

“Constructing codes and broadening agendas: the case of Asocolflores, the Colombian Flower Exporters Association”

By Giovanni Mantilla¹

Abstract

Colombia is better known internationally for its coffee, emeralds and bananas than for any other export products. Comparatively, the fact that Colombia is actually the second largest cut flower exporter in the world commands less attention. This case study will focus on one particular initiative by Asocolflores, the Colombian Association of Flower Exporters, known as Florverde (Green Flower). Specifically, the study will describe the evolution of Florverde from its addressing standard environmental and social concerns to its treatment of more “thorny” topics in Colombia, such as respect to freedom of association. This initiative provides a good example of how increasing external expectations, combined with proactive industry self-regulation, can improve the way companies approach human rights issues.

Introduction

Colombia is better known internationally for its coffee, emeralds and bananas than for any other export products. The country’s cut flower industry commands comparatively less attention. Colombia, however, is the primary cut flower exporter to the United States (where 84% of total production goes), and according to some figures, the second largest exporter to the United Kingdom and third largest to Germany.² Globally, Colombia is the second largest flower exporter in the world, generating over US\$900 million in 2005³ and trailing only the Netherlands.

Domestically, flowers rank as the country’s fourth largest export product, comprising 4.8% of total exports in the last decade.⁴ And at approximately sixteen workers per hectare, it is also one of the most labor-intensive industries. In 2005, the flower export business employed 111,000 direct workers (89% of them working onsite) and 94,000 indirect workers. It is also the sector with one of the nation’s highest rates of female employment, at 65%.

There are approximately 600 companies in the flower industry in Colombia.⁵ Asocolflores, the Colombian Association of Flower Exporters, created in 1973, includes approximately 220 of them, which represent nearly 75% of the country’s cut-flower exports. According to Asocolflores literature, its mission has been to promote the flower business in the global market as well as in Colombia by focusing on scientific research, environmental care and worker well-being.

¹ Giovanni Mantilla is Analyst at Fundación Ideas para la Paz (FIP), a private sector supported think-tank looking at peace and conflict issues in Colombia. I would like to thank Alexandra Guáqueta and Ángela Puentes from FIP for their valuable comments and input. Special thanks go to Canan Günduz, Programme Officer at International Alert’s Peacebuilding Issues Program, for peer-reviewing this case and providing insightful feedback. I would also like to thank FIP for financial and logistical support and Asocolflores for its availability. This case study does not necessarily reflect FIP’s official position or that of its founders.

² Sergio Ramírez, “Belleza de exportación”, Revista Banitsmo, February 2006.

³ Asocolflores, “Colombia, tierra de flores”, 2006.

⁴ Rodolfo Danies Lacouture, *Sector floricultor en Colombia 1995 - marzo de 2005*, Superintendencia de Sociedades, October 2005, Bogotá.

⁵ Mauricio Mathias, “Florverde: 10 years of continued improvement in Colombia”, Revista Profesional, Trade Magazine.

This case study will focus on one particular initiative put forward by Asocolflores: Florverde (Green Flower). Specifically, the study will describe the evolution of Florverde from its addressing standard environmental and social concerns to its treatment of more “thorny” topics in Colombia, such as freedom of association. This initiative provides a good example of how increasing external expectations, combined with proactive industry self-regulation, can improve the way companies approach human rights issues. This case addressed Global Compact principles one through nine, covering human rights, labor and environmental standards, although specific attention here is lent to the first two areas.⁶

The reason behind writing a case study on Asocolflores is that its comprehensive approach to social responsibility makes it stand out among the myriad of business associations in Colombia. “Sustainable floriculture with social responsibility” describes Asocolflores business approach. According to Martha Moreno, Director of Social Development at Asocolflores, the organization seeks “to cover every link in the chain that binds us to our environment: with workers’ families and communities, through employment strategies, education on democracy, peaceful conflict-resolution programs, protection of children, housing schemes, and recreational activities, among others.”⁷

But beyond discourse, as this case will show, the flower export sector in Colombia, led by Asocolflores, has invested time and effort in initiatives that exceed legal requirements, and it is now, among other things, engaging in trust-building internally and with other sectors. This case is divided into four sections. The first presents the main factors and incentives that led the flower export sector in Colombia to think about these issues. The second describes the process undergone by some companies and by Asocolflores to create a Colombian code of conduct for its sector. The third describes recent developments in the Florverde standard to include respect to freedom of association in the Colombian context. Finally, the case closes by reflecting on some of the key challenges that Florverde may face in the future.

I. Raising the stakes: the *Blumen-Kampagne*

As is the case with other economic sectors, the Colombian flower export industry is no stranger to the action of international advocacy networks.⁸ In the early 1990s the FoodFirst International Action Network (FIAN),⁹ and later Terre des Hommes, Bread for the World and Christian Aid, organized a German-bred campaign called *Blumen-Kampagne*, which aimed “to secure the fundamental rights of the female workers as well as environmental protection in flower production.”¹⁰ The case of these NGOs was strongly supported by a documentary released in 1988 titled “Love, Women and Flowers”, showcasing alleged

⁶ It must be noted that at the time of writing of this case study, Asocolflores was in the process of becoming a Global Compact participant.

