



FLO-CERT NEWS

02/2011

Dear clients,

In this newsletter we would like to give you some more details about our new climate change and supply chain services. Please check out the first article. Many of you have heard about the recent changes on SCORE and NSF (New Standard Framework). We have pointed out a couple of details in this edition to you. Furthermore, FLO-CERT will be represented at the Biofach India in November. We hope to meet some of you at our stand. We also wanted to inform you that the FLO-CERT Supervisory Board has a new chairman. It has been yet again a year with many changes, so please check our website and newsletter regularly in order to keep up-to-date.

Best wishes,

Rüdiger Meyer
CEO

FLO-CERT New Services- realizing the value in sustainability



Real value is contained in truly sustainable supply chains where business relationships are mutually beneficial and reflect long-term commitments to common goals that make good business sense for every member of the value chain. Values such as fairness, good social conditions for workers, respect for natural resources and biodiversity, and an overall aim of reducing the impact that processes and products have on the planet are what make a supply chain truly sustainable.

“The question of reaching sustainability is not about if we will have enough energy, enough food, enough other tangible resources - those we have. The question is, will there be enough leaders in time?” Dr Karl-Henrick Robert: Founder - The Natural Step

Become a leader in sustainable supply chain management with FLO-CERT

With many years of experience working with sustainable supply chain partners across more than 70 countries around the world, FLO-CERT, as the leading International Social Certification Body, is expanding its service offering to provide solutions to sustainability. We understand the value of transparent relationships across supply chains and have experience in analyzing the flow of goods and money up and down the entire supply chain.

FLO-CERT is uniquely positioned in terms of experience and location: Our head office is centrally located in Bonn, Germany, which allows us to access all European markets. We also have offices in India, Costa Rica and South Africa, allowing for a truly global reach. More than 100 of our fully trained auditors are located in 50 countries around the Global South giving us access to all major South - North trade routes.

Our skill set spans the sustainability spectrum - from providing assurance about compliance with social standards (such as Fairtrade Certification) to measuring the Product Carbon Footprint of products sold to consumers. This broad set of

abilities makes FLO-CERT your perfect partner in developing truly sustainable supply chains based on shared values.

A carefully selected set of services are offered in cooperation with expert technical partners chosen for specific skill sets that add value to your supply chains. The services are:

Fairtrade services:

- Gap analysis - This service allows partners to understand the challenges and costs that will be involved in achieving Fairtrade certification for a supply chain.
- Training - Fairtrade standards are complex, in particular the areas focusing on “soft” social issues. Our trainers can help you understand the best route to implementing Fairtrade standards.
- Certification - Full compliance with applicable Fairtrade standards must be achieved before products can be sold with the Fairtrade Certification Mark. FLO-CERT is the approved certification body for Fairtrade.

Supply chain value services:

- Social audits - In most manufacturing processes, it is crucial that you understand risks related to compliance with social criteria in factories.
- Company code development/verification - Many leading businesses know what sustainability means for their supply chains and develop codes of best practice to act as a baseline guarantee that their values are always met. FLO-CERT helps you to develop these codes by designing audit practices to ensure that guarantees are met and by verifying that codes are complied with.

Some of our customers find that Fairtrade certification adds even more value when FLO-CERT conducts audits not only against the Fairtrade standards and Compliance Criteria, but also against specific issues that they have identified as being important to their business. FLO-CERT would be pleased to meet with you to understand your particular needs - and then together build your customized "add-on" to Fairtrade.

Climate Change & Environmental services:

- Carbon Footprinting - We assess the impact of business processes and products on the climate, thereby helping you to measure and lessen impacts on the planet.
- Insetting - Leading sustainable businesses reduce their carbon footprints and offset what they cannot reduce. We help you to turn offsetting into "Insetting" (compensating Greenhouse Gas Emissions in your own supply chains).

