

PROPOSED CODE OF CONDUCT FOR ORGANIC TRADE

The following article outlines a proposed voluntary code of conduct for organic trade. It is being promoted by those also working on the SASA project - Social Accountability IN Sustainable Agriculture. The SASA project is an international project involving many organic and non organic but fair trading entities, bench marking and assessing what is feasible and workable for traders, suppliers and customers alike.

By **SASHA COURVILLE**

In order for the organic industry in Australia to grow sustainably, trading relationships between producers and buyers need to be based on trust and respect. How then can long-term trading relationships that benefit all supply chain actors be developed? One possibility is through participation in a discussion between organic traders through the Code of Conduct for Organic Trade.

The Code of Conduct for Organic Trade is a simple learning tool for integrating social justice issues into organic trading practices and is the result of years of consultation between the international organic movement including organic traders during a series of regional and international workshops. Organic companies involved in any aspect of organic trade, be they producers, processors, wholesalers, or retailers, are invited to sign up to the process and contribute to this conversation between organic traders from all over the world.

The starting point for the code is the recognition of the need to build strong partnerships between organic companies in order for the entire industry to benefit in the long term. Everyone in the supply chain has certain rights and responsibilities with respect to their trading partners. One person's right is another's responsibility. For example, the right of a buyer to have consistency of supply and quality is the responsibility of the producer. At the same time, the right of the producer to receive fair prices for good quality products is the responsibility of the buyer. The code works by explicitly listing a number of core fair trading values shared by the organic movement worldwide. Once a company signs up to the code, it can send it on to its supply chain partners and encourage them to participate as well. The code then provides a vehicle for supply chain partners to begin a conversation about how they are currently conducting business and how they can improve their trading relationships.

The code is a list of eight core values shared by the organic trading community, such as support for the organic community, skills development and capacity building and equitable distribution of returns. There are no minimum requirements for participation in the code process; everyone can participate from the starting point of their own existing business practices. No one is expected to fully comply with all the values of the code. Rather, the values expressed in the code outline the direction organic companies would like to move towards. It is hoped that through participation in the code, companies can develop better trading relationships with their suppliers and clients and strengthen the organic industry in the process.

In order to sign up to the code, companies are asked to complete a short self-assessment questionnaire on baseline information about general patterns of trade and a quick snapshot of how well they believe they are currently working toward the principles of the code. This should take no more than 5 minutes to complete and email or fax back. As soon as the questionnaire is returned, organisations are officially registered in this trial process. After 6 months, a second optional questionnaire will be sent to participants asking them for any updates on progress towards implementing the principles of the code. Companies with good examples of what they are doing with their trading partners are encouraged to provide information. As the goal of the code is to create a continuing discussion about how to improve trading relationships, the results of the questionnaires will be used as a basis for further discussion. This could include regional

or national workshops between organic producers, processors, wholesalers and retailers at suitable events. A summary report will be sent to all participants including useful examples of trading partners who are working together to meet the principles of the code.

The development process has been supported by IFOAM (International Federation of Organic Agriculture Movements) and the IFOAM Trade Forum since 2000. The development process has also been supported by Biological Farmers of Australia Co-op as an organic industry initiative bringing potential benefit to all in the supply chain.

CEO of the BFA Andrew Monk has commented "This code will not become a mandatory standard, or indeed part of certification for organic certification organisations. It will however be promoted as a means of progressing the industry's interests in this arena. We believe it has great relevance for industry and that it will be best served by being driven by the marketplace and industry, in areas that it will bring benefit to participants, rather than via a mandatory code or certification requirement. We look forward to feedback from industry in regard to this initiative, and wish well to those who become involved in the code on their own terms, and for their own benefits."

The Code of Conduct for Organic Trade has now been officially launched and organic traders are invited to sign up and share in this unique learning experience.

For more information on how to participate please contact: organic.code@anu.edu.au ■



About the author

Sasha Courville is managing the Organic Trade Project for Social Accountability IN Sustainable Agriculture.

On the international front Sasha has had a long standing relationship with IFOAM and spent tireless hours working for the development of the organic movement world wide, in particular advising on issues relating to organic agriculture and social responsibility. You can contact Sasha by email on organic.code@anu.edu.au