

# **Horticulture Innovation Australia**

## **Final Report**

### **Partnering Fresh Produce with Retail: Quality Assurance Harmonization**

Tristan Kitchener  
Kitchener Partners

Project Number: AH12016

## AH12016

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# FINAL REPORT

## Partnering Fresh Produce with Retail: Quality Assurance Harmonisation

### PROJECT AH12016 FINAL REPORT

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**HIA project number:** AH12016

**Purpose of report:** This document is the final report for the project, “Partnering Fresh Produce with Retail: Quality Assurance Harmonisation”. It provides information on the methods, results and key findings of project activities.

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**Funding sources:** **Horticulture Innovation Australia Ltd**

**Purpose of this report:** Final Report (Milestone 109)

The main activities in Project AH12016 included:

1. Develop a solution to reduce the number of audits required by growers through harmonising the quality assurance requirements of the major grocery retailers in Australia, to reduce the direct and indirect costs incurred by growers;
2. Agreeing with the major grocery retailers to ensure they all accept the same Quality Assurance certification standards (including Coles, Woolworths, ALDI, Costco and IGA), and
3. Develop a scheme to ensure auditors are competent and approved (growers often complain about onerous and costly corrective actions raised by auditors that have little relevance for fresh produce businesses).

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## 1 MEDIA SUMMARY

The aim of this project has been to leverage the strength, size and positioning of the horticulture industry to make a tangible difference to growers in Australia. Rather than use funds for individual projects where projects impacts can become diluted, the intention was to harness the scale opportunities that the Across Industry Committee (AIC) can generate through a single project.

The aim of Project AH12009 was to engage the major grocery retailers and Quick Serve Restaurants (QSR) in Australia in order to identify and recommend a solution to deliver a harmonised Quality Assurance (QA) standard. A harmonised QA standard will minimize the need for growers to require multiple certifications to satisfy different retailers. Achieving commonality in the certification standards that are required by retailers will reduce the number of audits required by individual growers and provide an immediate cost saving, as well as reduce the significant ongoing indirect costs associated with meeting multiple standards.

The outcomes from this project will particularly benefit the smaller growers that are increasingly struggling to maintain profitable businesses, but ultimately cost savings will flow through the supply chain and also benefit the retailers, QSRs and consumers themselves.

*The annual cost saving to growers through the introduction of a harmonised standard is conservatively estimated at **\$40.3 million/year**, including \$27.3 million/year in direct costs and \$13 million/year in indirect costs*

The project included engaging and aligning key stakeholders to support the development of an agreed harmonised QA standard, with the identification and recommendation of the most preferred solution. The stakeholders have included the major grocery retailers, namely Woolworths, Coles, ALDI, Costco and IGA, and McDonald's Australia. The fresh produce market share covered by the major grocery retailers is 79.9% of the total Australian retail market (Nielsen 2015).

The key outcomes from this project are the development of solutions for:

- Single audits that will satisfy the food safety requirements of all the major grocery retailers in Australia;
- The harmonisation of multiple retailer-specific requirements that will provide efficiencies for growers and producers;
- Growers and producers to be able to choose from a suite of internationally recognised (GFSI benchmarked) standards;
- Only auditors that have completed the GFSI Auditor Competency Scheme requirements to be approved to conduct audits. For growers and packers, this will ensure consistency and alignment in the audit process;
- Continued assurance in the food safety systems of fresh produce grown in Australia.

## 2 TECHNICAL SUMMARY

Horticulture Innovation Australia Limited (HIA) initiated this project to harmonise the food safety certification requirements of the major retailers. The aim is to reduce the considerable costs resulting from the adoption, maintenance and auditing of multiple systems by individual suppliers and growers that are ultimately responsible for producing safe food. The project has resulted in the alignment of the major grocery retailers in Australia to accept a suite of standards that will allow growers and packers to complete audits against a single standard that will satisfy all stakeholders, rather than audits against multiple standards, as is the case currently. In addition, the project is addressing other hurdles that need to be overcome in order to meet this goal, including the adoption of a new, global Auditor Competency Scheme acceptable to all retailers.

The project has the support of the Australian Competition and Consumer Commission (ACCC) and the Australian Food and Grocery Council (AFGC). The lead consultant is Tristan Kitchener (Kitchener Partners, Melbourne) assisted by Tundra Howe (TQA Australia, Devonport). The project commenced in August 2012 and will be completed in late 2015.

All the major grocery retailers including ALDI, Coles, Costco, Metcash (IGA) and Woolworths, have come together collaboratively to identify and develop a harmonised solution that will help reduce the cost and complexity for growers in meeting the requirements of different retailers. According to Nielsen (2015) the fresh produce market share covered by these businesses is approximately 79.9% of the total Australian retail market.

Organisations such as the Global Food Safety Initiative (GFSI) have been key drivers in working towards harmonisation on a global level, through developing 'benchmark standards', in the form of a best practice standard against which others can be measured. This enables retailers to accept fresh produce from suppliers with any food safety system that is recognized as equivalent to the current GFSI standard. The grocery retailers have all agreed to use GFSI as a framework, which will enable growers to choose a single certification standard from a suite of GFSI benchmarked standards, including:

- Safe Quality Food Code (SQF);
- British Retail Consortium Global Standard for Food Safety (BRC);
- GlobalG.A.P. Integrated Farm Assurance Scheme Version 4; and
- Freshcare Food Safety and Quality Code of Practice (Freshcare), provisionally, pending benchmarking by GFSI which is expected to be achieved by late 2015.

*(NB: It should be noted that there are some additional qualifications regarding scope and risk).*

Over time, the retailers have developed their own specific requirements in addition to the above standards, which has created further complexity and cost burden for growers. The stakeholder group has harmonised 204 elements down to a total of only 60 elements, which will be simpler for producers to comply with and more efficient for auditors to audit against.

The aim is for any horticultural supplier to be audited to the appropriate GFSI-equivalent standard (listed above), plus the harmonised additional elements. This one audit will satisfy



single and multiple customers. The additional elements that are common to and accepted by all the grocery retailers can now be regarded as the 'Harmonised Customer Requirements' (HCR) for the Australian grocery retailers for fresh produce.

The second part of the project concerns the competence of third party auditors engaged by Certification Bodies (CBs) to audit against these QA standards. It has become obvious that all auditors are not equal, to the point that some individual retailers specifically prohibit certain individuals and certain CBs from auditing their suppliers. This has led to individual retailers implementing their own Auditor Certification Schemes in order to ensure adequate protection of their 'private label' brands, however, this has created further complexity and cost burden for the industry. Therefore, reaching consensus on auditor competency criteria, and agreeing a scheme to manage auditor competency, is essential for QA harmonisation to be achieved. To this end, GFSI have been engaged to help develop an auditor competency scheme on behalf of the stakeholder group.

QA is a dynamic and ever changing discipline, and given food safety is non-competitive, the stakeholder group has agreed there is merit in forming an ongoing working group that can come together at an agreed frequency to discuss, develop and understand issues relevant to QA. This will help maintain and increase the level of commonality across all stakeholders and facilitate actions such as alignment on QA processes, allow a unified response and corrective actions to industry food safety incidents and address the macro issues that are impacting the QA industry, such as the availability of auditors. To enable this to occur, an entity needs to be established to facilitate and manage the ongoing activities that have been initiated as a result of this project, and it has been agreed that PMA A-NZ will take on this role.

The issues tackled within this project are complex and in the past have proved to be barriers for achieving commonality and harmonisation. The results achieved in this project are a global first and set an international precedent that other countries are looking to follow. This has been achieved through the collaborative spirit of engagement and professional approach demonstrated by all members of the stakeholder group.

### **3 PROJECT OBJECTIVES**

The overarching objectives of Project AH12016 were to:

1. Increase demand and consumption of horticultural products, through engaging and partnering with the retail sector.
2. Leverage the strength, size and positioning of the Horticulture industry.
3. Partner with retail chains that sell fresh produce across all retail sectors.

In addition, there are several specific objectives that this project has delivered, namely:

1. Develop a solution to reduce the number of audits required by growers through harmonising the quality assurance (QA) requirements of the major grocery retailers in Australia, to reduce the direct and indirect costs incurred by growers;
2. Agreeing with the major grocery retailers to ensure they all accept the same Quality Assurance certification standards (including Coles, Woolworths, ALDI, Costco and IGA), and
3. Develop a scheme to ensure auditors are competent and approved (growers often complain about onerous and costly corrective actions raised by auditors that have little relevance for fresh produce businesses).

#### 4 COST-BENEFIT ANALYSIS

Given that there are a huge number of variables across the different certification standards that impact cost (training requirements, system implementation, external consultant costs, water and product residue testing, equipment calibration, infrastructure modification, machinery upgrading, audit royalties, labour cost for attending audits etc.) it is difficult to determine a definitive cost saving. However, the report HG1004 Quantifying the Cost of Compliance with Quality Assurance (July 2011) by TQA Australia (who were also part of the project team), provided good insight into the current costs incurred by growers and the potential cost savings that could be achieved through the introduction of a harmonised standard.

The best estimate is that in Australia, based on 2008 Australian Bureau of Statistics data, there were 18,000 active horticultural producers, including 4000 wine grape growers. If wine grape growers are excluded and 30% of the remaining producers are assumed to be supplying retailers that collectively require multiple standards, then the financial benefit is in excess of \$40 million/year (consisting of \$27.3 million/year in direct costs and \$13 million/year in indirect costs). This detailed in the table below.

This is a conservative estimate and does not capture non-financial benefits.

##### Assumptions:

14,000 growers (excluding 4,000 wine growers) in Australia
30% (4,200) of growers currently must meet multiple standards
All growers using multiple standards will move to a single standard

	Direct Costs	Indirect Costs	Direct Costs	Indirect Costs			
Number of producers	Average annual cost of certification	Current annual cost of maintaining compliance	Annual cost saving with a harmonized standard	Annual cost saving with a harmonized standard	Annual Direct Cost Saving	Annual Indirect Cost Saving	Annual Total Cost Saving
4,200	\$18,900	\$22,950	\$6,500	\$3,100	\$27,300,000	\$13,020,000	<b>\$40,320,000</b>

## 5 INTRODUCTION AND BACKGROUND

### 5.1 Current Stakeholder Status

Previous dialogue with the key stakeholders, particularly Coles and Woolworth's, confirmed their support for the project since it will help reduce growers' costs and improve efficiencies, and hopefully also provide downstream benefits to the stakeholders themselves. These stakeholders felt there was considerable misinformation and confusion around the certification standards they require, and providing greater clarity to growers would be beneficial. Whilst the stakeholders have hugely valuable brands to protect and must ensure that the necessary standards are in place to achieve this, they were willing to engage with industry and attempt to find common ground between the major stakeholders whereby fewer audits can satisfy more retailers and QSR businesses. The stakeholders appreciated that this will reduce the costs for growers and will particularly benefit the smaller growers that are increasingly struggling to maintain profitable businesses.

The key project stakeholders were:

- *Grocery Retailers:* Coles, Woolworth's, ALDI, IGA and Costco
- *Quick Serve Restaurants:* McDonald's Australia

#### 5.1.1 Terminology

An explanation of the terminology used within this report is listed below:

- *Standard Owners:* Firms that own the certification standards, e.g. Freshcare, SQF, BRC etc.
- *Certification Bodies (CB):* Firms that actually conduct audits (to a Standard).

### 5.2 Summary of Stakeholder Requirements

In Project AH12009, meetings were held with each stakeholder in order to fully understand individual needs. These are summarized below and it was important to ensure these were considered and expanded upon in Project AH12016.

Background	<ul style="list-style-type: none"> <li>• Agreement by all stakeholders that continuing effort should be made to reduce costs within the supply-chain, and harmonisation of the QA requirements for grocery retailers and the Quick Serve Restaurant (QSR) industry in Australia does present a good opportunity. There is unanimous support for the project and working together to achieve QA harmonisation.</li> <li>• Agreement that there is a need to remove misinformation and confusion around the certification requirements for retailers and QSR in Australia.</li> <li>• The annual cost removed from the supply chain is in excess of \$40 million/year (\$27.3 million/year in direct costs and \$13 million/year in indirect costs), not including savings to retailers and QSR in measuring and monitoring QA compliance of growers and suppliers.</li> </ul>
Current Situation	Meetings were held with the key Commercial stakeholders and the QA leads

	<p>across all the major grocery retailers (Woolworths, Coles, Costco, ALDI and IGA). The scope has also been extended to extend to key QSR businesses (McDonald's Australia, Hungry Jack's, Yum! Restaurants (KFC, Pizza Hut), QSR Holdings (Red Rooster, Oporto and Chicken Treat), Gloria Jeans Coffee and Subway).</p>
Key criteria for a harmonised standard	<p>To date, the main common factors that have been raised and must be included in order to achieve acceptance to a harmonised QA standard are:</p> <ol style="list-style-type: none"> <li>1. Scope 'Food Safety' and 'Regulation' and should be HACCP based, and include 'Quality' only in a generic capacity (e.g. suppliers must meet the specification of their customers, but the standard should not actually state what these specifications are since quality is a differentiator for retailers and QSR). Specific quality standards could be a bolt-on and be retailer specific.</li> <li>2. GFSI benchmarked;</li> <li>3. Include New Zealand and Australia;</li> <li>4. Include whole-head and value-added/ processed produce;</li> <li>5. The standard should be risk-based;</li> <li>6. Allow bolt-on requirements for individual businesses if absolutely necessary, but aim to achieve the maximum level of harmonisation;</li> <li>7. Encompass Certification Body engagement; and</li> <li>8. Include an Auditor Registration system, to ensure auditor competency (i.e. ensure appropriate auditors with specific fresh produce experience conduct the audits). This could also be extended to a register for Consultants.</li> </ol>
Recommended Solutions	<p>Agreed that there must be no compromise to brand protection as all retailers and QSR have hugely valuable brands to protect.</p> <p><b><i>Preferred Option: All stakeholders to accept a suite of certification standards benchmarked to the Global Food Safety Initiative</i></b></p> <ul style="list-style-type: none"> <li>• Only standards that are equivalent in scope and content would be accepted, and would be GFSI-benchmarked.</li> </ul>
Benchmarking	<ul style="list-style-type: none"> <li>• There is approximately 80% overlap across the standards currently required by stakeholders, which presents a good opportunity for achieving alignment and a harmonised solution.</li> </ul>
Ongoing Engagement	<ul style="list-style-type: none"> <li>• The preferred means of engagement is for the Project Team to meet each retailer and QSR individually and liaise between all stakeholders as required. However, when necessary and if it was deemed appropriate, a meeting of all retailers and QSR could be held in order to facilitate swifter progress of the project and the development of a harmonised standard.</li> </ul>

### 5.3 Harmonisation of Certification Standards

It is important to stress that this project is focused upon *system equivalence*. The aim is to persuade the major grocery retailers in Australia to accept multiple systems as equivalent in meeting their needs, or a similar solution that will enable growers to only complete a single audit rather several audits as is the case currently.

Organizations such as the Global Food Safety Initiative (GFSI) have been key drivers in working towards this goal on a global level, through developing ‘benchmark standards’. This has taken the form of a best practice standard against which others can be measured. This enables retailers to accept fresh produce from suppliers with any food safety system that is recognized as equivalent to GFSI. The major retailers in Australia, namely Coles and Woolworths, have adopted different strategies in regard to GFSI, but both are receptive to achieving harmonisation through system equivalence and reducing the cost burden of additional compliance costs on producers.

The aim is to avoid the need for growers and packers in horticulture to implement and maintain multiple systems, even when audited simultaneously, since they all have membership fees and/or royalties. This is a cost that is absorbed by the producer and difficult to pass on to the retailers and particularly impacts smaller growers and suppliers.

To date, it has not been possible to achieve alignment with the major Australian retailers in regard to acceptance to GFSI and the reduction in the duplication of audits. The conversations that have occurred between industry and retailers over at least 14 years have failed to gain agreement, and highlight the complexity and potential risk in the successful delivery of the objectives of this project. Industry has long sought the answer to the obvious question: How can two retail outlets in the same shopping centre environment with almost identical supply chains arrive at different hazard analysis and risk assessment results and hence require different solutions from suppliers?

