# **Guide on voluntary sustainability standards**

# IPD GUIDE FOR SUCCESS IN EXPORTS



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# How to use this guide

The scope of this guide is to provide small and medium-sized enterprises with hands-on information on voluntary sustainability standards in the 'fresh fruit and vegetables' and 'natural ingredients' sectors. After reading through this guide, you will be able to make an informed decision as to which standards better suit your needs and that of your clients.

This guide is divided into three parts:

<u>Part 1:</u> an explanation on voluntary sustainability standards; the reasons why you should work with them; and the certification process.

<u>Part 2:</u> sustainability challenges and voluntary sustainability standards in the 'fresh fruit and vegetables' and in the 'natural ingredients' sectors.

<u>Part 3:</u> the leading voluntary sustainability standards in Europe.

This guide is meant as a first orientation. Before deciding on a certain standard, it is important to find out about the needs of your target markets and clients. Some may prefer one standard over the other.

If you want more detailed information, just click on the links in blue or on the logos.

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amfori/BSCI

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For Life/Fair for Life

GLOBALG.A.P. GRASP

ISO 26000

Rainforest Alliance

Sedex/SMETA

Overview of the voluntary sustainability standards





What are voluntary sustainability standards and why should you work with them?





- 1. They are voluntary standards, and some of them may soon become legally embeded.
- 2. They are proof of good environmental and social practices.
- 3. They are linked to good agricultural practices and good quality products.
- 4. They give assurance to buyers, because certified producers are monitored by external inspectors.
- 5. They are credible in the supply chain because they were jointly designed by different groups.
- 6. They are a <u>trend</u> on the rise in different <u>countries and across sectors</u>.





- 1. It shows your commitment to being a good entrepreneur.
- 2. You will receive training in good environmental and social practices.
- 3. You will receive training in better agricultural practices, which will lead you to better-quality products.
- 4. It shows accountability and <u>transparency</u>, as you will be monitored and inspected.
- 5. You will easily meet market requirements for <u>fresh produce</u> or <u>natural ingredients</u>.
- 6. In some cases, your product will carry a well-known label which is recognized in different countries and across sectors.
- 7. And finally, it will open new markets for your product.











Voluntary sustainability standards per sector

# Voluntary sustainability standards for fresh fruit and vegetables



- Sustainability in the fresh fruit and vegetables sector is an <u>important issue</u> in Europe.
   Environmental and social responsibility is no longer a choice; it is a requirement for entering the market.
- As a clear example, the Sustainability Initiative Fruit and Vegetables (<u>SIFAV</u>) is driving the consumer market to a 100% imports of sustainable fruits and vegetables. This initiative is headed by 40 partners all over Europe, including retailers, multinational corporations, traders and NGOs.
- To find out more about CSR issues and challenges in your country and industry, check the MVO CSR Risk Checker.

# Sustainability challenges and standards in the fresh fruit and vegetables sector



Sustainability challenges in the fresh fruit and vegetables sector		
Environment	Deforestation; loss of biodiversity; soil and water contamination; pollution; negative impact of monoculture	
Social	Poor farmer livelihoods and working conditions; gender inequality; living wage gaps; negative community impact; no freedom of association	
Management	Low productivity; limited access to affordable finance; health and safety issues; property rights issues; poor soil, water and waste management	
Quality <b>Q</b>	Insufficient knowledge of good agricultural practices; poor knowledge of market requirements; food safety issues	
Ethics	Lack of transparency; insufficient knowledge of legislation; corruption; excessive government influence	



Click on the logo for more information

# Voluntary sustainability standards for natural ingredients



- In the natural ingredients market, sustainability is becoming an essential part of product development. Companies are increasingly interested in offering products that create low environmental impact and high social benefits.
- Suppliers that comply with sustainability requirements will have a competitive advantage, as
   <u>transparency</u> in the disclosure of ingredients and production methods are pressing issues in
   the European market.
- To find out more about CSR issues and challenges in your country and industry, have a look at MVO CSR Risk Checker.

