2. Certification or constitution of a sub-sectional.

STAS affiliates wishing to form a sub-sectional must convene a sub-sectional assembly. This will be the constitutive assembly of the sub-sectional. The members choose their directives, or their Sub-sectional Executive Board in the presence of a STAS representative. The STAS representatives draw up the Official Record of Constitution of the Sub-sectional Executive Board. From this moment, the sub-sectional Executive Board is officially and legally certified.

⁴ Statutes of STAS, Chapter III, Article 7, letter a)

Subsequently and in order to provide *the fuero sindical*⁵ to the Executive Board of the sub-sectional and present the charter of demands to the company, we proceed to notify the company with the accompaniment of the MoL, to which the inscription of the sub-sectional belongs.

It is important to make clear that the step explained above is not mandatory, nor is it a process of "legalizing" the sub-sectional. This step of notification is a formality, which is done in order to give protection – *fuero sindical* – to the Executive Board of the sub-sectional. When registering the sub-sectional, two of its directors (Secretary General and Records Secretary) have *fuero sindical* as spokespersons of the Central Executive Board.

The *fuero sindical*, in its broadest sense, is the right to protection of the worker. It is defined under the Labor Code in Article 467, "The associations of workers of all kinds are under the protection of the State, provided they pursue any of the following purposes: 1. professional training; 2. Culture and education of a general nature or applied to the corresponding branch of work; 3. Mutual support through the formation of cooperatives or savings bank; and 4. Other purposes that entail the economic and social improvement of workers and the defense of the interests of their class."

The special protection enjoyed by the Executive Board of a trade union organization is defined in Article 516. "Workers who are members of the Executive Board of a trade union, from their election until (6) months after they cease to hold office, cannot be dismissed from their job without previously proving to the Labor Court or the Civil Judge that there is just cause to terminate the contract."

It is for this reason that in order to assure protection of the Executive Board(s) of the sub-sectionals, STAS has registered its bylaws (statutes) under Article 53, where the conformation of the Central Executive Board is defined. The Central Executive Board structure counts on the spokesperson in section 11, "The positions of the spokespersons will be automatically filled by the Secretary Generals and Records Secretaries of the Subsectional Executive Boards from the moment they are elected at the Ordinary Sectional General Assembly. The Secretary Generals and the Records Secretaries of the Sub-sectional Executive Boards [will also fill the positions of the spokespersons] at the Ordinary Sub-sectional Assembly."

Currently, STAS has a sectional located in the north and integrated by executive board members of the different sub-sectionals of that area.

There are currently 12 active STAS sub-sectionals, in 10 companies:

- 2 in Guaruma Agroindustrial (Banana Sector)
- 2 in Meza Agroindustrial (Banana Sector)
- 1 in Finca Santa Rita (Banana Sector)
- 1 in Finca Tropical (Banana Sector)
- 1 in SURCO (Sugarcane Sector)
- 1 in ARAME (Sugarcane Sector)
- 1 in SODEMEM (Sugarcane Sector)
- 1 in Agromeza (Palm oil Sector)
- 1 in Agroguay (Palm oil Sector)
- 1 in Melon Export S.A. (Southern Region, Melon Sector)

Of these sub-sectionals, there are collective bargaining agreements (CBAs) in five companies signed between 2015 and 2017, which supports – as stated above – that STAS is effectively and legally constituted as an Industrial Union in the agroindustrial sector, ratified and confirmed by the Honduran Government, the MoL.

⁵ Unions are required to notify the MoL of the change in leadership and the MoL then certifies the leaders as being protected by *fuero sindical*; however, the protection against dismissal applies from the moment a leader is elected. Article 516 states that union leaders are protected from dismissal from the time of their election until six months after their term expires, and they are required under Article 481 to submit an application to the MoL in order to be certified as protected by the fuero sindical. Article 510(c) of the Labor Code of Honduras requires, inter alia, that union leaders be employed for at least six months prior to their election to a union leadership committee.

2. TIMELINE OF THE STAS SUB-SECTIONALS AT FYFFES

Since 2005, COSIBAH⁶ now FESTAGRO⁷ begins a process of capacity building with the workers on Fyffes melon plantations regarding their human and labor rights. At the time of the first sub-sectional on January 28, 2016, 160 Fyffes workers affiliated to STAS.

CREATION OF THE 1ST SUB-SECTIONAL

Date	Case	Analysis	Annex
January 28, 2016	Four Inspectors from the Ministry of Labor (MoL) of Tegucigalpa and Patricia Riera, an activist from FESTAGRO-STAS, deliver Notification of the sub-sectional and the charter of demands to the Human Resources Director of Suragroh, Juan Carlos Rosales. He refuses to sign as received.	Secretary General: Alexi Jeovany Campos Treasurer: Juan Bautista Zepeda Secretary of Acts: Santos Isaac Hernandez Secretary of Conflict & Claims: Baltazar Cruz Erazo Secretary of Records: Juan Agustín Guillen Osorto	1.0
January 29, 2016	The immediate supervisors of the five Executive Board members, except for Baltazar Cruz, are called to go to the Santa Rosa office, a Melon Export office. They call Riera while they are in the office and tell her that they have them locked up in an office of Finca Santa Rosa, located in Santa Ana de Yusguare, so they can ask them about the union. Management keeps them locked in the office for four hours.		2.0
January 30, 2016	The four members of the Executive Board call Riera worried. They tell her that they are being taken to Choluteca to a lawyer's office. Riera arrives at the address that they gave her but did not find them. When Riera calls them back, they say that they were transported to a notary. After this point, Riera is not able communicate with them.	Patricia states, "They told me that a lawyer wrote an annulment to the union and forced them to sign without seeing the annulment, and then they took them to a notary. In the transfer of the lawyer's office to the notary's office, the workers told me they were forced to turn off their phones."	3.0
End of January – Beginning of February, 2016	Days after the first locking up incident, Fyffes management transports the four members of the sub-sectional in a company car to Tegucigalpa to present the "annulment" of the union to the MoL in Tegucigalpa.	During these days, Riera states that she had no communication with the workers, the rest of the affiliated workers informed STAS of what happened. They added that the four affiliates had "resigned" and in addition to receiving threats, they had received financial compensation for their signature.	4.0