⁷ For more information see Martha Moreno, “Responsabilidad social empresarial, bandera de los floricultores colombianos”, *Asocolflores Magazine*, N° 67, july-december, 2005, Bogotá.

⁸ Among other factors, pressure by international NGOs on companies from the extractive sector for their impact on human rights situations of countries like Nigeria, Colombia and Indonesia, so-called “weak governance zones,” contributed to raising the expectations and eventually to the creation of codes such as the Voluntary Principles on Security and Human Rights. See Alexandra Guáqueta and Giovanni Mantilla, “Cómo manejar riesgos de seguridad y construir paz al mismo tiempo” in *Revista EAN* 55, September-December 2005, Bogotá.

⁹ See <http://www.fian.de>

¹⁰ OECD, “Eco-labels for cut flowers” in *The Development Dimension of Trade and Environment: Case Studies on Environmental Requirements and Market Access*, Joint Working Party on Trade and Environment, November 2002.

exposure of Colombian female workers to pesticides without appropriate respiratory protection and equipment.¹¹

This group of NGOs campaigned in religious circles and approached the German Flower Wholesale and Import Trade Association (BGI), asking them to put pressure on Colombian exporters to stop these alleged abuses. The *Blumen-Kampagne* came up with a list of around 40 “demands” to Colombian cut flower exporters, which ranged from social (particularly related to worker well-being and hiring practices) to environmental issues (use of pesticides, notably). The campaign passed the list (emblematically named either “Clean Flower Declaration” or “Colombia Flower Declaration”) on to the German importers, who in turn approached their Colombian providers. Initially when faced with such a list, according to Juan Carlos Isaza, Director of Florverde at Asocolflores, “there was great distrust from us, namely because this list was coming from people who had badmouthed us and led to a drop in our sales”. In addition, Asocolflores says the list was technically flawed in places, as “they were not technical experts on the flower business, but political activists.”

Nevertheless, the decision on the side of flower exporters in Colombia was to take this checklist seriously, to review it and see how they could adopt it. According to Isaza, “bottom-line, we saw this as an opportunity to stand out and position ourselves.” Such leadership on the side of Asocolflores played a central role, because as explains Augusto Solano, President of Asocolflores, one key trademark of the flower exporter industry in Colombia has been its proactive stance on topics of sustainable development. “For instance, Asocolflores was a founding member of Cecodes in 1993, the Colombian Business Center for Sustainable Development, which became the Colombia chapter of the World Business Council for Sustainable Development (WBCSD), of the National Center for Cleaner Production, based on the United Nations Environmental Program (UNEP) principles, and had been involved in several regional initiatives since the 1980s to promote best environmental practices, so in this sense there was a combination of external and internal factors at play here.”

Asocolflores thus invited experts and human resource staff from its member companies and formed a number of working groups to study the list. Their task was to look at the list of questions, share it with Asocolflores’ affiliates and collectively see how to go about such contents. But they also saw it as an opportunity for learning. “In 1994, once we received this checklist, we inevitably had to speed up our learning processes,” recalls Isaza.

The first step was to hire a consultant to elaborate on the issue of “environmental impact.” This served as a seed for a larger “learning” project: to put together a group of companies and run a pilot to see what was actually happening in the farms. “We felt there was more to know regarding potential problems on the ground related to social and environmental topics,” says Isaza. According to expert Marta Pizano, who first worked for Asocolflores and later for individual companies as an external consultant, another key in understanding the industry’s problems was a study commissioned by Asocolflores to a group of researchers from Universidad Javeriana on the “environmental dimension” of Colombian floriculture in 1991.¹²

¹¹ Ibid.

¹² Universidad Javeriana, *Investigación sobre la dimensión ambiental del cultivo de flores en Colombia*, Consorcio Estudios Civiles y Sanitarios, 1991, Bogotá.

With improved understanding of their reality and problems, and a will to act, Asocolflores was better equipped either to accept or rebut the arguments of NGOs. They wrote an 80-page document providing interpretations and answers to each of the demands of the NGOs. “They did not accept our interpretation of their requirements,” asserts Isaza, and at a flower fair in Germany, Asocolflores publicly declared that if their suggestions were not even going to be considered, they could not accept the so-called “Declaration” promoted by these NGOs in alliance with BGI.

In addition, according to Isaza, Asocolflores was also pressured by Colombian authorities *not* to sign such a document because it could have opened the doors for other economic sectors to become vulnerable to similar demands. “They didn’t want us to sign it either, especially because they saw it as a threat to other Colombian products, given that even though this kind of campaigning could be genuinely intended to improve production conditions, it also served the purpose of benefiting other players in the market at the expense of us (Colombia) losing ground in it,” explains Isaza.¹³

Moreover, the fact that the “Clean Flower Declaration” focused on Colombia was seen as discriminatory and thus hit an emotional nerve. And as we will show later, there was an acute sense of “locality” and “particularity” that led Asocolflores to believe they had to “take up the work themselves” instead of being dragged along by international stakeholders on how they should be going about their business. But regardless of this, the direct consequence of this decision was heightened pressure and a loss in exports to Germany.¹⁴

