



Sustainability Report

Responsibly Fresh



2012-2013





More information
www.responsibly-fresh.com
www.vbt.eu

Contact person
Laurien Danckaerts
laurien.danckaerts@vbt.eu
 +32 (0) 16 20 00 80

Responsible publisher
Philippe Appeltans
 Tiensevest 136 - B-3000 Leuven

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Organisation profile

The Association of Belgian Horticultural Cooperatives (VBT – Verbond van Belgische Tuinbouwcoöperaties) is the sector organisation of the Belgian marketing cooperatives for fruit and vegetables.

VBT

- represents and defends, both nationally and internationally, the interests of the Belgian marketing cooperatives in the fruit and vegetable sector.
- cooperates with other organisations, federations and stakeholders involved as and where necessary.
- offers its members a platform for consultation and discussion.
- provides information that is relevant for the sector to its members and can act as service provider in certain specific areas.



VBT holds the Responsibly Fresh collective sustainability label, in which five of its members, together with 3,400 active producers, participate: BelOrta, Belgische Fruitveiling, Limburgse Tuinbouwveiling, REO Veiling and Veiling Hoogstraten.

BELORTA
Michèle Veilingen of Catewa & Veiling Brugdam





Foreword

Following the first sustainability report of Responsibly Fresh, Rita Demaré, VBT President, and Philippe Appeltans, VBT General Secretary, were asked about their reactions and concerns after two years of Responsibly Fresh. They take a look back at the launch of Responsibly Fresh and a look ahead at the further development of the project.



VBT launched Responsibly Fresh in February 2012. How did the project come about?

VBT and the member marketing cooperatives have long been committed to sustainability through the collective label Environmentally Friendly Cultivation (MBT – Milieubewuste Teelt), symbolised by a green arch and a yellow butterfly. It concerns the ecological aspect first and foremost. The activities of our marketing cooperatives however clearly have an economic and social impact also. Furthermore, society in general and our customers in particular are increasingly more attentive to broader sustainable development. We, as a sector organisation, have consequently opted, together with our members, to assume a collective attitude to sustainable development. Responsibly Fresh came into being and developed through this broadening of our commitment.

What is the most important goal of Responsibly Fresh?

The aim is to develop collectively as a sector towards sustainability through continuous improvement. We want to make our marketing cooperatives and their growers aware of their impact on different sustainability fronts and to provide them with advice and guidance on the advancement that sustainable development constitutes. Efforts already made are certainly not forgotten in this process. The path already mapped out is being extended and all participants are striving together for more progress. In the last two years, we focused with Responsibly Fresh on four themes that are relevant in our sector where there is room for improvement: low impact, biodiversity, proximity and food thrift. The cooperatives are working on these themes through the sustainable business charter, whereby they themselves propose and pursue concrete action points. The cooperatives provide advice and guidance to their growers on sustainable development. The collective dossier provides a reflection of where our growers stand and what the working points for the coming years are. Through Responsibly Fresh, VBT works within the quality systems that growers must comply with in order to include sustainability aspects better in their requirements.



Has a special role been charted for cooperatives in sustainable development?

Absolutely! Cooperation is added value with a clear positive economic and social impact for producers of fruit and vegetables. We want to play a leading role in care for the environment, since we have nature to thank for our products. As a cooperative, we want to take up our responsibility and role in sustainable development, and in so doing give a signal through the food chain, because we represent a collective of thousands of growers.

What are the strengths of Responsibly Fresh?

The many opportunities for consultation, with internal and external stakeholders, constitute great added value for Responsibly Fresh. We have opted for continuous consultation in place of a once-off stakeholder consultation through the sustainability report. By taking the pulse of stakeholders and what is happening on the sustainability front, we can continue to keep Responsibly Fresh relevant. In addition, the collective aspect is important, where we want to get not only the leaders but also the followers of the project moving in the direction of sustainable development. A chain approach to sustainability also makes our sector's commitment clear. Furthermore, the external, independent inspection of conditions of use confers transparency and credibility on the label.

Why was a sustainability report chosen as the next step in the Responsibly Fresh project?

For one, in order to keep our stakeholders posted on our efforts on sustainable development, and secondly to see clearly where we stand after two years of Responsibly Fresh as well as to where we want to go. It also provides clear information for our growers as to what has happened in the past two years with regard to the label and the broader project.

In the two years after the launch, you have undoubtedly managed to move the project forward. What does the future hold in store?

We want to move forward on the chartered path. The participating producer cooperatives will have to introduce new, challenging action points in order to attain the sustainable business charter anew. In addition, they will use the information from the collective dossier to attend better to their producers as sustainable development advances. It is important for us, as a sector, to assume our role and responsibility in the consultation on sustainable development. If we want to preserve our sector, it is important to raise awareness throughout the entire chain about the difference that we can make together. We are thinking for instance on packaging and food thrift. The next step could be bringing Responsibly Fresh to the consumer, whereas we have hitherto been primarily geared to our customers.

About this report

This report provides an insight into the path to sustainable development charted by participants in Responsibly Fresh in the period 2012-2013. The most relevant sustainability aspects were determined through mutual consultation as well as consultation with the different stakeholders. These aspects are taken into account in the report through the economic, ecological and social dimensions. The report goes into the performance of the participants in each of these dimensions. It covers the efforts on the sustainable development front made by the participating marketing cooperatives and their producers. A glance is also cast at the future and on the challenges that lie ahead for participants. The aim is quality reporting, whereby a complete overview is provided of the activities and performances with a positive impact as well of those where there is room for improvement.

Stakeholders

Stakeholders, both internal and external, are at the centre of the Responsibly Fresh sustainability project (Figure 1). Only consultation with the different parties, on which the activities of marketing cooperatives and their producers have an impact, can ensure a credible and relevant approach to sustainable development. Continuous consultation with the stakeholders is one of the core tasks of VBT, and there is also specific consultation on sustainable development. This combination provides marketing cooperatives and their producers sound insight as to how stakeholders feel and what is happening on the sustainable development front. The marketing cooperatives engage in consultation as companies and as representatives of their producers in the Board of Directors and the different workgroups of VBT.

Internal stakeholders

Members-producers
Employees
Other marketing cooperatives



External stakeholders

Consumers
Customers-distribution
Government
Managers of quality systems
Research institutions
Other sector organisations

Figure 1: Responsibly Fresh stakeholders



Material aspects

This report deals with the most relevant material aspects for the sector with regard to sustainable development – material aspects that are named in the GRI guidelines (Figure 2).

Aspects that reflect the economic, ecological and social impact of the sector are examined to that end. Furthermore, the different stakeholders are consulted to determine which aspects have a significant influence on their views and decisions.



Figure 2: Responsibly Fresh material aspects

Data collection

Specific information from participants in Responsibly Fresh, data from inside and outside the companies, information from sustainable business charters and results from the collective dossier are used to draw up the report. Sustainability aspects are reported by relying on data that the marketing cooperatives are required by law to collect and to publish. Furthermore, additional data are requested from the participants in Responsibly Fresh.

Sustainable business charter

To participate in Responsibly Fresh, marketing cooperatives must have a certificate of a sustainable business charter. The five participating marketing cooperatives have obtained the certificate for the 2012-2013 cycle. The action points, set up for the different themes of the charters, are externally audited and reported here.

Collective dossier

The collective dossier – as a precondition for participating in Responsibly Fresh – is drawn up on the basis of a questionnaire completed by more than 80% of the active producers affiliated with the Responsibly Fresh marketing cooperatives. The efforts and performances of the producers are presented on the basis of the collective dossier results.



Scope

This first sustainability report concerns the path to sustainable development by Responsibly Fresh participants in the period 2012-2013. Where possible, data from 2011 are also included to clarify trends. The report was drawn up by VBT. It concerns the sustainable development efforts of the participants in Responsibly Fresh and the material aspects on which they can have an impact. A report will be brought out every other year to monitor the progress of the participants on the sustainable development front.

GRI

The sustainability report is drawn up in accordance with the 'G4 Sustainability Reporting Guidelines' of the Global Reporting Initiative (GRI). The GRI sustainability framework provides

principles, explanations and implementation guidelines that must be contained as a standard in a sustainability report. The GRI guidelines are an international reference for transparent communication on the ecological, social and economic performances of an organisation.

Structure

Responsibly Fresh is initially structured around four themes: low impact, biodiversity, proximity and food thrift. For the sake of transparency and clarity, it was opted to report within the three major themes of sustainable development: economic, ecological and social impact. An overview of the participants' performance for material aspects is provided in the different chapters on the basis of GRI indicators.





Responsibly Fresh

Collective sustainability label and project



Responsibly Fresh is a collective sustainability label – a recognition for those who are involved in the market of fresh fruit and vegetables, and who are keen to make progress on the welfare, well-being and environment front. Responsibly Fresh is an initiative of VBT. In addition to the label, VBT has, together with the member marketing cooperatives, undertaken a commitment to expand Responsibly Fresh to a broader sustainability project. VBT proceeds to do so through representation in existing quality systems so as to incorporate the sustainability criteria better.





Conditions for the use of the label

The use of the label is subject to strict conditions. All producers and marketing cooperatives that make demonstrable efforts on different sustainability aspects and criteria are entitled to bear the label. It was opted to have both producers and marketing cooperatives undertake a commitment in Responsibly Fresh for external initiatives concerning sustainable development. The independent inspection makes the project more transparent and credible and elicits greater affiliation among various stakeholders. The conditions concern three elements.

1. The individual producers must have a valid certificate for a quality system. The quality systems that are eligible, are:

- Vegaplan Standard as provided by Vegaplan, with requirements for crop production concerning food safety, quality, traceability, Integrated Pest Management (IPM) and sustainability.
- GLOBALG.A.P., an international standard based on good agricultural practices (GAP) for agricultural production as a whole.

The producers obtain a certificate after an external inspection by a specialised independent certification body. The certificate has a limited period of validity and is renewed if the producer continues to meet the stipulated requirements. Already 68% of producers – participants in Responsibly Fresh – meet both the Vegaplan and GLOBALG.A.P. requirements. The remaining producers are certified for one of the two systems.

2. The individual marketing cooperatives must have a certificate for sustainable business or corporate social responsibility charter issued by third parties, namely the provincial authorities and/or the Flanders' Chamber of Commerce and Industry (VOKA). The different charters have three important common properties. First, they are based on a broad framework with ten themes round sustainability. Second, the commitment of the organisations must be renewed annually by working out concrete actions on a number of the prescribed themes. Third, the certificate

for the charter is granted only after an external evaluation and audit. The marketing cooperatives themselves thus provide a concrete interpretation to these themes, set certain annual objectives, show progress and are assessed thereon by independent third parties.

3. For the collective of affiliated producers, the marketing cooperatives must show progress on a series of sustainability criteria. The list with criteria was drawn up after consultation within VBT. Upon applying to participate in Responsibly Fresh, a zero measurement is expected from the marketing cooperative – an overview of the current state of affairs at the collective of the member producers. The marketing cooperative moreover undertakes to update the measurement periodically and to submit the results to VBT. In this way, progress can be monitored effectively in overall reports and marketing cooperatives can determine the fields in which their producers can still use support.

