

## ECR Baltic call to action!

### EU Supply Chain Initiative: B2B platform for multi-stakeholder dialogue at regional (Baltic) and National level

Date: December 11<sup>th</sup> 2014 (DRAFT)

The Supply Chain Initiative is a joint initiative launched by 7 EU level associations with the aim to increase fairness in commercial relations along the food supply chain.

This call is addressed to food retail chains and manufacturers and distributors in consumer goods sector (food & drinks) to promote active cooperation, which is necessary for adoption of Good practice in vertical relations in the food supply chain. Brief summary provided in this document is used to communicate main issues and reasons to establish working group of ECR Baltic Initiative.

#### 1. Main goals and directions

The purpose of the Supply Chain Initiative is **to promote good business practices** in the food supply chain as a basis for Commercial dealings. It aims to generate a culture change through the commitment of signatories to good trading practices coupled with measures aimed at integrating the principles of good practice into company day-to-day operations and at controlling their application.

The Initiative also aims to ensure that companies address disputes in a fair and transparent manner whilst reassuring the complainant that they will not be subject to retaliation.

#### Background

In November 2011, AIM, CEJA, CELCAA, CLITRAVI, Copa Cogeca, ERRT, EuroCommerce, Euro Coop, FoodDrinkEurope, UEAPME and UGAL adopted **Principles of Good practice in vertical relations in the food supply chain**. To ensure the **implementation** of enforcement of these principles a **Framework** was adopted.

In September 2013 the operational phase was officially launched and is now referred to as “**The Supply Chain Initiative**”. The “**Supply Chain Initiative**” is intended to offer a complement to EU and national rules and regulations and other voluntary schemes. It also encourages the establishment of **multi-stakeholder dialogues at national level**.

There is group of companies, which already processed full registration (involving Baltic market), including: **Rimi Latvia, Rimi Lithuania, SOK Group, Nestlé, Unilever, Wrigley, CocaCola,....** (more details available on [http://www.supplychaininitiative.eu/sites/default/files/list\\_vfinale\\_0.pdf](http://www.supplychaininitiative.eu/sites/default/files/list_vfinale_0.pdf)).

ECR Initiative as the only platform, where both manufacturers and retailers are represented, has the unique position as potential facilitator to set up multi-sector dialogue at national level. Already existing experience can be easily shared within the ECR NI network in Europe.

#### Working group – direction, goals and tasks

Main goal of ECR WG would be to facilitate multi-sector dialogue set up process on national level, based on experience from other markets. Key activities would be also to promote the Initiative and its purpose and raise awareness throughout the whole sector.

### **Main activities should be as follows:**

- (a) Get familiar with Principles of Good practice and the Framework for implementation and enforcement.
- (b) Analyze maturity of the market to adopt the principles of good practice and readiness of all key stakeholders. Analyze gaps, identify existing regulatory and voluntary framework, and what is missing.
- (c) Discuss fair and unfair practices. According to present EU Supply Chain Initiative checklist and guidelines define structure and guidelines to establish a national dialogue platform, get the commitment from main national association representatives, agreement on rules of procedure.
- (d) Develop awareness raising activities: promote initiative, organize workshops and seminars, promote 7 good reasons to sign (attached), promote tools e.g. self-assessment or e-learning (local language?).
- (e) Raise awareness about possible existing national mediation or arbitration schemes, define mechanism for analyze of aggregated disputes.
- (f) Contribute to and disseminate the annual survey.

## **2. ECR Working group member profile**

ECR Member organization should nominate professionals responsible for compliance and Good practice related topics, depending on organization structure such could be: Company ombudsman, Legal & Compliance, Operational Monitoring, Controlling, Commercial,..

For promotion and raising awareness topics: Specialists for CSR, Communication & Sustainability,..

Key condition would be willingness to be actively involved as well as commitment to adopt achieved results into real practice within organization.

## **3. Time plan**

ECR WG Kick-off meeting is planned for ½ March 2015.

