



# The future of women workers in the Kenyan floriculture sector

**A COVID-19 scenario planning**

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Floriculture is a branch of horticulture associated with the cultivation of flowering and ornamental plants. The global floriculture market was valued at US\$ 43.23 Bn in 2018. The Netherlands are an important producer for cut flowers, as well as a key importer from developing countries. Besides being one of the market leaders for cut flowers, the Netherlands are also a main trade hub. The country's logistic position within Europe, as well as established international trade ties within the flower industry, make the Netherlands Europe's centre for the flower market.<sup>1</sup>

In 2018, Kenya was the second highest import country to the Netherlands, with an import value of roughly €345m. In 2019, while cut flower exports grew in terms of volume, the value of these exports has actually reduced in comparison to the previous year. According to the Kenya National Bureau of Statistics, this was attributable to lower prices offered in the international market.<sup>2</sup> Approximately 50% of exported flowers from Kenya are sold through the Dutch Auctions, although direct sales are growing.<sup>3</sup>

## Role of women workers in Kenyan flower farms

Women make up to 75 percent of the workforce in the horticulture sector in Kenya.<sup>4</sup> However, according to the Federation of Women Lawyers-Kenya (FIDA-Kenya), women's labour rights are still lagging from what is globally acceptable and women are largely receiving the bare minimum. A 2002 study on gender, rights & participation in the Kenyan cut flower industry<sup>5</sup> found that there were a number of problems common to workers on all the farms in their sample. This was irrespective of the size of farm, the market outlet, which codes were applied and whether or not the code had been audited externally. These issues included employment insecurity, excessive overtime, sexual harassment, lack of representation, and health and safety issues.

In 2017, FIDA-Kenya conducted research on the violation of women labour rights in the Kenyan horticulture sector. It showed that while great strides have been made in Kenya in developing and passing a number of laws that address gender issues at the workplace (e.g. the Employment Act in 2007 and new Constitution in 2010), the implementation of these rights was lacking.

"Women were still facing discrimination and were also victims of sexual harassment. Salary delays and summary dismissal in the flower farms was still rampant."<sup>6</sup>

"Whereas companies have adopted equal pay for equal work principle, it remained a hollow dream for the women workers. The biggest proportion of the women labourers concentrated on the lower supervisory jobs as their male counterparts fill the managerial positions, this contributed greatly to the salary disparity between the genders."<sup>7</sup>

1 <https://www.coherentmarketinsights.com/market-insight/floriculture-market-1586>

2 <https://www.floraldaily.com/article/9212583/kenyan-cut-flower-exports-higher-volumes-lower-value/>

3 [http://www.kenyarep-jp.com/business/flower\\_e.html](http://www.kenyarep-jp.com/business/flower_e.html)

4 Virginia Munyua, programme manager, Hivos at <https://kw.awcfs.org/article/women-have-a-stake-in-kenyas-booming-flower-sector/>

5 Gender, rights & participation in the Kenyan cut flower industry, C. Dolan, M. Opondo, and S. Smith (2002, NRI)

6 Final report baseline survey on violation of women labour rights in the horticulture sector in Kenya, Federation of women lawyers Kenya, 2017, page vii

7 Final report baseline survey on violation of women labour rights in the horticulture sector in Kenya, Federation of women lawyers Kenya, 2017, page 8

## The short-term impact of COVID-19

The COVID-19 outbreak has had immediate and serious consequences for the floriculture sector globally. In what is usually the prime season for cut flowers sales, retail outlets were generally closed except for those providing essential products and services. The demand for flowers and plants plummeted dramatically. Transport and travel restrictions further complicated export and import of flowers. In the Netherlands alone, 400 million flowers had to be destroyed between March and May 2020.<sup>8</sup>

The Kenyan floriculture sector was affected too. The closing of the Dutch auction markets, the lockdown in Europe and the increase in transportation costs led to a decrease of 70-75% in Kenya's flower exports. COVID-19 came with additional shocks as farms were ill-prepared for the pandemic.<sup>9</sup> In initial conversations with local workers organisations, the following issues were highlighted:

- **Economic consequences:** A significant number of both seasonal and permanent workers lost their livelihoods during the first lockdown. Since there was no social plan in place to protect these workers, this had an immediate effect on their lives, with some not being able to feed their family anymore. While 90% of workers are re-hired by now, it is certainly possible that this will happen again during future lockdowns.
- **Gender-based violence ('GBV'):** There was a reported rise in all types of violence against women and girls, particularly domestic violence, during the lockdown. It is important that women workers are protected from violence, both at home as well as in the workplace.
- **Health and care:** During the first lockdown, women workers faced a rise in unpaid care work. They had to take care of their children when schools were closed, and often had to take responsibility for sick family members. With many women workers heading up single parent households, these duties compounded on their responsibility as the primary earner.

Some of the women workers noted:

"It has been very tough because both my husband and I work in the same farm and were all sent home on unpaid leave. We incurred a lot of debts and are yet to clear rent arrears."

"Some of those who are still in employment spare time to visit others who were laid off to give them food and even clothing. Other women who have business enterprises also offer casual jobs e.g. shop attendants or baby-sitting jobs just to enable those who are laid off or are at home on unpaid leave to put food on the table."

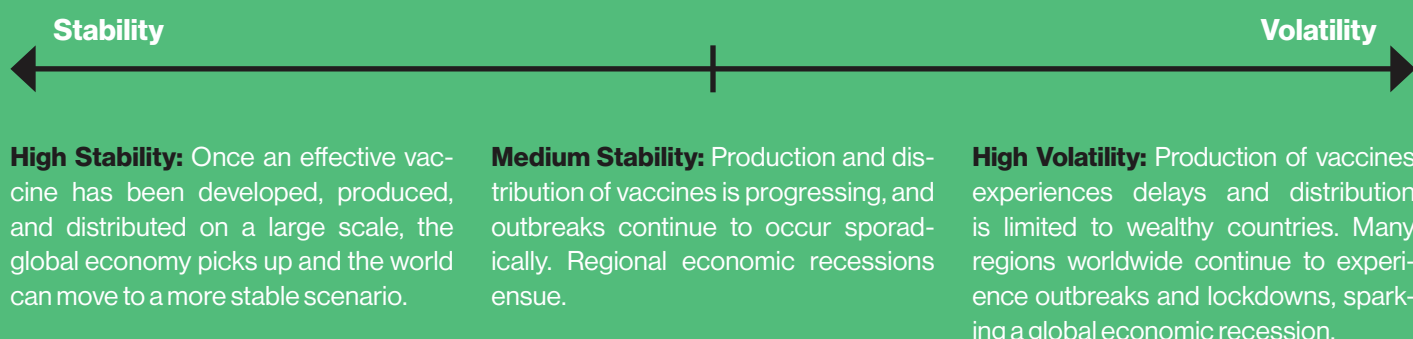
At the time of writing, we have passed the initial disaster response stage and we are adjusting to a new reality. By September 2020, Kenyan flower farms have reportedly re-hired 90% of the staff they had let go, as flower exports were up to 80% of their usual level.<sup>10</sup> However, the COVID-19 pandemic has not been overcome yet. The future is still unsure, with many European markets imposing another round of lockdowns as COVID-19 cases surge. It is likely that another decrease in demand for cut flowers will follow.

How can we ensure that decisions made in global supply chains in the future are less reactive and have less drastic results for the women workers and the farms as a whole? By looking and planning ahead, it is possible to prevent an improvised disaster response. Since the future is still uncertain, we have defined three scenarios with a mid-term outlook and determined how they would affect the situation of women workers in Kenyan flower farms.

8 <https://www.nytimes.com/2020/04/12/world/europe/netherlands-tulips-coronavirus.html>

9 Haki Mashinani, FEMNET, Fida-Kenya, and Workers Rights Watch - KP's reimagining the flower sector in Kenya

10 [https://www.ifc.org/wps/wcm/connect/news\\_ext\\_content/ifc\\_external\\_corporate\\_site/news+and+events/news/insights/i15-kenya-flowers](https://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/insights/i15-kenya-flowers)



## Different scenarios for women working in the floriculture sector in Kenya

For women working in the Kenyan flower farms, there will be significant economic effects in all scenarios. There is a strong correlation between the purchasing power of consumers and the demand for flowers and plants.<sup>11</sup> In addition, the floriculture industry is highly dependent on fast and efficient means of transportation to preserve the quality of the flowers. Furthermore, women workers are likely to face consequences with regards to their health, the (un)paid care burden, and GBV.

