



GFSI – The Next Phase

QAA Fall Conference
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GFSI Discussion Topics for Today

- Relationship with the Consumer Goods Forum
- How it works to incorporate industry stakeholders
- The Guidance Document as the basis for benchmarking and delivery of the schemes
- Current Focus Areas for the GFSI
- Value proposition



GFSI Background

GFSI managed by The Consumer Goods Forum (formerly CIES)

- An independent global parity-based Consumer Goods network
- Over 650 Members
- Representing 70 countries
- Over 3 continents

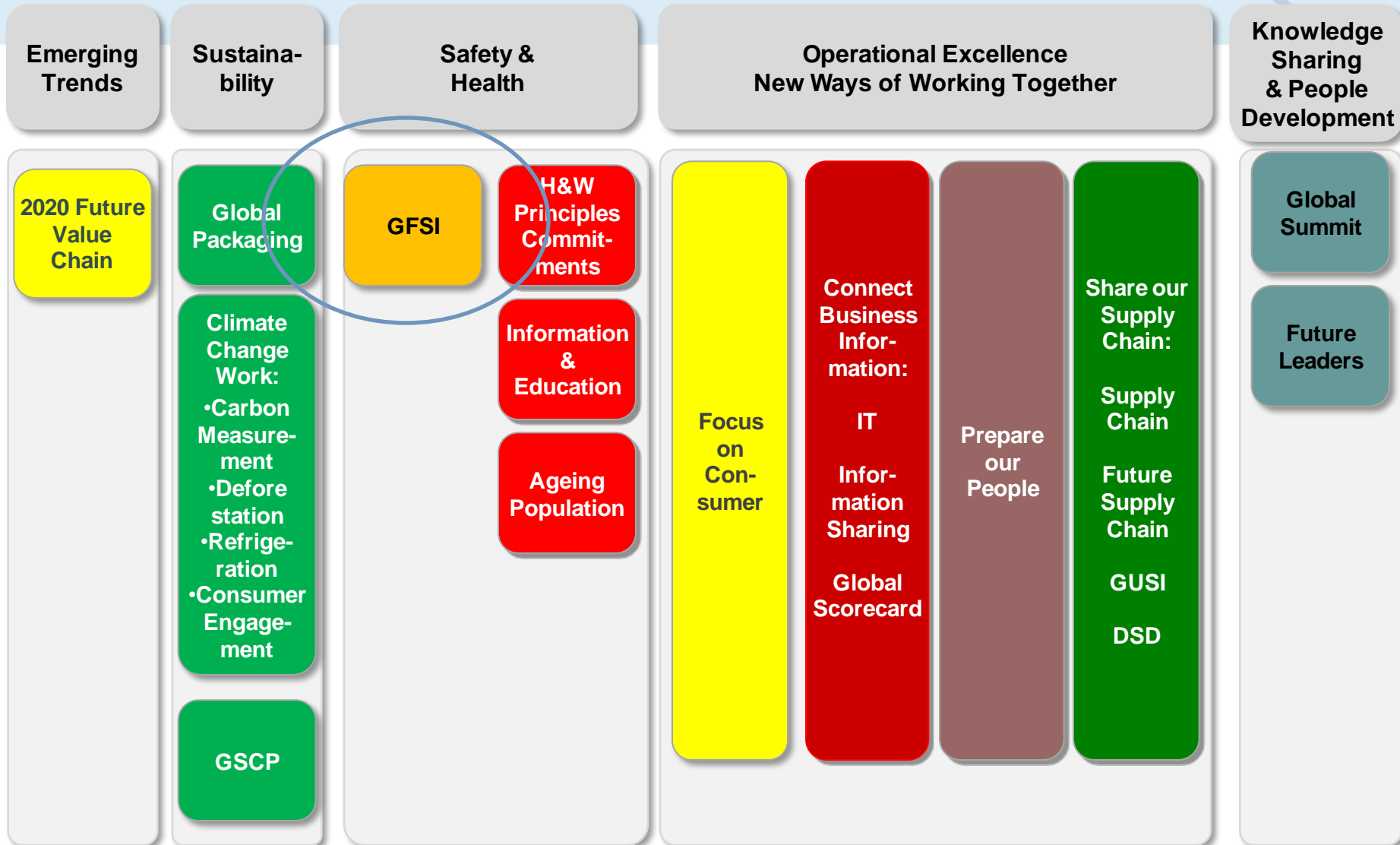


The Mission for the CGF


“Working together to enable our industry to passionately serve shoppers, consumers and communities better, faster, with great value and in a responsible way.”