- In-partnership assessments - In cooperation with expert partners we offer assessments on:
 - Water use / water footprinting
 - Biodiversity assessments
 - Soil fertility assessments
 - Carbon Project Potential Mapping

FLO-CERT is ready to discuss the unique sustainability challenges your business faces. Please contact our experienced staff:

Europe - Cecile Echao at c.echao@flo-cert.net

Africa - Bronwyn Page-Shipp at b.page-shipp@flo-cert.net and Chris Schmeling at c.schmeling@flo-cert.net

Asia - Sugumar Raman at s.raman@flo-cert.net

Latin America - Carlos Villalobos at c.villalobos@flo-cert.net

New chairman of the FLO-CERT Supervisory Board



Dr. Nigel H. Croft has been elected the new chairman of the Supervisory Board of FLO-CERT. Nigel replaces the longstanding board chair Juan E. Henriquez, to many known as “Chino”. We would like to thank Chino for his excellent job during all those years as a chairman. Chino will continue to serve as an ordinary Supervisory Board Member so that the Supervisory Board can benefit from his view from the producers’ perspective. As Nigel Croft comments “Chino will be a hard act to follow as Chairman, but I am very pleased that I will be able to continue to benefit from his wisdom and experience not only as a Board member, but also as someone with a very strong user perspective on certification”

Nigel Croft joined the FLO-CERT Supervisory Board in 2010. He is recognized as one of the world's foremost experts in quality management and conformity assessment of management systems in general. Among his many professional activities, he currently holds senior management positions and serves as non-executive board member of a number of commercial and non-profit organizations in the United Kingdom, Switzerland, Middle East, Asia and South America.

Dr Croft has been an active member of ISO/TC176 (the ISO Technical Committee responsible for the ISO 9000 series of standards) since 1995, and currently serves as Chair of SC2, the subcommittee responsible for the ISO 9001 and ISO 9004 standards development. He also represents TC 176 at the strategic-level ISO/ILAC/IAF Joint Working Group which provides oversight of global management systems and product certification.

Born in the UK, but currently with dual British and Brazilian citizenship, Dr Croft holds a first class honours degree in Natural Sciences from Cambridge University, England, and a Doctorate in Materials Science from Sheffield University. He is a Chartered Engineer in the UK, a Fellow of the Chartered Quality Institute and a Senior Member of the American Society for Quality. He currently serves as a Member of the Advisory Board of the CQI.

FLO-CERT accreditation for ISO 65

As many of you know, FLO-CERT not only carries out certification services but is also certified by an external accreditation body itself. FLO-CERT is accredited according to ISO 65 which is an internationally recognized standard for product certification systems. Our external accreditation body is called DAkkS which is the German National Accreditation Body. FLO-CERT was initially accredited in 2007 and has been accredited against ISO 65 since then. We recently received the re-accreditation audit which will lead to the renewal of our certificate this year. We will also be receiving audits at each of our three Regional Offices (South Africa, India and Costa Rica) in order for them to be formally included in our ISO 65 accreditation. In addition, some of our auditors will be accompanied by DAkkS representatives to check on the quality of our Fairtrade audits. Please let us know if you would like more details about this. You can send your queries to QualityManagement@flo-cert.net.

Recent improvements - SCORE

FLO-CERT continues to improve its certification system in order to provide an efficient, effective and customer friendly service to all existing and potential customers. We have worked closely with Fairtrade International to ensure a smooth implementation of the NSF (New Standards Framework). The following new processes (called SCORE) are being implemented:

- Certification of Development Criteria in the SPO Standard
- Focused Surveillance Audit Checklists
- Risk-based Auditing - Rewarding High Performing Companies/Organizations
- Permission to Trade for Producers after the Initial Audit
- Unannounced Audits
- New Application Process

FLO-CERT described all processes in detail in the last certification bulletin. For a copy of this bulletin please check our website <http://www.flo-cert.net/flo-cert/24+M5dcf6217765.html> and the last certification bulletin <http://www.flo-cert.net/flo-cert/46.html> or contact Ms Maike Höpken m.hoepken@flo-cert.net for further queries.

The new processes were launched on the 4th of October 2011.

In addition, we have specifically pointed out to you a couple of important changes that have immediate effect for all producer and trader organizations. Please check these changes under the News section of our website “Recent changes”.

FLO-CERT is represented at the Biofach India

This year between 10th and 12th November FLO-CERT will be represented at the Biofach India for the third time. Please visit us at Booth Number B16 in the German Pavilion. For prior appointments, please get in touch with Mr. Sugumar Raman s.raman@flo-cert.net

Our focus this year will also be on the new services and other queries you might have around Fairtrade certification, climate changes services and supply chain management.

