



Proudly doing the right thing

The local fresh fruit industry is the first in the world to benchmark its ethical practices against global standards. With an almost perfect score, our customers can proudly buy South African.

“Our customers want to be confident that the people who make and sell our products are not being exploited, or exposed to unsafe working conditions. Our Code of Conduct for Ethical Trade covers the employment practices we expect from our suppliers, both in the UK and abroad.”
J. Sainsbury plc

EXPLOITATIVE LABOUR PRACTICES in some developing countries have tarred the rest with the same brush. South Africa did not escape the fallout. Consumers in many countries, including the United Kingdom and European Union, have been demanding that international retailers verify the ethical compliance of South African agricultural suppliers. The local industry rose to the challenge under the guidance of the Fruit South Africa (FSA) ethical trade programme, and achieved a world first by subjecting its ethical standard to the Global Social Compliance Programme (GSCP) equivalence process.



ONE STANDARD FITS ALL
The GSCP has as its members many international retailers, including Tesco, Wal-Mart, Migros, Ahold, Carrefour, COOP, Marks & Spencer and Sainsbury's. It collapses several ethical codes into a single reference tool and avoids duplication of ethical audits. Local retailer, Pick 'n Pay, is now also a member of the GSCP. Various international codes were included in creating the GSCP reference code. These included the ETI Base Code (used in the UK), the BSCI Code (mainly used by European retailers), and SA 8000 (the only accredited certification standard for social accountability).

In addition, the GSCP provides reference tools for audit methodology and auditor recognition.

THE LOCAL JOURNEY
FSA set the ethical trade programme in motion in 2008. FSA is supported by its member organisations; the Fresh Produce Exporters' Forum (FPEF) and the fruit growers' associations - HORTGRO, the Citrus Growers' Association of Southern Africa (CGA), the South African Table Grape Industry (SATI) and the South African Subtropical Growers' Association (Subtrop). Together, they represent approximately 5 000 producers and 400 000 employees. The FPEF has around 112 members, of which the majority are export companies. The organisation is also the official Fresh Fruit Export Council of South Africa.

The FSA ethical trade programme has now been formalised as the Sustainability Initiative of South Africa (SIZA). SIZA is the custodian of the industry-wide ethical standard that is recognised by many large international retailers.

The SIZA Standard is based on International Labour Organisation (ILO) conventions and South African labour legislation. One of the biggest advantages of

this development is that the SIZA Standard and audit replace the multitude of ethical standards and audits that existed before.

To promote awareness and understanding of the ethical trade programme and standard, the FSA Ethical Trade Handbook was published in 2011. It is also available electronically on the ethical trade website: www.siza.co.za. While the standard is formal and exclusively focused on legal requirements and benchmarks, the handbook is more practical and explains the evidence required to demonstrate compliance with the law during an audit. For example, employment contracts and pay slips are necessary to prove wage rates or deductions. The handbook covers a wide range of topics, such as terms of employment, benefits, wages, loans, overtime conditions, working hours, pregnancy and maternity conditions, discrimination, harassment and abuse, housing and accommodation, training and skills development and broad-based black economic empowerment.

The handbook and website, which are available to all fruit growers, facilitated the implementation of the ethical standard in South Africa.

The ethical standard is separate from any food safety standards and requires its own process of determining compliance. It is important to remember that participation in the fruit industry's ethical trade programme is voluntary. However, it is designed to support fruit growers with compliance and ongoing improvement and the approach is positive and constructive. The programme also supports training to raise awareness and encourage participation on grounds that it will benefit the business and reduce risk to individual businesses and the overall industry.

SIZA is a membership-based programme. All producer and pack house members subscribe to the ethical standard and agree to participate in

CONTINUED SUPPORT

The SIZA capacity-building programme will run more than 70 workshops throughout South Africa in 2014 and 2015 to train over 1 500 ethical trade facilitators. They will then provide producers and pack houses with the necessary support to implement the SIZA Standard.