# Sustainability challenges and standards in the natural ingredients sector

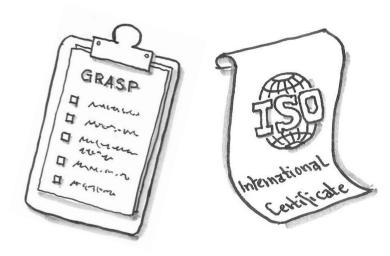


	Sustainability challenges in the natural ingredients sector
Environment	Deforestation; biodiversity loss; unnecessary use of pesticides; disruption of ecosystems; pollution
Social	Issues with indigenous communities; cultural preservation issues; child labor issues; human rights issues; gender inequality; conflicts
Management	Unsustainable supply chains; unfair wages; health and safety issues; poor soil, water and waste management
Quality <b>Q</b>	Lack of proper fertilizers; poor soils; low productivity; soil and water contamination; water availability issues
Ethics	Lack of transparency and traceability; lack of ethical sourcing; insufficient knowledge of legislation; corruption; excessive government influence



Click on the logo for more information





# Leading voluntary sustainability standards in Europe



# amfori/BSCI





I	Focus
I	It helps importers and retailers to improve working conditions in their supply
I	chain. By joining this initiative, companies commit to comply with the BSCI
I	<u>Code of Conduct</u> and stimulate their suppliers to become compliant.

amfori/BSCI is not a certification scheme!

# Sustainability Requirements\* Prime Focus

Social



Management



Less Focus

#### **Market Reach**

amfori brings together over 2,400 retailers, importers, brands and associations from more than 40 countries. Around 66% of the <u>members</u> are importers. About a quarter source and retail food products.

## **Membership Procedure**

As a producer and/or supplier you will probably not join the initiative yourself but might be asked to undergo an audit by a member of amfori/BSCI. A <u>buyer's checklist</u> and a <u>list of relevant documents</u> will give you an idea of what topics will be addressed during an audit and might help you prepare.

## **Specific Benefits**

Once invited by a member, you will have a profile on the amfori/BSCI platform. Suppliers on this platform meeting the BSCI Code of Conduct may receive preferential purchase orders. You will also have access to trainings and support provided by amfori/BSCI.

#### **Producer Reach**

Environment

In 2020, amfori/BSCI had 52,934 active producers in its platform and provided training to 6,790 stakeholders. Producers in <u>risk countries</u> were under closer scrutiny and received more attention.

## **Auditing Costs**

The costs for amfori/BSCI audits depend on the size of your company, the number of employees, your country and sector. Costs are usually born by the audited company. Member companies can however decide to share the costs or cover them for their suppliers.

## **Validity**

<u>Audits</u> of A and B ratings (very good and good) are valid for 2 years, while C, D and E ratings are valid for 1 year only. Non-conformities with parts of the BSCI Code of Conduct can lead to follow-up inspections to check if corrective actions have been taken.

<sup>\*</sup>Sustainability Requirements are based on the ITC Standards Map

# Fairtrade International





Less Focus

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The focus of Fairtrade is to connect producers and consumers, promote fairer trading conditions and empower producers to strengthen their position in international markets. It does so mainly by offering a minimum guaranteed price and premium for certain products.

## **Sustainability Requirements\***

Environment



#### **Market Reach**

In 2019, there were more than 35,000 Fairtrade products from 2,785 companies in 145 countries. Fairtrade is strong in commodities like bananas and coffee, but also covers other agricultural products. The market for certified products is continuously growing and becoming mainstream.

### **Producer Reach**

In 2019, Fairtrade International reach represented more than 1.7 million farmers and workers in 75 countries. More than 2.6 million hectares were Fairtrade-certified in 2018, representing 0.05% of the total global agricultural area. Fairtrade is active in most of Latin America, Africa and Asia.

#### **Certification Procedure**

You can watch a video on how the Fairtrade certification process works, which is done via FLOCERT. Before applying, you need to comply with the FT Standards which are translated into FLOCERT Compliance Criteria. If you are a brand selling products to final consumers, you need to become a licensee.

#### **Certification Costs**

The costs vary based on your products, your location and if you are a producer or a trader. The FLOCERT Cost Calculator will pose a few questions about your business and then you will be able to view your costs in a PDF document.

## **Specific Benefits**

If you are a producer, you will receive a minimum price and premium for your products; you will be able to join the producer network and producer organizations; final products sold to end consumers can carry the well-know label.

# **Validity**

Once you've received your initial certification, you've entered a three-year certification cycle. During this time, FLOCERT might carry out further audits, depending on the profile of your company. After three years you will have to go through a renewal audit. There might also be unannounced audits.

