



# **Guide to environmental requirements, social and good agricultural practice (GAP) for supermarket chain**

**For Chilean Exporters Association ASOEX**

**June 2011 (updated version)**





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# 1. Introduction

This guide has been developed as a tool to inform Chilean fruit exporters regarding the content and scope of the growing ethical, social and environmental requirements of international supermarkets. This guide provides information on trends and specific requirements that are being asked for by supermarket chains.

Chapter two will discuss trends that are followed in the four areas studied: good agricultural practices, ethical trade, environmental sustainability and corporate social responsibility. Chapter three deals with the technical delivery of the actions and requirements of the largest supermarket chains in the world on these issues. In chapter four are the shared explanatory sheets of certifications, information exchange systems and partnerships related to the requirements of supermarkets. Finally, chapter five gives a glossary of words and concepts.



## 2. International Market Trends

In recent years, international trade requirements have included the increased concern for environmental, social and ethical factors, which is justified by a number of reasons.

The first is the emergence of the ethical consumer, also called the sustainable or responsible consumer. This consumer not only includes economic variables such as price and quality in their purchasing decision, but they also consider the social and environmental impacts of the products they buy. Second is access to information. The development of the internet has enabled consumers, governments and citizens groups to access reports, in seconds, on the ethical performance of companies. Third, civil organisations have used this information to exert pressure that may affect the reputation and sales of businesses. Finally there are the actions being carried out by governments to regulate these issues, which can change market conditions. These reasons have led to supermarket chains including ethical issues in their operations and supply channels.

The Chilean fruit industry has been no stranger to these changes and has seen that international supermarket chains will seek to include these variables in their production processes. Distribution chains play a fundamental role in this development. They are in contact with consumers and producers, being where the consumers are and where supply and demand reach equilibrium.

Among the specific trends that occur in different sections of this guide are the following:

### **Safety Products:**

In order to meet the safety standards of products different certifications have emerged. On one side are those of good agricultural practice (GAP), for example, ChileGAP, GlobalGAP, SQF 1000, Primus Labs, SCS, NSF Davis Fresh, Nature's Choice, Field to Fork and safety programs specific to some supermarkets. Then there are those related to good manufacturing practices (GMP), e.g. BRC, IFS, SQF and ISO 22.000, among others. This wide variety of certifications, which are required depending on the market where the goods are sold, generates uncertainty and higher costs for producers.

For this reason, supermarket chains have supported various initiatives designed to homogenise, compare and simplify these processes. On the subject of good agricultural practice the main initiative is GlobalGAP which works through a process of benchmarking, and for good manufacturing process the main initiative is the Global Food Safety Initiative (GFSI). These initiatives and protocols have emerged mainly in Europe. However, in recent times some U.S. chains like Wal-Mart and Kroger have been joining these initiatives. From our perspective the future trend is that there will be more homogenisation around the existing Global GAP and GFSI initiatives.

Another issue that will be important in the future is genetically modified (GM) products. Currently, there is no scientific consensus on GM products. Some supermarkets have taken a preventive approach based on a "precautionary principle". That is why European supermarkets have opted not to purchase these items to avoid conflicts with customers, suppliers, citizens and government. This led governments to do more research to clarify the existing doubts about GM products, for example the British government began conducting extensive research on GM foods in early 2009.

The emergence of this research is based on the need for a greater amount of food and more resilient crops. The reasons that have led to increased global demand for food and thus the higher prices are the rates of growth of the global population (it is expected that by 2050 the global population will be 9 billion



people), the use of food to produce bio-fuels, the increased purchasing power of developing countries and the radicalisation of weather that destroys crops, such as drought in Australia in recent years. Based on the above one can conclude that GM foods will take greater prominence in the future.

### **Environment:**

Environmental issues have emerged strongly in recent years, not only for the impacts of production on the environment but also for the economic impacts that they generate.

This means that economies are becoming less and less dependent on fossil fuels. This has led several European governments to project a 50% cut in emissions by the first half of this century<sup>1</sup>. The key to achieving these reductions is private sector involvement. This has been understood by the vast majority of supermarket chains who are measuring the carbon footprint of their operations and the products they sell. This is seen in two actions:

Reducing environmental impacts at the local level, for example through the use of energy, gases or refrigerants in air conditioning systems sales premises.

Using the supply chain to reduce carbon footprint, for example through more efficient transport systems.

The main trend in this area is observed in calculating the carbon footprint of products. This allows you to compare products and assess improvements in their production, transport and disposal. For this, the Carbon Trust set up by the British government developed the carbon label, which is explained in Chapter No. 4.3.1.5. This label has not been without controversy, as some have criticised supermarkets because the label does not include all environmental impacts of products. Another trend observed in Europe is the promotion of local products, therefore encouraging consumers to avoid buying products that are out of season. This is to reduce the carbon footprint of products.

The issue of carbon footprint is the most important issue amongst the environmental issues and will be taking more importance in the future. This may have implications in how the products have been marketed so far. That is why you need to implement actions to reduce the carbon footprint of the products that Chile exports. An alternative choice is to offset emissions of greenhouse gases (carbon offset). This is accomplished through the purchase of carbon credits from projects that have, for example, energy efficiency measures, using renewable energy or have been reforested.

Currently, the calculation of the carbon footprint is not a mandatory requirement for operation with the supermarket chains analysed in the study. However, as explained above, you should start considering this variable as in the not too distant it could become a mandatory requirement. This recommendation is based on two points. Firstly, the supermarkets would positively assess the fact that the vendor is aware of this issue and is working on reducing the carbon footprint of their products. Secondly, it is advisable to anticipate future requirements and avoid the costs of calculating the carbon trace at the last minute, besides planning and taking action that could lessen the impact on emissions of greenhouse gases in the production and transport of products such as energy efficiency measures, renewable energy generation, reduced use of fertilizers or compensation measures (offset of emissions).

Other environmental areas that will also take on greater importance in the future are the use of water, disposal of solid waste, packaging materials and protection of biodiversity.

### **Ethical Trade:**

This theme seeks to ensure that producers comply with the ethical standards of production - These include concerns about working conditions, for example, child labour, working hours, discrimination and forced labour among others, and that conditions of production are equal across countries. Ethical trade is based on the conventions of the International Labour Organisation, the Universal Declaration of Human Rights and local labour laws. At first the tendency was to make codes of conduct that providers should sign and keep. Subsequently, especially in Europe, there have been initiatives that have allowed the simplification and grouping of these requirements. Some of these initiatives are: Supplier Ethical Data Exchange (Sedex), Ethical Trading Initiative (ETI), Business Social Compliance Initiative (BSCI) and Global Social Compliance Program (GSCP).

The concern of supermarkets in these subjects is due mainly to some civic organisations that are looking at working conditions for the production of the goods they sell. When certain standards are not met, the organisations called for a boycott or punish those companies. This may mean lower sales to business and damage to their reputation.

In the future it is hoped that these requirements increase and become mandatory. The Chilean labour law allows a basic compliance with these standards. Nevertheless, the production companies will have to put special emphasis on this subject to avoid that their sales are affected. There is also a tendency to homogenise these requirements in initiatives that simplify the process, such as SEDEX and GSCP.

Another trend is the development of Fairtrade certified products (fair trade), certification that delivers consumer confidence that producers have received a fair price for their products (see chapter No. 4.4.1.2 for more information). The sale of these products has enjoyed high growth in recent years, especially in the U.S. and Europe. Sales are expected to continue to grow in the future.

And finally, there is a correlation between the issue of fair trade and environmental sustainability. For example, the Soil Association in the UK is exploring the possibility that organic products must be certified fair trade. Another example is that the information exchange system Sedex in 2008 included questions on environmental issues.

### **Corporate Social Responsibility (CSR):**

Consumers increasingly seek products from companies that operate sustainably and ethically. To satisfy this requirement at first the trend was that companies carry out activities of philanthropy, such as donations. Subsequently, companies began to develop CSR programs that were complementary to their strategic plans. However, the trend that is becoming stronger is that companies calculate and report their social and environmental impacts. To do sustainability reporting, you can subscribe to the Global Reporting Initiative (GRI) (see chapter No. 4.4.3.2), which provides guidelines that allow the information to be delivered to the CSR reports of companies. Additionally, the ISO is preparing a protocol (ISO 26,000) that will allow producers to certify these practices, which would be available in the coming years. The overall trend expected in this area is the increased transparency in information on the ethics, social and environmental performance of companies. Access to information on the part of the consumers will be demanded that the companies report in a clear and transparent form the social and environmental impacts that its operations generated. Therefore, companies must communicate of these variables publicly.

Currently, the supermarkets analysed do not request as an obligatory requirement that their suppliers have CSR programs. However, the supermarkets would consider positively that the provider is implementing a CSR program and thus be part of the solution to existing social and environmental problems.



### **3. Fact sheets of major supermarkets and their requirements**

This section discusses the general characteristics of the major supermarket chains worldwide, the requirements they have with their supply chains, organisations with which they have strategic partnerships and contact details.

It should be noted that supermarkets now have mandatory requirements on issues of GAP, GMP and ethical trade. However, environmental issues (carbon footprint) and CSR are not mandatory requirements.



### 3.1 Europe



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### 3.1.1 Tesco

#### **General Characteristics:**

Tesco is a British company, founded in 1919 by Jack Cohen. Today it is the third global retail chain with global sales exceeding the 103,000 million Euros in 2007.

Tesco operates in the United Kingdom, Ireland, Czech Republic, Poland, Slovakia, Hungary, Turkey, USA, India, China, South Korea, Japan, Thailand and Malaysia.

#### **Contact Details:**

Website: [www.tescopl.com](http://www.tescopl.com)

E-mail: [customer.service@tesco.co.uk](mailto:customer.service@tesco.co.uk)

Address: Delamare Road, Cheshunt, Hertfordshire, EN8 9SL, UK

Phone: +44 1992 632222

#### **Requirements:**

GAP: Tesco asks its suppliers to comply with its own private (re-named) Tesco Nurture (formally Nature's Choice) standard. In addition, Tesco is a member of GlobalGAP and producers might expect this to be the certification required in the future. Tesco is a member of GFSI (Global Food Safety Initiative).

b. Ethical Trade: Tesco supports the Ethical Trading Initiative (ETI) and belongs to the Global Social Compliance Program (GSCP). Additionally it demands the use of Sedex from all suppliers that operate with them globally. Direct suppliers and those with high or medium risk are subject to ethical audits from Sedex. Tesco sells and promotes Fairtrade products.

CSR: Tesco works with communities through corporate donations and volunteerism. It also promotes healthy eating informing its customers.

Environmental Sustainability:

Energy efficiency and water: It is developing shops and facilities that use energy and water efficiently, recycling programs and replacing their cooling systems, among others.

Carbon: In cooperation with the Carbon Trust, Tesco are using a label that informs consumers about the carbon footprint of each product. Currently the number of products that deliver this information is limited, but in the future it may be a mandatory requirement.

A commitment to reduce product packaging on their own brand products by 25%.

Organic products: Tesco offers a wide variety of organic products.

#### **Partners:**

Tesco is a member of the Corporate Leaders Group on Climate Change (Corporate Leaders Group on Climate Change-CLG), a group meeting in conjunction with the Leadership Program for Sustainability at the University of Cambridge.



### 3.1.2 Carrefour

#### **General Features:**

Carrefour is a French company created in 1959 by Fournier and Defforney families. Today it is the top retail chain at European level (central and western Europe) and second worldwide. Its global sales exceeded 102,400 million in 2007, when it had more than 11,000 stores.

Carrefour operates in 30 countries around the world: France (including French overseas departments), Belgium, Spain, Greece, Cyprus, Italy, Poland, Portugal, Romania and Turkey in Europe, Argentina, Brazil and Colombia in Latin America, China, Indonesia, Malaysia, Singapore, Thailand and Taiwan in Asia in addition to Saudi Arabia, Algeria, Egypt, UAE, Japan, Jordan, Kuwait, Oman, Qatar, Dominican Republic and Tunisia, countries in which Carrefour operates through franchises.

#### **Contact Data:**

Website: <http://www.carrefour.com/>; Contact Form: <http://www.carrefour.com/cdc/contacts/> (from which you can select the country you want to connect)

#### **Requirements:**

**GAP:** Carrefour has its own quality standards that a supplier must meet to market their products or to supply Carrefour's own brands. In 2006 Carrefour introduced AGIR product line that includes products certified by or with the approval and support of external actors which ensures environmentally sustainable production conditions and applies the precautionary principle to the marketing of genetically modified organisms. Additionally, Carrefour initiated the training of its Polish suppliers in the GlobalGAP certification, marking a trend towards the inclusion of this certification for their products. Carrefour Spain joined GLOBALGAP and Carrefour is a member of GFSI (Global Food Safety Initiative).

**Ethical Trade:** Carrefour adopted a Code of Ethics in 2004, which was updated in 2007. This is established in a manual (the Code of Conduct) to give direction to employees in all countries where it operates. Carrefour sells and promotes Fairtrade products since 1997.

**CSR:** The Carrefour group is committed to develop lasting relationships with its suppliers to ensure respect for basic rights. An agreement was signed with FIDH (International Federation of Human Rights) in 1997, allowing a Social Charter adopted in 2000, which ensures compliance with labour standards and respect for international human rights. Additionally, the foundation 'Carrefour International' works with a focus on two main tasks: humanitarian aid and combating exclusion.

**Environmental Sustainability:**

**Energy efficiency and water:** Carrefour is working on reducing energy consumption, refrigerant leakage and the water use of its stores.

**Carbon:** Carrefour is committed to reducing environmental impacts and particularly the emissions of greenhouse gases throughout the production chain. They have set goals such as reducing energy consumption, directly and indirectly through marketing products to reduce their emissions by 20% by 2020 compared to their emissions of 2004. To do this they are working on reducing emissions from the supply chain, transportation of products (preferring trains, ships and ground transportation)

**Packing:** They are working to reduce waste and increase recycling packaging.

**Organic products:** The group sells organic products since 1997, has introduced a label 'Echo' and the product line 'Carrefour Quality Line'.



**Partners:**

In 2001, the Carrefour Group signed the United Nations Global Compact, making a commitment to embrace and promote its 10 principles in the areas of human rights, labour standards, environmental protection and corruption. Also that year Carrefour signed an agreement with UNI (Union Network International). Carrefour is a member of the Social Clause Initiative (CSI) which groups the main actors of the French and Belgian retail.



### 3.1.3 Metro group

#### **General Features:**

Metro Group is a German company that emerged from a merger and stock market opening in 1996. Today is the second largest retail chain at European level (central and western Europe) and operates the supermarkets Real and Metro / Makro. Its global sales exceeded 67,400 million in 2007, when he had more than 2,000 stores.

Metro Group operates in 32 countries in Europe, Asia and Africa: Germany, Austria, Belgium, Bulgaria, China, Croatia, Denmark, Slovakia, Spain, France, Great Britain, Greece, Holland, Hungary, India, Italy, Japan, Luxembourg, Morocco, Moldova, Pakistan, Poland, Portugal, Czech Republic, Romania, Russia, Serbia, Sweden, Switzerland, Turkey, Ukraine and Vietnam.

#### **Contact Data:**

Website: <http://www.metrogroup.de>

E-mail: [investorrelations@metro.de](mailto:investorrelations@metro.de)

Supplier Portal: <http://www.metro-link.com>

Address: METRO AG, Investor Relations, Schlüterstrasse 1, 40235 Düsseldorf, Germany

Phone: +49 2116886-1051

#### **Requirements:**

**GAP:** Metro Group requires its suppliers of fruit and vegetable products have GLOBALGAP certification, which can be achieved by schemes such as the Chile GAP benchmark. Metro Group applies the rules of IFS (International Food Standard) to audit suppliers of branded products processing company and is a member of GFSI (Global Food Safety Initiative). To promote the use of best practices has conducted training for sustainable agriculture with producers in China and Vietnam.

**Ethical Trade:** Metro Group has adopted the priority to purchase local products in countries where it operates (between 80 and 90% of foodstuffs), thereby increasing reliable and durable relationships with local companies. Metro Group was one of the founders of BSCI (Business Social Compliance Initiative) to ensure good working conditions throughout the production chain. This company sells and promotes Fairtrade products including fruit juices and honey, among others.

**CSR:** Metro Group promotes its policy of corporate social responsibility throughout the value chain and has incorporated social and environmental requirements in the business of the group. It also participates in so-called 'Food Bank' (Food Banks) in Germany, donating food in good condition but that may not be sold because of their expiration dates. The group plans to expand this business worldwide.

**Environmental Sustainability:** Metro Group has implemented a series of measures to reduce the environmental impacts of their operations, among which include:

**Energy efficiency and renewable energy:** use of more efficient refrigerators and the replacement of computers that use less harmful refrigerants (Denmark), use of solar energy for air conditioning units (Italy)

**Carbon:** Metro Group started in 2006 to measure the carbon footprint of their activities, including energy consumption of its stores and administrative buildings, transport and logistics activities, emissions and losses of refrigerants, paper consumption and corporate travel.