Collective dossier

For the 2013 collective dossier, 49 sustainability criteria were drawn up in a questionnaire. At the end of 2013, the marketing cooperatives made the questionnaire available to the producers by electronic means. At the beginning of 2014, 2,848 producers – more than 80% of the active producers of the participating marketing cooperatives – indicated the measures planned and implemented by means of the questionnaire. VBT then processed the questionnaire and the results were cited in reference to the three sustainability criteria. The producers questioned and their cultivation techniques are as varied as the fruit and vegetables that they produce. The measures taken to meet the sustainability criteria also differ between producers. Taking account of the specific farm situations and cropping plans, certain questions are relevant only for one segment of the active producers: 34 of the 49 sustainability criteria were processed for all producers, while 15 criteria concerned specific target groups. The possible answers for each criterion for the producers are:

	Have already taken action in the past three years (have already taken action)
	Have taken action since 2013-2014 (taken action recently)
	Will take action in the coming three years (will take action)
	Do not take action (do not take action)

Sustainable business charter

In the 2012-2013 cycle, the five marketing cooperatives that participate in Responsibly Fresh – Belgische Fruitveiling, BelOrta, Limburgse Tuinbouwveiling, REO Veiling and Veiling Hoogstraten – obtained the charter. They set up 114 action points in all, 65% of which were carried out successfully. There are still 7% action points in progress, while 28% of the action points were assessed, but ultimately were not deemed attainable in the short-term. The results of the 2012-2013 cycle are explained under the three sustainability themes. For the 2013-2014 cycle, the marketing cooperatives have rounded off their action points as successfully as possible, and audits for certification are in progress. In the meantime, all marketing cooperatives have renewed their commitment for the 2014-2015 cycle by proposing and working out new action points. These last two cycles will be broached in a subsequent report.



Themes of the label

Sustainability is a comprehensive concept. VBT has, together with the member marketing cooperatives, asked the question as to which sustainability themes are the most relevant for the sector. These are themes for which the sector has already made all sorts of efforts, and where there is still room for improvement. Taking account of producers and marketing cooperatives, the trade and retail, and consumers, Responsibly Fresh concentrates on four themes.

Low impact

Be frugal with means of production and apply integrated cultivation principles.

Biodiversity

Opt for a varied cultivation and support scientific research into new varieties and growing techniques.

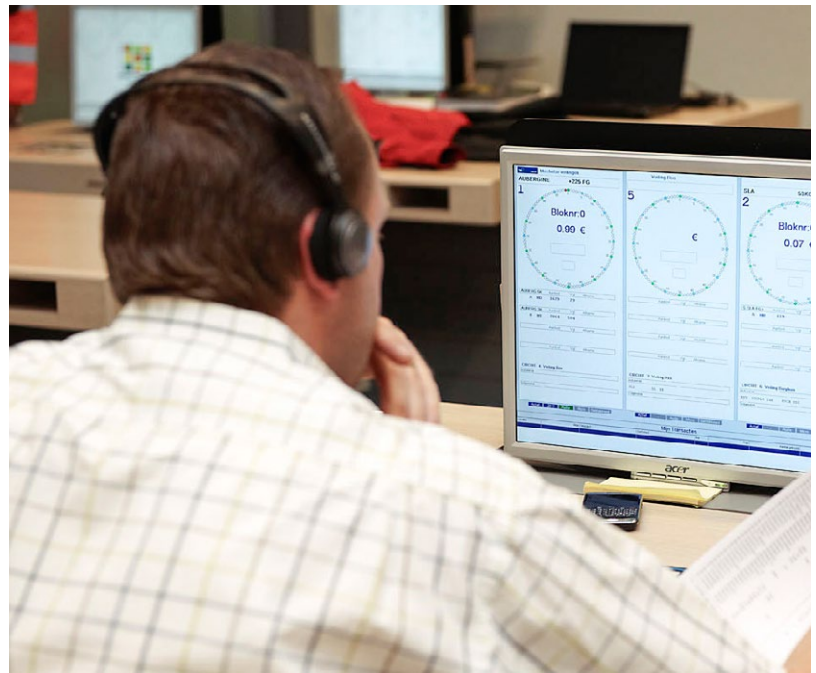
Proximity

The structure of the marketing cooperatives ensures a short, integrated chain, resulting in transparent pricing for producers, one-stop-shopping for distributors and affordable quality for consumers.

Food thrift

Implement tried and tested storage techniques, customer-oriented portions and continuous anticipation of market demand.

Each theme covers a plethora of economic, ecological and social elements and criteria of sustainable development. The choice of these four themes sets the direction for the efforts that the sector wants to make.



Simultaneous clock auction sales

Sustainable development in quality systems

Responsibly Fresh is a broader project than just a label. After initial exploratory consultations with the VBT members, it became obvious all too quickly that in addition to the label, work should be focused on expanding the sustainability criteria in existing quality systems. VBT has been traditionally represented in a number of quality systems, specifically geared to primary production. Representation on the managerial front makes it possible to outline the set-up and development of the quality system together with other stakeholders. The representation on the technical front entails that, together with other stakeholders once again, VBT can delve in and work on the maintenance and concrete expansion of the quality system. With the collective sustainability project Responsibly Fresh, VBT wants, in consultation with the participants, to endeavour on expanding existing quality systems in the direction of sustainable development. In concrete terms, VBT works on such adaptations in the Vegaplan, GLOBALG.A.P. and QS standards.



- Based on cooperation through the agri-food-chain, the Vegaplan Standard has since 1 March 2014 been expanded with a number of sustainability criteria. Sustainability had already been given attention in the previous IKKB Standard, but the emphasis was primarily on food safety and product quality. Relevant sustainability requirements were added upon the switchover to the Vegaplan Standard. Vegaplan maintains that the vegetable sector must in this way anticipate demand on the market. Furthermore, Belgium has opted to transpose the European IPM principles (Directive 2009/128/EC) into regional guidelines and to include them in the Vegaplan Standard. This too contributes to the sustainability of the standard. The renewed Vegaplan Standard has entered into force on 1 June 2014. (www.vegaplan.be)
- Emphasis has traditionally been on good agricultural practices and food safety in GLOBALG.A.P. as well. Various technical workgroups have in recent years concentrated on adapting the requirements in preparation of the standard version 5, which is to be launched in mid 2015 and enter into force as of 1 January 2016.

Specific workgroups are geared to sustainable development – in particular Responsible Water Management, GRASP (GLOBALG.A.P. Risk Assessment Social Practices) and Sustainability. VBT is present there as well from the perspective that sustainable development is necessary and that all the requirements must remain realistic, relevant and feasible for the producers. (www.globalgap.org)

- A sustainability study for the fruit and vegetable sector has been under way since the end of 2013 at the German quality system Qualität und Sicherheit (QS). The study wants to take stock of the state of affairs in relevant existing sustainability projects and to identify hot spots for the sector. The results are expected by the end of 2014. These will be translated by the workgroup, as and when necessary, into adaptations of and supplements to the requirements in the standard. (www.q-s.de)





Economic
impact



The producers strive for economic sustainability collectively in and together with the marketing cooperatives – better known as ‘auctions’. Continuous investments are needed to tackle the challenges that farms have to face. Cooperating in and with the marketing cooperatives is a unique way to do business, thereby endeavouring towards sound financial appreciation of the efforts of the marketing cooperatives to get the best price on the market for each product under the prevailing circumstances. The hard figures are translated into the total turnover and the importance of export. The efforts according to the cooperative values and principles are expressed under the Responsibly Fresh theme ‘proximity’.

Cooperative added value

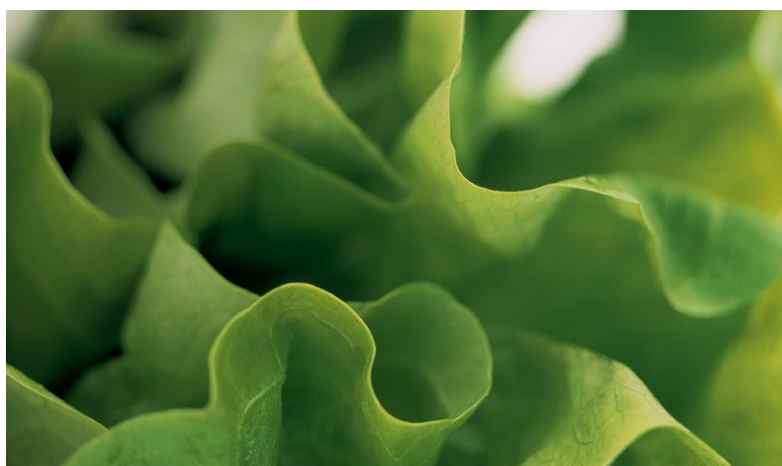
The fruit and vegetable marketing cooperatives, better known as ‘auctions’, are in principle not more or less than groups of producers who have voluntarily joined forces to sell their products together. They have thus opted for an undertaking which they own jointly and over which they exercise democratic control. The marketing cooperatives which take part in Responsibly Fresh are literally ‘sustainable’ enterprises: some of them have already existed for more than 75 years.

Producers of fruit and vegetables are at the forefront in the food chain. They produce a wide range of quality fruit and vegetables depending on the season. As such, they are faced with specific production and market circumstances. First, weather conditions determine the harvest to a considerable degree and diseases and pests endanger the production and the products. Secondly, the means of production account for

a large portion of the operating costs. Third, producers operate in an international market with a broad, segmented supply side with regard to a concentrated demand side. To be able to face such specific circumstances, producers opt to work together in the form of a cooperative, which is owned by the member producers. Furthermore, they are constantly on the lookout for a sustainable expansion of activities on their own farms.

Cooperating in a marketing cooperative is a specific way of doing business. The most important aim of the cooperative is to improve the income of the members by carving a larger part of added value in the food chain. The marketing cooperative does so by concentrating the supply and organising the marketing of fruit and vegetables supplied by the member producers. In addition, the marketing cooperative provides other services and activities to support its members and to function as a sustainable business partner in the chain. Each marketing cooperative sets other priorities in the services that it offers to anticipate optimally the need of its members and to operate in the competitive market.

Any profit from the operational management of the marketing cooperative itself is paid out as cooperative refund to the owners-producers or is added to the capital of the cooperative. It is necessary to continue investing in the cooperative in order to be able to tackle both current and future challenges. The further expansion of a sustainable operational management is an important action point in the development of the marketing cooperatives.





Turnover and export

In 2013, the Responsibly Fresh-marketing cooperatives generated a joint turnover of nearly €800 million (Table 1), accounting for 85% of the total VBT turnover and 95% of the VBT turnover in the fresh market.

	2011	2012	2013
BFV	105.0	100.8	111.4
BelOrta	294.7	366.9	356.1
LTV	9.7	9.4	7.5
REO Veiling	130.9	155.8	157.1
Veiling Hoogstraten	143.5	157.9	167.4
Responsibly Fresh marketing cooperatives	683.9	790.8	799.5

Table 1: Turnover of Responsibly Fresh marketing cooperatives (in million €)

The Responsibly Fresh marketing cooperatives trade a wide assortment of fruit and vegetables. About 80% of the turnover is generated by the Top 10 products (Table 2). Furthermore, the marketing cooperatives sell many other fruit and vegetables, from forgotten vegetables, to specialities, and on to innovative, new varieties.

	Supply (million kg, pc)			Turnover (€ million)		
	2011	2012	2013	2011	2012	2013
Strawberries (kg)	44.9	48.7	46.0	122.4	117.7	129.9
Apples (kg)	155.0	125.5	114.8	57.7	52.9	56.0
Cauliflower (pc)	11.8	11.3	10.1	7.7	7.5	7.1
Cucumbers (pc)	108.7	119.9	111.0	21.8	31.2	32.9
Cabbage lettuce (pc)	104.0	97.2	96.2	22.5	36.9	29.8
Peppers (kg)	37.2	33.6	32.7	38.0	37.2	44.4
Pears (kg)	164.3	155.2	128.2	75.6	81.9	90.3
Leeks (kg)	67.7	62.0	56.3	25.0	31.4	38.9
Tomatoes (kg)	228.5	237.0	249.3	119.2	181.0	149.1
Chicory (kg)	50.7	51.7	54.2	49.5	52.8	43.1
Top 10				539.4	630.4	621.5

Table 2: Supply of and turnover generated by the Top 10 products of Responsibly Fresh marketing cooperatives

The Belgian fruit and vegetable sector is strongly export-oriented. The total export value (inclusive of re-export) in 2012 amounted to €578 million and €661 million for fresh fruit and fresh vegetables respectively. More than half of the Belgian production of all sorts of products is exported, and this figure exceeds 90% for pears. The most important export destinations are generally Belgium's neighbouring countries: France, Germany, the Netherlands and the United Kingdom. The Russian Federation is the most important destination for fruit, with 25% of the export value. In recent years, France has become relatively more important, while Germany has weakened as a destination. Fruit has registered an increase in the export share to other destinations to 27%, while the figure for vegetables has remained stable at around 15%.