II. Creating a Colombian-bred code

This initial “episode” notwithstanding, an important level of awareness had been raised amongst certain “forward-thinking” flower companies in Colombia, especially those exporting to Germany, to give attention to social and environmental matters. Five flower export companies (for whom Germany was an important market) came together in 1994, and four more quickly joined, to create a code of conduct of their own, which they named Ecoflor. But since Asocolflores had not accepted BGI’s terms, it was not initially invited to participate by these nine companies. “We understood this reaction... After all, it was their market and they needed to protect it,” says Isaza. The need was also greater since by then, according to Asocolflores, these demands had started to “spill-over” to other places such as Austria and England. “This group of companies was also particularly progressive in their social and environmental performance,” asserts Isaza, “and thought that by coming together they could create a model which could eventually become a model for the whole of the sector, with the help of Asocolflores.”

The focus of Ecoflor had been to address the problematic issues raised by the *Blumen-Kampagne* by first providing systematic and comparable mechanisms to measure performance. “Only with these indicators could one determine whether a particular company was doing ‘poorly’ or not socially or environmentally, which is something that previous allegations did *not* have,” explains Pizano. A small committee helped to collect and register information on company performance for comparative purposes. This also helped to create collective referents for improvement.

¹³ In March 1998, the Colombian Government even went on to issue a report to WTO named “Environmental Labels and Market Access- Case Study in the Colombian Flower Industry” in which it spelled out its inconformity with private ecological labels and exposed their “dangerous” effects on trade.

¹⁴ OECD, “Eco-labels for cut flowers.”

Ecoflor was thus, initially, a closed-door initiative. This was a deliberate decision on the side of the companies involved because some thought that it would be beneficial in the initial stages to have a restricted discussion of what the code would look like, what the “principles” would be and their exact wording. This worked well, says Pizano, particularly because due to the high level of competitiveness in the flower sector, “getting the representatives of the company to sit and talk about their techniques and share information was in itself a landmark.”

In addition, as Pizano explains, involvement from top-level management was crucial in this initiative. Initial buy-in was secured because the presidents or general managers of the companies were directly committed. “In most cases, engaging in these initiatives requires infrastructural changes, localized investment, hiring more staff... Thus we needed to count on people who could make decisions,” asserts Pizano.¹⁵ Company presidents made up the Ecoflor Board, and there was a Technical Committee and a Committee on Health and Social Well-being. Contributions from companies covered expenses.

From Ecoflor to Florverde

Eventually the word spread that there was a group of companies in the flower sector advancing innovative strategies in these areas, and soon other companies became interested in following on their footsteps. In 1995 Asocolflores started to think about creating a similar initiative; their approach, however, was not only to comply with the German-bred checklist but rather to go beyond it and make it more comprehensive. For this they studied other environmental certifications and voluntary codes of conduct such as ISO14000 and a Dutch initiative called MPS, which had both been created recently, around 1994, and were being taken up by the global flower industry.¹⁶ They also worked closely with Ecoflor. According to Pizano, “the then-president of Asocolflores would come to our meetings and we would share information with her.”

One basic decision was for the new code, named Florverde, not to be a “seal of approval,” at least initially, but to make it instead into a training program for companies and a learning forum for Asocolflores itself about the facts and problems within its own sector. According to Isaza, Florverde was also the first label to include both social and environmental issues, since MPS was exclusively environmental at that time. He recalls: “We saw this as our chance to tackle questions as of then unanswered: How many unions did we have? What types of contracts existed? Are people really being fired without benefits? Are pregnant women being discriminated? We had the chance of grasping our own reality.” They also foresaw it to become a database, drawing from the Dutch experience, where Asocolflores would receive information about these issues from its member companies and arrive at a trustworthy “picture” of the flower sector in Colombia. They were particularly interested in gathering substantial information about social issues, beyond mere environmental data, particularly because they knew that social problems had given rise to these demands in the first place. Besides, having a database of social and environmental issues also helped to position Asocolflores as a proactive “leader” business association. Today, Asocolflores states that this information system is constantly updated and improved.

¹⁵ This has also been the experience of FIP in promoting similar initiatives with the private sector in Colombia. See Alexandra Guáqueta, “Company Operations in Weak Governance Zones: A Practical Guide for Nonextractive Industries”, *FIP Proposals*, November 2006, Bogotá.

¹⁶ For ISO 14000 please see <http://www.iso.org/iso/en/iso9000-14000/index.html>. For MPS see <http://www.my-mps.com/>

As said before, foreign, market-related demands were not the only driver in the design of the initiative; corporate values also mattered. According to Isaza, “There were many examples of philanthropy... companies that were created with a ‘for-the-people’ philosophy, and also companies interested in reaching first-class standards on a global scale.” This also involved going beyond the law and the apprehensions of the lawyers of any particular company to enter a territory of trust-building among a group of companies in the same sector that saw in this initiative the potential for economic and moral benefit. In this sense, Florverde was created as a tool for diagnostic and data collection “for companies by companies,” which, as Isaza points out, is nothing but an excuse to “force companies to take a look at their own internal policies and practices,” and if needed, to implement changes. Another reason, continues Isaza, was “to transform a threat into an opportunity,” that is, to foster improved learning of the weaknesses and strengths of the sector in order to facilitate identification of aspects that needed to be worked on, and thus keep companies healthy *and* competitive on a global scale by meeting international standards. In addition, the evolution of domestic regulation has also acted as an important enabling factor in Colombia, and a few decrees and laws have been introduced to promote the adoption of environmental and social “best practices,” particularly since 1993.