**Packing:** Using FSC certified (Forestry Stewardship Council) paper and cardboard in Germany and other countries, promoting reusable packaged, more efficient management of waste, etc.



Organic Products: has introduced its own line of organic products labelled as "Green Country" (Grünes Land or Green Country) since 1996, certified by Bio-Siegel, the German 'Eco' label.

**Partners:**

METRO Group is part of the Global Sustainability Index Dow Jones, and in addition is considered within the German indices DAXglobal Sarasin Sustainability Index, ASPI (Advanced Sustainable Performance Indices, ESI Excellence Europe, ESI Global Excellence and Ethical Index Euro.



### 3.1.4 Rewe Group

#### **General Features:**

REWE Group is a German company founded in 1927 as a cooperative purchasing association currently operating as a multinational corporation. Today it is the fifth retail chain at European level (central and western Europe). Its global sales topped 48,000 million Euros in 2007, when it had more than 12,200 stores.

REWE Group operates in Germany, Austria, Bulgaria, Croatia, Slovakia, France, Hungary, Italy, Latvia, Lithuania, Poland, Czech Republic, Romania, Russia, Switzerland and Ukraine. In Belgium, Slovenia, Spain and Portugal it operates with allied companies using the Copernic alliance of retailers.

#### **Contact Data:**

Website: <http://www.rewe-group.com>;

Address: REWE Group, Domstrasse 20, 50668, Cologne, Germany

Phone: +49 2211491050, Fax: +49 221138898

#### **Requirements:**

**GAP:** REWE Group requires its suppliers of fruit and vegetable products to have GLOBALGAP certification, which can be achieved by schemes such as the Chile GAP benchmark. REWE requires providers that sell private label products to be certified according to standards from International Food Standard (IFS). REWE Group is a member of GFSI (Global Food Safety Initiative).

**Ethical Trade:** REWE Group has adopted the mode of agricultural production contracted with ensuring stable, durable and quality production with its suppliers. REWE Group is a member of BSCI (Business Social Compliance Initiative) to ensure good working conditions throughout the production chain. REWE Group sells and promotes Fairtrade products including fruit juices, coffee and honey, among others.

**CSR:** REWE Group practices a policy of corporate social responsibility throughout the value chain of the products it sells. Additionally it donates food to needy groups through the so-called 'Dinner Table' in Germany.

**Environmental Sustainability:** REWE Group has implemented a series of measures to reduce the environmental impacts of their operations, among which include:

**Energy efficiency:** has initiated several energy efficiency measures in its stores and operations

**Carbon:** reduction in its carbon footprint by using green power for 100% of their electricity in more than 6,000 stores in Germany and 2,000 in Austria, and the transfer to less harmful refrigerants such as propane and CO<sub>2</sub>.

**Packing:** a waste minimisation program and further recycling,

**Organic products:** REWE Group introduced its own label for organic products in 1988 (Füllhorn), which evolved into the REWE Bio-label that is currently sold. In 2006 the group decided to create the organic shop 'Vierlinden', which was originally opened in Düsseldorf. Here you can find over 8,000 organic agricultural products, including fruits, vegetables, juices, honey, wines, cheeses, etc.



**Partners:**

Among others, REWE Group is working with WWF, SOS Children's Villages in their Corporate Social Responsibility activities and EHA - Energie-Handels-Gesellschaft mbH & Co. KG, to ensure efficient management and certify the renewable sources of energy used.

Additionally, REWE Group has initiated a pilot project with Best Alliance (initially in Spain for the production of strawberries) to ensure sustainability and vertical integration of its chain of production of fruits and vegetables.





### 3.1.5 Auchan

#### General Features:

Auchan is a French company founded by Gerard Mulliez in 1961, when it opened its first store in northern France. Today is the sixth retail chain at European level (central and western Europe), reaching worldwide sales in excess of 39,000 million euros in 2007, when it had more than 1,100 supermarkets and hypermarkets.

Auchan operates in 12 countries in Europe and Asia: France, Spain, Hungary, Italy, Luxembourg, Poland, Portugal, Romania, Russia, Ukraine, China and Taiwan.

#### Contact Data:

Website: <http://www.groupe-auchan.com/index.jsp?lang=EN>

Structure of Imports and Exports of Auchan Group: [www.auchanimportexport.com](http://www.auchanimportexport.com)

Address: 200 rue de la Recherche, 59,650, Villeneuve d'Ascq, France

Telephone +33 (0) 328376700

#### Requirements:

- a. GAP: Auchan is a member of GFSI (Global Food Safety Initiative), which has translated into its work with the suppliers in most of the countries where it operates to ensure good conditions of production and local sourcing.
- b. Ethical Trade: Auchan adopted in 1997 a "Code of Business Ethics" which must be agreed by its suppliers, ensuring good working conditions, respect for labour rights and preventing discrimination threats, according to the criteria of the World Labour Organisation. Since 1999, Auchan has implemented social audits by third parties, to ensure these criteria are satisfied. For Fairtrade products, Auchan works with the Max Havelaar label associated with Fairtrade Labelling Organisation. Auchan is also a member of the European social agenda GSCP (Global Social Compliance Program).
- c. CSR: Auchan Group practices CSR mainly through the donation of food, supporting projects and other actions related to health and education of children and youth.

#### Environmental Sustainability:

- ♣ EMS: Auchan has certified ISO14001 in fourteen supermarkets in France, Spain and Hungary.
- ♣ Carbon: Auchan has developed programs to reduce energy consumption in its stores and to optimise their logistics networks and transportation by boat or train whenever possible to reduce emissions of greenhouse gases.
- ♣ Packaging: Auchan has worked on waste reduction, recycling and minimisation of packaging, introducing an approach called 'eco-design' and the sale of bulk products (including for example dried fruit, rice, cereal and coffee). The group has also introduced the concept of 'green box' in which disposable plastic bags are not offered.
- ♣ Organic products: Auchan has introduced organic products in several countries where it operates, creating own lines for these types of products (e.g. in Italy, Spain, Portugal, France and Luxembourg).

#### Partners:

Auchan is a member of the Social Clause Initiative (CSI) which groups the main actors of the French and Belgian retail.



### 3.1.6 Aldi

#### **General Characteristics:**

The Aldi Group is a company founded in Germany in 1948 by brothers Karl and Theo Albrecht. Today its global sales exceed EUR 38,000 million (year 2007) and it has over 7,000 stores.

The Aldi Group operates in Germany (Aldi North and South), Austria, Belgium, Denmark, Slovenia, Spain, France, Great Britain, Greece, Holland, Hungary, Ireland, Luxembourg, Poland, Portugal, Switzerland, USA and Australia.

#### **Contact Data:**

Website: <http://www.aldi.com/> with access to the websites of each country where they operate.

#### **Requirements**

- a. GAP: Aldi requires compliance with existing local regulations. In Germany, Aldi is a member of GLOBALGAP, demanding this certification or benchmark schemes such as Chile GAP. Most of the products they sell are own-brand, which are preferably produced locally.
- b. Ethical Trade: Does not offer more information.
- c. CSR: Does not offer more information.
- d. Environmental Sustainability:
  - ♣ Energy efficiency: the use of efficient refrigerators and optimization of transport in its distribution and logistics activities.
  - ♣ Packaging: Aldi has commitments on reducing packaging and using plastic, 100% of the cardboard used by Aldi is recycled.

#### **Partners:**

Aldi does not offer more information.



### 3.1.7 Leclerc

#### **General Features:**

The Group E. Leclerc is a company founded in France in 1979 by Edouard Leclerc. Today its global sales exceed 33,700 million (year 2007) and it has over 900 stores.

Group E Leclerc operates in France, Slovenia, Spain, Italy, Poland and Portugal, where Siplec deals with the imports of the Group.

#### **Contact Data:**

Website <http://www.siplec.com>

E-mail: [contact.par@siplec.com](mailto:contact.par@siplec.com)

Address: Le partitio, 26 quai Marcel Boyer 94,200, Ivry-sur-Seine, France

Phone: +33 1 49 87 54 83

#### **Requirements:**

a. GAP: E. Leclerc requires compliance with French regulations and is a member of GLOBALGAP, demanding this certification or benchmark schemes such as Chile GAP.

b. Ethical Trade: Siplec (Leclerc import company) has a code of ethics that their own providers must comply with fully. This includes that ethical commitments, working conditions, environmental, safety and non-discrimination should be respected.

c. CSR: Siplec is a not-for-profit company, so it distributes at least 25% of its profits with its employees. Group E Leclerc focuses strongly on the sustainable social development of regions in which it operates. Thus, it incorporates an evaluation of the social benefit of their projects when making business decisions.

d. Environmental Sustainability: E. Leclerc has his own label that identifies environmentally harmful products. Additionally in 2005 it introduced its own line of products 'Les Chemins de la Qualite' (The Roads to Quality), which among other things gives the origin of the product and assurance of environmental compliance, quality, freshness and flavour.

#### **Partners:**

Group E Leclerc is a member of the Social Clause Initiative (CSI) which groups together the main actors of French and Belgian retail.



### 3.1.8 Casino

#### **General Features:**

Casino is a French company that has its origins in the late nineteenth century, when Geoffroy Guichard 1892 became the sole owner of the former Lyric Casino Saint-Etienne, and transformed it into a food store. Today its global sales exceed 29,000 million (year 2007) and it has more than 8,500 stores, positioning itself as a major retail chains worldwide.

The Casino Group operates in Argentina, Brazil, Colombia, France, Netherlands, Madagascar, Mayotte, Mauritius, Reunion, Thailand, Uruguay, Venezuela and Vietnam.

#### **Contact Data:**

Website: <http://www.groupe-casino.com>

Address: 1, Esplanade de France - 42,008 Saint-Etienne Cedex 2 - France. Phone: +33 477453131

#### **Requirements:**

a. GAP: Casino is a member of GFSI (Global Food Safety Initiative). Since 1997 Casino does not use genetically modified organisms in food for their own brands. In addition, the group developed a training kit called 'Controlling allergens in your plants' for suppliers, so as to deliver the latest information and guidance on how to implement allergen-control measures for substances based on the 'HACCP' approach. Casino also uses the IFS auditing system (International Food Standard) at its stores, warehouses and brands, and encourages the use of 'Trace One', a tool designed to manage product specifications with suppliers through a virtual platform (over 90% of the providers use the system).

b. Ethical Trade: Casino requires that producers comply with existing local labour and health standards, and with international agreements on working conditions and human rights. Casino sells products with the Fairtrade label, Max Havelaar.

c. CSR: Casino social responsibility activities initiated in 1987 through the sponsorship of cultural and sporting activities, which were then refocused on humanitarian aid, mainly with children, through the 'Schools of the Sun' ( 'Les Ecoles du Soleil' ) , which operate through foundations of the Group in Thailand, Colombia and Venezuela.

d. Environmental Sustainability:

♣ Energy efficiency and renewables: Casino has reduced its energy consumption, mainly through energy efficiency measures, refrigerant management, sustainable design and installations to store renewable energy (such as roof solar collection with more installations being planned).

♣ Carbon: Casino works on the optimization of logistics activities in distribution and transportation. It has also developed a label that informs about the carbon footprint of the products it sells (currently used in France) that has been designed to give an estimate of the greenhouse gases generated in the main stages of product life (production, processing, packaging, transport and distribution), measured in grams of CO<sub>2</sub> per 100 gm. product.

♣ Package: Casino has reduced its own brand packaging and improved waste management and recycling.

♣ Organic products: Casino has its own line of organic products, called Casino-Bio.



**Partners:**

Casino has worked with Bio Intelligence Service on the development of environmental labelling for products (carbon label). Casino is a member of the Social Clause Initiative (CSI) which groups together the main actors of French and Belgian retail.



### 3.1.9 Sainsbury's

#### General Characteristics:

J Sainsbury plc (or Sainsbury's) is a British company founded in 1869 by John James and Mary Ann Sainsbury, when it opened its first store in central London. Today its global sales exceeded 28,500 million (year 2007) and it has over 820 stores in the UK, positioning itself among the 15 largest retail chains in Western Europe.

#### Contact Data:

Website: <http://www.j-sainsbury.co.uk>

E-mail: [investor.relations2@sainsburys.co.uk](mailto:investor.relations2@sainsburys.co.uk)

Address: 33 Holborn, EC1N 2HT, London, United Kingdom

Phone: +44 (0) 20 7695 4931 / +44 (0) 20 7695 6000

#### Requirements:

- a. GAP: Sainsbury's is a member of GLOBALGAP, demanding this certification or benchmark schemes such as Chile GAP. It also has its own principle called 'Sourcing with integrity' which includes marketing fair and sustainable production with its suppliers. Sainsbury's has its own animal welfare standards in production.
- b. Ethical Trade: Sainsbury's sells Fairtrade products, and is one of the major players in the UK retail market for such products. It also created in 2007, the 'Fair Development Fund' to help farmers and producers in developed countries to sell their products as Fairtrade. Sainsbury's is a founding member of the Ethical Trading Initiative (ETI), with which it established a code of conduct for socially responsible sourcing, and it is a member of SEDEX since its introduction in 2001, which conducts audits and monitoring of standards and practices that their operations and suppliers fulfil.
- c. CSR: Sainsbury's is involved in activities with local communities primarily in campaigns against childhood obesity (donating equipment to schools, nurseries and Scout groups), donating food to charity (thus avoiding that this ends up in landfills) and promoting safe neighbourhoods (in partnership with the local police). Additionally, the Sainsbury's Foundation works with a host of other social initiatives, activities and philanthropy projects.
- d. Environmental Sustainability:
  - ♣ Energy efficiency and renewable energy: Sainsbury's environmental sustainability policy includes the reduction of energy consumption, the use of green electricity and renewable energy, logistics and transport efficiency in biofuel production and organic waste for energy generation.
  - ♣ Carbon: the reduction of energy consumption has a direct impact on reducing the carbon footprint of the company.
  - ♣ Packing: waste reduction, including reduced use of plastic bags, packaging reduction and better management of food waste
  - ♣ Organic products Sainsbury's sells organic products including meat, dairy, fruits, vegetables and cotton. Sainsbury's is working with local producers in the United Kingdom to facilitate the conversion to organic production, in addition to seeking a reduction in pesticide use.



**Partners:**

Sainsbury's is a member of the Roundtable on Sustainable Palm Oil (RSPO). It also works with a number of charities in the UK including the Salvation Army, FareShare, Betel of Britain and animal advocacy NGOs.

Sainsbury's is one of the Corporate Partners of the British NGO Forum for the Future, with whom it works on issues of sustainability and leadership.



### 3.1.10 Ahold

#### **General Features:**

Royal Ahold is a Netherlands company established in 1973, currently operating in the U.S. and Europe. Its sales topped 27,900 million in Europe and 24,800 million in North America (2007) and it has more than 5,300 stores in Europe and about 800 in the U.S.

#### **Contact Information:**

Website: <http://www.ahold.com>

E-mail: [web.investorrelations@ahold.com](mailto:web.investorrelations@ahold.com)

Address: Piet Heinkade 167 to 173, 1019 GM Amsterdam, Netherlands

Phone: +31 (0) 20 509 51 00

#### **Requirements:**

a. GAP: Ahold is a member of GLOBALGAP, requiring certification or benchmark schemes such as ChileGAP. It is also a member of GFSI (Global Food Safety Initiative), which develops standards of product safety for the entire retail industry. In Europe, Ahold is implementing the BRC. In addition, Ahold is agreeing standards and audit processes for independent suppliers, with other industry members and NGOs.

b. Ethical Trade: Ahold is a member of the Business Social Compliance Initiative (BSCI). Ahold promotes and sells a wide range of Fairtrade certified products with the Max Havelaar label. Ahold also works with local suppliers and with female entrepreneurs and members of minority groups.

c. CSR: Ahold's corporate responsibility activities are performed centrally and through the Albert Heijn foundation, which funds projects focusing on education, housing and health, mostly in Africa. The Ahold Sustainable Business Development program (ASBD) assists providers in developing countries to meet minimum production and quality standards that gives them access to markets of more developed countries with greater demands.

d. Environmental Sustainability:

♣ Energy efficiency: Ahold has taken action to reduce energy consumption, remove refrigerants that damage the ozone layer and optimize transportation and distribution logistics

♣ Carbon: Ahold is developing a strategy and climate change program with the guidelines of the Global Reporting Initiative, Greenhouse Gas Protocol and the Carbon Disclosure Project. Additionally, Ahold has developed a study of about 100 products to determine their carbon footprint from production to store, in order to incorporate these results into decision-making on procurement and supply chains used.

♣ Packaging: Ahold has strong corporate policies that seek to reduce waste, along with increased recycling rates.

