THEME 02 – REGULATIONS AND NORMS

Subject No. 6: The main private standards on food safety

Content:

1. Introduction

2. Origin and categories of private voluntary standards

3. Identification of the main private voluntary standards

4. Implications of private voluntary standards for the ACP fruit and vegetable sector

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1. Introduction

The purpose of this chapter is to review and describe, in a synoptic manner, the various **private** initiatives relating to the health quality of foods, labour ethics, and environmental stewardship that have arisen from individual or group, national or international actions.

A brief review of the existing literature at the beginning of the chapter summarises the reasons why these **private voluntary standards** (PVS) came into being and the various categories of standards.

The **main implications** that these private initiatives have for the fruit and vegetable production sector of African, Caribbean, and Pacific countries shall be discussed at the end of the chapter.

Some useful definitions:

Regulations, norms, standards, certifications, and labels

In legal terms, **regulations** are:
- an element of a legislative instrument, either national or European;
- a legal obligation which businesses must undertake under penalty of sanctions;
- an element applying to certain business sectors or products.

Example: Regulation (EC) 178/2002 on the traceability of foods.

Norms refer to a system of reference:
- recommended practice (Good Practice or Best Practice): the best way to proceed for a given subject;
- as a general rule they arise from discussion and debate about businesses led by businesses in standardisation bodies (Afnor in France);
- when these norms are not legally binding and when they originate from the private sector and/or civil society, they are referred to as private voluntary standards (PVS).

Example: ISO 9001 "Quality management systems"

Standards are instruments that are shared:
- among the players of a given sector or involved in a given activity;
- in order to have common operating procedures for facilitating and lending credibility to interactions among these players.

Example: the ETI 8 logistic label in cars.

The term is confusing because in English *standard* and *norm* are used interchangeably. Actually a standard is a reference system for a national or international use published by a private entity other than a national or international standardisation body (or other organisation not authorised by one of the latter). **In this chapter, we shall use the term**

private voluntary standards (PVS) for all of the norms and standards described herein in order to avoid confusing the issue any further.

Certifications refer to horizontal devices:
- based on bodies of standards for guaranteeing a level of quality in the operations of a business;
- validating (by auditing) compliance with standards of practices;
- certification is a task of quality management (assurance).

Example : ISO 9001, ISO 14001 Certifications, etc.

Labels are an indication[1] that a certification was granted to an organisation by a third party.

Labels attest to compliance with standards established out of necessity by a body other than the certification body. In principle, the certification body is itself certified in this capacity by an official agency that ensures that the certification body and the organisation establishing the standards are independent and that the evaluation process is reproducible. The standards for certification can be defined by a norm or another standard, but this is not compulsory.

Example: The term "quality label" is sometimes used when the certification standards relate to a product or a service (e.g., the French "label rouge" for food products, the French "NF environment label" for industrial products or services, etc.).

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[1] http://www.etutors-portal.net/portal-contents/standards/folder.2007-07-24.8455003061-/Normes%20e-formation%20Blandin.pdf.

2.6. Main private standards **3**

2. Origin and categories of private voluntary standards

2.1. Origin of private voluntary standards

During the 1990s, a series of incidents impacting the safety and integrity of food products dealt a blow to the trust of the European consumer. The European Commission (EC) and the member states reacted by initiating a process of institutional and legislative reforms. In 2000, the EC defined its policies in a white paper. These new policies outlined a programme of changes that would essentially reorient food safety management. Henceforth, integrated management of all steps in the supply chain would be required in order to ensure optimum risk management and in order to be able to initiate preventive and corrective measures.

The introduction of the *Due Diligence* clause in the UK 1990 Food Safety Act constituted another significant change in the regulatory environment. This clause stated: "The accused party may defend itself by proving that it took all precautions that could reasonably have been taken and that it exercised all possible diligence to prevent the infraction from being committed either by itself or by someone working under its orders." The introduction of this clause radically changed the safety management systems of the food industry in the UK by compelling businesses to undertake all necessary checks to prevent adverse effects from their products, or at least to be able to prove that they took all of the mandatory precautions. Businesses were thus made responsible for the safety and the quality of their ingredients, for the actions of their suppliers, and for consumer safety.

This due diligence clause linked to the European legislation concerning the health quality of foods as well as the growing concerns of consumers about what's on their plate had repercussions in the agri-food sector. In order to protect themselves from all risks, the private sector developed **self-regulation systems** or **"private voluntary standards" (PVS)** based on the Good Practices Codes of the food sector.

This process started in the UK with the Good Agricultural Practices (GAP) codes and a good hygiene practices protocol, which later became the food standard of the *British Retail Consortium* (BRC). These standards in turn inspired a diversity of similar private sector initiatives in other European countries (Jaffe, 2005). Traditionally, retailers in the fresh products sector have always insisted that their suppliers respect their requirements concerning volumes, continuous supply, and prices. Now they want these same suppliers to comply with a series of private voluntary standards that apply to their production, manufacturing, and marketing methods.

> The private voluntary standards concerning the health quality of foods are frequently described as being more rigorous than the regulations (Henson and Humphrey, 2009). Non-compliance with these private and voluntary standards is not punishable under law. However, they can become *de facto* requirements when they are routinely demanded of suppliers (Henson et Humphrey, 2009).

According to Fulponi *et al.* (2006), businesses that adopt a PVS relating to health quality do so mainly to maintain and improve their reputation through better risk management. In view of the fact that any serious incident can cause tremendous damage to the business in terms of its consumer image, food safety management is considered as one of the most important elements of the PVS.

Private voluntary standards relating to health quality enable the players of the supply chain to **show that they have implemented systems** for taking all necessary precautions (as much as possible) to ensure the quality and safety of their products. The certification of these private voluntary standards by a third party acts as an **insurance policy** in the event of civil or criminal proceedings. Lastly, private voluntary standards make it possible to limit informational asymmetries among the various players of the supply chain and thus to reduce internal monitoring costs through better management of the entire chain (Fulponi, 2007).

There are 2 ways of **checking whether a business is in compliance with a PVS**: via an internal audit and/or an external audit (and most often via a combination of the two).
- The internal, or "**first party**" audit is performed by the business itself, which appoints one of its employees to be in charge of the verification process. The external audit can be either a "second party" or "third party" audit. A "**second party**" audit is performed by a party with an interest in the business (e.g. a customer), either directly or indirectly by persons acting in their name.
- The second party audit has become widespread in large-scale retail and agri-food companies (Liu, 2009).
- A "**third party**" audit must be performed by a completely independent organisation, usually one officially accredited for doing so. At the end of the verification process, the business is issued a certification or attestation (depending on the PVS) of compliance with said PVS, or not.

Greater demands by consumers and civil societies (along with surveillance by NGOs) are nonetheless urging big name retailers to focus not only on the safety and quality of foods but also where they come from. More and more they are having to deal with labour, environmental, safety, and societal responsibility issues; areas which up until now had been more the responsibility of public and international agencies or NGOs.

Under pressure from consumers, it seems that big name retailers have addressed these issues as well via specific certification initiatives, which are usually accompanied by labels on the products. Adopting proactive strategies for dealing with these subjects enables businesses to improve their image with their customers, suppliers, and end consumers. In certain cases, doing so also enables them to gain a competitive advantage over other businesses, which in turn may help them win contracts or improve their market share.
Lastly, adopting sustainable development programmes also urges businesses to review their internal management strategies for energy and resource use and waste management, eventually enabling them to lower their energy bills and even improve their productivity.

2.6. Main private standards

2.2. PVS categories

The standards are generally classified in three categories, namely product, process, and management system standards. The first category essentially relates to the characteristics associated with quality. Process standards relate to the conditions under which the products and services must be produced, packaged, or processed. Management system standards help organisations manage their operations. They are often used to create a structure that then enables the organisation to satisfy, on a continuous basis, the requirements specified in the product and process standards.[2]

The private voluntary standards described in this chapter on the health quality of foods or compliance with social and/or environmental criteria are standards relating to processes and management systems.
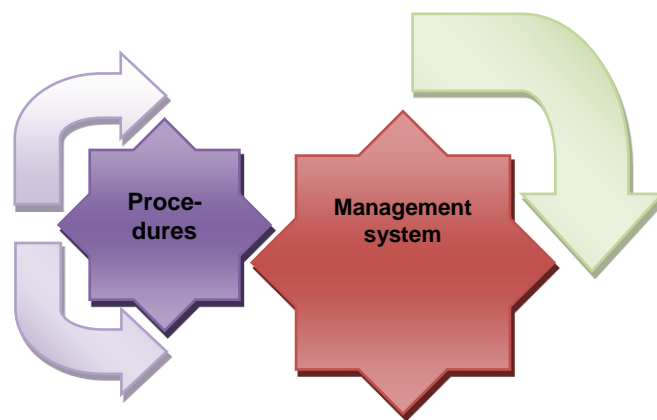
Categorising the standards within the large PVS family on the basis of subjects covered is conceivable. Nevertheless, such a categorisation is generally not feasible due to the fact that the private voluntary standards often cover several subjects simultaneously. This is especially true of certain private voluntary standards relating to the health quality of foods that contain different control points concerning **labour rights** and **environmental stewardship** (GLOBALG.A.P., SQF).

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[2] http://www.standardsinfo.net/info/index.html
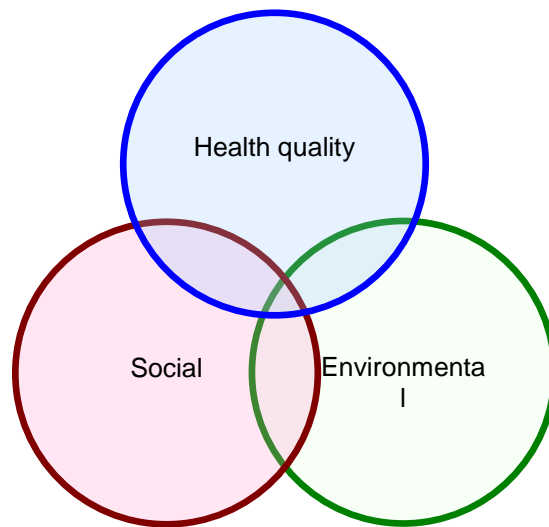
By definition, most private voluntary standards originate with businesses and civil society (Liu, 2009). Among the private voluntary standards concerning the health quality of foods, the WTO distinguishes 3 major categories of standards. This classification is based on the stakeholders who established the standard.

The individual standards (Field-to-Fork of M&S, Filière Qualité Carrefour, Tesco's Nurture, etc.) of large-scale retail businesses are established by the latter and applied to a series of operators along their supply chains. They are most often accompanied by a label on the final product.

"Field to Fork"[3] is a PVS specific to the British retail chain Marks & Spencer. This PVS relates to the production and processing phases of food products and thus effectively covers not only good agricultural and manufacturing/processing practices but also health quality, environmental stewardship, and decent working conditions.

To guarantee its customers healthy, good quality, and genuine products, **Carrefour** implemented a quality line[4] (*Filière Qualité*) concept for fresh fruits and vegetables in 1999. This quality line relates to apples, pears, carrots, pineapples, melons, figs, leek, and potatoes.

Carrefour implemented a standardisation system for its producers, which is based on specific specifications for each product. The requirements relate to each phase of the

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[3]   http://www.agrolibano.com/eng/gpo_montelibano_certified_products.html.

[4]   http://www.fr.sgs.com/fr/home_newsletter_fr_v2/certification_service_newsletter_fr/filiere_ qualite_carrefour_fr.htm.

product's life cycle: from the plants and seed used to the harvesting of the fruits and vegetables. The inspections, which are performed by a third party, focus on the crop protocol, employee working conditions, hygiene on the premises, storage conditions, etc.

Nurture[5] is a PVS **reserved exclusively for Tesco** that relates to responsible fruit and vegetable production.

By adhering to the Nurture standard, the producers commit themselves:
- to implementing a traceability system that allows a product to be tracked back to its source;
- to growing and selecting high quality fruits and vegetables;
- to demonstrating their commitment to the protection of animals and the conservation of habitats;
- to adopting sustainable agricultural practices in terms of energy and natural resources use, including recycling;
- to using pesticides, fertilisers, and manure in a rational manner; furthermore, the producers shall use natural pest and disease control methods such as solarisation of soils as much as possible;
- to ensuring that all of their employees are treated fairly.

