

Food Safety & Sustainable Agriculture

Retailer Requirements

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Presentation summary

- Tesco faces a global challenge, solutions needed for all Operating Companies
- Brief reminder on Tesco process and policy, here and abroad
- Foundations of our approach to Standards, reminder of our own expectations, what is and isn't acceptable, and what it means
- How Third parties are allowed into our approach
- A summary of the successes for our Supply Chain
- A summary of our approach to Eurogap, both for fruit and vegetable and for livestock and commodities
- GFSI agenda, our support and involvement in encouraging retailers around the world to accept a harmonised approach
- Tesco vision: simple clear rules, competent Third parties, close management, improving standards, happy customers

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Tesco around the world

- We know that our Customers expect a great deal from our brand
- They expect value, quality, safety, legality, environmental standards and ethics
- Broadly, our aim is to build and protect our brands wherever they are produced, and for whatever market

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What does this mean in Practice?

- Only approved Suppliers for Tesco brand
- Approval is measured against OUR standards
- There must be a specification
- Supplier and product performance will be monitored
- All relevant technical information will be documented

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Tesco position

- Standards must be maintained
- Any third parties involved in this work must be competent
- Any third parties must be fully aware of their legal responsibilities
- Any third parties must be contractually bound for liability and representation

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Current Tesco position

- We know that good farm assurance = improved food safety, product quality and reduced costs
- We know that not all suppliers are ready to start a programme of farm assurance
- We know that the fruit and vegetable standards are well established.
- We know that the broader livestock and commodity crop standards are still in early days

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Current Tesco position

- For UK supply chain Farm Assurance is required
- Elsewhere those fruit and vegetable who are ready should become involved in Eurogap

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Benefits for the Tesco supply chain

- More able to meet customer and business needs
- Drive a continual improvement of standards
- Co-operate with all stakeholders
- Clear understanding of requirement
- Reduction in cost

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Global Food Safety Initiative

- Launched at the CIES Annual Congress May 2000

- Aim:

A simple set of rules for standards, harmony between all countries, save money for suppliers

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The Global Food Safety Initiative

- Defining the limits of retailer liability
- Harmonising the requirements of food safety systems
- To improve cost efficiency throughout the food supply chain.
- Satisfaction for CEO's, and for Consumers
- Includes the harmonisation of global farm assurance standards

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GFSI and Agricultural Standards

- GFSI involvement in the convergence of Good Agricultural Practice is focused on the harmonisation of food safety elements only.
- GFSI is committed to reducing duplication and improving cost efficiency in the supply chain.

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Tesco vision

- The Tesco Group supply chain runs to consistent rules
- A third party solution will only ever be a part of our position
- Certification of factories and supply chains will be equivalent globally for the Tesco brand
- Farm assurance schemes will be universally recognised
- Our own farm assurance standards will be maintained

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