CASE STUDY: BALTAZAR CRUZ (SEE ANNEX).

⁶ Coordinadora Sindicatos Bananeros y Agroindustrales de Honduras, COSIBAH

⁷ Federación de Sindicatos de Trabajadores de la Agroindustria, FESTAGRO, a la cual pertenece el STAS

Date	Case	Analysis	Annex
January 31, 2016	In an assembly, STAS elects four new affiliates to be representatives on the Executive Board of the sub-sectional of Suragroh.	Secretary General: Hector Manuel Erazo Secretary of Organization: Baltazar Cruz Secretary of Claims & Conflict: Iluvina Rodriguez Secretary of Finances: Glenda Rodríguez Secretary of Acts: Rita Rubia Ruz	5.0
February 9, 2016 10:00 AM	STAS requests an meeting with the Inspector of the MoL of Choluteca, Luxidalia Gomez. Fyffes lawyer, Mario Guillermo Montes Montoya is present and presents the supposed annulment documents of the four Executive Board members that "do not know" STAS. Riera, STAS representative is present and delivers the notification of the 2nd Executive Board of the sub-sectional. The lawyer does not refute Riera's notification. He proceeds to present the "annulments" of the 1st Executive Board.	The company lawyer attends the meeting with the purpose of showing the "voluntary" signatures of the four Executive Board members. He also justifies that Baltazar Cruz is on medical leave and that is why he does not show up on the documents. The lawyer signs "received" the documents regarding the notification of the 2 nd subsectional.	6.0
February 9, 2016 PM	Fyffes management calls the four Executive Board members of the 2 nd sub-sectional. They call Riera. They are locked in a Fyffes office. The lawyer interrogates them to resign from the STAS Executive Board. He asks them, "Are you going to resign, yes or no?" They answer "no." Patricia arrives at the office with a representative of the National Commission of Human Rights (CONADEH) and the Labor Inspector of Choluteca, Luxidalia Gomez. The guard does not let them enter but confirms the workers are there.	Upon learning of the 2 nd sub-sectional in the morning, Fyffes management immediately tries to coerce the workers to resign in the afternoon. They stand firm, despite being locked up, interrogated and harassed. They ask for help because they feel very afraid. When the authorities of the MoL and CONADEH arrive, the guards inform them that they are inside but cannot let them pass by order of Fyffes management.	7.0
February 10, 2016	Mario Osorto, Fyffes management goes to the field to ask the four Executive Board members if "they are going to renounce the union" and that Arnon Faroud, Fyffes legal representative sent him to ask. The workers answer no.	In the interview, workers state, "we are worried that they continue to insist." The workers report that they were locked in the same way as the previous Executive Board. A lawyer, whose name they did not know, urged them to resign from the union or something of the like by signing a document that they were not allowed to read.	8.0

February 15, 2016	Fyffes lawyer, Kevin Javier Aguilera Osorto requests to nullify the Inspection Record of February 9, lifted by the MoL of Choluteca. He also requests to nullify the 2 nd Executive Board of the sub-sectional. He argues that Baltazar Cruz, one of the members, is incapacitated and therefore not eligible.	Having failed to coerce the 2nd Executive Board to resign, they try to delegitimize this Board arguing that Baltazar is not eligible because he is medically incapacitated. However, Baltazar was not incapacitated at the time he was elected to his position and his disability, at this moment is temporary (15 days). Fyffes wants to nullify the February 9	9.0
		Inspection Record because it is an official State document that verifies the company was officially notified of the 2 nd subsectional. Riera announces and the lawyer does not object.	
February 24, 2016	MoL Inspector, Luxidalia Gomez lifts an official Record of Verification regarding Fyffes' violation of freedom of association. She says,	This starts the process where we currently find ourselves. This is important because here begins a process of political intervention.	11.0
	"And by issuing a certification, where the members [of the Executive Board] state by telephone that they were threatened, these members enjoy the special protection of the State and cannot be dismissed without a warrant, and in the following [the company] must refrain from committing acts that violate the laws, regulations of work, as well as international Conventions ratified by the State of Honduras Juan Carlos Rosales, in his condition stated before proceeding to correct the infractions indicated, is granted a period of time: 3 business days."	The company will later seek to erase this official Record of Verification (or Inspection Report) because this is the best evidence that exists regarding the issues of violations of national and international laws. In addition, [the company] is ordered by the authority to solve the problem of violation to freedom of association, otherwise they will be fined. A fine that was not applied despite the fact that the time expired.	
February 29, 2016	Fyffes lawyer, Guillermo Montes responds, saying that the arguments of Gomez of the MoL are unfounded and lacking in veracity. He says that "they are intimidating" and "they intend to blame, an abuse of authority of the current inspector," referring to Gomez.	Fyffes lawyer tries to nullify the entirety of the February 24 th Inspection Report solely by arguing that one of the points mentioned in this Report is in the middle of a process. He wants to nullify the entire reasoning of the Report where Gomez says that Fyffes is violating the right to freedom of association, arguing one of the points is in process. He tries to erase the entire Inspection Report by saying it is inflammatory and that Inspector Gomez is acting out of her place. It is thought that Luxidalia Gomez has been pressured from the MoL following her Inspection Record lifted on February 24 th . Her position changes radically after this, issuing reports favoring the company.	STAS does not have this Report, despite requesting it from the MoL