Activity	Deadline
Distribution of this Call to Action	January 4 <sup>th</sup> 2015
ECR WG Kick-off (+ leader)	½ February 2015
Market and gaps analysis, initial definition of national dialogue platform	February – March 2015
Join workshop / seminar	May 2015
Initial phase report & evaluation. Definition of next steps	September 2015

### **Contact:**

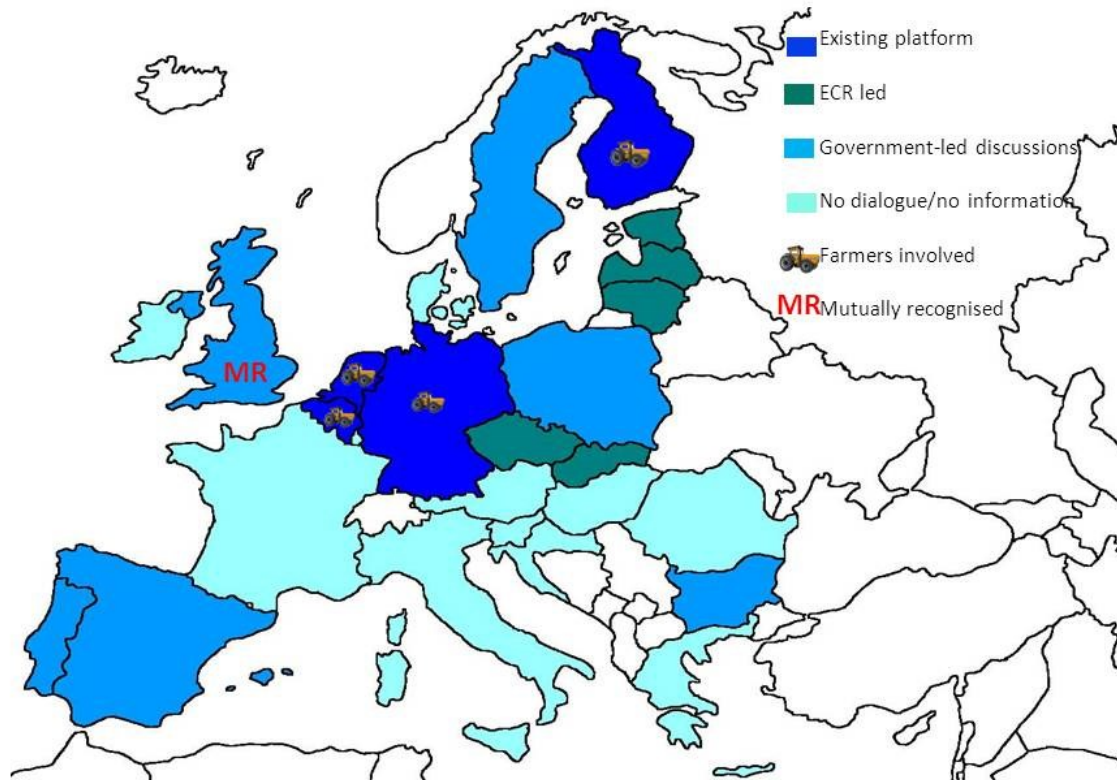
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# European Supply Chain Initiative dialogue platform at ECR Baltic



National platforms - Status on 14 April 2014



## ► Ten Principles of Fair Trading Practice

### 3 General Principles

1. Consumer Interests and sustainability
2. Freedom of Contract
3. Fair Dealing

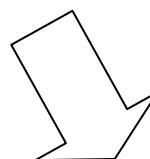
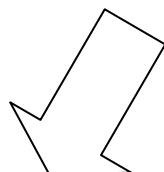


### 7 Specific Principles

1. Written agreements
2. Predictability
3. Compliance with agreements
4. Information exchange
5. Confidentiality
6. Responsibility for risk
7. Justifiable request

Compliance with applicable laws including competition law

## Activities supported by ECR Baltic:



### Promotion of platform to individual companies for signup:

- Website – [www.supplychaininitiative.eu](http://www.supplychaininitiative.eu)
- Self-assessment, Q&As, guidance, etc.
- E-learning in 8 languages
- SME Button
- Seminars, workshops

### Some registered Manufacturers



### Some registered retailers



### Development of national platforms (regional platform) at ECR Baltic dealing with aggregated disputes and interpretation.