♣ Organic products: Ahold has several lines of organic products depending on the country where it operates and in particular has created its own brand Nature's Promise in the United States since 2004, which offers a wide range of such products.





**Partners:**

Albert Heijn Foundation has partnered with the development organisation ICCO FairMatch and Support in improving the lives of African farmers. Ahold used the guidelines of Global Reporting Initiative (GRI) in its policy of corporate communications.

Ahold also participates in the Roundtable for Sustainable Palm Oil (RSPO) and the Roundtable on Responsible Soy, and is working with the WWF on sustainable production of strawberries and the protection of wetlands.



### 3.1.11 Edeka

#### General Characteristics:

Edeka is a German company founded in 1898 under the name EDK, which then, in 1913, was changed to its present name. Its global sales exceed 38,900 million Euros (year 2007) and it has more than 12,000 stores, positioning itself as a major retail chain in Germany and the world.

Edeka Group operates in Germany and Denmark, with a series of Edeka supermarkets and hypermarkets, mini markets or Marktkau and discounters such as SPAR, plus (jointly with the Tangelmann Group), Aktiv Discount and Netto Marken-Discount.

#### Contact Information:

Website: <http://www.edeka.de>

E-mail: [info@edeka.de](mailto:info@edeka.de)

Address: New York Ring 6, 22297, Hamburg, Germany

Phone: + 49 (0) 40 6377 extension. 0

#### Requirements:

a. GAP: EDEKA is a member of GLOBALGAP, requiring certification or benchmark schemes such as ChileGAP. Also, EDEKA accept certificates issued by IFS. For producers of fruits and vegetables not for Edeka own brands, the company requires the signing of a 'Framework Agreement for Quality Assurance' which sets out the conditions of production, verification and certification protocols that must be met. EDEKA does not sell products containing or derived from genetically modified organisms, including additives and flavourings. EDEKA has an online monitoring system ([www.i-monitoring.net](http://www.i-monitoring.net)) for the exchange of information with laboratories performing quality tests.

b. Ethical Trade: EDEKA sells Fairtrade products.

c. CSR: EDEKA practices corporate responsibility through being the largest employer in the private sector in Germany, providing quality jobs and opportunities for development. Additionally EDEKA has an entrepreneurship program. EDEKA also supports charitable organisations and specifically supports about 750 'food tables' in Germany.

d. Environmental Sustainability:

♣ Energy efficiency, energy and carbon: EDEKA has incorporated a strategy of energy and environment through which it promotes the use of renewable energy. For example they have installed over 25 photovoltaic systems on the roofs of their stores (about 40 thousand square meters) which generate more than 4 million kWh of green power sold to the network.

♣ Organic products: EDEKA sells organic products with its label 'Bio-Wertkost'.



### 3.1.12 Marks & Spencer

#### General Characteristics:

Marks & Spencer is a British company founded in Leeds in 1884 by Michael Marks and Thomas Spencer. With food, clothing, technology, furniture, household goods and coffees, its global sales exceed EUR 14,800 million (year 2007), operating in over 550 stores.

Marks & Spencer operates in the following countries: Saudi Arabia, Bermuda, Bahrain, Bulgaria, Croatia, China, South Korea, UAE, Slovakia, Slovenia, Spain, Great Britain, Greece, Hong Kong, Hungary, India, Indonesia, Kuwait, Latvia, Libya, Lithuania, Malaysia, Malta, Montenegro, Oman, Philippines, Poland, Qatar, Slovakia, Romania, Russia, Serbia, Singapore, Switzerland, Thailand, Turkey and Ukraine.

#### Contact Data:

Website: <http://corporate.marksandspencer.com>

E-mail: [retailcustomer.services@marksandspencer.com](mailto:retailcustomer.services@marksandspencer.com)

Address: Waterside House, 35 North Wharf Road, London, W2 1NW. United Kingdom

Phone: +44 (0) 20 7935 4422

#### Requirements:

a. GAP: Marks & Spencer is a member of GLOBALGAP, requiring certification or equivalents as ChileGAP benchmark. Additionally Marks & Spencer is a member of GFSI (Global Food Safety Initiative). Marks & Spencer has banned some 60 pesticides in fruit and vegetable production of the products it sells and has plans to ban 19 more by 2010 in addition to eliminating the use of pesticides in post-harvest processes. Marks & Spencer has a policy of not using ingredients containing genetically modified organisms and has a self certification Field to Fork.

b. Ethical Trade: Marks & Spencer has created its own principles and standards for their suppliers (called Global Sourcing Principles), linked to working conditions in which production takes place that comes into their stores. With each supplier a production standard is agreed with specifications appropriate to the industries and producing countries. Marks & Spencer adopted the Code of Practice on Ethical Trading Initiative (ETI), which is used to define its own principles, and is a member of SEDEX, a system it uses to audit its suppliers. Marks & Spencer sells Fairtrade products and among its goals is the increase in the sale and range of such products. Among the plans of the company is the launching of at least six industries which are models of ethical practices (Model Ethical Factories) to develop best practice for ethical trading, increase the participation of small local producers and improve their understanding of the needs of small producers by the purchasing teams of the company.

c. CSR: Marks & Spencer is working with groups such as the disabled and disadvantaged people living on the street to enter the labour market in their stores, offices and industry suppliers. Marks & Spencer supports charities in conjunction with its employees and supports the communities where the producers and suppliers of the company are located. For their corporate communications, Marks & Spencer follows the guidelines of the Global Reporting Initiative.

d. Environmental Sustainability:

♣ Energy efficiency and renewables: M & S has carried out energy efficiency, energy generation through co-generation and anaerobic digesters and electricity supply from renewable energies (recently signing an agreement to use 100% green power in England and Wales).



♣ Carbon: The main objective of environmental sustainability at Marks & Spencer is to be emissions neutral by 2012. For this, among other measures, M & S is expected to reduce the use of air transport in the food products that they sell and is using a symbol of an airplane on those products which are transported by air. Marks & Spencer has committed to buy energy generated by their suppliers (e.g. farmers who have diversified their activities and also generate energy from renewable sources). Marks & Spencer has introduced more efficient vehicles and its transport fleet is in process of being composed only of vehicles certified with EURO IV and V, as well as increasing the use of biodiesel.

♣ Packing: As part of its sustainability strategy, M & S hopes to fulfil the goal of sending no waste to landfills by 2012.

♣ Organic products: Marks & Spencer sells organic products.

Note: Marks & Spencer in January 2007 launched its Plan A 'eco plan' establishing 100 commitments associated with the challenges in the areas of climate change, waste, sustainable raw materials, fair partnerships and health.

### **Partners:**

Marks & Spencer has reached an agreement and established a partnership with NPower for certifying that 100% of the electricity they use in their shops and offices in Britain and Ireland is green electricity.

Marks & Spencer is working with the Carbon Trust in measuring the carbon footprint of all the food it sells. This showed that the emissions caused by the packaging and transport are relatively small compared with those associated with the processes of supply and processing of raw materials, which has been a starting point as they work to reduce the carbon footprint of products throughout their entire life cycle through the supply chain. Additionally M&S is working with the Carbon Trust and the British Standards Institution on the development of a carbon labelling standard, although Marks & Spencer still has qualms about the usefulness of such labels.

The group is a member of the Roundtable for Sustainable Palm Oil and Roundtable for Sustainable Soy, for the establishment of acceptable standards and then the expansion of their use. In this regard, Marks & Spencer supports the Heart of Borneo project of the WWF, who is also working on a project for the definition of 'water footprint' of key parts of the production chain and to establish reduction targets for water consumption.

Marks & Spencer works in partnership with the Shell Foundation and Traidcraft to implement support for small producers in developing countries.



### 3.1.13 Waitrose

#### General Characteristics:

In 1904 Wallace Waite, Arthur Rose and David Taylor opened a small store in London. The company was purchased by John Lewis Partnership in 1937 and opened its first Waitrose supermarket in 1955. In the year 2007 Waitrose sales exceeded 3,900 million pounds. Waitrose operates 185 supermarkets in the UK.

#### Contact Data:

Website: <http://www.waitrose.com>

E-mail: [customer\\_service@waitrose.co.uk](mailto:customer_service@waitrose.co.uk)

Address: Southern Industrial Area, Bracknell, Berkshire, RG12 8YA, United Kingdom

Tel: +44 (0) 13 4442 4680

#### Requirements:

a. GAP: Waitrose is a member of GLOBALGAP, requiring certification or equivalents such as the ChileGAP benchmark. Waitrose is a member of GFSI (Global Food Safety Initiative), which seeks to establish common standards for audits of food producers. It is a member of SEDEX and requires suppliers of private label products meet their standards.

b. Ethical Trade: With its suppliers, Waitrose develops lasting relationships based on mutual benefits, by continually holding meetings, conferences, workshops, joint projects, fairs, exchange of information on best practices and energy management, etc. Waitrose sells Fairtrade products.

c. CSR: Waitrose finances and implements community projects chosen by the consumers themselves, makes public consultations on its plans for construction and improvement of stores, etc. The Waitrose Foundation, created in 2005, implements projects in cooperation with suppliers in Africa, with a view to improving their welfare and living conditions (especially in health, education and social development). Waitrose has a Code of Practice for Responsible Procurement (Responsible Sourcing Code of Practice) and a program for assessment of their suppliers, which defines their views on acceptable working conditions and measures in compliance with the requirements from the latter.

d. Environmental Sustainability:

♣ Energy efficiency: Waitrose has the goal of improving energy efficiency of its stores by 20% by 2010, compared with the baseline of 2003. Additionally it is investing 55 million pounds over five years to change their cooling equipment into a more efficient system not using hydro-chlorofluorocarbons (HCFCs).

♣ Carbon and renewable energy: Waitrose has set targets for reducing emissions of greenhouse gases (10% by 2010, 20% by 2020 and 60% to 2050 over 2001), as well as continuous supply of 100% green electricity in its stores and offices. Additionally, the company intends to reduce by 15% its CO2 emissions linked to transport home-delivery to 2013 (compared to 2005).

♣ Packaging: Waitrose is implementing programs to reduce waste and packaging, anaerobic digestion of their organic waste, recyclable packaging and labelling, among other initiatives.

♣ Organic products: Waitrose sells a wide variety of organic products

♣ Certifications: Waitrose requires LEAF certification standard for all UK suppliers and from 2010 will require that all its fruits, vegetables and imported flowers have this certification. If possible, Waitrose boosts consumption and marketing of local products.



**Partners:**

Waitrose is a member of the Corporate Leaders Group on Climate Change (CLG), a group gathered round the Leadership Program for Sustainability at the University of Cambridge.

Waitrose endorsed the Climate Change initiative 'A Better Retailing Climate' of the British Retail Consortium, which includes commitments to reduce energy use and water emissions in transport, waste and packaging and support their suppliers, partners and consumers to reduce their environmental impacts. Waitrose is a member of the Working Group's Carbon Footprint Food Distribution Institute (Institute of Grocery Distribution, IGD-), which is assisting the British Standards Institution (British Standards Institute) to develop a standard measurement of the Carbon footprint of products and services throughout their life cycle.

Waitrose supports the work of organisations such as LEAF (Linking Environment and Farming), in addition to responding to support campaigns and numerous nongovernmental organisations (NGOs), including Greenpeace, are issues related to growing soybeans, palm oil and sustainable fisheries.



### 3.1.14 Lidl

#### **General Features:**

Lidl is the leading discount supermarket of German group Schwarz, which also operates hypermarkets Kaufland. Originally in the 1930s the group was founded under the name of Lidl & Schwarz Grocery Wholesale.

Global sales of the group Schwarz exceed 51,800 million (year 2007) and it has more than 8,500 stores, positioning itself as a major retail chains in Europe.

The first Lidl supermarket opened in 1973 and during the 1990s it expanded to the rest of Europe, being now present in Germany, Austria, Belgium, Croatia, Cyprus, Denmark, Slovakia, Slovenia, Spain, Finland, France, Greece, Holland, Hungary, Ireland, Italy, Luxembourg, Malta, Norway, Poland, Portugal, Serbia, Sweden, UK and Czech Republic.

#### **Contact Data:**

<http://www.lidl-info.com>

Address: Lidl UK GmbH. Blackheath Lane, Manor Park, Runcorn, Cheshire WA7 1SE, United Kingdom (Head office in UK, is the headquarters of the company)

#### **Requirements:**

- a. GAP: Lidl Germany is a member of GLOBALGAP, requiring certification or equivalents such as the ChileGAP benchmark.
- b. Ethical Trade: Lidl introduced its line of products called Fairglobe Fairtrade, which is certified with the standards of the Fairtrade Labelling Organisations International (FLO)
- c. CSR: No delivery details.
- d. Environmental Sustainability: No delivery details.



### 3.1.15 COOP, Italy

#### **General Characteristics:**

Coop Italia serves as marketing for the entire Italian system COOP. COOP operates the largest supermarket chain in Italy. The first cooperative store was opened in 1854 in Turin. However, in December 1947 it established the Italian Association of Consumer Cooperatives (ANCC-COOP). It currently operates in about 1,300 stores in Italy with annual revenues in excess of 12,300 million (year 2007).

#### **Contact Information:**

Website: <http://www.e-coop.it>

E-mail: [ufficio.stampa@ancc.coop.it](mailto:ufficio.stampa@ancc.coop.it) .

Address: Via Guattani, 9, 00161 Rome, Italy.

Phone: +39 06441811

#### **Requirements:**

- a. GAP: COOP Italia is a member of GLOBALGAP. Additionally COOP Italia is a member of GFSI (Global Food Safety Initiative), which seeks to establish common standards for the audits of food producers. COOP Italia does not use genetically modified organisms or artificial colouring and the use of certain additives is permitted only when necessary, and should be used in a minimum amount with full traceability.
- b. Ethical Trade: From 2006 COOP Italy adopted a Code of Ethics. COOP sells Fair Trade products with an own label called 'Solidale' since 1995 in a wide range of products including some fruits, chocolate, honey, cream, tea, coffee, rice, sugar and orange juice, among others. Fair Trade products must have followed the rules of SA8000.
- c. CSR: Through the International Network for Cooperatives, COOP Italia develops projects that influence and benefit local economies and small producers. Additionally, for its cooperative structure, COOP has a CSR policy deeply rooted in all aspects of cooperative action, including mainly the attachment to the principles of solidarity and the need for its members.
- d. Environmental Sustainability:
  - ♣ Energy efficiency: COOP has defined a strategy of environmental sustainability that includes actions to reduce energy consumption and energy efficiency.
  - ♣ Carbon: COOP has initiated the installation of renewable energy in buildings, and transportation has been optimised in order to reduce its carbon footprint.
  - ♣ Packaging: COOP promotes waste minimisation, uses recycled products, minimises packaging and has made using reusable packaging a priority.
  - ♣ Organic products: COOP has introduced two lines of products 'eco-logici', which do not use phosphates, CFCs, pesticides or PVC. Also sells products COOP Bio-logici 'which is the label for organic products and it is using a label with a four-leaf clover in its product line 'super cool'

#### **Partners:**

COOP Italia is a member of the European Community of Consumer Co-operatives-Euro Coop, by means of which it sets much of his work in networks. COOP Italia is working with Friends of the Sea in the certification of marine products.





### 3.1.16 Asda

#### General Features:

ASDA is a UK company founded in 1949 as Associated Dairies & Farm Stores Limited. In 1945, together with the merger of the company it acquired the name Asquith Chain ASDA. This company which was founded in Leeds, England, is currently a subsidiary of Wal-Mart.

Its global sales exceed 26,900 million (year 2007) and it has over 350 stores, positioning itself as a major retail chain in the UK.

ASDA operates under the following stores and supermarkets: Asda / Wal-Mart Super centres, ASDA Superstores, ASDA Living and George High Street stores.

#### Contact Data:

Website: <http://www.about-asda.co.uk>

E-mail: <http://www.about-asda.co.uk/contact-us.asp>

Address: ASDA House, Southbank, Great Wilson Street, Leeds, LS11 5AD, UK.

Phone: +44 (0) 845 300 1111

#### Requirements:

a. GAP: ASDA is a member of GLOBALGAP, requiring certification or equivalents as ChileGAP benchmark. ASDA is a member of GFSI (Global Food Safety Initiative), which seeks to establish common standards for audits of food producers. ASDA has removed the use of Genetically Modified Organisms of all their own brands

b. Ethical Trade: ASDA sells Fairtrade products, for which it has a dedicated team to certify products in accordance with internationally recognised organisations (FLO). ASDA have subscribed to the Ethical Trading Initiative (ETI) for the promotion of respect for the rights of free association for workers and a fair income.

c. CSR: ASDA conducted fundraising activities and donations to English charities. Additionally, the ASDA Foundation funds community projects submitted by interested organisations.

d. Environmental Sustainability:

♣ Energy efficiency: ASDA is working on energy efficiency measures in transport, logistics and distribution operations.