Auction

SALES

The marketing cooperatives for fruit and vegetables use an optimal mix of sales systems. The clock auction sales is predominant for day products. The products are offered together with similar products from other Belgian marketing cooperatives to the total buying public through a simultaneous clock auction, which ensures uniform and transparent pricing. The buyers can be at home or in the auction hall of a marketing cooperative. The buying-from-home system was introduced some years ago and offers added value for the buyer, who saves time and travel expenses. In addition, there is a presale via the clock auction to anticipate demand from buyers for a certain supply and specific packaging. Finally, contractual forward buying is applied, where the number of packaging units of a certain product, the price and the period of delivery are determined in advance. For certain vegetables, this is done using an electronic system known as 'E-mediation'.

PACKAGING

From the functional point of view, packaging ensures smooth logistics and the necessary traceability. It moreover has a hygienic dimension and stands guarantee that the quality of fresh products will be preserved in the trade channel. In addition, products can be presented optimally and the consumer can be informed thanks to packaging. In this respect, all the national and international legal requirements must be duly complied with. The marketing cooperative delivers the necessary packaging in accordance with the customer's wishes. The packaging itself is carried out at the market cooperative or at the producer.

Value chain

The marketing cooperatives have a unique role in the value chain. They collect the supply of the member producers and deliver to a diverse group of customers. The unique role is played out through a set of specific activities.

QUALITY CONTROL

Already during production and harvesting, quality control is exercised to ascertain whether processes and products meet the market conditions. When supplied to the marketing cooperative, the quality, weight, size and packaging of the products are inspected. Thereafter, fresh fruit and vegetables can be offered to customers in uniform quality blocks.

Value chain





LOGISTICS

In anticipation of and during the sale, fruit and vegetables are briefly stored at the cooperative at optimal temperature and relative humidity for a specific product. After the sale, the products are made available immediately at the loading places of the buyers.

RESEARCH AND INNOVATION

VBT is actively involved in addressing research needs from member marketing cooperatives and their producers. It provides support in defining research topics, following up projects and capitalising on the results. Furthermore, VBT provides co-financing in the name of the individual members. Together with the Catholic University of Leuven, VBT is the co-founder of Flanders Centre of Postharvest Technology (VCBT). In addition, there is cooperation with other research centres.

MARKETING

Marketing cooperatives are constantly expanding their commercial activities to offer the fruit and vegetables of their producers to possible customers and consumers. An important strategy in that regard consists of distinguishing top quality through labels. Furthermore, marketing cooperatives are also actively in search of new markets.



Logistic activities at marketing cooperative

PRODUCTION PLANNING

Marketing cooperatives assess the volume that can be produced, supplied and sold at a profit. When marketing fresh fruit and vegetables, an effort is always made to strike an optimal balance between nature (which determines how good the harvest will be and which products will be available in which periods during the year), the changing demand from customers and consumers, and care for food thrift.

ADVICE AND SUPPORT FOR PRODUCERS

The employees of the marketing cooperatives have extensive knowledge of the different relevant fields of the marketing cooperative and the producers, and provide advice and support to the latter.



Proximity

With the theme 'proximity', Responsibly Fresh stresses the intense cooperation between producers and marketing cooperatives, the input of producers in the cooperatives and the joint involvement in the community. Active cooperation is based on six values, namely democracy, equality, fairness, solidarity, a sense of responsibility and self-help. To be able to apply these values in the management of a cooperative, the International Co-operative Alliance (ICA) has translated them into seven ICA principles, which are highly prized by the Responsibly Fresh marketing cooperatives.

Voluntary and open membership

Cooperatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership.

Democratic member control

Cooperatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions.

Member economic participation

Members contribute equitably to, and democratically control, the capital of their cooperative.

Autonomy and independence

Cooperatives are autonomous, self-help organisations controlled by their members. The cooperative is independent and determines its own future.

Education, training and information

Cooperatives provide education and training for their members, elected representatives, managers and employees so that they can contribute effectively to the development of their cooperatives.

Cooperation among cooperatives

Cooperatives serve their members most effectively and strengthen the cooperative movement by working together.

Concern for community

Cooperatives work for the sustainable development of their communities.

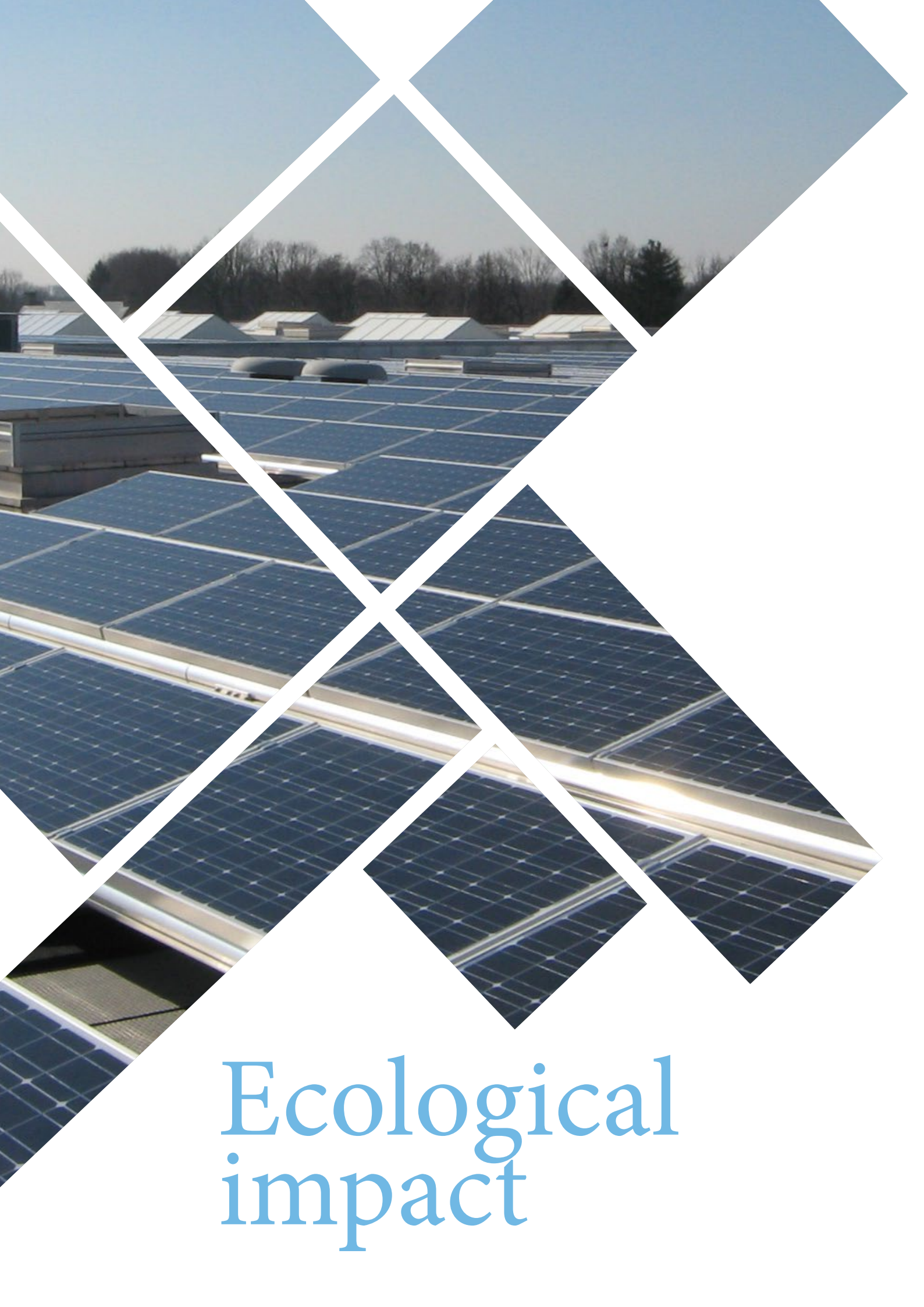
Sustainable business charter

The producers' landscape in the fruit and vegetable sector is subject to radical changes. A drop in the number of active producers in combination with an up-scaling of the farms, changing climatic conditions and stricter legislations are only some examples of such changes. The marketing cooperative must continue to question the strategy and role that it can play in the sector in order to bring its services optimally in line with the needs of current and future producers. In that respect, integrating sustainable entrepreneurship in the policy and activities of the organisation is absolutely necessary. The marketing cooperatives are working in a constructive manner on that goal through the theme 'Corporate governance' in the charter. In the 2012-2013 cycle, the Responsibly Fresh marketing cooperatives have included sustainable development in their policy statement, vision and mission. One action point in the subsequent cycle is to work out relevant indicators for economic, ecological and social performances. As such, sustainable development is systematically integrated in the goals and the daily management of the marketing cooperatives.

Collective dossier

The collective dossier of the producers contains no specific criteria concerning economic performance. The economic impact of the efforts for sustainable development is nonetheless real. On the one hand, certain efforts entail higher costs. Examples include investments in energy and water saving techniques that make it possible to limit the ecological impact of the farm. Socially directed activities, such as adequate infrastructure, training and relaxation possibilities for the employees also entail additional operating costs. On the other hand, certain efforts have a positive economic impact; directly, by lowering the costs (e.g. lower costs for fertilising and crop protection), or indirectly through their contribution to the image of the farm and the goodwill of the environment.





Ecological
impact



Marketing cooperatives and their producers use various means and resources to market fresh, quality products and offer services throughout the value chain. The most important ones are packaging, energy and water. For the production of fruit and vegetables, this list is supplemented with soil and nutrients, crop protection and integrated cultivation, and biodiversity. Mobility is again more relevant for the marketing cooperatives. The participants are aware that natural resources are exhaustible and proceed to use them rationally. The reduction of the ecological impact is not only more beneficial for the environment, but it also enables marketing cooperatives and producers to work more efficiently.

Prevention and value creation



PACKAGING

In Responsibly Fresh packaging is considered as a valuable and crucial element for the business operation of marketing cooperatives and producers. They remain on the look-out for waste prevention and spare no effort to manage packaging in optimal fashion. The amount of material is limited as much as possible and reusable packaging and recyclable materials are used where possible. In 2013, the Responsibly Fresh marketing cooperatives drew up a three-year **waste prevention plan** for the third time in a row. The 2013-2016 plan provides insight into the importance of packaging for marketing cooperatives and the efforts planned and carried out to deal rationally with the

problem and to prevent packaging waste as much as possible. The sectoral plan is coordinated by the VBT, and was submitted to the Inter-regional Packaging Committee in October 2013.

Business packaging is divided into transport and trade packaging and does not ultimately reach the consumer. Reusable packaging is used in an open pool system as a standard, such as multi-use plastic trays as trade packaging (e.g. EPS and IFCO trays) and multi-use pallets as transport packaging (e.g. EURO and CHEP pallets). Already more than 96% of business packaging that the Responsibly Fresh marketing cooperatives bring on the Belgian market can be reused (Figure 3 and 4). It is difficult to register further spectacular progress concerning multi-use from this situation.