National collective private voluntary standards (BRC, *Assured Food Standards, Freedom Food*, etc.) **are established by professional societies and/or NGOs**. Lastly, international collective private voluntary standards (GLOBALG.A.P., IFS, SQF, etc.) generally apply to the supply chains established in many regions of the world (Henson and Humphrey, 2009). International collective private voluntary standards are also established by professional societies and/or NGOs (or even public authorities, as is the case with the *International Standardisation Organisation*).
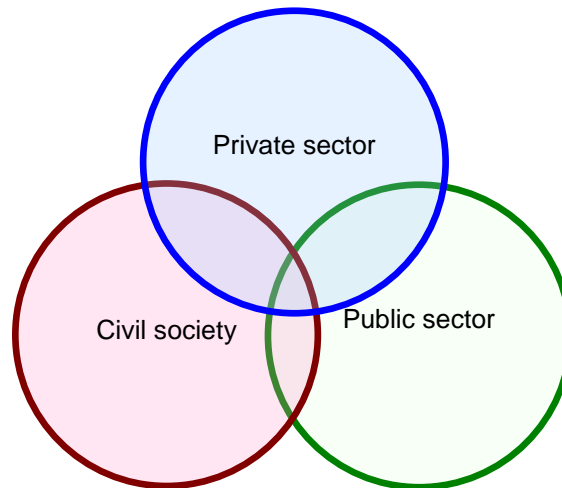
Individual private voluntary standards of businesses	National collective private voluntary standards	International collective private voluntary standards
• Field to Fork (Marks & Spencer) • Nurture (Tesco) • …	• BRC • …	• GlobalG.A.P. • Fairtrade (FLO) • ISO • …

Source: Henson and Humphrey, 2009

As a general rule, **the private sector has been more active in the development of private voluntary standards relating to the health safety of foods,** whereas civil society has historically played a greater role in establishing private voluntary standards covering the social and environmental aspects of supply chains (Fair trade, organic

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[5] http://www.tesco.com/nurture/?page=nurturescheme.

production, *Sustainable Agriculture Network*, *Social Accountability International*) (Liu, 2009). However, the private sector, civil society, and the public sector also form coalitions (*International Standards Organisation* (ISO), *Ethical Trading Initiative*, etc.) in certain cases in order to establish **new standards** or "**codes of conduct**".

Private voluntary standards can also be categorised as " **Business-to-Business"** (B-to-B) or "**Business-to-Consumers"** (B-to-C) standards. The individual standardisation initiatives are generally intended to be communicated to consumers (B-to-C). The joint actions relating to health quality are intended to ensure risk management and reduction along the entire supply chain. **Consumers are therefore not notified of them** (B-to-B).

The standards covering social and environmental aspects are generally "B-to-C" (except for ethics standards such as SA 8000, BSCI, etc.). "B-to-C" private voluntary standards **usually specify** the product attributes **in the form of a label on the final product,** with the express purpose of distinguishing that product from other similar products.

In contrast to B-to-C private voluntary standards, B-to-B private voluntary standards by definition cannot be funded by the market via a premium paid by the consumer, as the latter is not notified whether or not the product is compliant with one of these private voluntary standards.
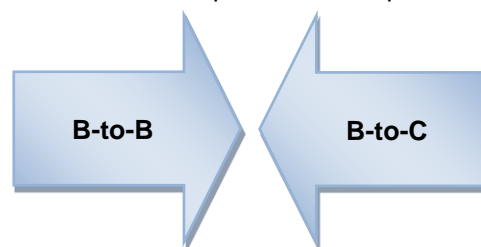

Lastly, there may be a final classification of private voluntary standards based on whether they are focused on obligations relating to means (infrastructures, training, systems, inputs, etc.) or results (maximum pesticide residue limits). Examples of private voluntary standards focused on obligations relating to results include the individual standards of large-scale retail businesses relating to lists of active ingredients approved for use on crops (which are often stricter than the official approvals) and maximum residue limits (MRL, tolerances) of pesticides (which are generally lower than the official tolerances set

by the EU). The standards related to the intrinsic nature of products (colour, size, shape, etc.) are also part of these private voluntary standards focused on obligations relating to results.

Most of the private voluntary standards described in this chapter that relate to the health quality of foods or to compliance with social and/or environmental criteria are standards focused on obligations relating to means rather than results.[6]

The obligations relating to means stated in these standards concern means and actions that businesses must implement for the production, processing, and marketing phases (AFD, 2010).

The **ways of verifying whether or not a business is in compliance** with a PVS are generally different for **"means" and "results" private voluntary standards**. Whereas verification is relatively easy (analysis of samples, measurements, visual aspects, etc.) for private voluntary standards focused on obligations relating to results, the opposite is true for private voluntary standards focused on obligations relating to means. For a business wishing to comply with one or more of these standards, a systematic documentation of the procedures implemented by the business (Liu, 2009), in other words a suitable management system, is usually required in order to facilitate the verification process. Hence it is commonly acknowledged that it is generally more difficult to comply with a "means" PVS than with a "results" one.

Obligation relating to means

Obligation relating to results

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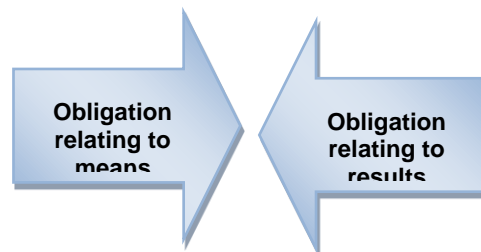
[6] The distinction between obligations relating to means and results is not always obvious. In the literature it is therefore not uncommon to encounter different interpretations of these concepts and consequently, different PVS classifications.

3. Identification of the main private voluntary standards

3.1. Health quality of foods

There are currently several private voluntary standards relating to the **health quality of foods** that apply to the production and processing of food products, such as BRC, IFS, Dutch HACCP, SQF 2000, FSSC 22000, and Synergy 22000 (all of which are based on the HACCP principles defined in the Codex), SQF 1000 and of course GLOBALG.A.P. All of these private voluntary standards are focused on means-related rather than obligations relating to results and can be classified as procedural private voluntary standards that require businesses to implement internal management systems. Furthermore, in view of the potential repercussions of an adverse incident on the entire sector, these programmes make food safety an issue unrelated to the competitiveness of businesses (B-to-B). In both cases (production and processing), major retailers in the private sector collaborated in order to fill a gap affecting the entire branch, offering a competitive advantage to certified businesses and monitoring their activities ranging from production to distribution. The purpose of this section is to describe, in a synoptic manner and from various angles, the most widespread "health quality" private voluntary standards in the horticultural sector.

Management of the quality and of the health quality of foods

The organisations involved in the food supply chain must deal with the demands of their customers as well as those of the regulations (*cf. supra*) concerning their aptitude in identifying and controlling the hazards linked to food safety. On the international level, the ISO 9001:2000 standard specifies the requirements for a quality management system. However, this standard relates to quality as a whole and not specifically to the health quality of foods. However, a standard specific to the agri-food sector was created on the basis of ISO 9001:2000, namely ISO 15161:2001: *Guidelines on the application of ISO 9001:2000 in the food industries, which focuses on the quality but not on the safety of foods.*

Hence many countries have created their own private voluntary standards related to health quality management systems. Also, several private standards such as IFS and BRC (described below) have come into being. All of these private standards are based on the HACCP method. However, **HACCP is primarily a process and not normative** (except for the PVS "*Dutch HACCP"* of the SCV [Dutch foundation for certification of the health quality of foods], which is described below).

It was therefore necessary to create **a standard of international dimensions** based on the ISO 9001:2000 model and **including the HACCP principles, namely**: **ISO 22000:2005** (described in the section on the FSCC 22000 private voluntary standard).[7]

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[7] http://www.norme-iso22000.info/pourquoi.htm.

The Global Food Safety Initiative (GFSI) is a non-profit foundation created in 2000 and managed by the Consumers Goods Forum. The main goal of the foundation is to compare and approve (a process known as *benchmarking*) a set of private voluntary standards on the health quality of foods based on their reference document (GFSI Guidance Document).[8] In 2007, 8 major retail chains[9] agreed on this guidance document. The ultimate objective of this approach is to reduce the increasing number of audits that suppliers have to deal with by adopting the philosophy "once certified, accepted by all." In practice, an ACP exporter already certified to BRC and wishing to sell products to a customer working with suppliers certified to SQF 2000 or IFS would be able to do so without having to re-certify to one of these standards.

The objectives of the GFSI are as follows:
- ▶ To maintain a benchmarking process for health quality management programmes in order to achieve convergence among the various standards.
- ▶ To improve cost management throughout the food supply chain through mutual acceptance of GFSI standards recognised by distributors around the world.
- ▶ To provide a single international platform for all of the players in order to encourage contacts, exchange of knowledge, and pooling of best practices and information related to health quality.

The GFSI does more than just offer businesses a standardised framework related to the health quality of foods. It is also initiating a three level certification approach for operators. The objective of this action is to enable a business to progressively conform to all of the requirements of the GFSI Guidance Document in 3 years.

One of the consequences of private standards related to the health quality of foods meant that ACP suppliers of fruits and vegetables had to implement a series of consistent organisational, infrastructural, and procedural changes within a very short time interval. Among other things, the widespread implementation and acceptance of this phased approach by European buyers would make it possible to calibrate investments over time, thus facilitating the certification process.

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[8] http://www.mygfsi.com/

[9] Carrefour, Tesco, ICA, Metro, Migros, Ahold, Wal-Mart and Delhaize.

Only the private voluntary standards pertaining to the horticulture industry (in boldface in the table) will be described in detail in this section.

BRC GLOBAL STANDARDS ✓
THE WORLDWIDE STANDARDS OF CHOICE

The **British Retail Consortium** (**BRC**) is an umbrella association for a significant number of distributors in Great Britain. In response to the needs of the industry, the BRC developed the *BRC Food Technical Standard* in 1998. This standard is intended to be used for evaluating the food processing plants in order to assist the distributors and owners of food brands in their efforts to comply with the new European regulatory framework concerning the health safety of foods.

As mentioned in the first part of this chapter, in keeping with Regulation (EC) 178/2002, distributors and food brands are obligated to respect the principle of *due diligence.* This means that they must be able to demonstrate that all precautions for preventing non-compliance with health safety have been taken in order not to be held liable under law.

Despite its British origin, this PVS is now used in more than 100 countries throughout the world. The *BRC Food Technical Standard* is a so-called "B-to-B" (business-to-business) PVS, in other words not accompanied by a label on the final product destined for the consumer. Compliance with this PVS must be verified by a third party accredited as an official certification body and respecting the BRC rules for auditing. Hence the BRC does

not audit businesses itself, but is the owner of the PVS and manager of the certification process.[10]

The BRC Food Technical Standard is therefore intended for processors of food products, enabling them to attest to their Good Manufacturing Practices (GMP) and the quality management systems that they have implemented in order to ensure that the products that they sell fulfil the requirements of both their customers and the regulatory framework in effect. This PVS is thus applicable to any plant that processes or packages food products.[11]

The standard has 7 chapters :

1. **Involvement of the company management and continuous improvement:** in order for a food health safety management system to work, it is essential for the company management to support the implementation and encourage the continuous improvement thereof.
2. **The plan for health safety:** the basis for a health quality management system is the implementation of the HACCP process, as defined in the *Codex Alimentarius.*
3. **The quality and health quality management system:** this section lists criteria for quality and health quality management based on the ISO 9000 standard that must be fulfilled. The criteria relate to the product specifications, the choice of suppliers, traceability, and management of incidents and recalls.
4. **The standards for the sites:** this part of the standard defines the constraints for the physical packaging and/or processing environment in terms of layouts, maintenance of the building and the machine fleet, cleaning, disease control and waste management. There is also a section that deals specifically with checking for foreign matter.
5. **Product control:** these are control points relating to the phases of product design and development, management of allergens, and also to product-testing laboratories and test phases.
6. **Process control:** this section relates to the establishment and maintenance of process controls, weight/volume controls, and calibration of the equipment.
7. **Human resources:** lastly, this part defines the criteria for training staff about wearing protective clothing and practising personal hygiene.

The costs for certification will depend (as is often the case) on the size of the site and on which systems have already been implemented in the business. It may turn out, for example, that the business must invest in order to upgrade its site, or that it may have to resort to outside expertise for documenting its procedures in preparation for an audit. BRC obviously has no control over these costs, nor over the auditing fees charged by the certification bodies.[12]

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[10] A search engine for finding these accredited certification bodies is available at the following site: http://www.brcdirectory.com/.

[11] The list of businesses certified to BRC Food Standards version 5 can be found at the following site : http://www.brcdirectory.com/.

[12] There is, however, a fixed price of £125 (included in the cost of the audit) for keeping the PVS up to date. The standard is not available to the public, but can be purchased from the BRC Website (http://www.brcglobalstandards.com/bookshop/) for a sum of £90.

