Spice supply chain ethical trading tool kit - Intro

Global supply chains are complex often with limited transparency putting worker rights at risk. Members of The Food Network for Ethical Trade (FNET) formed a working group focused on spice supply chains. Spices were chosen because this category is regularly rated as high risk in risk assessments due to factors including country of origin and lack of visibility of all stages of the supply chain.

Scope – ethical engagement pack

To move beyond the risk assessment stage, businesses need to engage with suppliers to identify and remediate ethical trade issues. The tools within the ethical engagement pack have been developed to help food and drink businesses identify where there may be risks of ethical trade and human rights issues in spice supply chains.

*Ethical trade definition: The assumption of responsibility of a company for the labour and human rights practices in its supply chain (ETI – Ethicaltrade.org).*

These tools are non-exhaustive and should be used in alignment with your own organisations understandings of supply chain risks. Where complex supply chains exist it is important that every link of the chain is engaged, whether growers, producers, exporters or manufacturers on the principals covered within these guidance tools.

*NB: This supplier engagement pack does not advocate specific cases of action. Organisations and their suppliers should collaborate to make improvements for workers at all points of the supply chain.*

Spice suppliers – Ethical trade decision tree (Appendix 1)

The ethical decision tree is to be distributed to spice suppliers and does not require a formal response. The guiding questions demonstrate the level of due diligence expected by FNET members. Based on common ethical supply questions the document aims to guide suppliers in challenging their decisions on supply selections to ensure that thorough conclusions are made and that evidence is available. Providing the level of information required within the decision tree would be a time consuming process for each ingredient. Instead a supplier should be aware of the process and have a similar set of questions within their procurement or sustainability teams to ensure they are identifying and addressing issues within supply chains. Although it is not necessary for suppliers to record this information for each supply chain, they should be able to provide evidence of key supply chains when requested to demonstrate their own due diligence checks.

Preliminary Ethical Trade Questionnaire (Appendix 2)

The preliminary questionnaire is intended as a quick initial assessment of top level ethical information within the supply chain. The questions should be adapted to meet the needs and risks of your own organisation. Importantly the questions should not take a long time to answer, if a supplier struggles to answer questions this could be an early indicator of a lack of ethical knowledge & engagement in that supply chain.

This tool can be emailed out to suppliers without the need for additional support from your organisation. Although there are no right or wrong answers it is useful to create an internal ranking system that quantitates the feedback. This can be used to facilitate your organisations supplier engagement programme where lower ethically engaged suppliers are prioritised.

Ethical Trade and Human Rights Self-Assessment Questionnaire for Suppliers (Appendix 3)

This questionnaire is designed to capture more detailed information on a supplier than the preliminary questionnaire. The questionnaire should be sent to key suppliers with introductory text covering your organisations commitment to eliminate ethical and human rights issues within the supply chain, its importance and how this process facilitates improvement. It is essential to communicate, that there are no **right** or **wrong** answers to the questions, and that you are looking to work with suppliers to improve ethical conditions within the chain.

Before sending the questionnaire it should be adapted to meet the needs / risks identified within your organisations supply chains. If answered honestly, reviewed and followed up appropriately an assessment of a supplier’s commitment and capabilities to manage ethical and human rights issues can be made.

Template for conducting supplier visits

This tool is designed for an in-depth investigation into a suppliers ethical standards. For example the tool could be used to verify statements given during the self-assessment questionnaire (Appendix 3). The tool draws on similar questions from the SEDEX SAQ / SMETA audits, and requires sufficient time for the supplier to provide the relevant evidence.

Due to the time involved with gathering the required evidence and conducting worker interviews, it is recommended this tool is used for high risk suppliers and / or those which are not willing to share recent ethical audits (i.e. through SEDEX). This tool is detailed and requires a competent individual familiar with worker rights, ethical trade and modern slavery. Any identified non-conformances should be raised with the supplier and remedial actions agreed. Unlike the SEDEX platform, these action will not be visible to a wider audience meaning the monitoring of close out will rely on your organisation.

Supplier engagement

To determine which tools to use a more detailed risk assessment should be made of supplier processes in terms of ethical trade. Key elements may include:

1. SEDEX Registration
2. SEDEX Self-Assessment Questionnaire (SAQ) completion and up to date (less than 12 months old)
3. SEDEX risk assessment scores
4. Previous ethical audits
5. Modern slavery statements published on their websites
6. Visible human rights / ethical trade policies published on their websites
7. Known supply chain issues
8. Evidence of worker engagement
9. Evidence of supply chain engagement
10. Partnerships with other ethical based organisations e.g. local NGO’s

Determine the level of engagement required

Figure 1 indicates how ethical progress in the spice supply base can be mapped. Depending on the available resource it might not be possible to engage each supplier on ethical trade and eliminating modern slavery. However through a risk assessment process the higher and lower risk suppliers can be identified and prioritised accordingly. The FNET engagement tools can be used to supplement discussions to ensure that key information is captured to help better understand the supply chain.

Ultimately an engagement plan will be dependent on your own strategy and will be supplier specific.

*Figure 1: Ethical progress / engagement*

Low

Higher

Low level of ethical awareness (potentially higher risk)

1. Share the ethical decision tree with supplier

2. Send preliminary ethical trade questionnaire

3. Arrange a meeting to raise awareness of ethical trade and modern slavery, review SEDEX performance and any ethical areas for improvement

4. Send Ethical Trade and Human rights Self-Assessment Questionnaire

5. Share the FNET ethical trade video

High level of ethical awareness (potentially lower risk)

1. Arrange meeting to share best practice with supplier, to understand what they are doing and where both organisations can improve

2. Look to collaborate on projects with the supplier to raise awareness of the best practice

3. Share the FNET ethical trade video

Supplier training (Appendix 4)

During the risk assessment and engagement process it may be evadable that a supplier is not fully aware of the ethical risks within the supply chain or may not understand the importance. In these instances the FNET training presentation can be presented to provide an introduction to ethics. This covers the key issues that an organisation should be checking within its own business and the wider supply chain. In addition the FNET intro video may further help raise awareness with a supplier. After completing training it is important that the supplier sets targets to improve its ethical policies and profile. Introducing the FNET tools mentioned within this document (see figure 1) can help this process and provide the supplier with a set of tools to better understand the supply chain.