♣ Carbon: As for energy management and reduced carbon emissions, ASDA is committed to reduce by 20% its energy consumption by 2012, based on 2005 levels. Regarding the carbon footprint, as of 2007 ASDA has worked with its suppliers on measuring the carbon footprint of products and has developed a set of tools (guides) that allows producers to reduce the carbon footprint of their products mainly in the dairy sector. Also, ASDA prefers to market local products where possible, thus promoting local economic development and reducing the environmental impact (carbon footprint) of their supply chain.

♣ Packing: ASDA has carried out environmental protection actions by agreeing to the goal of not sending waste to landfills by 2010 through recycling programs, reduced packaging and the power generation of fuels and organic wastes.

♣ Organic products: ASDA sells organic products under its own label.

#### Partners:

ASDA is part of the Institute of Food Distribution (Institute of Grocery Distribution, IGD), a think tank and centre for research that works with the British Standards Institute to define methods that allows retail



companies to calculate the carbon footprint embedded in the production cycle of the products they sell.



### 3.1.17 Delhaize Group

#### **General Features:**

Delhaize is a Belgian company created in 1867 by Jules Delhaize. Today it is among the ten largest stations in the U.S. with sales exceeding the 18,500 million in 2007.

Delhaize operates in the U.S., Belgium, Greece, Romania and Indonesia.

#### **Contact Data:**

Website: [www.delhaizegroup.com](http://www.delhaizegroup.com)

Contact Form: <http://www.delhaizegroup.com/BottomSectionPages/ContactUs/tabid/82/Default.aspx>

Address: Square Marie Curie 40, 1070 Brussels, Belgium

Phone: + 32-2-4122211.

#### **Requirements:**

- a. GAP: The chain acknowledges GlobalGAP and its schemes such as ChileGAP ® and is part of the GFSI.
- b. Ethical Trade: Delhaize, through its Food Lion brand, has a diversity program in its suppliers, this includes minorities.
- c. CSR: This chain of supermarkets provides grants to communities within its program "Care for People". It has an animal welfare program which ensures protection of these in the supply chains. Finally has a program of healthy life in all its brands called Guiding Starts.
- d. Environmental Sustainability:
  - ♣ Energy efficiency: At firm level, the Food Lion brand has 400 certified "Energy Star" premises. Hannaford (US) also has an alliance with "Energy Start", and Delhaize Belgium and other European operations have an energy saving program.
  - ♣ Carbon: Energy use in order to reduce CO2 emissions is one of the key points of the environmental agenda of Delhaize Group.
  - ♣ Packing: Waste minimisation is one of the key points of the environmental agenda of Delhaize Group.

## 3.2 North America



	<b>Supermarket Chain</b>	<b>Country of Origin</b>	<b>Page</b>
<b>1</b>	Wal-Mart	U.S.	37
<b>2</b>	Kroger U.S	U.S.	38
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<b>7</b>	Publix	U.S.	43
<b>8</b>	Wholefoods	U.S.	44



### 3.2.1 Wal-Mart

#### **General Features:**

Wal-Mart is an American company founded in 1962 by Sam Walton. Currently the top global retail chain, and had sales in 2007 in excess of 390,000 million USD.

Wal-Mart operates in the U.S., Canada, El Salvador, Honduras, Argentina, Costa Rica, United Kingdom, China, India, Mexico, Guatemala, Nicaragua, Brazil, Puerto Rico, Japan and Chile.

#### **Contact Data:**

Website: [www.walmartstores.com](http://www.walmartstores.com)

E-mail: <http://walmartstores.com/contactus/feedback.aspx>

Address: Wal-Mart Stores, 702 SW 8th Street, Bentonville, Arkansas 72716-8611

Phone: +1-479-273-4000

#### **Requirements (Sustainability Report):**

- a. GAP: Wal-Mart seeks to ensure the quality and reliability of its products on an ongoing basis. To do this, it conducts periodic reviews of products with independent laboratories to enable them to confirm that their suppliers comply with quality standards of the government. The chain acknowledges GlobalGAP, BRS and SQF 2000, therefore they may be requested, and belongs to GFSI.
- b. Ethical Trade: Wal-Mart has the "Ethical Standards Program". Providers must sign a document of standards for providers ("Standards for Suppliers") where you agree to comply with basic working conditions as defined in the standard, among which are discrimination, child labour and wages among others. They offer Fairtrade products (TransFair USA). It is a member of GSCP.
- c. CSR: Wal-Mart has a program that seeks to protect the diversity of its workers and another that encourages healthy living for their workers, communities and individuals that relate to the company.
- d. Environmental sustainability: Wal-Mart's environmental program has three goals: to be supplied by 100% renewable energy, not to send waste to landfills and to sell products that conserve resources and the environment. To meet these goals it is developing different activities, such as recycling waste, reducing the use of plastic bags and wrappers of their products. Wal-Mart sells a wide range of organic products.

#### **Partners:**

Wal-Mart has a partnership with the Carbon Disclosure Project and the Clinton Climate Initiative that works with reducing their carbon footprint.



### 3.2.2 Kroger

#### **General Features:**

Kroger is a U.S. company that was founded in 1883 by Barney Kroger. It is currently the second chain in North America and one of the ten largest in the world, with global sales exceeding 73,000 million USD in 2007.

Kroger operates in the U.S. alone.

#### **Contact Data:**

Website: [www.thekrogerco.com](http://www.thekrogerco.com)

Contact Form: [http://www.thekrogerco.com/contact/contactus\\_form.htm](http://www.thekrogerco.com/contact/contactus_form.htm)

Address: 1014 Vine Street Cincinnati, Ohio 45202-1100, USA

Phone: +1 513 762-4000

#### **Requirements:**

- a. GAP: Food safety is a priority for Kroger. To do this they have a program that seeks to ensure the safety of food within which it recognises SCS and NSF Davis Fresh. This chain is a member of GFSI.
- b. Ethical Trade: Kroger has a diversity program in the supply chain that aims to encourage business development administered by minorities and women. In addition to the terms and conditions of purchase orders is attached a code of conduct which requires that the selling company and its suppliers comply with local labour law and 10 working conditions which it defines. This includes, among others, issues of child labour, working conditions and discrimination. They offer a wide range of Fairtrade certified products by TransFair USA.
- c. CSR: The company has a program of healthy living and supports various community organisations, mainly through donations. Additionally, they support local production in their supply chains.
- d. Environmental Sustainability: Kroger's goal is to reduce weight and materials in the packaging of its products sold in stores. Additionally it has a program to reduce energy consumption and a reduction in its greenhouse gas emissions, as well as reducing miles travelled by its fleet of trucks. They offer a wide range of organic products.

#### **Partners:**

This company has a partnership with Consumer Package Goods (CPG) to reduce product packaging and shipments. It also has an alliance called "Perishable donation" with different organisations that receive food.



### 3.2.3 Costco

#### **General Features:**

Costco is an American company founded in 1976 by Sol and Robert Price. It is currently among the ten largest supermarket chains in the world with sales exceeding 69,000 million USD in 2007.

Costco operates in the U.S., UK, Mexico, Canada, South Korea, Taiwan and Japan.

#### **Contact Data:**

Website: [www.costco.com](http://www.costco.com)

E-mail: [dschell@costco.com](mailto:dschell@costco.com)

Address: 999 Lake Drive Issaquah, WA 98027, USA

Phone: +1-425-313-8157

#### **Requirements:**

- a. GAP: This chain has a high concern for food safety, and recognises the schemes of Primus Labs and NSF Davis Fresh. However, they are in talks to join the GlobalGAP certification.
- b. Ethical Trade: Costco has a Vendor code of conduct, and is engaged in the protection of working conditions and safety of persons who work with their suppliers. The code prohibits the use of child labour, slavery and physical abuse of employees. It also requires compliance with labour and environmental laws in companies that supply in the countries where they operate. Costco reserves the right to audit their suppliers to verify compliance with the code of conduct.
- c. CSR: This supermarket chain makes donations to various organisations.
- d. Environmental Sustainability: Costco has defined the care of the environment as a priority, however, there is limited information on the operations being carried out.



### 3.2.4 Safeway

#### **General Features:**

Safeway is an American company founded in 1915 by MB Skaggs. It is currently among the twenty largest supermarket chains in the world and among the 10 biggest in North America with sales exceeding 46,000 million USD in 2007.

Safeway operates in the U.S. and Canada.

#### **Contact Data:**

Website: [www.safeway.com](http://www.safeway.com)

E-mail: [supplier.support@safeway.com](mailto:supplier.support@safeway.com)

Address: M / S 10,501 P.O. Box 29,093, Phoenix, AZ 85038-9093, USA

Phone: +1-877-723-3929

#### **Requirements:**

- a. GAP: To Safeway food safety is a major issue. It recognises SQF and participates in some of its committees. However, it is not the only certification that may apply, and it also recognises NSF Davis Fresh, SCS and Primus Labs.
- b. Ethical Trade: A supplier of Safeway should enforce a code of conduct, which includes requirements on corporate integrity and working conditions of its suppliers. This last section covers issues on freedom of work, compliance with labour laws and child labour among others. It has a program that promotes diversity in its supply chain, and it invites companies with owners who represent minorities and women to be their suppliers.
- c. CSR: This supermarket chain makes donations to various community organisations in areas of education, natural disasters, health and nutrition. Also has a program that encourages healthy living for consumers and employees through healthy eating. Finally, promotes diversity in its employees and prohibits discrimination.
- d. Environmental Sustainability: Safeway has an environmental policy that seeks to comply with existing environmental legislation and reduce its negative impacts on the environment. This policy results in an environmental plan that covers the following areas of solid waste recycling, reduction of CO<sub>2</sub> emissions, improvements in transport efficiency are changing their products and systems for ammonia refrigeration systems to replace gas emissions and leaks that damage the ozone layer. Finally, they have a program of animal protection. Safeway sells a variety of organic products.

#### **Partners:**

They have a partnership with the Environmental Protection Agency (USEPA), the Action for the Environment Agency in California and Chicago Climate Exchange to reduce their CO<sub>2</sub> emissions.





### 3.2.5 Supervalu

#### **General Characteristics:**

Supervalu is a U.S. company that was founded in 1870 by Hugh G. Harrison. It is currently among the thirty largest supermarket chains in the world with sales in excess of 40,000 million USD in 2007. Supervalu operates only in the United States.

#### **Contact Data:**

Website: [www.supervalu.com](http://www.supervalu.com)

Contact Form: <http://www.supervalu.com/sv-webapp/contact/contact.jsp>

Address: 11840 Valley View Road Eden Prairie, Minnesota 55344, USA

Phone: +1-952-828-4000

#### **Requirements:**

- a. GAP: This supermarket chain recognises SQF certifications.
- b. Ethical Trade: Supervalu has a diversity program for its supply chain. In this farm business with companies managed or controlled by women or minorities. Providers must verify a policy that mandates compliance with labour laws in its production centres.
- c. CSR: This supermarket chain promotes non-discrimination and respect for diversity among its workers. In so doing, they aim to build an organisation that values individuals and their contributions. Additionally, they have a program that promotes healthy lifestyles and at the same time, through its foundation Supervalu implementing the "Food for All" campaign.
- d. Environmental Sustainability: Supervalu has a program called "ValuEarth" of environmental protection. This was based primarily on three areas: reduction of refrigerant gases that harm the ozone layer and generate greenhouse gases, recycling and waste reduction and efficient use of energy. It also has a program to search for animals to be treated in a sustainable manner.

#### **Partners:**

Supervalu has strategic alliances with the organisation Feeding America (an organisation that fights hunger in the U.S.) and the American Heart Association with its "Go Red for Women" movement. Additionally it is part of the Food Marketing Institute and sits on its committees on environment, energy and technical services.



### 3.2.6 Loblaw

#### **General Characteristics:**

Loblaw is a Canadian company that was founded in 1919 by TP Loblaw and J. Wilton Cork. Today it is one of the thirty largest supermarket chains worldwide with sales in excess of 28,500 million USD in 2007.

Loblaw operates only in Canada.

#### **Contact Data:**

Website: <http://www.loblaw.ca>

Contact Form: [Customer\\_Service@loblaw.ca](mailto:Customer_Service@loblaw.ca)

Address: 1 President's Choice Circle, Brampton, Ontario, L6Y 5S5, Canada

Phone: +1-905-459-2500

#### **Requirements:**

- a. GAP: Loblaw is committed to food safety. For this reason, all vendors must comply with Canadian regulations. Moreover, this chain conducts audits of its producers to ensure product quality.
- b. Ethical Trade: Loblaw has a code of conduct for suppliers, under which they must among other things operate in an environmentally friendly way by reducing energy consumption and using the least amount of packaging. It also prohibits gift-giving and child labour. Finally it covers issues of food security, which must comply with industry standards.
- c. CSR: This chain provides grants to communities and has a program of healthy lifestyles through the promotion of its trademark "President's Choice Blue Menu". Finally, it has a program that protects diversity and prevents discrimination among its employees. It also has Fairtrade coffee, tropical fruits, nuts, seafood and tea which are TransFair USA certified.
- d. Environmental Sustainability: Loblaw has an environmental protection program that covers the following areas: reduced volumes of solid waste, energy efficiency and reducing CO2 emissions. Additionally, it includes the reduction of the packaging of its own brands and looks to further develop the "President's Choice green" and "President's Choice organic" products which have low environmental impact.

#### **Partners:**

It has a strategic alliance with the W. Garfield Weston foundation, which works on issues of education, conservation and innovation. It also has an alliance with the Canadian Business for Social Responsibility which supports them in the implementation and measurement of their CSR program.



### 3.2.7 Publix

#### **General Features:**

Publix is a U.S. company that was founded in 1930 by George W. Jenkins. It is currently among the twenty largest chains in North America with global sales exceeding 24,000 million USD in 2007. Publix operates only in the United States.

#### **Contact Data:**

Website: [www.publix.com](http://www.publix.com)

Contact Form: <http://www.publix.com/contact/SendUsAMessage.do>

Address: PO Box 407 Lakeland, FL 33802-0407, USA

Phone: +1-863-688-1188

#### **Requirements:**

- a. GAP: Publix recognises the SQF certification. It also recognises Primus Labs, SCS and NSF Davis Fresh.
- b. Ethical Trade: No public information is available on actions that have been undertaken in this area.
- c. CSR: The chain promotes shopping locally as a first option.
- d. Environmental Sustainability: Publix has an environmental program which covers following areas: energy efficiency, the use of refrigerants that do not damage the ozone layer, solid waste recycling and reducing packaging.

#### **Partners:**

Publix has a strategic alliance with the Environmental Protection Agency (USEPA), with the GreenChill program and also is a member of Leaders program for EPA Climate Change.



### 3.2.8 Wholefoods

#### **General Characteristics:**

Wholefoods is an American company created in 1980, specialising in natural and organic products. This chain has a high commitment to environmental stewardship. It has led the creation of standards for organic production and the development of sustainability in the retail industry. It is currently among the twenty largest chains in the United States with sales greater than the 6,500 million in 2007.

Wholefoods operates in the U.S., Canada and the UK.

#### **Contact Data:**

Website: [www.wholefoodsmarket.com/company](http://www.wholefoodsmarket.com/company)

Contact Form: [http://www.wholefoodsmarket.com/company/contact\\_submit.php](http://www.wholefoodsmarket.com/company/contact_submit.php)

Address: 550 Bowie Street Austin, TX 78703-4644, USA

Phone: +1-512-477-4455

#### **Requirements:**

a. GAP: Wholefoods highlights as a main principal the harmless nature of its products. Since its focus is organic production it is highly demanding in compliance with GAP requirements. It carries out audits and visits to their suppliers and recognises NSF Davis Fresh.

b. Ethical Trade: Wholefoods asks its suppliers for honesty, integrity, transparency and innovation. Additionally, it has the Whole Trade Guarantee program which guarantees five aspects: the producers receive a premium for their products, workers have good working conditions, and the promotion environmental stewardship. One per cent of the sales of these products are donated to the Whole Planet Foundation.

c. CSR: Wholefoods works through its foundation in social and environmental issues in developing countries. Additionally, it makes financial donations and promotes corporate volunteerism in communities. They have a full program of health and nutrition, restricting the use of multiple ingredients and promoting healthy eating.

d. Environmental Sustainability: Wholefoods works in environmental protection through the following actions: Applying the rule of the 3Rs (Reduce, Reuse and Recycle), using renewable energy sources (solar and wind), promoting the use of biodegradable packaging (natural fibres), improving the transport system using biofuels and reducing water use.

#### **Partners:**

Wholefoods works with three institutions capable of meeting the Whole Trade Guarantee certification: TransFair USA, Rainforest Alliance, Fair For Life by IMO.