This is how Asocolflores’ Florverde was born in 1996. The question at that point was how to deal with two similar (and to a certain extent, competing) initiatives within the same sector. According to Isaza, Florverde’s reputation grew to the point that Ecoflor’s promoters themselves suggested both programs could merge, with Asocolflores acting as Secretariat. In addition, there was no doubt that Asocolflores had better logistical capacity than the small group of companies running Ecoflor.

Still, merging both initiatives entailed long discussions. As Isaza explains, “It was very difficult. We had to form working groups with company experts for every topic: water, health, hiring practices, everything. These were people who knew about these topics and were interested in helping.” The purpose of these working groups was to create a consensus between all the companies on language and criteria. All in all, the period of negotiations between Florverde and Ecoflor lasted one year, and in 1997 the former became Colombia’s own socio-environmental code of conduct for the cut flower industry.

Asocolflores member companies are invited to join the program, although it is not mandatory. So far 167 farms (out of 300) have signed up. The most important incentives are usually the need to meet growing market expectations and an awareness of the benefits of operating more efficiently, particularly to company finances.

Asocolflores’ staff points out that often the reason for some companies *not* to join Florverde is cost-related. Most companies do not see a problem in paying a yearly Florverde membership fee (around 2000USD), in addition to what they pay to be part of Asocolflores. The Florverde fee entitles companies to receive as many advisory sessions or workshops as they need, which are given by the initiative’s technical team. But some companies are more reluctant to pay for the additional expenses generated by the requirements of the code, such as investment in infrastructure (changing rooms, restrooms, and lockers) aimed at improving working conditions. “We still have to work on this. Clearly, if this is happening, it is because there is still work to be done on making the case for companies about the benefits of the program, including financial ones,” explains Isaza.

In its beginning, Florverde also received one-time funding from the government's technical education system (SENA), around 30.000USD.

Certification

As seen before, Florverde was initially conceived as a training program. However, in time it was decided that there should also be some sort of certification mechanism. "At first we chose to wait until there was one worldwide label. By the late 1990s there were two labels we knew about: the Dutch MPS (promoted by Dutch producers) and the Flower Label Program (which came out as product of the German advocacy and garnered support in Ecuador). But then, by 2002, over six codes already existed, so we thought it was time for us to start moving forward," asserts Isaza. The solution was to find an external verifier, the Swiss audit firm Société Générale de Surveillance (SGS), which is its current outside third-party. "Going down this road is difficult, especially because there is no 'ISO-like' regulation to refer to when coming up with a certification scheme", explains Isaza, "so almost anyone could create a seal. Our idea was thus to create a demanding seal that could eventually garner legitimacy with an external third party as verifier." By early 2007, 86 flower companies had been certified and 53 were in the process of certification. Together, according to Asocolflores, these make up 47% of Colombia's total cultivated areas.

The code itself is still subject to constant updates. Between 1998 and 2002 it was updated every year to adjust certain issues or include new topics. But between 2002 and 2005-2006 it remained unchanged because, as Isaza explains, "you cannot change something every so often because people *will* get confused and lose their north." An important point in the process of updating the code is the fact that, according to Isaza, "external stakeholder expectations are fully observed. We are not just considering our own interests as a sector or the interest of individual companies, but also international standards relevant to our case. We know that if we did not do this we would not be able to position Florverde on the global arena of labels and vis-à-vis international stakeholder," explains Isaza.

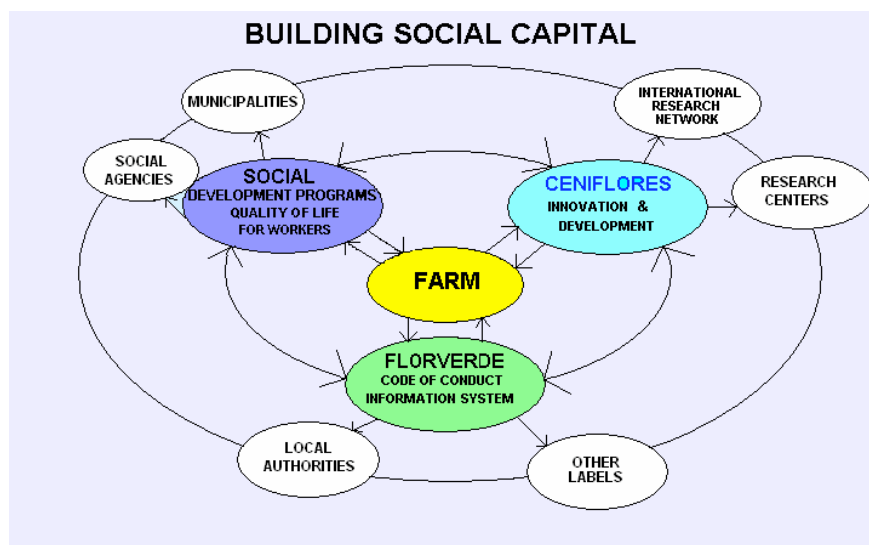


Fig. 1. Florverde's Stakeholder Network

According to Ariosto Arévalo, member of the Florverde staff, "Florverde is now evolving into a comprehensive Management System. Our aim is not for it to become a certification that companies can get one year and then forget about the next but rather something that

changes their corporate culture... We work hard with managers on assuming leadership of these initiatives and to supervise performance.”