# For Life/Fair for Life for life fair







#### **Focus**

The focus of these two complementary standards is three-fold: (1) respect of human rights and fair working conditions; (2) respect of the ecosystem, promotion of biodiversity and sustainable agriculture practices; (3) respect and betterment of local impact.

## **Sustainability Requirements\***

Environment



#### **Market Reach**

Fair for Life and For Life work together with more than 700 certified companies and organizations in over 70 countries. They generate nearly €1 billion in certified products sales from more than 500 certified products. You can find all certified companies on their website.

#### **Producer Reach**

Fair for Life directly impacts 235,000 producers and workers. Fair for Life is also part of the Fair Trade Movement, a large group of companies that work with producers worldwide.

Social

#### **Certification Procedure**

There are two different certifications: For Life for Corporate Social Responsibility for companies and Fair for Life for fair trade and responsible supply chains for products. To get certified, you will need to follow a six-step procedure.

#### **Certification Costs**

Certification costs vary depending on your operation and on which certification you apply for. The costs will be calculated once you send in your application. You can also request a quotation from ECOCERT. Some other certifications are recognized and may reduce your costs.

## **Specific Benefits**

There are many benefits from these certifications, like the transparency of the supply chain, the fair price and premium offered to producers, the fair treatment of smallholder contract farmers and quality control.

## **Validity**

Every 3 years, a renewal evaluation takes place, where all activities are checked. And every year there is an inspection for compliance.

<sup>\*</sup>Sustainability Requirements are based on the ITC Standards Map





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GRASP stands for GLOBALG.A.P. Risk Assessment on Social Practice. It is a voluntary <u>module</u> developed to assess social practices, such as workers' health, safety, and welfare.

# Sustainability Requirements\* Prime Focus

Social



# pality Ethics

Less Focus

#### **Market Reach**

The <u>GLOBALG.A.P. Database</u> stores and connects data of more than 200,000 farms on food safety and sustainability in over 135 countries. It is one of the most widely used certification schemes for fresh produce. Like GLOBALG.A.P., GRASP is becoming increasingly a requirement for exports to Europe.

#### **Producer Reach**

Environment

In 2018, more than 3.8 million hectares were certified against the GLOBALG.A.P. standard, managed by almost 200,000 horticultural producers. In 2020, almost 100 thousand producers in 93 countries were GRASP certified.

#### **Certification Procedure**

You first need to get a GLOBALG.A.P. certification, following these <u>5 steps</u>. Then, you need to apply for the <u>GRASP add-on</u>. The <u>GRASP Assessment</u> will be done by GLOBALG.A.P. approved auditors/inspectors. If you're opting for GLOBALG.A.P. it is highly recommended to do GRASP at the same time.

### **Certification Costs**

GLOBALG.A.P. certification costs: standard implementation costs; registration <u>fee</u> (based on <u>membership</u>); and <u>certification body</u> fees. GRASP add-on costs: certification body fees and an additional license fee of €25 (individual) or €130 (group).

## **Specific Benefits**

You have better access to the European fresh produce market, you learn how to strengthen your workers' rights, you receive guidance on social and labor regulations, you get support in creating communication and other <u>benefits</u>.

## **Validity**

The GLOBALG.A.P. certification is valid for 364 days, with the possibility of extending it for 4 months before renewing it.

<sup>\*</sup>Sustainability Requirements are based on the ITC Standards Map

# ISO 26000





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ISO 26000 is an international standard giving <u>guidance</u> and recommendations about how an organization can contribute to sustainable environmental, social and economic development.

ISO 26000 is not certifiable!

#### Market Reach

ISO 26000 helps the user contribute to the UN 2030 Agenda and its <u>sustainable development goals</u>. In addition, ISO standards are recognized around the world, which <u>benefits companies</u> in many ways. ISO standards can even benefit small and medium enterprises.

#### **Certification Procedure**

ISO 26000 is not certifiable like other ISO standards. It is meant as a guide or a framework to support companies implementing socially responsible behavior in their operations. You can choose to work according to ISO 26000 recommendations.

### **Specific Benefits**

ISO 26000 benefits are different for each company. Some are improved relationship with stakeholders; greater client satisfaction; reduced carbon emissions and improved water and energy management. Working in accordance with ISO 26000 can give you competitive advantage.