In order to achieve system equivalence and alignment, in brief, the strategy was to negotiate with retailers to accept the Global Food Safety Initiative (GFSI) as a framework for a range of certification standards against a mutually agreed framework. This will enable growers to choose a single certification standard. The most significant barrier to harmonisation is Woolworths Quality Assurance (WQA), which is a Woolworths bespoke standard, and it was important for Woolworths to agree to accept other alternative standards instead of WQA, which they did.

The project team targeted and maintained relationships with key commercial contacts within the Buying departments within the grocery retailers, namely the Merchandise Managers and General Managers.

The key skills that have been required by the project team are:

- Commercial credibility and a thorough understanding of retailing and supply chains in Australia supported by a network of relationships within the retailers;

- A comprehensive understanding of quality assurance, certification standards and auditing requirements of the different retailers;
- A solid understanding of Fresh Produce from the growers' perspective.

### 5.3.1 *Benchmarking QA Standards*

Project AH12009 included a comprehensive benchmarking exercise. Each stakeholder provided a list of standards that they accept, and the principal aim of the benchmarking was to understand the commonality in the QA requirements of the different stakeholders, and provide a platform for meaningful engagement with stakeholders on an individual basis. This allowed informed decisions to be made in regard to refining the solutions and developing consensus between the stakeholders in order to determine the most preferred solution.

The current QA requirements of key stakeholders were reviewed in order to determine which standards to benchmark. These stakeholders were Coles, Woolworths, IGA, ALDI, Costco and McDonald's. Since independent retailers are less prescriptive in the QA certification they require, and are likely to support whatever is decided by the larger chain retailers, there was no engagement with these retailers within this project. The standards that were benchmarked included SQF, Freshcare, BRC, GlobalG.A.P. as well as any additional specific stakeholder requirements.

*The benchmarking document is a significant piece of work; a total of 1,411 elements or check-items have been included in the benchmarking (in excess of 50 pages). Appendix A contains a summary of the benchmarking document.*

It is important to stress that the aim of benchmarking the systems against each other, including specific retailer additional requirements, is to create confidence that equivalence does not equal lessening of overall rigour, but should in fact do the opposite. The findings from the benchmarking exercise were used to identify the preferred solution for achieving a harmonised QA standard.

### 5.3.2 *Identifying Appropriate Solutions*

Based on the engagement and alignment meetings held with stakeholders and the benchmarking study, a shortlist of three potential solutions were identified, with the first solution being the one selected by the stakeholder group:

1. Accept a suite of certification standards benchmarked against an agreed framework (these standards would either be GFSI-benchmarked, or assessed against an agreed framework developed by the project team and agreed to by all stakeholders);
2. Create a new standard that is fresh produce specific and benchmarked to GFSI; or
3. Develop a new version of a standard leveraging of an existing standard owner, such as Freshcare.

#### 5.4 Auditor Competence and Approval

Throughout the project it was important to capture all stakeholder questions and concerns that may prove to become hurdles at a later date and where possible resolve them and thereby de-risk the project. This included collating concerns and the key drivers of importance to the retailers in relation to QA, identifying key themes that are of greatest importance to industry, and reviewing existing information and current understanding.

To this end, Project AH12009 identified a key barrier that must be resolved in order to maximize the successful introduction of a harmonised standard, which was around the competency of auditors. Coles and Woolworth's stated that they consider auditor competence and approval a particularly important requirement. Both have struggled to access enough auditors with the appropriate skill set to audit their fresh produce suppliers, and complained about a lack of auditors with specific fresh produce experience (since many auditors come from a manufacturing, meat and dairy background and do not necessarily understand the specific requirements and differences within fresh produce businesses). This is also in the interest of industry, since growers often complain about onerous and costly corrective actions raised by auditors that have little relevance for fresh produce businesses.

To this end, both Coles and Woolworths have embarked upon initiatives to create their own auditor approval schemes. For this reason the harmonised solution must deliver an auditor competence and approval scheme that satisfies the requirements of these stakeholders and ensures there is an adequate quantity of auditors with appropriate fresh produce experience. Current practices around auditing demonstrate the system is 'broken', includes:

- The development of Auditor Competency Schemes by the major retailers;
- The fact that retailers have suspended individual auditors and CB's from auditing their vendors; and
- Retailers require 'witness audits' to check auditors are competent.

This in turn has led to auditors are spending a disproportionate amount of time completing check-lists and reports instead of conducting audits, and a rise in costs for auditors to maintain their certifications.



## **6 METHODOLOGY**

Since there is a broad range of stakeholders with potentially differing needs, it was critical to gain full alignment at the start of the project and ensure the correct methodology was employed to achieve the required outcomes.

Therefore, this project included steps to reach project alignment and consensus, including the identification and articulation of the specific issues and needs, as raised by each stakeholder. Milestones were used to provide the AIC with the opportunity to stop, proceed or amend the project in order to minimise risks and costs. In addition, strict care was taken to not breach confidentiality with respective retailers.

### **6.1 Approach**

A flexible and integrated approach was used to include the views and opinions of all stakeholders. The focus was upon working collaboratively to solve issues and develop a practical solution.

Engagement started with the senior commercial personnel at the supermarkets, in order to confirm support and understanding of the project and facilitate ongoing support from the key decision makers within their respective QA department. Whilst the role of the QA department is to protect the valuable brand of the supermarket in terms of food safety and food quality, and ensure processes are in place that provide an adequate due diligence defence, the strategic focus of the QA department will be commercially led, and hence the need to engage the commercial decision makers first. In the past harmonisation attempts, engagement has focused solely with the QA department, and thus has never managed to deliver a positive result in this area. The project team has strong relationships with all the supermarkets at a senior commercial level and these relationships were leveraged to secure endorsement for the project.

In the original project proposal only two workshops were budgeted and planned for. It quickly became apparent that the stakeholders were not disciplined in following up in regard to their specific actions and therefore it was necessary to hold more frequent workshops, to facilitate open discussion and quicker resolution of issues. A total of seven workshops were held on the following dates:

1. Workshop 1 (December 3<sup>rd</sup>, 2013)
2. Workshop 2 (March 26<sup>th</sup>, 2014)
3. Workshop 3 (September 4<sup>th</sup>, 2014)
4. Workshop 4 (December 11<sup>th</sup>, 2014)
5. Workshop 5 (February 26<sup>th</sup>, 2015)
6. Workshop 6 (April 28<sup>th</sup>, 2015)
7. Workshop 7 (June 4<sup>th</sup>, 2015)

### **6.2 Key Retailer Stakeholders**

The names and roles of key representatives from each stakeholder are listed below.

Retailer	Anthony Morgan	Woolworths	Quality Manager - Food, Fresh, Liquor
Retailer	Belinda Millard	Woolworths	Supplier Approval Manager
Retailer	Fiona Grime	Woolworths	Fresh Food Product Standards Specialist
Retailer	Brice Lamarque	Woolworths	Quality Manager - Fresh Produce
Retailer	Jennifer Crawford	Coles	Supplier and Audit Compliance Manager
Retailer	Marion Bray	Coles	Quality Program Manager, Quality, Policy & Governance
Retailer	Linda Derrett	Metcash	Quality Assurance Manager
Retailer	George Passas	Metcash	Group Food Safety Manager
Retailer	Laura Altarac	Costco	Traffic and Compliance Manager
Retailer	Angela O'Shea	ALDI	Quality Assurance Manager
Retailer	Debra Newbold	ALDI	Quality Assurance Manager
QSR	Megan Burke	McDonald's Australia	Quality Assurance Manager, Australia & NZ
Sector Expert	Richard Bennett	PMA Australia-New Zealand	Technology Manager
Project Sponsor	David Chenu	Horticulture Innovation Australia Ltd	General Manager, Marketing

### 6.3 Engagement of QSR Businesses

Whilst the grocery retailers were the initial key focus within this project, any additional businesses that are significant users of fresh produce and can be encompassed within the project, will be beneficial in allowing a single standard to cover a larger share of the fresh produce market.

An additional upside to the project has been the engagement of the Australian Food and Grocery Council (AFGC) as a means to include the QSR sector. Whilst the original brief was to focus upon the two major grocery retailers, it was felt with more parties on board a superior outcome and ultimately better value for industry could be achieved.

Currently the 'retail market' (grocery retailers and independents) in Australia accounts for 72% of the total market, with the remaining 28% being made up of 'food service'. Through including QSR in the project, the combined fresh produce market share is increased to approximately 82% of the total Australian market. Within the QSR sector McDonald's Australia is the most dominant and progressive business. Based upon guidance from the AFGC, a strategy was implemented to prioritize and target McDonald's, since whatever McDonald's endorse and implement is quickly adopted by the other QSR businesses, such as Hungry Jack's, Yum! Restaurants (KFC, Pizza Hut), QSR Holdings (Red Rooster, Oporto and Chicken Treat), Gloria Jeans Coffee and Subway. However, as the project progressed the stakeholder group opted to focus upon the primary production and packing part of the

supply chain, and not processing, and it became apparent that the QSR sector sat mainly under processing. As a result, the SWG decided to prioritise the needs of the grocery retailers first with a view to then including the QSR sector. McDonald's were supportive of this approach.

#### **6.4 Milestones**

In order to minimize the risk for Industry and the project team, a series of milestones were put in place to enable the project to be stopped or amended if a positive outcome looks untenable. This was in line with feedback from the AIC. All Milestone requirements were met in full.

#### **6.5 Project Management**

The project drew upon the knowledge, expertise and opinions of the lead consultants, across retailing, horticulture and consulting. Tristan Kitchener, Kitchener Partners, was the Project Leader and the project was completed jointly with Tundra Howe, TQA Australia, and supported by administrative staff as necessary.

In addition to the standard Milestone Documents and Final Report, update papers were provided to the key stakeholders in order to maintain alignment and ensure all individuals understand the input that they are required to contribute:

- AIC and HIA Briefing Papers detailing project activities and input required;
- Stakeholder Briefing Papers detailing project activities and input required;
- Recommendations Paper for Stakeholders;
- Progress Reports as necessary;
- Milestone Reports;
- Draft Final Report; and
- Completed Final Report.

##### *6.5.1 Confidentiality and Conflict of Interest*

The retailers are sensitive around confidentiality, and industry members will want to ensure impartiality. To alleviate all concerns, Tristan Kitchener and Tundra Howe personally controlled all sensitive and confidential information, and stressed to all stakeholders that confidentiality would be maintained at all times. The consultants view that there were no personal conflict of interest in relation to this study.

## 7 RESULTS AND DISCUSSION

It is important to stress that the key stakeholders within the project were the major grocery retailers, but particularly Coles and Woolworth's, since they are the most dominant retailers in the market place, and also because Woolworth's has its own QA standard (WQA). In order to maintain alignment and ongoing support for the project it was vitally important to address all retailer specific needs as they arose, and this was a key consideration of the project team.

- Meetings were held with the senior management from the QA functions within all the stakeholders. Senior members from HIA also attended these meetings.
- Since Independent retailers are less prescriptive in the QA certification they require, and are likely to support whatever is decided by the larger chain retailers, no engagement has been initiated with these retailers. However, an invitation has been extended to Tristan Harris at Harris Farm Markets, and they are eager to participate when they are adequately resourced with an appropriately qualified technical person.

Each stage of the project will be considered in turn, and information provided in regard to the activities that were completed and the results achieved.

### 7.1 Definitions Of The Food Safety Modules

The Project Team compiled the draft definitions for the food safety modules after Workshop #1, and refined the definitions in Workshop #2 where it was agreed that the scope should include Primary Packing (Module 1) and Packing (Module 2) but NOT Processing (Module 3). During Workshop #3, the Stakeholder Group agreed the specific product categories that should be included in Packing and Processing. The definitions of the food safety modules are summarised as follows:

<b>Module 1</b>	<b>Primary Production (GFSI Industry Scope B1)</b>
<i>Applicability</i>	All vendors growing produce for retail sale
<i>Scope</i>	From site selection through to harvesting / in-field packing and transport to customer
<i>Comments</i>	None
<b>Module 2</b>	<b>Packing (GFSI Industry Scope D)</b>
<i>Applicability</i>	All vendors packing produce for retail sale
<i>Scope</i>	From receipt of product to site through to receipt by Customer, includes on-farm and standalone packhouses and including activities such as, but not limited to, trimming / washing / waxing / bunching and brushing. The purpose and <i>intent</i> of these activities are to improve the visual presentation of the product but not to significantly change the appearance or nature of the product, and to further minimize the risk of presence and/or contamination by pests, foreign objects and field debris, which may or may not include sanitizing or other postharvest treatments

	to extend shelf-life. It is important to stress that the activity (trimming / washing / waxing / bunching / brushing etc.) is completed based on the assumption that the product will subsequently be washed and/or cooked before use, and that the activity is NOT completed with the <i>intent</i> to avoid or replace the need for washing and/or cooking before use.
<i>Comments</i>	Excludes in-field packing (included in Primary Production module). Excludes value-add and "substantially transformed" produce (see Processing module); and  Berries will be included but be subject to additional elements listed under the Common HCR to account for consumers who do not wash the product prior to consumption due to their delicate structure and form.
<b>Module 3</b>	<b>Processing (GFSI Industry Scope EII)</b>
<i>Applicability</i>	All vendors value-adding or substantially transforming produce for retail sale
<i>Scope</i>	From receipt of product to site through to receipt by Customer, includes on-farm processing and standalone packhouses (includes value-add, fresh-cuts, micro-greens and other "substantially transformed" produce).  Other products to be included under 'processing' due to their elevated food safety risk include all mushrooms, baby leaf, seed sprout and shelled nuts.
<i>Comments</i>	Substantially transformed is defined as "a fundamental change, in form, appearance or nature such that the goods existing after the change are new and different goods from those existing before the change i.e. canning, cooking"

## 7.2 Suite Of GFSI Benchmarked Standards

Organisations such as the Global Food Safety Initiative (GFSI) have been key drivers in working towards harmonisation on a global level, through developing 'benchmark standards' in the form of a best practice standard against which others can be measured. This enables retailers to accept fresh produce from suppliers with any food safety system that is recognised as equivalent to the current GFSI standard. The grocery retailers have all agreed to use GFSI as a framework, which will enable growers to choose a single certification standard from a suite of GFSI benchmarked standards. The SWG has agreed that the following standards will be acceptable, including:

- Safe Quality Food Code (SQF);
- British Retail Consortium Global Standard for Food Safety (BRC);
- GlobalG.A.P. Integrated Farm Assurance Scheme Version 4 (*subject to confirmation regarding the HACCP rigour within the standard, see point 3.1 below*); and
- Freshcare Food Safety and Quality Code of Practice (Freshcare) (*provisionally, pending benchmarking by GFSI*).

It should be noted that Version 7 of the GFSI Guidance document will be released in mid-2016 and this will require renewed benchmarking by all standard owners.

### 7.2.1 Freshcare

Freshcare have confirmed that they will make a submission to JAS-ANZ by 1<sup>st</sup> July 2015. After submission to JAS-ANZ, there is usually a requirement for a standard to have been accredited for a 12-month period, before being able to apply for GFSI benchmarking. However, given Freshcare's long history it is hoped that GFSI will overlook the 12-month requirement and simply allow Freshcare to submit their application once they hold 10 accredited certificates.

GFSI process applications in the order they are received and state it can take a maximum of 12 months to approve an application. Freshcare is planning to submit to GFSI in early July 2015. GFSI is scheduled to release Version 7 of their benchmarking document in March 2016, so Clare believes it is unlikely that many standards will be applying under the current Version 6, rather waiting for Version 7 in 2016. This should mean that there is no backlog of standards for GFSI to process and should enable Freshcare to be benchmarked relatively swiftly. Given the variables the best and worst case timelines are:

- **Worst Case:** Submit to GFSI 1<sup>st</sup> July 2015, 12 month accredited certification period enforced, benchmarking process commenced by GFSI 1<sup>st</sup> July 2016 (to version 7), **approval late 2016** (dependent on GFSI benchmark committee timeframes)
- **Best Case:** Submit to GFSI 1<sup>st</sup> July 2015, 12 month accredited certification period waived, **approval late 2015** (dependent on GFSI benchmark committee timeframes)

### 7.2.2 GlobalG.A.P.

Although GlobalG.A.P. was initially included as one of the suite of approved GFSI benchmarked standards, on further reflection, concerns were raised around the rigour of the HACCP component within this standard. As a result, the SWG felt that GlobalG.A.P. should be reviewed further before inclusion as one of the suite of approved GFSI benchmarked standards.