Supply chain

Florverde also has an impact on the supply chain of its member companies because in “cleaning up their act” they have to make sure their suppliers are complying with the standards they are subjected to. “A few years back our suppliers did not even know what was required of them by law”, says Arévalo. Thanks to the program, now sub-contractors and other companies are supposed to document every one of their practices under these areas and are subject to scrutiny.

Indicators

Another highly innovative aspect of Asocolflores is that, at the request of member companies, the Florverde team developed approximately fourteen quantitative and qualitative “indicators” to measure company performance and compliance. These were also discussed and negotiated until a consensus was forged. They are produced through the information that Asocolflores obtains monthly from reporting companies. Asocolflores then sends them back a statistical assessment, which helps them realize “where they stand.”

In addition, based on this information, the Florverde team designs its training strategies for companies and benchmarking. “With the processed feedback they get from us, companies are supposed to set their own goals of improvement,” explains Arévalo. These indicators were discussed for almost six years by representatives of the companies, and the process of reaching consensus is still seen as ongoing. As explained before, international standards and external stakeholder expectations also guide Asocolflores’ work on designing these indicators.

Indicators are powerful tools not only for internal learning and development, but also when addressing external audiences. As explained before, part of the controversy described above regarding the demands of activist groups in the early 1990s was that, according to Asocolflores, they did not have any evident technical backing or comparable measurement mechanisms.

Compiling statistical information, however, especially on social issues, becomes difficult because typically only a portion of the companies are willing to share their information. “This is a problem, but we don’t want to assume a ‘police’ role. We want to motivate companies to report. We are now looking at ways of modifying our indicators to address this problem,” says Isaza. Asocolflores’ perception is that low reporting habits are directly linked with low consensus on indicators. “So now we are going step by step, asking: which indicators are OK with you? Why? Which are not? Why? And seeing where this takes us. We want companies to identify with them and understand them,” explains Isaza, “because generating consensus about indicators leads to ownership by companies, which is crucial to the initiative.”

Governance

Finally, some issues of governance that were unaddressed until recently are now being taken care of. As mentioned, since 2003 Florverde has been externally certified. In addition, in early 2007 it also issued a set of rules for compliance with an international model named

EurepGAP, as a way of drawing international legitimacy and recognition.¹⁷ According to these rules, certified companies that stop complying with substantive aspects of the code are first warned, then suspended and finally expelled.

III. Broadening the agenda: addressing unions

So far, according to Asocolflores, through its focus on benchmarking, dissemination of best practices and assistance to its affiliates, Florverde has contributed to improving the social conditions of workers and reduced the negative environmental impacts produced by the industry in Colombia. For instance, among its concrete results, Asocolflores mentions that it has helped to eradicate child labor; to drastically reduce the use of pesticides; to ensure that all workers of Florverde signatories enjoy full social security; and to fully update company health and labor risk assessments, which are crucial to understanding their problems and mitigating them.

But despite ongoing efforts by the government and businesses in Colombia, labor conditions remain an acute cause for concern, especially in the agricultural sector. Although they vary from sector to sector, they usually relate to low wages (even below the legal minimum), long working hours and lack of respect for freedom of association.¹⁸

Such pervasive concerns led Asocolflores to figure out how to incorporate and observe ILO provisions on labor standards more thoroughly in Florverde. “Since Florverde had been a business initiative we understood social issues differently, usually as fluid internal communication between managers and their workers. Also, because we had not come across particular cases, issues such as poor treatment of employees were not evident to us as part of our reality. Still, we knew we needed stronger companies with better working relationships,” asserts Isaza. These concerns are also seen as important because they were now increasingly part of market expectations around the world. “We thus realized that this was something useful that we needed to put on the agenda and discuss,” says Isaza.

Among the many labor standards, freedom of association is one of the most difficult ones to address in Colombia. In the midst of armed conflict between the state, the guerrillas and the paramilitary, labor unions in Colombia have been frequent targets of illegal armed groups, either by way of threats, infiltration or co-opting of their members. Certain guerrillas such as the National Liberation’s Army (ELN) and the Population Liberation’s Army (EPL, now demobilized) are especially known for including heavy infiltration of unions as part of their political strategies.

Unionists from many sectors in Colombia have also been victims of targeted murders and other abuses connected to violent conflict. The paramilitary have targeted unionists particularly because unions in Colombia have been historically considered to lean left and to sympathize with the guerrillas. This same factor has widened the gap between businesses and unions, since the former see the latter as political platforms for guerrillas, sharpening mutual distrust.