### 3.3 Latin America



	<b>Supermarket Chain</b>	<b>Country of Origin</b>	<b>Page</b>
<b>1</b>	Soriana	Mexico	46
<b>2</b>	Commercial Mexicana	Mexico	47



### 3.3.1 Soriana

#### **General Characteristics:**

Soriano is a Mexican company that was founded in 1968. It currently ranks among the 5 largest chains in Latin America with sales greater than the 6,200 million. In 2007 the chain acquired Giant stores. Soriana operates only in Mexico.

#### **Contact Information:**

Web: [www.soriana.com](http://www.soriana.com)

E-mail: [ayuda@soriana.com](mailto:ayuda@soriana.com)

Director: Alejandro de Rodas, 3102-A, Colonia Cumbres 8o. Sector, Monterrey, Nuevo Leon, Mexico

Phone: +1 81-8329-9223

#### **Requirements (Sustainability Report):**

- a. GAP: For this chain of food safety is an important issue. To do this they perform audits of their suppliers, but do not specify the certifications they recognise.
- b. Ethical Trade: Soriana has a code of ethics that business partners and suppliers must meet and sign. In the latter gives guidelines on labour, environmental and corporate integrity amongst other requirements. It also promotes local production through fairs for vendors and the promotion of their products.
- c. CSR: This chain supports communities through the Soriana Foundation. The actions implemented are focused on issues of seniors, children, education, food, health, culture, security and sports.
- d. Environmental Sustainability: In environmental protection they conduct various internal actions, among which are a recycling program, energy efficiency and tree planting.

#### **Partners:**

The Foundation Soriana has alliances with multiple organisations on the topics described above, for example the Red Cross and sports centres.

### 3.3.2 Comercial Mexicana

#### **General Features:**

Comercial Mexicana is a Mexican company that was founded in 1930 by Antonio Gonzalez. Today is among the ten largest chains in Latin America with sales in excess of 3,900 million dollars in 2007. Comercial Mexicana operates only in Mexico.

#### **Contact Information:**

Web: [www.comercialmexicana.com.mx](http://www.comercialmexicana.com.mx)

E-mail: [comercial.mexicana@centrodecontacto.com.mx](mailto:comercial.mexicana@centrodecontacto.com.mx)

Phone: +1 800 226 2626

#### **Requirements:**

- a. GAP: No more information available.
- b. Ethical Trade: This chain has a code of ethics to be signed by business partners and suppliers of the company. This includes issues of the relationship with suppliers, use of privileged information and sexual harassment.
- c. CSR: This chain has a foundation that channels its CSR initiatives. The Comercial Mexicana Foundation works to give financial support for nutrition and rural education. In addition, the foundation carries out actions with the employees of the company, for example in health, family, education and access to credit.
- d. Environmental Sustainability: This chain does not report on specific actions that are taking place on environmental issues. However, they state that their operations must respect the environment.

#### **Partnerships:**

The founding of Comercial Mexicana has alliances with various local organisations on issues which control its work.

## 3.4 Asia



	<b>Supermarket Chain</b>	<b>Country of Origin</b>	<b>Page</b>
1	AEON	Japan	49
2	Seven & I	Japan	51
3	Lotte Shopping	South Korea	53
4	Lianhua	China	54



### 3.4.1 AEON

#### **General Characteristics:**

AEON Co. Ltd. or AEON is a Japanese group originally set up in the year 1758 by Okada Sozaemon when he opened the first Shinoharaya store, which was a precursor of JUSCO supermarkets (Japan United Stores Company). Its global sales were 70,800 million USD and it has more than 13,300 stores (2007).

AEON operates in: Japan, China, South Korea, Hong Kong, Indonesia, Malaysia, Thailand and Taiwan.

#### **Contact Data:**

Web: <http://www.aeon.info/en>

Address: 1-5-1 Nakase, Mihama-ku, Chiba-shi, Chiba 261-8515, Japan

Tel: +81 43-2126037

#### **Requirements:**

a. GAP: AEON requires GLOBALGAP and is in the process of developing its own standard, but does not give further information about the date of implementation. In addition, AEON has created a Supply Chain Management infrastructure in Japan. AEON TopValues is its own brand that offers various products, which include in production and processing specific standards for non-harmful production and environmental protection (including TopValues Green Eye).

b. Ethical Trade: AEON has its own Code of Conduct for Suppliers (introduced in 2004), which establishes the ethical standards to be met by producers and suppliers regarding working conditions, respect for human rights, fair wages, non-discrimination, working hours, the right to association and collective bargaining, environmental conditions, etc. AEON has certified under SA8000 operations as much at headquarters level as in the management operations of TopValues providers. AEON offers products with the FLO Fairtrade certificate.

c. CSR: AEON has been active in social and environmental responsibility with its consumers since 1991 (e.g. its tree planting activities, which has involved more than 800,000 customers and has led to the planting of more than 8 million trees). AEON also conducts social activities in the communities where it operates and conducts fundraising campaigns among its employees and consumers for social causes and disaster recovery, which are then augmented with its own equity.

d. Environmental Sustainability:

♣ Energy efficiency and environmental management: AEON offers a wide variety of environmentally friendly products, as well as appliances efficient in energy consumption. AEON has incorporated energy efficient management, sustainable construction and energy generation from renewable sources. In the year 1991, the Aeon Group Environment Foundation was established, working on conservation and environmental protection.

♣ Carbon: AEON has developed a Manifesto on the Prevention of Global Warming, which sets targets of 30% reduction of CO<sub>2</sub> during the next 5 years starting from 2008, with 2006 as the base year. For this, it is expected that around 27% of the target is to come from product-level reductions in working with suppliers.

♣ Package: Proposed measures to reduce the carbon footprint include reducing packaging, materials and cooperation with suppliers in various stages of the production and distribution chains. AEON also promotes recycling and reducing plastic bag use.



♣ Organic products: Amongst others, AEON markets coffee certified by Rainforest Foundation (sustainable cropping practices and not from the deforestation of tropical forests).

### 3.4.2 Seven & I Holdings

#### General Features:

Seven & I Holdings is a Japanese group. Its global sales exceed 54,400 billion USD and it operates over 15,000 stores (2007). Seven & I operates through small stores (convenience stores), supermarkets, department stores, restaurants and other services.

#### Contact Data:

Website: <http://www.7andi.com/en/index.html>

Address: 8-8, Nibancho, Chiyoda-ku, Tokyo 102-8452, Japan

Tel: +81-3-6238-3000

#### Requirements:

a. GAP: The security and safety of the products are channelled through the lines of action guide explained below (see ethical trade). The main aspects of security and safety policy have to do with residual pesticides, certain food allergies and their respective information on labels, no use of additives in food unless permitted by the Japanese Ministry of Health, controls on the hygiene of facilities (own and suppliers) and verification measures and monitoring. Although in their corporate or sustainability reports the company does not specify standards, it indicates that before any incidents that have undermined confidence of consumers "The company has not only joined the laws that bind the safety of their products, but has established independent standards for quality control more stringent than any legal requirement.

b. Ethical Trade: Suppliers must comply with local laws and international regulations on working conditions, safety, environmental protection etc. Additionally, it has developed Business Partner Action Guidelines which provide the laws, regulations and business ethics to be observed for compliance with laws, respect for human rights and dignity, work environment, environmental management relations with communities and society, information management, fair business, product safety, fair trade and monitoring.

c. CSR: The group Seven & I has established a CSR committee that handles the activities of responsible, ethical and sustainable trading, which is composed of sub-committees: corporate compliance and ethics, fair trade, environmental management, social contribution and information management. The Holding company makes donations to charities and disaster recovery, among other things.

d. Environmental Sustainability:

♣ Energy efficiency: The chain is working on the optimisation of its operations and logistics, and has set goals of improving energy efficiency by at least 1% per year.

♣ Carbon: It has established a framework of major policies and measures to prevent global warming through: 1) the measurement and verification of CO<sub>2</sub> emissions and 2) by reducing emissions from product development and manufacturing activities, transportation and distribution, sales and marketing activities, and emissions generated by employees.

♣ Packaging and Waste: The holding company is working on environmental sustainability issues in matters of waste management (mainly recycling, composting, reduction of packaging and production of animal feed made with leftover food that is not sold).

♣ Organic products: The chain offers organic products in several product lines.



**Partners:**

Seven & I is listed in the FTSE 4 Good Global Index, which includes companies with best performance in Socially Responsible-Investment. Seven & I uses the guidelines of Global Reporting Initiative (GRI) in its policy of corporate communications.

### 3.4.3 Lotte Shopping

#### General Features:

Lotte Shopping, Inc. is a South-Korean group originally established in 1979, when it opened the first department store. Its global sales topped 14,000 billion USD and it operates over 2,000 stores (2007).

#### Contact Data:

Website: <http://www.lotteshoppingir.com>

E-mail: [ir@lotteshoppin.com](mailto:ir@lotteshoppin.com)

Address: Sogondong 1, Junggu, Seoul City (100-721), South Korea

Tel: +82 (2) 7712500 Fax: +82 (2) 21182028

#### Requirements:

- a. GAP: It does not provide information.
- b. Ethical Trade: Lotte Shopping has its own codes of ethics and conduct, which contain the rules and procedures that guide the ethical behaviour and value judgments of its corporate governance, which both executives and employees of the company, as well as all business partners, including suppliers must meet. These codes relate mainly to fair, mutually beneficial and transparent business, and prohibiting unethical conduct. Lotte Shopping has a voluntary program of compliance with Fair Trade standards. It has published a Fair Trade Business Manual and a Voluntary Compliance Handbook and defined standards and rules of Fair Trade brand marketing. In South Korea it operates the Korea Fair Competition Federation.
- c. CSR: corporate responsibility policy is embedded in the guidelines of the company and its values. Lotte Shopping has programs in the areas of education, culture and social welfare. It has made donations from their income from gift cards to environmental protection activities and conservation. Lotte Shopping uses the guidelines of Global Reporting Initiative (GRI) in its policy of corporate communications.
- d. Environmental Sustainability:
  - ♣ Energy efficiency: Lotte Shopping is implementing measures for efficient energy management and lighting in its stores, and the use of recyclable and recycled materials in construction and operations. Lotte Shopping performs monitoring of energy use, water and emissions of greenhouse gases, mainly for refrigerants.
  - ♣ Carbon: Lotte Shopping participates in the CO2 STOP campaign to reduce CO2 emissions.
  - ♣ Packaging: The main actions are related to waste reduction and incentive to reduce plastic bags.
  - ♣ Organic products: No specific information is provided.
  - ♣ Certifications: Lotte Shopping is certified by the ISO 14001 environmental standard for its sales offices and 22 shops.

#### Partners:

Lotte Shopping signed the UN Global Compact, making a commitment to embrace and promote its 10 principles in the areas of human rights, labour standards, environmental protection and corruption.



### 3.4.4 Lianhua

#### **General Characteristics:**

Lianhua Supermarket Holdings Co., Ltd. is a Chinese group originally established in 1991 as Lianhua Commercial, the predecessor to Lianhua Supermarkets. Its global sales exceed 6,400 million USD and it has more than 3,700 stores (2007).

The group's principal activity is the operation of chain stores, including supermarkets, hypermarkets and small stores (convenience stores), mainly under the brands: Centurymart (hypermarkets), Lianhua (supermarket) and Lianhua Quik (convenience stores). The Group operates mainly in the north, south and east of China (PRC).

#### **Contact Data:**

Website: <http://www.lhok.com.cn/index.jsp?c=en>

E-mail: [supermarket@chinalh.com](mailto:supermarket@chinalh.com); [wei\\_chunjie@centurylh.com](mailto:wei_chunjie@centurylh.com); [webmaster@lhok.com](mailto:webmaster@lhok.com)

Address: 11th to 15th Floor, 1666 Sichuan (North) Road, Shanghai, 200,080; China

Tel: +86 (21) 5262 9922

#### **Requirements:**

- a. GAP: No information available.
- b. Ethical Trade: The company offered no further information.
- c. CSR: The company offered no further information.
- d. Environmental Sustainability: The company offered no further information. However, in its annual interim report (2008) speaks of central trends and regulations in the country, and there will be a ban on free plastic bag use from 1 June 2008.

#### **Partners:**

General Comment: China is undergoing a process of trade liberalisation and is making progress in raising awareness and implementing improvements in working practices, environmental protection and social development in both private and public spheres. The Eleventh Five Year Plan (2006-2011) planning policy incorporates an essential element in 'building a society that consumes few resources and is environmentally friendly.' Thus has begun a transformational process in which companies operating in China are changing their strategies and priorities, incorporating energy efficiency, the rational use of resources, environmental protection and sustainable development. The plenary session of the congress said that the State shall promote the monitoring of aspects of environmental protection and food security, and as well ministers of the State Council have enacted legislation on labour contracts and administrative measures for Fair Trade.

All these measures increasingly regulate the management of trade and private companies. Distribution industries are increasingly taking more responsibility for the social environments in respect to the environments in which they operate, working conditions, local coordination and development of better products which are healthier for the public.

Although clearly the retail industry of China is at a different developmental stage than other regions such as Europe and North America, ethical consumption, good agricultural practices, social responsibility and environmental protection is a trend that is taking root on this emerging economy market.

## 4. Fact sheets of certification schemes, information systems and initiatives

This chapter looks at the fact sheets, certificates, information exchange systems and initiatives with which the global supermarket chains are working. They are grouped into: good agricultural practices, good manufacturing practices, environmental sustainability, ethical trading, corporate social responsibility and others.





## **4.1 Good Agricultural Practices**

### **4.1.1 Good Agricultural Practices Certification**

#### **4.1.1.1 GlobalGAP**

##### **General Characteristics:**

GLOBALGAP is an organisation that develops and administers a certification standard for agricultural products around the world with emphasis on food safety at the primary production level. In 1997 this began as EurepGAP certification to become GlobalGAP after 2007, in order to have a globally harmonised certification. This certification recognises and validates the standard ChileGAP for fruits and vegetables. It is used worldwide, but is applied mostly in Europe and Asia.

##### **Contact details:**

Web: [www.GlobalGAP.org](http://www.GlobalGAP.org)

E-mail: [info@GlobalGAP.org](mailto:info@GlobalGAP.org)

Address: c / o PO FoodPlus GmbH Box 19 02 09, 50499 Cologne, Germany

Phone: + 49 (0) 22157993-25

##### **Auditing firms:**

BCS Chile, Chile Ceres, DQS de Chile, Chile IMO, Inspectorate Chile, Chile IRAM, Latu systems, CMI Chile.

##### **Supermarkets that request:**

The vast majority of European and Asian supermarkets.

##### **Description:**

Global GAP is an integrated single standard with modular applications for different groups of products in different industries. In the case of fruit and vegetables, the standard analyses different areas such as soil management, harvesting, storage, handling fruit and vegetables, and other post-harvest treatments.





#### 4.1.1.2 Chile GAP

##### **General Characteristics:**

The Chile GAP program for the certification of good agricultural practice harmonises the requirements of the major international markets. This certification is voluntary and recognised by GlobalGAP and by U.S. NSF. The audit is conducted by independent auditing firms and is internationally accredited. Chile GAP is administered by the Fruit Development Foundation (FDF) of Chile.

##### **Contact details:**

Web: [www.chilegap.com](http://www.chilegap.com)

E-mail: [consultas@chilegap.com](mailto:consultas@chilegap.com)

Address: Avenida Pedro de Valdivia 0193 Of. 22, Providencia, Santiago, Chile

Phone: +56-2-2316094

##### **Auditing firms:**

Bureau Veritas, Aenor LSQA, BCS, and NFS-CMi Inspectorate.

##### **Supermarkets that request:**

Chile GAP is accepted by all supermarkets that require GlobalGAP or NSF Davis Fresh.

##### **Description:**

Chile GAP was developed in Chile to offer a GAP certification to the highest standards for Chilean producers. This certification is recognised by GlobalGAP and by NSF Davis Fresh for the U.S.A. Chile GAP certification, as with GlobalGAP, lasts for one year. To obtain certification you must contact the certifying companies or the Fruit Development Foundation.



#### 4.1.1.3 ASEAN GAP

##### **General Characteristics:**

ASEAN GAP is a voluntary standard for good agriculture practice (GAP) for the production and harvesting of fresh produce (fruit and vegetables) and for postharvest handling on farm and in locations where produce is prepared and packed for sale. ASEAN GAP covers both conventional production systems and hydroponic systems and contains four modules addressing the following objectives:

- food safety,
- produce quality,
- environmental management, and
- worker's health, safety and welfare.

##### **Contact details:**

E-mail: [htain@asean.org](mailto:htain@asean.org)

Address: Natural Resources Unit, ASEAN Secretariat, 70A JL. Sisingamangaraja, Jakarta 12110, Indonesia

##### **Auditing firms:**

##### **Supermarkets that request:**

##### **Description:**

ASEAN is working towards a single market and production base by the year 2015. The vision for ASEAN GAP is that by 2012 all ASEAN member countries will have implemented a national GAP program and aligned their program with the relevant modules of ASEAN GAP. ASEAN GAP will continue as a voluntary standard to enable harmonisation to be achieved across the region.