March 18, 2016	Patricia Riera and Hector Manuel Erazo (Secretary General of the 2nd Subsectional) arrive at the MoL in Choluteca and surprisingly find the Fyffes legal representative talking to Inspector, Luxidalia Gomez. Riera and Erazo try to come to an agreement with Fyffes but there is no resolution. Gomez, by law should open a mediation. She hinders the mediation and lifts an Investigation Report, which in this case, is not the adequate move.	STAS denounces that due to political pressure, the Inspector does not proceed to lift an official Record of Verification (Inspection Report) that declares the facts and would allow the case to proceed to the mediation stage. By immediately raising an Investigation Report, she obstructs the legal process of negotiation, favoring the company.	13.0
	Here, Fyffes responds to the Charter of Demands of the 2 nd sub-sectional presented on February 9 th , arguing the illegality of the 2 nd Executive Board by claiming that the workers are employees of Melon Export and not of Suragroh – where they formed the subsectional. Fyffes presents employment contracts.	Hector Manuel Erazo states that he id unaware of what the Fyffes lawyer is claiming and that this is the first time anyone has seen individual contracts for Melon Export. Fyffes management does not allow them to see their contracts or keep copies when they sign them.	
April 6, 2016	MoL admits the annulment request presented by Suragroh, which argues against the February 9 Inspection Report in Choluteca. The letter states that Tomas Membreño, as the President of STAS, will be informed of the resolution. This never happens.	The objective of nullifying the Inspection Report in question is to legitimize the violation of Fyffes workers' right to organize. By failing to deliver the resolution to STAS, it is presumed that the intention was for the deadline to file an appeal would expire, terminating any way to revoke the MoL decision.	14.0
August 26, 2016	The Department of Legal Services of the Ministry of Labor, without any motivation, issues a statement that the workers do not have the right to organize a sub-sectional.	Maria Elena Sabillon, STAS's legal counsel considers that the Department of Legal Services made a partial statement and that it was made in a record time. Usually in other cases, this Department takes up to a year to issue a statement.	N/A
September 23, 2016	The General Labor Inspector of Tegucigalpa issues a resolution that annuls and legally de-legitimizes the official Inspection Report of February 24, which declares that the company violates workers' freedom of association at the time of [the sub- sectional] notification.	According to STAS Legal Counsel, Sabillon, states that the MoL resolution – which gives reason to Fyffes unfounded allegations – violates ILO Convention 87 as it is explicitly restricting STAS affiliates of their right to organize. Said resolution was not notified in legal and due form to STAS, they only posted it on the notice board in the MoL office in Tegucigalpa. The STAS offices are located in San Pedro Sula. This purposefully malicious action almost left STAS in an indefensible situation.	17.0

October 13, 2016	Tripartite meeting of the Monitoring and Action Plan of the CAFTA complaint, where Suragroh and Melon Export are cited in the Complaint.	STAS could have been notified personally by the State of the September 23 rd resolution, in which Suragroh's legal counsel presents opposition to the creation of the subsectional. The government does not do this.	
October 20, 2016	Maria Elena Sabillon, STAS legal counsel files an appeal against the resolution issued by the General Labor Inspectorate on September 23, 2016. Weeks later, Sabillon submits the corresponding evidence such as the February 24 Inspection Report, where the company is signaled as being in violation of the freedom of association. The General Secretariat rejects this evidence without any legitimate foundation. Subsequently, the respective conclusions are presented, once these two stages of the process are concluded, the file was sent to the Labor Minister's Office at the beginning of 2017 for his respective resolution. In June 2018, the MoL issued an Order for Better Provision, requesting a new inspection at the [Fyffes] workplace. The inspection was conducted in August 2019 in a conducted in August	Sabillon, in her appeal, argues that this resolution violates ILO Conventions 87 & 98 for many reasons, including but not limited to: One: It invalidates the official Record of Verification or Inspection Report, issued by a State Official of good faith, such as the Labor Inspector Luxidalia Gomez, who verified the violation of ILO Convention 87 regarding the facts of the case. Two: It exempts the company from the responsibility to respect workers' right to freedom of association. Three: They violate due process by never notifying STAS personally, they use the notice board in the MoL Tegucigalpa office inappropriately. See appeal for the other reasons*	18.0
	2018, in non-production time and only by interviewing permanent workers. In addition, STAS, as a stakeholder of this appeal, was not notified of this	At present, the fear of STAS is that a resolution in favor of the company will be issued with unfounded and unsatisfactory labor inspections at Fyffes' plantations.	

inspection.