### 1. WOMEN WORKERS IN A HIGH STABILITY SCENARIO

In the high stability scenario, we will see limited additional health and economic challenges caused by COVID-19. We move into a phase of recovery and stability relatively quickly. This means that demand for flowers picks up, transportation opportunities increase, and costs go down. Things return to normal, but it is likely not the normal we know. The economic losses that farms have incurred in 2020 cannot be overcome by all farms. Smallholder farms have been hit especially hard and had limited reserves to weather the storm. It is likely that consolidations will occur, resulting in fewer and larger farms. This could lead to some job losses amongst women workers in flower farms, although the effects are likely to be limited. At the same time, through this crisis, women workers have been confronted with the need for economic resilience. This could lead to increased demand for opportunities to unlock alternate economic opportunities, e.g. technical and financial skill building or savings groups.

The (un)paid care burden for women workers is likely to diminish, with schools staying open and the health situation improving. Domestic violence levels are likely to decrease with women going back to work.

<sup>11</sup> <https://www.rabobank.nl/bedrijven/cijfers-en-trends/tuinbouw/sierteelt-kansen-voor-ondernemers/>

## 2. WOMEN WORKERS IN A MEDIUM STABILITY SCENARIO

In this scenario, 2021 is a year of slow recovery. Production and distribution of vaccines is picking up steam after a slow start. Availability spreads globally, but it takes time for poorer regions to vaccinate at great scale, after a slow and unequal start. From an economic perspective, this scenario will exacerbate the economic difficulties the world is currently facing, although there could be regional differences. The economic downturn is likely to cause more bankruptcies amongst flower farms in Kenya, and an additional focus on cost reductions for the farms that remain open. Additionally, there might be an incentive to move production to more stable regions that are closer to the demand market to reduce uncertainties on possible transport reductions.

This is not good news for the women workers in the farms, who run an increased risk of losing their livelihoods, temporarily and even permanently.

Women workers will also continue to bear the brunt of care for their family and community members, while the vaccine is not fully available. In this uncertain scenario, we would expect a continued surge in GBV cases.

## 3. WOMEN WORKERS IN A HIGH VOLATILITY SCENARIO

A highly volatile scenario is characterised by inequality. Unequal availability of the vaccine results in regional and selective outbreaks, meaning they will affect some regions and even some people in that region more than others. This means that while some regions can start rebuilding and their economy is picking up, others are still in crisis modus, with associated health and economic risks.

In a highly volatile scenario, we will continue along the road of regional outbreaks, (partial) intermittent lockdowns, and temporary releases. This is likely to lead to a global economic recession, structurally reducing demand for flowers. If flower demand decreases then this leads to a wave of consolidation and bankruptcies of flower farms globally. The high number of layoffs are likely to return, and will last longer than what we have seen thus far. Employment in the flower industry will not provide a stable source of income any longer, and thus women workers face an increased need for alternative income sources and economic resiliency. Women will also face continued heightened levels of unpaid care needs and GBV. The combination of these three factors could potentially result in an incentive to migrate to places with more economic opportunities in the longer term.

Consequently, COVID-19 is likely to have a lasting impact on the floriculture sector. Women workers are facing a new reality, where economic resilience will be key to sustain their livelihoods. Flower companies, governments and organisations working with women workers in Kenyan flower farms need to take action now, to ensure women workers' rights are met in the coming years. We refer to those actions as “no-regrets moves” – actions that have a positive impact, regardless of the scenario that will occur in the coming years.

The OECD Human Rights Due Diligence Framework<sup>12</sup> is a comprehensive set of six steps, that helps to guide us in determining which actions to undertake:

1. **Embedding women workers' rights** into policies and management systems. It is important for the leadership of companies to commit to ensuring sustainable and lasting focus on women workers' rights. This can be done in a variety of ways. For instance, by signing onto the Women's Empowerment Principles, and openly and pro-actively complying with relevant International Labour Standards, like ILO C190 (Violence and Harassment Convention), C011 (Rights of Association) and C141 (Rural Workers' Organisations Convention).