Whilst there are only an estimated 100 fresh produce businesses in Australia currently certified to GlobalG.A.P. (mainly for exporting onions and apples to Europe), it is a popular standard in New Zealand. Since the intention in the future is to extend QA harmonisation to New Zealand, a preferred outcome would be the inclusion of GlobalG.A.P. within the suite of approved GFSI benchmarked standards. To this end, there are a number of options available to rectify this situation, ranging from requiring a separate HACCP component to also be completed by the supplier in order to allow the acceptance of GlobalG.A.P., through to requesting GlobalG.A.P. add additional HACCP components to their standard. In the first instance, it was agreed that further information and clarification should be sought from GlobalG.A.P.

After Workshop #5 the Project Team contacted GlobalG.A.P and passed on the concerns of the SWG in regard to the HACCP component, and during Workshop #6 a conference call was held with Elmé Coetzer-Boersma, Product Development Manager for GlobalG.A.P. This provided an opportunity for GlobalG.A.P. to explain their plans around the HACCP component.

GlobalG.A.P. will need to repeat its benchmarking against the updated GFSI version (Version 7) in mid-2016. Since Version 7 has a more detailed HACCP component, in order to meet these requirements, GlobalG.A.P. will be improving the rigour of their HACCP component and this may well meet the requirements of the SWG. In the meantime Elmé Coetzer-Boersma has offered to engage with all stakeholders to help address any specific requirements.

### *7.2.3 Certification Bodies*

Certification Bodies (CBs) are firms that actually conduct the audits and confer certification to a specific standard, such as SQF or Freshcare. Considerable care will be required in handling the CBs since a harmonised standard will most likely result in a need for fewer audits and therefore a potential reduction in their businesses; CBs have invested time and money to ensure their employed auditors are qualified to audit multiple systems and simultaneously. Subcontract auditors have done likewise.

Clearly it is growers that have been funding and supporting the CBs, and in theory the market should prevail and the CBs should adapt and adjust, as any service provider should. The situation may be considered akin to when Freshcare was introduced, which was a lower cost alternative to the already established SQF. Since SQF was a far superior cash-cow than Freshcare, the resistance and disruption caused by CBs was significant and the intention is to avoid a similar occurrence when the new harmonised standard is introduced.

To this end, meetings have been completed with the main CBs in order to understand their business structure, recruitment, internal training and resources and identify the implications that the new harmonised structure may pose. An open and transparent dialogue will prevent unnecessary negativity towards the project and enable changes and actions to be implemented within the CBs to enable them to meet the forthcoming changes.

The best reassurance for CBs is that their market still has room for growth since only about 65% of producers are certified (many to a substandard program) and making the process simpler and more transparent should be to their advantage.

## **7.3 Harmonisation Of HCR's**

The overarching objective of the project is to identify and develop a robust solution that presents the greatest level of harmonisation, the best food safety outcomes, the lowest supply chain costs and the best use of diminishing resources. To this end, the intention is to harmonise the HCR's that relate to food safety.

### *7.3.1 Review of 'Common HCR's'*

During the project the Stakeholder Group has reviewed the elements within the HCR document and collectively made a decision to keep, remove, merge or amend elements in order to maximize the level of harmonisation. This has enabled a total of 204 elements to be reduced to only 60 elements, which will make it simpler for producers to comply with and

more efficient for auditors to audit against. In addition, a glossary of terms used within the HCR document has been developed, reviewed and accepted by the SWG.

All elements within the HCR document have now been signed-off, apart from specific elements in regard to primary production, HACCP training and the use of raw manures. These will be signed off at Workshop #7. In the meantime the HCR's have been submitted to GFSI for development of the Auditor Competency Scheme, in order to ensure this part of the project is not slowed up.

It is important to note that the HCR document is intended to be an ever-evolving (and improving) list of elements that is managed and controlled by the SWG. Even after the current version has been signed-off, the HCR document will be open for review and amendment. After the HIA funded project has come to an end, PMA A-NZ will be responsible for the ongoing management of the group and a key activity will be to ensure the HCR document remains operationally functional and effective at all times (supported by the Project Team for the first 12 months).

The process of aligning and harmonising the HCR's has included:

1. **Workshop #1 (December 3<sup>rd</sup>, 2013):** Full benchmarking spreadsheet of main standards provided to Stakeholder Group. Project Team asked to identify and present outliers at next workshop;
2. **Workshop #2 (March 26<sup>th</sup>, 2014):** Outliers and HCR's compiled and presented to Stakeholder Group. Project Team asked to develop recommended HCR's for maximising harmonisation. In-principal agreement given by stakeholders to combine and form the HCR 'standard';
3. **One-on-one meetings (June, 2014):** Project Team met with stakeholders to present the combined HCR 'standard', and requested that stakeholders review and provide feedback. Each stakeholder individually reviewed the HCR document and returned the completed spreadsheet to the Project Team. All responses were compiled, recommendations made and returned to stakeholders as pre-reading prior to Workshop 3;
4. **Workshop #3 (September 4<sup>th</sup>, 2014):** All stakeholders agreed the combined list of HCR's, reviewed/amended the document individually, then submitted their amendments to the Project Team for compilation;
5. **Workshop #4 (December 11<sup>th</sup>, 2014, this workshop):** Amendments reviewed and re-drafted; agreed management of exemptions (see point 5.1.1 below). Agreed further elements to be included;
6. **Workshop #5 (February 26<sup>th</sup>, 2015):** Stakeholders review and agree upon amendments, highlight final elements and areas for further review, and review the Glossary that accompanies the HCR document.; and
7. **Workshop #6 (April 28<sup>th</sup>, 2015):** All stakeholders agreed on the previous amendments and signed-off on the HCR's. The only elements still to be signed-off were elements regarding primary production, HACCP training and the use of raw materials, which were discussed and drafted during the workshop.



8. **Workshop #7 (June 4<sup>th</sup>, 2015):** All stakeholders agreed on the previous amendments and signed-off on the HCR's, including elements regarding primary production, HACCP training and the use of raw materials.

### 7.3.2 Options for Managing Exemptions

The SWG agreed that the preferred option for managing exemptions from any specific HCR element was as follows:

*“An exemption to any individual element must be accompanied by objective evidence, supported by a risk-assessment, pertaining to the element in question and approved by the relevant retailer customer. Otherwise all elements are considered auditable”.*

The supplier in receipt of an exemption must retain a hard copy of the approval in order to present it as evidence when being audited. In Workshop #5, the SWG also confirmed that all exemptions must be ‘shall’ and ‘must’, and all ‘shoulds’ can be removed, the premise being that it is better to strive for higher standards of food safety and not allow ambiguity or lessening of rigour through allowing ‘shoulds’, yet still having the means to allow exemptions for specific growers or suppliers.

### 7.3.3 Glossary of Terms

In order to ensure a common understanding and definition of terms, a Glossary of Terms was developed by the project team and then reviewed and approved by the SWG. This is included in the addendum.

## 7.4 Review of Outliers

Outliers are elements that are specific to an individual retailer but are not included within the HCR's. The Outliers were reviewed during Workshop #6, with a view to further reducing the remaining small number (now totaling 11 across all the grocery retailers, and included in the Addendum). Several Outliers were subsequently included in the HCR document, and it was agreed that the few remaining Outliers should be reviewed by the individual retailer that they belong to, with a view to potentially removing them altogether. This would avoid the need and confusion of having the Outlier ‘category’ and provide a simpler solution with a greater level of harmonisation. The SWG is aiming to continue reducing the number of Outliers.

## 7.5 Inclusion Of McDonald's (QSR Sector)

Due to the large number of Outliers for McDonald's (71 in total), the decision was made during Workshop #3 to prioritize the grocery retailers in the first instance and then look to encompass the QSR sector at a later date. This was reconfirmed during Workshop #4.

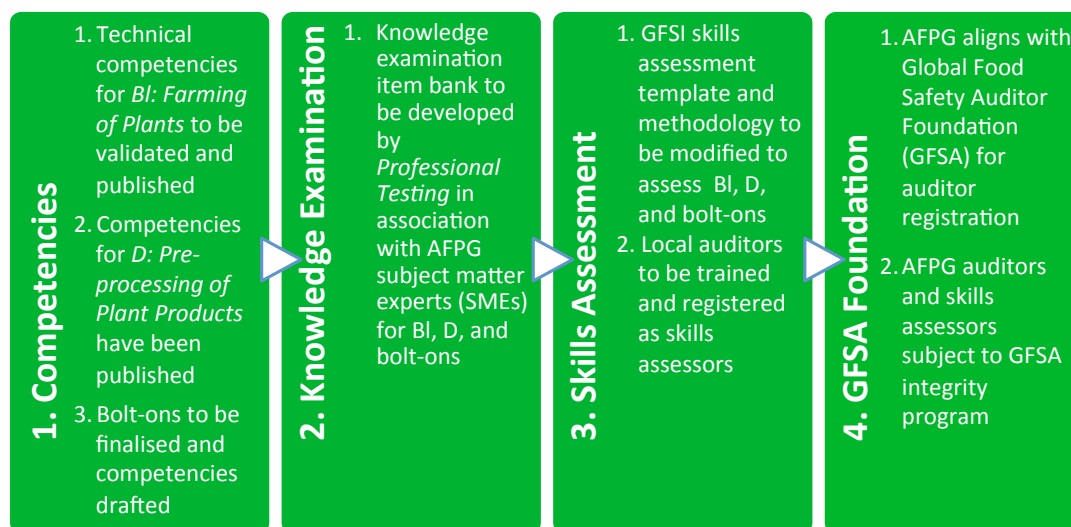
It was also agreed that, in time, there is value in reviewing the McDonald's Outliers and assessing which elements may be relevant and appropriate to consider including within the HCR document, and this should be included within future SWG meetings.

## 7.6 Auditor Competency Scheme

The Stakeholder Group agreed in Workshop #2, on the 26<sup>th</sup> March 2014, that the preferred route for delivering an auditor competency scheme for the Australian market was via the GFSI Auditor Competency Scheme that GFSI is currently developing. In addition, it was agreed that the first phase should focus upon delivering a solution for the grocery retailers, rather than the QSR sector, since there are a number of areas of increased complexity around processing that need to be resolved.

During Workshop #3, the Stakeholder Group confirmed they wished to progress with the proposed GFSI Auditor Competency Scheme, which will include the HCR's as determined by the Stakeholder Group (see point 4 in this document). To this end, the Project Team submitted a proposal to the GFSI Auditor Competence Scheme Committee (GFSI ACSC) on behalf of the stakeholder group in late September 2014. The proposal was reviewed and approved by all the grocery retailers prior to submitting, and was reviewed and then accepted by the GFSI ACSC at their meeting on the 9<sup>th</sup> October 2014, subject to agreement to certain requirements by the Stakeholder Working Group (SWG). All the grocery retailers confirmed their approval for contributing US\$8,000 each to cover the total one-off cost of US\$40,000 (AUS\$54,595) to enable GFSI to fast-track the scheme for Australia, in line with the agreed proposal to the GFSI ACSC.

In Workshop #4, on the 11<sup>th</sup> December 2014, an update was provided by Bill McBride explaining the GFSI Auditor Competency Scheme and the key requirements around Competencies, Knowledge Examination, Skills Assessment and the Global Food Safety Auditor (GFSA) Foundation, as illustrated below.



### 7.6.1 GFSI Auditor Competency Scheme Committee Requirements

The GFSI ACSC accepted the proposal submitted on the proviso that the SWG accepted the following requirements:

1. All information including the HCR's will be publically available and may be shared and utilised by other fresh produce groups internationally;

2. Plant product subject matter experts from other countries or programs may be included on the Project Team with the agreement of the Stakeholder Working Group (SWG);
3. The key elements for all GFSI industry sectors are currently being reviewed ahead of the next edition in early 2016. This may require adjustment of the knowledge and skill requirements. The SWG group will be involved in this review; and
4. The knowledge examination provider, Professional Testing Inc is available to assist in the development of the produce examination items in Q3 and Q4 2015. The initial workshop will be held in Sydney, Australia.

These requirements were approved and accepted by the SWG in Workshop #4.

#### *7.6.2 Payment for Fast-Tracking the GFSI Auditor Competency Scheme*

The payment of US\$8,000 has been agreed by each of the five grocery retailers. The first part-payment will coincide with the first 'item development workshop' in order to pay Professional Testing Inc., and is likely to be in August or September 2015. It was agreed that HIA, as the project sponsor, would receive and hold monies from Stakeholders and facilitate payment to GFSI as and when required. This will include invoicing each grocery retailer individually.

HIA issued invoices to each grocery retailer individually for the full payment of US\$8,000 (which is now AUS\$10,919 due to the weakening Australian dollar). Invoices were sent w/c 16th March 2015 by email to the main SWG contact at each grocery retailer.

#### *7.6.3 Complete Competencies for GFSI Modules B1 and D*

Competencies have already been developed for GFSI Module D (Pre-Processing Handling of Plant Products), and GFSI will develop the competencies for GFSI Module B1 (Farming of Plants). The Project Team, in conjunction with GFSI, have developed the key elements for the HCR's, and completed the requirements specified by GFSI, including:

- Confirmation that each HCR is primarily concerned with food safety (rather than quality or general business requirements and thus outside the scope of GFSI);
- Confirmation that each HCR is either an extension of existing GFSI elements or are new elements altogether (for inclusion within the appropriate section of the GFSI documentation); and
- Confirmation if the primary focus of each HCR is food safety, GAP or HACCP.

In addition, the required auditor 'knowledge' and required auditor 'skills' for each HCR were drafted and issued to the SWG for review. However, since further amendments were made to the HCR's, the knowledge and skills criteria needed to be updated and a final version was issued to the SWG for review, comment and approval in advance of Workshop #6. The HCR document was signed off by all stakeholders during Workshop #6, and the only outstanding amendments concern the elements relating to primary production, HACCP training and the use of raw manures. These were updated, issued to stakeholders and signed off at Workshop #7.

#### *7.6.4 Develop the Knowledge Examination and Review Team*

GFSI will develop auditing competencies common across all management system audits, and will lead the examination development associated with Modules B1 (except GAP) and D, whilst the Project Team will lead the development of the equivalent activities for B1 (GAP) and the HCR requirements.

A team needs to be established consisting of suppliers/growers, auditors and retailers, to develop the examination items for the knowledge examination for auditors. It was agreed that the team should contain approximately 10-12 people with additional people to cover for fall-out. A shortlist of candidates and businesses need to be compiled for approval by the SWG. Selection criteria should include consideration of individuals with:

- The appropriate mindset and technical capabilities;
- Willingness and ability to commit to a 3 day workshop to review the questions that will be included within the knowledge examination (likely to be in July or August 2015); and
- Willingness to travel to Sydney (attendees will need to be self-funded and meetings are likely to be held in Sydney).

This activity is outside of the scope of project AH12016 and has been proposed to be included in a new project, which will implement the outputs from this project. Please see Next Steps.

#### *7.6.5 Develop the Skills Assessment*

The 'skills assessment' is a witness audit assessment protocol and tool designed to assess GFSI auditors against GFSI auditor skills, and the skills assessment will be administered by GFSI registered 'skills assessors'. Skills assessors may be from within Certification Bodies (CBs) (i.e. witnessing their own auditors) or may be independent of CBs, and will be required to pass the knowledge examination, undertake training in the GFSI skills assessment model, and be registered auditors with one or more of the GFSI benchmarked schemes.

The skills assessment protocol has been developed by the CBs that are members of the ACSC, and has been tested by CBs and manufacturing ACSC members. The skills assessment protocol has been validated to ensure it covers all the skills within the GFSI auditor competencies, and all auditors of GFSI benchmarked schemes will be required to undertake the skills assessment every four years.

