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Nominated for the Public Eye Award 2005
in the category:

LABOUR RIGHTS

Nomination by: Clean Clothes Campaign Germany
(Tchibo-Arbeitsgruppe)

Tchibo Holding AG

Headquarters:	Hamburg, Germany with subsidiaries in Central and Eastern Europe, more than 850 stores in Germany, 38 stores in Switzerland (in November 2004)
Turnover/net profit:	2003: € 3.3 billion Euro (turnover) / € 300 million Euro (profit)
Branch of trade:	consumer goods, fifth largest coffee manufacturer in the world; in 2003 takeover of the cosmetics manufacturer Beierdsorf (Nivea)
Owned by:	Michael Herz, a descendant of the Herz family, holds approximately one third of the shares (in June 2004)
No of employees:	2003: 10,686
CEO:	Dieter Ammer
Member to the WEF:	NO (in January 2004)

Outline

Tchibo advertises its "New World" in Switzerland, but in the real world the company tolerates the terrible working conditions of its textile workers. Its own Code of Conduct is ineffective and is not monitored by an independent board. The Clean Clothes Campaign demands that Tchibo introduces a code of conduct that corresponds to international standards.

General Information on the Case

On behalf of the Clean Clothes Campaign, the AMRF Society (Bangladesh) investigated the working conditions of textile manufacturers producing for Tchibo in Bangladesh. The inspectors found massive violations of labour law. The interviewed workers said they earned approximately €13 a month. They work approximately 11 hours a day. In the peak season, they work up to 14 hours a day. The overtime is paid only sporadically and sometimes it is not paid at all. The seamstresses also said they did not receive any salary if they get ill or pregnant.

Speaking during working hours is forbidden. Even going to the bathroom is subject to severe rules. There are only 4 toilets for 700 workers. The women are discriminated against and sexually harassed by the male supervisors. Trade unions are forbidden in the textile factories. Women who try to get organised are dismissed or discredited. In some places, there are no safety exits or the escape routes are obstructed.

Characteristics of Irresponsible Corporate Behaviour

Long and partly unpaid working hours, wages below the subsistence level, sexual harassment, insufficient infrastructure and no social security: Tchibo earns its profit at the expense of the workers.

Tchibo established a Code of Conduct but it cannot even be found on its homepage. The Code outlines the rights of the workers. However, since the workers haven't been informed about their rights, they cannot claim them. Even though Tchibo installed an audit company to check the compliance with the Code of Conduct in its clothes manufactures, the fact that it is installed and paid by Tchibo undermines the audit company's independency. Local trade unions and representatives of NGOs are not granted access to the factories.

Consequences

Tchibo's "New World" is created at the expense of the workers. For them, there is only: a world of health-damaging, inhumane drudgery, a world of being underpaid, a world of 90 working hours on seven days a week, a world of sexual harassment, a world of total control, a world of bondage.

Current Status and Demands

The Clean Clothes Campaign (CCC) demands from Tchibo:

- Not to retreat from producing countries like Bangladesh and Thailand after the violations of labour law are made public. The jobs must be preserved.
- Establishment and publication of a Code of Conduct, which follows international obligations, as laid down in the conventions of the International Labour Organisation (cf. CCC-Code). The Code involves the freedom of association and the right to collective bargaining and the payment of living wages. Moreover, workers shall not be required to work in excess of 48 hours per week and the weekly overtime shall be no more than 12 hours (on a voluntary basis and duly compensated) and there should be decent working conditions and safety and health protection.
- Tchibo should systematically check its suppliers for their compliance with the Code of Conduct
- There should moreover be an external monitoring of the compliance with the Code of Conduct. This should be done by an independent board including trade unions and NGOs.

Link to the details of the nomination: www.evb.ch/nominierungen.htm

Further information and links:

- www.cleanclothes.org
- Social Code of the Clean Clothes Campaign: www.cleanclothes.ch/d/kodex.htm