National dialogue platforms are composed of **national association representatives** reflecting the various interest groups in the food supply chain.

#### The Check list:

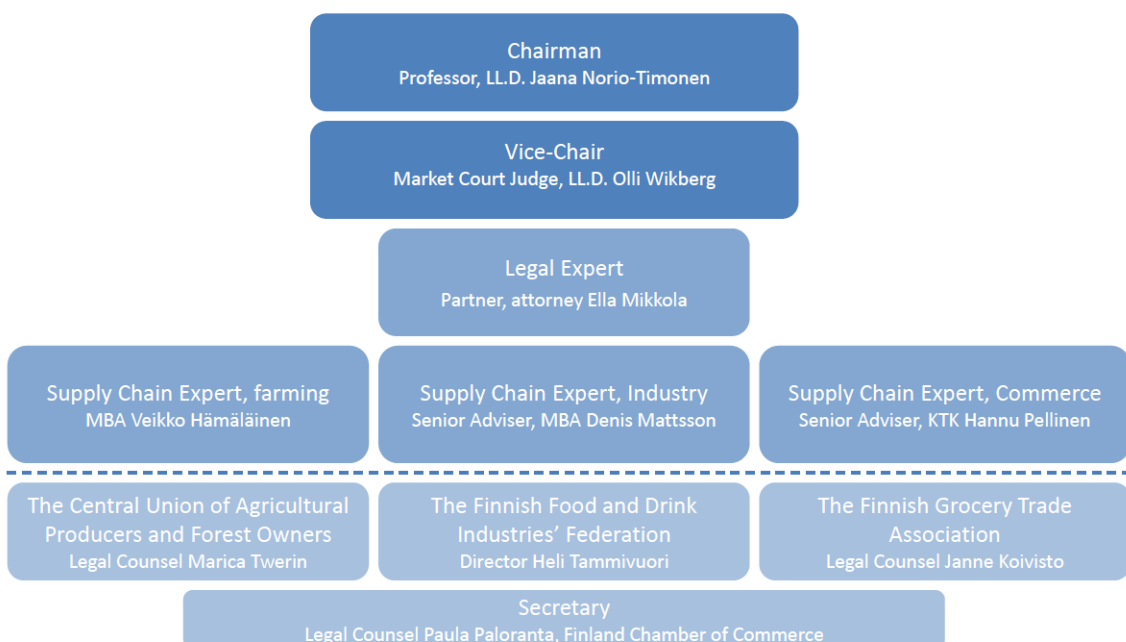
1. Get familiar with the Principles of Good practice and the Framework for implementation and enforcement.
2. Identify in your country what is already in place, including any local regulatory or voluntary framework, and what is missing.
3. Set up a structure for dialogue or adapt the existing one (See Guidelines section)  
*Once a platform for dialogue is set up:*
4. Where a national scheme is already in place, request the EU Governance Group to assess its interaction with the EU level Supply Chain Initiative with a view to obtaining mutual recognition and avoiding administrative duplication
5. Develop the following activities:
  - Promote the Initiative
  - Discuss fair and unfair practices
  - Raise awareness about possible existing national mediation or arbitration schemes
  - Analyse aggregated disputes
  - Contribute to the EU level annual survey

## Finnish sample:

### The Finnish Board of Trading Practices in the Food Supply Chain

- The Board operates as a national platform implementing the *Supply Chain Initiative*
  - Currently 44 companies operating in Finland have registered to the SCI
- Tasks of the Board
  - To promote fair business practices in the food supply chain in Finland
  - To interpret the Principles and the Framework on national level
  - To produce guidance in aggregated disputes

### Composition of the Board



<http://kauppakamari.fi/en/boards/board-trading-practices-food-supply-chain/rules/>