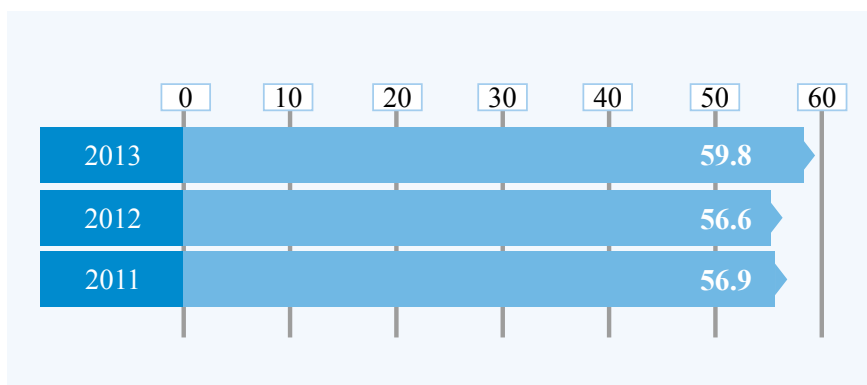


Figure 3: Weight of business packaging brought on the Belgian market by Responsibly Fresh marketing cooperatives (in 1,000 tons)

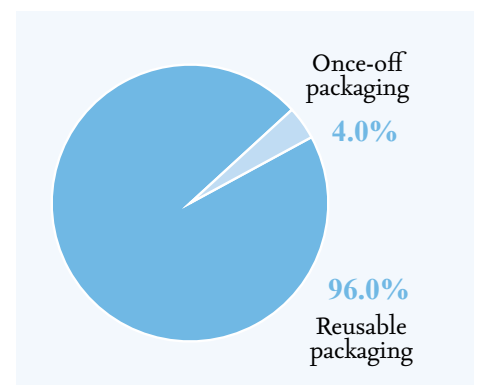


Figure 4: Business packaging according to type brought on the Belgian market by Responsibly Fresh marketing cooperatives



Household packaging is what ultimately reaches the consumer. Once-off packaging is used here as a standard, in particular for market organisation and commercial reasons. The total weight of the household packaging brought on the Belgian market by the Responsibly Fresh marketing cooperatives grew substantially in the period 2011-2013, particularly as a result of a higher weight of supplied and traded product. In addition, specific packaging for customers at their request, is becoming increasingly more important by comparison with uniform, standardised packaging. (Figures 5 and 6)

For the sake of sustainability in once-off household packaging, VBT has for some years now been calling for punnets to be included in the system for the selective sorting, recovery and recycling of PMD waste. Punnets are the specific household single-material PET plastic packaging for fresh fruit and vegetables. They represent nearly two thirds of the total weight of household packaging brought on the Belgian market by the marketing cooperatives. Today, they are part of the mixed household waste. When punnets are added to the PMD fraction, they can be recycled better with a positive ecological impact as a result.

Sustainable business charter

In the theme 'Sustainable material management' of the charter, the Responsibly Fresh marketing cooperatives pursue concrete action points to use packaging more efficiently. New developments in packaging materials are monitored closely. New packaging is tested and assessed as and when relevant. If the assessment is positive, the actual switch to the new packaging is initiated. The emphasis in new packaging is on ecological packaging materials, lighter and saving packaging types. The replacement of PVC-containing foil by PVC-free foil as packaging material is an example of an action point carried out successfully. In addition, the marketing cooperatives also encourage their producers to opt for multi-use packaging. A concrete example is the joint purchase of plastic palloes by marketing cooperatives and producers. The coming cycle of the charter will be geared further to efficient packaging use, whereby the requirements of the product and the market and of the relevant legislation and possibilities for waste prevention and less polluting packaging will be constantly weighed up, and multi-use packaging will be promoted to the maximum among customers.

More efficient waste management is an action point that crops up repeatedly in the charters of the marketing cooperatives. The purchase of a press container ensures that the waste volume is reduced and the number of waste transport drops. Marketing cooperatives reduce their paper consumption by introducing electronic invoicing. They attach importance to raising awareness among employees about the difference that they can make on the ecological front. Several action points are geared to raising awareness about the importance of sorting waste or using electricity sparingly.

Collective dossier

Producers in turn try to reduce paper consumption. The collective dossier states clearly that electronic communication helps 85% of the producers to engage in efficient business management and open communication.

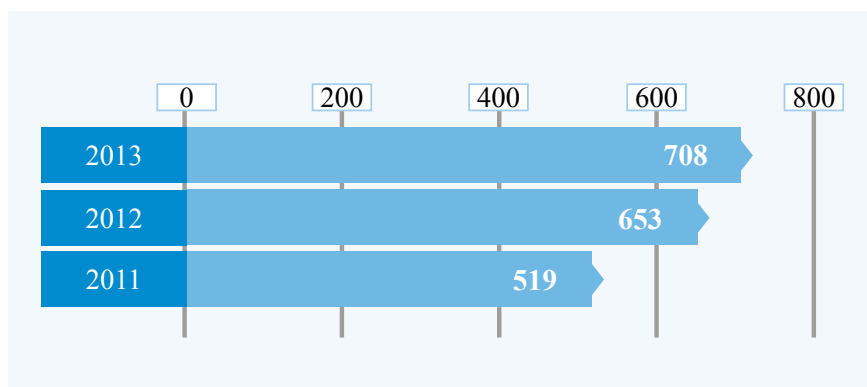


Figure 5: Weight of household packaging brought on the Belgian market by Responsibly Fresh marketing cooperatives (in tons)

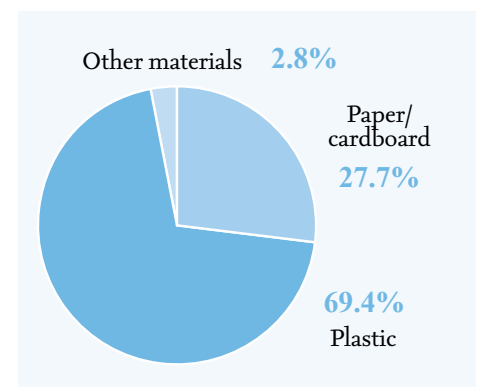


Figure 6: Household packaging according to material brought on the Belgian market by Responsibly Fresh marketing cooperatives



Punnets

BY-PRODUCTS

Marketing cooperatives endeavour to market as much marketable product as possible effectively on the fresh market. In that respect, Responsibly Fresh focuses on food thrift. The production and marketing of fruit and vegetables can however lead to products that are not suitable for the fresh market. Crop harvest waste and other non-marketable products are by-products that are recovered as feed, fertiliser or energy source.

Sustainable business charter

Under the theme 'Sustainable material management' of the charter, a marketing cooperative deploys two basic facilities. These facilities ferment organic waste in particular into biogas, which is in turn converted to electricity. The remaining residue is used as dry matter as soil improver.

Collective dossier

Products that are still high grade are used as feed (22%). In addition, by-products are composted (37%) or used on agricultural land (56%) to enhance soil fertility. Furthermore, by-products are recovered to be used as a source of energy in biogas facilities (5%). (Figure 7)

More than half of the producers record (60%) and assess (52%) the sources and disposal of farm waste. Sorting according to fraction and separated disposal of farm waste are standard (91%). In addition, 29% of the producers use biodegradable materials. Already 13% are making efforts for the specific treatment of wastewater.

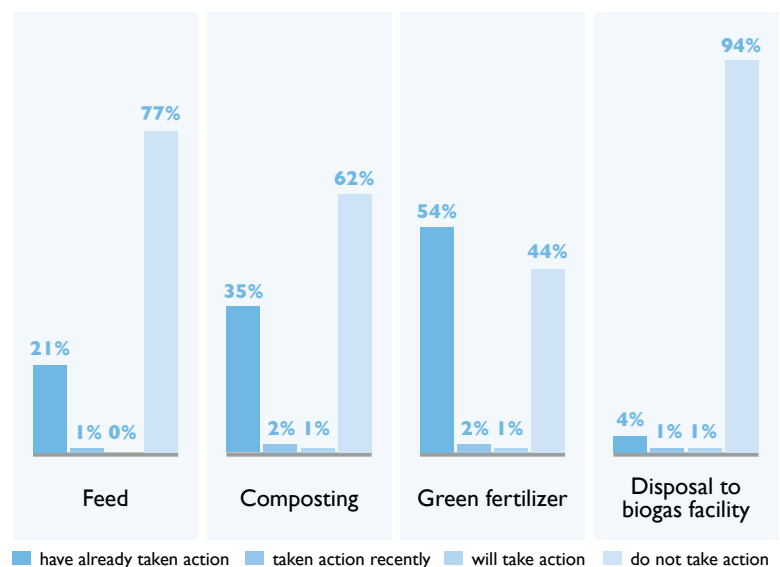


Figure 7: By-products at Responsibly Fresh producers



Energy

Marketing cooperatives and producers avail themselves of energy from different sources which is used as efficiently as possible. Energy consumption is closely monitored, recorded and assessed. Many initiatives are taken to lower energy consumption or to switch to more sustainable energy sources.

Sustainable business charter

Under the theme 'Integrating sustainability in the expansion of the business infrastructure' of the charter, marketing cooperatives look for ways to make the business infrastructure, investment and purchasing policy and service development more sustainable. When setting up a new office, for instance, a heat pump is installed, energy-efficient heating and cooling is used, and high efficiency lighting is chosen.

RATIONAL USE OF ENERGY

Because marketing cooperatives want to get as fresh and high quality products as possible to customers, the activities, particularly the logistic processes, require a lot of energy. Accordingly, they endeavour for the most efficient application to lower the ecological impact and the operating costs. Most energy is used in the form of electricity. Keeping products at optimal temperature and relative humidity is a process that takes up the lion's share of electricity consumption. Efficient insulation, close monitoring of storage conditions and regular inspections of the cooling installations are important energy-saving measures. Cooperating with different research institutions results in the application of innovations for more efficient installations. Electric lift trucks have been chosen for the internal transport of products. They are energy efficient, emit no harmful substances and cause little noise pollution. Furthermore, energy is used to light and heat the buildings of the marketing cooperative. The total energy consumption of the Responsibly Fresh marketing cooperatives fluctuated slightly between 2011 and 2013 (Figure 8).



Combined heat-power installation

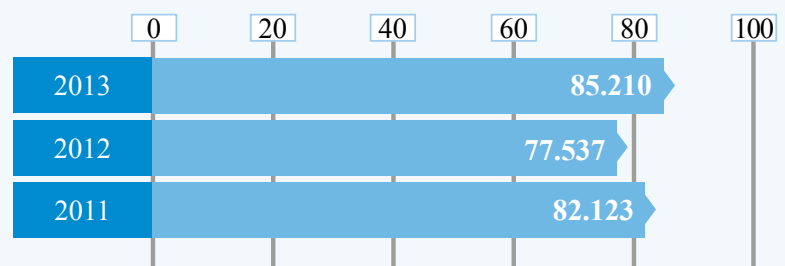


Figure 8: Energy consumption at Responsibly Fresh marketing cooperatives (in 1,000 Mwh)

Sustainable business charter

In the charter, the marketing cooperatives work out concrete action points on the theme 'CO₂ neutrality: rational use of energy'. Different marketing cooperatives have an eco-map plotted, to indicate clearly where energy-saving possibilities lie. Optimising the lighting is an initial such possibility in many cases. Accordingly, re-lighting projects are carried out on supply sheds where the old lighting is replaced by sustainable versions. Furthermore projects are or will be carried out to limit lighting to places and times as and when necessary, and sliding doors between the cooling units in sheds limit the loss of refrigeration.

RENEWABLE ENERGY

The Responsibly Fresh participants have in recent years invested in their own energy generation from renewable sources (Figure 9). The share of this energy in the overall consumption rose from 6.8% in 2011 to 7.9% in 2013. Solar panels are the biggest source of renewable energy.