Strategic Pillars



The Consumer Goods Forum Top of Mind Survey

 <p>The Consumer Goods FORUM The Global Network Serving Shopper & Consumer Needs</p>	Ranking 2010	Ranking 2009	Ranking 2008
Economy and Consumer Demand	1	1	4
Corporate Responsibility	2	3	1
Competitive Landscape	3	4	9
Food Safety	4	2	2
Retailer Supplier Relations	5	5	5

The GFSI Vision and Mission

« **Safe Food for Consumers Everywhere** »

“Continuous improvement in food safety management systems to deliver safe food to consumers worldwide”



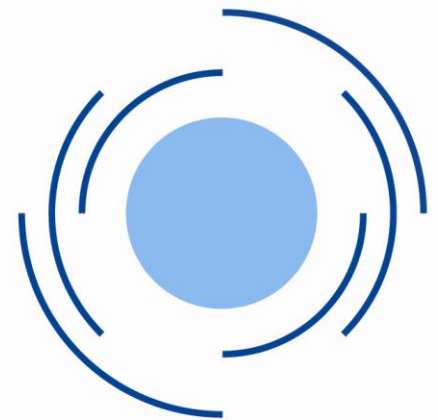
GFSI Objectives

Reduce food safety risks by delivering equivalence and convergence between effective food safety management systems

Manage cost in the global food system by eliminating redundancy and improving operator efficiency

Develop competencies and capacity building in food safety to create consistent and effective global food systems

Provide a unique international stakeholder platform for collaboration, knowledge exchange and networking



GFSI
Global Food
Safety Initiative

How does GFSI work?

- Benchmarks existing food safety schemes, including pre-farm gate schemes against the GFSI Guidance Document
- Determines whether a scheme is equivalent to the Guidance Document requirements
- Helps and encourages food safety stakeholders to share knowledge and strategy for food safety and to develop best food safety practice in a common global framework.

What GFSI Does NOT Do

- Make policy for retailers or manufacturers
- Make policy for standard owners
- Undertake any accreditation or certification activities
- Have involvement with an area outside the scope of food safety; i.e., animal welfare, environment and ethical sourcing



GFSI Guidance Document

GFSI Guidance Document

A multi-stakeholder document that sets out the requirements for food safety management schemes and provides a framework in which food safety management schemes can be benchmarked.

Covers the following key elements for food production:

- Food Safety Management Systems
- Good Practices & HACCP Requirements (GAP, GMP, GDP)
- Requirements for the delivery of food safety management systems



Convergence Means Confidence

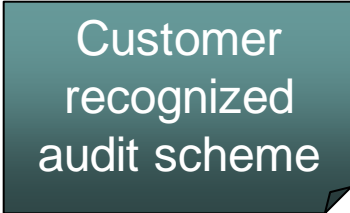
- Benchmarking work was originally carried out on four food safety schemes (BRC, IFS, Dutch HACCP and SQF) to reach a point of convergence.
- All schemes were completely aligned with the GFSI Guidance Document Version 5 requirements.
- This meant increased confidence in the schemes and comparable audit results.

Benchmarking – What does this mean?