CREATION OF THE 3RD SUB-SECTIONAL

Date	Case	Analysis	Annex
April 20, 2016	STAS elects a new Executive Board for Melon Export at a sub-sectional assembly.	Modesto Perez (Permanent contract) Jose Oracio Betanco (Permanent contract) Leonel de Jesus Martínez (Permanent contract) Hector Manuel Erazo (Temporary contract) Iluvina Rodriguez (Temporary contract)	19.0
April 22, 2016	STAS notifies Melon Export about the creation of the sub-sectional with a MoL inspector. Juan Carlos Rosales, Human Resources of Suragroh receives and signs the notification as a representative of Suragroh.	He signs as a Suragroh representative maliciously to delegitimize the notification of the union. In the 1st sub-sectional Fyffes refuses to sign the notification, in the 2nd, the legal representative signs and they submit an annulment, in this 3 rd , they sign it knowing that the Executive Board will be fired.	20.0
April 25, 2016	21 affiliated workers of the Chagüites community are fired by Noel Maradiaga, justifying the end of their contract, despite the fact that their contracts do not have an end date and that the season usually ends in mid-May. The workers protest in front of the MoL in Choluteca.	Iluvina Rodriguez of the Executive Board is one of the fired workers. Taking advantage of the notification, the company decides to dismiss affiliated workers.	21.0
April 28, 2016	Eder Chavarría, Chief Inspector of MoL Choluteca notifies Arnon Faroud and Obed Misael Garcia about the sub-sectional and presents the STAS Charter of Demands.	Since Fyffes maliciously signed on April 22 as Suragroh, the Chief Inspector personally notifies Arnon and Obed, who receive the notification as representatives of Melon Export.	22.0
April 29, 2016	25 workers are fired "for being trade unionists"		23.0
May 12, 2016	Through Inspector Luxidalia Gomez, a response to the Charter of Demands notified by Eder Chavarría on April 28, 2016, is requested. The manager, Obed Misael Garcia responds saying that all communication is suspended until the MoL issues a resolution to the request to annul the sub-sectional of STAS.	This has been the argument that Fyffes/ Suragroh/Melon Export have used to deny responding to the union notifications and Charter of Demands. It is our perspective that they had plans to influence the MoL from this date. They shield themselves by arguing that the annulment process is in place for Suragroh, but the solicitation at this time is for the Charter of Demands for Melon Export.	23.5
May 2016	Fyffes cancels the permanent contracts of the three members of the Executive Board and gives them incomplete severance pay.	See Case of Leonel de Jesus Martinez*	24.0
August 8, 2016	Fyffes permanent workers write a document of "opposition" to the notification (April 28, 2016) of the 3 rd STAS sub-sectional at Melon Export.	The legal representative of the company delivers this document. If this document is legitimate, these workers have every right not to join the union, but workers that want to affiliate have a legal right to organize with STAS under national and international laws.	25.0

CASE: LEONEL DE JESUS MARTINEZ (SEE ANNEX).

CREATION OF THE 4TH AND 5TH SUB-SECTIONALS

Due to the anti-union firings of the STAS sub-sectional Executive Boards by Fyffes management, an assembly of affiliates is held in the community of La Permuta, where the sub-sectional Executive Board is reformulated again, as follows:

- Moisés Sánchez Secretary General
- Marciano Pérez Secretary of Organization
- Oglis Patricia Mejía Treasurer
- Raúl Sánchez Secretary of Records
- Delfín Hernández Sánchez Secretary of Acts

This sub-sectional Executive Board continues to be attacked in various ways, even in non-production time. Moises Sánchez is physically attacked by unknown assailants is forced to leave his home for several months due to security concerns. The company did not rehire Marciano Perez. Oglis Mejía and Raúl Sánchez were promoted to *Caporales* (Supervisors) and became anti-union perpetrators to the affiliates (due to coercion from the company). They currently exercise strong anti-union intimidation tactics.

With the desire to continue fighting for dignified conditions and respect for their rights, an assembly is held again in the Chagüites community to reformulate the Executive Board, which was formed as follows:

- Porfirio Zepeda Secretary General
- María Erazo Secretary of Acts
- Lesbia Azucena López Secretary of Organization
- Iluvina Rodríguez Treasurer
- Clelia Hernández Secretary of Records

These affiliates are waiting to be rehired for the 2018 harvest. The workers that live in La Permuta community have been subject to the most egregious threats.

ANALYSIS OF THE SUB-SECTIONAL TIMELINES

As you can see in the timelines, from the very moment that Fyffes was notified about the creation of a subsectional affiliated to STAS, they refused to sign received when four MoL inspectors submitted the notification. From this moment, the life of the affiliated workers, which was already difficult due to the violation of their labor rights, are subject to repression and a violent anti-union campaign. Systematic anti-union discrimination, which at the beginning is directed towards the STAS Executive Board, but quickly affects the affiliates, labor inspectors of Choluteca and today, puts pressure on the Ministry of Labor of the State of Honduras to try to curtail the right to freedom of association for Fyffes workers.

On January 29, 2016, one day after the notification of the STAS sub-sectional, the four members of the Executive Board were locked in various offices in Choluteca and coerced to sign "annulment" documents negating their affiliation to STAS, without being able to read the text that they were signing. In the following days, Fyffes intimidates the four members, transporting them from Choluteca to Tegucigalpa to present these supposed "renouncements" to the Mol. However, STAS is not aware of an Inspection Report citing this event.

