



## Belgian Agro Food Chain moves up a gear

Since 2009 the Belgian Agro Food Chain brings, on a voluntary basis, the different links of the Agro Food Chain – in particular delivery, agriculture, food industry, commerce and distribution - round the table in order to discuss joint problems and challenges and work on the sustainable development of the Belgian Agro Food Chain. Attention is given to a balanced and stable framework in the interest of each link of the chain and of the consumer and the society.

### Code of conduct recognized by European Initiative

In 2010 the partners of the Belgian Agro Food Chain have written and endorsed a code of conduct for fair relations between purchasers and suppliers in the Agro Food Chain. As an export driven sector we always strived to register this Belgian initiative into a European framework. In this respect the Belgian code of conduct was adapted in 2014 in order to ensure the equivalence with the European Supply Chain Initiative.

Till today 224 companies have endorsed the code of conduct: 42 from the compound feed sector (BEMEFA), 166 companies from the food industry (FEVIA) and 16 retail companies (COMEOS). The members of ABS, Boerenbond, FWA, UNIZO and UCM have joined collectively via the endorsement of the code of conduct by the chairman of these organizations. These organizations do not publish member lists, but one can always ask whether a specific company is a member of one of these organizations or not.

### Dispute settlement according to “Comply or explain”

Within the framework of the 11 recommendations for “fair commercial practices” from the Belgian code of conduct, alleged violations following unbalanced market relations can be raised with the governance group via the concerned federations. This group was set up within the Belgian Agro Food Chain consultation, where a suitable solution for all concerned parties is actively sought for by mutual agreement. For that reason the Belgian Agro Food Chain consultation uses the principle “comply or explain”, leaving room to the concerned parties to get a complete picture of the background of the dispute and to deliberately search for an appropriate solution.

### Voluntariness and open dialogue

The well-functioning of the Belgian Agro Food Chain consultation is based on trust and an open dialogue. This is best guaranteed by preserving the voluntariness of the private initiative as the essence of the consultation. With the launch of [www.supplychaininitiative.be](http://www.supplychaininitiative.be) the partners of the Belgian Agro Food Chain want to enhance the exposure of the initiative in general and amongst the operators within the Agro Food Chain in particular, raise the affiliation rate and ease the access to the dispute settlement.



## Evaluation and adjustment

The partners of the Agro Food Chain consultation have engaged themselves to regularly evaluate and adjust the code of conduct and the dispute settlement in order to guarantee its effectiveness and strength. In the light of the public debate on the Agro Food Chain and in particular the dispute settlement, the Belgian Agro Food Chain Consultation proposes the following as a reinforcement of the voluntary system:

- The partners of the Belgian Agro Food Chain Consultation will appoint an independent chairman of the governance group. The role of the independent chairman consists of being the point of contact for operators of the Agro Food Chain, who have subscribed to the code of conduct but have not joined a professional association. Moreover, the independent chairman will safeguard the process and the settlement of disputes, making sure that for individual disputes each commercial option has been depleted. The independent chairman will not take on the role of mediator nor arbitrator.
- The partners of the Belgian Agro Food Chain Consultation mediate in aggregated disputes based on the “comply or explain” principle in order to actively seek a solution suitable to all concerned parties. In case a dispute cannot be solved, the governance group may seek the intervention of an external mediator, either at an external service provider or at the mediation department of the FPS Economy based on the partnership agreement.
- Although in principle the governance group does not interfere in individual disputes, the group is open to play a role in individual disputes upon depletion of the commercial escalation – commercial negotiation, contractual options, internal dispute settlement. As the governance group can offer a broader perspective and bring thorough sector expertise to mediate in the dispute. With the permission of both parties prior mediation by the governance group can be an option or both parties can immediately choose for external mediation (external service provider or the mediation department of the FPS Economy).
- The partners of the Belgian Agro Food Chain Consultation foresee a possible role for the FPS Economy, department economic inspection, as the final step in the escalation procedure, after mediation and before going to court. The Agro Food Chain Consultation will consult the Minister of Economic Affairs and the FPS Economy in order to put this into practice in economic law.



### **Partnership agreement between Belgian Agro Food Chain Consultation and FPS Economy**

The public authority provides support as an independent centre of expertise, contribution of legal expertise and supervision of and mediation between the parties. To that end the Belgian Agro Food Chain Consultation has recently concluded a partnership agreement with the FPS Economy.

With the launch of the website [www.supplychaininitiative.be](http://www.supplychaininitiative.be), the partnership agreement with the FPS Economy, the above mentioned reinforcement of the dispute settlement procedure and especially the proposed assignment of an independent chairman of the governance group, and the possible additional role of the FPS Economy, possibly based on the extension of economic law, the Belgian Agro Food Chain Consultation wants to boost the effectiveness and strength of this voluntary private initiative in the interest of each operator of each link of the chain, and of the consumer and society, and in close cooperation with the government.