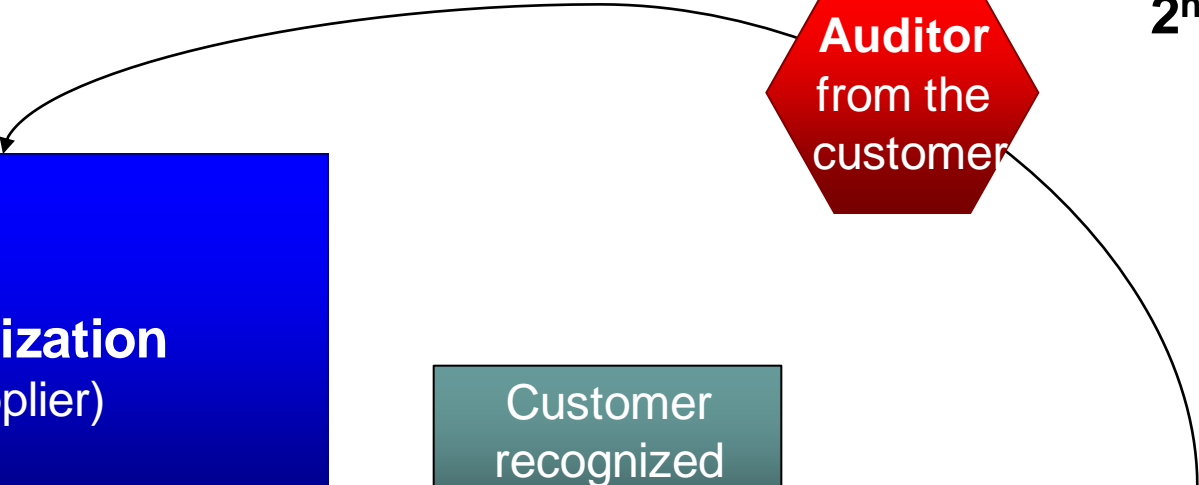
« Once certified, accepted everywhere »

