

FNET Supply Chain Due Diligence Concept Draft

Current Situation:

Across the food network, businesses are duplicating ethical due diligence to ensure compliance with the ETI base code and ever-changing customer requirements by reviewing SEDEX, SMETA audits, GRASP audits and Global GAP. This leads to duplicated questions for the supplier, reduced capacity and duplicated cost.

The Concept:

This concept aims to reduce the current duplication of due diligence across the food network. The main objective of the project is to create **a member owned, subscription-based service, to provide due diligence for members, with a RAG rating of suppliers**. Leaving the individual business to make their own supply decisions, informed by the RAG rating and supporting information.

Approach:

- Create a working group of interested parties.
- Design a supply chain due diligence system which completes members supply chain due diligence on their behalf and provides a RAG rating of the supplier in comparison to ETI Base Code standards and customer requirements. (E.g. similar to the current FNET country risk rating)
- In addition, the system could include providing suggestions on how the supplier can improve their RAG rating.

The expected outcomes of this project are:

- A reduction in the amount of time members spend on supply chain ethical due diligence.
- A bank of suppliers already assessed, resulting in quicker supply decisions.
- Reduced duplication of requests to suppliers, resulting in better compliance when requests are made.
- Cost reduction as a result of all the above.

Would your business be interested in being in the working group? If yes please confirm to FNET secretariat by 22nd November and the FNET team will facilitate the first call to agree if this is a project members want to progress further.