National GAP programs are currently established in six of the member countries (Thailand, Malaysia, Singapore, Philippines, Indonesia and Brunei Darussalam) and are at various stages of development in the other four member countries (Cambodia, Lao PDR, Myanmar, and Vietnam). The countries with a national GAP program are constantly reviewing and modifying their program to align with ASEAN GAP. The countries without a national GAP program are using ASEAN GAP to guide the development of their program.

Certification of farms for GAP will continue to be issued under the national GAP programs.



#### 4.1.1.4 Nature's Choice

##### **General Characteristics:**

Tesco Nature's Choice is a certification that all producers of fresh produce should adhere to in order to provide fruit, vegetables and salads at the supermarket chain Tesco. It has no geographical restrictions and was introduced in 1991.

##### **Contact details:**

Web: <http://www.tescofarming.com/v2/tnc.asp>

E-mail: <http://www.tescofarming.com/v2/contact.asp>

Address: Delamare Road Cheshunt Hertfordshire EN8 9SL, United Kingdom,

Telephone: +44 (0) 1992632222

##### **Auditing firms:**

NSF-CMi

##### **Supermarkets that request:**

Tesco, through their importers

##### **Description:**

Nature's Choice is a standard developed to ensure that fresh products of the highest quality come from fields that are worked under good agricultural practices and operate in a responsible and appropriate manner in terms of the health and welfare of its staff. This was introduced to control the use of chemicals and develop environmentally sustainable production standards.

This certification is requested by Tesco through importers that supply them, so this certification can be obtained by producers without application to Tesco. Once certification is requested, the company NSF-CMi manages the process of certification and registration thereof. Nature's Choice has to be updated annually.

This standard covers the following areas:

Pollution prevention

Conservation of wildlife and landscape

Recycling, reuse and energy conservation

Protection of human health



#### **4.1.1.5 Field to Fork (FTF)**

##### **General Features:**

Field to fork is the protocol for good agricultural practice and environmental care of the supermarket chain Marks & Spencer (M & S) in the UK.

##### **Contact details:**

Web: [www.marksandspencer.com](http://www.marksandspencer.com)

E-mail: [retailcustomer.services@marksandspencer.com](mailto:retailcustomer.services@marksandspencer.com)

Address: Waterside House 35 North Wharf Road London W2 1NW, United Kingdom

Telephone: +44 20 7935 4422

##### **Auditing firms:**

Importing companies that sell to M & S

##### **Supermarket that request:**

Marks & Spencer

##### **Description:**

This protocol of M & S is not a certification obtained like traditional ones. When an exporter sells to this supermarket chain, the company that made the importation of products delivers to the exporter the Field to Fork protocol to be implemented. The importer is then responsible for ensuring the protocol is fulfilled.

FTF is focused on reducing the levels of pesticide used by producers, encouraging them to ensure that their production benefits the environment and thus enhancing the brand through rigorous food safety.

This protocol was prepared in conjunction with LEAF.



#### **4.1.1.6 U.S. GAP**

##### **General Characteristics:**

U.S. GAP is not a certification and has no established protocol like ChileGAP or GlobalGAP. Called U.S. GAP as a generic term are the proprietary protocols on good agricultural practice that follow the guidelines of the Food and Drug Administration (FDA).

##### **Contact details for general guidelines:**

Web: [www.fda.gov](http://www.fda.gov)

E-mail/Contact: [www.fda.gov/comments/webform.html](http://www.fda.gov/comments/webform.html)

Address: 5600 Fishers Lane Rockville, Maryland 20,857, USA

Phone: + 1 -888-463-6332

##### **Auditing firms:**

NFS-CMi (Davis Fresh), SCS and Primus Labs

##### **Supermarkets that request:**

The requirement depends on the product and the supermarket, but it is chains operating in the United States that request it, with the exception of Wal-Mart which operates with GlobalGAP. For more information check the individual protocols of each company.

##### **Description:**

The FDA has guidelines and definitions on good agricultural practices, but not a protocol. This certification has led companies to develop protocols that are based on these guidelines. These verification systems have individual names, for example NFS Davis Fresh, SCS or Primus Labs, however they are sometimes generically called USGAP.

These protocols are not equal, but have a high percentage of similarity. This has meant that most supermarket chains in the United States have applied for one of these certificates.



#### **4.1.1.7 Primus Labs (U.S. GAP)**

##### **General Characteristics:**

Primus Labs is a verification system in good agricultural practices based on the basic guidelines of the Food and Drug Administration (FDA) of USA. This system can use the generic name USGAP.

##### **Contact details:**

Web: [www.primuslabs.com](http://www.primuslabs.com)

E-mail: [chilegroup@primuslabs.com](mailto:chilegroup@primuslabs.com)

Address: Merced 563 of G Santiago Centro,

Phone: +56-2- 6382971.

##### **Auditing firms:**

Primus Labs

##### **Supermarkets that request:**

Publix, Costco and Safeway

##### **Description:**

Primus Labs delivers a certificate to companies that meet a minimum level of approval on the variables defined by the FDA, and by doing so have developed a protocol that is not equal to that of other companies using the guidance from the FDA. Among the variables that are considered are the impacts on the environment, quality and use of water used in the harvest, traceability, history of cultivated land, adjacent land use, fertiliser use, crop protection systems, health and hygiene of workers and product safety. To verify these criteria audits are carried out.



#### **4.1.1.8 SCS (U.S. GAP)**

##### **General Characteristics:**

SCS is a verification system in good agricultural practices based on the basic guidelines of the Food and Drug Administration (FDA) of USA. This system can use the generic name USGAP.

##### **Contact details:**

Web: [www.scscertified.com](http://www.scscertified.com)

E-mail: [isapien@scscertified.com](mailto:isapien@scscertified.com)

Address: Indio de Guelatao 185 Interior 9 y 10 Colonia Miguel Hidalgo C.P.80090 Culiacan, Sinaloa, Mexico

Phone: + 11-52-667-715-2787

##### **Auditing firms:**

SCS

##### **Supermarkets that request:**

Kroger, Publix, Safeway, Wholefoods

##### **Description:**

SCS conducts audits based on procedures and practices related to current and past land use, harvesting practices, environmental damage, water quality, pest control, traceability, product recall, health and hygiene of workers and other sanitation standard operating procedures.

Companies that meet the minimum established by SCS BPA obtain a certificate.



#### **4.1.1.9 NSF Davis Fresh (U.S. GAP)**

##### **General Features:**

NSF Davis Fresh is a verification system in good agricultural practices based on the basic guidelines of the Food and Drug Administration (FDA) of USA. This system uses the generic name USGAP.

##### **Contact details:**

Web: [www.nsf.org](http://www.nsf.org)

E-mail: [chile@nsf.org](mailto:chile@nsf.org)

Address: AV. IV Centenario 92, 757-0015 Las Condes, Santiago 7570015 Chile

Phone: +56 22 209 644

##### **Auditing firms:**

NSF

##### **Supermarkets that request:**

Publix, Safeway, Kroger, Costco and Wholefoods

##### **Description:**

Like other verification systems that analyse BPA based on the guidelines of the FDA, NSF Davis Fresh conducts audits which evaluate compliance with minimum variables to obtain the certificate. The variables analysed include the history of cultivated soil, water quality, health and hygiene of workers, chemical use, use of adjacent land, harvesting operations and environmental aspects.





#### **4.1.1.10 SQF 1000**

##### **General Characteristics:**

SQF is a program that certifies the safety of food at the global level. This provides independent certification that food complies with international and local legislation on food safety. This certification is administered by the Food Marketing Institute

##### **Contact details:**

Web: [www.sqfi.com](http://www.sqfi.com)

E-mail: [info@sqfi.com](mailto:info@sqfi.com)

Address: 2345 Crystal Drive, Suite 800, Arlington VA, 22202 USA

Phone: +1-202-220-0635

##### **Auditing firms:**

Det Norske Veritas, Guelph Food Technology Centre, SGS Canada and The Steritech Group

##### **Supermarkets that request:**

This is a global certification, but it is mainly applied in U.S. supermarkets.

##### **Description:**

The SQF 1000 certification is designed for primary producers. In addition to GAP requirements, the producer develops and maintains plans for food safety and quality to control all aspects of its operations that are critical to maintaining the safety and quality of food.

It is currently under the process of approval with GlobalGAP.



#### **4.1.1.11 Freshcare**

##### **General Characteristics:**

The Freshcare Program was established in 2000 to provide a practical, cost effective mechanism for the Australian fresh produce industry to demonstrate compliance with food safety and quality requirements. Freshcare is the system with the greatest uptake in Australia with over 5,000 members (March 2011).

Freshcare is owned and endorsed by many of the peak industry associations in horticulture. The Freshcare Code of Practice - Food Safety and Quality is designed for 'growers' who supply packers and 'grower-packers' who supply wholesalers, processors and retailers.

##### **Contact details:**

Web: [www.freshcare.com.au](http://www.freshcare.com.au)

E-mail: [info@freshcare.com.au](mailto:info@freshcare.com.au)

Address: Suite B31, Level 1, Market Plaza Building, Sydney Markets, NSW 2129.

Postal Address: PO Box 247, Sydney Markets, NSW 2129.

Phone: In Australia 1300 853 508

International +61 2 9764 3244

##### **Auditing firms:**

Freshcare requires all its Certification Bodies to be JASANZ accredited and all Freshcare auditors to meet specified competencies. Freshcare currently has six endorsed Certification Bodies: AusQual Pty Ltd, SciQual International Pty Ltd, SGS Australia Pty Ltd and Australian Certified Organic (organic members only), Silliker Global Certification Services Pty Ltd and NCS International Pty Ltd.

##### **Supermarkets that request:**

Freshcare is an approved standard for indirect suppliers to Australian retailer Woolworths, via Woolworths WQA Certified Trade Partners. Freshcare is an approved standard for both direct and indirect suppliers to Coles and IGA. Freshcare is the nominated standard for many other industry groups in both the fresh market and processing sectors.

##### **Description:**

Freshcare combines HACCP principles and requirements with Good Agricultural Practice (GAP) and clear, industry specific prescriptive limits.

All growers / grower-packers implementing the Freshcare system on their properties must complete approved Freshcare training to the nominated Code of Practice. Freshcare cannot be implemented by an external consultant. Following the launch of the 3<sup>rd</sup> Edition Code of Practice, Freshcare will be seeking GFSI equivalence.

In addition to the Food Safety and Quality Code (3<sup>rd</sup> Edition: 2009), Freshcare has an 'Environmental' Code of Practice (2<sup>nd</sup> Edition: 2011) and 'OH&S and Welfare' and 'Biosecurity' Codes under development. Freshcare Environmental has been adopted by the Australian Winemakers Federation, as the basis for their environmental program.

## **4.2 Good Manufacturing Practices**

### **4.2.1 Certifications in Good Manufacturing Practices**

#### **4.2.1.1 HACCP system (Hazard Analysis and Critical Control Points)**

##### **General Characteristics:**

HACCP is a systematic process to ensure food safety. This was created in 1959 by the Pillsbury business with NASA. In 1993 the Codex Alimentarius Commission adopted these guidelines in its management principles in food safety. This system has no single protocol as it depends on the certifying company that audits the supplier on the implementation of its seven basic principles. HACCP is recognised worldwide. The INN validated this system in Chile through NCh2861 standard.

##### **Contact details:**

There is no central organisation that manages this system. Companies that audit the system are the contact points.

##### **Auditing firms:**

According to the INN accredited firms to provide HACCP are: IRAM (Argentina), LGAI Chile, Chile BVQI, SCI Certification, SGS Canada, ICONTEC and Latu systems.

##### **Supermarkets that request:**

As a global system, it can be requested by any supermarket. Various certifications are based on the implementation of this system, for example, IFS, SQF, ISO 22000 and BRC.

##### **Description:**

HACCP is a quality management system standard that controls the process and production facilities. It has scientific and systematic bases, allowing you to identify specific hazards and measures for control to ensure food safety. It is a tool to assess hazards and establish control systems that focus on prevention rather than relying mainly on end-product testing. HACCP is based on seven principles: hazard analysis, identification of critical control points (CCP), establishing critical limits, establishing a system of CCP monitoring, implementing corrective actions, forming a verification system and creating a documentation system.



#### 4.2.1.2 BRC

##### **General Characteristics:**

The BRC standard was created in 1998 by the British Retail Consortium for assessing own-brand production of food products by British supermarkets. Currently, BRC is asked for by supermarkets mainly in Europe and Asia, but it is a globally recognised certification. Food production companies worldwide may apply for this certification. This is recognised by the GFSI (see specific file).

##### **Contact details:**

Web: [www.brc.org.uk/standards](http://www.brc.org.uk/standards)

E-mail: [info@brc.org.uk](mailto:info@brc.org.uk)

Address: 21 Dartmouth Street, London SW1H 9BP, United Kingdom

Telephone: +44 (0) 20 7854 8939

##### **Auditing firms:**

Bureau Veritas Certification India, DQS de Chile and NSF-CMi (CMi Chile)

##### **Supermarkets that request:**

The supermarkets are not specified, as requested. However, supermarkets as members of this organisation that could apply this standard are: Aldi, Asda, Sainsbury's, Marks and Spencer, Waitrose, Tesco and Somerfield.

##### **Description:**

This certification assesses the ability of food processors to meet the requirements of food safety and demonstrate 'due diligence'. One of the main requirements of the BRC Technical Standard is to have implemented HACCP.

The certification consists of four standards which were created to improve the original BRC standard. These cover the following areas: food manufacturing, manufacturing of packaging, consumer products manufacturing and warehousing and distribution activities. Companies bidding for this certification must pass an audit. For this we must communicate with the BRC or firms that perform audits.

BRC is not the equivalent of the IFS certification since there are differences in the details of the requirements and the protocol.



#### 4.2.1.3 IFS (International Food Standard)

##### **General Characteristics:**

This standard aims to ensure the safety of all own-brand supermarkets in Europe, particularly in continental Europe because the UK has a different certification, BRC, which is not compatible. The IFS standard is available globally and is recognised by the GFSI (see file).

##### **Contact details:**

Web: [www.ifs-online.eu](http://www.ifs-online.eu)

E-mail: [info@ifs-online.eu](mailto:info@ifs-online.eu)

Phone: +49 (0) 30 72625078

##### **Auditing firms:**

DQS Chile, Moody Chile, CMi Chile, Chile Agrivera and SGS

##### **Supermarkets that request:**

It is aimed at all European supermarkets. However, it is most requested by supermarket chains in France and Germany.

##### **Description:**

IFS is the development of an umbrella certification on product safety for all own-brand products of European supermarkets. This certification was designed to assess the ability of food processors to meet safety requirements and demonstrate 'due diligence'. One of the main requirements of IFS is the implementation of HACCP. IFS has two certifications:

- a. IFS Food 5: This certification audits products or companies that package food products purchased in bulk by European supermarkets for their own brands. It analyses issues of responsibility for management, quality management systems, resource management, production process, measurement, analysis and continuous improvement.
- b. IFS Logistic 1: This audits all logistics activities for food and non-food products. IFS Logistic 1 reviews the following topics: quality management system, management responsibility, resource management, service implementation, measurement, analysis, continuous improvement, warehousing and distribution, product contact, shipping and transportation packaging.



#### 4.2.1.4 ISO 22000

##### **General Characteristics:**

ISO 22000 certification system analyses the safety management of the food supply chain. It demonstrates the ability to control the risks of food safety in order to ensure the quality of food at the time of their consumption. Its headquarters are in Switzerland and operates in over 160 countries. ISO has member organisations in multiple countries. In Chile is the National Standardisation Institute (INN).

##### **Contact details:**

Web: [http://www.iso.org/iso/iso\\_catalogue/catalogue\\_tc/catalogue\\_detail.htm?csnumber=35466](http://www.iso.org/iso/iso_catalogue/catalogue_tc/catalogue_detail.htm?csnumber=35466)

E-mail: [sales@iso.org](mailto:sales@iso.org)

Address: 1, ch. of the Voie-Creuse, Case postale 56 CH-1211 Geneva 20, Switzerland

Phone: +41 22 749 01 11

##### **Auditing firms:**

According to the INN accredited firms to provide HACCP are: IRAM (Argentina), LGAI Chile, Chile BVQI, SCI Certification, SGS Canada, and Latu ICONTEC systems.

##### **Supermarkets that request:**

It is not a mandatory requirement for supermarkets, however it is a well-valued certification.

##### **Description:**

This certification is for all organisations involved in the chain of production or distribution of food. ISO 22000 requires the implementation of the HACCP process.