### **Sustainability Issues Covered**







Prime Focus





Less Focus

**Producer Reach** 

Since it is not a certifiable standard, there are no clear numbers regarding producer reach. But more than 80 countries have already adopted ISO 26000 as a national standard, and 20 more are working towards it. ISO 26000 is known and recognized around the world.

#### **Certification Costs**

There are no costs for working with the ISO 26000 framework. ISO provides useful information and <u>training material</u> on their website that is free of charge. Further material can be acquired/purchased from ISO national member bodies.

## **Validity**

ISO 26000 is meant to encourage users to continuously improve their social responsibility performance and to make it part of their companies' strategy by prioritizing and setting short and long-term goals.

# Rainforest Alliance





Less Focus

#### **Focus**

Rainforest Alliance is based on the Sustainable Agriculture Network (<u>SAN</u>) standard, which aims for: effective farm planning and management; protection of biodiversity and natural resources; and improved livelihoods. It is based on the input of governments, companies, and civil society.

# **Sustainability Requirements\***



Prime Focus

#### **Market Reach**

In 2021, more than <u>500 brands</u> carry the Rainforest Alliance seal. You can buy certified products in more than 170 countries and 5,000 companies work with certified ingredients. The seal is widely recognized among consumers in many parts of the world - especially in <u>European countries</u>.

#### **Producer Reach**

In <u>2019</u>, Rainforest Alliance had certified more than 2 million farmers and 5 million hectares of global farmland in 72 different countries. In 2021, there were projects in more than 70 countries and more than 2 million hectares of land were covered by integrated landscape management.

#### **Certification Procedure**

If you are a **producer**, you will need to check the <u>Farm Requirements</u> to get certified; and if you are a **company**, you need to check the <u>Supply Chain Requirements</u>. Companies should also check the <u>Tailored Supply Chain Services</u> to get their own needs covered by the different solutions. For more information, check the <u>certification rules</u>.

#### **Certification Costs**

There are different <u>certification costs</u> for producers and companies. **Producers** need to pay for audit and costs related to meeting the standards. **Companies** have four different costs: the <u>Sustainability Differential</u>, the annual Chain of Custody Risk Assessment fee (US\$ 100 per site), the <u>Chain of Custody</u> audit fees and a <u>royalty</u> on goods purchased.

## **Specific Benefits**

It will <u>benefit your company</u> by giving you a social edge; the right to use its seal and its business portal; giving you training and marketing support.

### **Validity**

The certificate has a 36-month validity, but it can be extended for 6 months (in case of *force majeure*) or 3 months (through an appeal process). For some topics, you are required to set long-term goals, and progress will be measured.









Less Focus

#### **Focus**

Sedex is a platform that focuses on transparency in supply chains. Members can share and manage information related to diverse issues, like the environment, labor standards, ethics and health and safety. It offers several tools like SMETA, Sedex's social auditing standard.

## **Sustainability Requirements\***

**Environment** 



#### **Market Reach**

Sedex buyer members are committed to sourcing responsibly and having an ethical and sustainable supply chain. Close to 1,000 businesses use Sedex as A or AB members. You can find a list of buyers working with Sedex on their website. SMETA is a demanding but widely accepted auditing scheme for fresh and processed products alike.

#### **Producer Reach**

Sedex supplier members are committed to being responsible and leading sustainable businesses. Almost 60,000 suppliers across 180 countries are Sedex Members. Following the link, you will also find a list of industries covered by Sedex members.

## **Membership Procedure**

There is an 8-step-procedure to become a Sedex member. You can watch a simple step-by-step video explaining how to become a Sedex Supplier (B) member. Once a member, you can publish a self-assessment and audit reports to share your performance on sustainability vis-à-vis your customers.

## **Membership and Certification Costs**

The annual membership fee for Supplier (B) members is £100 per site/per year. A 2.95% administration fee will be charged on all payments done online. For the certification, you will need to pay £50 for each SMETA audit and some additional costs for the Affiliate Audit Companies.

## **Specific Benefits**

As a member, you will be <u>credible</u> because of the transparency of your supply chain. You will also have greater access to more demanding markets, and you will be part of the digital platform. You will also have access to training.

