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Code of Conduct for the Floriculture Sector

How we want to do business together



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List of definitions

Supply chain partners	All suppliers, business partners, service providers, intermediaries, or other entities active in breeding, producing, and trading of flower bulbs, parent material, cut flowers, cut foliage, trees and pot- and bedding plants contracted or engaged by a company.
Gender sensitive	Something is gender sensitive when it considers the impact of policies, projects and programmes on men, women, boys, and girls and tries to mitigate the negative consequences thereof.
The Code	The code refers to the Floriculture Code of Conduct, established by the companies under the IRBC Agreement.
The Companies	The companies that signed the IRBC Agreement.
The principles	The principles in the Floriculture Code of Conduct, based on the Amfori BSCI principles.
Precarious work	Precarious work refers to a type of work which is poorly paid, unprotected, and insecure. In practices, this captures situations where workers are not aware of their employment status, lack an employment contract, and have no access to basic employment rights such as paid leave or breaks. More seriously, this includes workers who are paid cash in hand, below the National Minimum Wage, and who may inadvertently be working on the black market.
Workers	Refers to all men- and women workers in an organization

List of abbreviations

FSI	Floriculture Sustainability Initiative
ILO	International Labour Organization
IRBC	International Responsible Business Conduct
NGO	Non-governmental organization
OECD	Organization for Economic Co-operation and Development
UN	United Nations
UNGP	United Nations Guiding Principles (on business and human rights)
WBPL	World Bank Poverty Line

1. Introduction and purpose of the code

In September 2019 actors in the Dutch floriculture sector, NGOs, the Dutch government, and a trade union signed the [Agreement for International Responsible Business Conduct](#) (hereafter 'IRBC Agreement') in the Floriculture sector.

The Companies under the IRBC Agreement (hereafter 'the Companies') wish to cooperate in making the floriculture sector more sustainable pursuant to the OECD Guidelines for Multinational Enterprises (hereafter the 'OECD guidelines') and the United Nations Guiding Principles on Business and Human Rights (hereafter the 'UNGPs'). They expressed their commitment to create more transparency on social and environmental issues in their international supply chains and to work together to prevent and reduce those issues and to communicate transparently about their efforts.

The OECD guidelines and UNGPs require companies to carry out risk-based due diligence to avoid and address adverse impacts on people and planet associated with their value chain. Through signing the IRBC Agreement, the Companies have committed to ensuring sound a due diligence process. Part of the due diligence process is to develop and embed responsible business conduct into policies and management systems. With this Supplier Code of Conduct (hereafter 'the Code'), the Companies wish to express and implement their commitment to responsible business conduct.

2. The setup of the code

The Code brings forward a set of principles and values that reflect the goals and expectations which the Companies under the IRBC Agreement have towards themselves and their supply chain partners.

The Code is based on the Amfori BSCI Code of Conduct, as well as other guidelines and tools available to the Companies under the IRBC Agreement. The Code refers to international conventions such as the Universal Declaration of Human Rights, the Children's Rights and Business Principles, the UNGP's, OECD Guidelines and the International Labour Organization (ILO) and other conventions relevant to improve working conditions in the supply chain.

3. Scope and Intended use of the code

The IRBC Agreement signatories have written the code in such a way that the Code is applicable to all companies in the floriculture sector (i.e., also beyond the IRBC Agreement) and can be used by all supply chain partners, regardless of their size, activities, or the geography in which they are active.

The scope of the Code covers the complete supply chains for the breeding, production and trade of flower bulbs, parent material, cut flowers, cut foliage, trees, pot and bedding plants. The Code is a normative guiding document and commitments apply to all segments of the company for which these commodities may pose environmental or social risks.

A set of principles for responsible business conduct

The principles set out in the Code cover the minimal requirements for promoting responsible business conduct within the Floriculture Sector and therefore this Code is considered the sector standard. It is up to the Companies to enrich this Code or their own policies with extra principles and requirements.

A tool to facilitate due diligence and dialogue

The Code is a tool to embed principles for responsible business conduct into company policies and management systems, thereby facilitating Due Diligence processes at company level. The Code can also be used to facilitate responsible business conduct dialogue with supply chain partners. Companies are encouraged to share and discuss the Code with their respective supply chain partners to create a supply chain-wide awareness, understanding and application of the Code.

A guideline for continuous improvement

The Code can also facilitate continuous and gradual improvement in working towards these principles, rather than expecting instant and full adherence to them. Through this facilitation of continuous improvement, the Companies acknowledge that each company has different challenges and opportunities to address, depending on their specific processes and their role in the supply chain.

