



Code of Business Conduct of the Fruit Juice¹ Industry

PRINCIPLES TO BE OBSERVED

The fruit juice sector recognises the need for collaboration on Corporate Social Responsibility (CSR) and sustainability matters. In order to maintain a sustainable fruit juice supply chain and secure the future supply of quality raw materials, the sector is committed to continuously address economic, social, environmental, ethical and human rights obligations and challenges throughout its supply chain, together with relevant stakeholders.

This document is based on the main outcomes of the Fruit Juice CSR Platform, the Six Fruit Juice CSR Principles of the CSR Sector Roadmap (based on the recently developed United Nations Global Compact Food and Agriculture Business Principles (FABs)) and the former SGF/IRMA Code of Conduct. Furthermore, it is made on the basis of general principles contained in:

- The International Bill of Human Rights
- Fundamental International Labour Organisation (ILO) Conventions
- Relevant United Nations Conventions and Guidelines
- The Sustainable Agriculture Initiative (SAI) Farm Sustainability Assessment

Objective

The purpose of this Code of Business Conduct (Code) is to ensure that all companies in the fruit juice value chain promote principles and operate in accordance with internationally recognised minimum standards on human rights, labour and the environment. Each company should adhere to the principles of this Code and require the same of all its suppliers.

Scope

This Code applies to all companies involved in the production and sale of fruit juices, from fruit producers to processors, bottlers and fillers, to the point of sale. The provisions of the Code extend to all workers engaged by a company, regardless of their type of contract.

While meeting the provisions of this Code, all companies shall comply with all national laws and regulations as well.

¹ The term 'fruit juice' is used throughout this document for simplification reasons, but in fact covers all products defined in the Council Directive 2001/112/EC, and its amending acts, relating to fruit juices and certain similar products intended for human consumption. Products covered by this Directive are fruit juice, concentrated fruit juice, dehydrated fruit juice, and fruit nectar. Vegetable varieties of these products or fruit and vegetable mixtures of these products are also under the scope of this Code.

1. Economic Sustainability

1.1 Ensure economic viability and share value

All partners in the juice supply chain create, deliver and share value across the entire food & agriculture chain, from farmers to consumers, in order to build up, maintain and extend their economic viability.

Fair trading practices need to be respected and promoted at each stage in the value chain. (Ref. Sustainability Assessment of Food and Agriculture systems (SAFA), Guidelines of the Food and Agriculture Organization (FAO) of the United Nations)

Companies shall assure sustainability training programmes to be carried out at all levels of the value chain.

1.2 Encourage good governance and accountability

All partners in the fruit juice supply chain shall behave legally and responsibly by respecting land and natural resource rights, by adopting zero tolerance towards corruption, i.e. abuse of entrusted power for private gain, being transparent about their activities and recognizing their impacts. (Ref. Transparency International).

In terms of land management, before purchasing land, a company must ensure that there is an informed consent of all legal and/or customary owners. Furthermore, a company shall ensure that it does not participate in or benefit from forced relocations, and adequately compensates inhabitants in legitimate relocations.

1.3 Promote access and transfer of knowledge, skills and technology

All partners in the fruit juice supply chain shall promote access to information, knowledge and skills for more sustainable food and agricultural systems. They should invest in developing capacities of smallholders and small and medium-sized enterprises, as well as more effective practices and new technologies.

2. Social Sustainability

All partners in the fruit juice supply chain shall respect the rights of farmers, workers and consumers. They should improve livelihoods, promote and provide equal opportunities, so communities are attractive places to live, work and invest in.

Partners at all levels of the fruit juice supply chain are committed to respect internationally recognized human rights, as per the International Bill of Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work.

Throughout the value chain, companies shall evaluate their performance on social well-being in line with the SAFA guidelines.

At farm level, labour rights and health and safety must be implemented in line with the related topics referred to in the Farm Sustainability Assessment 2.0 covering:

- 1. Working conditions, pay, representation and welfare**
- 2. Child labour**
- 3. Health and safety**

2.1 Working conditions, pay, representation and welfare

There shall be no forced labour or other forms of labour exploitation. (Ref. ILO Convention 29 on forced labour and ILO Convention 105 on the abolition of forced labour).

Workers shall be paid at least the legal or prevalent industry minimum standards in the country in question. (Ref. ILO Convention 100 on equal remuneration).

Terms and conditions of employment shall be fully understood and freely agreed. Pay shall not be deducted or withheld for disciplinary reasons. (Ref. Universal Declaration of Human Rights).