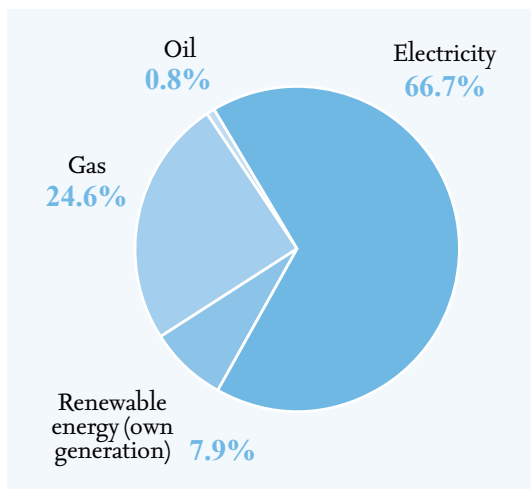


Figure 9: Energy consumption according to source at Responsibly Fresh marketing cooperatives

Sustainable business charter

Under the theme 'CO₂ neutrality: renewable energy' of the charter, all sorts of possibilities are being investigated to boost the generation and internal consumption of renewable energy. One example of a successful action is provided by combined heat-power (CHP) installations. In addition, the marketing cooperatives manage to increase internal use of the renewable energy that they generate. The remaining part is injected in the local distribution network. An attempt will be made in a subsequent cycle to implement efficiently options for boosting generated renewable energy shown to be feasible in previous studies.

Collective dossier

Energy consumption at producers depends highly on the business situation and in particular on the cropping plan. For instance, consumption is generally higher in the case of protected crops of fruit and vegetables by comparison with open-air crops. Weather conditions naturally have an important influence here. Responsibly Fresh producers proceed rationally with energy. More than 40% record and assess the energy consumption. More than 60% take measures to limit energy consumption. That, for instance, can be carried out by placing energy screens in greenhouses, cleaning greenhouse roofs for maximum incidence of light and planting later to avoid the coldest months. In addition, more than one third of the producers (36%) already generate renewable energy themselves, especially by solar panels (32%) and CHPs (7%). The collective dossier makes it clear that producers will take additional steps for rational use of energy in the coming years. A good recording system is recommended to that end, for this is the only way to assess and make adjustments. (Figure 10)

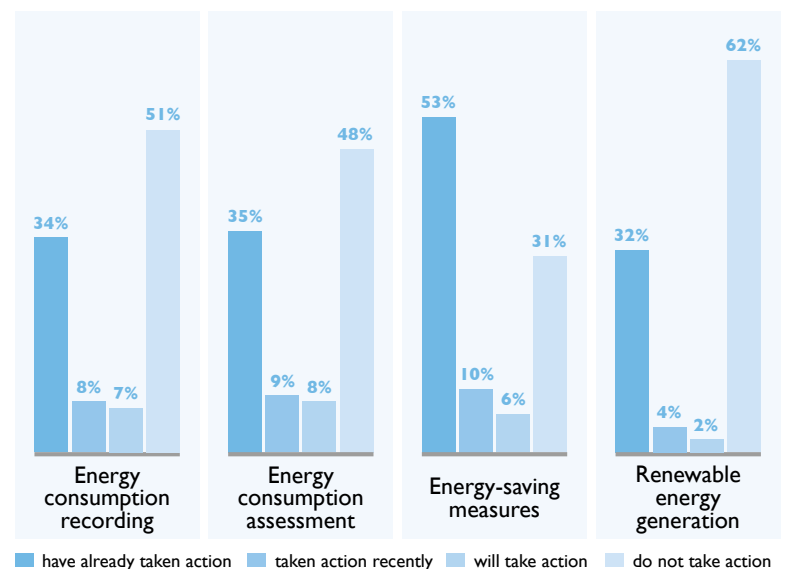


Figure 10: Energy consumption by Responsibly Fresh producers



Capture of rainwater from greenhouse

Water

Water is a valuable, scarce resource that Responsibly Fresh participants use sparingly. The total water consumption by Responsibly Fresh marketing cooperatives registered a slight fluctuation between 2011 and 2013 under the influence of the volume of the supplied product (Figure 11). Rainwater is used as and

when possible (Figure 12). The ecological impact is thereby lowered and work can be carried out more efficiently.

Investments in recent years have gone into sufficient collection and storage capacity and in water pipes for rainwater. Rainwater is used as a standard in the cooling and conditioning processes. Water which comes into contact with the products is exclusively potable tap water for food safety considerations. Accordingly, tap water is used in sorting processes. Water is used sparingly through recirculation and close monitoring as to when replacement is needed.

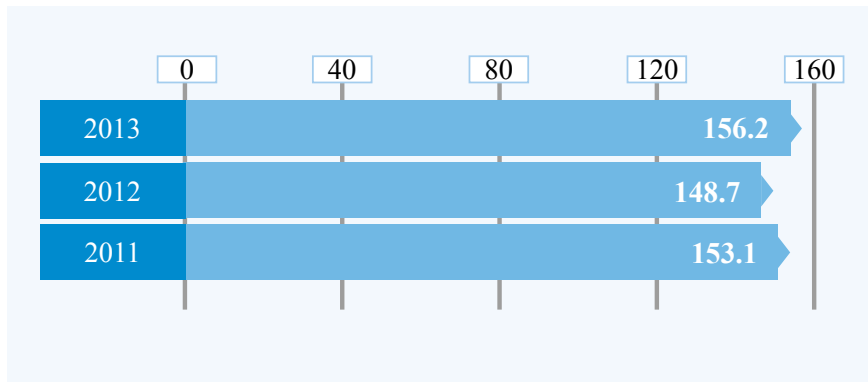


Figure 11: Water consumption by Responsibly Fresh marketing cooperatives (in 1,000 m³)

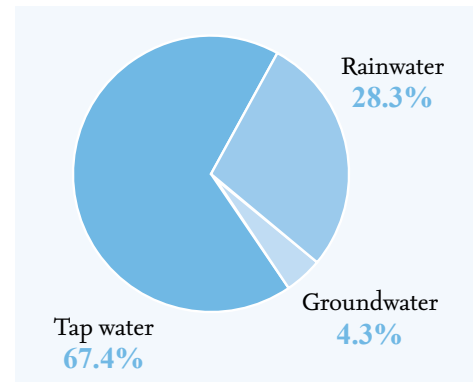


Figure 12: Water consumption per source by Responsibly Fresh marketing cooperatives

Collective dossier

Water is of course essential for growing fruit and vegetables. And here once again, consumption by producers is strongly determined by the business situation and specifically by the cropping plan. More than half of the producers (57%) resort to irrigation, using mainly rainwater. For protected crops, rainwater is collected via the greenhouse roofs and shelters and stored in basis or ponds with foil. Thanks to an average quantity of rainwater of ca. 800 litre per square metre per year, open field crops scarcely require such extra spray irrigation. For irrigation, 84% of the producers take measures to limit water use, particularly by using water-saving systems or by adapting the cropping plan in accordance with the availability of water. More than 75% of producers take measures to limit the use of tap and groundwater. Where possible, water is re-used by setting up closed systems (46%). Producers of open field vegetables focus on rational use of washing and rinsing water (52%), without compromising food safety. Water consumption recording and assessment, currently carried out by 63% and 55% of producers respectively, should be expanded in future. Only then can trends be monitored and measures taken. (Figure 13)

Sustainable business charter

Under the theme 'Rational use of water' of the charter, the marketing cooperatives work out concrete action points to limit water consumption and to avoid emissions into water sources. The water management of sites has consequently been mapped in order to assess a further restriction of water consumption. This exercise showed that the water consumption of different washing facilities can be reduced. This adaptation has already been carried out successfully. Furthermore, a marketing cooperative has carried out a feasibility study for a water treatment facility. Water treatment ensures that water can be re-circulated longer.

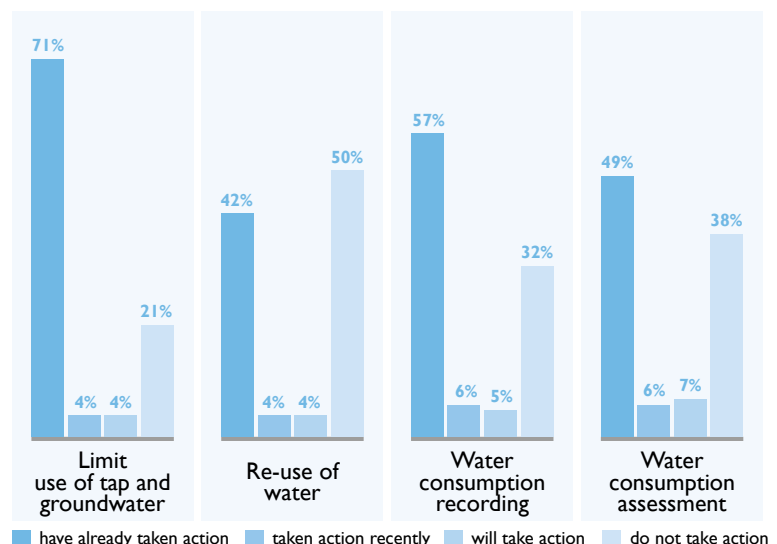


Figure 13: Water consumption by Responsibly Fresh producers

Soil and nutrient management

Collective dossier

As in the case of the means of production energy and water, the nutrients management and the soil use and management by the producers are highly influenced by the type of operation and the cropping plan. Fruit and vegetables generally need nutrients to grow. Fertilisation is needed to get sufficient nutrients from the soil. Nearly all producers (94%) fertilise on the basis of advice and analyses of the soil and the product, which indicate the type and quantity of fertilisers needed. Preference is given to organic fertilisers (77%). Fertilising is carried out with well maintained and properly adjusted equipment. More than 80% of the producers with open field crops, take measures to prevent the leaching of nutrients. (Figure 14)

The soil is a crucial means of production specifically for producers with open field crops. Intensive cultivation and mechanical tilling can impair the quality of the soil in terms of nutrient content and structure. It is important to respect the soil type and structure for current and future crops. More than 70% of producers take measures to maintain the soil structure, for instance by farming without ploughing or harvesting using specific tyres or caterpillar machinery. Erosion can also exert great pressure on the soil; 59% of producers consequently take measures to limit it. (Figure 15)