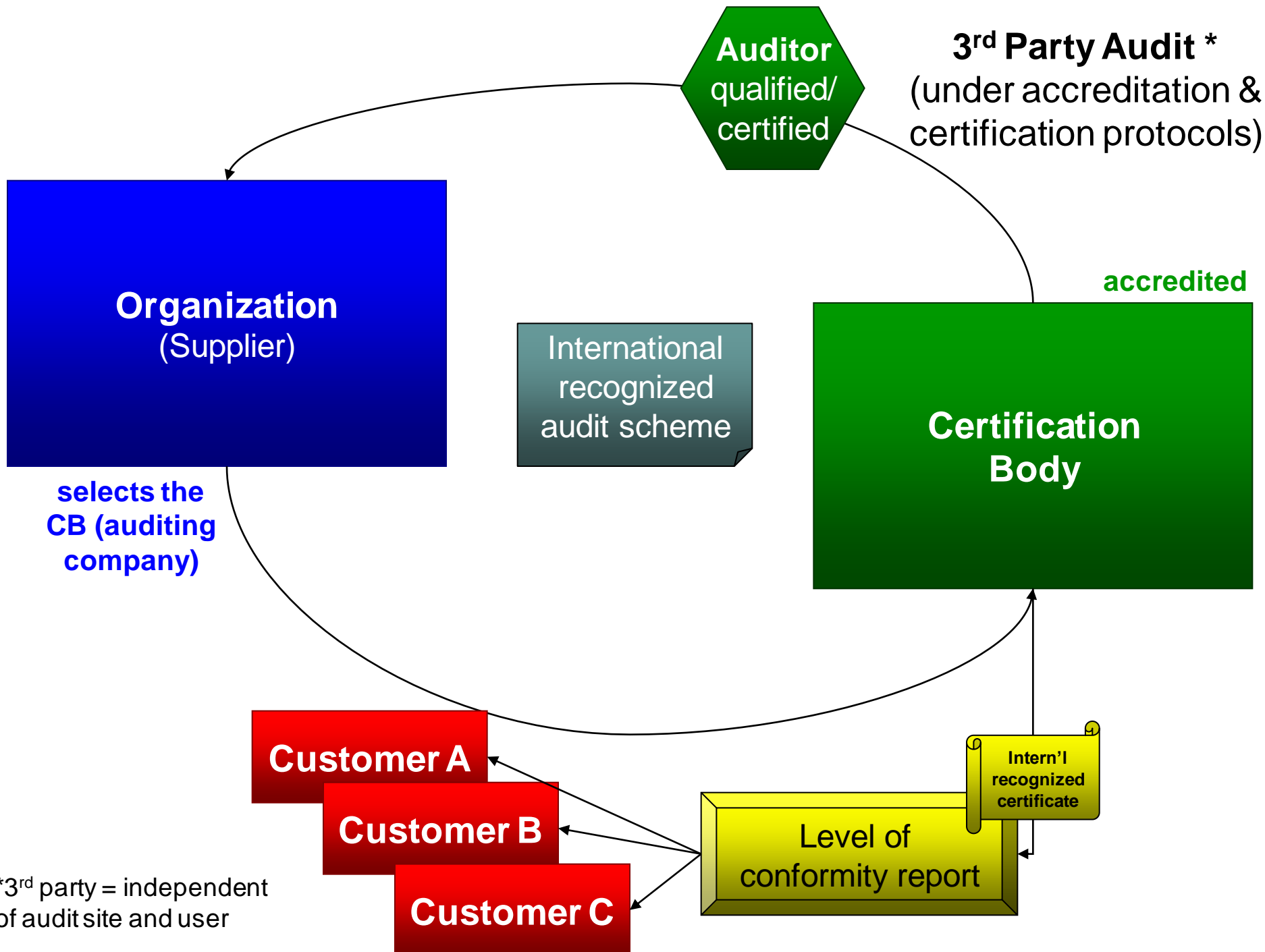


2nd Party Audit



**selects
Auditor,
Auditing Company**





Auditor
qualified/
certified

3rd Party Audit *
(under accreditation & certification protocols)

accredited

Organization
(Supplier)

International
recognized
audit scheme

**Certification
Body**

selects the
CB (auditing
company)

Customer A

Customer B

Customer C

Level of
conformity report

Intern'l
recognized
certificate

*3rd party = independent
of audit site and user

The Accredited Certification Process

- Proven concept in many industries, including food
- Checks and balances employed at all steps in the process
- Strong verification and results-based procedures

Accreditation	Certification
Standards	Audit

- Continual



What Makes Accreditation & Certification Different

1. Accreditation

- *Validation* a certification body has the infrastructure and controls to assess conformity
- *Verification* of a CB's compliance to its processes

What Makes Accreditation & Certification Different (continued)

2. Certification

- Objective is assurance and verification the facility maintains its control measures
- *Facility identifies its risk, validates its FSMS and processes control these risks, and has verification systems to insure control*
- Certification Body verifies execution and compliance during the assessment/audit
- *Ongoing annual recertification*

What Makes Accreditation & Certification Different (continued)