The first version of Dutch HACCP was launched in 1996 by a national board of HACCP experts in the Netherlands. In 2004 this National Board of Experts (NBE) created a foundation for certifying the health quality of foods (Stichting Certificatie Voedselveiligheid - SCV). The SCV is the governing body of the board of experts (and thus the owner of this PVS). Its main tasks consist of updating and improving the Dutch certification system.

HACCP (*Hazard Analysis and Critical Control Point*) is a risk analysis approach that is respected world-wide. As a general rule it is compulsory for businesses that process food products.

The *Codex Alimentarius*[13] recognises the HACCP as the standard method for hazard identification and risk management in the field of food safety. The criteria of the Dutch system are based on the 7 principles of the HACCP approach, as described in the *Codex Alimentarius* ALINORM. This PVS also relates to the processing of food products and it is a business-to-business (B-to-B) standard. The national board of Dutch HACCP experts published a 4th version of the standard in 2007. This version contains all of the main elements of the ISO 22000 standard.

In actual fact, there are **two kinds of certifications** for a health quality management system based on the HACCP approach:
   ▶   option A: certification of the management system;
   ▶   option B: certification of the process/product.

The GFSI[14] benchmarked option B of Dutch HACCP. The SCV does not perform any certification audits. Hence various accredited certification bodies pay the SCV for a licence to perform these certification audits.[15]

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[13]   The *Codex Alimentarius* is a collection of internationally recognised standards and laws on the processes, directives, and recommendations related to nutrition, food production, and food safety. The standards of the Codex are authoritative in the agri-food sector and most of the recommendations issued by it have been integrated in European and other legislation.

[14]   The standards may be downloaded for free at the following site: http://www.foodsafetymanagement.info/net-book.php?op=cms&pageid=2&pageid_up=0&nnl=english.

[15]   The complete list of certification bodies can be found at the following site: http://www.foodsafetymanagement.info/net-book.php?op=cms&pageid=52&pageid_up=0&nnl=english.

The **steps** for getting certified to a PVS are generally the following:

1. Choosing the standard best adapted to the activity in question.
2. Ordering/downloading the currently valid version of the standard.
3. Diagnosing the level of compliance with the requirements of the standard.
4. Implementing the changes (infrastructures, procedures, documentation, etc.) needed to comply with the requirements of the standard.
5. Choosing a certification body (proposal, decision, and signing the contract).
6. Establishing the date, time, and scope of the audit.
7. Optional: performing a pre-audit.
8. Performance of the audit on site on the scheduled date by an auditor qualified for the category of the corresponding product.

The Food Safety System Certification 22000 is a "B-to-B" PVS for food safety management systems that is based on the food safety management standard ISO 22000: 2005, "Requirements for all organisations involved in the food supply chain" and on the Publicly Available Specification of the British Standards Institution 220: 2008 "Prerequisite programmes for food safety in food manufacturing (BSI PAS 220: 2008)."

The Publicly Available Specification 220 of the British Standards Institution (BSI PAS 220) is a document designed as an aid in implementing the ISO 22000 standard. The latter expressly requires the implementation of a prerequisite programme (PRP)[16] and provides a list of headings to consider, but without specifically stating what the PRPs should encompass. The PAS 220 lists these PRPs for food and food ingredient manufacturing processes.

The idea is for all sectors to use ISO 22000 as a generic standard for food safety management systems and for the documents specific to each sector to cover each other's needs.

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[16] Prerequisite programme (PRP): basic conditions and actions needed to maintain a hygienic, environment throughout the food supply chain that is suitable for the production, handling, and provision of finished products and foods that are safe for human consumption (ISO 22000), http://www.iso.org/iso/fr/22000_implementation_ims_06_03.pdf.

ISO 22000:2005[17] specifies the requirements for a food safety management system in the food supply chain when an organisation needs to attest to its ability to manage the hazards linked to food safety, in order to guarantee that the food is safe for human consumption.

It applies to all organisations involved in some aspect of the food supply chain, regardless of their size, and aims to implement systems for ensuring the provision of safe products at all times. The means for satisfying all of the requirements of this international standard can be implemented with internal and/or external resources.

ISO 22000:2005 defines the requirements for enabling an organisation to:
▶ design, implement, operate, maintain, and update a food safety management system intended to provide products that, when used as approved, are safe for the consumer;
▶ demonstrate its compliance with the legal and regulatory requirements applicable to food safety;
▶ evaluate and perceive customer demands, demonstrate compliance with the requirements relative to food safety established in cooperation with customers in order to improve customer satisfaction;
▶ establish effective communication about issues related to food safety with its suppliers, its customers, and other stakeholders in the food supply chain;
▶ guarantee compliance with its stated food safety policy;
▶ demonstrate this compliance to stakeholders;
▶ have its food safety management system certified by/registered with an external body, or perform a self-evaluation/self-declaration of compliance with ISO 22000:2005.

The **Synergy 22000** private standard is also based on the ISO 22000 standard, to which may be added:
- either the ISO TS 22002-1 technical specification (PRP for food safety) for the manufacture of foods,
- or the PRP 22000 (Synergy) for all steps of the food supply chain.

In contrast to the FSSC 22000 private standard, the combination of the ISO 22000 and PRP 22000 standards is thus applicable to the entire food supply chain and to the activities in connection thereto (from primary production, warehousing, shipping, and processing to distribution). The combination of the ISO 22000 and PRP 22000 standards is solely applicable to the food industry (processing – manufacture).

The FSSC 22000 PVS therefore involves using the existing certification standards (ISO 22000, PAS 220, and ISO 22003), and the certification is then accredited under ISO Guide 17021.[18]

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[17] http://www.iso.org/iso/fr/iso_catalogue/catalogue_tc/catalogue_detail.htm?csnumber=35466.
[18] The complete list of certification bodies can be found at the following Website: http://www.foodsafetymanagement.info/

This PVS relates to the food product processing phase, and manufacturers already certified to the ISO 22000 standard will have to undergo an additional inspection in accordance with the BSI PAS 220 specification in order to satisfy the conditions of this certification program.

In actual fact, it was the **Confederation of** the Food and Drink Industries of the **EU (best known by its French acronym CIAA**) that took the initiative to develop a technical specification in the food product manufacturing area. The objective of the programme is to harmonise the certification requirements and methods for management systems related to food safety in the food supply chain, as well as to ensure that reliable food safety certificates that are comparable in terms of both contents and scope of application are issued. The SCV Foundation (*Stichting Certificatie Voedselveiligheid*) was commissioned by the CIAA to conduct the programme.[19]

The members of the German federation of retail distributors (*Hauptverband des Deutschen Einzelhandels* (HDE)) and those of its French counterpart (*Fédération des Entreprises du Commerce et de la Distribution* (FCD)) have created a safety and quality standard for brand name food products. This standard is known as the International Food Standard (IFS), and its purpose is to provide a uniform approach as a basis for evaluating the quality and safety levels of suppliers of food products. This B-to-B PVS is applicable to all of the food product processing steps subsequent to primary production.

During the course of the years 2005/2006, the Italian federation of distributors also became interested in the International Food Standard. The new version of the IFS Food standard, version 5, was drawn up jointly between three federations of distributors from Germany, France and Italy.[20]

The primary objectives of the IFS are:
1. to establish a common standard with a uniform system of evaluation;
2. to work with accredited certification bodies and qualified auditors;
3. to ensure transparency and the possibility of comparisons along the entire supply chain;
4. to cut back on the costs of audits and the time it takes to perform them for both distributors and suppliers.

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[19] The SCV created the FSSC 22000 private standard and is the legal owner thereof. It must furthermore establish licence agreements for the certification bodies. The ISO 22000 international standard and the PAS 220 are available upon request from the ISO and/or the BSI and they may be used jointly with the additional FSSC 22000 requirements. The latter are part of the FSSC 22000 programme and can be downloaded free of charge from the site www.fssc22000.com. A list of the PAS 220 requirements can be found in the FSSC 22000 programme documents and in other sources, and the auditing and notification of these conditions is required in the scope of each audit.

[20] A list of distributors using the IFS is available at the following Website: http://www.ifs-certification.com/index.php?SID=5440440e08f32970144c0ed1e78b40c1&page=home&content=public_content&desc=trader_support&bid=2.

IFS Food[21] applies:

- to the processing and/or
- to the handling of unpackaged/bulk products and/or
- to the initial packaging activities.

The following information and options are available on the website www.ifs-online.eu:
▶ general information about the IFS;
▶ list of all of the certification bodies accredited for IFS on the European and international level, including the countries in which they have offices;
▶ online shop for purchasing the various IFS standards;
▶ online contact form for contacting the IFS offices in Paris or Berlin.

▶ The secure data base[22] of the audit portal contains:
▶ the list of audited businesses
▶ the audit briefs, audit reports, and action plans of the audited businesses.[23]

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[21] The IFS Food standard consists of the following 4 major parts:

Part 1: Audit protocol (conduct of the audit, length of the audit, the different steps ranging from the audit itself to issuing of the certificate, etc.).

Part 2: Technical requirements. The check list contains 250 requirements relative to the following: responsibilities of the management, quality management system, resource management, manufacturing process, measurements, analyses, improvements

Part 3: Requirements for accreditation bodies, certification bodies, and auditors

Part 4: Audit report (sample report, certificate, etc.).

Although most of the certificates are issued in Europe, the number of IFS certificates is increasing world-wide owing to the internationalisation of products marketed by European distributors. The IFS (French, English, German) is available on the organisation's Website for a price of €39.

[22] All distributors who recognise and utilise the IFS may access this database. IFS-certified businesses are systematically granted access to this database as soon as their audit data are downloaded in the database by the certification bodies.

[23] All audits that lead to an IFS certification are recorded in the database, but only the names and addresses of the businesses are published. The audited company can then chose, on a selective and individual basis, if it wishes to provide its customers (retail and wholesale distributors, other industries, etc.) with more information. Otherwise this information remains strictly confidential.

The Safe Quality Food Institute (SQFI) is part of the Food Marketing Institute (FMI), an American interprofessional society composed of 1500 retail and wholesale distributors that manages various programmes related to regulations, health quality, and research and education on behalf of its members.

SQFI is the only organisation within the GFSI to propose B-to-B private standards that not only cover the production (SQF 1000) and processing (SQF 2000) phases but also enable a certification of the intrinsic quality of the product (level 3).

The SQF 1000 and 2000 private standards are divided into three levels of certifications. Each level indicates the progress of the system for managing the health quality (and the intrinsic quality) of the business:

▸ Level 1: Fundamentals of health quality

▸ Level 2: HACCP-certified health quality management programmes

▸ Level 3: Quality and health quality management systems

- **Level 1: Fundamentals of health quality:** Level 1 relates to the general requirements for all health quality management systems. The business must implement prerequisite programmes that include the fundamental procedures of food health quality control. This level is sufficient for low risk products.

- **Level 2: HACCP-certified health quality management programmes:** Level 2 requires the business to document a risk analysis based on the HACCP approach for the products and procedures concerned and to establish an action plan for preventing, reducing, and eliminating these risks. This level is the minimum level of certification required for high risk products. Examples of products considered as high risk include fresh products (fruits and vegetables) and fish.

- **Level 3: Quality and health quality management systems:** Certifications for levels 1 and 2 are compulsory for achieving level 3 certification.

Like the organisations behind the other private voluntary standards benchmarked by GFSI, SQFI does not perform certification audits. That task is delegated to a group of accredited certification bodies. It is highly recommended that businesses wishing to become certified always prepare by performing a series of internal audits[24].

Ethics module

The SQFI launched an ethics module as a supplement to the SQF 1000 and 2000 standards. The implementation of this module in a business is voluntary. Nevertheless, once a business has undertaken to observe and implement this ethics module, it must observe all of the requirements. The ethics module focuses on requirements relating to providing decent working conditions for employees and environmental stewardship. Observance of the regulatory framework in these two areas is a priority. The goal is not to replace the existing private voluntary "ethics" standards such as SA8000 or BSCI, but instead to prepare businesses for eventual compliance with these more stringent standards. Besides, the SQFI ethics module is based on a set of "ethics" standards:

- Social Accountability Standard 8000 (SA 8000)
- The code of conduct of the Business Social Compliance Initiative (BSCI – March 2004)
- The code of conduct for socially responsible sourcing (ethical sourcing code) (SQF, 2nd edition, 2001)
- The environmental module of the Global Social Compliance Program (GSCP – draft)
- The reference code of the Global Social Compliance Program (version 1, June 2007)

GLOBALG.A.P.