Above and beyond the Code, the Companies and their supply chain partners shall always observe and adhere to national laws and regulations.

4. Principles of the Code

In the following paragraph, the 12 key principles of this Code are described. Companies adhering to this Code will implement and actively promote these key principles:

1. No bonded Labour
2. No child Labour
3. No discrimination
4. No precarious employment
5. The rights of Freedom of Association and Collective Bargaining
6. Fair remuneration and living wage
7. Decent working hours
8. Occupational health and safety
9. Special protection for young workers
10. Protection of the Environment
11. Access to remedy
12. Ethical business behaviour

The principles in this Code represent the key values of how actors in the floricultural sector want to do business. For more detail regarding measures and means to work towards these values, please refer to the [BSCI Amfori Code of Conduct](#).

4.1. No Bonded Labour

Supply chain partners:

- Will not engage in any form of servitude, forced, bonded, indentured, trafficked or non-voluntary labour.
- Will risk allegations of complicity if they benefit from the use of such forms of labour by their supply chain partners.
- Will act with special diligence when engaging and recruiting migrant workers both directly and indirectly.
- Will allow their workers the right to leave work and freely terminate their employment provided that the workers give reasonable notice to the employer.

4.2. No Child Labour

Supply chain partners:

- Will protect children (any person below the age of 18) from any form of exploitation, in line with the related ILO conventions.ⁱ
- Will not employ directly or indirectly, children below the minimum age of completion of compulsory schooling as defined by law, which shall not be less than 15 years, unless the exceptions recognised by related ILO conventionsⁱⁱ or national law apply.
- Will use age-verification mechanisms as part of the recruitment process, which may not be in any way degrading or disrespectful to the worker.
- Will take special care and identify measures in a proactive manner, on the dismissal of children, as they can move into more hazardous employment.

4.3. No discrimination

Supply chain partners:

- Will not discriminate and/or dismiss workers based on gender, age, religion, race, caste, birth, social background, disability, ethnic and national origin, nationality, membership in legitimated organisations, political affiliation or opinions, sexual orientation, pregnancy, family responsibilities, marital status, diseases, or any other condition that could give rise to discrimination.

- Will protect women workers against threats of dismissal or any other employment decision that negatively affects their employment status, that might prevent them from getting married or becoming pregnant.ⁱⁱⁱ
- Will protect all workers against any form of gender-based violence and harassment, according to the principles of related ILO conventions.^{iv}

4.4. No Precarious Employment

Supply chain partners:

- Will, ensure that their employment relationships do not cause insecurity and social or economic vulnerability for their workers.
- Will ensure that work is performed based on a recognised and documented employment relationship, established in line with national legislation, custom or practice and international labour standards, whichever provides greater protection.
- Will provide workers with understandable information about their rights, responsibilities, and employment conditions, including working hours, remuneration and terms of payment before entering into employment.
- Commit to not use employment arrangements in a way that deliberately does not correspond to the genuine purpose of the law.^v

4.5. The rights of Freedom of Association and Collective Bargaining

Supply chain partners:

- Will respect the worker's rights to bargain collectively and to form unions in a free and democratic way.^{vi}
- Will not discriminate against workers because of trade union membership,
- Will allow workers to freely elect their own representatives with whom the company can start a dialogue about workplace issues.
- Will not prevent worker's representatives from having access to workers in the workplace or from interacting with them.

4.6. Fair Remuneration and Living Wage

Supply chain partners:

- Observe the principle of living wages^{vii} and work progressively towards the payment of a living wage that is sufficient to afford a decent standard of living for workers and their families.

- Shall comply, as a minimum, with wages mandated by governments' minimum wage legislation, or industry standards approved based on collective bargaining, whichever is higher.^{viii}
- Shall pay wages in a timely manner, regularly, and fully in legal tender. Partial payment in the form of allowance "in kind" is accepted in line with ILO specifications.^{ix}
- Will ensure that wages and benefits reflect the skills and education of workers, are guaranteed for all workers in a comparable role, and are in reference to regular working hours.

4.7. Decent Working Hours

Supply chain partners:

- Will ensure that workers are not required to structurally work longer than applicable national laws, industry benchmark standards or collective agreements within the international framework set out by the ILO.^x
- Will use overtime as an exceptional and voluntary practice.
- Shall provide workers with resting breaks in every working day and the right to at least one day off in every seven days, unless exceptions defined by collective agreements apply.