# **Validity**

The Sedex membership is annual, but you can pay for as many years as you want. You can easily renew your Supplier (B) membership using the renewal guide. The audits are valid for one or two years, depending on your rating.

# Voluntary sustainability standards



	* amfori ® BSCI Trade with purpose	FAIRTRADE INTERNATIONAL	for life for life	GRASP Global G.A.P.	* 26000	CERTIFIED  (57 198)	Sedex SMETA
Focus	Working conditions; labor rights	Promote fair trading conditions	Human rights; social impact; environment	Social practices (working conditions)	Guidance on sustainability for companies	Protection of biodiversity; better livelihoods	Create transparency via digital platform
Market Reach	Over 2,400 companies in more than 40 countries	35,000 Fairtrade products from 2,785 companies in 145 countries	700 certified companies and organizations in over 70 countries	Information of over 200,000 farms in over 135 countries	ISO standards are recognized around the world; all sectors	500+ brands; 5,000 companies in over 170 countries	1,000 buyers use the Sedex platform
Certification Costs	Based on the company setup	Based on product, location, company status	Based on operation and certification	GLOBALG.A.P. certification costs plus add-on	No costs for working with ISO 26000	Based on status of company or producer	£100 per site/per year, plus auditing costs
Validity	One or two years, depending on the company rating	Three-year certification cycle	Three years	364 days (possible 4 mths extension)	Continuous improvements of CSR performance	36 months (possible 3 or 6 mths extension)	Membership one year and audit one or two years
Main Benefits	Networking through amfori's member-only platform	Minimum price and premium; network; use well-known label	Transparency of supply chain; fair price and premium	Better access to EU fresh produce market; network	Improved relationship with stakeholders; client satisfaction	Social edge; marketing support; use well- known label	Use of SEDEX digital platform; supply chain transparency

<sup>\*</sup> amfori/BSCI and ISO 26000 are not certifications!







External link	Information
UN Forum on Sustainability Standards (UNFSS)	Detailed information on Voluntary Sustainability Standards (VSS)
European Coalition for Corporate Justice (ECCJ)	Map of due diligence laws and initiatives in Europe
International Trade Center (ITC)	ITC Standards Map The State of Sustainable Markets EU Market Sustainable Products Sustainable Markets 2020
UN Conference on Trade and Development (UNCTAD)	Sustainability standards can unlock new markets for developing countries
Sustainability Initiative Fruit and Vegetables (SIFAV)	SIFAV Factsheet 2017 SIFAV 2025 goals
Center for the Promotion of Imports (CBI)	Fresh fruit and vegetables: sustainable sourcing
Import Promotion Desk (IPD)	Import requirements for fresh fruit and vegetables  EU requirements for food and natural ingredients
MVO Risico Checker	MVO Risico Checker tool



Voluntary sustainability standards	Information
Scientific Certification Systems (SCS)	Sustainably grown certification program
Bio Suisse	Bio Suisse explained
International Natural and Organic Cosmetics Association	Natrue explained
COSMOS-Standard	Cosmos standard explained
Union for Ethical Biotrade	Ethical biotrade explained
ECOCERT	Fair for life certification information
SAI Platform	SA 8000 program explained
ISO 14000	ISO 14000 explained



Voluntary sustainability standards	Information
amfori/BSCI	BSCI Code of Conduct BSCI Buyer's Checklist List of relevant documents for BSCI audit BSCI list of risk countries amfori membership overview June 2020
Fairtrade International	Fairtrade marks information Fairtrade annual report 2020 Traceability in Fairtrade supply chains Fairtrade explained
FLOCERT	FLOCERT explained Fairtrade certification procedure
For Life / Fair for Life	For Life and Fair for Life explained List of products covered
SEDEX/SMETA	Sedex explained Supplier (B) membership renewal guide Supplier (B) membership brochure



Voluntary sustainability standards	Information
ISO	Benefits on applying ISO 26000 ISO 26000 explained ISO and small and medium enterprises Information on ISO 26000 ISO 26000 Abstract
Rainforest Alliance	Rainforest Alliance certification for business  Data report spreads 2020  Certification rules 2017  Sustainable agriculture standard- supply chain  Sustainable agriculture standard – farm requirement
Global G.A.P. GRASP	Global GAP general fee table 2020 Global GAP explained GRASP checklist GRASP general rules GRASP explained

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