EUREPG.A.P. was created in 1997 as the result of an initiative by major retail chains involved in the Euro-Retailer Produce (EUREP) working group. British retailers in conjunction with continental European supermarkets were the driving forces behind this initiative. In response to the growing concerns of consumers about product safety and environmental and labour standards, they decided to harmonise their own, often very different standards.

In order to make the name EUREPG.A.P. synonymous with the project for establishing the international pre-eminence of the GAP standard, and to avoid any confusion with the growing number of players from the public sector and civil society, it was decided to change the EUREPG.A.P. trademark to GLOBALG.A.P.

GLOBALG.A.P. is thus a private sector[25] organisation that defines the certification standards for agricultural products everywhere in the world.[26] **The purpose is to**

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[24] The standards are available free of charge at the following Website: http://www.sqfi.com/standards/. The SQFI also provides a set of documents to help businesses become compliant with the standard(s).

[25] The list of GLOBALG.A.P. members is available at the following Website: http://www.globalgap.org/cms/front_content.php?idcat=4.

establish a standard for "Good Agricultural Practice" with different applications for each product, but nevertheless adaptable to agriculture world-wide.

GLOBALG.A.P. is a so-called *pre-farm gate* standard, meaning that the certificate covers the entire process chain of the certified product **from planting (young plants) and all other agricultural activities to the time that the product leaves the farm**.

GLOBALG.A.P., like the others, is a B-to-B private standard and is therefore not directly visible to the consumers. GLOBALG.A.P. certification is conducted by around a hundred independent certification bodies accredited in more than 180 countries.[27]

GLOBALG.A.P. consists of a set of normative documents encompassing the General GLOBALG.A.P. Regulations, the GLOBALG.A.P. Control Points and Compliance Criteria, and the GLOBALG.A.P. Check List.[28]

❏ **Benchmarking**

Because numerous other internal quality assurance systems had been in place in agricultural operations for some time prior to the existence of GLOBALG.A.P., it proved necessary to encourage the development of management systems adapted to the regional level and thus spare farmers from having to undergo multiple audits. Existing national or regional farm assurance schemes that have been successfully benchmarked are recognised as being equivalent to GLOBALG.A.P.

The owners of Good Agricultural Practice (G.A.P.) standards world-wide can try to prove their equivalence to GLOBALG.A.P. by an independent benchmarking procedure.

The GLOBALG.A.P. benchmarking procedure can be compared to a filter system that qualifies and harmonises the different standards in the world. Part of this procedure consists of a peer review among the members, wherein the latter have a six week period to express any objections.[29]

Kenya-GAP®
A standard for safe horticultural produce

Kenya-GAP is a good agricultural practices standard derived from the code of practice of the Fresh Produce Exporters Association of Kenya (FPEAK). It has been in existence since 1995. Kenya-GAP® International was benchmarked to the GLOBALG.A.P. standard in order to enhance international recognition. Kenya-GAP® National/Regional was adapted so that it would integrate more effectively with local and regional market

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[26] It is supported by FoodPLUS GmbH, a non-profit limited liability corporation domiciled in Cologne, Germany.

[27] The list of approved certification bodies is available at the following Website: http://www.globalgap.org/cms/front_content.php?idart=86&idcat=71&lang=1&client=1.

[28] All of these documents are available on the GLOBALG.A.P. Website. Version 4.0 of the standard is the most recent one and it shall be compulsory as of January 2012.

[29] This link http://www.globalgap.org/cms/front_content.php?idcat=62, allows a consultation of the standards that have completed the entire benchmarking procedure employed by the accredited certification bodies. All of these standards are recognised as equivalent to GLOBALG.A.P.

conditions. The purpose of this PVS is to initiate effective health quality management based on the HACCP approach in packaging/processing plants.

❑ **National interpretation guideline and national technical working groups**

GLOBALG.A.P. has started linking world-wide implementation activities more closely with the local needs of producers. More and more national technical working groups (NTWG) are being created to achieve this objective. Their role is to develop a set of guidelines for national interpretation and for responding to specific challenges in local adaptation and implementation.

National technical working groups are voluntarily established by GLOBALG.A.P. members in countries where there is a need for clarification of GLOBALG.A.P. implementation on the local level. A number of NTWGs have been established in Africa (Senegal, Ivory Coast, Ghana, Tanzania, Kenya, and Uganda), in some cases with PIP and NRI support.

The guidelines developed by these groups are published on the GLOBALG.A.P. Website.[30] Organisations, businesses, etc. that comply with them are entitled to a conventional GLOBALG.A.P. certification.

These adaptation dynamics could eventually extend beyond the GLOBALG.A.P. standard to include other private standards as well, such as ones covering social and/or environmental issues. Private standards have often been characterised as Eurocentric and not sufficiently adapted to the local realities confronting horticultural businesses in African, Caribbean, and Pacific countries. Officially recognised adaptation efforts could thus be a way to remedy these problems.

There are several ways to get certified to this PVS:
▶ via the unmodified GLOBALG.A.P. standard;
▶ via a benchmarked standard;
▶ via the basic standard, but with certain criteria adapted to local conditions.

❑ **Smallholders**

For structural reasons, smallholders often face much greater difficulties in complying with the requirements of this VPS. GLOBALG.A.P. has therefore taken three approaches to facilitate market access for smallholders:

1. **Group certification**
   Smallholders can form a group and obtain a joint certification (Option 2). This enables them to lower external certification costs such as inspection and general fees substantially. Moreover, a large number of essential conditions for obtaining GLOBALG.A.P. certification (e.g., pesticide inspections) can be centralised, thus enabling producer groups to benefit to a greater degree. The group structures also make it easier to advise farmers on how to apply the standard. The pressure that the group imposes on its members motivates them to comply with the requirements. The use of the Quality Management System

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[30] http://www.globalgap.org/cms/front_content.php?idcat=21.

forms an integral part of the group, as a global non-compliance according to the QMS will negatively affect the certification result for the group as a whole.

2. Manual for smallholders

GLOBALG.A.P. has developed a manual for smallholders jointly with the German Society for Technical Cooperation (*Deutsche Gesellschaft für Technische Zusammenarbeit* (GTZ)) and the Society for Resource Protection (*Gesellschaft für Ressourcenschutz* (GfRS)),.

3. Opportunities for input

GLOBALG.A.P. wishes to take the needs of smallholders into account in the future application and improvement of the standard. Smallholders thus have several options for systematic input. In May 2007, GLOBALG.A.P. launched the **Africa Observer/Smallholder Ambassador Project** and **Smallholder** Task Force**, with** GTZ and DFID funding. The goal of this project is to convey the input of smallholders to the Sector Committees.

❒ **Versions 3.1 and 4.0**

Version 4 of the standard on the French sustainable agriculture system (*système raisonné d'agriculture et d'élevage*) was completed after 4 years of work. This version has been usable since January 2011, and starting in January 2012 it will be mandatory. Several parts of the standard underwent substantial modifications, with the underlying goal of simplifying implementation and focusing more on the environmental aspects (particularly management of water resources). A point of interest concerns the reduction of the number of audits for businesses that consistently demonstrate good compliance with this VPS over the years.

GLOBALG.A.P. is a private standard relating to the health quality of foods, and it now covers the social and environmental aspects of agricultural production as well. The "sustainable" aspects of agricultural production have now been placed on an equal footing with the "health quality" aspects.

❒ **GLOBALG.A.P. Risk Assessment on Social Practice (GRASP)**

Like SQF, GLOBALG.A.P. launched an ethics module as a supplement to the standard on the health quality of foods. GRASP, or risk assessment on social practices, is a voluntary standard for businesses. The audit for verifying the compliance of the business with the 11 control points can be performed concurrently with the "health quality" audit.

Nevertheless, the auditor must have had **specific training** in order to be able to work with the GRASP module. Furthermore, the GRASP module is only applicable in countries that have developed interpretation guidelines adapted to the local conditions. Lastly, the GRASP module obviously only applies to GLOBALG.A.P. certified businesses.

> **The 11 control points cover the following areas:**
> - Legal rights of employees
> - Communication channels
> - Written labour contracts
> - Legal status of employees
> - Children's rights
> - Working hours
> - Salaries and wages
> - Other social benefits

The main steps for developing a national interpretation guideline are the following:

1. In countries which already have a national technical working group (NTWG), this group will take charge of creating the guideline for the GRASP module. If there is no NTWG, any other organisation or group of stakeholders may take charge of developing these interpretations.

2. Preparation of a first version of the guideline.

3. Consultation with the various stakeholders.

4. Official approval of the guideline.

3.2. Sustainable development and societal responsibility

Besides the health quality of foods, a set of private voluntary standards covering social and environmental themes have come into being in response to increased demands for sustainability on the part of European consumers. Confronted with these new demands, the major retail chains have adopted a series of initiatives in the form of private voluntary standards, codes of conduct, and multiparty platforms clustered under their societal responsibility policies, with the aim of addressing the concerns of the European consumer.

As a result, an ACP producer/exporter of fruits and vegetables is nowadays confronted with a multitude of terms and concepts associated with and/or defining these initiatives: fair trade, ethical production, social responsibility, sustainable development, carbon footprint, life cycle analysis, etc. The main purpose of this section will be to provide more clarification regarding these different concepts and to describe briefly a set of sustainable development initiatives.

In contrast to the health quality of foods, European authorities have not made any regulations concerning these issues and are therefore leaving it up to the private sector and civil society to make the rules.

❐ **Sustainable development**

According to a commonly accepted definition, sustainable development is "development that responds to the needs of the present generation without compromising the capacity

of future generations to respond to their own needs".[31] Sustainable development can also be described as development resulting from the balance of interactions among three pillars:

- ▶ **the environment**
- ▶ **the economy**
- ▶ **the social sphere**

This second way of perceiving sustainable development in no way contradicts the first definition. In the business world, it often translates as the adoption of the "3p" philosophy: People, Planet, Profit. The purpose of sustainable development is to ensure sustainability on all levels of society. Consequently, it is not uncommon for the sustainability of an organisation (or even an industry) taken individually to be contradictory to the aspirations of society.

For a business, the concept of "sustainable development" translates to its corporate social responsibility policy (social conscience).

Global Reporting Initiative[32]

The Global Reporting Initiative (GRI) was created in 1997 by the Coalition for Environmentally Responsible Economies (CERES) in the United States. Up until 2002 the GRI was a project under the auspices of the United Nations Environment Program (UNEP). It is now an independent organisation.

In actual fact, it is an international, multiparty initiative in which businesses, NGOs, consulting firms, universities, etc. participate.

The GRI is based on guidelines for helping businesses report on their economic, social, and environmental performances. 11 principles and 79 indicators are followed for doing so.

The purpose of the Guidelines is to provide businesses with a "triple approach" global framework for publishing sustainable development reports. The Guidelines are used in parallel with instruments of societal responsibility such as codes of conduct and management systems, and they provide ways of describing the performances of the latter.

❑ **Societal responsibility[33]**

The term "social responsibility" entered everyday language in the early 1970s, although the concept has been in use since the 19th century among various organisations and governments. Social responsibility concerns all types of organisations and not just businesses, and its ultimate objective is to contribute to sustainable development. This

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[31] See the **Report** of the World Commission on Environment and Development: Our Common Future (Brundtland Report), les Editions du Fleuve, 1987.

[32] http://www.globalreporting.org/AboutGRI/WhatIsGRI/.

[33] As defined in ISO 26000.

explains why diverse stakeholders who participated in the drafting of the ISO 26000 standard (on social responsibility) are now talking about "societal responsibility" and not just "corporate social responsibility (CSR)" (which limits the scope of application to the social aspects). Societal responsibility was initially centred around activities of a philanthropic nature (charity). Increased attention to human rights, the environment, consumer protection, and the fight against corruption, however, has resulted in the progressive inclusion of these topics in the social responsibility policies of diverse organisations.

International Standard Organisation

The ISO 26000:2010 "Guidance on societal responsibility" standard defines the societal responsibility of organisations as an organisation assuming responsibility for the impact of its decisions and activities on society and the environment through transparent and ethical conduct that:

  ▶ contributes to the sustainable development, health, and well-being of all of society;
  ▶ takes the expectations of the stakeholders into account;
  ▶ is compliant with the laws in effect and with the international standards of conduct;
  ▶ is an integral part of the entire organisation and practised in all of its relationships.

Several underlying reasons are cited in the standard to explain this increased focus on the societal responsibility policies of various types of organisations.

Globalisation and the consequences thereof in terms of mobility and access to information enable both individuals and organisations to measure the world-wide impact of certain decisions and activities almost instantaneously. The global nature of certain challenges such as the environment, health, poverty, and economic interdependence often compels organisations to consider certain elements beyond their immediate surroundings.