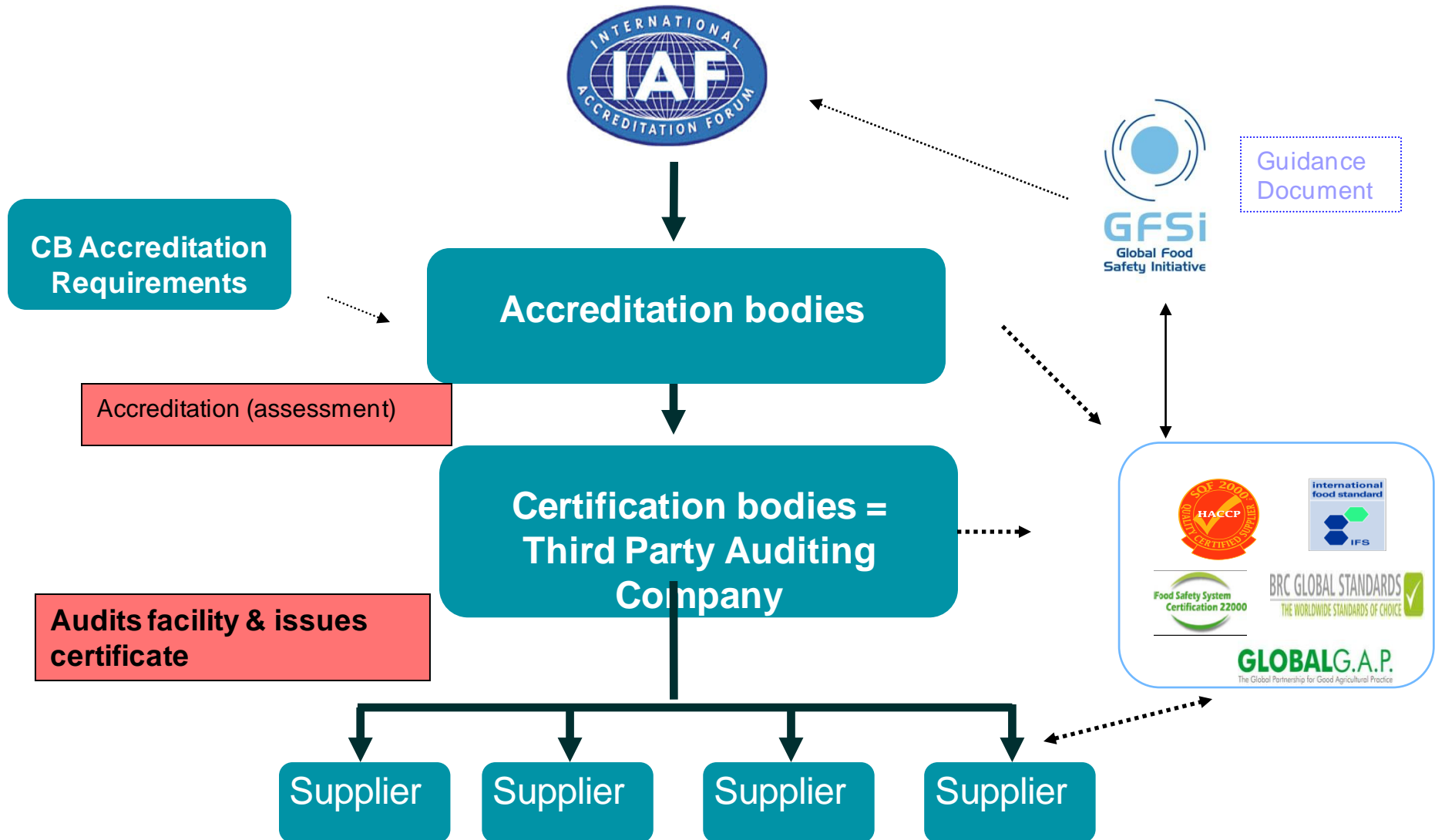
3. Coding of auditors

- Auditors only audit to *designated* food sectors

4. Corrective action resolution

- Defined classifications of non-conformances
- Corrective actions *planned and implemented* prior to the facility receiving its certification/re-certification

Food Safety Certification Framework





GFSI Governance

GFSI Governance Model and Activities



GFSI Foundation Board of Directors

- Hugo Byrnes, **Royal Ahold**, The Netherlands
- Marcos Campos, **Bertin SA**, Brazil
- Kevin Chen, **China Resources Vanguard**, P.R. China
- Carol Ciszek, **Kraft Foods**, USA
- D.V. Darshane, **Coca-Cola**, USA
- Bryan Farnsworth, **Hormel Foods**, USA
- Hervé Gomichon, **Carrefour**, France
- Cenk Gurol, **Aeon Global**, Japan
- Cory Hedman, **Hannaford**, USA
- Cindy Jiang, **McDonald's**, USA (*Vice Chair*)
- Jürgen Matern, **Metro**, Germany (*Chairman*)
- Payton Pruett, **Kroger**, USA
- Yves Rey, **Danone**, France (*Vice Chair*)
- Michael Robach, **Cargill**, USA
- Rick Roop, **Tyson Foods**, USA
- Frank Yiannas, **Wal-Mart**, USA
- Johann Züblin, **Migros**, Switzerland



Providing strategic direction and supervision of GFSI, and governance to the GFSI Technical Working Groups.

GFSI Advisory Council

- A body of experts composed of academics, non-government organization members and government members.
- Will provide perspectives on the implementation of GFSI's strategic objectives.

