

FNET Workstream 2 - Transport and Logistics Face to Face Minutes

Attendees:

1. Alfonso Herias Garcia – Gs Fresh – Ethics Manager
2. Ben Aspeslagh – Proctor and Associates - Technical Manager
3. Emily Osband – Kingfisher - Consultant
4. Katie Leggett – innocent drinks - Sustainability Officer
5. Ian Ashley – Avara - Head of Safety and Logistics Operations
6. Lydia Bowden – innocent drinks – Sustainability intern
7. Louise Herring – FNET Secretariat
8. Margaret Lishmund – Winterbotham Darby – Technical Liaison Manager
9. Paul Chalmers – Gs - Group Ethics Audit Officer
10. Sophie Fryer – Cooperative - Ethical Sourcing and Policy Adviser, Procurement Services
11. Tori Dowling – Fowler Welch.

Minutes

1. Aims of today:

- Clarity on where collective risks are in our supply chains and a view on how to tackle these risks (roadmap for the next 12 months)
- Establish owners for each area of work within the workstream

2. What do the group see as the greatest risks with transport or logistics?

- Gs - No way to understand the real impact on the driver from audits. It is almost impossible to gain clarity in information from audits. Joined the group to better understand the risk to workers. Can the group develop a framework to understand and assess risks?
- WBD: Started looking at tier 1 and then tier 2. Now want to reach tier 3 (service providers). But need to gain more understanding of this because it is a new area. Many different transport roots, and need to work out how to manage these risks. Some of providers are coming from Europe and they are contracted
- Lack of transparency in supply chains is the key issue
- NB: Previous research from Gs and Tulip has identified the following issues:
 - Real working hours being captured (not just driving hours also waiting time, loading time, etc.)
 - Drivers welfare (hygienic standards, etc.)
 - Setting limits on maximum weeks on the road
 - Living expenses for international routes
 - National Minimum Wage for international routes. Which NMW should be applied, the one corresponding to the country where the Haulier is based? Or the one corresponding to the country the driver is driving through?
 - International recruitment of drivers
 - Who should check nominated carriers we get told to use by retailers
 - What about ports/airport/freight forwarders
 - Should we limit to road transport first as the most riskiest? Sub-contracting etc
 - When considering working hours also bear in mind for live animal transport Animal Welfare Laws

- Changes after Brexit – Passports/customs/visa rules as well as customs changes
- 3. Exercise 1: Supply Chain Mapping – see Appendix 1 below of supply chain maps**
- **Various types of transport that came out of exercise 1:**
 - Owned transport – employed drivers, agency drivers
 - Third party contracted to FNET member – subcontracting, no subcontracting
 - Warehouses – permanent staff, agency staff (owned and outsourced)
 - Third party contracted to buyer
 - Grower transport – owner, third party
 - Third party storage near to sights
 - Transport of workers
 - Transport point for collection of raw materials
 - Third party contracted to the supplier
 - Sub-contracting
 - No sub-contracting
- 4. What progress have we made so far?**
- **Pilot questionnaire:**
 - Questionnaires like this that are already out there – are we therefore duplicating?
 - Holiday pay and pensions are issues are often skipped over
 - Some questions in FNET questionnaire that are not in SEDEX SAQ
 - **Kingfisher 3 focus areas:**
 - Distribution centers – Sedex ethical audit
 - Questionnaire – sent to 10 logistics providers
 - People taking some action in this area (driven by modern slavery act)
 - Labour providers – Sedex working group participation
 - **Other points:**
 - Transport industry in the UK is heavily legislated
 - Are there risks in the UK?
 - Yes, from operators
 - Questionnaires not highlighting issues because they are not being filled out truthfully?
 - How to we make sure questionnaire responses are actually what is happening out there?
 - If a questionnaire isn't the answer, then what is?
 - Other risks – holiday pay/ pensions
 - What happens when suppliers' sub-contract?
- 5. What do the group want to work on together?**
- **Short term:**
 - Work to be done to align our questionnaire
 - Transport at grower level
 - Survey
 - Engaging with unions/working on worker voice
 - Questions being asked at initial stages to providers
 - **Long term:**
 - Code of conduct
 - Sub-contracting

- What are the unique risks to this sector?
- Transport specific social compliance standard along the line?

6. FINAL ACTION PLAN

Short-term goals (3 months)	Responsible	Longer-term goals (12 months)	Responsible
1. Align FNET questionnaire with Kingfishers' – October	Louise H	Understand what unique ethical trade risks there are in the T&L sector and how to address them	All
2. Discuss questionnaire with Sedex – October	Louise H	Demonstrate an engaged industry	
3. Develop T&L questionnaire at grower level – Oct/Nov	Margaret – WBD	a) Develop global Code of Conduct for hauliers	Alfonso
4. Translate questionnaire into a survey to gather feedback on what T&L providers do now, how they do things, what risks they see – Oct/ Nov	Louise with Ian/ Bev (Avara), Tori (FW)	b) Bring providers together to share findings – 1/ 2 meetings	Louise & All
5. Allocate out hauliers to connect with to avoid overlaps – Oct/ Nov	Louise with Ben (Proctors)	c) Develop a framework to engage on sub-contracting – map sub-contractors & review approval system	Louise with Katie
6. Gather feedback and analyse findings – Nov	Louise	d) Consider transport-specific social compliance standard	All
7. Engage unions and transport workers to scope risk and engagement – Oct/ Nov	Louise with Sophie (Coop)		
8. Share process for vetting T&L providers – October	Louise		
9. Put in monthly calls for group and aim for quarterly meetings - October	Louise		