The working week should in normal circumstances be no longer than 48 hours per week, with no more than 12 hours worked per day. (ILO Convention 1 on hours of work). There must be at least one non-working day each week. (Ref. ILO Code of Practice on safety and health in agriculture).

Overtime shall be voluntary and should not exceed 12 hours per week, except during the harvest season. Any overtime requests will always observe the relevant legal requirements and overtime hours should be properly compensated. (Ref. Ethical Trade Initiative Base Code).

There shall be no discrimination practised on grounds of nationality, race, caste, ethnic group, religion, age, gender, disability, sexual orientation, pregnancy, union membership or political affiliations. (Ref. ILO Convention 111 on discrimination and national legislation).

Workers must be free to form and join trade unions of their choice as well as to bargain collectively. (Ref. ILO Convention 87 on freedom of association and protection of the right to organize and ILO Convention 98 on the right to organize and collective bargaining).

2.2 Child labour

Child labour shall not be permitted. A child is defined as a person aged less than 14 years even if the local legal minimum is lower. (Ref. ILO Convention 138 and its accompanying Recommendation 146 on child labour as well as ILO Convention 182 and its accompanying Convention 190 on the worst forms of child labour).

Exceptions to this are permitted only in cases of children working with their families, or at times of harvest season. However the education of a child must not be jeopardised by work. Children should receive equal pay to that of adults for equivalent work. In any case, no child shall be permitted to work at night or in hazardous conditions.

2.3 Health and safety

All workers shall have safe and healthy working conditions, where appropriate steps, including the provision of equipment and training, are taken to guard against accidents and other health hazards. (Ref. International Convention and Recommendations related to occupational health and safety; ILO Encyclopaedia on Health and Safety) This includes protecting farm workers from pesticide exposure in particular, as well as providing access to clean toilets and potable water, along with hygienic conditions for storing food. Accommodation, where provided, shall be safe, clean and hygienic.

Employers shall establish and maintain emergency procedures to effectively prevent and address all incidents affecting the community and the environment.

Companies shall make sure that there is a social net and/or insurance available for employees who are injured at work to ensure that the injured person will not fall into poverty due to his/her inability to work.

3. Environmental Sustainability

3.1 Aim for food safety, security, health and nutrition

All partners in the fruit juice supply chain support agricultural systems that ensure food safety, optimize production and minimize wastage, provide nutrition and promote health.

All partners must strive to minimise the adverse environmental impacts of their activities, products and services through a proactive approach and responsible management of environmental aspects including, but not limited to:

- Use of scarce natural resources, energy and water
- Emissions to air and releases to water
- Fertilisation management
- Noise, odour and dust emission
- Potential and actual soil erosion and contamination
- Handling of hazardous and non-hazardous waste
- Biodiversity
- Product issues (design, packaging, transport, use and recycling/disposal)

3.2 Be environmentally responsible – protect and enhance the environment

All partners in the fruit juice supply chain support sustainable intensification of food systems to meet global needs by managing agriculture. They should protect and enhance the environment and use natural resources efficiently and optimally.

Companies need to maintain awareness of current environmental legislative requirements relative to their activities, products and services and ensure legal compliance through training, awareness, operational control and monitoring.

All partners shall identify any negative environmental impacts of their activities. Progressive steps shall be taken to reduce the environmental impact where possible.

Pesticide use shall respect legal restrictions and the ALARA principle, which means keeping the use of pesticides “As Low As Reasonably Achievable”.

In addition, continuous improvement of the overall environmental performance should be demonstrated.

4. Monitoring

4.1 Verification

Verification shall be carried out to ensure that provisions of this Code are met, in accordance with national legislation. In cases where they are not met, a programme of improvement shall be put in place for them to be met in the future. The aim of the programme is to ensure that provisions of this Code are improved in consistence with the economic viability of businesses themselves.

The aim of verification is to help companies identify and improve their economic, social, environmental, ethical and human rights performance in line with this Code and through appropriate corrective measures.

4.2 Traceability

Documentation and traceability are increasingly important in food production. Traceability is the ability to follow the movement of a food through specified stage(s) of production, processing and distribution.

A traceability/product tracing tool should be able to identify from where the food came (one step back) and to where the food went (one step forward) at any specified stage of the food chain (from fruit to consumer).

A program must be put in place to ensure identification and traceability at all stages of manufacture and storage for raw materials through to finished product.

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