GFSI Stakeholders

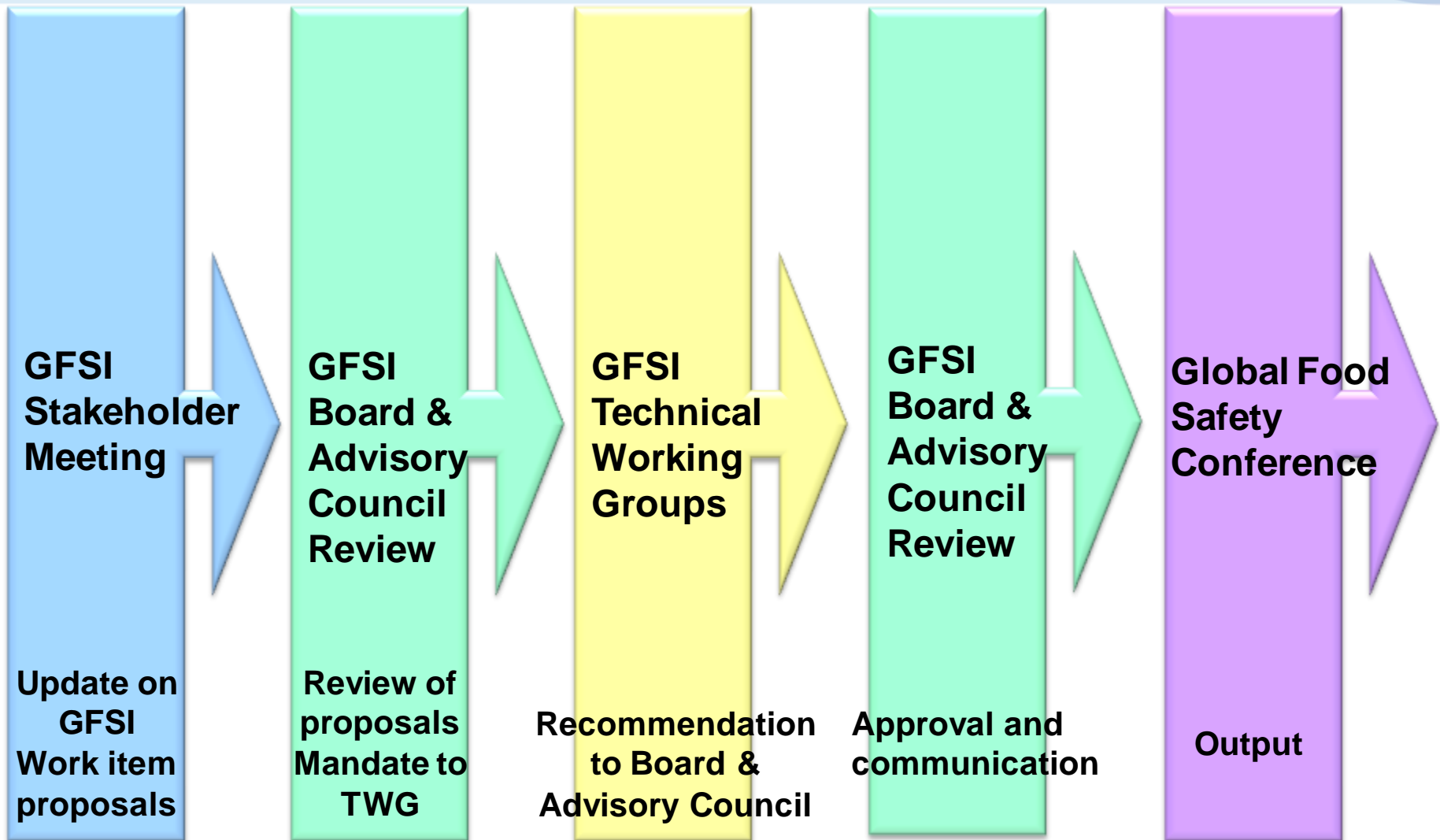
- Wider group of food business stakeholders
- Annual meeting in February during the Global Food Safety Conference
- Opportunity to influence GFSI strategy
- Share knowledge and best practice with other food safety experts in keeping with the GFSI mission
- Open invitation