It is not recognised by the GFSI, but is in the process of validation.



#### 4.2.1.5 SQF 2000

##### **General Characteristics:**

SQF is a program that certifies the safety and quality of food globally. This provides independent certification that food manufacturers comply with international and local legislation on food safety. This certification is administered by the Food Marketing Institute.

##### **Contact details:**

Web: [www.sqfi.com](http://www.sqfi.com)

E-mail: [info@sqfi.com](mailto:info@sqfi.com)

Address: 2345 Crystal Drive, Suite 800, Arlington VA, 22202 USA

Phone: +1-202-220-0635

##### **Auditing firms:**

Det Norske Veritas, Guelph Food Technology Centre, SGS Canada and The Steritech Group.

##### **Supermarkets that request:**

This is a global certification, but it is mainly applied in U.S. supermarkets.

##### **Description:**

The SQF 2000 Code is based on universally accepted CODEX Alimentarius HACCP guidelines, and is therefore based on the implementation of HACCP.

SQF 2000 certification is aimed at companies producing and distributing food. Distributors develop and maintain safety and quality plans to control all aspects of its operations that are critical to maintaining the safety and quality of services.

SQF is recognised by the GFSI (see file).



#### **4.2.1.6 AIB International**

##### **General Characteristics:**

AIB International is a foundation created in 1919 by the baking industry in North America as a technology transfer centre. Currently, it covers segments of processed foods, food distribution and services. It is based in the U.S. and has an office in Mexico for Latin America. AIB conducts its own audits on production issues for which you get a logo, and secondly, audits for other certifications, such as BRC, SQF and ISO 22000.

##### **Contact details:**

Web: <https://americalatina.aibonline.org>

E-mail: [aibmexico@aibonline.org](mailto:aibmexico@aibonline.org)

Address: Bark No. 39, Colonia El Roble, Corregidor, 76,190 Queretaro, Mexico

Phone: + 011-52-442-135-0912

##### **Auditing firms:**

AIB

##### **Supermarkets that request:**

Supermarkets in the U.S.

##### **Description:**

This organisation provides inspections, audits and education to the food industry. AIB does not certify a company – it only delivers a certificate of achievement based on grade received on the day of inspection of its own audits.



## 4.2.2 Initiatives in good manufacturing practices

### 4.2.2.1 Global Food Safety Initiative (GFSI)

#### **General Characteristics:**

The GFSI is a non-profit foundation that is administered by CIES, The Food Business Forum. It was created in 2001 with the mission to enable continuous improvement of management systems in food safety. GFSI is not a certification, is a group that seeks to homogenise, compare and simplify the certification process in good production practices. It works associatively with supermarkets in the recognition of existing certifications.

#### **Contact details:**

Web: <http://www.ciesnet.com/2-wwedo/2.2-programmes/2.2.foodsafety.gfsi.asp>

E-mail: [j.wigram@ciesnet.com](mailto:j.wigram@ciesnet.com)

Address: 7 rue de Madrid 75008, Paris, France

Phone: +33 1 44698497

#### **Recognised certifications:**

BRC, IFS, Dutch HACCP and SQF; They are in talks with ISO 22000 to be recognised.

#### **Associated Supermarkets:**

Tesco, Ahold, Carrefour, Wal-Mart, Metro, Kroger, Migros and Delhaize

#### **Description:**

GFSI has three objectives, which are:

Achieving convergence between food safety standards through the maintenance of a system of comparison of the recognised certifications.

Improve cost efficiency of the supply chain through the common recognition of member supermarkets of the standards recognised by the GFSI.

Providing a platform for knowledge sharing, networking and exchange of good practices and information.

The certifications that seek to be recognised by this organisation must meet the requirements contained in the 5th edition of the Guidance Document. This provides, for example, implementation of HACCP.



## 4.3 Environmental Sustainability

### 4.3.1 Environmental Sustainability Certifications

#### 4.3.1.1 ISO 14000 Family

##### **General Characteristics:**

The family of ISO 14000 certifications discusses various aspects of environmental management, such as labels, life cycle analysis, performance evaluation, environmental management systems, communications and audits on these issues. Its headquarters are in Switzerland and it operates in over 160 countries. ISO has member organisations in multiple countries. In Chile, the National Institute of Standardisation is accredited institution.

##### **Contact details:**

Web:

[http://www.iso.org/iso/iso\\_catalogue/management\\_standards/iso\\_9000\\_iso\\_14000/iso\\_14000\\_essential\\_s.htm](http://www.iso.org/iso/iso_catalogue/management_standards/iso_9000_iso_14000/iso_14000_essential_s.htm)

E-mail: [sales@iso.org](mailto:sales@iso.org)

Address: 1, ch. of the Voie-Creuse, Case postale 56 CH-1211 Geneva 20, Switzerland

Phone: +41 22 749 01 11

##### **Auditing firms:**

There is a list of companies accredited by the INN for making the ISO 14001. They are: ICONTEC (Colombia), IRAM (Argentina), LGAI Chile, BVQI India, Latu Sistemas, QMI-SAI Global, TÜV Rheinland Chile, AENOR (Spain), SCI Certifications and SGS Chile Ltd.

##### **Supermarkets that request:**

This is not a mandatory requirement for supermarkets; however, certification is a well-valued.

##### **Description:**

Within the ISO 14000 certification exists the one which is the most recognised and used, ISO 14001. This gives requirements for implementing an environmental management system. Other examples are ISO 14004 setting out the broad outlines of an EMS or ISO 14040 that provides guidelines and requirements of a life cycle analysis.

The ISO 14001 helps to:

- 1 - Identify the environmental impacts of production activities.
- 2 - Improve environmental performance.
- 3 - Implement a systematic approach to environmental objectives and targets.

The ISO standards can be obtained at the ISO or the INN. To obtain certification you must contact the certifying companies described above.

#### 4.3.1.2 Organic

##### **General Characteristics:**

Organic foods are products that are produced under a set of procedures to help protect the environment through the use of non-polluting technologies, reduction in the use of energy and non-organic substances, especially those of synthetic origin.

##### **Contact:**

Contact companies are the SAG and certifiers.

##### **Auditing firms:**

IMO Chile, Chile BCS, Argencert and Ceres

##### **Supermarkets that request:**

Much of supermarkets in North America, Europe and Japan market organic products

##### **Description:**

Organic production is governed by laws. In the United States is the National Organic Program (NOP), in Europe the EC directives 834/2007, EC 889/2008 and EC 1235/2008 (replacing the EU directive 2092/91), in Japan the Japanese Assurance Standard and the Chilean law 20,089. The latter is governed by the Agricultural Service (SAG). Many of these laws follow the guidelines of organic production supplied by the International Federation of Organic Agriculture Movements, IFOAM (International Federation of Organic Agriculture Movements). The general certification companies audit production zones in compliance with these laws. Therefore, depending on the destination market, audits are performed to obtain the organic certification from these certifiers.

Additionally, there are private organic certification protocols in different countries. They follow the laws described above and are recognised by local customers. Examples of these protocols are: Soil Association (UK), Bio-Siegel (Germany), Bio-Suisse (Switzerland), USDA (USA) and JAS (Japan). These certifications are not mandatory, but allow the use of logos that are respected and known in the sale market, with the certificate used depending on the target market. These may, in some cases, be approved certification of the auditing companies above (IMO, BCS, Ceres and Argencert).

In other words, for example if a company wants to sell organic products to the UK it must obtain a certificate from a certifier to verify compliance with European law (EU 2091/91). Additionally, if you want to use a logo familiar in the UK market certification can be obtained by being approved by the protocol of the Soil Association.



#### 4.3.1.3 Biodynamic (Demeter)

##### **General Characteristics:**

The production process of biodynamics is promoted by the international organisation Demeter. This organisation brings together sixteen organisations in the world. Demeter is certified for various products seeking to ensure compliance with biodynamic process.

##### **Contact details:**

Web: [www.demeter.net](http://www.demeter.net)

E-mail: [info@demeter.net](mailto:info@demeter.net)

Address: Brandschneise 1 D-64295 Darmstadt, Germany

Phone: +49-6155-8469-40

##### **Auditing firms:**

IMO Chile and BCS

##### **Supermarkets that request:**

Not a mandatory certification.

##### **Description:**

This certification has production standards more advanced than those for organic production. It not only includes the traditional requirements for organic production, for example regarding the non-use of synthetic fertilisers, chemicals or artificial additives, but also requires specific measures for strengthening the life cycle of nutrients and foods.



#### 4.3.1.4 LEAF (Linking Environment and Agriculture)

##### **General Characteristics:**

Leaf is a certification created in 1991 which seeks to create a sustainable system of agriculture that meets the economic requirements of farmers, meets the customer requirements and minimises environmental impacts. This certification is global but is required mainly on the UK market.

##### **Contact details:**

Web: [www.leafuk.org](http://www.leafuk.org)

E-mail: [enquiries@leafuk.org](mailto:enquiries@leafuk.org)

Address: The National Agricultural Centre Stoneleigh Park Warwickshire CV8 2LZ, UK

Tel: +44 (0) 247 6413 911

##### **Auditing firms:**

NFS CMI, National Britannia, Ceres and Ecco Engineers

##### **Leaf associated Supermarkets:**

Asda, Sainsbury's, Marks and Spencer and Waitrose

##### **Description:**

Leaf is based on integrated field management (IFM). IFM gives farmers a framework for protecting the environment and improving their returns, combining the latest technology with the basic principles of good agricultural practices.

To have this certification it is recommended that firms buy and load the Leaf audit from the website of the organisation. With that they can know their state as well as areas where they need to improve. Then they have to get the Leaf standard that shows all areas of the company which will be assessed. Then, it is necessary to choose a company who will evaluate and certify the results of the evaluation.



#### **4.3.1.5 Carbon Label Company**

##### **General Characteristics:**

This is a certification that seeks to reduce the carbon footprint of products. The label was created in 2007 by the Carbon Trust, an independent English government. They are currently developing a pilot project with 20 products. Additionally, they are conducting a consultation process in 40 countries, among which are included the U.S., Canada, much of Europe, China, Brazil, Argentina and Chile.

##### **Contact details:**

Web: [www.carbon-label.com](http://www.carbon-label.com)

E-mail: [customercentre@carbontrust.co.uk](mailto:customercentre@carbontrust.co.uk)

Address: 6th Floor 5 New Street Square, London, EC4A 3BF, UK

##### **Auditing firms:**

Carbon Label company

##### **Supermarkets that use:**

Tesco, Sainsbury's, Co-operative.

##### **Description:**

The certification of the carbon footprint reports the amount of greenhouse gases (GHG) that were emitted during the life cycle of the particular products and services. Carbon Label Company has three objectives: firstly to help the parties to that measure, certify, reduce and report GHG emissions from their products and services, including food and beverages (over their life cycle). Secondly, helping consumers to reduce their carbon footprint by helping them to choose products that generate lower levels of GHG. And third, creating a standard (PAS 2050) to assess GHG emissions of products and services and a code of practice governing the delivery of information.

This label is currently in an evaluation process, and therefore is not required by supermarket chains. However, there are three chains that are testing the effectiveness of the label on some products. This shows a trend and represents a challenge for other products used in the future.



#### 4.3.1.6 Food Alliance

##### **General Characteristics:**

Food Alliance is a non-profit organisation that certifies fields and facilities for food handlers in their sustainable farming practices and their socially responsible trade in the food industry.

##### **Contact details:**

Web: [www.foodalliance.org](http://www.foodalliance.org)

E-mail: [info@foodalliance.org](mailto:info@foodalliance.org)

Address: 1829 NE Alberta, # 5 Portland, OR 97211, USA

Phone: +1 503-493-1066

##### **Auditing firms:**

Food Alliance

##### **Supermarkets that use it:**

It is not mandatory certification.

##### **Description:**

This certification focuses mainly on the U.S. market. Food Alliance analyses the following points.

- Safe and fair working conditions
- Ensure humane treatment of animals
- Use of hormones and supplements
- Use of Genetically Modified Organisms
- Reduced pesticide use
- Protection of water resources
- Protection and enhancement of farmland
- Provide habitat for wildlife
- Practice continuous improvement



## 4.4 Ethical Trading

### 4.4.1 Ethical Trade Certification

#### 4.4.1.1 SA 8000

##### **General Characteristics:**

SA 8000 is an auditable standard based on international labour standards conventions of the International Labour Organisation, the international declaration of human rights and the convention on rights of children in the United Nations. This certification was created in 1997 and revised in 2001.

##### **Contact details:**

Web: [www.sa-intl.org](http://www.sa-intl.org)

E-mail: [info@sa-intl.org](mailto:info@sa-intl.org)

Address: 15 West 44th Street, 6th Floor, New York, NY, USA

Phone: +1 212 684 – 1414

##### **Auditing firms:**

Algi, BSI, Bureau Veritas Certification, ICSE, CCSC, DNV, Intertek, IQNet, Lauth systems, LRQA, RINA SPA, SGS-SSC, and TUV

##### **Associated Supermarkets:**

There are no supermarkets that explicitly request it, nevertheless it is a valued certification of ethical trade.

##### **Description:**

SA 8000 has two options. The first is certified, for which a production company is audited in accordance with the SA 8000 standard. The second is participation in the program of involvement. This is a three-tier program (support, exploration and commitment) to evaluate the feasibility of obtaining certification.

This certification covers the following topics:

- Child Labour
- Forced labour
- Health and safety
- Freedom of association and right to collective bargaining
- Discrimination
- Discipline
- Hours of work
- Compensation
- Management





#### 4.4.1.2 Fairtrade Labelling Organisation (FLO)

##### **General Characteristics:**

FLO is a non-profit organisation and multi-sectoral initiative that unifies twenty fair trade labelling initiatives in twenty countries and a network of producers representing Fairtrade certified producer organisations in Latin America, Asia and Africa. Among the logos that are operating under this organisation are TransFair USA and Canada, Mexico and Fairtrade Fair Trade in Europe, Japan, Australia and South Africa.

##### **Contact details:**

Web: [www.fairtrade.net](http://www.fairtrade.net)

E-mail: [info@fairtrade.net](mailto:info@fairtrade.net)

Address: Bonner Talweg 177, 53129 Bonn, Germany

Phone: +49-228-949230

##### **Auditing firms:**

Fairtrade Labelling Organisation

##### **Supermarkets that request:**

There is not a mandatory requirement of supermarkets, nevertheless it represents an important opportunity for small farmers or cooperatives. Many of the supermarkets in North America, Europe and Japan sell products with this certification. FLO has a certification for producers and other intermediaries.

##### **Description:**

An important clarification is that the global movement for fair trade uses the words Fair Trade (separated) and the certification system itself uses the name Fairtrade is one word.

This certification is available only for an established list of products. These are: bananas, pineapple, oranges, lemons, tangerines, tropical avocados, mangoes, apples, grapes, pears, peaches, juice, spices and herbs, nuts, cocoa, coffee, cotton, flowers, honey, sugar, tea, wine and sports balls. The products are not included in this list cannot get certified. Currently, Chile is producing honey and Fairtrade certified wine. The inclusion of new products is a process led by FLO.

Fairtrade enables small producers in developing and least developed countries to benefit from fair business treatment. It guarantees, in general terms, a fair market price - although each product has different criteria for establishing prices - and that intermediaries invest part of their profits in the communities where their suppliers operate. These producers must meet the criteria defined in the document "Generic Criteria for Fairtrade."



#### 4.4.1.3 OHSAS 18001

##### **General Characteristics:**

OHSAS 18001 contains a number of voluntary standards related to safety management and occupational health. This was developed by the British Standards Institute and more than fifteen countries have participated in its elaboration. This is a certification protocol that has a credible protocol and is certified by specialist companies. OHSAS 18001 is recognised in Chile by the INN (National Standards Institute) through the standard Nch18001.

##### **Contact details:**

To obtain the protocol you must contact the INN or the certification companies.

##### **Auditing firms:**

According to the directory of accredited companies INN companies authorised to certify OSHAS 18001: LGAI Chile, QMI-SAI Global, AENOR, SCI Certifications, ICONTEC, IRAM, SGS Chile and Latu systems.

##### **Supermarkets partners:**

It is not a mandatory certification, but is well valued on the topic of risk management and occupational health.

##### **Description:**

OHSAS 18001 is based on and is the internationally recognised assessment standard of a management system for health and safety (OHSMS). OHSMS promotes safe and healthy work areas by providing a framework that allows the company to identify and control risks to health and safety, encourage compliance with existing legislation, reduce potential accidents and improve overall performance.

Companies can implement an OHSMS or follow the protocol of OHSAS without being certified. However, the international certification is a validation that helps give credibility to the system.