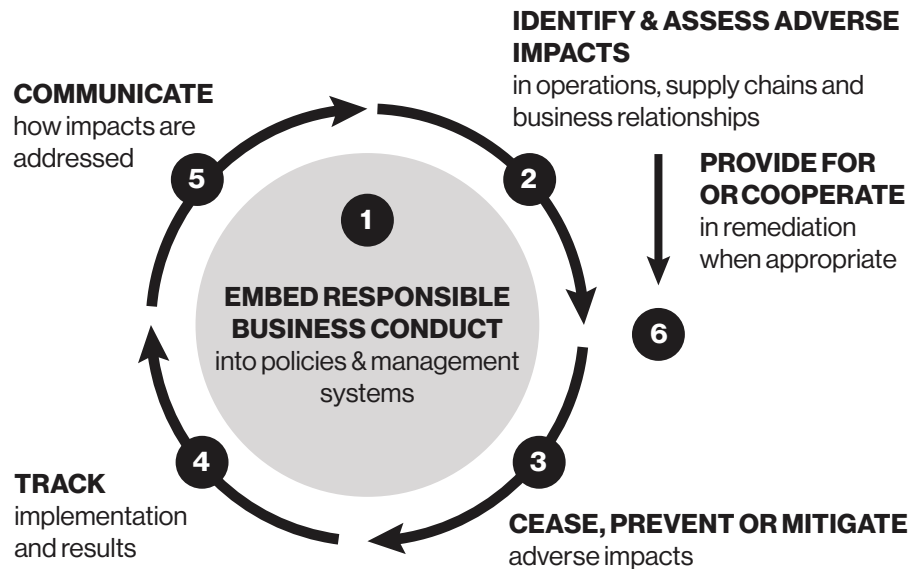
<sup>12</sup> OECD due diligence guidance for responsible business conduct, OECD 2018, accessed at: <https://www.oecd.org/investment/due-diligence-guidance-for-responsible-business-conduct.htm>

## 2. Identifying adverse impacts on women workers' rights. COVID-19

has exacerbated the challenges women workers were already facing. It is critical that the adverse impacts of the first COVID-19 lockdown, and the possible adverse impact of future outbreaks are identified, to ensure appropriate action can be taken. By involving local workers organisations, and women workers themselves, in impact assessments, you can ensure that you form a good understanding of the relevant challenges and the exact effects in your supply chain.

3. Once adverse impacts are identified, you need to take action to **cease, prevent or mitigate** them. In order to ensure the right actions are taken, women workers need to be involved in the design of the solution. An example of a suitable action could be to invest in technical and financial skill-building for women workers. This would help them to be prepared for a future where they will no longer be able to work in the Kenyan flower sector. By building skills and financial literacy, they gain economic resiliency and are successfully set up to access alternative livelihoods. Companies both in Kenya and the Netherlands do not need to do this alone. The challenges the floriculture sector is facing, are not unique to one company, and are too big to solve in isolation. By working in (cross-sector) partnerships, issues can be solved in a holistic and sustainable manner.

4. **Tracking implementation and results** allows you to learn if you are taking the right actions and if you are reaching the right people. If another outbreak occurs, or another unpredicted event happens, it is crucial to keep checking in on how that influences the programmes you have put in place.



5. **Communicating how impacts are addressed** makes it possible to learn from others, and for others to learn from you. For example, village savings and loans associations have been successful in the cocoa sector in instilling a savings culture in women, and supporting economic opportunities through seed loans. Their operations and impact have been well reported, and this could be an interesting model for the floriculture sector as well.

6. **Enable remediation** when appropriate. It is possible that your monitoring activities turn up issues such as cases of sexual harassment in the workplace. You need to take action to remediate these cases.

These are uncertain times for everyone. However, this does not mean that companies must remain reactive in their responses. By taking a structured, pro-active approach, by taking immediate action, we can ensure that the new normal is a better normal – for women workers in the Kenyan floriculture sector and for society at large.