Moreover, the creation and adoption of a series of instruments/conventions such as the **Rio Declaration** on **Environment and** Development, the United Nations Millennium Development Goals, the **Johannesburg Declaration** on **Sustainable Development**, and also the international standards of the International Labour Organisation (ILO) relating to fundamental principles and rights at work reinforce the global nature of the challenges with which organisations throughout the world are confronted.

In a non-exhaustive manner, these elements explain why society as a whole will only have greater expectations of all types of organisations in terms of societal responsibility.

The **ISO 26000:2010 standard**[34] provides guidelines for organisations of all types, regardless of their size or location. These guidelines relate to:

  ▪ the concepts, terms, and definitions related to societal responsibility;

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[34] http://www.iso.org/iso/fr/catalogue_detail?csnumber=42546.

- the origins, orientations, and characteristics of societal responsibility;
- the principles and practices of societal responsibility;
- the key issues and fields of activity of societal responsibility;
- the integration, establishment, and promotion of responsible conduct throughout the organisation, and in its sphere of influence via its policies and practices;
- the identification of stakeholders and dialogue with them;
- communication about the commitments, performances, and other information concerning societal responsibility.

The ISO 26000:2010 standard is about helping organisations contribute to sustainable development. It aims to encourage organisations to go beyond mere observance of the law, all the while realising that respecting the law is a fundamental duty of every organisation and an essential component of its societal responsibility. The standard is about fostering a common understanding in the area of societal responsibility and supplementing, rather than replacing, other societal responsibility instruments and initiatives.

When applying the ISO 26000:2010 standard, it is recommended that the organisation give due consideration to the societal, environmental, legal, cultural, and political differences and to the diversity of the organisations, as well as to the differences in economic conditions, in keeping with the international standards of conduct.

An organisation cannot get "certified" to this PVS, but can only follow the recommendations and guidelines mentioned therein.

The Global Compact[35]

Launched in January 2000 on the occasion of the World Economic Forum and proposed by the then Secretary General of the United Nations Kofi Annan, the Global Compact is dedicated to promoting corporate civic responsibility so that the business world can participate in the search for solutions to the problems posed by globalisation. Today, hundreds of businesses from all regions of the world as well as international labour and civil society organisations participate in it.

The Global Compact is a voluntary initiative of responsible businesses, with which two complementary objectives are associated:
- integrating the Global Compact and its principles in corporate strategy and corporate activities;
- encouraging cooperation among key interested parties and promoting partnerships to support the goals pursued by the UN.

The Global Compact is not a regulatory instrument. Its purpose is not to sanction, dictate, or assess corporate conduct or actions. Instead the Global Compact relies on

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[35] http://www.unglobalcompact.org/Languages/french/francais1.html.

responsibility to the public, transparency, and the long term interests of corporations, the world of work, and civil society for launching concrete and joint actions according to the principles set forth therein.

The Global Compact thus asks businesses to adopt, support, and apply a set of fundamental values in their sphere of influence, in the areas of human rights, labour and environmental standards, and the fight against corruption. To put it another way, it is only in the areas that concern them that actual changes are asked of businesses.

The 10 principles:[36]

- **Human rights**

Businesses are asked to:
1. promote and respect the protection of human rights established by international law in their sphere of influence;
2. make sure that their own companies are not implicated in human rights violations.

- **Rights at work**

Businesses are asked to:
3. respect the freedom of association and recognise the right to collective bargaining;
4. eliminate all forms of forced or compulsory labour;
5. effectively abolish child labour;
6. eliminate discrimination in jobs and employment.

- **Environment**

Businesses are asked to:
7. take a precautionary approach towards problems affecting the environment;
8. undertake initiatives tending to promote more environmental stewardship;
9. encourage the upgrading and widespread adoption of green technologies.

- **Fight against corruption**

Businesses are asked to:
10. take an active stance against all forms of corruption, including extortion and bribery.

One way a business can establish its societal responsibility policy is by adopting private voluntary standards covering various different issues or by participating in an initiative like

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[36] The 10 principles of the Compact are derived from the following instruments:
- **Universal Declaration of Human Rights**;
- **ILO** Declaration on Fundamental Principles and Rights at Work;
- Rio Declaration on Environment and Development;
- **United Nations Convention against Corruption**.

the Global Compact. These private voluntary standards are B-to-B or B-to-C and hence are sometimes accompanied by a label on the final product. As a general rule they originate from civil society.

❒ **Ethical production or trade**

During the 1990s, a series of media campaigns denounced the deplorable working conditions to which the employees of certain large multinational concerns were subjected, especially in the agri-food and textile industries. **Consumer groups** in many western countries **then took it upon themselves** to pressure certain large companies, convincing them to adopt codes of conduct compelling them to ensure decent working conditions for their employees everywhere in the world. In order to compel their suppliers to respect these new requirements and to establish the credibility of their initiatives in the eyes of the general public, businesses began organising first, second, and third party "social or ethical" audits.

Ethical production (or ethical trade) is oriented towards production conditions and towards corporate operating methods beyond that. In a distributor/producer relationship, it furthermore aims to ensure and to show the customers that the products offered for sale were produced under conditions compliant with the international labour standards set forth by the ILO,[37]., the Universal Declaration of Human Rights, and the United Nations Convention on the Rights of the Child (UNCRC). Ethical trade can also include requirements relating to the environmental conditions of production, although most so-called "ethical" initiatives tend to focus more on labour conditions.

Hence ethical production does not directly relate to production, but instead to corporate operating methods and moral values, for example: employee rights, child labour, fair pay. Ethics certification thus focuses on the production process and not the product itself, hence the term "ethical production" and the categorisation of these private voluntary standards as procedural rather than product standards.

"More than 1.2 million workers are employed by 2100 entities certified to the SA8000 standard in 60 countries and in 67 industrial sectors."[38]

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[37] The International Labour Organisation (ILO) can be thought of as the only international body whose directives are to be considered as binding by the member states; some believe that the international community grants the authority to establish international labour standards to the International Labour Organisation, which was created with this in mind. In fact it is the triparty structure of the ILO, which involves representatives who are both employers and workers as well as governments and to which is added the technical expertise of the organisation in all of the areas concerning the world of work, that gives the ILO the status of a legitimate and authoritative source for the international labour standards. PIP Manuel 11: Ethical Production.

[38] http://www.sa-intl.org/

2.6. Main private standards

Social Accountability International (SAI) is a multi-stakeholder NGO. Its main objective is to improve working conditions and the conditions of local communities by developing and implementing social responsibility codes for all types of organisations. In 1997, SAI launched "Social Accountability 8000 (SA 8000)", an auditable PVS serving as a third party verification system and defining workplace requirements. Submission to these requirements by employers is voluntary, and they relate in particular to workers' rights, working conditions, and management systems. The normative elements of this standard are based on national legislation, international human and children's rights standards, and ILO conventions.

The SA 8000 standard is considered to be the first international reference standard on the rights and respect of the individual at work.

The SA 8000[39] standard comprises requirements relating to 9 categories:

1. Child labour:
2. Forced and compulsory labour
3. Hygiene and safety
4. Freedom of association and the right to collective bargaining
5. Discrimination
6. Disciplinary practices
7. Working hours
8. Remuneration
9. Management systems

An entity wishing to become SA 8000 certified must be audited by an SAAS[40] (Social Accountability Accreditation Services) accredited agency. No label is affixed to the product produced by an SA 8000 certified entity (B-to-B). The certification focuses on the production, processing, and distribution phases.

As with any certification to a PVS, there are 4 major cost items for the business:[41]
▸ Costs linked to compliance with the standard (preventive and corrective actions);
▸ Costs of preparing for the audit;
▸ The costs of the certification audit conducted by an accredited third party;
▸ Depending on the case, the costs associated with implementing corrective measures to resolve any non-compliances detected during the audit.

The costs generally depend on the number of employees in the entity being certified, the country in which the entity is domiciled, and the auditor's travel time.

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[39] The standard is available free of charge from the following Website: http://www.sa-intl.org/_data/n_0001/resources/live/2008StdFrench.pdf

[40] The list of SAAS accredited agencies is available on the following Website: http://www.saasaccreditation.org/accredcertbodies.htm

[41] http://www.sa-intl.org/index.cfm?fuseaction=Page.viewPage&pageId=472

2.6. Main private standards   **31**

In 1998, a group of British businesses, NGOs, and trade unions came up with a new approach to protecting workers' rights across all industrial sectors (from tea to textiles, from horticulture to footballs). The objective back then was to create an alliance of organisations that would work together to define how businesses must implement their labour codes in a manner that is both credible and maximises the positive impacts on all of their workers.

The first businesses to join the *Ethical Trading Initiative*[42] (ETI) were ASDA, Premier Brands, The Body Shop, Littlewoods, and Sainsbury's. Today, more than 50 businesses[43] are members of the ETI. These multinational corporations buy from 38,000 suppliers and employ more than 8 million workers throughout the world. The initiative is open to all businesses, although it is understood that the smallest among them will presumably encounter some difficulties in dedicating enough resources to fulfil the obligations that affiliation entails.

All affiliated business must, however, adopt the basic labour practices code of the ETI, which is based on ILO conventions.

The ETI Code of Conduct defines **9 basic principles**:[44]
1. The free choice of employment;
2. Respect of the freedom of association and the right to collective bargaining;
3. Labour conditions must respect health and safety rules;
4. The ban on child labour;
5. Payment of a minimum wage;
6. Reasonable work hours;
7. No discriminatory practices;
8. Provision of regular employment;
9. The ban on resorting to harsh or inhumane treatment.

The principles of the code constitute *minimum* rather than maximum requirements for businesses. Just because a business adopts this code does not mean that it cannot do more than what is stated in the principles set forth above. Businesses are obviously also expected to obey national laws and any other laws in effect. When the laws and the ETI Code of Conduct cover the same subject, businesses must apply the clause that procures the best protection for the workers.

This code is accompanied by a number of principles of implementation[45] for businesses, namely: a true commitment by the business to ethical trade (production), a genuine

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[42] http://www.ethicaltrade.org/about-eti

[43] A complete list of the various categories of members (businesses, NGO, trade unions) is available at the following Website: http://www.ethicaltrade.org/about-eti/our-members.

[44] The code of conduct is available at the following Website: http://www.ethicaltrade.org/sites/default/files/resources/ETI%20Base%20code%20-%20French.pdf

integration of ethical trade in corporate culture and practices, building the capacities of their suppliers and other stakeholders, the systematic identification of problems along the supply chain, the adoption of measures for improvement and, lastly, transparency in reporting.

The secretariat of the ETI, jointly with the trade union and civil society members, makes random visits every year to at least 20% of the member businesses. The purpose of these visits is to verify that the business has implemented adequate procedures and management systems for gathering the data needed for annual reporting.

The ETI, as its name indicates, is more of an initiative than a PVS. This multiparty initiative has established a non-certifiable code of conduct that is not accompanied by a label on the final product (B-to-B).

A non-profit organisation, the **Business Social Compliance Initiative** (BSCI)[46] is legally dependent on the Foreign Trade Association (FTA) and was created in 2003. The BSCI came into being as a result of the desire of a number of European businesses to harmonise and more coherency among their codes of conduct and verification systems.

The BSCI offers member businesses a common management system for improving working conditions along their supply chains world-wide. Like the ETI, the BSCI created a code of conduct for doing this.[47]

In common with standard conventions, standards, and other international declarations on labour law and human, children's, and women's rights, the objective of the BSCI code of conduct is to enable businesses to become compliant with certain social and environmental standards. By adhering to the BSCI code of conduct, companies undertake to recognise, within their sphere of influence, the social and environmental standards set forth in the code and to take suitable measures in their company policy for ensuring the implementation and observance of these standards.

Furthermore, the suppliers must ensure that the code of conduct is also observed by subcontractors involved in the production processes and final manufacturing phases carried out on behalf of BSCI members.

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[45] The principles of implementation are available at the following Website: http://www.ethicaltrade.org/sites/default/files/resources/Principles%20of%20Implementation,%20ENG.pdf

[46] http://www.bsci-intl.org/about-bsci

[47] The code of conduct is available at the following Website : http://www.bsci-intl.org/resources/public-resources. There are two ways of joining: either as an ordinary member or as an associate member. Ordinary members are retailers, brand name companies, and also the merchants and manufacturers in non-risk countries actively participating in auditing suppliers and integrating them in the auditing program, and in building the capacities of the BSCI. Associate members are all companies, societies, and parties interested, but not actively involved in the process. They are not part of the logistics chain. In order to be eligible to join, a company must have a minimum business volume of 500,000 euros.

