

Why join the Supply Chain Initiative?

My company has limited resources and I fear that registering to the SCI might be too burdensome.

Participation in the Supply Chain Initiative (SCI) is totally <u>free of charge, voluntary and entails</u> <u>limited administrative burden</u>! By signing up you get access to a set of free <u>support materials</u> that will facilitate the implementation of your commitments, including a self-assessment tool kit and dedicated website.

If your company is an <u>SME</u>, you benefit from a light registration procedure:

O Micro and small enterprises only need to register to demonstrate their commitment to the SCI and the Principles of Good Practice. Nothing more. You will be invited to take part in a brief annual survey, but your participation is not compulsory;

O Medium-sized enterprises must register and also need to carry out a simple self-assessment and a basic training of the people involved in negotiations. To facilitate this, there is an online targeted self-assessment tool and a beneficial rate for its use. No independent contact person is necessary where scarce resources would make this too difficult. Medium-sized companies must take part in the brief annual survey.

More information for SMEs, available in all EU languages here: <u>http://www.supplychaininitiative.eu/are-you-sme</u>

> At the moment, my company has no problem with its business partners.

The SCI's objective is to keep it this way!

By registering to the SCI you demonstrate that your company is committed to good business relationships. All registered companies commit to the <u>Principles of Good Practice</u>¹ which respect contractual freedom and foster competitiveness, and to solve any complaints from trading partners in a rapid and cost-efficient manner. The ultimate goal of the SCI is to bring a genuine culture change in business-to-business practices which will benefit all players in the food supply chain.

¹ <u>http://supplychaininitiative.eu/about-initiative/principles-good-practice-vertical-relationships-food-supply-chain</u>

My company experiences unfair trading practices but I don't see how the SCI could help.

The SCI can help your company in several ways:

<u>Reputation</u>: By signing-up you will signal to your customers, your suppliers and other important stakeholders that you are committed to build fair relations throughout the food supply chain.

<u>Tailored</u>: Both the list of good commercial practices and the implementation framework have been elaborated by and for the companies in the food and drink supply chain. You will therefore benefit from a system tailored to your needs and specificities.

O <u>Transparency</u>: Irrespective of your company's size, you will benefit from a set of fast and cost-effective dispute resolution options.

<u>Impartial dispute resolution</u>: The Independent Chair of the Supply Chain Initiative ensures an impartial dispute resolution mechanism in case you are involved in an aggregated dispute and also promotes good practices across the supply chain through issuing relevant guidance.

O <u>EU-wide scope</u>: The same voluntary rules apply to all signatory companies along the food supply chain and throughout the EU.

<u>Speed</u>: If your trading partner has also signed up, as many of the large companies in the food supply chain have, you have immediate access to a rapid and cost-effective method to solve any problems that may arise.

I fear retaliation from my business partners if I use the SCI system

You can really feel free to bring up disputes – individual and aggregated - without fear of retaliation as the SCI system is based on the naming and shaming principle. Therefore, the consequences of retaliation would be very damaging for the reputation of a signatory company.