Fyffes then presents this "evidence" - which was coerced - on February 9, 2016, before the Inspector Luxidalia Gomez of the MoL of Choluteca, with the purpose of eliminating the 1st sub-sectional. In this meeting, Fyffes is notified of the 2nd Executive Board of the sub-sectional and that same afternoon they lock the 2nd Executive Board members in the Fyffes offices, harassing them to resign again. The affiliates refuse to resign; meanwhile Fyffes refuses to give entrance to CONADEH and Luxidalia Gomez of the MoL to assist the workers. Since Luxidalia Gomez was present, outside the office when the members were locked up and subject to anti-union discrimination on February 9, 2016, she lifts an official Record of Verification (or Inspection Report), which states the following:

"And by issuing a certification, where the members [of the Executive Board] state by telephone that they were threatened, these members enjoy the special protection of the State and cannot be dismissed without a warrant, and in the following [the company] must refrain from committing acts that violate the laws, regulations of work, as well as international Conventions ratified by the State of Honduras... Juan Carlos Rosales, in his condition stated before proceeding to correct the infractions indicated, is granted a period of time: 3 business days."

This Report from the Ministry of Labor of Choluteca begins a legal process that leaves us where we are now. For almost three years, Fyffes has done everything possible to nullify this Report, because it is evidence verified by the State of Honduras about the company violating national and international laws. As we show in the timelines, Fyffes uses its political power in Choluteca and Tegucigalpa to delay, annul and eliminate the due process of the law, which gives workers the right to organize in a sub-sectional affiliated to STAS.

Fyffes has filed through its legal counsel, three annulment requests against Reports filed by the MoL that have stated that there are violations of national and international laws. STAS has filed the respective appeals in a timely manner and form, which puts us in our current position. The MoL has not given the respective decisions to the appeals filed by STAS.

The first two appeals are regarding General Inspections at Melon Export and Suragroh from December 2015 and January 2016, respectively. Here the MoL verifies violations to the nonpayment of the minimum wage, vacation, 13th and 14th month bonuses, school vouchers, overtime, etc. The important thing to note in both of these appeals to the 2015 and 2016 inspections is that they were executed by labor inspectors from the Central Office of the Ministry of Labor of Tegucigalpa, as they were following up on the CAFTA complaint. Eder Chavarría, Chief Labor Inspector in Choluteca informed and notified the inspection findings to STAS. At the beginning of 2016, when the sub-sectional was formed at Fyffes, all of the inspection processes were executed by Eder Chavarria, as the law stipulates. During this whole year, he was the subject of accusations with the Ministry, he was denied the possibility of a promotion to the Secretary of State and in May of 2017, he was demoted from Chief Inspector to regular inspector.

It is our perspective that this happened through the malicious influence of Fyffes to the Choluteca MoL to effectively stall Eder's career, a gross injustice since all he did was his job, to verify the reality of the labor rights violations on Fyffes plantations. Eder's replacement is Belkis Molina. Since Molina entered, STAS has not had access to the general inspection reports that have been executed since 2016. The Reports that have been raised under her authority in other cases are visibly biased. Example: Intoxication Report, December 12, 2016. STAS counsel, Maria Elena Sabillon has seen the general inspection reports and she notes that Molina, as Chief Inspector in Choluteca — and her assigned inspectors in charge of carrying out the inspections at Fyffes — state that the workers do not have some of the basic labor rights, such as 13th or 14th month bonuses, vacations, school vouchers, etc. Sabillon notes that it seems that Molina uses a "different" set of labor law criteria from the one that had been used in previous years, which today, according to this Inspectorate in Choluteca - the workers do not have such rights.

The third appeal is regarding Fyffes request to nullify the Inspection Report lifted by Luxidalia Gomez on February 24, 2016. On September 23, 2016, the MoL resolves the request in favor of the company, effectively nullifying the recognition of the STAS sub-sectional. On October 20, 2016, STAS manages to appeal the resolution of the MoL but this happens completely by chance, since the MoL never directly reported - as it should by law - to STAS of its resolution, a malicious move. It is important to note that the evidence that STAS presented as part of their appeal was denied, leaving them in a state of defenselessness.

Fyffes cites this "annulment request" and the non-resolution of the MoL appeal as an excuse to not recognize and bargain with the STAS sub-sectional. In a letter sent on May 14, 2018, from Fyffes to the International Labor Rights Forum (ILRF), Ted Eguchi argues, "the efforts to form a local union Suragroh (STAS) were not lawful under Honduran law". Eguchi states, "

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⁸ See Annex

"Please note that the situation regarding the sub sectional of STAS remains unchanged, as it is still not legally constituted under Honduran law and the Ministry of Labour has not ruled on STAS' appeal."

Fyffes continues to use this argument to international organizations and supermarkets around the world. It is a completely unfounded argument. As you can see in the first part of this report, Fyffes workers have the right to organize; Honduran laws and ILO International Conventions (87 & 98) allow it. Furthermore, the Honduran Ministry of Labor approves STAS's statutes (bylaws).

STAS, through its legal counsel, Maria Elena Sabillon filed an appeal in which she presented the February 24 Inspection Report as evidence. This report is where the company is accused of violating the right to freedom of association. The General Secretariat rejects this piece of evidence without any foundation. Subsequently, the conclusions to this appeal was presented and once these two stages of the process were concluded, the file was sent to the Labor Minister's office at the beginning of 2017, for his respective resolution. In June 2018, the Labor Minister issued an Order for Better Provision, requesting a new general inspection at the [Fyffes] workplace. The inspection was conducted in August 2018, in non-production time and only by interviewing permanent workers. In addition, STAS, as a stakeholder in this appeal, was not notified of this inspection. At present, the fear of STAS is that a resolution in favor of the company will be issued with unfounded and unsatisfactory labor inspections at Fyffes' plantations.