This activity is outside of the scope of project AH12016 and has been proposed to be included in a new project, which will implement the outputs from this project. Please see Next Steps.

#### *7.6.6 Develop a Contract Between GFSI and HIA*

The Consumer Goods Forum (CGF) is the business entity responsible for GFSI, and a contract will be put in place between the CGF and HIA. HIA will make a decision in regard to what (if any) contract is required between HIA and the individual businesses within the SWG.

This activity is outside of the scope of project AH12016 and has been proposed to be included in a new project, which will implement the outputs from this project. Please see Next Steps.

#### *7.6.7 Outstanding Questions*

Whilst the immediate priority is to progress the development of the Auditor Competency Scheme, it should be noted that there are still a number of questions to be resolved in regard to the finer workings of the scheme, including:

- How does GFSI feed information into retailer databases?
- What happens if an auditor who has just completed an audit is deregistered?
- If an auditor is not competent how is this shared with the SWG?
- If a retailer conducts an unannounced audit and finds a major non-conformance, is this finding made available to other retailers?
- Is enough being done to address auditor availability in the form of succession planning (this is currently the responsibility of the individual Certification Bodies)?

Some of these issues, and perhaps others, may require legal or other expert advice, and it is suggested that a comprehensive list of concerns and questions are compiled. These will then be discussed during a workshop, and consensus achieved by the SWG in regard to how best progress and resolve each question/issue.

This activity is outside of the scope of project AH12016 and has been proposed to be included in a new project, which will implement the outputs from this project. Please see Next Steps.

### **7.7 Proposed Entity For Ongoing Management**

QA is a dynamic and ever changing discipline, and given food safety is non-competitive, in Workshop #3 the SWG agreed there is merit in forming an ongoing working group that can come together at an agreed frequency to understand, discuss and develop issues relevant to QA. This will help increase the level of commonality across all stakeholders and facilitate actions such as alignment on QA processes, allow a unified response and corrective actions to industry food safety incidents and address the macro issues that are impacting the QA industry, such as the availability of auditors. To enable this to occur, it was agreed that an entity must be established to facilitate and manage the ongoing activities that will be initiated as a result of this project, and post the financial support of HIA (via the Project Team).

During Workshop #4, the SWG accepted the PMA A-NZ as the entity to facilitate and manage the ongoing activities of the group, post the completion of the HIA funded project and with an indicative start date of 1<sup>st</sup> July 2015. Michael Worthington, the CEO of PMA A-NZ will bring leadership and governance experience in conjunction with the technical expertise of Richard Bennett who is their Technology Manager and well known to the SWG. Richard Bennett has also attended the QA Harmonisation workshops to date, and is fully versed in all aspects of the project.

### 7.7.1 Issues To Be Managed By The Entity

The ongoing SWG meeting agenda items will cover two categories, firstly general issues pertaining to the wider food safety operating environment and secondly issues specific to QA harmonisation. The mission of the PMA A-NZ is to:

*“Ensure the harmonised bolt-on standard and Auditor Competency Scheme remains operationally functional and effective at all times, thereby lowering the cost of doing business and providing greater efficiencies in quality assurance across the entire fresh produce supply chain in Australia”.*

In addition, consideration was given to the wider operational aspects for the proposed entity. These are listed below and are by no means exhaustive, and the intention is that the SWG can add to and refine this list as they see fit. The items list below under points 6.1.1, 6.1.2 and 6.1.3 were agreed by the SWG.

#### 7.7.1.1 Scope for Activities Concerning Macro-Issues Management

The Stakeholder Group confirmed that the ongoing meetings should be a forum to identify emerging issues in the pre-competitive food safety and related issues space. With this goal in mind, the macro issues management role should include issues related to:

1. Developments in chemical, microbiological and physical contaminants;
2. Development of international standards such as CODEX;
3. Implications from recent research and development in Australia and elsewhere;
4. Lessons learnt from contamination incidents and possible development of strategies to prevent, prepare, respond to and recover from foodborne illness incidents;
5. Improving the communication and understanding of crisis management relating to food safety events;
6. Developments in commercial or regulatory standards such as those of retailers or trading partner governments;
7. Possible extension of the scope of this work to include New Zealand retailers and New Zealand G.A.P.;
8. Monitoring the success or otherwise of auditor competency criteria and scheme arrangements;
9. Developments with GFSI including the Guidance Document, harmonised standards and auditor competence, and
10. Other activities considered appropriate.

#### 7.7.1.2 Scope for Activities Concerning QA Harmonisation

The SWG agreed that the activities that should be included within the PMA A-NZ management scope for maximizing the level of QA harmonisation should include:

1. A bi-annual review of the harmonised ‘HCR’s’ and ‘outlier HCR’s’ (therefore the entity must have access to ongoing QA expertise in order to review, update and benchmark standards as required; this could be completed in-house or alternatively tendered to a suitably qualified consultant);
2. Aim to reduce the total number of ‘outlier HCR’;

3. Monitoring of the GFSI Auditor Competency Scheme activities and related tasks; and
4. Keep abreast of proprietary and regulatory standards, changes within GFSI and implications from relevant research outcomes.

#### 7.7.1.3 Operational Considerations for the Entity

Below are the key operational considerations for the PMA A-NZ:

1. Based on the scope and activities outlined above, an operating budget of AUS\$48,000 per year was agreed;
2. The commitment by the SWG should be for an initial period of 3 years (split equally between each stakeholder at AUS\$8,000 per year);
3. It was agreed that three SWG meetings should be held in year 1, and two meetings in years 2 and 3 were adequate;
4. In time, consideration should be given to include other stakeholders, such as other QSR businesses or other international retailers, and if this is the case a model should be developed whereby new entrants should make a (financial) contribution to reflect the contribution that has already been made by the SWG; and
5. Confirmation that the entity will not be responsible for managing the approval/removal of Certification Bodies and auditors, as this will be captured under the Auditor Competency Scheme.

#### 7.7.2 *Business Case and Financial Contributions*

As discussed and agreed in Workshop #3, each of the six stakeholders agreed in principle to fund the activities required for maintenance of the SWG with a financial contribution of AUS\$8,000 per year for three years. The group confirmed that this would need to be budgeted for and a brief business case should be provided to each stakeholder to enable them to gain approval from their business. It is proposed that the first payment would be in FY2015-16 (timing to be determined by the group), and then subsequently in FY2016-17 and FY2017-18. For simplicity, it was proposed that PMA A-NZ would issue an invoice to stakeholders at the beginning of each financial year.

In advance of Workshop #5, the Project Team provided a Business Case, but the SWG felt it needed to more clearly detail the benefits to retailers, growers and other parts of the supply chain. The Project Team updated the Business Case which was issued to all stakeholders on 13<sup>th</sup> April 2015, in order for each business to review and confirm their support for contributing \$8k per year for three years to fund the PMA A-NZ. Coles and Metcash have already confirmed their support and have been issued with invoices from HIA.

Once the whole SWG has approved the Business Case and financial support of the PMA A-NZ, a Memorandum of Understanding (MOU) will be drafted to capture the operational and management activities that the PMA A-NZ will provide in order to administer the ongoing activities of the SWG.

This activity is outside of the scope of project AH12016 and has been proposed to be included in an extension project, please see Next Steps.

#### 7.7.2.1 McDonald's Contribution and Potential Inclusion of Alternative Retailers

McDonald's has raised concern that there is limited benefit in the near-term in contributing the required \$8,000 for three years for supporting PMA A-NZ for ongoing meetings. Please see point 10 for a fuller explanation.

In light of this, the original budget of \$48,000 will be short by \$8,000 (assuming all other stakeholders are still supportive). The Project Team is investigating the opportunity to bring in other retailers, such as Harris Farm Markets, since they will provide insight from the perspective of independent retailers, increase the benefits of the harmonised solutions (assuming they will accept the same criteria, which is likely) and provide additional financial support. This was raised at Workshop #6 and the SWG were comfortable with an invitation being extended to Independent retailers.

### **7.8 Communication And Public Relations**

The SWG understood the need to start communicating the key achievements and progress that has been made during the project, and that growers are keen to understand how the funding they have provided (via HIA) has been used. During Workshop #4, the SWG agreed that a media release should be drafted to explain what has been achieved to date and the likely future goals, which can be reviewed, amended and signed-off by each retailer, before being released by HIA at a pre-determined and agreed date; this release will also be available for use by the SWG.

A draft media release in the form of a 'full' version, and a more condensed 'short' version, which is simply a wordsmithed iteration of the long version, was circulated shortly before Workshop #5. Each stakeholder reviewed both releases and the feedback was compiled prior to Workshop #6. During Workshop #6, the SWG reviewed the media releases in detail and agreed the final wording. This was circulated to all stakeholders on the 30<sup>th</sup> April 2015, and a release date is still to be agreed. Both drafts are included in the Addendum.

### **7.9 Other Factors Requiring Resolution**

As the project approaches the implementation phase, there are a number of specific criteria that require discussion in order to identify and agree a solution. It is anticipated that the list will expand as potential hurdles are identified, and stakeholders are encouraged to suggest topics, which will then be discussed during workshops. Some of the issues that have come to light are detailed below.

#### *7.9.1 Crop Naming on Certificates*

It has come to light that there are inconsistencies in the naming of crops on certifications issued to businesses. Since individual stakeholders have different internal processes around the handling of the certificates, the project team will make a recommendation in regard to a product/crop naming architecture that will satisfy the needs of all stakeholders. This recommendation can then be discussed at and agreed by the SWG.



### *7.9.2 Terms of Reference and Non-Disclosure Agreements*

Now that agreement has been reached for the continuation of the SWG (under the management of the PMA-ANZ), consideration must be given to the terms of reference and engagement within the group. In order to avoid potential misunderstanding or confusion, it will be useful to agree a 'set of rules' or charter that all members of the SWG agree to abide by. By way of example, the SWG has decided that 'a retailer can only be a member of the SWG if they are accepted by all other stakeholders and agree to contribute \$8,000 per year to the ongoing management of the SWG'.

In addition, in order to resolve the hurdles that are now being identified, and which could pose a barrier to implementation, there will be a greater need to share confidential information regarding the processes that individual stakeholders use to complete certain activities. In order to protect all parties, it may be appropriate for all stakeholders, as well as the Project Team and other contributors, to sign a Non-Disclosure Agreement (NDA). This will be prepared and issued by HIA if deemed appropriate, and will be discussed at the next workshop.

### **7.10 Ongoing ACCC Support**

The Project Team is maintaining contact with the ACCC to ensure they understand the project status and likely future outcomes, as required. The ACCC provided a second letter after Workshop #4 to confirm they are still supportive of the nature and intent of the project, and this letter has been passed on to the SWG.

### **7.11 Ongoing Involvement Of McDonald's As Part Of The SWG**

Since the focus of the SWG has been to develop a solution for the grocery retailers rather than QSR in the first instance, McDonald's has raised concern that there is limited benefit in the near-term in contributing the required \$8,000 for three years for supporting PMA A-NZ for ongoing meetings. This is understandable since McDonald's currently rely exclusively on second-party auditing, and source only small volumes of non-processed fresh produce currently.

The SWG decided that each business must contribute \$8,000 per year in order to be part of the SWG and have a 'seat at the table', and therefore, it was mutually agreed by McDonald's and the SWG that they will stop attending the workshops until there is a greater need or benefits for QSR. At this time it may be appropriate to also invite other QSR businesses to join, and a fee per business would be charged.

The Project Team would like to thank McDonald's, and in particular Megan Burke, for the ongoing contribution and support provided over the last 2.5 years. The relationships established will hopefully be of benefit when the time is right to include QSR within the harmonisation process.

## **8 NEXT STEPS**

The objective of Project AH12016 was to agree a process and route forward for implementation of the agreed outputs. However, given the close alignment and progress that has been achieved to date, there is now a unique opportunity to continue the momentum that has been built during Project AH12016 and actually implement these outputs through an agreed suite of harmonised standards, an auditor competency scheme and securing a commitment from the retailers to form an ongoing working group. Much of what has been achieved has been as a result of the trust, respect and relationships that have been established within the Stakeholder Working Group (SWG) and project team, and to leverage this further is an attractive prospect.

Immediate implementation of the project outputs will be of particular advantage to growers since the benefits can be captured sooner and the existing SWG can be utilised without the need to create a new forum with re-engagement and alignment of the retailers, which could be time consuming and costly. The most effective and efficient means of implementing the outcomes is through a new project focused purely upon implementation, and to this end, a separate proposal will be submitted to HIA to cover this.

## **9 CONCLUSION**

Horticulture Innovation Australia Limited (HIA) initiated Project AH12016 to harmonise the food safety certification requirements of the major grocery retailers. The retailers include ALDI, Coles, Costco, Metcash (IGA) and Woolworths, and the fresh produce market share covered by these businesses is 79.9% of the total Australian retail market (Nielsen 2015).

The aim is to reduce the considerable costs resulting from the adoption, maintenance and auditing of multiple systems by individual suppliers and growers that are ultimately responsible for producing safe food. The project has resulted in the alignment of the major grocery retailers in Australia to accept a suite of standards that will allow growers and packers to complete audits against a single standard that will satisfy all stakeholders, rather than audits against multiple standards, as is the case currently. In addition, the project is addressing other hurdles that need to be overcome in order to meet this goal, including the adoption of a new, global Auditor Competency Scheme acceptable to all retailers.

The financial benefit to industry from achieving a harmonised solution is in excess of \$40 million/year and will make a significant and tangible difference to all growers in Australia, and particularly the smaller growers. This in turn will ultimately support a higher level of performance of the horticulture industry.

This project will also make a meaningful difference to the horticulture industry through engaging and working closely with the major retailers and QSR businesses in Australia. It should also be stressed that if a harmonised solution can be achieved, it will be a global first and position the horticulture industry as a leader in its field.

## 10 ADDENDUM

Below is a copy of the key documents that have referred to within the Final Report. If any other documents are required please contact the Project Leader.

### 10.1 Draft Media Release (Full Version)

#### Positioning of Media Release

*Growers and suppliers are the intended audience of these media releases, and this is reflected in their positioning, as well as the potential benefits to growers (rather than retailers), and particularly the smaller growers. It is important to emphasise that the project is about 'modernizing' and further developing fresh produce safety in Australia, and the collaborative approach taken by the stakeholder group is an effective means of achieving these improved outcomes.*

*The Project Team has prepared these drafts, which has been further developed by HIA and the stakeholder group. The intention is that all stakeholders will review this document within their own businesses and make any changes as necessary, before a final version that is acceptable to all stakeholders is agreed. This will then be released by HIA at an agreed date and all stakeholders will also be free to make a release at this time.*

*A shorter and more concise release (at the end of this document) has also been prepared, and will contain a link leading to this document for those requiring further information. Please also review, amend and approve this version.*

#### Outcomes

The key outcomes from this project are:

- Single audits will satisfy the food safety requirements of all the major grocery retailers in Australia;
- The harmonisation of multiple retailer-specific requirements will provide efficiencies for growers and producers;
- Growers and producers will be able to choose from a suite of internationally recognised (GFSI benchmarked) standards;
- Only auditors that have completed the GFSI Auditor Competency Scheme requirements will be approved to conduct audits. For growers and packers, this will ensure consistency and alignment in the audit process;
- There will be continued assurance in the food safety systems of fresh produce grown in Australia.

*The annual cost saving (direct and indirect costs) to growers and producers through the introduction of a harmonised standard is conservatively estimated at A\$40.3*

#### Background

Horticulture Innovation Australia Limited (HIA) initiated a project to harmonise the food safety certification requirements of the major retailers. The aim is to reduce the considerable costs resulting from the adoption, maintenance and auditing of multiple

systems by individual suppliers and growers that are ultimately responsible for producing safe food. The project has resulted in the alignment of the major grocery retailers in Australia to accept a suite of standards that will allow growers and packers to complete audits against a single standard that will satisfy all stakeholders, rather than audits against multiple standards, as is the case currently. In addition, the project is addressing other hurdles that need to be overcome in order to meet this goal, including the adoption of a new, global Auditor Competency Scheme acceptable to all retailers.