2.6. Main private standards   **33**

Depending on their options for action and suitable measures to adopt, these suppliers are obligated to adopt the following criteria for a developmental approach[48] :

1. Observance of laws
2. Rights to freedom of association and collective bargaining
3. Ban on discrimination
4. Salaries
5. Work hours
6. Health and safety in the workplace
7. Ban on all abusive forms of child labour
8. Ban on all forms of forced and compulsory labour
9. Problems linked to the environment and safety

The BSCI provides its members with a series of recommendations and auditing tools for implementing this code of conduct. Only SAAS (Social Accountability Accreditation Services)[49] accredited agencies may perform BSCI audits.

Like the ETI, the BSCI encourages businesses to do more than what is required by the code of conduct and to comply with what the BSCI considers to be the best practice in the sector, namely the SA 8000 private voluntary standard. Unlike the SA 8000 and the ETI, the BSCI includes an environmental stewardship principle (no. 9) in its code of conduct. Like the ETI and the SA 8000, however, there is no label on the final product (B-to-B). The BSCI provides businesses with a framework and a harmonised approach for managing their auditing procedures in order to ensure that the results of the audits conducted by different businesses are comparable with each other.

SEDEX[50] (*Supplier Ethical Data Exchange*) is a membership organisation for businesses committed to continuous improvement of the ethical performance of their production-distribution chains. SEDEX is a non-profit organisation. It was created in 2001 by a group of British retailers and their main suppliers. These businesses all saw the

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[48]   The BSCI is cognisant of the fact that many suppliers experience inherent difficulties in implementing the code. Consequently, the BSCI advocates a step-by-step approach and does not require member businesses to cease all dealings with suppliers that may not be in complete compliance with the code. However, the BSCI does insist that these member businesses support their suppliers in their efforts to become compliant through training and capacity building activities.

[49]   A list of these agencies is available at the following Website: http://www.bsci-intl.org/resources/links

[50]   http://www.sedex.org.uk/sedex/go.asp?u=/Website/Home&pm=6&location=About.

need to collaborate and harmonise their ethical standards and audits. Hence the goals of SEDEX are:

▸ to reduce the number of ethical audits that big name suppliers must undergo;
▸ to actually improve the standards relating to working conditions.

SEDEX membership is now open to all companies regardless of their geographic location[51]. In practice, SEDEX provides companies with a database enabling them to store and exchange information and audits of an ethical nature.

SMETA[52] is the acronym for SEDEX Members Ethical Trade Audit. It consists of three elements: a common guideline for the best auditing practices applicable to ethical trade, a common format for corrective action plans, a common format for audit reports.

The SMETA guidelines and report formats were developed by the group of auditors associated with SEDEX in response to demands by members, who wanted an ethics report format that facilitated exchange as well as greater transparency regarding the qualifications and practices of auditors. SMETA spares businesses the unnecessary effort of having to produce redundant ethical auditing reports. SMETA is not a new code of conduct, nor is it a regulatory standard for audits. Instead it is a 0000compilation of best practices in terms of ethics auditing techniques. The results of the audits are then used to build the SEDEX database.

SEDEX differs from the 3 other ethical initiatives studied thus far. It is neither a standard nor a code of conduct, but a tool for businesses and a set of good auditing practices.

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[51] The list of members is available at the following Website:
http://www.sedex.org.uk/sedex/go.asp?u=/Website/Home&pm=6&location=List.

[52] The SMETA documents are available at the following Website:
http://www.sedex.org.uk/sedex/go.asp?u=/Website/Home&pm=6&location=Smeta.

2.6. Main private standards   **35**

The ***Occupational Health and Safety Assessment Series (OHSAS) 18001 and 18002*** consists of a standard with the objective of establishing a rigorous occupational health and safety management system in a business (safety management).

Globally, this **standard developed by the private sector** aims to unify, on the international level, the various existing standards[53] in this area.

OHSAS 18001 certification ensures that the certified business has implemented an occupational health and safety management system.

It is based on identification and management of risks linked to facilities, products, and manufacturing processes. It requires continuous auditing to verify that constant effort is being made to improve the safety of working conditions.

It consists of **two texts**:[54] **OHSAS 18001** (Occupational health and safety management) and **OHSAS 18002** (Implementation guide, which defines the rules for occupational health and safety management).

00An audit is performed by a licensed body and if the inspection is passed, it issues a certificate attesting to the compliance of the safety system of the business with OHSAS 18001 requirements.

Again, this standard is a business-to-business (B-to-B) standard. Whereas the other initiatives cover several issues, however, this standard focuses on just one: health and safety at work.

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[53] BS8800:1996 Guide to occupational health and safety management systems - DNV Standard for Certification of Occupational Health and Safety Management Systems(OHSMS):1997 - Technical Report NPR 5001: 1997 Guide to an occupational health and safety management system - Draft LRQA SMS 8800 Health & safety management systems assessment criteria - SGS & ISMOL ISA 2000:1997 Requirements for Safety and Health Management Systems - BVQI SafetyCert: Occupational Safety and Health Management Standard - Draft AS/NZ 4801 Occupational health and safety management systems Specification with guidance for use - Draft BSI PAS 088 Occupational health and safety management systems - UNE 81900 series of pre-standards on the Prevention of occupational risks - Draft NSAI SR 320 Recommendation for an Occupational Health and Safety (OH and S) Management System.

[54] A toolkit containing a set of documents relating to the standard can be purchased online at the following Website for a price of 395 USD: http://www.ohsas-18001-occupational-health-and-safety.com/ohsas-18001-kit.htm.

Global Social Compliance Programme

The ethics initiatives analysed thus far (and the list is not exhaustive) often cover the same control points and all of them share the ultimate goal of improving working conditions throughout the diverse supply chains of businesses. Nevertheless, their individual specifications result in a divergence of approaches at certain points, which leads to a duplication of efforts to attain a common objective.

In order to initiate a process of harmonisation among these initiatives, several businesses have created the Global Social Compliance Program (GSCP).[55] The GSCP is managed by the Consumer Goods Forum, an independent society of retailers and producers of consumer goods.[56] The GSCP encourages and supports the existing systems by helping businesses to identify and exchange the best practices concerning working conditions and good environmental practices. The GSCP is not another monitoring program, nor is it intended to replace the existing initiatives previously described.

The GSCP has created a set of reference tools[57] that describe the best practices concerning ethics and environmental initiatives. This is to ensure that audits performed by businesses among their suppliers are mutually recognised. Businesses can integrate these tools as is (or partially) in their existing systems. They can also serve as standards for businesses wishing to compare their systems to these tools, or even revise them accordingly in order to ensure a certain degree of equivalence relative to the GSCP reference documents.

The GSCP should be seen as an initiative that serves as an "umbrella" for the other initiatives without replacing them. There are no provisions for auditing businesses for compliance with the various codes, although the GSCP did publish a document specifying the best auditing practices.

The GSCP is a B-to-B initiative and is comparable to a certain degree to the Global Food Safety Initiative (GFSI) (even though there is no formal benchmarking process for the existing private voluntary standards used by the GSCP as a basis for creating its reference documents).

❒ **Fair trade**

The fair trade initiative[58] came into being in the USA and in Europe during the years 1940 and 1950, respectively, as a result of efforts by religious (the Protestant Church) and non-

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[55] http://www.gscpnet.com/about-the-gscp/

[56] More than 650 businesses in 70 countries are members of the society.

[57] All of these tools can be downloaded from the following Website:
http://www.gscpnet.com/about-the-gscp/

[58] The term *Fairtrade* is used to designate the FLO certification and labelling system. The Fairtrade system enables consumers to recognise the products that satisfy the Fairtrade

governmental (NGO) organisations. On a political level, the concept of fair trade was introduced at the United Nations Conference on Trade & Development (UNCTD) in 1968. The slogan *Trade not Aid* was launched to denounce the inequities of economic relationships between the North and the South. The fair trade of agricultural commodities began with tea and coffee in the 70s, followed by dried fruits, cocoa, sugar, fruit juices, bananas, rice, spices, and nuts. Along with lowering prices for raw materials on international markets, the objective was to ensure small producers in developing countries a decent income by payment of a fair price.

Although the concept spread rapidly throughout Europe in the 70s and 80s, a true coordination among all of these national initiatives was not established until the 90s. Four large organisations were founded in that decade:
▸ **International Fair** Trade Association - IFAT - (1989) now the World Fair Trade Organisation (WFTO);
▸ **European Fair Trade Association** - EFTA - (1990) ;
▸ **Network of European** Worldshops - NEWS! - (1994) ;
▸ **Fair** Trade **Labelling** Organisations International - FLO - (1997).

FINE (an acronym composed of the initials of these four organisations) is an informal network created in 1997 to enable the members of the four organisations to exchange information and try to coordinate their activities better.

In December 2001, the FINE organisations agreed on the following **common definition and basic principles of fair trade**:

"Fair trade is a trading partnership, based on dialogue, transparency and respect, that seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalised producers and workers – especially in the South. Fair trade organisations, backed by consumers, are engaged actively in supporting producers, awareness raising and in campaigning for changes in the rules and practices of conventional international trade."

The basic principles adopted by FINE in 2001 relate to the fair trade organisations themselves (technical, financial, and organisational aid for the producers), trade partnership (respect, transparency, dialogue, market information), the best business conditions for fair trade (fixed price, premium, long-term commitment, prefinancing), the guaranteeing of producers' and workers' rights (compliance with the United Nations human rights and the labour standards established by the International Labour Organisation), and the sustainable development process (encouragement of best environmental practices, supporting the organisations of small producers).

The products obtained through fair trade can be sold in two ways, which translates to two lines of certification: the **integrated** and the **labelled line**.

The **integrated line** is the traditional form of fair trade. It encompasses 4 major players: the producer organisations in the South, the importer in the North who buys the products

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standards. The expression *fair trade* refers to the fair trade movement in general and may be used to describe both labelled and unlabelled products, the work of alternative trade organisations (ATO) and of fair trade federations and networks such as NEWS, EFTA, etc. The expression *fair trade* is more general. It is often used in the sense of one or the other of the above meanings, and may also refer to commercial justice issues.

directly from the producer organisation, the Worldshops (which are generally staffed with volunteers) that sell the products to the consumers, and the National Worldshop Federations that organise advertising campaigns to promote fair trade. Each player in the supply chain is a specialised fair trade organisation and is generally referred to as an alternative trade organisation (ATO). In this case, each organisation is fair trade certified. To obtain the FTO (Fair Trade Organisation) trademark launched by the WFTO in 2004, these organisations must respect the 10 WFTO standards, which cover working conditions, transparency, salaries, the environment, gender equality, etc.

The WFTO logo is not a product brand: it is used to distinguish the organisations that are 100% committed to fair trade. It sets them apart from other fair trade businesses and clearly indicates to retailers, stakeholders, governments, and sponsors that their main activity is fair trade. The other two large international fair trade organisations, NEWS! and EFTA, also comprise fair trade organisations (distributors and importers) of the integrated line. For example, Oxfam Worldshops is registered in the integrated line. Crafts are "the" speciality of Oxfam Worldshops. Most of the food products sold by these stores are not fresh products.

The labelled line operates in a totally different way and it came into being much later, with the creation of the Max Havelaar label in the Netherlands in 1989. The **Fair** Trade **Labelling** Organisations International (FLO) came into being eight years later, in 1997. This organisation was cofounded by Max Havelaar and comprises 19 national labelling initiatives (e.g. Max Havelaar France, Transfair Italia, Fair Trade Foundation UK, etc.) covering 23 pays, 2 Fairtrade marketing organisations, 2 associate members, and 3 producer networks.[59]

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[59] Fair trade labelling initiatives: Fairtrade Labelling Australia and New Zealand, Fairtrade Austria, Max Havelaar Belgium, TransFair Canada, Fairtrade Maerket Danmark, Fairtrade Estonia, Fairtrade Finland, Max Havelaar France, TransFair Germany, Fairtrade Mark Ireland, Fairtrade TransFair Italy, Fairtrade Label Japan, Fairtrade Latvia, Fairtrade, Lithuania, TransFair Minka Luxembourg, Stichting Max Havelaar Netherlands, Fairtrade Max Havelaar Norway, Associacion del Sello de Comercio Justo, Fairtrade Sweden, Max Havelaar Stiftung, The Fairtrade Foundation, TransFair USA.

Fair trade marketing organisations: Fairtrade Label South Africa, The Czech Fair Trade Association.