## 4.4.2 Systems ethical trade information exchange

### 4.4.2.1 SEDEX (Supplier Ethical Data Exchange)

#### **General Characteristics:**

Sedex is a membership organisation for companies committed to continuous improvement in ethical performance of their supply chains. This non-profit organisation with its headquarters in London (United Kingdom) and was established in 2004. There are no geographic restrictions, however its main operations are in the UK.

#### **Contact details:**

Web: [www.sedex.org.uk](http://www.sedex.org.uk)

E-mail: [helpdesk@sedex.org.uk](mailto:helpdesk@sedex.org.uk)

Address: 2nd Floor Downstream Building 1 London Bridge London SE1 9BG, United Kingdom

Telephone: +44 (0) 20 7022 1955

#### **Companies that implement it:**

Cicloambiente

#### **Supermarkets that request:**

Tesco, Sainsbury's, Wal-Mart, Waitrose and Co-op

#### **Description:**

Sedex is a system of ethical information exchange between companies, brokers and producers. Sedex is not a certification, but is a system that makes it simpler and fluid exchange of data on labour issues, environmental, corporate integrity and security, health and hygiene. Sedex has three categories of membership for different stages of the supply chain. The first (A) consists of retailers that receive information, for example Tesco. The second (AB) are the agents, importers and manufacturing firms that receive and load information into the system. Finally, in the third category (B) are the farms, producers, production plants, packing houses and production centres. Companies that want to implement Sedex must pay an annual membership fee and fill out the questionnaire (100 questions) with information required in the system. Supermarkets make risk assessments of their suppliers. These evaluations include four areas: the company profile, the risk of the country where the company operates, the industry of products offered and questionnaire responses. On this basis, the system delivers a low, medium or high risk. Depending on the requirements of each chain, they can apply for ethical audits for suppliers not meeting the ethical standards of the supermarket. These audits are handled in the SEDEX system.



#### **4.4.2.2 Business Social Compliance Initiative (BSCI)**

##### **General Characteristics:**

BCSI is a non-profit organisation that was launched earlier this century. This organisation has a social management system that seeks to improve working conditions in supply chains.

##### **Contact details:**

Web: [www.bsci-eu.com](http://www.bsci-eu.com)

E-mail: [info@bsci-eu.org](mailto:info@bsci-eu.org)

Address: 168, Av De Cortenbergh, 1000 Brussels, Belgium

Phone: +32-2-762 05 51

##### **Auditing firms:**

Currently, this certification is not mandatory for producers in Chile. Therefore, there are no companies that provide them. It was included because of its importance and potential future requirements.

##### **Supermarkets that request:**

Ahold, Aldi, COOP (Italy), Dansk Supermarkets, Lidl, Metro, Migros, Rewe and Globus

##### **Description:**

BCSI analyses, evaluates and audits the social performance of suppliers to the companies that request it. This is based solely on labour issues, which are governed by the code of conduct for this organisation. Member companies of the organisation apply the code of conduct, through a combination of external monitoring and collaborative activities that build capacity to achieve a sustainable improvement in the labour practices of its suppliers.

This system has two types of membership. First are the regular members who are the supermarkets, importers, marketers and brands. These companies include suppliers in the system audit sections and grades. Second are associate members, who support the scheme but are not participating in supply chains.

#### 4.4.2.3 Initiative Social Clause (ISC)

##### **General Characteristics:**

The ISC seeks to motivate suppliers to engage with universal human rights principles as well as compliance with local regulations in the production units and the code of conduct for ISC.

##### **Contact details:**

Web: [www.ics-asso.org](http://www.ics-asso.org)

Webmaster: [http://www.ics-asso.org/doc4/page5\\_eng.htm](http://www.ics-asso.org/doc4/page5_eng.htm)

##### **Auditing firms:**

Bureau Veritas, CSCC, Intertek and SGS

##### **Member Supermarkets:**

Carrefour, Leclerc, Casino, Auchan

##### **Description:**

This initiative brings together companies in French and Belgian retail. The commitment of these companies to improve control over production processes of their suppliers helped to create this initiative. The aim is to strengthen the social and economic support to their suppliers conducting through the inspection of production sites.

This initiative covers nine sections, which are:

- Child Labour
- Forced labour
- Discrimination
- Health and safety
- Assault or abuse
- Freedom of association
- Hours of work
- Wages and Benefits
- Disciplinary practices



### 4.4.3 Ethical Trading Initiatives

#### 4.4.3.1 Ethical Trading Initiative (ETI)

##### **General Characteristics:**

The Ethical Trading Initiative was established in 1991. It is an alliance of companies, NGOs and trade unions. ETI promotes and improves the implementation of codes of conduct covering working conditions in supply chains. Its aim is that the working conditions of companies that supply the UK market meet and exceed international labour standards. ETI was founded in 1991.

##### **Contact details:**

Web: [www.ethicaltrade.org](http://www.ethicaltrade.org)

E-mail: [eti@eti.org.uk](mailto:eti@eti.org.uk)

Address: 8 Coldbath Square London EC1R 5HL, UK

Tel: +44 (0) 20 7841 4350

##### **Auditing firms:**

Ethical Trading Initiative

##### **Supermarket Members:**

ASDA, Co-operative (UK), Marks & Spencer, Sainsbury's Tesco

##### **Description:**

ETI is not a certification. Member companies adopt the Base Code of this organisation that includes nine items related to working conditions in supply chains. These points arise from different conventions made by the International Labour Organisation. In addition, companies are committed to report annually on the improvements that have been taken in implementing this code in their supply chains. The areas covered are:

- a) Employment is freely chosen
- b) Freedom of association and the right to collective bargaining is respected
- c) Working conditions are safe and hygienic.
- d) No child labour is used
- e) They are paid salaries that cover living costs
- f) Working hours are not excessive
- g) No discrimination is practiced
- h) Provision of regular/permanent employment
- i) The inhumane or hard treatment of employees is not allowed



#### **4.4.3.2 Global Social Compliance Program (GSCP)**

##### **General Characteristics:**

GSCP is a business source program for businesses seeking to harmonise efforts to deliver a comparable, consistent and comprehensive approach towards continuous improvements in working conditions in global supply chains. This program is at the consultation stage and is not currently being implemented. It is expected that by the end of 2009 the results will be available and will define the potential basis for this protocol.

##### **Contact details:**

Web: [www.ciesnet.com/2-wwedo/2.2-programmes/2.2.gscp.background.asp](http://www.ciesnet.com/2-wwedo/2.2-programmes/2.2.gscp.background.asp)

E-mail: [c.musitelli@ciesnet.com](mailto:c.musitelli@ciesnet.com)

Address: 7, rue de Madrid, 75008 Paris, France

Phone: +33 1 44 69 84 84

##### **Supermarkets partners:**

Auchan, Carrefour, Casino, Delhaize, Metro, Migros, Tesco, Wal-Mart and Woolworths

##### **Description:**

Issues related to working conditions in supply chains are sensitive issues which are becoming increasingly important. Supermarkets have responded by developing codes of conduct and voluntary monitoring systems. These codes have had a positive impact on working conditions in supply chains. However, the number of codes has grown and they have diversified themes. This has led to much confusion, excessive audits, inefficiencies, high costs and a focus on audits rather than remedial measures. To cope with these problems the GSCP was created that seeks to create a harmonised protocol on working conditions in supply chains.



## 4.5 Corporate Social Responsibility

### 4.5.1 CSR Certification

#### 4.5.1.1 Fair for Life (IMO)

##### **General Characteristics:**

Fair for Life is a neutral certification in social responsibility and fair trade for agriculture, manufacturing and trading operations. This certification is global and voluntary and was designed by the IMO.

##### **Contact details:**

Web: [www.fairforlife.net](http://www.fairforlife.net)

E-mail: [imo@imo.ch](mailto:imo@imo.ch)

Address: IMO Group Office, Weststrasse 51, Weinfelden CH-8570, Switzerland

Phone: +41 716260626

##### **Companies that provide:**

IMO

##### **Supermarket members:**

It is a mandatory requirement.

##### **Description:**

This certification allows companies that have corporate social responsibility programs to have an objective review and certification by an external auditor. Fair for Life is based on the SA 8000 standard, the conventions of the International Labour Organisation and the social approach of IFOAM. To obtain an IMO certificate, an audit is done where the working conditions and trade of the company being certified are analysed.



## 4.5.2 CSR Initiatives

### 4.5.2.1 Global Reporting Initiative (GRI)

#### **General Characteristics:**

GRI is a global network of representatives from business, labour, civil society and investor relations who have come together to develop an internationally accepted standard on reporting on the development of corporate social responsibility (CSR). It is called the Sustainability Reporting Framework and is designed to be universally applicable, comparable and equally understandable.

#### **Contact details:**

Web: [www.globalreporting.org](http://www.globalreporting.org)

E-mail: [info@globalreporting.org](mailto:info@globalreporting.org)

Address: Metropool Building, 5th Floor, Weesperstraat 95, 1018 VN Amsterdam, Holland

Phone: +31 (0) 205310000

#### **Auditing firms:**

Global Reporting Initiative and consulting on CSR

#### **Supermarkets that request:**

There is a mandatory requirement

#### **Description:**

The GRI gives basic guidelines (G3 Guidelines) for companies to issue their sustainability or CSR reports. This allows the information that is provided in these reports to be consistent and comparable. GRI gives established indicators of management that provide the opportunity to measure and review progress over time.

Companies interested in following these guidelines should subscribe to the principles and procedures established by the GRI. The reports issued should be reviewed and approved by this organisation.



## 4.6 Other certifications

### 4.6.1 Kosher

#### **General Characteristics:**

The Kosher certification in all its formats is addressed to the Jewish community throughout the world. This establishes the basic conditions of production which, for religious reasons, should be used for the products consumed by this community.

#### **Contact details:**

Web: [www.kosherchile.cl](http://www.kosherchile.cl)

E-mail: [kosherservices@adsl.tie.cl](mailto:kosherservices@adsl.tie.cl)

Address: San José de la Sierra 055, Lo Barnechea, Santiago, Chile

Telephone: +56 (2) 2170936

#### **Auditing firms:**

Kosher Chile

#### **Supermarkets that request:**

This certification is demanded by the global Jewish community.

#### **Description:**

Depending on the destination market and the type of products that are certified, there are different certifications. In Chile there is the Kosher certification KChile. Additionally, the organisation delivers other types of certificates that are authorised by rabbis in other countries.

## 5. Glossary of words and concepts

Definitions of words and concepts related to issues of ethical trade, environment and social issues:

- **ASOEX:** Chilean Exporters Association A.G.
- **Biodiesel:** A fuel produced from a process of transesterification of fats and vegetable and animal oils that can be used in diesel engines.
- **BSCI:** Business Social Compliance Initiative
- **Climate change:** Climate change can be understood as the effects of the variability of the climate system. The climate system is currently experiencing a rapid warming process as a product of the increased concentration of greenhouse gases emitted as a product of human activity since the beginning of the industrial age. Along with rising average temperatures, extreme events such as floods, droughts and storms, changes in patterns of minimum and maximum temperatures, precipitation cycles, the occurrence of pests, etc. are becoming more frequent, less predictable and more extreme, with repercussions on the economic, environmental and societal health and the planet.
- **Carbon Disclosure Project (CDP):** Is an independent non-profit organisation that maintains a database of information on climate change from its communications with companies and corporations globally.
- **Carbon Trust:** Is an independent company created by the English government in 2001. Its mission is to work with organisations to reduce emissions of greenhouse gases and develop clean technologies and low carbon content and thus accelerate the transition towards a low carbon economy.
- **CFC:** Chlorofluorocarbons are substances that have great potential to trap radiation and cause global warming, in addition to being substances that deplete the ozone layer. They have been used mainly as a refrigerant, so they have been widely used in refrigerators and freezers of supermarkets. Their production and marketing was banned by the Montreal Protocol.
- **Dinner Tables/Food Tables:** A German Initiative charity that donates food to needy people.
- **Carbon dioxide:** Carbon dioxide (CO<sub>2</sub>) is a molecule composed of two oxygen atoms and one carbon atom. It is a greenhouse gas and is considered to have global warming potential of 1 CO<sub>2</sub>e or CO<sub>2</sub> equivalent, which is compared against the rest of GHG.
- **Green Power:** The electricity that comes from 100% certified renewable sources (such as hydro, wind, solar or biomass). In Germany, Austria and other European countries has extended the certification and sale of green electricity, so a consumer can choose to have the electricity it uses comes from these renewable sources, for which acquires the certificates have been issued to this type of power generation.
- **EMS:** Environmental Management System (Environmental Management System)
- **EPA:** Environmental Protection Agency (USA)
- **ETI:** Ethical Trading Initiative
- **Fair Trade:** Fair Trade (Comercio Justo in Spanish), is a business partnership based on dialogue, transparency and respect, which aims to achieve greater equity in international trade. Fair Trade contributes to sustainable development by offering better trading conditions for producers and workers who are disadvantaged, especially in the southern hemisphere countries, while trying to secure their rights (definition from Fair-trade Labelling Organisation, an association that brings together 23 organisations, traders and external experts <http://www.fairtrade.net>).
- **FDF:** Fruit Development Foundation, Chile
- **FLO:** Fairtrade Labelling Organisation



- **Free Range:** Animal products that are produced under strict standards of respect for the rights of animals and under strict production conditions.
- **FSC:** Forestry Stewardship Council
- **Greenhouse Gases:** Also known as GHG are those gases that trap infrared (long wave) radiation reflecting it back to the earth's surface, thus resulting in a warming of the earth's surface and the atmosphere. These gases include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), ozone (O<sub>3</sub>) and water vapour, which occur naturally and cause the natural greenhouse effect. The concentration of these gases has increased dramatically due to human action, which also introduced new more powerful greenhouse gases of synthetic origin, such as chlorofluorocarbons (CFCs), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs) and sulphur hexafluoride (SF<sub>6</sub>).
- **GFSI:** Global Food Safety Initiative
- **Greenhouse Gas Protocol (GHG Protocol):** A foundation created by WRI and WBCSD to create a tool for understanding, quantification and management of emissions of Greenhouse Gases internationally recognised by governments and business leaders.
- **GRI:** Global Reporting Initiative
- **Corporate Leaders Group on Climate Change (CLG):** Established in 2005 by the Prince of Wales and managed by the Leadership Program for Sustainability at the University of Cambridge, CLG brings together business leaders from various sectors in the UK and international companies who believe in the urgent need to develop new long-term policies for tackling climate change.
- **GSCP:** Global Social Compliance Program
- **HACCP:** Hazard Analysis and Critical Control Points (in English) or Sistema de Análisis de Peligro y Puntos Críticos de Control (Spanish).
- **Carbon footprint (Carbon Footprint):** The carbon footprint is the sum total of emissions of greenhouse gases caused directly and indirectly by an individual, organisation, product or service. Everything we buy, produce or use has a carbon footprint which is the total of CO<sub>2</sub> and other greenhouse gases emitted during their life cycle, from production to final disposal.

It should be noted that supermarkets have no mandatory requirements for suppliers in calculating the carbon footprint. However, it is recommendable to start considering this variable as in the not too distant future it could begin to be a mandatory requirement. This recommendation is based on two points. Firstly, supermarkets would positively assess that the supplier is aware of this issue and is working on reducing the carbon footprint of their products. Secondly, it is advisable to anticipate future requirements and avoid the costs of calculating the trace at the last minute in addition to planning and taking action that could lessen the impact on emissions of greenhouse gases in the production and transport of products, such as energy efficiency measures, renewable energy generation, reduced use of fertilisers or compensation measures (offsetting emissions).
- **ICCO:** Interchurch Organisation for Development Cooperation (Netherlands)
- **ICS:** Initiative Social Clause
- **IFS:** International Food Standard
- **IGD:** Institute for Grocery Distribution (UK)
- **IFOAM:** International Federation of Organic Agriculture
- **INN:** Instituto Nacional de Normalización (Chile)
- **LEAF:** Linking Environment and Farming
- **MSC:** Marine Stewardship Council
- **GMO:** Genetically Modified Organisms



- **Global Compact:** Voluntary initiative of the United Nations Organisation, in which companies are committed to aligning their operations and strategies with ten universally accepted principles in four areas: human rights, labour standards, environment and anti-corruption.
- **Global Warming Potential:** A measure of how much a given mass of greenhouse gas contributes to global warming during a certain period of time. This measure allows a relative scale to compare the gas in question with carbon dioxide (whose GWP is 1 by definition).
- **Precautionary Principle:** This is understood as the obligation to suspend or terminate activities that threaten the environment even though there is no scientific certainty that such activities are linked to environmental deterioration.
- **RSPO:** Roundtable on Sustainable Palm Oil
- **RSS:** Roundtable on Sustainable Soy
- **Sedex:** Supplier Ethical Data Exchange
- **UNI:** Union Network International
- **WBCSD:** World Business Council for Sustainable Development (Switzerland)
- **WRI:** World Resources Institute (United States)
- **WWF:** World Wildlife Fund

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