

GUIDELINE – BUILDING VISIBILITY OF SUPPLY CHAINS

Background:

Agriculture faces significant social, environmental, and economic challenges. Tackling these challenges no longer falls solely to NGOs and government – they now firmly sit as a responsibility for business. The expectations on business will only continue to escalate. But these challenges also provide an opportunity for the juice sector – to demonstrate the commitment of juice businesses to having a positive impact on their supply chains. This all starts with having clear and confident visibility of those supply chains, all the way back to source.

This Guideline is part of the BFJA sustainability toolbox, developed exclusively for BFJA members.

This is not meant to be an exhaustive guide. The objectives of this guide are:

- To highlight some key themes for members to include in their sourcing strategy
- To help a business with where to start
- To inspire a business which has already started, to go even further

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1. Why is building visibility important – what are the benefits for a business

<p>Protect the juice industry reputation</p>	<p>Juice businesses using supply chain visibility to actively work on sustainability demonstrates the positive commitment of the juice industry to positive impact</p>
<p>Protect business and brand</p>	<p>This is protecting both revenue and reputation. The level of robustness needed for sustainability is fast catching up to level of robustness needed for food safety and quality.</p>
<p>Protect business security of supply</p>	<p>Supply chain visibility provides knowledge of the key risks, but also enables more proactive and informed supply pipeline mitigation plans to be actioned.</p>
<p>Improve supplier performance</p>	<p>This is driven through closer relationships, but also being clearer with suppliers on where the focus needs to be.</p>
<p>Meet customer expectations</p>	<p>Customer requirements are increasingly demanding evidence of visibility of and active work on the full supply chain back to source. These can be brand-specific, and also deep dive on a specific topic e.g., carbon foot printing, rather than being broad brush.</p>
<p>Support food safety and quality</p>	<p>Supply chain visibility also enables a closer focus on food safety and quality topics.</p>
<p>Comply with increasing legislation</p>	<p>The demands on business are rapidly growing. For example:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Modern Slavery Act <input type="checkbox"/> EU Corporate Sustainability Reporting Directive CSRD <input type="checkbox"/> EU Corporate Sustainability Due Diligence CSDDD <input type="checkbox"/> UK CMA (Competition and Markets Authority) <input type="checkbox"/> FCA Climate-related financial disclosure <input type="checkbox"/> Upcoming UK Sustainability Disclosure Requirements SDR <p>If these are not relevant directly for your business, they are likely to be relevant for your customers, who will pass expectations onto juice businesses that supply them.</p>

2. What are the main hurdles or challenges to achieving supply chain visibility

There is real value in a business being aware of the potential hurdles – this can help a business proactively plan ahead and strategise on mitigation plans, including getting the right resources to hand.

- a. **Complex supply chain structures** – the structures of supply chains can be complex, variable, and changeable. With multiple supply chain steps, it can be challenging to get full visibility. Fruit is often sourced from a wide pool of farmers, with a high degree of diversity in production systems and local contexts.
- b. **Language and culture** – language can be a practical barrier to building relationships and accessing the right information. And not understanding the local culture can mean important nuances are missed, which can be critical to unlocking solutions.
- c. **Lack of trust to be transparent** – trust is built up over time, through demonstration of partnership and authentic commitment, and is fundamental to supply chain partners being comfortable to be open about the realities and facts in a supply chain.
- d. **Changing standards and circumstances** – whilst some themes will be constant, supply chain conditions are subject to constant change.
- e. **Suppliers overloaded with requirements** – there are likely to be lots of demands on suppliers from multiple customers (such as information requests, questionnaires, audits, visits, action plans), all needing time and resource from the supplier. A business needs to find the right way to cut through this with their supplier.
- f. **Lack of automation and connected systems** – linked to the above point and exacerbated by a duplication of demands on the same supplier from multiple customers, the lack of easy and efficient technology and information systems can be a barrier.
- g. **Scale & complexity of issues** – this can be daunting for a business, and confusing to work out where to start
- h. **Changing focus from customers** – customer demand can sometimes establish the focus areas, and sometimes these are driven by what are current hot topics, which can fluctuate.
- i. **Requires long term and partnership approaches** - this can sometimes be at odds with commercial realities or the maturity of a supply chain.

Whilst this can look like an overwhelming set of hurdles, understanding them upfront, and having simple but robust mitigation plans in place, can set a business up for success.

3. What does a business need in order to start (the essential ingredients for the visibility journey)

Achieving supply chain visibility (and using this to make meaningful improvements and have a positive impact) is a long term and continuous activity, rather than a one-off. Diving straight into a supply chain could set a business off on the wrong track – get these essential ingredients in place, to be as resource-efficient and effective as possible.