4.8. Occupational Health and Safety

Supply chain partners:

- Will respect the right to healthy working and living conditions of workers and local communities. This includes but is not limited to providing effective Personal Protective Equipment to all employees free of charge, ensuring adequate occupational medical assistance and facilities, ensuring access to drinking water and access to resting, cooking and food storing areas, protecting workers from foreseeable emergencies and respecting worker's rights to exit premises from imminent danger without seeking permission.
- Will provide for special protection for vulnerable individuals such as - but not limited to - young workers^{xi}, new and expecting mothers and persons with disabilities. Workers under the age of 18 shall not be involved in potentially hazardous work.
- Will comply with occupational health and safety regulations, or with international standards where domestic legislation is weak or poorly enforced.
- Will provide women workers with maternity protection in accordance with the requirements of national laws and regulations or related ILO conventions^{xii}, whichever is higher.

4.9. Special Protection for Young Workers

Supply chain partners:

- Will ensure that young workers do not work at night.^{xiii}
- Will ensure that (a) the kind of work young workers perform is not likely to be harmful to their health, safety, morals, and development.
- Will ensure that the working hours of young workers do not prejudice their attendance at school or training/education of different nature.
- Will set the necessary gender sensitive procedures^{xiv} to prevent, identify and mitigate harm to young workers.

4.10. Protection of the Environment

Supply chain partners:

- Will take necessary measures to avoid environmental degradation of natural resources like water, soil, and air.
- Will provide special attention to the protection of (the diversity of) flora and fauna inside the farm and the surrounding areas.
- Will create awareness of risks and the need to implement adequate measures and legal instructions to prevent or minimise adverse effects on the community, natural resources, and the overall environment.

4.11. Access to remedy

Supply chain partners:

- Will promote access to remedy when adverse impacts occur.
- Will establish adequate and gender sensitive complaint mechanisms which allow them to assess complaints from workers who believe they have been mistreated, and if necessary, remediate any misconduct which may have occurred.
- Will ensure that confidentiality is respected and that there will be no retaliation against employees who raise complaints in good faith.

4.12. Ethical Business Behaviour

Supply chain partners:

- Will refrain from any act of corruption, falsification or misrepresentation, extortion, or embezzlement, nor in any form of bribery – including but not limited to – the promising, offering, giving, or accepting of any improper monetary or other incentive.
- Will keep accurate information regarding their activities, structure, and performance, and should disclose these in accordance with applicable regulations and industry benchmark practices.

- Will use and otherwise process personal information (including that from workers, supply chain partners, customers, and consumers in their sphere of influence) with reasonable care. The collection, use and other processing of personal information is to comply with privacy and information security laws and regulatory requirements.

5. References and explanations

ⁱ ILO C182 - Worst Forms of Child Labour Convention, 1999 (No. 182)

ⁱⁱ ILO C138 - Minimum Age Convention, 1973 (No. 138)

ⁱⁱⁱ For example, pregnancy tests or the use of contraception shall not be used as a condition of hiring or of continued employment.

^{iv} ILO C190 - Violence and Harassment Convention, 2019 (No. 190)

^v This includes - but is not limited to - (a) apprenticeship schemes where there is no intent to impart skills or provide regular employment, (b) seasonality or contingency work when used to undermine workers' protection, and (c) labour-only contracting. Furthermore, the use of sub-contracting may not serve to undermine the rights of workers

^{vi} When operating in countries where trade union activity is unlawful or where free and democratic trade union activity is not allowed, supply chain partners will allow workers to freely select representatives with whom the company can start a dialogue about workplace issues.

^{vii} Universal Declaration of Human Rights, 1948 Article 23(3): *'Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.'*

^{viii} At floriculture production sites in countries where there are no wages mandated by governments' minimum wage legislation, or industry standards approved based on collective bargaining, supply chain partners will pay their workers a wage that is above the World Bank's extreme poverty line, i.e., USD 1.90/day Purchasing Power Parity (PPP). This applies only to the basic wage; in-kind allowances and bonuses will not be considered.

^{ix} ILO C095 - Protection of Wages Convention, 1949 (No. 95)

^x ILO C030 - Hours of Work (Commerce and Offices) Convention, 1930 (No. 30)

^{xi} According to the ILO definition of young workers, found at: <https://www.ilo.org/infostories/en-GB/Stories/safety-health/youth#definition>

^{xii} ILO C003 - Maternity Protection Convention, 1919 (No. 3); ILO C103 - Maternity Protection Convention (Revised), 1952 (No. 103); C183 - Maternity Protection Convention, 2000 (No. 183)

^{xiii} ILO C090 - Night Work of Young Persons (Industry) Convention (Revised), 1948 (No. 90)

^{xiv} These are procedures that consider the different impact of activities between men, women, boys, and girls.