¹⁷ See <http://www.eurep.org/>

¹⁸ For instance, according to a recent report by Colombian newspaper *El Tiempo*, 68 out of every 100 rural workers in Colombia earn wages below the legal minimum. See “Irse del campo paga”, *El Tiempo*, February 4, 2007.

According to the Financial Times, Colombia is considered to be the “most dangerous country for unionists.”¹⁹ In 2002, out of 213 murdered union members around the world, 184 were Colombian, and in 2005 the NGO *Escuela Nacional Sindical* (National Union College) registered 444 human rights violations against trade union members, including illegal raids, threats, disappearances, forced displacement, torture, kidnappings and murders, down from 688 the previous year.²⁰

Structural divisions within the union movement also contributed to a difficult relationship with private companies. In Colombia alone 2,768 unions exist, grouping roughly 853,000 workers.²¹ In turn, individual unions are divided in three major union “federations”: the larger *Central Unitaria de Trabajadores* (CUT), the *Confederación General del Trabajo* (CGT) and the *Confederación de Trabajadores de Colombia* (CTC). These often work together in dealings with the government, such as yearly definitions of minimal wage, but also differ occasionally on other issues.²²

The flower sector has an unusually high rate of unionization for Colombia: 13% of its workers are union members, compared to the national 5% rate. The industry has therefore not been exempt from troubled relations with labor unions.²³ According to NGO reports, there have been alleged abuses or disrespect by companies of the right to organize and bargain collectively, such as the promotion of anti-union campaigns; installment and support of “corporate” unions (versus “independent” labor unions); discouragement of collective bargaining agreements through “collective pacts” and special benefits to non-unionized workers; firing of union leaders; opposition to legal registration of unions; blacklisting of unionists; and refusal to reintegrate fired union leaders despite court orders and even the shutdown of companies.²⁴ It must be noted that, according to Isaza, there have not been cases of murders of unionists from the flower sector.

So far most public union-related complaints in the Colombian flower industry have been raised against subsidiaries of multinationals located in the Bogotá Savannah (where around 75% of the country’s flower plantations are located).²⁵ Untraflores, Colombia’s most radical labor union in the flower industry, has established good links with local and international NGOs, such as Corporación Cactus and US/LEAP, and is very active in communicating alleged abuses through its bi-monthly newsletter *Florecer*.²⁶ Asocolflores itself has also been subject to criticism by Untraflores, which claims that it “supports the creation of corporate unions in order to deny the authentic spokesmen of the labor movement their right to engage in plea bargaining,” among other issues.²⁷

¹⁹ “Colombia ‘Most Dangerous’ Place for Trade Unionists”, *Financial Times*, June 7, 2006.

²⁰ Escuela Nacional Sindical, “Informe sobre violaciones a los derechos humanos de los y las sindicalistas en Colombia,” April 2006, Medellín.

²¹ For an overview of the recent history of the union movement in Colombia, see Miguel Eduardo Cárdenas, “Treinta años de sindicalismo en Colombia: vicisitudes de una transformación” en *En la encrucijada: Colombia en el siglo XXI* (Bogotá: Editorial Norma-Ceso, 2006).

²² For example, CGT refused to sign a letter recently sent by CUT, CTC and CPC (Colombian Federation of Retired Workers) to a US senator about labor implications of the Free Trade Agreement.

²³ For an idea of the problems faced by unionists in the flower sector, see a recent report by the AFL-CIO and Solidarity Center, *The Struggle for Worker Rights in Colombia*, May 2006, particularly pages 25-26 and 30-32.

²⁴ “Irse del campo paga”, *El Tiempo*, February 4, 2007.

²⁵ Dole Foods has been a particular subject of accusations in Colombia. See for example: Diana Alexandra Castañeda, “Mujeres, floricultura y multinacionales en Colombia”, Corporación Cactus, June 2006, Bogotá.

²⁶ See <http://www.untraflores.org>

²⁷ Untraflores, “Masiva protesta contra Asocolflores”, *Florecer* 12, March-April 2006, Bogotá.

Against this backdrop, says Isaza, “Yes, of course labor unions-related issues were a tough subject.” However, as Isaza explains, “we have always believed that freedom of association is an issue that company managers and shareholders need to tackle upfront. For example, the companies that had unions commented to us that working *with* unions could be beneficial for them. For example, if they needed to approach their labor force for a particular reason, it was easier to speak in amicable terms to union leaders who could then channel messages down to their *compañeros*,” he explains.

Despite this initial common ground, there was still no consensus among Asocolflores member companies on how to specifically tackle the topic for inclusion in Florverde. “You have to understand that a union in Colombia, being in the midst of armed conflict, is different to a union in Europe, so there were fears and sensibilities to overcome,” says Isaza.

“First we needed to speak the same language and ask the basic questions: What is freedom of association? How do we tackle it? How do we assess it and measure it?,” says Isaza. After a whole year of discussions we decided to include union issues in Florverde, but as Isaza explains, “the fact that there is such polarization in the air made us realize that we needed to go step by step and manage expectations.” To work on the issue, Florverde also created a special committee formed by manager-level staff.