From the perspective of the author of the appeal, Maria Elena Sabillon, says that:

"The key issue about these three appeals is that, if the Labor Minister, Carlos Madero resolves the appeals in favor of Fyffes, the creation of sub-sectional industrial unions would be at serious risk. This resolution would in effect be denying the right of workers to organize themselves in sub-sectional unions. This would set a disastrous precedent, not only for STAS, but also for the entire agroindustrial sector and industrial unions in general. The Honduran State would be violating our constitution and ILO conventions 87 & 98 (which are ratified by Honduras), by not recognizing the rights of all organized temporary workers in the country.

As for the other two appeals regarding the general inspections that verified nonpayment of fundamental labor rights of temporary workers, the precedent would essentially free all Honduran companies from not paying any rights to their workers. The only obligation would be the payment of the corresponding minimum wage. We think that the Labor Minister has been slow to give decisions to these appeals because he knows that these resolutions are fundamental for organized workers in Honduras."

In a meeting with STAS President, Tomas Membreño, Labor Minister, Carlos Madero said directly, that if he gives a favorable resolution to the union it would be a door that he could not close. Here STAS clearly witnessed the authorities' fear due to pressure from the business sector that employs temporary workers.

In the following section, you will be able to read of all the other instances were Fyffes has violently launched its anti-union campaign against its own workers.

3. TIMELINE OF FYFFES' ANTI-UNION REPRESSION

Date	Case	Analysis	Annex
February 24, 2016	MoL delivers Reports on the general inspections carried out on the Fyffes companies in Choluteca. The Report verifies violations regarding minimum wage, vacations, educational bonus, 13th and 14th month bonuses, 7th day, etc.	The amount of money the company owes its workers in the span of two months is: Lempiras 1,818,320.59 USD 80,814.24 (price of the dollar on this date)	26.0
June 12, 2016	92 STAS affiliated workers file lawsuits before the Courts of Choluteca for the nonpayment of required social benefits and back pay. Fyffes lawyer, Montes drives by in a vehicle and takes pictures of the workers in front of the Court.	The lawyer of the workers' estimates that by Fyffes not providing the required social benefits to its temporary workers, that each worker is losing 15,000 Lempiras each melon season (6 months).	27.0
August 9, 2016	Arnon Faroud, Fyffes Honduran legal representative attends a meeting at the Presidential House in Tegucigalpa with: Melitza Hernández - Mayor of Santa Ana de Yusguare Ebal Díaz - Executive Secretary of the Council of Ministers Father Mario Adalid Sanchez – Corpus Catholic Church Concepción Cruz - Manager, Finca Santa Rosa Representatives of the businesses of the Municipality of Santa Ana de Yusguare	This meeting comes from Fyffes with the purpose of creating an "Anti-union Commission" to dissolve the creation of the union in the melon companies. The Honduran government, on behalf of Ebal Diaz is assigned to follow up on this union process in the melon companies.	28.0
August 16, 2016	Melitza Hernandez, Mayor of Santa Ana de Yusguare accuses Patricia Riera of STAS-FESTAGRO on local television for being guilty of the closure of Fyffes melon plantations. This generates a hostile atmosphere that puts Patricia's life in danger. Patricia had to withdraw from her role at STAS-FESTAGRO due to harassment of people in her neighborhood of Santa Ana de Yusguare.	These unfounded public accusations have the purpose of instigating attacks against Patricia, who is simply trying to defend the rights of workers, something that should be undertaken by the Mayor herself.	<u>29.0</u>
August 29, 2016	The National newspaper publishes a "Fyffes workers" protest that demands that the creation of the STAS sub-sectional be left without value and effect. Later, Ebal Diaz (Executive Secretary of the Council of Ministers) gives an interview to a channel where he claims to seek protection for the company.	Union affiliates reported that most of the people participating in the "protest" were not workers of the company and that the few who participated were bribed and coerced. The one person who does the newspaper interview is a Fyffes supervisor. In the video, you can deduce the political intervention in this protest. while the STAS processes are being	30.0 30.1