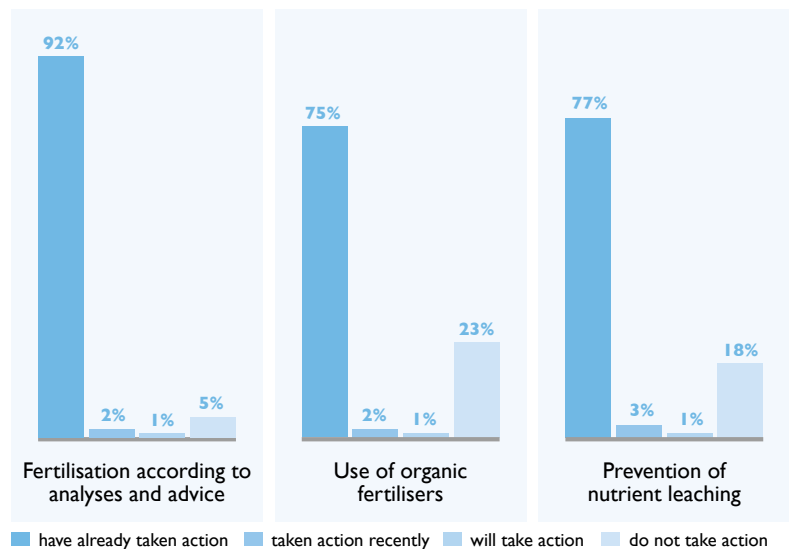


Figure 14: Nutrient management by Responsibly Fresh producers

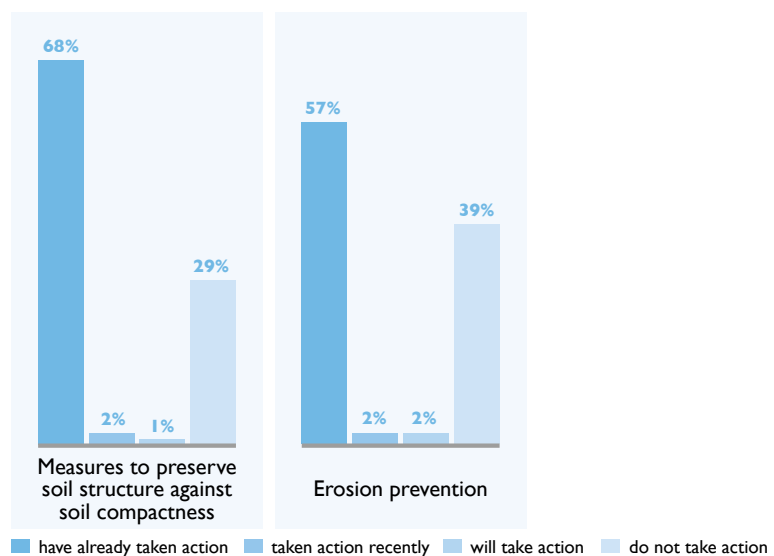


Figure 15: Soil management by Responsibly Fresh producers





Crop protection and IPM

Collective dossier

Integrated Pest Management (IPM) is a method where all possible techniques for preventing and combating diseases and pests are applied in an integrated manner, so that the presence thereof remains under the economic injury threshold. IPM is based on three basic principles. The first is the prevention of diseases and pests particularly by means of cultivation techniques and choice of varieties. More than two third of the producers (66%) apply preventive measures. The second principle is observation (66%). The right action can be taken at the right time only if you know what is happening. The third principle is intervention, where priority is given to mechanical and biological pest management. If chemicals have to be used, crop protection products are used with minimal impact for the environment and without risks to public health. The methods used work specifically against a certain disease or pest. In spite of prevention and with observation, 84% of the producers intervene to protect crops. Crop protection is nearly always based on advice (96%). Crop protection is carried out using spray equipment fitted with a computer or electronically controlled nozzles (36%). Already, 60% of producers with open field cultures apply drift-reducing measures. More than 80% make efforts to avoid point pollution. Pursuant to the relevant European legislation, IPM has to be applied as of the beginning of 2014. IPM is nothing new for producers of fruit and vegetables. Integrated cultivation has long been the standard and was already required by the Environmentally Friendly Cultivation label. (Figures 16 and 17)

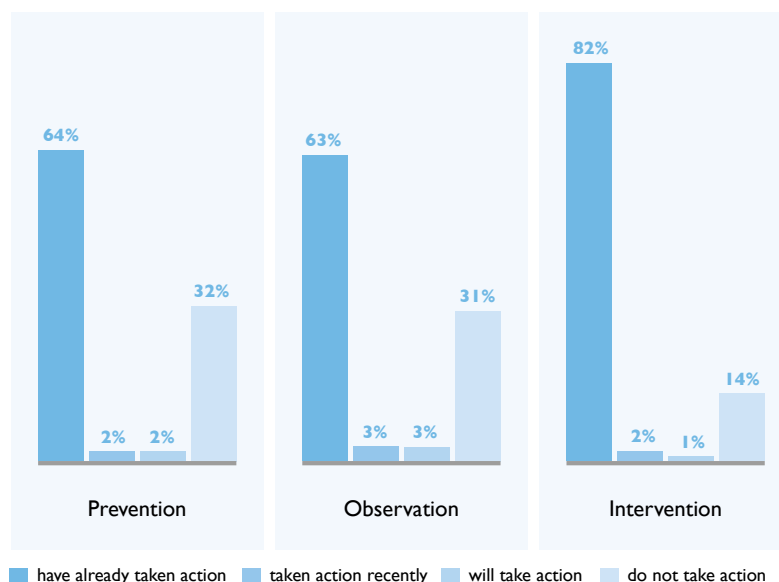


Figure 16: IPM by Responsibly Fresh producers

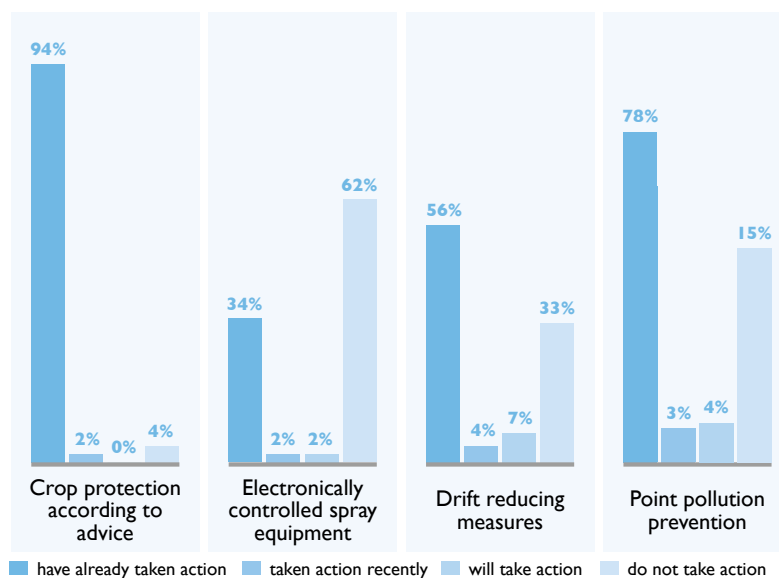


Figure 17: Crop protection by Responsibly Fresh producers

Biodiversity

Whereas specialised farms focus on one or a limited number of crops, the use of several species and varieties results in a broader product offer by individual producers. Examples include hard fruit and soft fruit cultivation combined, different varieties in orchards of specialised apple and pear growers, the range of lettuce varieties (including cabbage lettuce, Lollo bionda, green oak leaf lettuce and rucola) and the range of tomato varieties (such as loose or truss tomatoes, plum, cherry and beef tomatoes). Collectively, this leads to an extensive fruit and vegetable basket at Responsibly Fresh producers. The Responsibly Fresh marketing cooperatives are thereby capable of marketing a range of more than 150 types of fruit and vegetables, from strawberries and apples, to cherries and cucumbers, and onto pears and leeks, chicory and sorrel.

Mobility

Marketing cooperatives are attentive to smooth mobility when it comes to the inflow and outflow of products. The timeframes for the supply by the producers are set taking into account the harvest activities of producers, the trading at the cooperatives and the mobility in the local environment. On the other hand, flexibility is becoming more and more of a winning asset in timeframes for the outflow from the buyers. Buyers can reach the loading platforms and collect the purchased products virtually at all times of day and night through secure access systems. Mobility in the broader environment is also gaining attention, where transport via rail and water is assessed. A Responsibly Fresh marketing cooperative uses rail transport to export lettuce to the south of France. A shuttle service between regions – namely West Flanders in Belgium and Venlo in the Netherlands – makes optimal use of road transport.

This theme also comprises the investment by marketing cooperatives and VBT in a system for video conferencing. This saves extensive travel mileage, while consultation can proceed more frequently and more efficiently.

Collective dossier

Decline of biodiversity is a global problem that could prove costly for current and future generations. Biodiversity is an aspect on which producers of fruit and vegetables can have a significant impact. Here once again, concrete possibilities and measures are strongly influenced by the farm situation. In general, there are more alternatives for open field crops, but all producers can make a contribution. In concrete terms, this is carried out particularly by fitting the farm in the landscape and the environment (64%), through appropriate building materials, building styles and green screens. To preserve biodiversity, some 50% of producers are already pursuing a proprietary nature management plan, while 15% take part in a joint nature development plan. In addition, more than three out of four producers (76%) maintain small landscape elements. Furthermore, the sowing of field boundaries and maintenance of natural vegetation are actions that counter a decline of biodiversity and are practised by 60% of producers with open field cultures. (Figure 18) The largest part of producers (80%) resorts to crop rotation so that nutrients in the soil are not exhausted. Further efforts for integrated crop protection moreover limit the negative impact on biodiversity.

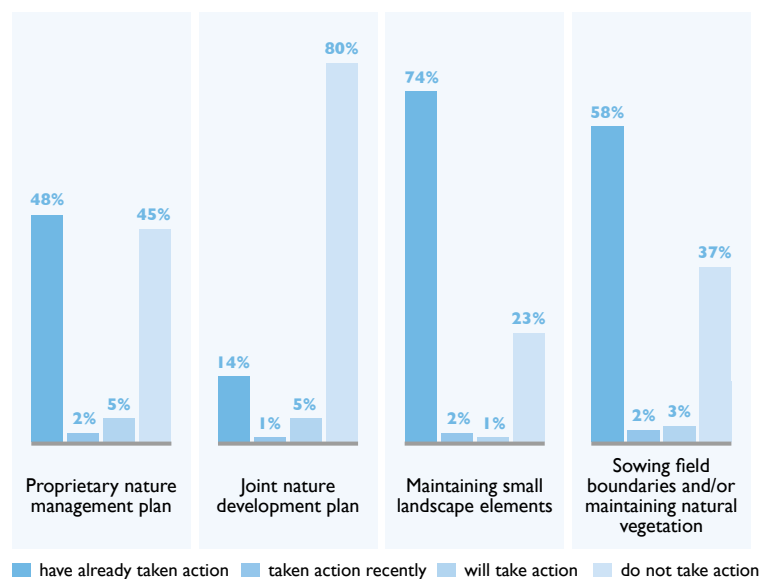


Figure 18: Biodiversity by Responsibly Fresh producers

Sustainable business charter

'Mobility' is a theme of the charter which comes up several times in marketing cooperatives. By applying sustainable mobility in their policy, marketing cooperatives stimulate their employees to choose more sustainable means of transport for their commute to and from work. The bicycle allowance is a concrete example of an applied policy measure.



Social
impact



The social impact of marketing cooperatives and producers is made at several levels. The democratic decision-making in cooperatives is a valuable social element. As employers, the marketing cooperatives and producers have an impact on the well-being of their employees. Both also have a sizeable impact on society and on the local community in which they are active.

Democratic decision-making in a marketing cooperative

The members of the marketing cooperative are also the shareholders. They are part of the General Assembly, where the global vision and objectives are defined. Said General Assembly elects a Board of Directors, which in turn elects a chairman from among its ranks. The daily management of the cooperative is carried out by a professional management board and employees. (Figure 19)

A marketing cooperative typically endeavours for collective, democratic decision-making. Although democratic decision-making is a process that takes time and can cause inertia, the pooling of the different views often leads to new insights that are broadly supported. It ensures extensive involvement by members in their cooperative. At a time when commercial rules determine the market, the cooperative form of governance is a valuable asset. Involvement is enhanced by the double role of producers in regard to the marketing cooperative, as owners and managers on the one hand, and as receivers of services on the other. Confidence and balance between the board and management are extremely important. In addition, transparency to the members is a basic value for a properly run marketing cooperative.

Employees

As employers, Responsibly Fresh marketing cooperatives think in the long term. They aim at a diverse workforce where skills and knowledge are built up and handed down, so that quality services can be provided through the value chain now and in the future. The marketing cooperatives want to offer their employees a sustainable career, where they can develop skills, tackle challenges and work in a way commensurate with the stage in their life.

The work pressure in a marketing cooperative is highly dependent on the supply of products and thus the time of the year. Therefore, temporary employees are called in as and when necessary.