GFSI Technical Working Groups



Governance Structure





Current GFSI Priorities

GFSI Strategic Priorities 2011 - 2015

1. Develop and maintain a robust Guidance Document.
2. Continue presence in Europe, build momentum in North America and develop a strategy for APAC.
3. Drive the common acceptance of GFSI recognized schemes by all Consumer Goods Forum Members.
4. More involvement and commitment from member companies in GFSI working groups.
5. Brand protection and ongoing credibility for the GFSI Brand



Technical Working Groups

Focus Areas

- Benchmarking/Guidance Document
- Capacity Program – Global Markets
- Global Regulatory Affairs
- Supply Chain
- Auditor Competence

Guidance Document Working Group

Draft Guidance Document, Version 6, currently under development and final review. **Publication expected Dec.-Jan. timeframe.**

- Main changes compared to version 5:
 - Document scope expanded to cover primary production and processing - will eventually cover entire supply chain.
 - Emphasis on scheme owner management and governance
 - Quality and competence of the scheme owner
 - Requirements relating to management of the scheme, relationship to certification and accreditation bodies, and how data are managed.
 - Contract between scheme owners and GFSI
- More openness and transparency
 - Benchmarking process will be tracked on GFSI website
 - Information to be publicly available



Global Markets

- Objective: provide a “toolkit” for suppliers to develop FSMS in a progressive, continuous improvement path
- Basic and intermediate level manufacturing requirements developed and being piloted
- Basic level requirements for primary production being piloted. Intermediate requirements under development/review by TWG
- Materials to be launched at GFSI Conference – Feb 2011
- GFSI will host materials on its website
- Application, training, use of programs, and how audited will be between suppliers and buyers

Regulatory Affairs Working Group

- Producing a series of documents and position papers relating to third party certification
- Available for use by anyone involved in GFSI and regulatory affairs
- Topics cover :
 - Role and benefits of third party certification
 - Perceived barriers to acceptance of third party certification
 - Case studies on collaboration between government and industry using the GFSI principles as a risk prioritization tool

Supply Chain Working Group

Developing sector-specific requirements along the entire supply chain, as prioritized by the GFSI Board, for inclusion in the GFSI Guidance Document.

2011

- Feed
- Packaging Manufacturing

2012

- Storage and Distribution/Services
- Equipment Manufacturing

2013

- Catering
- Retail Outlets

2014

- Revision of Scopes A, B, C, D, E and L * * (Category sectors in ISO-TS-22003:2007)

2015

- Issue Guidance Document 7

Auditor competences

- Define generic food safety auditor competencies and methods for verifying them
 - Align with GFSI GD and IAF & ISO developments
 - Looking at short and long-term outcomes
 - Currently defining tasks and competencies
 - Will develop benchmarking and equivalence processes
- Goals and benefits:
 - Improved integrity, consistency and reliability among auditors
 - Better objectivity and transparency
 - Reduce duplication and costs associated with qualifying auditors among schemes
- Provide pathway for professional auditor development

GFSI Adding Value ...

- Driving continuous improvement in the content of the standards with focus on food safety only
- Healthy competition among existing schemes, driving continuous improvement in the delivery of the standards but through a robust system of checks and balances
 - Comparable audit approach and results
- More cost efficiency in the supply chain
- Less duplication
- Confidence in sourcing and safer food for the consumer

Managing Cost by Eliminating Redundancy

Impact Assessment Questionnaire, March 2010

Are you able to evaluate the annual cost savings that the implementation of GFSI recognized schemes has provided?

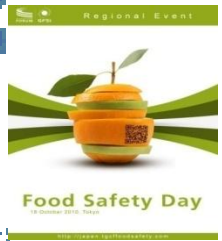
**Retailer/Food Service Business Cases:
Internal cost reduction of 90%**

Manufacturer Business Cases:

#1: up to \$50,000 per year

#2: We are currently saving about \$6 000 000 per year

Building Global Awareness



For more information:

Websites

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