

Section 1: company obligations

<i>Company obligations under the EU Voluntary Framework</i>	<i>Obligations under national scheme</i>	<i>Assessment of compatibility</i>	<i>Suggested resolution</i>
<p><u>Registration</u> Company registration by executive(s) having the power to commit the whole company in the EU including all subsidiaries in the EU.</p>	<p>The adherence to the Belgian Scheme is of voluntary nature.</p> <p>224 companies, of which</p> <ul style="list-style-type: none"> • 42 compound feed companies (BEMEFA) • 166 companies from the Food industry (FEVIA-BABM) • 16 companies from the distribution sector (COMEOS) <p>For a number of partner organisations the signature of the Chairman is binding for all their members. This is the case for ABS, BOERENBOND, FWA, UNIZO and UCM.</p>	<p>The adherence to the Belgian code is very similar to the provisions of the voluntary agreement.</p>	<p>We prepared a commitment statement for new entrants (SME) in accordance to the rules under the EU Voluntary framework. SME Companies having already joined the Belgian code will be covered by the European Supply chain Initiative unless they explicitly refuse.</p> <p>Large Companies (LC) will be invited to join directly the European scheme.</p> <p>Companies joining the European Supply Chain initiative will automatically be accepted for the Belgian Code.</p>
<p><u>Geographical scope</u> “Registered companies are expected to implement the principles throughout their organisations independently of the geographical origin of their business counterpart provided that the obligations under the contract are to be performed in the EU”; “SMEs based outside the EU may resort to the dispute resolution</p>	<p>The Belgian code applies to all links in the chain and to all operators (both on the side of purchasers and of suppliers);</p> <p>It covers activities in Belgium of companies operating in Belgium.</p>	<p>Although the provisions are constructed differently, they are compatible. The geographical coverage of the Belgian code and the voluntary agreement vis-à-vis suppliers is the same.</p> <p>The provisions of the Belgian code do not apply to supply contracts outside</p>	<p>The Belgian code has been conceived for cases in Belgium risen by Belgian companies. Aggregated complaints issued concerning cases occurring outside Belgium or cross border issues will be examined by the Belgian Committee and referred to, to The European supply chain initiative if necessary.</p>

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<i>options (...) as long as the obligations under the contract are to be performed in the EU”</i>		<i>Belgium.</i>	
<u>Product scope</u> <i>“This framework applies only to food (fresh and processed) and drink products.”</i>	<i>The Belgian code applies to food (fresh and processed) and drink products.</i>	<i>Total compatibility between the Belgian code and the voluntary agreement.</i>	No action required.
<u>Self-assessment</u> <i>“Before registering companies must carry out a self-assessment by reviewing their internal procedures to ensure compliance with the principles” including training, dispute resolution options, communication, internal contact person</i>	<i>The Belgian code does not provide for a self-assessment procedure</i>	<i>There is no compatibility on self-assessment</i>	<i>We invite LCs to integrate the European supply chain initiative. We take to their attention this obligation in the letter inviting them to join the European SCI</i> <i>SME adherents to the Belgian code will receive training through the Belgian Federations.</i>
<u>Designated contact point</u> <i>“Each registered company will also designate a contact person for any follow-up actions such as monitoring.”</i>	<i>Not covered by the Belgian code. In practice it is reported that companies do put such contact points in place.</i>	<i>Not explicitly mentioned but not incompatible</i>	We included this obligation in the commitment statement for new entrants. (SME) In the case of SME’s we assume the CEO is the contact person
<u>Compliance officer</u> <i>“Participating companies will be required to prepare for the dispute resolution procedure.....and to</i>	<i>Not covered by the Belgian code</i>	<i>Not explicitly mentioned but not incompatible</i>	We included this obligation in the commitment statement for new entrants. (SME)

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<p><i>designate a contact point at the moment of registration.</i></p> <p><i>The designated contact point must be independent from the commercial negotiation and is responsible for issues related to the resolution of disputes.</i></p>			<p><i>In the case of SME's we assume the CEO is the compliance officer</i></p>
<p><u>Training</u></p> <p><i>"Participating companies will be required to set-up and/or adapt training to ensure compliance with the principles of good practice."</i></p>	<p><i>Not covered by the Belgian code</i></p>	<p><i>Not explicitly mentioned but not incompatible</i></p>	<p><i>This obligation is included in the letter inviting LCs to join the European scheme.</i></p>
<p><u>Information to suppliers</u></p> <p><i>"Registered companies are required to inform business partners of their participation in the framework. Companies are free to choose the means by which this is done".</i></p>	<p><i>The names of the registered companies are published on the websites of the partner organisations</i></p>	<p><i>Full compatibility</i></p>	<p><i>For SME companies the Federation will take the necessary action.</i></p> <p><i>LC's will be informed in the inviting letter mentioned above.</i></p>
<p><u>Dispute settlement</u></p> <p><i>The voluntary agreement envisages four modes of dispute settlement:</i></p> <ul style="list-style-type: none"> <i>• Commercial track</i> <i>• Contract options</i> <i>• Internal dispute resolution</i> <i>• Mediation</i> 	<p><i>The Belgian code is based on mediation and consultation as instruments for dispute settlement. It states:</i></p> <ul style="list-style-type: none"> <i>• Purchasers and suppliers recognize the possibility of using mediation, with consent of each party on the name of the</i> 	<p><i>The Belgian code is not fully in accordance with the voluntary agreement. A delay is not imposed in case of mediation, arbitration and traditional jurisdictional methods.</i></p> <p><i>The tiered approach (4 step approach) is not explicitly present in the Belgian code.</i></p>	<p><i>We have included in the Belgian code the four step approach of the dispute settlement procedure. We decided not to impose a delay.</i></p>