		stalled in the MoL, the right hand of the President (Ebal Diaz) and the Mayor of the municipality provide statements meant to protect the company and go against the workers and their labor rights.	
August 31, 2016	Jacobo Paz, Head of the Ministry of Agriculture and Livestock (SAG) affirms that Fyffes will close 1,300 manzanas (1 manzana = 0.7 hectare) of melon plantations in Santa Ana de Yusguare, Choluteca.	Jacobo Paz admits to the newspaper of having received calls from Fyffes administration threatening to close the melon plantation in Santa Ana de Yusguare if they allow the subsectional of STAS to be consolidated, making the government work urgently to stagnate the right of STAS affiliates to organize.	31
September 24, 2016	Nelson Nuñez, technical advisor of Festagro-STAS receives a written death threat written in the STAS office in Choluteca. It states, "Retreat from building unions: and if you do not do it -you keep to your consequences here you are in the South. You are not in the North Coast. I AM WARNING YOU" Nelson appeared before the Public Ministry and to the Regional Office of CONADEH in Choluteca to file the complaint.	This refers to organizing being done on the Fyffes plantations; STAS was not organizing workers anywhere else in the South of Honduras.	32 32
November 2016	In the new melon season, Fyffes does not rehire affiliates from the community of La Permuta.		33
November 2016	Halima Woodhead, Senior International Labor Advisor for Trade Policy of the U.S. Department of Labor – who is carrying forward the CAFTA complaint – meets with Arnon Faroud and they come to an agreement. She tells STAS that the affiliates should go solicit work at Fyffes.		34
End of November – middle of December, 2016	160 affiliates solicit work in different occasions. In total, 121 affiliates are rehired and 39 affiliates are not rehired, particularly the workers that are most active in the union.		35
February 20, 2017	All the security guards (65), with permanent contracts that work at Melon Export affiliate to STAS. They are about to present the list of affiliates to the MoL in Choluteca, but Fyffes finds out and first fire the Secretary General, Gerson Galo Torres. Days later, the entire security guard personnel is fired.	At the moment that the security guards affiliated to STAS, they are protected by the <i>fuero sindical</i> and management cannot dismiss them without previous justification, by law. Fyffes violates this right and fires en masse with the excuse of administrative restructuring. The timing of union affiliation and their subsequent dismissal is too great a "coincidence". Some were blacklisted by the company, making it harder for them to be hired in other companies.	36 36.1

April 13, 2017	Moisés Sanchez, Secretary General of STAS and his brother Misael Sanchez, affiliate, are attacked by a group of unknown armed assailants with pistols and machetes parallel to the Santa Rosa plantation. They are beaten, threatened and held captive for 40 minutes. When Misael tries to escape, he is wounded on his face with a machete but manages to escape to get help.	In an interview with IUF Latin America, Moisés says that one of the masked men told him, "You still have not given me what I need most: the cell phone where you have all the information. If you continue in this you will pay the consequences."	37.0 <u>37.1</u>
October – November 2017	Workers rehired for the 2017-18 harvest do not include the most active union affiliates. Many from the community of La Permuta.	The affiliates who were rehired reported to STAS-FESTAGRO that their supervisors made them sign union resignations and that if they participated in union meetings they would be fired immediately by order of management. This list served to pressure many workers to disaffiliate from the union.	38.0
December 12, 2017	13 female workers suffer from intoxication from exposure to agrochemicals, some vomited and fainted. STAS requested a MoL inspection, which visited the plantation the next day. The labor inspectors did not interview any of the women; they only interviewed management and the company salaried doctor. The doctor reports they suffered from "collective anxiety". The workers did not receive a medical examination for this; they only had 3 rest days that they were not paid for them. The workers reported that Arnon Faroud told them that if they did not report the incident, he would allow them to earn more by giving them one more day of work.	The change of MoL Chief Inspector in Choluteca (from Eder Chavarria to Belkis Molina) completely changed the way that labor inspections are carried out. This intoxication was only made public because the women that were poisoned were STAS affiliates. However, we do not believe this is an isolated incident as Fyffes workplace accidents often remain in silence and impunity. Maria Elena Sabillon requests another labor inspection due to various errors made in the first one.	40.0
February 4, 2018	Lesbia Susana López, Clelia Hernández Carranza and Petrona Díaz, three affiliated workers inform STAS-FESTAGRO and a 3F delegation that: In October 2017, in order to be rehired they would have to put their name, identity number and signature on a piece of paper. This was done by the crew chiefs (supervisors) in charge of forming their teams for each harvest. They were told that by signing the sheet, they would be disaffiliating to STAS. They were also threatened with never being rehired again if they attended union meetings.	The chain of anti-union attacks is handled the following way: the crew chiefs, Oglis Mejía and Raúl Sánchez, force affiliates to sign a piece of paper in order to be rehired. They harass and threaten the affiliates, by order of Concepción Cruz Lanza, a person of confidence of Arnon Faroud, who orders him to do so.	41.0

	They verified that the crew chiefs told them that they would not be rehired in the next harvest because they attended to STAS representatives.		
June 2018	Moisés Sanchez asks Concepción Lanza about being rehired at Fyffes. Lanza responds by saying "your situation is a bit f****, because management tells me there is no work for you."		42.0
October 2018	The US Embassy and the US Department of Labor, together with representatives of COHEP (Council of Private Enterprise of Honduras), meet with STAS affiliates. Raúl Sanchez and Oglis Mejía, Fyffes crew chiefs take photos and videos of the workers who attend the meeting.	Taking photos and videos is one of the various tactics of intimidation that the supervisors use on affiliated workers.	43.0
October 22, 2018	Clelia Hernandez, Fyffes worker and STAS subsectional Executive Board member reports to STAS-FESTAGRO that she hears rumors that she will not be rehired for this season because she is organized with the union. She also reports that at the last trade union meeting in her community of La Permuta, Raúl Sanchez, Crew Chief took pictures of them. Clelia says that Raúl "laughed and told us we were going to cry."		44.0
October 24, 2018	Felix Pedro Hernandez (Felipedro), Fyffes worker and STAS affiliate reports to STAS-FESTAGRO that a personnel manager named Nelson told him that Fyffes had no space for him in this harvest and that they already have their entire personnel list.		45.0

4. Systemic Violation of Labor Rights

While we talk about Fyffes' anti-union discrimination problem since 2016 in the previous sections, the violations of workers' basic labor rights – and the denunciations we have made – are not new and date back many years.