Associate members: Comercio Justo Mexico, Fairtrade Label South Africa.

The approach complements that of the integrated line. The producer organisations must respect the generic standards of fair trade (which are divided into three: for smallholders, for paid labour, and for contract production) and the specific product standards specifying the minimum price and the premium.

It was the creation of the labelled line that enabled multinational agri-food corporations or big name retailers like Nestlé, Starbucks, Lidl, or Carrefour to offer fair trade products to a large number of consumers.

New labelling initiatives besides those under the auspices of the FLO have recently come into being: ECOCERT (ESR) fair trade, Fair for Life (IMO social and fair trade certification programme), and fair trade certification via Naturland.

The **Fair** Trade **Labelling** Organisations International (FLO) comprises two entities, FLO e.v., the umbrella organisation described above that coordinates the Fairtrade label internationally, and FLO-Cert, a private holding of FLO e.v. that conducts audits and authorises producers to use the Fairtrade trademark.

FLO e.v. used various internationally recognised standards and conventions, especially those of the International Labour Organisation (ILO), as a basis for establishing the criteria of its equitable standards. The standards are organised by product and type of production structure around 3 themes: social, economic, and environmental.

The FAIRTRADE trademark is now one of the mostly widely respected social and development labels in the world. The trademark is held and copyrighted by FLO e.v. in the name of its members. Originally, the Fairtrade labelling initiatives created by FLO e.v. had different labels. The international FAIRTRADE certification trademark was created in 2002 and it gradually replaced the different national labels. Two FLO e.v. members still use their own original labels. In Canada and in the United States, the Fair Trade Certified™ labels indicate compliance with the criteria of the FLO e.v. standards.

Producer networks: African Fairtrade Network (AFN), Coordinadora de Latinoamericana y del Caribe de pequeños productores de comercio justo (CLAC), Network of Asian Producers (NAP).

2.6. Main private standards **40**

ECOCERT is a French inspection and certification service that inspects and certifies organic products. ECOCERT also certifies compliance with certain ISO standards concerning the successful implementation of environmental, food quality, and food health quality management systems. In 2007, ECOCERT developed specifications defining the principles of fair trade in the form of objective criteria. These specifications[60] were jointly developed with a group of professionals (producers, importers, retailers, consumer groups) from the sector.

The ECOCERT fair trade criteria are based on international sources such as the ILO conventions and the WTO treaties. Moreover, the specifications are in conformity with the FINE consensus and the AFNOR AC X50-340[61] agreement. ECOCERT has been a PFCE (*plateforme française du commerce équitable* [French fair trade platform]) member since October 2007. A fundamental difference from the FLO is the need to be certified "organic" in order to comply with the equitable standard.

The Institute for Marketecology (IMO) is an international inspection, certification, and quality assurance service for organic products. The IMO is active in the area of organic certification, but also specialises in the sectors of food health quality, sustainable fisheries, natural fabrics, sustainable forestry, and societal responsibility control.

Because the current fair trade certification programs do not cover all of the potentially certifiable products, nor all of the production systems and trade relationships among the players, the IMO and the Swiss Bio-Foundation jointly created and implemented a social and fair trade certification programme in 2006. The IMO is not an organisation that establishes standards. For this reason the programme was conceived and is owned and published by the Bio-Foundation.[62]

The term "programme" rather than standard is explained by the fact that the control points are based on international standards such as those of the International Labour Organisation (ILO), SA 8000, FLO, and IFOAM Social Chapter (International Federation

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[60] The documents are available at the following Website: http://www.ecocert.com/-Vous-etes-producteur-.html.

[61] AFNOR is the French standardisation society. The AFNOR AC X50-340 agreement (January 2006) describes fair trade, the three principles of fair trade, and the criteria that apply to the fair trade approach.

[62] The documents are available at the following Website: http://www.fairforlife.net/logicio/pmws/indexDOM.php?client_id=fairforlife&page_id=download&lang_iso639=en.

of Organic Agriculture Movements). The purpose of the programme is to supplement the existing social and fair trade certification programmes.

Naturland is an organic agriculture society that was founded in Germany in 1982. Naturland is now one of the largest world-wide organisations promoting organic agriculture.

The criteria of Naturland[63] relating to fair trade, as amended, are a logical consequence of the development of Naturland and the inevitable result of a long improvement process. These amended criteria, which are also based on the FINE definition and on the core values of fair trade organisations (such as those described in the "Charter of fair trade principles" (WFTO and FLO 2009), recapitulate the standard criteria of Naturland and broaden them to include equitable partnerships.

The expression "*Naturland fair trade certification"* is used as a generic term not only for the certification of an entire line, but also for the certification of Naturland products in the context of an equitable relationship among partners.

The "Naturland Fair" logo is used for labelling products in both cases. The additional title of "Naturland Fair Partnership" is reserved exclusively for Naturland producers and processors who are certified along the entire line. Again, this equitable certification only applies to producers who are already certified "organic".

These equitable standards entitle certified operators to affix a label to their products (B-to-C PVS). This label generally enables them to get a higher price on the market.

There are basically **3 dimensions** to keep in mind when considering a fair trade certification:

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[63] The documents are available at the following Website: http://www.naturland.de/standards.html.
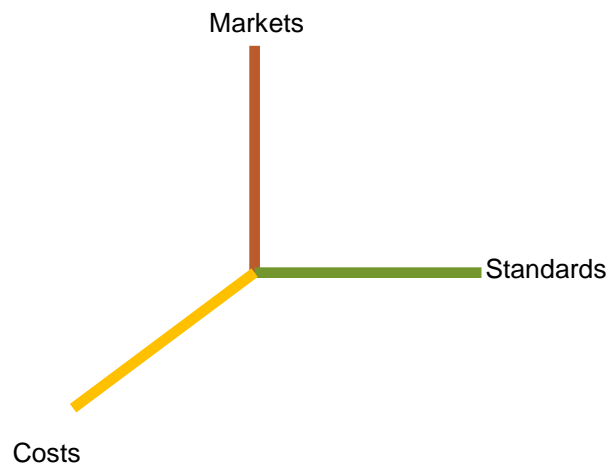
The markets: there is no point in obtaining a fair trade certificate if the operator does not have a buyer willing to purchase his fair trade-certified products. As a general rule, the initiatives will request proof that there is a buyer interested in fair trade products before going any further with the certification process. This is particularly true for ESR certification, which requires that a supply chain system be in place when submitting a request.[64] As for the other certifications, being fair trade certified does not mean by definition that the product will be sold.

The costs before committing to a fair trade programme: the operator must perform a certification costs-benefits analysis. Besides the costs of the initial request, the costs for auditing/certification and the licence rights, if applicable, certain investments may be required in order to ensure compliance with the standards. The price received for the products will definitely be higher that the conventional prices, but it may turn out that the volumes sold are not sufficient to compensate for these investments.

The standards: lastly, the operator must carefully study the different standards and determine which ones are best suited to the products that he wishes to have certified and to the structure of his organisation. Also, if the operator fulfils the eligibility criteria for the standard that he has chosen, he should make sure that there is a locally available implementation support system.

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[64] Upon request, ECOCERT will send you a set of documents explaining the principles of the approach as well as how to implement it. Subject to fulfilling the eligibility criteria, the first step of your commitment is sending in:
- a questionnaire for establishing an estimate (downloadable document) filled out with as much information as possible for describing your situation;
- a description of the current status of the sectoral project.

Once it has been determined which fair trade standard is appropriate and when a detailed analysis has shown that the certification represents a real business opportunity, the operator must generally follow the following steps:

▸ Application process: contact the certification company (FLO-CERT, ECOCERT, IMO, or Naturland)
▸ Start to plan what needs to be accomplished in order to comply with the standard
▸ First on-site audit
▸ Corrective actions (if needed)
▸ Certification
▸ Annual inspections

Main differences between ethical trade (production) and fair trade:[65]

Ethical trade	Fair trade
Aims to protect the rights of workers throughout the supply chains	Aims to help underprivileged producers and workers in developing countries
Relates to corporate conduct	Applies specifically to the products
B-to-B	B-to-C

❐ **An environmentally friendly production method**

Besides the social, economic (fair trade), and health quality of foods aspects, certain private voluntary standards and initiatives focus more on environmental aspects.

A more efficient use of raw materials, better waste management, conservation of water resources, soils, and the world's ecosystems and forests, and reduction of greenhouse gases are some of the challenges that businesses must start tackling in a proactive manner as we enter the 21st century.

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[65] http://www.ethicaltrade.org/faqs#fairtrade.

On the international level, **the *Codex Alimentarius* committee has compiled a series of recommendations for producing, processing, labelling, and marketing organic products** to serve as a guide to producers and to protect consumers.[66] The private sector equivalent to the *Codex 2100000 Alimentarius* recommendations are the international basic standards[67] for producing and processing organic foods created by the International Federation of Organic Agriculture Movements (IFOAM). These two sets of recommendations constitute the minimum standards for organic agriculture. They serve as guidelines to assist governments and private standardisation bodies in establishing their own organic agriculture standards. Specific national standards are often established in order to ensure better adaptation to local conditions. Most national organic agriculture standards (EU, Japan, Argentina, India, Tunisia, USA) are integrated in the legislative frameworks of these countries.

Organic agriculture[68] is based on certain principles and practices for reducing the impact of agriculture on the environment to a minimum, by farming in a manner that is as natural as possible. The practices of organic agriculture mainly include:

▸ crop rotation, the very foundation for efficient use of soil resources;
▸ very strict limits on the use of plant protection products, synthetic fertilisers, antibiotics, additives, processing agents, and other inputs;
▸ ban on genetically modified organisms;
▸ use of on-farm resources: for example, manure as fertiliser or farm-produced feed for livestock;
   ▸ selection of plant and animal species that are resistant to diseases and adapted to the local conditions;
   ▸ free range-raised livestock and feeding livestock feeds of organic origin;
   ▸ species-appropriate livestock husbandry.

In the European Union, these rules are established by regulations that were presented in the previous chapter.

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[66] Documents available at the following Website: ftp://ftp.fao.org/docrep/fao/010/a1385f/a1385f00.pdf.

[67] Documents available at the following Website: http://www.ifoam.org/.

[68] http://ec.europa.eu/agriculture/organic/organic-farming/what-organic_fr.

The East African organic products standards[69] were compiled in order to provide a single organic standard for East Africa that is adapted to the local conditions. The standard is based on organic standards already implemented in the region as well as on the IFOAM standards and the *Codex Alimentarius* recommendations. This standard can obviously serve as a common platform for launching a single organic label on the market. It can also be used as a basis for establishing equivalencies with other organic standards in the world.

There are numerous private organic standards among the various EU member states. Most of these standards have their own organic logo. However, all of them must apply the harmonised organic legislation of the EU at the minimum.

The Soil Association[70] issues the most widely respected organic label in the UK. The organisation claims to have some of the strictest (more so than the requirements of the European legislation) yet most straightforward organic standards in the world.

The AB[71] (*Agriculture Biologique*, Organic Agriculture) is a voluntary organic agriculture label in France that enables professionals who desire it and who comply with the rules for its use to identify their products in a unique manner. It serves as a guide for consumers, enabling them to choose easily because it is readily recognisable.

The AB trademark is the exclusive property of the French Ministry of Agriculture, which defines the rules for its use. The AB trademark guarantees:

▶ a food consisting of at least 95% ingredients from organic production employing agronomic and livestock husbandry practices that respect the balance of nature, the environment, and animal well-being;

▶ respect of the regulations in effect in France;

▶ a certification under the control of a government-approved organisation fulfilling the criteria of independence, impartiality, competence, and efficiency as defined in European standard EN 45011.

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[69] http://www.unep-unctad.org/CBTF/events/dsalaam2/EAS%20456-2007_Organic%20products%20standard_PRINT.pdf.

[70] http://www.soilassociation.org/.

[71] http://www.agencebio.org/pageEdito.asp?IDPAGE=36.

The "Rainforest Alliance"[72] is an American NGO dedicated to conserving the world's biodiversity and ensuring decent living conditions by modifying agricultural and business practices and consumer behaviour. The Sustainable Agriculture Network (SAN)[73] established the standards of the initiative, in compliance with the ISEAL Alliance codes of good practices for establishing social and environmental standards.

The ISEAL[74] (International Social and Environmental Accreditation and Labelling) Alliance is an international umbrella organisation for the principal social and environmental standards in the world. The principal objectives of the organisation are to reinforce the efficacy and impact of these standards.