The project has the support of the Australian Competition and Consumer Commission (ACCC) and the Australian Food and Grocery Council (AFGC).

### Stakeholders

All the major grocery retailers including ALDI, Coles, Costco, Metcash (IGA) and Woolworths, have come together collaboratively to identify and develop a harmonised solution that will help reduce the cost and complexity for growers in meeting the requirements of different retailers. Over half of the total Australian fresh produce market is covered by these businesses.

The lead consultant is Tristan Kitchener (Kitchener Partners, Melbourne) assisted by Tundra Howe (TQA Australia, Devonport). The project commenced in August 2012 and will be completed in late 2015.

### The Solution for Quality Assurance (QA) Harmonisation

Organizations such as the Global Food Safety Initiative (GFSI) have been key drivers in working towards harmonisation on a global level, through developing 'benchmark standards', in the form of a best practice standard against which others can be measured. This enables retailers to accept fresh produce from suppliers with any food safety system that is recognized as equivalent to the current GFSI standard. The grocery retailers have all agreed to use GFSI as a framework, which will enable growers to choose a single certification standard from a suite of GFSI benchmarked standards, including:

- Safe Quality Food Code (SQF);
- British Retail Consortium Global Standard for Food Safety (BRC);
- GlobalG.A.P. Integrated Farm Assurance Scheme Version 4; and
- Freshcare Food Safety and Quality Code of Practice (Freshcare), provisionally, pending benchmarking by GFSI which is expected to be achieved by late 2015.

*(NB: It should be noted that there are some additional qualifications regarding scope and risk).*

Over time, the retailers have developed their own specific requirements in addition to the above standards, which has created further complexity and cost burden for growers. The stakeholder group has harmonised 204 elements down to a total of only 60 elements, which will be simpler for producers to comply with and more efficient for auditors to audit against.

The aim is for any horticultural supplier to be audited to the appropriate GFSI-equivalent standard (listed above), plus the harmonised additional elements. This one audit will satisfy single and multiple customers. The additional elements that are common to and accepted by

all the grocery retailers can now be regarded as the ‘Harmonised Customer Requirements’ (HCR) for the Australian grocery retailers for fresh produce.

#### The Solution for Auditor Competency

The second part of the project concerns the competence of third party auditors engaged by Certification Bodies (CBs) to audit against these QA standards. It has become obvious that all auditors are not equal, to the point that some individual retailers specifically prohibit certain individuals and certain CBs from auditing their suppliers. This has led to individual retailers implementing their own Auditor Certification Schemes in order to ensure adequate protection of their ‘private label’ brands, however, this has created further complexity and cost burden for the industry. Therefore, reaching consensus on auditor competency criteria, and agreeing a scheme to manage auditor competency, is essential for QA harmonisation to be achieved. To this end, GFSI have been engaged to help develop an auditor competency scheme on behalf of the stakeholder group. The intention is that this scheme will be in place by the end of 2015.

#### Next Steps and Ongoing Maintenance

QA is a dynamic and ever changing discipline, and given food safety is non-competitive, the stakeholder group has agreed there is merit in forming an ongoing working group that can come together at an agreed frequency to discuss, develop and understand issues relevant to QA. This will help maintain and increase the level of commonality across all stakeholders and facilitate actions such as alignment on QA processes, allow a unified response and corrective actions to industry food safety incidents and address the macro issues that are impacting the QA industry, such as the availability of auditors. To enable this to occur, an entity needs to be established to facilitate and manage the ongoing activities that have been initiated as a result of this project, and it has been agreed that PMA A-NZ will take on this role.

The issues tackled within this project are complex and in the past have proved to be barriers for achieving commonality and harmonisation. The results achieved in this project are a global first and set an international precedent that other countries are looking to follow. This has been achieved through the collaborative spirit of engagement and professional approach demonstrated by all members of the stakeholder group.

For any questions or queries please contact:

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\* There is still a small number of elements that remain as Outliers, specific to some individual retailers.

## 10.2 Draft Media Release (Brief Version)

Title: [Growers, packers and retailers to benefit from new food safety arrangements](#)

Growers and packers that supply Australia’s major retailers, will welcome a new initiative to modernise and harmonise the multiple food safety certification requirements down to a single standard that meets the requirements of all the major grocery retailers. Multiple food safety systems to meet the requirements of multiple customers’, annually costs the fresh produce growing and packing industry tens of millions of dollars, with much of it spent on multiple audits for systems that are ultimately very similar.

The collaboration of the retailers, namely ALDI, Coles, Costco, Metcash (IGA) and Woolworths, over the last 18 months has come about through an industry and government funded project managed by industry services body Horticulture Innovation Australia Ltd. HIA spokesperson and project sponsor, David Chenu, General Manager Marketing, said that “It’s not only the direct and indirect costs of implementing, maintaining and being audited to multiple systems that drove the project; it’s also about having better food safety outcomes and having better audit arrangements.”

When asked to elaborate, Chenu said that “The amount of time and effort that fresh produce growers and packers spend in completing audits covering largely the same issues, and the indirect costs associated with meeting multiple standards, is often a non-productive duplication and a distraction from the main game – producing safe food 24/7, 365 days of the year. For consumers and industry, the benefit is in knowing that all the major retailers have agreed on a standard that is literally global best-practice for managing food safety through the fresh produce supply chain. Consumers in Australia and our export markets would expect nothing less.”

Chenu added, “The system had evolved over the last 20 years. The grocery retailers have responded to industry feedback, and reviewed the current arrangements to combine the best elements from all the systems available. By working together, I believe they have achieved that result and are looking forward to the roll-out”, he concluded.

The participating retailers have agreed to base their food safety requirements on systems that are equivalent to the global best-practice benchmark, the Global Food Safety Initiative (GFSI). This includes the SQF Code, the British Retail Consortium Global Standard for Food Safety, GlobalG.A.P. Integrated Farm Assurance Scheme Version 4, and, provisionally, pending recognition of GFSI equivalence, the industry-owned Freshcare Food Safety and Quality Code. Furthermore, additional requirements that have been encompassed in retailer’s own additional standards in the past, have been combined into one additional “Harmonised Customer Requirement” that is accepted by all the major grocery retailers.

An additional component of the project includes the auditors themselves, and the retailers have agreed to fund a trial of the GFSI Auditor Competency Scheme. “The retailers were ready for it,” said Chenu. “They believe that the quality of auditors and auditing, and their confidence in the audit process will both improve, and consumers should once again be confident that Australia is leading the way,” he concluded.

The trial of the auditor competency scheme will commence in late 2015, with the rollout of the harmonised food safety standards to follow. For further information, please follow this link to the HIA website (link to be inserted), or contact:

**David Chenu**, Project Sponsor, 02 8295 2381 / 0419 318 013, or

**Tristan Kitchener**, Project Manager, 0407 827 738

### 10.3 Benchmarking Summary

#### Applicability across the supply chain

System / code of practice and current version	Primary producer	Transport <sup>[1]</sup>	Packer	Processor	Transport <sup>[2]</sup>	Food manufacturer	Wholesaler	Retailer / Food service
Freshcare Code of Practice (3rd Edition – July 2009)	✓	✓	✓	x	x	x	x	x
GlobalG.A.P Integrated Farm Assurance – Version 4.0_Mar2011	✓	✓	✓	x	x	x	x	x
Additional Coles Supplier Requirements – Food (CSR-FV3 May 2011) <sup>[3]</sup>	✓	x	✓	✓	x	✓	x	x
Woolworths Quality Assurance – Primary Production – Produce – Version 7 January 2011	✓	✓	✓	✓	✓	x <sup>[4]</sup>	✓	x
BRC Global Standard for Food Safety – Issue 6 – July 2011	x	x	✓	✓	✓	✓	x	x
The SQF2000 Code – Edition 7 – Level 3.	✓	✓	✓	✓	✓	✓	✓	x

<sup>[1]</sup> Transport from primary producer to packer / processor.

<sup>[2]</sup> Transport from packer / processor to distribution centre / wholesaler / retailer / storage.

<sup>[3]</sup> Suppliers are required to be certified to Coles Requirements in addition to another approved standard such as SQF 2000, Freshcare or BRC.

<sup>[4]</sup> Food manufacturers are covered under a different WQA Standard (Manufactured Foods)



## 10.4 Glossary

Suggested Glossary Term	Suggested definition
Australian Competition and Consumer legislation	Legislation (The Competition and Consumer Act 2010) that covers most areas of the market: suppliers, wholesalers, retailers, and consumers. Its purpose is to enhance the welfare of Australians by promoting fair trading and competition, and through the provision of consumer protections.
Allergen	A substance that can cause hypersensitive immune response (allergic reaction) in some consumers. The reaction may potentially be life-threatening after exposure by ingestion, inhalation or contact with skin.
AS 4454	An Australian Standard that specifies requirements for organic products and mixtures of organic products used to amend the physical and chemical properties of natural or artificial soils and growing media. It specifies physical, chemical, biological and labelling requirements for composts, mulches, soil conditioners and related products that have been derived largely from compostable organic materials and which meet the minimum requirements as set out in this Standard.
Biosolid	Solid or semisolid by-product obtained from treated sewage or wastewater
Contamination	The introduction or occurrence of a direct produce food safety hazard or indirect produce food safety hazard through the environment e.g. growing site, water sources.
Contractor	An individual or company external to the Supplier that undertakes a contract to provide defined goods and / or services to the Supplier.
Customer	A party that purchases produce from the Supplier.
Effluent	The out-flow water or wastewater from any water processing system or device.
Employee	All people employed by the business, including family members.
Fertiliser and soil additive	Products that are added to the soil to improve fertility and structure and control weeds. Examples are inorganic (chemical) fertilisers, lime, gypsum and those of organic origin such as animal manure, sawdust, compost, compost tea, seaweed, fish-based products and other biological compounds.
Floodwater	Water that washes over growing sites from an unintended overflow of a water source beyond its normal limits.
Foreign object	Any material that is not intended to be present in or with the product. Examples include, but are not limited to: glass, hard plastic, wood, metal, paper, string, tape, maintenance debris, pens, paperclips, personal effects (i.e. mobile phones), staples, packaging.
Food Standards Code	<p>A list of requirements for food sold in Australia and New Zealand, administered by Food Standards Australia New Zealand. The Code is given legal force through Commonwealth, state and territory and New Zealand food legislation and covers:</p> <ul style="list-style-type: none"> <li>• general food standards (including labelling and genetically modified food),</li> <li>• specific food product standards, and</li> <li>• Australian food safety standards.</li> </ul>

<b>Suggested Glossary Term</b>	<b>Suggested definition</b>
GFSI (Global Food Safety Initiative)	Independent forum made up of major retailers, food service companies and manufacturers with the aim of improving food safety. It benchmarks International Standards, leading to international recognition of audit results.
Growing site	Areas or structures where produce is grown, and where the site history or characteristics are different, inputs to the growing system are different (i.e. different irrigation water supply), different types of produce are grown or where produce is treated differently (i.e. different chemical treatments).
HACCP (Hazard Analysis Critical Control Point)	The methodology of identifying and assessing product and growing / production related hazards, and the process of controlling and monitoring defined hazards.
Illness	A disease, condition or period of sickness affecting the body that may have the potential to result in contamination of produce. Illnesses that can contaminate and be passed on through food include, but are not limited to, Hepatitis A and those caused by Giardia, Salmonella and Campylobacter.
ISO 17021	An internationally-recognised standard that contains principles and requirements for the competence, consistency and impartiality of the audit and certification of management systems of all types (e.g. quality management systems) and for bodies providing these activities.
ISO 17025	An internationally-recognised standard that specifies the general requirements for the competence to carry out tests and/or calibrations, including sampling. It covers testing and calibration performed using standard methods, non-standard methods, and laboratory-developed methods. It is applicable to all organizations performing tests and/or calibrations i.e. laboratories.
ISO 17065	An internationally-recognised standard that specifies requirements aimed at ensuring that certification bodies operate certification schemes in a competent, consistent and impartial manner.
Mass Balance	The quantitative reconciliation of process inputs to process outputs minus yield adjustments, rework and waste. Also known as 'Quantity `check'.
MRL (Maximum Residue Limit)	The maximum allowable levels of agricultural and veterinary chemicals in agricultural produce entering the food chain. Generally set by local regulatory bodies i.e. Australian Pesticide and Veterinary Medicines Authority.
Packing area	Any area where produce is handled, including areas where produce is packed in field. Handling includes, but is not limited to, producing, collecting, harvesting, preparing, packing produce.
Recall	Action taken to remove produce from the supply chain if there is a food safety or potential food safety risk to consumers. A Consumer Level recall involves recovery of produce from consumers and businesses in the supply chain whereas a Trade Level recall only involves recovery of produce from businesses in the supply chain.
RTO (Registered Training Organisation)	Training providers registered by the Australian Skills Quality Authority to deliver nationally recognised courses and accredited Australian Qualifications Framework (AQF) VET qualifications.
Scope	The extent of the area or subject matter that something deals with or to which it is relevant i.e. sites, produce and process covered by certification.

<b>Suggested Glossary Term</b>	<b>Suggested definition</b>
Side dressing	The application of fertilisers in a shallow furrow or band along the side of vegetable row crops or in a circle around individual plants.
Storage area	Any area where produce is stored after harvest. Includes in-field, raw material and packaging storage areas.
Supplier	Supplier means the grower / packer of produce to which certification applies.
TPECS (Training Provider Examination Certification Scheme)	A competency-based training program designed to reflect contemporary and innovative learning and assessment practices and demonstrate that applicants achieve the level of knowledge competence required for Exemplar Global personnel certification.
National Trade Measurement regulations	A series of legislative documents, administered by the National Measurement Institute, which establishes a national system of units and standards of measurement and provides for the uniform use of those units and standards throughout Australia to ensure traceability of measurement.
Treated fertiliser or soil additive	Fertiliser or soil additive derived from natural sources that has been treated to achieve levels of E. coli cfu <100/g and Salmonella Not Detected/50g.
Untreated fertiliser or soil additive	Fertiliser or soil additive derived from natural sources that has not been treated or does not achieve levels of E. coli cfu <100/g and Salmonella Not Detected/50g.
Validation	Obtaining evidence that a control measure or combination of control measures, if properly implemented, is capable of controlling a hazard to a specified outcome.
Verification	The application of methods, procedures, tests and other evaluations, in addition to monitoring to determine whether a control measure is or has been operating as intended
Visitor	A person that enters growing, packing or storage areas that is not employed or contracted by the Supplier.
VITAL	A standardised allergen risk assessment tool developed by the Allergen Bureau for use by food producers. VITAL allows food producers to assess the impact of allergen cross contact and provides information on appropriate precautionary allergen labelling to be applied to products.
Withdraw	A food withdrawal is action taken to remove food from the supply chain where there is no food safety risk or the food safety risk has not yet been confirmed.

## 10.5 Outliers

Number	Stakeholder	Outlier
1	ALDI	The PIF/NPL is maintained by the supplier as controlled documents.
2	ALDI	The PIF/NPL for each product is available upon request.
3	Costco	Costco has a 'no bare hands' policy. When gloves are used as a barrier then they are to be latex free and powder free. Fabric and / or cotton gloves should not be used when hands are in contact with food.
4	Coles	Where suppliers wish to donate Coles branded products to Foodbank, written authorisation must be obtained from the relevant Coles Product Technologist prior to the donation, and a log book maintained by the supplier which clearly records the date of the donation, product details, batch numbers, Use-By / Best Before dates, quantities, reason for donation and a copy of the written Coles approval. Donations for Foodbank which have been approved by Coles and entered into the log do not need to have the Coles branding removed or defaced.
5	Woolworths	A Certificate of currency evidencing Product and Public Liability Insurance equivalent to 10 million dollars (in the currency of Australia or New Zealand as applicable) or such amount as considered acceptable from time to time by Woolworths shall be available as a controlled record. Woolworths approval will be required for any variation to this requirement relating to International Vendors.
6	Woolworths	A risk assessment has been conducted to identify any potential or known risks to the integrity of the specific product/s supplied on a global scale. Issues such as adulteration, counterfeiting, mislabelling and dilution of product either knowingly or not are considered critical non-conformances.
7	Woolworths	An assessment of risks has been documented in the hazard analysis, and HACCP principles have been used to determine critical control points for foreign objects to evaluate the need for detection / removal equipment.
8	Woolworths	Sampling plans and verification checks are completed based on the 12 sample protocol where the average shall be above the declared net weight/volume and no sample should be greater than 5% under the prescribed net weight/volume.
9	Woolworths	If the product is known to support growth of other organisms, they have been tested as part of the verification program to demonstrate product safety and quality throughout shelf life.
10	Woolworths	If there is a positive pathogen detected above the levels as per Appendix 2 in any product intended for Woolworths supply, this is immediately reported to Woolworths QA Department.
11	Woolworths	Water management plans have been implemented to optimise water usage and reduce waste and contamination.