Respect for freedom of association is now a part of the Florverde’s social “checklist,” (see Fig. 2) and according to Asocolflores, they have also run pilot programs with a few of the companies to see how companies adopt them, including surveys with union members. As such pilot work develops, new contents may be added and a new indicator on the issue will also be created to measure performance and foster improvement. “Either way, we think that the most important first step in the issue is to promote communication between the managerial level and the employee level. We’re promoting “healthy companies” in the sense that we believe there must be clarity between employers and employees about company policies, business directives, the future of the company, etc. This with the aim of creating a constructive relation between all parties.” Asocolflores has also decided to turn to international partners to speak about these subjects and see how they could go about them in a better way. “For example, we have spoken to the Ethical Trade Initiative (ETI),” says Isaza.

2. BASIC REGULATIONS			
No.	Checklist	Criteria to be met	Level
2.1	Are all workers over 18 years of age?	The company must prevent the recruitment, under any contract modality, of people who at the commencement of duties are younger than 18 years of age. The presence of people younger than 18 is only justifiable in family events, training programs or welfare programs such as day care centers. In all these cases proper preventive measures must be taken in order to avoid exposure to risk related to activities that are typical of the process carried out in the premises.	1
2.2	Is the normal working week of a maximum of 48 hours?	The maximum number of normal working hours per week is 48. Additional working hours are considered overtime or extra hours. If the company works the maximum working week currently allowed by law, it must ensure that: a) At least two hours of the working week for each worker must be exclusively devoted to training, recreational, sporting or cultural activities, according to timetables and action plans. b) In case these two hours are not employed each week for the above mentioned purposes, they must be accumulated up to one calendar year. c) The employee attends the programmed activities.	1
2.3	Are procedures to impose sanctions being carried out?	The company must: a) Establish in its internal labor regulations the disciplinary process and sanctions applicable depending on the fault committed. b) Have disclaimer minutes that must have at least the company's letterhead, date, fault description, the option to call witnesses, literal questions and answers, and the parties' signature c) Inform the worker of the sanction through a formal written notice	1
2.4	Is the maximum limit of 12 hours of overtime per week being observed?	The company must provide evidence that it does not exceed the maximum limit of overtime work in a week through: a) Payment records for overtime work, based on payment receipts or payroll records, without exceeding 12 hours per week. b) The current regulation for extra hours issued by the relevant authority and displayed in two areas of the company. c) Overtime record tables specifying the worker's name, schedule, amount of overtime work, task carried out, signed by the worker.	2
2.5	Is freedom of association of workers respected?	The company must: a) Keep written evidence that there are one or more information and participation mechanisms available to workers, such as: A system to register complaints and claims from workers. No reprisal to workers can come from the complains. Primary groups or teams that cover all workforce Committees open to workers' participation (e.g.: Copaso, brigades, work harassment, complaints, and sports) Other mechanisms open to participation by workers in the company (Workers' funds, cooperatives, etc.) For companies with workers unions, they must keep: b) Copies of collective agreements c) Copies of pay slips showing the deduction of union fees	1
2.6	Are discrimination, verbal and physical abuse to workers banned in the company?	The company must: a) Ensure there are no cases of work harassment or abuse, work discrimination or obstacles to workers' development. Nor they should be unequal treatment or lack of protection to workers. b) Give evidence that it has undertaken training and information sessions on these aspects and that workers are well aware of them. c) Have a bipartisan committee to handle any cases of discrimination, abuse, etc. (joint committee with participation both of workers and of the administration).	1

Fig. 2. Labor standards required by Florverde

In parallel to the inclusion of these labor standards in Florverde, Isaza adds that Asocolflores has also engaged in the promotion of basic labor rights among its associates, for example through workshops on collective bargaining for managers, in collaboration with ILO/USDOL projects in the country, with the participation of union leaders. Moreover, Asocolflores, along with its member companies, has also participated in workshops by the Ministry of Social Protection and permanently informs its members about changes in labor legislation, court rulings and related documents issued by the Ministry.

Why unions?

Isaza mentions two reasons the topic of unions became important, one external and the other internal. "The former was that our strategy had always been to become an internationally recognized label; but since freedom of association was already included in our national legislation, it was not initially featured as a category of its own in Florverde. Still, we realized that in order to meet international expectations, it needed to be there explicitly," he explains Isaza. The latter is related to the need to address the problems of the sector, which were briefly outlined above.

“We are well aware of the seriousness of the topic, so we have preferred to see this new phase as part of a process. This has given discussions on the issue the flexibility they need, and additionally it has given companies an opportunity to improve their communication practices and promotes internal understanding of the issues,” concludes Isaza.

IV. Challenges ahead

In recent years there has been widespread debate about the potential impacts, both positive and negative, of conducting business in weak governance zones and in countries suffering from ongoing conflict or grave human rights situations. Such discussion has proven pertinent to Colombia, where increasing attention is being placed on the potential of the local private sector to prevent or placate a decades-long conflict and to build lasting peace. In this sense, Florverde may be seen as a good example both of how the Global Compact principles can be made concrete on the ground,²⁸ and as potentially contributing to the “greater” goal of peacebuilding in Colombia.²⁹

Beyond any concrete results, thus far the most valuable outcome of Asocolflores’ initiative (and Ecoflor before it) has lied in engaging and putting forth a process of promoting consensus and collective action among the companies in its sector for the respect of human rights. They have played a key role as facilitators and acted as “norm entrepreneurs” within the sector, which as has been shown, requires a process that take much time, effort and political will on the side of companies. As shown, a combination of internal and external factors led the association to deepen its involvement in these issues.