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<ul style="list-style-type: none"> • Arbitration • “Jurisdictional” methods. <p>The complainant may choose the method. However</p> <ul style="list-style-type: none"> • There is a presumption that complainants “are expected to resort first to the options that are less adversarial and costly”. • Mediation and arbitration require the consent of both parties. <p>Disputes should be settled within 4 months “with the exception of disputes solved through mediation, arbitration and traditional jurisdictional methods”.</p>	<p>mediator.</p> <ul style="list-style-type: none"> • Purchasers and suppliers are resolutely dedicated to the consultation model as a strategy to resolve disputes in their relations. • The Belgian code does not incorporate a settlement delay. 		
<p><u>Aggregated disputes (see section#2 below)</u></p>	<p>The Committee managing the code does not involve with individual cases. If an incident has a broader scope the undersigning parties inform each other with copy to the Chairman of the Committee. The Chairman holds a record of the incidents. The occurrence of the incidents is evaluated by the full Committee</p>	<p>The Belgian code covers aggregated disputes.</p>	<p>No action required.</p>

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<p><u><i>Breaches of process commitments</i></u> <i>"A permanent procedure will enable companies to flag issues with process commitments arising with registered companies. The governance group will deal with these issues".</i></p>	<p><i>See above. Companies flag issues with the responsible CEO of their respective organisation. The governance group (The Committee) does not involve with individual cases at this moment.</i></p>	<p><i>The code has to be adapted. Total compatibility</i></p>	<p><i>We have adapted the Belgian code (on 10 June 2014). 'The Committee' is now also competent for dealing with individual cases of breaches of process commitments.</i></p>
<p><u><i>Reporting requirements</i></u> <i>"there will be a simple survey (...) to serve as a basis for evaluation and compliance". It will be based on:</i></p> <ul style="list-style-type: none"> <i>• Training</i> <i>• Reporting on dispute resolution options (#complaints lodged and received, principles allegedly breached, method for dispute resolution, satisfaction)</i> <i>• Communication</i> <p><i>Reporting is national</i></p>	<p><i>The Belgian code stipulates:</i></p> <p><i>The Committee writes on the basis of the contributions of sector organizations, an annual report in a generic way, without mention of individual names.</i></p> <p><i>...</i></p> <p><i>Follows in its evaluation the basic principle "comply or explain"</i> <i>"Comply or explain" means that both purchasers and suppliers can - in their "declaration of equitable relationships between suppliers and purchasers" - provide for exceptions to the recommendations of this code as long as they clarify their policy on this.</i></p> <p><i>The report is broadly communicated to the members of the undersigning parties.</i></p>	<p><i>The Belgian code works according the Voluntary agreement.</i></p>	<p><i>We include in the Commitment statement the obligation to respond to the survey of the European supply chain initiative.</i></p>

Section 2: national platforms

“Signatories (...) will encourage the establishment of similar procedures involving stakeholder associations at national level”

Countries where there is a national platform are asked to fill in this table; where there is no platform, you can seek guidance through the dedicated document created by the Governance Group to that effect.

EU level requirements	Obligations under national scheme	Assessment of compatibility	Suggested resolution
<u>Composition of EU Governance Group</u> <ul style="list-style-type: none"> • Farmers and agri-cooperatives¹ • Agricultural traders • Food and drink industry • Brands • Retail • SMEs 	<i>The Belgian code was signed by BEMEFA (compound feed), the AGROFRONT (Boerenbond, ABS and FWA) i.e. farmers associations, UNIZO (SME’s Flanders), FEVIA (Food and Drink Industry including brands), UCM (SME’s Wallonia) and FEDIS (Retail)</i>	<i>Fully compatible</i>	No action required.
<u>National platforms</u> <i>Purpose is to analyse disputes regarding a serious breach of the principles that affects several members of an interest group represented in the EU level governance group. (see definition of aggregated disputes).</i>	<i>The Committee can discuss this issues.</i>	<i>Not yet provided for.</i>	The code has been adapted on 10 June 2014.
<u>Issuing guidance and interpretation</u> <i>National platforms must communicate to the EU governance</i>	<i>The Committee can discuss this issues.</i>	<i>Not yet provided for.</i>	The Committee will issue the necessary communication

¹ These seats will be reserved for the associations representing farmers and agri-cooperatives if and when they join the EU level framework

Methodology for assessing the interaction of a national scheme with the EU level voluntary initiative
 FINAL dated 31 May 2013/ adapted by CB on 5 November 2014