### 10.6 Harmonised Customer Requirements (including auditor knowledge and skills)

Below is the final list of Hamonised Customer Requirements based on the discussion and feedback provided by the group during Workshop #5 on the 26<sup>th</sup> February 2015. Five elements are yet to be confirmed (those relating to HACCP training and raw manure use). These are in red text.

#### Food Safety elements

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.7 Documentation</b>				
1	B1, D	The Supplier shall maintain current certification to a Customer-approved GFSI benchmarked standard. The scope of certification must include all products supplied to all Customers. Evidence of certification shall be maintained.	Knowledge of: <ul style="list-style-type: none"> <li>currently benchmarked GFSI schemes</li> <li>the application of GFSI benchmarked schemes to GFSI industry sectors B1 and D</li> <li>food safety risks and appropriate controls for products included within the scope of certification</li> </ul>	Ability to: <ul style="list-style-type: none"> <li>ensure that the scope of certification includes all customer products</li> <li>identify the appropriate application of the relevant GFSI benchmarked scheme</li> <li>identify gaps in the application of the relevant GFSI benchmarked scheme</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.8 Approved Suppliers</b>				
2	B1, D	<p>The Supplier shall manage all external suppliers involved in the growing, packing or in-process storage of produce destined for sale to the Customer. These external suppliers shall:</p> <ul style="list-style-type: none"> <li>• have access to a copy of the relevant finished product specification; and</li> <li>• hold current certification to a HACCP-based food safety standard, accredited under ISO 17065 or ISO 17021</li> </ul>	<p>As per GFSI 2.1.9, knowledge of:</p> <ul style="list-style-type: none"> <li>• the food safety inclusions required in raw material, ingredient, packaging material and service specifications or agreements for a given input or service</li> <li>• the product safety requirements within agreements for process inputs and services (including utilities, transport, maintenance, co-packing and product development)</li> </ul> <p>As per GFSI 2.1.15, knowledge of:</p> <ul style="list-style-type: none"> <li>• the food safety inclusions required in raw material, ingredient, packaging material and service specifications for a given input or service</li> <li>• contract management</li> <li>• risk-based approved supplier protocols</li> <li>• risk-based contract manufacturing protocols</li> </ul> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• growing, packing and in-process storage processes for the produce commodities included in the scope of certification</li> <li>• accredited HACCP-based food safety standards relevant to the growing, packing or in-process storage of produce</li> </ul>	<p>As per GFSI 2.1.9, ability to:</p> <ul style="list-style-type: none"> <li>• read and interpret specifications or agreements and associated process and procedure requirements.</li> <li>• assess the applicability of agreements</li> <li>• identify gaps and omissions in available specifications or agreements</li> <li>• verify the effective implementation of specifications and agreements</li> </ul> <p>As per GFSI 2.1.15, ability to:</p> <ul style="list-style-type: none"> <li>• read and understand the applicability of supplier contracts</li> <li>• assess the appropriateness, adherence to, and effectiveness of applied approved supplier protocols</li> <li>• identify gaps and omissions in approved supplier protocols</li> <li>• verify the appropriateness and effectiveness of the approved supplier program</li> <li>• review and audit conformance of test results</li> </ul> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess the appropriateness of controls applied to external suppliers involved in the growing, packing or in-process storage of produce</li> <li>• assess the suitability of external HACCP certification</li> <li>• identify gaps in the management of external suppliers</li> </ul>
3	B1, D	<p>The Customer must approve in writing the use of external suppliers involved in packing or in-process storage of produce. Evidence of certification and approval shall be maintained.</p>	<p><i>Audit requirement – no additional competency required</i></p>	<p><i>Audit requirement – no additional competency required</i></p>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.9 Specifications</b>				
4	B1, D	A current list of all products supplied to the Customer shall be documented and the corresponding current finished product specification (either supplier-developed and approved by the Customer, or Customer-generated) shall be maintained.	As per GFSI 2.1.9, 2.1.15 (see FS2)  Plus knowledge of: <ul style="list-style-type: none"> <li>• food safety regulatory requirements for the produce commodities included in the scope of certification</li> <li>• specification inclusions required for the produce commodities included in the scope of certification</li> </ul>	As per GFSI 2.1.9, 2.1.15 (see FS2)  Plus ability to: <ul style="list-style-type: none"> <li>• assess the suitability of specifications for the produce commodities included in the scope of certification</li> <li>• assess currency of published specifications</li> <li>• assess compliance to current specifications</li> </ul>
5	B1, D	Where the supplier develops a finished product specification, the specification shall include all relevant information required by the Customer and must comply with Australian legislation including (but not limited to) the Food Standards Code.	As per GFSI 2.1.9, 2.1.15 (see FS2)	As per GFSI 2.1.9, 2.1.15 (see FS2)
6	B1, D	Finished product specifications shall be reviewed whenever the product, ingredients or process change, or at least every 12 months. Changes to finished product specifications must be approved in writing by the Customer before implementation occurs.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.10 Retention samples and shelf life</b>				
7	B1, D	Shelf life validation of finished product in final packaging must occur on all new products and whenever the product formulation, unit size, packaging material or format of a finished product is altered, or a significant change to the process has occurred. Product challenge testing, based on risk assessment, must also be undertaken as part of shelf life validation, including elements such as elevated temperatures and transport.	<p>As per GFSI 2.1.22, knowledge of:</p> <ul style="list-style-type: none"> <li>• food labelling legislation in the country of origin and the country(s) of destination applicable to a given product group</li> <li>• customer or industry codes of practice on labelling</li> </ul> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning product shelf-life</li> <li>• shelf life validation methodologies for produce commodities included in the scope of certification</li> <li>• product challenge testing methodologies for produce commodities included in the scope of certification including elements such as elevated temperatures and transport</li> </ul>	<p>As per GFSI 2.1.22, ability to:</p> <ul style="list-style-type: none"> <li>• assess the effectiveness and application of label approval procedures</li> <li>• read product labels and establish the authenticity of information provided</li> <li>• verify the accuracy of label information</li> </ul> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess regulatory compliance regarding product shelf-life</li> <li>• assess the effective implementation of shelf life validation methods</li> <li>• assess the effective implementation of challenge testing</li> <li>• identify gaps shelf life validation procedures including elements such as elevated temperatures and transport.</li> </ul>
8	B1, D	If no alterations have been made, shelf life validation shall be conducted at least annually for products with less than 2 years shelf life. Supporting documentation in relation to shelf life must be available.	As per GFSI 2.1.22 (see FS7)	As per GFSI 2.1.22 (see FS7)
9	B1, D	An assessment of each retention sample, including weight loss trials, shall be completed at the end of shelf life.	As per GFSI 2.1.22 (see FS7)	As per GFSI 2.1.22 (see FS7)



FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.11 HACCP training</b>				

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
10	B1, D	<p>A representative of the organisation shall complete formal HACCP training by a recognised industry training body that is RTO / TPECS certified (or an international equivalent). A Statement of Competency confirming successful completion of the training must be maintained.</p>	<p>As per GFSI 2.5.1 (HACCP AB 1), knowledge of:</p> <ul style="list-style-type: none"> <li>• Codex Alimentarius and National Advisory Committee on Microbiological Criteria for Foods (NACMCF) HACCP principles</li> <li>• the microbiological, chemical, and physical food safety hazards that may reasonably be expected to occur in a given industry sector</li> <li>• the control measures required to eliminate or minimise the microbiological, chemical, and physical food safety hazards for a given industry sector</li> <li>• industry developed HACCP-based plans for a given industry sector</li> <li>• the scope and purpose of a HACCP-based system</li> <li>• risk assessment/hazard analysis methodologies relevant to a given industry sector</li> <li>• the format and content of Standard Operating Practices (SOP's) and Work Instructions (WI's)</li> <li>• corrective actions required when control is lost</li> <li>• verification methodologies to ensure the effectiveness of the HACCP-based system</li> </ul> <p>As per GFSI 2.5.2 (HACCP CD 1), knowledge of:</p> <ul style="list-style-type: none"> <li>• Codex Alimentarius and National Advisory Committee on Microbiological Criteria for Foods (NACMCF) HACCP principles and implementation steps</li> <li>• the Codex Alimentarius Commission General Principles of Food Hygiene CAC/ RCP 1-1969, Rev. 4 - 2003</li> <li>• the preliminary steps in implementing HACCP (scope, team, product description, process flow diagram)</li> <li>• the scope and purpose of a HACCP-based system</li> <li>• the factors influencing food safety that must be included in a product description for a given industry sector</li> <li>• the intended use of a given product</li> <li>• constructing and verifying a process flow diagram</li> <li>• the microbiological, chemical, and physical food safety hazards that may reasonably be expected to occur in a given industry sector</li> <li>• the control measures required to eliminate or minimise the microbiological, chemical, and physical food safety hazards for a given industry sector</li> <li>• risk assessment/hazard analysis methodologies relevant to a given industry sector</li> <li>• determination of CCP's within a HACCP plan</li> <li>• determination and validation of critical limits</li> <li>• determination of monitoring procedures and frequency</li> <li>• the format and content of Standard Operating Practices (SOP's) and Work Instructions (WI's)</li> <li>• determination of appropriate corrective and preventative action actions to dispose of affected product and prevent recurrence</li> </ul>	<p>As per GFSI 2.5.1 (HACCP AB 1), ability to:</p> <ul style="list-style-type: none"> <li>• assess that all potential food safety hazards have been identified for a given industry sector</li> <li>• assess that the hazard analysis and risk management methodologies have been applied correctly and consistently</li> <li>• evaluate the adequacy, application and effectiveness of control measures in place to eliminate or minimise the risk of potential hazards</li> <li>• evaluate the adequacy, understanding, application and effectiveness of Standard Operating Practices (SOP's) and Work Instructions (WI's)</li> <li>• assess the application and effectiveness of corrective action procedures in place where food safety control is lost</li> <li>• assess the application and effectiveness of verification procedures in place to ensure the adequacy of the HACCP-based system</li> <li>• assess adequacy of verification planning and validation of methods</li> </ul> <p>As per GFSI 2.5.2 (HACCP CD 1), ability to:</p> <ul style="list-style-type: none"> <li>• assess the appropriateness of the scope and purpose of the HACCP plan, and the HACCP team</li> <li>• assess the appropriateness of the [product description and intended use</li> <li>• evaluate the accuracy of the process flow diagram</li> <li>• assess that all potential food safety hazards have been identified</li> <li>• assess that the hazard analysis and risk management methodologies have been applied correctly and consistently</li> <li>• evaluate the adequacy, application and effectiveness of control measures in place to eliminate or minimise the risk of potential hazards</li> <li>• assess whether CCP's have been correctly identified</li> <li>• assess that critical limits are scientifically validated or justified, and correctly differentiate between safe and unsafe product</li> <li>• assess the application and effectiveness of corrective action procedures in place where food safety control is lost</li> <li>• assess the application and effectiveness of verification procedures in place to ensure the adequacy of the HACCP-based system</li> <li>• evaluate the adequacy, understanding, application and effectiveness of Standard Operating Practices (SOP's) and Work Instructions (WI's)</li> <li>• ensure that the HACCP plan is reviewed periodically or when process changes occur</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
11	B1, D	A representative of the organisation shall undertake refresher HACCP Training at least every three years. Internal or external training providers may conduct refresher training as long as they are conducted by an RTO / TPECS training body or certified trainer and evidence of training is provided. Refresher training may be conducted in a classroom environment or as an on-line course. Evidence of refresher training must be maintained.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
<b>10.12 Labelling and packaging</b>				
12	B1, D	Label claims, including nutritional, marketing and sustainability claims, shall be validated during product development and throughout the contracted supply period.	As per GFSI 2.1.22 (see FS7)  Plus knowledge of: <ul style="list-style-type: none"> <li>• methods for validating label claims, including nutritional, marketing and sustainability claims</li> </ul>	As per GFSI 2.1.22 (see FS7)  Plus ability to: <ul style="list-style-type: none"> <li>• inspect product change-over procedures</li> <li>• identify gaps in label controls</li> </ul>
13	B1, D	Allergen-related claims must be verified at a frequency based on a documented risk assessment, and include as a minimum raw material testing, cleaning verification, and full allergen screen testing.	As per GFSI 2.1.22 (see FS7)  Plus knowledge of: <ul style="list-style-type: none"> <li>• methods for validating label claims, including nutritional, marketing and sustainability claims</li> <li>• specific allergen labelling legislation in the country of origin and the country of destination</li> <li>• allergen management procedures for the produce commodities included in the scope of certification</li> <li>• allergen verification methods including raw material testing, cleaning verification, and full allergen screen testing</li> </ul>	As per GFSI 2.1.22 (see FS7)  Plus ability to: <ul style="list-style-type: none"> <li>• assess the methods used to identify allergen risk</li> <li>• assess allergen management procedures</li> <li>• assess the accuracy and application of allergen labelling claims</li> <li>• inspect product change-over procedures</li> <li>• identify gaps in label controls</li> <li>• identify gaps in allergen management procedures</li> <li>• identify gaps in allergen verification procedures</li> </ul>
14	B1, D	Supporting documentation in relation to label and allergen claims must be maintained.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
15	B1, D	Prior to packaging being used, the Customer must approve, in writing, the use of all label claims.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
16	B1, D	Signed copies of Customer-branded artwork shall be maintained.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.13 Personal hygiene</b>				
17	D	<p>All employees, visitors and contractors must wear a hairnet and other suitable protective clothing when working around exposed product where a risk to product is identified. If workers, visitors or contractors have facial hair, all facial hair must be covered when inspecting or packing product. Beard nets must be worn and must cover both beard and moustache.</p>	<p>As per GFSI 2.4.19, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning personal hygiene for food handlers</li> <li>• human transmission of food pathogens and risk mitigation measures</li> <li>• human transmission of allergenic protein residue and risk mitigation measures</li> <li>• suitability of medical screening procedures for detection of communicable diseases</li> <li>• the risk of traffic and work patterns on product safety</li> <li>• statutory and industry standards for provision and condition of toilet rooms, change rooms, canteens, hand-wash stations, break stations</li> <li>• statutory and industry standards for provision and condition protective clothing, disposable gloves</li> <li>• risk-based methodologies for verifying the effectiveness of personal hygiene programs</li> </ul> <p><i>Otherwise, audit requirement – no additional competency required</i></p>	<p>As per GFSI 2.4.19, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application, frequency, appropriateness, and effectiveness of personal hygiene procedures for a given product</li> <li>• review the effectiveness of traffic and work patterns on minimising the risk of product contamination</li> <li>• analyse environmental and product test results</li> <li>• identify gaps in personal hygiene procedures and verification protocols</li> </ul> <p><i>Otherwise, audit requirement – no additional competency required</i></p>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
18	B1, D	A return to work policy shall be documented and implemented for staff returning to work after illness.	<p>As per GFSI 2.4.19 (see FS17) for D</p> <p>As per GFSI 2.3.12 for B1, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning personal hygiene for product handlers</li> <li>• human transmission of food pathogens and risk mitigation measures</li> <li>• statutory and industry standards for provision and condition of toilet rooms, change rooms, canteens, hand-wash stations, break stations</li> <li>• statutory and industry standards for provision and condition protective clothing, disposable gloves</li> <li>• risk-based methodologies for verifying the effectiveness of personal hygiene programs</li> </ul> <p>As per GFSI 2.3.12.1 for B1, knowledge of:</p> <ul style="list-style-type: none"> <li>• suitability of medical screening procedures for detection of communicable diseases</li> <li>• human transmission of food pathogens and risk mitigation measures</li> </ul> <p><i>Otherwise, audit requirement – no additional competency required</i></p>	<p>As per GFSI 2.4.19 (see FS17) for D</p> <p>As per GFSI 2.3.12 for B1, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application, frequency, appropriateness, and effectiveness of personal hygiene procedures for a given commodity</li> <li>• analyse environmental and product test results</li> <li>• identify gaps in personal hygiene procedures and verification protocols</li> </ul> <p>As per GFSI 2.3.12.1 for B1, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application, frequency, appropriateness, and effectiveness of personal hygiene procedures for a given product</li> <li>• identify gaps in personal hygiene procedures and verification protocols</li> </ul> <p><i>Otherwise, audit requirement – no additional competency required</i></p>
19	B1, D	A documented procedure shall be implemented detailing actions to be taken where illness or injury results in a contamination incident. Incidents must be documented.	As per GFSI 2.4.19 (see FS17)	As per GFSI 2.4.19 (see FS17)