But despite the important road it has traveled, Florverde still faces crucial challenges. As the experience of the Voluntary Principles on Security and Human Rights has shown, the trend set by this new generation of codes of conduct is that, in addition to having the support and will of companies, it is necessary to engage in dialogue, consultation and to reach formal or informal agreements with other stakeholders, such as NGOs, labor unions, and even governments, in order to garner legitimacy and ensure effectiveness. Many times, a long time is needed for trust to be built before arriving at this sort of dialogue. First, potential willing interlocutors need to be identified, and once found, several encounters are usually needed to dispel prejudices, to find a common ground and to adjust expectations. The participation of mutually-accepted external or independent facilitators that offer certain skills can often be helpful.³⁰ Florverde now needs to go down this road, and Asocolflores should work toward engaging in valuable dialogue with those stakeholders, looking to overcome traditional ideological gaps and pave the way for joint work with these stakeholders on problematic issues.

²⁸ One common criticism against the Global Compact deals with the general character of its principles and thus a difficulty in making them “practical” on the ground. This may be taken as an example of how to bridge that gap.

²⁹ For other examples, see Alexandra Guáqueta, “Doing Business Amidst Conflict: Emerging Best Practices in Colombia” in *Local Business, Local Peace: The Peacebuilding Potential of the Domestic Private Sector* (London, UK: International Alert, 2006). See also a report by the IBLF, FIP and Global Compact, *Development, Peace and Human Rights in Colombia: A Business Agenda*, London, 2006.

³⁰ For an account of NGO-company collaboration in the implementation of the Voluntary Principles and a conflict-sensitive risk and impact assessment tool, see: Alexandra Guáqueta, “Doing business in conflict zones: a view from below” in a volume edited by Oliver C. Williams with presentations from the November 2006 international conference “Peace Through Commerce” in Notre Dame. The conference was organized by the Global Compact-NY, Notre Dame University, the Joan B. Kroc Institute for International Peace Studies and the Association to Advance Collegiate Schools of Business (AACSB International). Forthcoming.

Another important issue of importance is ongoing absence of an overarching international legally-binding regulation on the topic. Whether such regulation is more desirable than voluntary initiatives and standards is still a matter of expert debate. Nevertheless, proactive companies and business associations wishing to be bridge that normative vacuum have a concrete option in the creation of voluntary codes, as is the case of Florverde. But while many experts support the proliferation of such voluntary initiatives, others perceive that it could lead to overburdening companies and eventually undermine their effectiveness and sustainability.

Perhaps more importantly, Asocolflores must carry forward the work it has advanced on “broadening the agenda.” Florverde is an interesting example of how the corporate social responsibility agenda has expanded over time in the Colombian context: it has gone from tackling standard labor, health and environmental issues to lending attention to more difficult topics such as respect of unions, which as shown has a particular human rights-related accent in the Colombian context. Florverde now needs to take forward its pilot work, seek consensus not only between companies but with unions themselves on key issues, and sustain implementation. The value of the initiative will only be proven through the concrete results it is able to bring about in the coming years.

V. Endnotes

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6. María Fernanda Rojas, Colibrí Flowers.

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Case author: Giovanni Mantilla, gmantilla@ideaspaz.org ; giofabman@hotmail.com

For more information about Florverde, including a full version of the standard, please see: <http://www.florverde.org> or <http://www.asocolflores.org>

For more information about FIP, please visit: <http://www.ideaspaz.org>

	Vision	Leadership	Empowerment	Policies and strategies	Resources	Innovation and process	Impact on people	Impact on value chain	Impact on society	Reporting and communication on progress
Summary	Meeting international expectations and enhancing competitiveness of the Colombian flower export sector; positioning Asocolflores as leader; gathering knowledge and information on sector to identify problematic areas and implement solutions.	Top-bottom: from top management level Presidents to technical staff	Through Ecoflor and later Florverde, they have put forth a process of promoting consensus and collective action among the companies in its sector for the promotion of human rights. Progressive companies helped to jumpstart the process, created a “domino” effect and as a result many others have joined the initiative.	Creation of code of conduct for benchmarking, dissemination of best practices and assistance to members.	Yearly contributions from companies. Contributions vary depending on size of company. Approx. 2000 USD per company.	Facilitated dialogue among companies to hold themselves accountable to standards. Creation of indicators for internal and external benchmarking. Now addressing topic of labor unions.	All workers of signatories now enjoy full social security; it eradicated child labor in its sector; drastically reduced the use of pesticides and motivated companies to fully update their health and labor risk assessments.	Higher accountability by holding contractors to same strict standards.	Contributes to alleviating structural problems with environmental and labor standards in Colombia.	Florverde contemplates monthly reporting by member companies on their performance on social and environmental issues. The collected information is used to feed their information database. Asocolflores is in the process of becoming a Global Compact therefore thus far has not produced a formal COP.