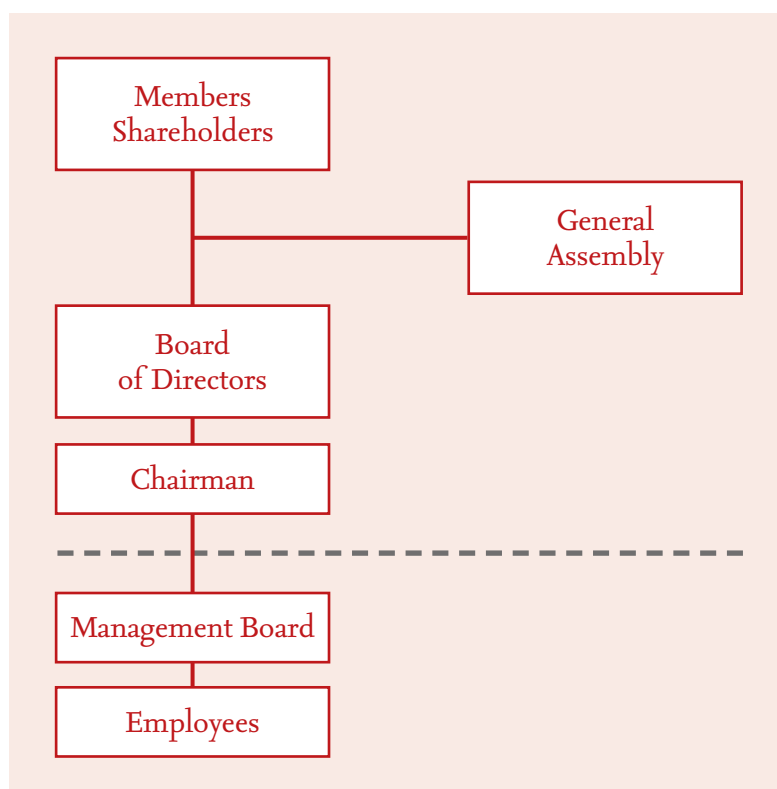


Figure 19: Marketing cooperative structure

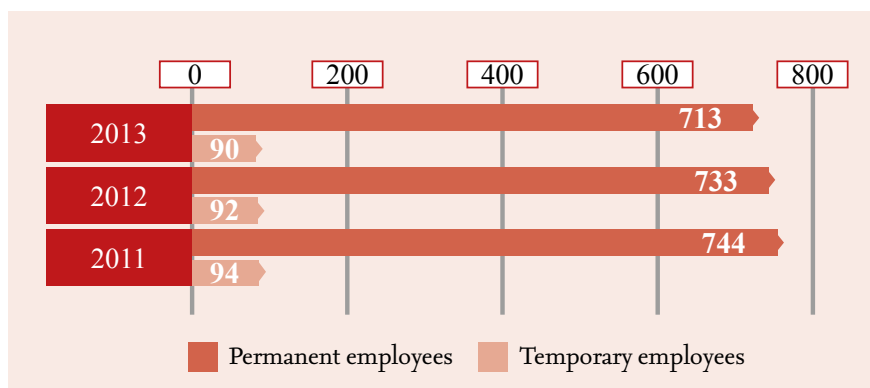


Figure 20: Permanent and temporary employees at Responsibly Fresh marketing cooperatives

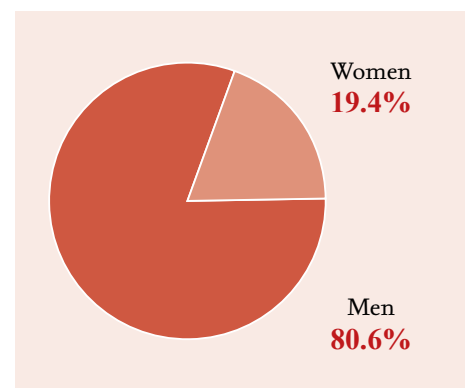


Figure 21: Employees by gender at Responsibly Fresh marketing cooperatives

This ensures flexibility so that the service can be perfectly attuned to the needs of producers and customers. The total number of employees of the marketing cooperatives has dropped slightly in recent years, both as regards permanent employees and flexible temporary employees (Figure 20).

The marketing cooperative endeavours for a diversified workforce where everyone is given opportunities according to his or her goals or capacities. The 713 strong workforce in 2013 consisted of 81% men and 19% women (Figure 21). That significant difference is due to historical reasons and to the nature of the work.

Of the employees, 55% fall under Joint Committee 119 (Joint Committee for trade in foodstuffs), 41% under Joint Committee 218 (Additional National JC for clerical employees), and 4% under Joint Committee 145 (JC for horticulture) (Figure 22).

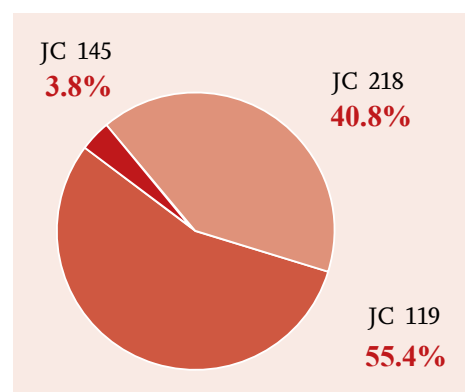


Figure 22: Employees by Joint Committee at Responsibly Fresh marketing cooperatives

At the end of financial year 2013, nearly all employees had an open-ended contract: 90% on a full-time basis and 10% part-time. In addition the marketing cooperatives endeavour for a good variety in terms of age (Figure 23). In this way, knowledge and skills are shared and different generations can learn from each other.

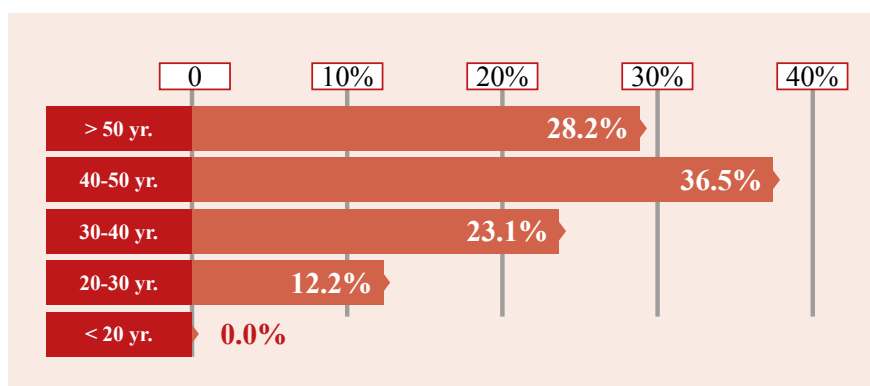


Figure 23: Employees by age group at Responsibly Fresh marketing cooperatives



Absenteeism has shown a declining trend in the period 2011-2013. The number of occupational accidents remains more or less stable. Endeavours

are made through training and coordination by permanent, experienced employees to avoid those accidents. (Table 3)

	2011	2012	2013
Absenteeism	4.5%	4.0%	4.2%
Occupational accident	27	25	28

Table 3: Absenteeism and occupational accidents at Responsibly Fresh marketing cooperatives

Sustainable business charter

'People-friendly entrepreneurship' is a theme from the charter on which the marketing cooperatives are making many efforts. To enhance the well-being of employees, marketing cooperatives are organising different events where employees can meet in a relaxed atmosphere. An annual personnel party is a great opportunity to strengthen bonds between colleagues. In addition, different marketing cooperatives set up a training matrix in the previous cycle, to plan and monitor training courses that employees need to grow in their job. Further, investments are made in projects to ensure the health and safety of employees. For instance, mobile work platforms, appropriate hallmark tables and stacking machines are improving ergonomics for employees. Furthermore, the emergency procedures of marketing cooperatives are updated, which improves safety. In the future, it will be important for marketing cooperatives to endeavour further for the training and development of employees so as to continue to meet the needs of producers and stakeholders.



Stapling equipment



Personnel party



The work pressure at the producers is highly variable through the year. When the crop has to be harvested, a lot of workers are needed. In addition to family members and permanent staff for daily farm management, flexible employment is important in the sector. Seasonal work is one of the possibilities, in addition to temporary personnel members and student interns.

Collective dossier

A sizeable portion of the producers (49%) consists of family farms, where management is in the hands of the owners-managers and the work carried out by family members. Other producers (51%) employ external persons in varied jobs, where they attach a great deal of importance to a sound personnel policy.

The health and safety of the employees is an absolute priority for the producers. Making employees aware of the dangers and risks entailed by the work, together with providing proper protection, constitutes an important step towards a safer working environment (97%). To monitor the health of the employees, one third of producers (35%) already organise an annual health check. In addition, 82% are looking for ways to improve the ergonomics for the personnel. (Figure 24)

The Responsibly Fresh producers are making efforts for the general well-being of their employees. Their farms boast different facilities, including canteens, resting places and appropriate sanitary facilities (93%). In addition, 55% of them offer employees internal training and 15% external training. Social, recreational activities help to create a better work climate. More than half of the producers (51%) introduce such activities regularly. Furthermore, 63% of the producers try to speak the language of the personnel (although they are quite diverse), in order to communicate accurately and efficiently. From a social point of view, a sizeable portion of the producers (41%) employ people with limited opportunities on the labour market. (Figure 25)

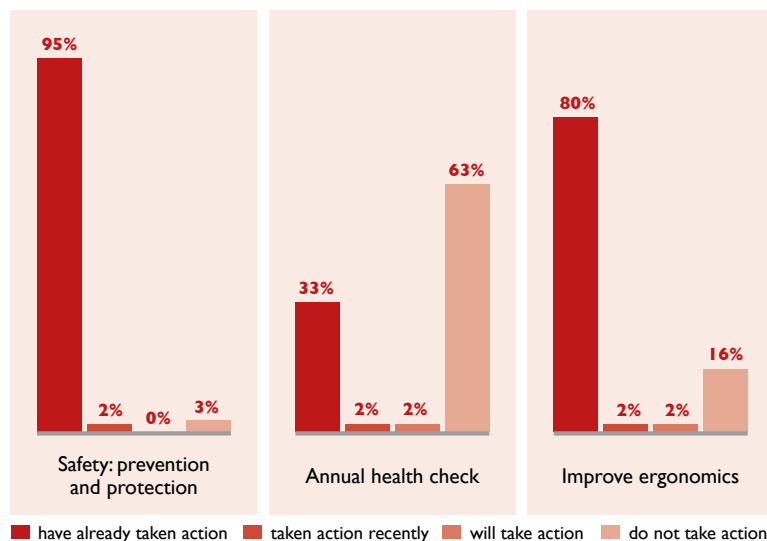


Figure 24: Personnel policy – health and safety – at Responsibly Fresh producers

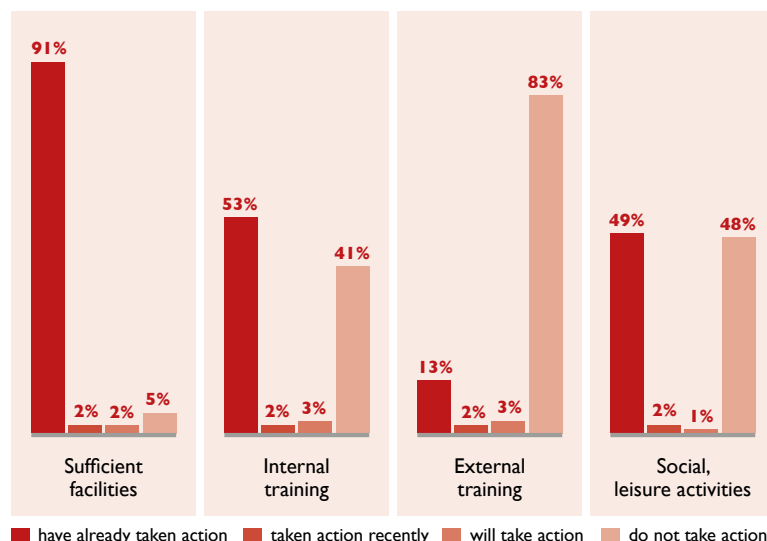


Figure 25: Personnel policy – well-being – at Responsibly Fresh producers



Consultation with local residents

Social engagement

PRODUCT RESPONSIBILITY

Food safety is a basic requirement in the food chain. Traceability and control of processes and risks are absolutely necessary in that respect. Regular inspections of the products and processes of the marketing cooperatives and producers confirm the care for food safety and keep an attentive eye out for new challenges. In addition, marketing cooperatives and producers strive to improve continuously outstanding quality products through processes and products. Marketing cooperatives are inspected by independent, external bodies for different quality systems, including BRC, HACCP, IFS, ISO and QS. The comparable certification at producers is a basic condition for participating in Responsibly Fresh. Labels are used in the sector to distinguish top quality products. The labels may be borne when the products meet the requirements stipulated in the relevant specifications.