For more information on SIZA, visit www.siza.co.za

the programme cycle of training, self-assessment, third-party ethical audit, and correcting of non-compliances to promote continuous improvement of working conditions on farms. Support of continuous improvement is the core element of the South African ethical trade programme. The ethical audit is not about passing or failing, but about identifying issues on farms, and helping farmers to address problems with the appropriate resources. For example, extension officers will be trained to help farmers prepare for the ethical audits. The idea is to use the structures that are already in place – if an extension officer is already serving a particular farm, the ethical code training will supplement his work.

Although developed by the fruit industry, the SIZA standard is aligned to South African legislation and can therefore be applied to the entire local agricultural sector.

INTERNATIONAL BENCHMARKING

FSA chose to use the GSCP reference code as the platform for its own ethical standard as it contains all the principles of the ETI Base Code, the BSCI Standard and the SA 8000 Standard and it was an important platform for endorsement by major retailers.



PROJECT TITLE
An international ethical standard for South Africa

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DURATION
Seven months

PHI-2 CONTRIBUTION
R170 000

LEAD INSTITUTION
HORTGRO

BENEFICIARY
The entire fresh fruit industry

FOCUS AREA
Ethical trade: ethical audits





SIZA — the isiZulu word meaning to help and support — embodies the underlying ethos of the programme.

Moreover, it supported the principle of convergence and non-duplication of audits.

FSA received funding from the Post-Harvest Innovation Programme and the Department of Trade and Industry (dti) to develop the SIZA Standard and audit process documents, and to carry out the GSCP benchmarking and equivalence process.

The objective of the project was to first align the South African ethical standard with South African legislation, and then to benchmark it against the GSCP reference code.

Buy-in from the fruit industry was necessary to achieve this goal. The first step, therefore, was to

consult fruit producers, exporters, the FPEF, HORTGRO, the CGA, SATI, Subtrop and other relevant role-players.

The next step was self-assessment to measure the standard's equivalence against the GSCP Reference Code. The result was submitted to the GSCP for review against its rating system, where blue equals more than equivalent, green equivalent, amber partially equivalent and red not equivalent. An assessment by an international working group found that the South African ethical standard and reference tools on auditing methodology were almost 100% equivalent to the GSCP Reference Code and tools.

The long-term vision of the SIZA programme is

to implement the South African standard on all local fruit farms and to expand it to other industries. The programme works with various stakeholders, including the Department of Agriculture, Forestry and Fisheries, the Department of Labour, the Department of Trade and Industry, worker organisations, retailers, importers and exporters, to provide the necessary support, network and infrastructure in the different production regions.

The fruit industry is committed to the national implementation of an ethical standard. It will benefit the entire industry by giving farmers the means to provide the international market with the assurances it requires through a single auditing process. 🍎

THE SIZA ADVANTAGE

Producers and pack houses benefit from membership, because SIZA:

- Consolidates retailer requirements and eliminates the duplication of ethical audits.
- Is South African-based, reflects local legislation and is specific to local agriculture.
- Provides producers with information to improve on-site working conditions through the analysis of self-assessments.
- Applies a rating system that helps to identify areas of risk.
- Provides support to prepare for audits.
- Offers a data system that analyses self-assessments and audit results and gives a clear picture of a business: areas of risk, what to correct and how to go about it, cross-reference to policies/documents, and areas of good practice.
- Can reduce audit frequency at low-risk sites.
- Runs a capacity-building programme that presents workshops for SIZA members, as well as toolkits and other resources, at no additional cost.
- Can prevent assurance schemes from being imposed on the industry in the future.

“The South African fruit industry is the first to undergo the Global Social Compliance Programme (GSCP) equivalence process that benchmarks a local agricultural social standard against international ethical requirements. This endeavour was the catalyst for the establishment of the Sustainability Initiative of South Africa (SIZA).”

Colleen Chennells



1 Sorters work at speed to sort avocados for export. SIZA aims to help improve working conditions on fruit farms and in pack houses in South Africa.

2-3 Participants work in groups during workshops that are part of a Leadership and Mentorship (L&M) programme, funded by International Procurement & Logistics Ltd (IPL) and Tesco, to build management and leadership skills in the workplace through a mentoring process.