

REPORT

—South Africa

Ethical operations are highest priority

CAPE TOWN—While continuing to be ethically correct on their farms, South African fruit growers are also watching developments further afield.

by Fred Meintjes

South Africa's fruit growers have long been scrutinised for the ethical, social and labour conditions they have on their farms. While demands from the sophisticated retail sectors of the world, and often their governments, continue to grow, it is developments within South Africa that are expected to bring about increased pressure in the short to medium term.

The country now has a sustainable ethical trade initiative driven by the industry itself but, while accolades are due and the industry has much to be proud of, the next few years could bring new and challenging times.

"Given the history of commercial agriculture, there seems to be a perception of widespread human rights violations of farm workers," says SIZA's CEO Retha Louw. "For this very reason, South Africa is classified as a high-risk 'ethical trade' source country for many international purchasers of agricultural produce. This is very unfortunate as efficient production starts with the compliance to labour rights of all workers, which is the norm and not the exception in the South African fruit industry."

Louw says SIZA's message to producers is to protect each other and themselves by managing risks and ensuring that they comply with ethical and legal requirements

While South Africa is now a world leader in ethical trade, it has yet to be seen how much credit it will get back home as political expediency boils over in a general election year. This has already led to the introduction of a new minimum wage across the country, which fruit growers will also have to comply with. Most fruit growers will argue that they are already paying much more than the minimum wage, but those using large numbers of entry level labour workers will be affected.



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LEFT—External demands have ensured South African growers operate to high ethical standards

Then there is the ongoing land expropriation debate – pundits have said nothing will really be settled until after the election due in April this year. How do growers plan their lives under these conditions and how will the ethical trade initiative be affected?

"Insecurities within the political/governmental sphere definitely influence the general flow of things within fulfilling all the aims of SIZA," explains Louw. "SIZA allows for a transparent network of communication between suppliers, stakeholders and relevant governmental sectors. By using the media and all its various platforms, we attempt to ensure all our members are aware of what the current situation is as well as adding possible remedies, good practice and corrective measures that can be put in place to assist the industry. SIZA furthermore ensures it is always informed by multiple stakeholders on issues concerning the industry."

SIZA continues to gain ground and cement its position based on integrity and transparency - important building blocks as the industry charts its course through an increasingly competitive world.

The country has a sustainable ethical trade initiative driven by the industry, but the next few years could still be challenging

Growers hope that while they are often perceived unfairly in some countries, proven compliance will stand them in good stead. Despite SIZA being a programme designed and built for South Africa's agri-businesses, it is recognised by various global markets, including the majority of the world's largest retailers across Europe, the UK and the US.

"This wide acceptance allows for confidence across markets and value chains and it supports our vision of a cost-effective approach for producers by supplying one standard and one audit, no matter which market or product a producer supplies," Louw adds. **E**







THE SUSTAINABILITY INITIATIVE OF SOUTH AFRICA



Who is the Sustainability Initiative of South Africa?

SIZA, the Sustainability Initiative of South Africa, provides a platform for agricultural stakeholders to ensure ethical and environmentally sustainable trade. The platform monitors care for the environment and compliance with labour legislation. The aim is to encourage continuous improvement in practices over time in excess of the minimum legal requirements. SIZA engages directly with its stakeholders throughout the value chain to identify needs and issues. Interventions and support tools are created to assist suppliers with the following:

-  To reduce the impacts on the environment and promote environmental stewardship.
-  To drive ongoing improvement of ethical and environmental best practices.
-  To ensure ethical labour and environmental practice compliance whilst minimizing costs.
-  To identify and manage site-specific risks.

The SIZA Environmental Pillar of Sustainability



In support of the long-term vision of SIZA to include environmental stewardship as an integral offering within sustainability, SIZA has partnered with WWF-SA (the World Wide Fund for Nature, South Africa) and Blue North Sustainability to develop an Environmental Standard and appropriate tools to support the improvement of environmental management for South African producers. The Environmental Standard and Self-Assessment Questionnaire (SAQ) were developed based on leading international and local best practice standards, national legislation and sound ecological principles. It is being implemented to assist growers in evaluating their current compliance and environmental risk, both at farm and regional/catchment level.

This process is accomplished through the completion of the Environmental SAQ, where the results of the SAQ feed into a risk profile report, which can be used to inform the drafting of site-specific improvement plans and monitoring systems. In order to drive continuous improvement and monitor compliance, SIZA constructed a process, which include an in-house programme to drive continuous improvement as well as a combined third party audit process.

With the SIZA Environmental Assurance programme SIZA aims to give confidence to markets.

How does SIZA Environmental compare to other standards?

The SIZA Environmental standard has been benchmarked against several prominent international environmental standards to ensure a compatible level of assurance, while taking into consideration local relevant environmental circumstances.

These standards include SAI FSA, Rainforest Alliance (SAN), Global Gap IFA v.5, Leaf, Nurture and Woolworths Farming for the Future with the aim of driving convergence of multiple market requirements with one home-based tool.

What does SIZA environmental verification entail?

Verification of the SAQ

(a programme to drive continuous improvement)

- To assist with technical environmental support and to drive continuous improvement
- Based on sample size
- 25% of approved annual SAQ's
- Free of charge for Environmental members
- Outputs: Long-term improvement plan and SAQ confirmation letter
- Each site to be visited once every 3-4-year cycle
- In preparation for third party audit

Third-party Audit

(on request of the markets)

- Based on member request or market demand
- Audit conducted by an SIZA recognized audit company
- Price may vary according to audit company
- Combined audit with Global G.A.P
- To evaluate compliance with SIZA Environmental Standard and Local Legislation
- Outputs: Individual CAPS report, SIZA Environmental Audit Completion Letter
- Audit frequency based on risk rating and level achieved