* BRC: British Retail Consortium
HACCP: Hazard Analysis and Critical Control Points
IFS: International Featured Standards
ISO: International Organization for Standardization
QS: Qualität und Sicherheit.

GOOD NEIGHBOURLINESS

The presence of a marketing cooperative can have a significant impact on the local community. For one, Responsibly Fresh marketing cooperatives endeavour to prevent any nuisance for local residents. Regular consultations between local residents, administrative authorities and the cooperative are important for expressing concerns and looking for solutions together. Noise caused by transport and cooling can be a form of nuisance. Nuisance can be limited by making drivers aware of measures to reduce noise and by arranging the loading and unloading places at an appropriate location. Traffic disruption is also a major source of concern. Marketing cooperatives are making efforts to create a safe traffic situation around their premises. The safety of the buildings is another important pre-condition for a successful integration of the marketing cooperative in the environment.

Sustainable business charter

'Minimising environmental nuisance' is a theme in the charter under which marketing cooperatives consider the possible impact of their activities on their vicinity and how they can limit it. An important investment for certain marketing cooperatives is switching from freon to a more sustainable ammonia cooling, and in so doing limiting greenhouse gas emissions. In addition, investments are made in the preventive renewal of cooling pipes, which can prevent the possible leaking of ammonia in the environment.



On the other hand, the local community can gain advantages from a marketing cooperative in the vicinity. Thus, marketing cooperatives and companies established around them create employment in the local and regional environment. Furthermore, the presence of the marketing cooperative can ensure investments in the local infrastructure. The cooperatives support all sorts of initiatives for the benefit of specific groups and social purposes. Among these, they consider education, health and social responsibility particularly important. For instance, marketing cooperatives donate products to neighbouring schools, make their facilities available for local events and support charitable organisations.

FOOD THRIFT

Food security for the current and future population is a challenge for the entire food chain on a world scale. In stark contrast in that regard are reports on the large quantities of food that get lost between production and consumption. Responsibly Fresh has launched the concept of food thrift. Participants in Responsibly Fresh want to make sure that delicious and healthy fruit and vegetables can be consumed to the full and that by-products are recovered.

More than 99.4% of the supplied products are actually sold by the Responsibly Fresh marketing cooperatives. The most important endeavour of marketing cooperatives is to sell as much marketable product effectively on the fresh market. The most important instruments to that end are good storage conditions, anticipating market demand and promoting in accordance with the supply.

Collective dossier

Responsibly Fresh producers try to integrate their company optimally in their surroundings. Open communication with local residents can help and is deliberately pursued by more than half of them (53%). More than one third of the producers organise sales off-farm to consumers, which is a way of keeping contact with the neighbourhood alive. Many producers (59%) are active in the socio-cultural life of the local community in their spare time. The overwhelming majority are affiliated with a farmers' organisation (76%) and attend technical or commercial meetings regularly (83%). In this way, Responsibly Fresh producers are kept posted of new developments and hone their knowledge, including on the sustainable development front. (Figure 26)

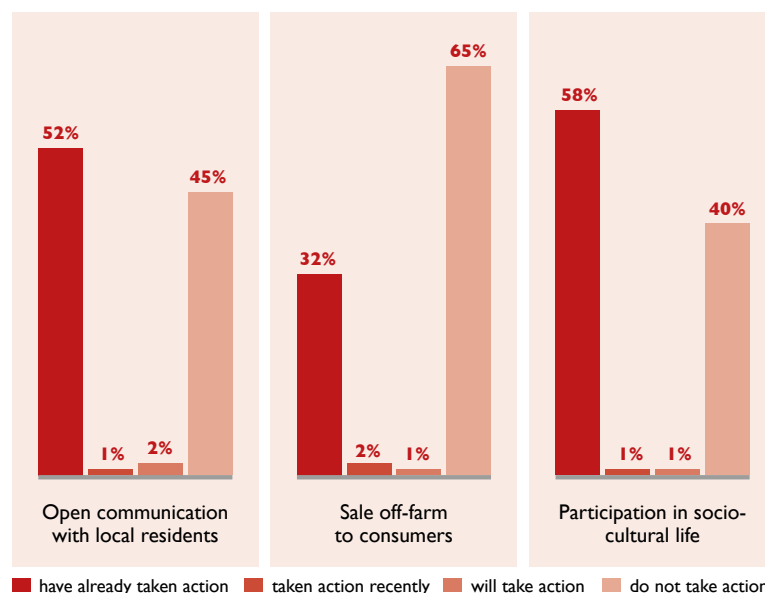


Figure 26: Good neighbourliness at Responsibly Fresh producers



Donations at food banks



Because fruits and vegetables are subject to the elements of nature when cultivated, the crop may be damaged. A limited portion of the production may consequently not be suitable for the fresh market as a result, although it is still perfectly consumable. That part goes to processing companies for the production of juice or jam, for instance.

The crop offered may not be sold entirely every day. Surpluses are in the first instance donated to charitable institutions through recognised food banks and/or through market intervention. Such a charitable donation is subject to legal regulations. Some sixty recognised institutions can come and collect the product, up to 150 kg per person per year. Charitable donations amount to some two million kilograms per year.

Sustainable business charter

Under the 'Sustainable materials management' theme of the charter, marketing cooperatives work out action points to optimise cooperation with charitable institutions. In addition, marketing cooperatives endeavour to raise awareness about food thrift among stakeholders, including the final consumers.

Marketing cooperatives have made extensive efforts in recent years on communication about the Responsibly Fresh project to focus the necessary attention on the project among external stakeholders, and to motivate internal stakeholders to go a step further in sustainable development. Various means of communication are used to reach the different stakeholders. Under the charter, the marketing cooperatives work on the matter in the theme 'Communication'. By publishing articles on sustainable development regularly in their own periodicals, they make producers, employees and customers more aware of the progress towards sustainable development. Another action consists of posting items on sustainable development on the website. To communicate with clarity on the results, certain marketing cooperatives opt to draw up their own sustainability report.

Communication to internal and external stakeholders is of great importance in order to keep the Responsibly Fresh sustainability project relevant and credible and continue to develop it further. This report is a subsequent step in the communication. It indicates clearly where the project stands at this time, whilst providing a

means for looking at the future. It will be used as a basis for future consultation with stakeholders. It is becoming a challenge to have communication on the Responsibly Fresh collective sustainability label and to make consumers aware of the sustainable development of the marketing cooperatives and their producers.



GRI content index

The GRI guidelines define standard indicators that must be reported. The selected specific indicators for relevant material aspects must also be included in the report. The indicators are consequently described and the location is given in the report. (Table 4)

Table 4: GRI content index

Section	Description	Location in report	Page
Strategy and analysis			
G4-1	Statement from the Board of Directors on the relevance of sustainable development for the organisation and its strategy	Foreword	04
Organisational profile			
G4-3	Name of the organisation	Cover	01
G4-4	Primary brands, products and/or services	Value chain	17
G4-5	Location of organisation's headquarters	Cover	02
G4-6	Number of countries where the organisation operates (with operations that are specifically relevant to the sustainability issues)	Economic impact	14
G4-7	Nature of ownership and legal form	Organisational profile - Social impact VBT: non-profit association; marketing cooperative: cvba (cooperative company with limited liability)	03 30
G4-8	Markets served	Economic impact	14
G4-9	Scale of the reporting organisation	Economic impact	14
G4-10	Total number of employees	Social impact	30
G4-11	Percentage of total employees covered by collective bargaining agreements	Social impact	30
G4-12	Describe the organisation's supply chain	Value chain	17
G4-14	Explanation of whether and how the precautionary principle is approached by the organisation	Foreword	04
G4-15	Externally developed CSR charters, principles, or other initiatives to which the organisation subscribes or endorses	Foreword	04
G4-16	Memberships in associations in which the organisation has positions in governance bodies, provides funding or views membership as strategic	Organisational profile Cf.: VBT annual report www.vbt.eu	03



Section	Description	Location in report	Page
Material aspects and boundaries			
G4-17	Operational structure, boundaries of the report	Organisational profile	03
G4-18	Process for defining report content and reporting principles	About this report	06
G4-19	List all the materials aspects	About this report	06
G4-20	For each material aspect report the boundary within the organisation	About this report	06
G4-21	For each material aspect report the boundary outside of the organisation	About this report	06
Stakeholder engagement			
G4-24	Provide a list of stakeholder groups engaged by the organisation	About this report	06
G4-25	Basis for identification and selection of stakeholders with whom to engage	About this report	06
G4-26	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group	About this report	06
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those topics and concerns	About this report	06
Report profile			
G4-28	Reporting period for information provided	About this report	06
G4-30	Reporting cycle	About this report	06
G4-31	Contact point for questions regarding the report or its contents	Cover	02
G4-32	Core/Comprehensive GRI content index Referral to external assurance report (optional)	Core-option GRI content index	38
G4-33	Policy and current practice with regard to seeking external assurance for the report	The Responsibly Fresh marketing cooperatives verify whether the data on their activities are truthful. Sliding Doors, an external firm specialised in sustainability communication according to GRI guidelines and partner of MVO Vlaanderen, verifies whether all required indicators are included in the report.	



Section	Description	Location in report	Page
Governance			
G4-34	Governance structure of the organisation, including committees under the highest governance body	Democratic decision-making in a marketing cooperative	31
Ethics and integrity			
G4-56	The organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics	Responsibly Fresh – collective sustainability label and project	09
Specific indicators of material aspects			
G4-EC1	Direct economic value generated and distributed	Turnover and export Cf.: Annual accounts of Responsibly Fresh marketing cooperatives	16
G4-EC8	Significant indirect economic impacts, including the extent of impacts	Cooperative added value	15
G4-EN1	Total quantity of materials used by weight or volume	Prevention and value creation	21
G4-EN3	Energy (consumption/generation) within the organisation	Energy	24
G4-EN8	Total water withdrawal by source	Water	26
G4-EN13	Habitats protected or restored	Biodiversity	29
G4-EN30	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting employees	Mobility	29
G4-LA6	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities per region and per gender	Employees	31
G4-SO2	Operations with significant actual and potential negative impacts on local communities	Social engagement	35
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	Social engagement	35
	Soil and nutrient management: criteria that contribute to sustainable soil use	Soil and nutrient management	27
	Crop protection and IPM: criteria that contribute to integrated production and sustainable crop protection	Crop protection and IPM	28



Verbond van Belgische Tuinbouwcoöperaties
Association of Belgian Horticultural Cooperatives

Tiensevest 136 - B-3000 Leuven - +32 (0) 16 20 00 80 - www.responsibly-fresh.com - www.vbt.eu

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