The Rainforest Alliance standards[75] for agriculture comprise **10 principles**:

1. Environmental and social management system
2. Conservation of ecosystems
3. Protection of the flora and fauna
4. Water conservation
5. Fair treatment and good working conditions for employees
6. Health and safety at work
7. Relationships with the local communities
8. Integrated pest management (IPM)
9. Soil management and conservation
10. Integrated waste management

In order to become certified, the farm must be audited by one of the Sustainable Farm Certification, Intl[76] associates. Once certified, the business may market its products under the Rainforest Alliance label. This B-to-C private standard applies mainly to the production of bananas, mangoes, and pineapples.

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[72]   http://www.rainforest-alliance.org/about.

[733]   *Sustainable Agriculture Research and Education* (SARE) Home Page.

[74]   http://www.isealalliance.org/content/about-us.

[75]   Available at the following Website: http://www.rainforest-alliance.org/sites/default/files/site-documents/agriculture/documents/sust_ag_standard_july2010.pdf.

[76]   The list of organisations is available at the following Website: http://sustainablefarmcert.com/inspection_bodies.cfm.

The purpose of the LEAF Marque label[77] is to ensure consumers that care has been taken by farmers in the production of foods and other products. This standard attests that the product was produced in an environmentally responsible manner. In order to be entitled to use the LEAF Marque label, the farm must be fully compliant with the conformity criteria defined in this standard.[78]

The currently authorised certification bodies and the countries in which they have authority are listed on the www.leafmarque.com website. This standard is mainly used by the British supermarket chain Waitrose.

The evaluation points of the standard are as follows:
- ▶ Organisation and planning
- ▶ Management of soils and crop nutrition
- ▶ Crop protection
- ▶ Fight against pollution and waste management
- ▶ Efficient use of energy and water resources
- ▶ Wildlife and landscapes
- ▶ Livestock raising and environment
- ▶ Involvement with local communities.

This B-to-C private standard is based on the principle of Integrated Farm Management (IFM). This principle consists of combining traditional and modern techniques in order to increase productivity and minimise the impact on the environment. Producers who apply the principles of the LEAF standard can generally reduce their costs thanks to better soil management, minimal use of pesticides, and reduced tillage. Moreover, such practices often result in lowered CO_2 emissions and increased animal species diversity.

International Standard Organisation

"The ISO 14001: 2004 standard is applied by around 200,000 organisations in 155 countries"

The **ISO 14000**[79] family relates to "**Environmental Management**". This term covers what an organisation does to:
- ▶ minimise the harmful effects of its activities on the environment,
- ▶ continuously improve its environmental permanence.

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[77] Available at the following Website: http://www.leafuk.org/resources/000/533/121/Norme_LEAF_Marque_internationale_V8_French.pdf.

[78] An authorised certification body will first check these criteria and then issue the farm a certificate in the event of compliance. The products may then be marketed under the LEAF label.

[79] http://www.iso.org/iso/fr/iso_catalogue.htm.

The first two standards, ISO 14001:2004 and ISO 14004:2004, relate to environmental management systems (EMS). ISO 14001:2004 defines the requirements for an EMS and ISO 14004:2004 gives general guidelines for an EMS. The other standards and guidelines in this family relate to specific environmental aspects, namely: labelling, performance evaluation, life cycle analysis, communication, and auditing.

"Certification" in the context of ISO 9001:2000 (and ISO 9001:2008) or ISO 14001:2004 refers to the issuing of a written attestation (the certificate) by an independent, outside organisation that audits a management system and verifies its compliance with the requirements specified in the standard[80].

"Registration" means that the auditing body subsequently records the certification in its client file. Hence the management system is both certified and registered. Consequently, in the context of ISO 9001:2000 (and ISO 9001:2008) or ISO 14001:2004, the difference between the two terms is not significant and both are acceptable in general use. "Certification", however, is more widely used in the world, although registration is often preferred in North America and the two terms are interchangeable.

Using the term "accreditation" as a synonym for certification or registration, however, is incorrect, because the former has a different meaning. In the context of ISO 9001:2000 (and ISO 9001:2008) or ISO 14001:2004, accreditation refers to the formal recognition by a specialised organisation (accreditation body) that a certification body is competent to certify to the ISO 9001:2000 (and ISO 9001:2008) or ISO 14001:2004 standards in the specified sectors of activity. To put it simply, accreditation can be thought of as certification of the certification body. The certificates issued by accredited certification bodies may be perceived on the market as having greater credibility.

The ISO has numerous other standards relating to specific environmental issues. The purpose of ISO 14001:2004 is to provide a **framework for a holistic and strategic approach** to the policies, plans, and actions of the body with regard to the environment.

ISO 14001:2004 gives the **generic requirements** for an environmental management system. The underlying philosophy is that, regardless of the activity of the body, the requirements for an effective EMS are the same. The end result is the establishment of a **common standard** of communication about environmental management issues among the bodies, their clientele, regulatory agencies, the public, and other stakeholders. ISO 14001:2004 does not define environmental performance levels; the standard can be implemented by **very diverse organisations** regardless of their mastery of issues linked to the environment. Nevertheless, a **commitment towards compliance** with the applicable environmental legislation and regulations is required, as is a commitment to **continuous improvement.** The EMS provides the necessary framework to this end.

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[80] http://www.iso.org/iso/fr/iso_catalogue.htm

ISO 14001:2004 is a tool for achieving **internal objectives**:

▪ assuring company management that they are in control of the organisational processes and activities that have an impact on the environment;
▪ assuring employees that they are working for an environmentally responsible organisation.

ISO 14001:2004 also helps in achieving **external objectives**:

▪ providing external stakeholders such as clientele, the community, and regulatory agencies with assurance about environmental issues;
▪ complying with environmental regulations;
▪ verifying the organisation's statements and reporting about its own environmental policies, plans, and actions;
▪ providing a framework for demonstrating compliance through declarations of compliance from suppliers and the assessment of compliance by an outside stakeholder (e.g. a customer), and for certification of compliance by an independent certification body.

This B-to-B[81] private voluntary standard not only relates to the environmental aspects of the processes of the organisation, but also relates to those of its products and services. Life cycle analysis (LCA) is a tool for identifying and evaluating the environmental aspects of products and services "from the cradle to the grave" (ranging from input resources to the scrapping of the product and the disposal of any resulting wastes). **ISO 14040** gives guidelines on the principles and conduct of the life cycle analysis, which enables the business to discern how to reduce the overall impact of its products and services on the environment.

Parts 1, 2, and 3 of the ISO 14064 standard relate to the quantification and verification of greenhouse gases (GHG). The standard defines a clear and verifiable set of requirements designed to help businesses and project authors lower GHG emissions. ISO 14065 supplements this standard by establishing the requirements for the accreditation (or other forms of official recognition) of bodies involved in GHG validation and verification according to ISO 14064 or other relevant standards or specifications. ISO 14063 gives guidelines and examples concerning reporting on environmental management and helps businesses establish important links with outside stakeholders.

The ISO 64 Guide explains how to handle the environmental issues in the product standards. Although primarily intended for those who draft standards, the recommendations of ISO 64 are also useful for designers and manufacturers. ISO 14067 on the carbon footprint of products gives requirements for the quantification and reporting of the GES associated with the products. This two part standard deals with the quantification of the carbon footprint (Part 1) and with the harmonisation of the methodologies for reporting information about the carbon footprint, and gives recommendations for this reporting (Part 2).

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[81] http://www.iso.org/iso/fr/theiso14000family_2009.pdf.

A set of standards and initiatives relating to the measurement of the carbon footprint of products has been developed. It is too soon to talk about a true harmonisation among all of these initiatives, even though the ISO 14067 standard and that of the Greenhouse Gas Protocol Scope 3&4 of the World Resource Institute are headed in this direction. In the UK, the PAS 2050 of the British Standards Institute is the first standard created for measuring the carbon footprint of goods and services and already it is undergoing a first revision. In France, the planning law for implementing the Environment Round Table (law no. 2009-967 of August 3, 2009, the so-called "Grenelle 1 law") established the right of the consumer to "have access to sincere, objective and comprehensive environmental information, on the global characteristics of the pair product / packaging" and "access to environmentally friendly products at reasonable prices" (article 54).

As for the development of a new system for displaying the environmental characteristics of products, the national bill for commitment to the environment (the so-called "Grenelle 2 law"), which the French Senate voted on October 8, 2009 and which is being debated in the French Parliament, states that "as of January 1, 2011, the consumer must be informed, by marking, labelling, displaying, or by any other appropriate method, of the equivalent carbon content of products and their packaging, as well as the consumption of natural resources or the impact on natural environments which are attributable to these products during their lifecycle" (article 85).

An ADEME-AFNOR platform has been created for producing a general methodology document, BP X30-323 (General principles for the displaying of environmental information on mass market products). This document is supplemented by a detailed methodological annex. There are currently supplements to this annex, by product category, in ten sectoral groups (food products, household products, furniture, textiles, etc.). Pilot projects provide food for thought on these different groups. These four standards merely reflect part of the dynamism in the sector.

The ISO 14000 standards were designed to supplement one another, but they can also be used individually to achieve specific objectives relative to the environment. The ISO 14000 family provides management tools enabling organisations to manage their environmental aspects and assess their environmental performances. As a whole, these tools offer some very real economic advantages:

▸ Reduced use of raw materials and resources
▸ Reduced energy consumption
▸ Improved process efficiency
▸ Less waste and lower costs for disposal
▸ Use of renewable resources

These economic advantages go hand in hand with specific environmental advantages. Such is the interest of the ISO 14000 family in dealing with the environmental and economic components of the triple bottom line (economic, social, environmental) of sustainable development.

4. Implications of private voluntary standards for the ACP fruit and vegetable sector

The emergence and adoption of these private voluntary standards by many players along agri-food supply chains has had several consequences for the ACP fruit and vegetable sector, particularly in terms of market access and above all for the small and medium-sized businesses of the sector. In short, ACP producers wishing to export must now not only observe the new EU regulations, but also satisfy the requirements of importers and big name retailers that often turn out to be more complicated and stricter than the regulations. Although they are voluntary (in the sense that they are not compulsory under law), the standards are nevertheless becoming indispensable to be able to "operate" and therefore, in fact, mandatory. The lack of a PVS certification can exclude producers from certain key market sectors.

Certification requires certain non-negotiable technical and financial means. In the case of private voluntary standards relating to the health quality of foods, this certification is not financed by the market, given that there is no direct reporting regarding the compliance of the business to consumers. Moreover, the synchronisation of these private voluntary standards on the European market means that an ACP producer operating on several markets with several customers has to juggle several certifications that generally intersect on several levels. The producers thus find themselves confronted with a plethora of private voluntary standards, each one of which involves compliance and certification fees.

However, the private voluntary standards can also offer ACP producers considerable advantages. GLOBALG.A.P., for example, has translated the regulatory obligations into a document that enables the practical application thereof. Compliance with the standards can also increase productivity and competitiveness by reducing the costs of inputs (pesticides, fertilisers) and by helping farmers adopt Good Agricultural Practices (GAP), improve hygiene, and use modern management methods. Compliance is also accompanied by social advantages in terms of, e.g., food safety, worker health and safety (Okello, 2005), and better wages for qualified staff. However, even though they may increase the capacity of the supply chain to produce products with the required characteristics, the effect of private voluntary standards is also the exclusion of those who are incapable of complying with them, notably small and medium-size businesses and small farmers. As a general rule, the ability to comply with the standards varies among countries and players, in accordance with their size, status, and resources.

In this new 21st century, world agriculture remains the human activity that has the greatest impact on our environment. Although greenhouse gas emissions may nowadays be considered as the major environmental concern in the world, other ecological impacts, especially on soils and water resources, are also sources of increasing concern to society and must also be taken into consideration by the horticultural industry in African, Caribbean, and Pacific nations.

New types of initiatives are coming into being in response to the social, economic, and environmental challenges in our world. Certification to certain private standards described in the "societal responsibility" section can in some cases enable businesses to gain access to more interesting markets (fair trade and organic niche markets, for example), to broaden their clientele, and thus increase the demand for ACP horticultural exports.

The concept of sustainability is not the exclusive domain of western societies. ACP businesses also need to adopt this concept in order to limit the counter-productive effects and maximise the positive effects on their communities. The challenge now facing ACP businesses exporting fruits and vegetables to Europe is to transform these new requirements into opportunities for developing and improving their competitiveness. The objective of PIP is to enable them to identify these opportunities, to make informed choices and, once they have made these choices, to be guided by them in their endeavours. It is necessary to progress from the concept of "good agricultural practices" to that of "sustainable agricultural practices" in order for the horticultural sector to continue to be a driving force for sustainable economic development in ACP nations.