EU level requirements	Obligations under national scheme	Assessment of compatibility	Suggested resolution
<p><i>group any guidance and interpretation (on the principles) within 10 working days.</i></p>			<p><i>when applicable.</i></p>
<p><u><i>Relations between EU and national levels</i></u> <i>“The governance group will only appreciate issues that have an EU cross-border dimension or issues with a national scope as long as there is no national equivalent option to deal with it in an aggregated and anonymous way.”</i></p>			

Section 3: principles of good practice

EU level Principles of good practice	Substantive obligations under national scheme	Assessment of compatibility	Substantive requirements of the EU level principles not covered by national scheme
<u>Consumer interest</u>	<i>implicitly</i>	Compatible	none
<u>Freedom of contract</u>	<i>implicitly</i>	Compatible	none
<u>Fair dealing</u>	<i>implicitly</i>	Compatible	none
Written agreements <i>“Agreements should be in writing, unless impracticable, or where oral agreements are mutually acceptable and convenient. They should be clear and transparent, and cover as many relevant and foreseeable elements as possible, including rights and procedures for termination.”</i>	The <i>Belgian Code stipulates:</i> <ul style="list-style-type: none"> <i>Purchasers and suppliers establish a written agreement with clear conditions (if necessary with the mode of compensation) of which each party can take prior knowledge.</i> 	Compatible	none
Predictability <i>“Unilateral change to contract terms shall not take place unless this possibility and its circumstances and conditions have been agreed in advance. The agreements should outline the process for each party to discuss with the other any changes necessary for the implementation of the agreement or due to unforeseeable circumstances, as</i>	<ul style="list-style-type: none"> <i>Purchasers and suppliers do not impose unilateral changes to conditions of contracts.</i> 	Compatible, Belgian code even more strict than the Voluntary agreement	none

EU level Principles of good practice	Substantive obligations under national scheme	Assessment of compatibility	Substantive requirements of the EU level principles not covered by national scheme
<i>provided in the agreement.</i>			
<p><u>Compliance</u> <i>“Agreements must be complied with.”</i></p>	<ul style="list-style-type: none"> <i>Purchasers comply with the application of contractually agreed or legally binding terms of payment, taking into account the time of transfer of property that can vary by industry or product.</i> 	<p>We have to adapt our code.</p>	<p>The code has been adapted and states “... should comply with all contractually agreed clauses”.</p>
<p><u>Information</u> <i>“Where information is exchanged, this shall be done in strict compliance with competition and other applicable laws, and the parties should take reasonable care to ensure that the information supplied is correct and not misleading.</i></p>	<p><i>Not explicitly mentioned in the Belgian Code</i></p>	<p>Is part of the National Law.</p>	<p>The code has been adapted on 10 June 2014.</p>
<p><u>Confidentiality</u> <i>Confidentiality of information must be respected unless the information is already in the public or has been independently obtained by the receiving party lawfully and in good faith. Confidential information shall be used by the recipient party only for the purpose for which it was communicated.</i></p>	<p><i>Not covered by the Belgian code</i></p>	<p>Not covered by the Belgian code.</p>	<p>The Belgian Code has been adapted on 10 June 2014.</p>
<p><u>Responsibility for risk</u></p>	<p><i>The Belgian code stipulates:</i></p>	<p>Not entirely covered but in</p>	<p>The Belgian code has been</p>

EU level Principles of good practice	Substantive obligations under national scheme	Assessment of compatibility	Substantive requirements of the EU level principles not covered by national scheme
<i>All contracting parties in the supply chain should bear their own appropriate entrepreneurial risk”.</i>	<i>Purchasers comply with the application of contractually agreed or legally binding terms of payment, taking into account the time of transfer of property that can vary by industry or product.</i>	accordance to the Belgian law, each contracting party is baring his own entrepreneurial risk.	adapted on 10 June 2014.
<u>Justifiable request</u> <i>“A contracting party shall not apply threats in order to obtain an unjustified advantage or transfer an unjustified cost.”</i>	<i>Not covered in these words by the Belgian code. This would be an example of an incident to be evaluated by the Committee if recurrent.</i>	Not covered.	The Belgian code has been adapted on 10 June 2014.

Section 4: examples

Examples - Illustrations	Substantive obligations under national scheme	Assessment of compatibility	Substantive requirements of the EU level principles not covered by national scheme
<i>Agreements – written/unwritten</i>	yes	compatible	none
<i>General terms and conditions</i>	yes	compatible	none
<i>Termination</i>	yes	compatible	none
<i>Contractual sanctions</i>	yes	compatible	none
<i>Unilateral actions</i>	yes	compatible	none
<i>Information</i>	yes	compatible	none
<i>Entrepreneurial risk allocation</i>	no	Not compatible	Code is adapted
<i>Listing fees (upfront access payment)</i>	<i>Implicitly covered</i>	compatible	none
<i>Threatening business disruption</i>	<i>Implicitly covered</i>	compatible	none
<i>Tying</i>	<i>Implicitly covered</i>	compatible	none
<i>Delivery and reception of goods</i>	<i>Implicitly covered</i>	compatible	none