Since 2005, COSIBAH (now with the name of FESTAGRO⁹) has been working in the Southern region of Honduras, where we carried out a mapping of Choluteca melon companies: Agrolibano, Excosur, Montelibano and Suragroh (Fyffes). A survey was administered to the workers of these companies and it was discovered that none of the companies paid the minimum wage, overtime, provided payment vouchers, work tools, personal protective equipment, medical assistance, adequate transportation, or proof of wage payments. They also did not grant required social benefits like seventh day payment, maternity, social security and others. In the case of Suragroh, workers reported receiving their payment outside Choluteca at the Suragroh offices, outside of working hours.

In October 2008, when we requested a general inspection from the Choluteca MoL at Suragroh, they found the following violations: nonpayment of the 2008 minimum wage, school vouchers, social security, seventh day payment, overtime, holidays, 13th month and 14th month bonused, holidays, maternity leave, accidents at work, and illnesses. They also reported on the failure to provide the personal protection equipment and

⁹ Federación de Sindicatos de Trabajadores de la Agroindustria, a la cual pertenece STAS

work tools, and that workers purchase these tools. The MoL proceeded to apply a fine of 90,000.00 lempiras. In the words of the MoL staff, Suragroh executives said that they preferred to pay the fines as many times that it was necessary because it was more favorable [to pay fines] than to comply with what the labor law required.

Since then, we have initiated a fight for these workers to acquire their basic rights, defined by Honduran law and international law. Although Fyffes has tried to whitewash systematic violations with some changes, it is a mere facade; the reality of Fyffes workers has not changed for the better. Today, 13 years later, these violations continue and have been documented extensively and corroborated by the following sources:¹⁰

- Fyffes-Suragroh workers
- The local courts, 92 pending lawsuits
- El Sindicato de Trabajadores de la Agroindustria y Similares, (STAS)
- Local and international NGOs and unions
- Journalists
- International delegations
- Global union federations
- Cited in two ongoing international complaints, none of which have been resolved:
 - o CAFTA U.S. Department of Labor (2012)
 - o ILO committee on Freedom of Association (2017)
- Since May 4, 2017, Fyffes has been suspended from the Ethical Trading Initiative (ETI) for violating the
 ETI Base Code on Freedom of Association. The ETI found the company failed to display an "open
 approach to legitimate trade union activities that ETI would expect within the supply chain to an ETI
 member."

Instead of addressing workers' grievances of more than a decade through dialogue and union negotiations - as required by national legislation - Fyffes makes the unfounded claim that STAS is not a legitimate dialogue partner. This argument is incorrect since the Honduran government recognizes STAS as an agro-industrial union. Fyffes, on the other hand, has been busy influencing the Ministry of Labor and advertising its "Corporate Social Responsibility" to the world through certifications such as the Ethical Trading Initiative and Fair Trade USA. It is necessary to recognize the fact that Fyffes has a stamp of total impunity, endorsed by the Honduran government through the Ministry of Labor and its ineffective application of labor law and international conventions. The Honduran government is currently identified in the CAFTA Complaint and on the ILO short list due to its non-enforcement of its labor law.

We have tried to solve the problem for many years: at the national level, through the Federation FESTAGRO and the CUTH Confederation. Meetings have been sought with the Ministry of Labor to mediate the problem without proper results. At the international level, we have taken advantage of visits from the Latin American Regional IUF Secretary General, Gerardo Iglesias. The STAS issue has also been raised dozens of times with the Labor Minister, Carlos Madero. In addition, in the latest instance we have participated in three meetings (one in New York and two in Miami) directly between Sumitomo, Suragroh/Melon Export, Festagro, STAS and COLSIBA.

While this problem has not been able to be resolved, workers' lives have worsened due to massive layoffs, blacklists, indiscriminate use of agrochemicals and poisonings, threats, persecution, etc. These are the politics that Fyffes practices to repress the trade union organization and continue to violate the labor, human and social rights of its melon workers. Today, the companies under Fyffes are an example of the systematic violation of the fundamental rights of workers as mentioned in the introduction. They are cited in the CAFTA Complaint, for violating chapter XVI of the Free Trade Agreement (DR-CAFTA).

¹⁰ All sources are cited in Annex

The STAS team has witnessed the climate of terror that prevails Fyffes. It is clearly seen in the faces of hundreds of workers who have been threatened, harassed, and fired.

The consistent demand of Fyffes' workers is basic: That Fyffes management put an end to the antiunion discrimination and respect their right to freedom of association, recognizing and negotiating with the independent trade union organization elected by the workers, STAS.

5. CONCLUSION

For all of the above, for us it is of vital importance that this investigation is centered on the rights of these workers to have their own voice, through their democratically elected union, in order to ensure the compliance of their rights. Fyffes can say that they pay minimum wage or that they comply with any other law or right, but the only way to know if these laws/rights are really being enforced (to secure the labor rights), is if workers have the ability to denounce and demand their rights, without suffering from reprisals. As you have been able to read, Fyffes has made it their mission to create a generalized atmosphere of terror and perpetuated anti-union repression from the very first moment that the workers decided to vocalize themselves collectively through their union. That is why we are putting the emphasis of this report on the need to guarantee the rights that these workers have under ILO Conventions 87 & 98, which establish the right to form and be a part of union organizations that defend one's own interests. Without the safeguard of this right, it is impossible to ensure the compliance of all the other rights, including the human and labor rights of Fyffes workers.