Staff Corner



Dr. A.K. Sajindranath, Certification Analyst

My association with FLO-CERT is nearly as old as the organization itself. I was one of the few, who became a certification analyst after a tryst as an auditor. It has been a fascinating journey along the way, and I have been fortunate to know a lot of people in the organization, both old and new!

My choice of Agricultural Science for my graduation, turned out to be an interesting one. I continued my studies and obtained my PhD in Pomology, with specialization in nutrient management. I started my career as a Research Associate in the field of organic farming which brought me closer to the field of organic certification. I then joined the first indigenous organic certification body in India, INDOCERT as an auditor. Here I was exposed to the different standards in organic certification, ISO 65, GlobalGAP etc. In those early days, FLO-CERT had an association with INDOCERT for undertaking audits in India, and I was chosen as one of the auditors. I fondly remember those days when I was exposed to the social audits in the picturesque hills of Darjeeling and Assam.

However, the journey with FAIRTRADE had a break, when I was selected as a consultant by APEDA, the Secretariat for the National Programme for Organic Production, in India. I was involved in standard setting, ISO audits, Quality Management Systems. My association with organic world helped me grow as a person, learn a lot about the world of certification in agriculture, to get in touch with various international bodies in this field and to travel abroad.

I re-joined the FAIRTRADE movement when FLO-CERT opened its Bangalore office as a certification analyst. I was always impressed by the ideals of FAIRTRADE. The concept of using trade to forebear development to the less privileged farming community and the workers involved in agriculture was very interesting to me. I have seen the part of these certification systems in

agriculture supporting small farmers to form associations and empowering themselves. There is of course a lot of work to be done, and I see a powerful role of FAIRTRADE in helping them realize their potential and I am proud to be able to play my part in this movement.

Presently I am working from Bonn, on a secondment for a period of six months. I consider myself lucky to be offered the opportunity to work in a different culture. I thoroughly enjoy my innings here. FLO-CERT is a world in itself, with colleagues from different regions of the globe. Earlier, I used to dwell upon the differences among the cultures, coming here, I am impressed upon the extent of similarity that exists. I can feel the gist of the phrase in Sanskrit '*Vasudhaiva Kutumbakam*' -which means the 'whole world is one family'. I am now richer by my experiences, knowledge I have gained and the wonderful friends that I have made.

Auditor Corner



Marco Stark

It was in 1989 that I heard for the first time about Fair Trade. At that time I was a student of "International Agriculture" at the University of Kassel. I volunteered together with people from university and church groups selling products from developing countries in a local One-World Shop. We drank tea from Kenya or India and coffee from El Salvador which was not only the right thing to do, but also brave since those products were quite poor in quality at that time as they were imported directly from producer groups who had little knowledge about quality requirements and the taste of their European customers.

I had worked for several years in rural development projects in The Philippines and China when I approached FLO in 2005 to find out whether there was a need for an auditor in China, and there was! My initial experiences as a Fairtrade auditor confirmed what I had sensed earlier: Fairtrade can be a very - and even more - effective way to facilitate sustainable rural development. Since then I have been conducting audits of producer groups and traders of tea, coffee, cocoa, rice, cashew and cotton in China, Vietnam, Laos, Thailand, Indonesia, East Timor, Taiwan, Hong Kong and Kyrgyzstan. Clearly, in such diverse countries not only the culture, but also the language is a challenge both for the auditor and the farmers when it comes to fulfilling the Fairtrade standards which are written in English and not their local language and in becoming more independent from the exporters who buy the raw products from them.

It has been very rewarding for me to see how the premium was used in remote mountainous tea and coffee growing areas. In Aceh (Indonesia) and in East Timor for example, Fairtrade premium has helped the communities to establish basic medical and sanitary facilities. In Northern Vietnam, communities have constructed bridges and improved village roads, and now farmers and their children do not have to risk their lives during the rainy season anymore. Supporting children's education is clearly an important objective for premium use among most of the producer groups in Asia as farmers are very aware that good education builds the foundation for a better future.