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.14 Recall</b>				
20	B1, D	All Customers must be notified of the intention to recall product from sale within 60 minutes of the decision to recall product being made.	Knowledge of: <ul style="list-style-type: none"> <li>recall legislation in the country of origin and the country of destination</li> <li>customer recall requirements and methodologies</li> </ul>	Ability to: <ul style="list-style-type: none"> <li>assess recall procedures and their application, including customer notification procedures</li> <li>test the recall procedure</li> <li>assess mock recall procedures</li> <li>identify gaps in recall procedures</li> </ul>
21	B1, D	Relevant Customers must be notified of the intention to withdraw product from sale within 60 minutes of the decision to withdraw product being made.	See FS20	See FS20
22	B1, D	A mock recall, including mass balance check, must be completed on product supplied to each Customer at least annually. 100% of product must be accounted for within two hours. An actual recall, conducted within the last 12 months, may be used provided the process and product has not changed.	See FS20	See FS20
<b>10.15 Allergens</b>				
23	B1, D	Where applicable, the most recent VITAL tool shall be used and VITAL assessments and associated documentation must be maintained.	As per GFSI 2.1.22 (see FS7)  Plus knowledge of: <ul style="list-style-type: none"> <li>the VITAL (Voluntary Incidental Trace Allergen Labelling) standardised allergen risk assessment tool</li> </ul>	As per GFSI 2.1.22 (see FS7)  Plus ability to: <ul style="list-style-type: none"> <li>apply the VITAL tool to produce commodities included in the scope of certification</li> <li>identify gaps in VITAL assessments</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
24	B1, D	Allergen statements on product labels must comply with Customer allergen labelling policies (where applicable). Approval shall be sought from the Customer when the allergen status of a product changes or allergen statements on product labels are altered. The Customer shall approve changes in writing before implementation occurs. Records of approval must be maintained.	<p>As per GFSI 2.1.22 (see FS7)</p> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• Customer allergen labelling policies and requirements</li> </ul>	<p>As per GFSI 2.1.22 (see FS7)</p> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess the application of customer labelling policies and requirements</li> <li>• identify gaps in the application of customer labelling policies and requirements</li> </ul>



FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.16 Equipment and maintenance</b>				

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
25	B1, D	<p>A log of equipment shall be developed and maintained, with multiple pieces of the same equipment individually identified. Workshop, storage areas and tools must be in good condition and must not present a risk to product. Wooden tools must not be used.</p>	<p>As per GFSI 2.3.15 for B1, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises and equipment</li> <li>• food safety contamination risks associated with the design and fabrication of food contact equipment</li> </ul> <p>As per GFSI 2.3.15.1 for B1, knowledge of:</p> <ul style="list-style-type: none"> <li>• measuring and monitoring equipment and devices used to measure food safety parameters for a given commodity or industry sector</li> <li>• calibration methods for prescribed measuring and monitoring equipment and devices</li> </ul> <p>As per GFSI 2.3.15.2 for B1, knowledge of:</p> <ul style="list-style-type: none"> <li>• types of materials suitable for construction of storage facilities</li> </ul> <p>As per GFSI 2.4.4 for D, knowledge of:</p> <ul style="list-style-type: none"> <li>• types of materials suitable for construction of food manufacturing and storage facilities</li> </ul> <p>As per GFSI 2.4.5 for D, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises and equipment</li> <li>• food safety contamination risks associated with the design and fabrication of food contact equipment, product storage and product transportation equipment</li> </ul>	<p>As per GFSI 2.3.15 for B1, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design and fabrication of food contact equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by food contact equipment.</li> </ul> <p>As per GFSI 2.3.15.1 for B1, ability to:</p> <ul style="list-style-type: none"> <li>• assess the appropriateness and effectiveness of devices used to measure food safety parameters</li> <li>• review and analyse calibration procedures and records</li> <li>• assess the appropriateness and effectiveness of calibration procedures</li> </ul> <p>As per GFSI 2.3.15.2 for B1, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the storage of equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by improper storage practices</li> </ul> <p>As per GFSI 2.4.4 for D, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the fabrication of food manufacturing and storage facilities</li> <li>• identify areas of potential product contamination or cross-contamination caused by building fabrication</li> </ul> <p>As per GFSI 2.4.5 for D, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design and fabrication of food contact equipment, product storage and product transportation equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by food contact equipment, product storage and product transportation equipment</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.17 Cleaning</b>				
26	D	A nominated member of the Management Team shall be responsible for managing the cleaning program.	<p>As per GFSI 2.4.12, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning hygiene of food facilities</li> <li>• the chemical action of detergents and sanitizers</li> <li>• microbiological resistance to detergents and sanitizers</li> <li>• allergen cleaning protocols for the removal of allergenic protein residue</li> <li>• cleaning and sanitation technologies and chemicals for a given industry sector, including wet cleaning, dry cleaning, foam cleaners, CIP</li> <li>• risk-based sanitation verification methods including (but not limited to) environmental swabbing, pre-operational checks, product testing, etc</li> <li>• environmental monitoring programs for high risk areas</li> <li>• backflow prevention methods</li> <li>• methods for verifying the effectiveness of cleaning</li> </ul>	<p>As per GFSI 2.4.12, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application, frequency, appropriateness, and effectiveness of cleaning and sanitation methods for a given product</li> <li>• analyse sanitation schedules and records</li> <li>• analyse environmental and product test results</li> <li>• implement an effective environmental monitoring program for high risk areas</li> <li>• evaluate the effectiveness of sanitation verification procedures for a given product</li> <li>• identify gaps in cleaning and sanitation procedures and verification protocols</li> <li>• determine if back flow preventative measures are in place</li> </ul>
27	D	Wire brushes, steel wool, sponges and other porous like items shall not be used in storage or packing areas of the facility. Where scouring pads are considered necessary for cleaning, they shall be of a contrasting colour and replaced after each use. Mops shall not be used in storage or packing areas, unless mop heads are replaced after each use. Squeegees shall be of single blade construction and maintained in a clean condition.	<p>As per GFSI 2.4.12 (see FS26)</p> <p>As per GFSI 2.4.9, knowledge of:</p> <ul style="list-style-type: none"> <li>• potential contamination sources</li> <li>• technologies associated with detection of contaminants including metal detectors, X-ray, sieves, filters, divert valves</li> <li>• calibration requirements for relevant technologies</li> <li>• preventative and corrective maintenance practices and technologies used for Preventative Maintenance programs</li> <li>• regulatory and product knowledge of chemicals used within a food manufacturing plant or storage and distribution facility, including detergents, sanitizers, processing aids, water treatment chemicals, and pest management chemicals</li> <li>• management of non-conforming product</li> <li>• evaluate procedures in place to adequately dispose of non-conforming product</li> </ul>	<p>As per GFSI 2.4.12 (see FS26)</p> <p>As per GFSI 2.4.9, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design, layout, and condition of production processes, storage facilities and transportation equipment.</li> <li>• assess the application and effectiveness of procedures in place to prevent product contamination</li> <li>• evaluate the appropriateness, application, and effectiveness of technologies used to detect contaminants</li> <li>• evaluate the application and effectiveness of calibration procedures for existing technologies</li> <li>• evaluate the appropriateness, application, and effectiveness of chemicals used for cleaning, water treatment, pest management, and other functions</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
28	D	Compressed air lines and high-pressure water hoses must not be used in the cleaning process unless it can be demonstrated that compressed air and high-pressure water have benefits that outweigh the risk of equipment and environmental contamination. Documented records of use must be maintained.	<p>As per GFSI 2.4.9, 2.4.12 (see FS27)</p> <p>As per GFSI 2.4.13, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning the potability, treatment, separation and handling of water used for food contact, steam and ice production, post-harvest washing, and personal hygiene</li> <li>• technologies and methodologies for water treatment</li> <li>• industry codes of practice for identification and storage of potable and non-potable water supplies</li> <li>• risks associated with cross-connections, non-return valves, age and condition of water lines</li> <li>• risks associated with air contaminants</li> </ul>	<p>As per GFSI 2.4.9, 2.4.12 (see FS27)</p> <p>As per GFSI 2.4.13: Ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application and effectiveness of methods used to treat and/or manage the potability of water used for food contact, steam and/or ice production, post-harvest washing, and personal hygiene</li> <li>• interpret water test results</li> <li>• identify and assess the separation of potable from non-potable water</li> <li>• identify gaps in the water quality program</li> <li>• identify gaps in the environmental control procedures</li> </ul>
29	B1, D	Cleaning staff must sign off against each individual work instruction each time cleaning is completed. The nominated member of the Management Team must confirm the cleaning has been completed to the required standard and sign off the record.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.18 Foreign object control</b>				
30	B1, D	A documented procedure for foreign object control shall be implemented. The procedure must include details of how control is maintained of soft (flexible) plastics, hard and brittle plastics, wood, cardboard and paper, glass and metal.	<p>As per GFSI 2.4.5, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises and equipment</li> <li>• food safety contamination risks associated with the design and fabrication of food contact equipment, product storage and product transportation equipment</li> </ul> <p>As per GFSI 2.4.9, knowledge of:</p> <ul style="list-style-type: none"> <li>• potential contamination sources</li> <li>• technologies associated with detection of contaminants including metal detectors, X-ray, sieves, filters, divert valves</li> <li>• calibration requirements for relevant technologies</li> <li>• preventative and corrective maintenance practices and technologies used for Preventative Maintenance programs</li> <li>• regulatory and product knowledge of chemicals used within a food manufacturing plant or storage and distribution facility, including detergents, sanitizers, processing aids, water treatment chemicals, and pest management chemicals</li> <li>• management of non-conforming product</li> <li>• evaluate procedures in place to adequately dispose of non-conforming product</li> </ul>	<p>As per GFSI 2.4.5, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design and fabrication of food contact equipment, product storage and product transportation equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by food contact equipment, product storage and product transportation equipment</li> </ul> <p>As per GFSI 2.4.9, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design, layout, and condition of production processes, storage facilities and transportation equipment.</li> <li>• assess the application and effectiveness of procedures in place to prevent product contamination</li> <li>• evaluate the appropriateness, application, and effectiveness of technologies used to detect contaminants</li> <li>• evaluate the application and effectiveness of calibration procedures for existing technologies</li> <li>• evaluate the appropriateness, application, and effectiveness of chemicals used for cleaning, water treatment, pest management, and other functions</li> </ul>
31	D	A register of necessary items permitted for use in specified packing and storage areas shall be developed, and controls shall be implemented to manage compliance to the list, including compliance by visitors and contractors.	As per GFSI 2.4.5, 2.4.9 (see FS30)	As per GFSI 2.4.5, 2.4.9 (see FS30)

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
32	D	Product must be subjected to foreign object detection as defined by the Customer. All foreign object detection systems must be appropriate and validated for the process employed and have an effective rejection device i.e. belt stops, air-jet etc.	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• Customer requirements for foreign body control and detection</li> </ul>	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess the implementation of customer requirements for foreign body control and detection</li> <li>• identify gaps in the implementation of customer requirements for foreign body control and detection</li> </ul>
33	D	Where metal detectors or other foreign object detection systems are used, checks of the equipment shall be conducted using a method defined and documented by the equipment manufacturer. The frequency shall be determined based on risk, or where applicable, by the Customer.	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>As per GFSI 2.1.20, knowledge of:</p> <ul style="list-style-type: none"> <li>• the parameters critical to ensuring food safety and to meeting regulatory requirements and customer specification for a given industry sector,</li> <li>• measuring and monitoring equipment and devices used to measure food safety parameters for a given industry sector</li> <li>• calibration methods for prescribed measuring and monitoring equipment and devices</li> </ul> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• Customer requirements for calibration of foreign body control and detection devices</li> </ul>	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>As per GFSI 2.1.20, ability to:</p> <ul style="list-style-type: none"> <li>• assess the appropriateness and effectiveness of devices used to measure food safety parameters</li> <li>• review and analyse calibration procedures and records</li> <li>• assess the appropriateness and effectiveness of calibration procedures</li> <li>• identify gaps in calibration procedures</li> <li>• verify the disposition of product assessed using equipment that is out of calibration</li> </ul> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess the implementation of customer calibration requirements for foreign body control and detection</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
34	D	Knives must be controlled in packing and storage areas. Cardboard packaging shall be opened using safe knives. Knives and blades sharpening must be conducted away from product and packaging. Knife and blade grinding and sharpening must not be completed in packing or storage areas. Used knives and blades must be disposed of in a way that prevents contamination of product and packaging. Knives shall be signed in and out of production for each shift and checked for integrity.	As per GFSI 2.4.5, 2.4.9 (see FS30)	As per GFSI 2.4.5, 2.4.9 (see FS30)
35	D	A sack and bag opening, decanting and resealing procedure shall be developed, documented and implemented to prevent the contamination of product with packaging materials during opening.	As per GFSI 2.4.5, 2.4.9 (see FS30)	As per GFSI 2.4.5, 2.4.9 (see FS30)
36	D	Detectable versions of equipment required in processing areas shall be in use (where available).	As per GFSI 2.4.5, 2.4.9 (see FS30)	As per GFSI 2.4.5, 2.4.9 (see FS30)
37	D	<p>The following items are not permitted to be used in production and storage areas, including offices located within these areas:</p> <ul style="list-style-type: none"> <li>• Metal office staples, paper clips or other metal office fastenings</li> <li>• Drawing or map pins, snap blades</li> <li>• Hole punches</li> </ul>	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>Plus knowledge of:</p> <ul style="list-style-type: none"> <li>• Customer requirements for tools and equipment not permitted inside production and storage areas</li> </ul>	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>Plus ability to:</p> <ul style="list-style-type: none"> <li>• assess customer requirements for tools and equipment not permitted inside production and storage areas</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
38	B1, D	Foreign object audits shall be implemented and conducted. The frequency of audits shall be defined, with this frequency based on risk. Findings of foreign object audits must be investigated with the results of the investigation and corrective actions documented. This includes reported items, findings from detection systems and foreign object audits. Foreign object findings shall be documented and trended to establish any common sources. Where appropriate, investigations involve liaison with raw material suppliers.	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>As per GFSI 2.1.11, knowledge of:</p> <ul style="list-style-type: none"> <li>• internal audit principles and practice</li> <li>• food safety verification activities appropriate to specific industry sectors</li> <li>• the principles of continuous improvement as applied to food safety management</li> </ul>	<p>As per GFSI 2.4.5, 2.4.9 (see FS30)</p> <p>As per GFSI 2.1.11, ability to:</p> <ul style="list-style-type: none"> <li>• read and interpret an internal audit schedule</li> <li>• evaluate the competence of internal auditors</li> <li>• evaluate the adequacy and frequency of the internal audit based on scope</li> <li>• read and review internal audit reports</li> <li>• identify gaps in internal audit practices and reports</li> <li>• verify that appropriate corrective actions are identified as necessary</li> <li>• verify corrective actions taken as a result of internal audits</li> </ul>



FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.19 Verification and validation</b>				
39	B1, D	A documented assessment and testing program must be implemented. Assessments and/or tests of microbiological, chemical and physical parameters shall be undertaken as per the criteria and frequency outlined by the Customer. Testing is completed by an ISO 17025 (or equivalent) accredited laboratory for the product category and test/s being undertaken. Records of testing are maintained.	As per GFSI 2.5.1, 2.5.2 (see FS10)  Plus knowledge of: <ul style="list-style-type: none"> <li>testing protocols for microbiological, chemical and physical parameters for the produce commodities included in the scope of certification</li> </ul>	As per GFSI 2.5.1, 2.5.2 (see FS10)  Plus ability to: <ul style="list-style-type: none"> <li>assess the application of testing protocols for microbiological, chemical and physical parameters for the produce commodities included in the scope of certification</li> <li>read test results</li> <li>identify gaps in the testing program</li> </ul>
40	B1, D	Chemical residue testing of produce destined for sale to the Customer shall be undertaken against MRLs as detailed in the Food Standards Code. Testing shall be completed by an ISO 17025 accredited laboratory or national standard for the product category and test(s) being undertaken. Records of testing must be maintained.  Where product is purchased from multiple growers, testing shall be completed at a minimum frequency of once per year/ season, or at a frequency defined by the Customer.	See FS39	See FS39

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
41	B1, D	Product assessments shall be completed as per the frequency defined by the Customer. If no frequency is defined, then assessments shall occur at a minimum of twice per product per production day, at the beginning and end of each product run. Non-conformance to criteria must be documented and corrective action undertaken, with the results made available to the Customer upon request. Customers shall be immediately advised of food safety issues. Further action shall be taken as agreed between the supplier and the Customer.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
42	B1, D	Documented checks of packaging, labelling and date coding shall be undertaken on each production line on each production day and when packaging replenishment occurs during a production or packing run. These checks shall be completed as per the frequency defined by the Customer. If no frequency is defined, checks shall occur at the start and end of each product per variant or pack size run. Records of the packaging checks must be maintained.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
43	B1, D	Current supporting and validation data for finished product specification information (including NIP test results, shelf-life test results, raw material specification, packaging material specifications) must be maintained.	See FS7 and FS12	See FS7 and FS12

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
<b>10.20 Growing</b>				
44	B1	Treated and untreated fertilisers and soil additives made from human effluent or biosolids are not permitted for use on growing sites or potential growing sites. Raw sewage flow into irrigation water sources is not permitted.	<p>As per GFSI 2.3.3, knowledge of:</p> <ul style="list-style-type: none"> <li>regulatory requirements for use of manure, bio solids and other natural fertilisers</li> <li>treatment procedures (e.g. composting, pasteurization, heat drying, uv irradiation, alkali digestion, sun drying)</li> </ul> <p>As per GFSI 2.3.4, knowledge of:</p> <ul style="list-style-type: none"> <li>regulatory requirements concerning soil conditions and hazards</li> <li>control measures for soil hazards</li> </ul> <p>As per GFSI 2.3.5, knowledge of:</p> <ul style="list-style-type: none"> <li>regulatory requirements concerning agricultural chemical use</li> <li>methods to determine the appropriateness of agricultural chemical use in accordance manufacturer's instructions, local regulations, and for the intended purpose</li> <li>methodologies to assess residue level</li> </ul>	<p>As per GFSI 2.3.3, ability to:</p> <ul style="list-style-type: none"> <li>evaluate the application and effectiveness of methods used to prevent or minimize contamination</li> <li>read and interpret composting (etc.) records</li> <li>interpret treatment test results</li> <li>identify gaps in the program</li> </ul> <p>As per GFSI 2.3.4, ability to:</p> <ul style="list-style-type: none"> <li>evaluate effectiveness of hazard assessment of soil conditions</li> <li>evaluate procedure in place to identify hazards in adjacent lands use and history of land use</li> <li>evaluate controls in place to reduce hazards to acceptable levels</li> <li>identify gaps in the program</li> </ul> <p>As per GFSI 2.3.5, ability to:</p> <ul style="list-style-type: none"> <li>read and interpret agricultural chemical labels</li> <li>interpret analysis reports</li> <li>identify gaps in the program</li> </ul>
45	B1	Suppliers who generate their own compost must be able to demonstrate production to the national standard (AS4454), or relevant national legislation, where it exists.	See FS44	See FS44
46	B1	If raw manure is being used it must be applied and incorporated into the soil no less than 90 days from the intended harvest date.	Audit requirement – no additional competency required	Audit requirement – no additional competency required

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
47	B1	In the case of where the harvestable part is growing in or in direct contact with the ground and has an edible skin and is generally eaten uncooked then the period shall be 180 days from the intended harvest date, unless the supplier is able to validate the safety of an alternate process.	Audit requirement – no additional competency required	Audit requirement – no additional competency required
49	B1	Each growing site, new or existing where risks have changed, shall have a documented assessment to ascertain its suitability for growing fresh produce. This assessment shall consider cropping, land use history, adjacent land use / industry and the need for soil testing (including microbial testing).	<p>See FS44</p> <p>As per GFSI 2.3.7, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises</li> <li>• potential contamination sources</li> <li>• production processes for a given commodity or crop</li> <li>• knowledge of commodity specific risks such as waste management, dust control, and pest management</li> <li>• the food safety risks associated with the location and environment, including potential air, water contamination, pest control, etc</li> </ul>	<p>See FS44</p> <p>As per GFSI 2.3.7, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the design and construction measures taken by the site to prevent, minimize or eliminate food safety hazards and risks</li> <li>• evaluate the application and effectiveness of the site and preventative and corrective maintenance program</li> <li>• evaluate the measures taken by the site to control actual or potential food safety risks due to the site or location</li> <li>• identify gaps in the program</li> </ul>
50	B1	Equipment used to irrigate shall be inspected to ensure it is in working order and flushed as required, before use.	<p>As per GFSI 2.3.9. knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements concerning the potability, treatment, separation and handling of water used for food contact, steam and ice production, post-harvest washing, and personal hygiene</li> <li>• technologies and methodologies for water treatment</li> <li>• industry codes of practice for identification and storage of potable and non-potable water supplies</li> <li>• risks associated with cross-connections, non-return valves, age and condition of water lines</li> </ul> <p>As per GFSI 2.3.15, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises and equipment</li> <li>• food safety contamination risks associated with the design and fabrication of food contact equipment</li> </ul>	<p>As per GFSI 2.3.9, ability to:</p> <ul style="list-style-type: none"> <li>• evaluate the application and effectiveness of methods used to treat and/or manage the potability of water used for food contact, steam and/or ice production, post-harvest washing, and personal hygiene</li> <li>• interpret water test results</li> <li>• identify and assess the separation of potable from non-potable water</li> <li>• identify gaps in the water quality program</li> </ul> <p>As per GFSI 2.3.15, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design and fabrication of food contact equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by food contact equipment.</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
51	B1	Water sources and irrigation sources shall be identified on a map or similar. This map must be updated when water sources change. This includes water used for hydroponic / indoor systems. Produce that comes into contact with floodwater shall not be sold.	As per GFSI 2.3.2, knowledge of: <ul style="list-style-type: none"> <li>• regulatory requirements for water storage and use in edible plant production</li> <li>• inherent hazards and risks associated with various sources of water (municipality, re-used irrigation water, well, open canal, reservoir, rivers, lakes, farm ponds etc)</li> <li>• methodologies to assess microbial and chemical quality and to prevent or minimize contamination</li> </ul>	As per GFSI 2.3.2, ability to: <ul style="list-style-type: none"> <li>• evaluate the application and effectiveness of methods used to prevent or minimize contamination</li> <li>• interpret water test results</li> <li>• identify gaps in the water quality program</li> </ul>
52	B1, D	Each water source used shall be tested based on risk assessment (at least annually) which includes temporary contamination situations where applicable, taking the characteristics of the crop into account.	See FS50	As per FS50
53	B1, D	Water sourced from recycled sources and schemes (i.e. class A recycled water) shall be identified and tested at a frequency defined by a risk assessment.	As per FS50	As per FS50

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
54	B1	An on-farm foreign object policy that includes all foreign object risks shall be developed and implemented.	<p>As per GFSI 2.3.18, knowledge of:</p> <ul style="list-style-type: none"> <li>• cross-contamination control measures appropriate to specific crops</li> <li>• technologies associated with detection of contaminants including metal detectors, x-ray, sieves, filters, divert valves</li> <li>• calibration requirements for relevant technologies</li> <li>• regulatory and product knowledge of chemicals used within an industry sector</li> <li>• management of non-conforming product</li> <li>• allergens and their management in given commodity sectors</li> <li>• knowledge of biological hazards and control methods in given commodity sectors</li> <li>• identity preserved foods and their management</li> </ul>	<p>As per GFSI 2.3.18, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the air, water, traffic and growing areas, and condition of harvesting processes</li> <li>• assess the application and effectiveness of procedures in place to prevent product contamination</li> <li>• assess the appropriateness of cross-contamination control measures and their effective implementation</li> <li>• evaluate the appropriateness, application, and effectiveness of technologies used to detect contaminants</li> <li>• evaluate the application and effectiveness of calibration procedures for existing technologies</li> <li>• evaluate the appropriateness, application, and effectiveness of chemicals used for cleaning, water treatment, pest management, and other functions</li> <li>• evaluate procedures in place to adequately dispose of nonconforming product</li> <li>• identify gaps in the grower’s procedures and practices to control product contamination</li> <li>• evaluate procedures in place to identify and control allergens and to prevent cross-contact of allergens</li> <li>• evaluate procedures in place to identify identity controlled foods</li> </ul>

FS #	GFSI Sector	Element	Required Auditor Knowledge	Required Auditor Skill
55	B1	Machinery and equipment used during the harvesting process shall be cleaned and maintained to avoid contamination of product (includes, but is not limited to knives, harvest aids, bins, and conveyors).	<p>As per GFSI 2.3.15, knowledge of:</p> <ul style="list-style-type: none"> <li>• regulatory requirements relating to food premises and equipment</li> <li>• food safety contamination risks associated with the design and fabrication of food contact equipment</li> </ul> <p>As per GFSI 2.3.15.1, knowledge of:</p> <ul style="list-style-type: none"> <li>• measuring and monitoring equipment and devices used to measure food safety parameters for a given commodity or industry sector</li> <li>• calibration methods for prescribed measuring and monitoring equipment and devices</li> </ul> <p>As per GFSI 2.3.15.2, knowledge of:</p> <ul style="list-style-type: none"> <li>• types of materials suitable for construction of storage facilities</li> </ul>	<p>As per GFSI 2.3.15, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the design and fabrication of food contact equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by food contact equipment.</li> </ul> <p>As per GFSI 2.3.15.1, ability to:</p> <ul style="list-style-type: none"> <li>• assess the appropriateness and effectiveness of devices used to measure food safety parameters</li> <li>• review and analyse calibration procedures and records</li> <li>• assess the appropriateness and effectiveness of calibration procedures</li> </ul> <p>As per GFSI 2.3.15.2, ability to:</p> <ul style="list-style-type: none"> <li>• assess the potential or actual food safety contamination risks associated with the storage of equipment</li> <li>• identify areas of potential product contamination or cross-contamination caused by improper storage practices</li> </ul>

**Quality / regulatory elements**

Q #	GFSI Sector	Element	Required Auditor Knowledge (draft – suggestions only)	Required Auditor Skill (draft – suggestions only)
<b>10.21 Specifications</b>				
1	D	Where the supplier develops a finished product specification, the specification shall include all relevant information required by the Customer and must comply with Australian legislation, including National Trade Measurement regulations and Australian Competition and Consumer law.	Knowledge of: <ul style="list-style-type: none"> <li>the quality inclusions required in raw material, ingredient, packaging material and service specifications or agreements for a given input or service</li> <li>regulatory trade measurement requirements in the country of origin and the country of destination</li> <li>consumer protection legislation and packaging law in the country of origin and the country of destination</li> <li>quality hazards and risk assessments for the produce commodities included in the scope of certification</li> <li>growing, packing and in-process storage processes for the produce commodities included in the scope of certification</li> </ul>	Ability to: <ul style="list-style-type: none"> <li>read and interpret specifications or agreements and associated process and procedure requirements</li> <li>assess the applicability of agreements</li> <li>identify gaps and omissions in available specifications or agreements</li> <li>verify the effective implementation of specifications and agreements</li> </ul>
<b>10.22 Calibration and weight checks</b>				
2	B1, D	The Customer shall define the frequency and method of verifying finished product weight. If requirements are not defined by the Customer, all finished product shall meet the minimum net label weight / volume / count at end of shelf life.	See Q1  Plus knowledge of: <ul style="list-style-type: none"> <li>customer requirements concerning quality inclusions required in raw material, ingredient, packaging material and service specifications or agreements for a given input or service</li> <li>customer requirements concerning trade measurement</li> </ul>	See Q1  Plus ability to: <ul style="list-style-type: none"> <li>identify gaps in customer requirements for trade measurement or quality inclusions</li> </ul>
3	B1, D	All Customer-branded packed product shall be subjected to 100% inspection to verify label weight, using check-weighing systems.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>



Q #	GFSI Sector	Element	Required Auditor Knowledge (draft – suggestions only)	Required Auditor Skill (draft – suggestions only)
4	B1, D	All other packed product must be either subjected to 100% inspection using check weighing systems or manually weighed at a frequency of no less than one unit every 15 minutes or one unit every 30 products. Records of weight checks must be maintained.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
5	B1, D	Where in-line / automated check weighers of finished product are in use, records of weight checks shall be maintained for the start, middle and end of every production run for every product pack size.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
6	B1, D	Bulk products must equal the weight or count as stated on the Customer's finished product specification and the shipper carton / crate. Records of weight checks must be maintained, at a minimum, at the start, middle and end of each production run of each bulk carton size.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
7	B1, D	A procedure shall be implemented to ensure scales and check weighers (used for retail prepacks and bulk loose product) are verified for accuracy at a defined frequency (no less than once per day before commencement of production day). Records of verification must be maintained.	Knowledge of: <ul style="list-style-type: none"> <li>measuring and monitoring equipment and devices used to measure weight, volume, counts, and quality parameters in the produce sector</li> <li>calibration methods for prescribed measuring and monitoring equipment and devices</li> </ul>	Ability to: <ul style="list-style-type: none"> <li>assess the appropriateness and effectiveness of devices used to measure weight, volume, counts, and quality parameters</li> <li>review and analyse calibration procedures and records</li> <li>assess the appropriateness and effectiveness of calibration procedures</li> <li>identify gaps in calibration procedures</li> <li>verify the disposition of product assessed using equipment that is out of calibration</li> </ul>

Q #	GFSI Sector	Element	Required Auditor Knowledge (draft – suggestions only)	Required Auditor Skill (draft – suggestions only)
8	B1, D	Procedures shall be in place to calculate and verify packaging tares used at a suitable frequency to ensure the actual product net weight / volume is measured accurately.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>
9	B1, D	Certified test weights shall be used to verify scale and check-weigher accuracy. If in-line or check-weighers do not allow for the use of test weights, the certified test weight must be used as part of a cross-reference method.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

Q #	GFSI Sector	Element	Required Auditor Knowledge (draft – suggestions only)	Required Auditor Skill (draft – suggestions only)
<b>10.23 Product sold or given to staff</b>				
10	B1, D	Customer-branded product must not be sold through staff, factory or other retail outlets unless branding is removed. When product is given freely to staff, Customer branding shall be completely removed. If packaging / branding cannot be removed from staff giveaways, Customer branding shall be defaced and / or marked as 'Factory Second - Not For Sale'. All product sold or given freely to staff must comply with relevant Federal and State legislation.	<i>Audit requirement – no additional competency required</i>	<i>Audit requirement – no additional competency required</i>

Options for including insurance outlier:

1.1	B1, D	A Certificate of currency evidencing Product and Public Liability Insurance of such an amount as considered acceptable by the Customer shall be maintained as a controlled record. Each relevant Customer must confirm any variation to this requirement in writing.		
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1.2	B1, D	A Certificate of currency evidencing Product and Public Liability Insurance of AU\$10 million dollars shall be maintained as a controlled record. Each relevant Customer must confirm any variation to this requirement in writing.		
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