Business commitment	Commitment from your business and buy-in from senior leaders that this is a priority
Resource and budget	Use the business commitment to get resource and budget allocated to support the supply chain visibility work
Cross-functional approach	Supply chain visibility is most effective when cross-functional teams are working together – procurement, technical (food quality and safety) and sustainability. This also enables strong relationship building with suppliers.
Local knowledge	Invaluable. This helps to understand the realities and local context, and navigate the language and culture barriers.
Boots on the ground	Nothing replaces the value of walking the supply chain. This also helps to build relationships and demonstrate to supply chain partners you are genuinely committed as a business.
Resilience	Supply chain visibility will never be achieved if a tick box approach is used – it must be underpinned by long term thinking. Even with the best mitigation plans in place, you will hit unexpected hurdles, and possibly uncover even more complex issues.
Curiosity and agility	You will need to dig ‘below the surface’ to really understand your supply chain; and be prepared to try different approaches.
Tools	Smart, easy to use tools e.g., on measurement, assessment, data collection. And the more these can be used by others too, the better (reducing the resource load on suppliers).

4. Practical steps you can take to build visibility

<p>Start with desk-based research</p> <p>There is a wealth of information (e.g., databases by country, often by sector or even crop). Whilst it may not be specific to your supply chain, it can help to understand the risks and priorities, and where to start</p>	<p>Engage your supplier(s)</p> <p>Get them on board, and help them to understand the why and what's in it for them</p>
<p>Set your standard(s)</p> <p>Establish what good looks like for your business – what's your "sustainability standard". Note this could be different for different crops or regions:</p> <ul style="list-style-type: none"> <input type="checkbox"/> a continuous improvement tool (e.g., SAI Platform FSA) <input type="checkbox"/> a certification standard <input type="checkbox"/> a customer standard <input type="checkbox"/> etc. 	<p>Look for collaborations</p> <p>Working with others can provide stronger and longer-term solutions, especially when dealing with complex or endemic issues. And ideally use industry or sector-based standards and tools to reduce duplication.</p>
<p>Map the supply chain structure</p> <p>Map the entire supply chain structure, from where its grown and then every step the fruit moves through along the supply chain. Use this to identify where your gaps are, and where the grey or risky steps are.</p>	<p>Visit each step of the supply chain</p> <p>Ask questions on core topics as a starting point. Visit a range of farms, at different times of the season, and certainly in peak season. Talk to a range of local organisations such as NGOs. 'If it's too good to be true, it probably is' - dig further, stay curious.</p>
<p>Relationship building</p> <p>Build trust and demonstrate commitment and long-term thinking (within the commercial reality). Use this to uncover the local context (e.g., when is it child work vs child labour).</p>	<p>Lean into tools and systems</p> <p>Look for systems, technology, and automated software to make it easy. It's useful to have simple templates to consistently capture the right information.</p>
<p>Establish the business case</p> <p>This will be important to feed back to and continue to engage business leaders, and also key suppliers.</p>	<p>Manage customer expectations</p> <p>Whilst a synthesised snapshot is useful to feed back on, also bring to life the complexity and local insights. Customers will value this and recognise this as your commitment and expertise.</p>

5. Helpful do's and don'ts

These top tips have come from BFJA members who have been actively working on visibility and improvements in their supply chain.

- **Every supply chain is different – so no one size fits all.** Be prepared to use different tools and mechanisms, and adapt and evolve as you go.
- **Don't go it alone.** Look for pre-competitive collaborations you can join, local initiatives already happening on the ground, and where businesses are working together on similar topics or in similar regions.
- **Think holistically.** Always consider all three strands of sustainability – social, environmental, and economic. All three work together and are linked and influence each other. Just thinking with a single lens could result in some unintended negative or unhelpful consequences on the other strands. And all three importantly play a part in food security, and hence security of supply.
- **Identify where you can start to make change.** There can be multiple topics in scope, and often sustainability topics are interconnected (for example, reflected in 17 Sustainable Development Goals SDGs). So, it's essential to simplify, prioritise, and take a phased approach. Even if it's a 10% change as a start – get going, rather than waiting until you have all the answers.
- **It's all about continuous improvement.** Celebrate the wins as you go – this is important in keeping up team engagement, both for internal teams but also for suppliers in the supply chain.
- **Understand the risks.** This is essential to ensuring the business focuses on the right topics and can prioritise in an informed way.
- **Think circular economy versus linear economy.** The more circular the solution, the more likely it will be the right long-term solution and will bring economic value.

6. Some useful resources

There are many useful resources out there to tap into, especially to help with prioritising. Here are some to help a business make a start, or to continue to build on an already established toolbox.

BFJA resources:

- A guide to writing your Modern Slavery Statement
- Sustainability external resources and guidance
- Supplier Questionnaire based on SDGs

Online resources and tools:

- UN Human Rights Watch and Index
- Maplecroft risk database
- SEDEX (and SMETA audits)
- WWF biodiversity risk filter and water risk filter
- IDH Sustainable Initiative Fruit & Veg (SIFAV) risk country classification

Continuous improvement tools, standards, and assurance schemes:

- SAI Platform Farm Sustainability Assessment (FSA)
- LEAF
- Red Tractor
- Rainforest Alliance
- Fair trade
- Soil Association Organic Standard

Target and Measurement schemes:

- SBTI Science Based Targets Initiatives
- GHG Protocol

Organisations:

- IFU working group
- AIJN Fruit Juice CSR Platform
- Beverage Industry Environmental Roundtable (BIER)
- SAI Platform
- Local NGOs
- Local research institutions
- Farm advisor/agronomist networks

Other references:

- Sustainable Development Goals (SDGs)