Work Package 16

Check X: Improving Supply Chain Integrity through Data Sharing

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FOODINTEGRITY 2016 Prague, 6 to 7 April, 2016

Background of Organic Services GmbH

Long history in supply chain integrity topics

- Focus on the organic quality management system, 30 years +
- Software licensed from Intact Consult GmbH, AT
  - A leading software developer for audit and supply chain management solutions targeting
    - Standard setter, audit/certification and accreditation organizations
    - Manufacturer and retail
  - Projects, selected:
    - Coop Switzerland: Internal quality management solution (audits, supplier screening)
    - FederBio: Integrity platform for the organic grain sector that integrates certification data and mass balance based on transactions
    - FLO-Cert: Supply chain visualisation of fair trade products
    - HiPP: Integrated quality management software (from farm to fork – audits, traceability, quality management)
    - Marine Stewardship Council: Certificate holder management

What is Check X?

Check X is a generic approach to supply chain integrity in the food industry

- Developing a real-time database of certification data based on criteria/standards applied
- Connecting this data to supply chain data
  - Mapping of suppliers
  - Monitoring of volumes (mass balance)
  - Displaying certification status in real-time through traffic light system
  - Notification of parties in case of status change
- Answer questions quickly and efficiently
  - Are my suppliers certified?
  - Are my suppliers' products certified?
  - Are the "certified" product amounts my suppliers are trying to sell to me plausible?

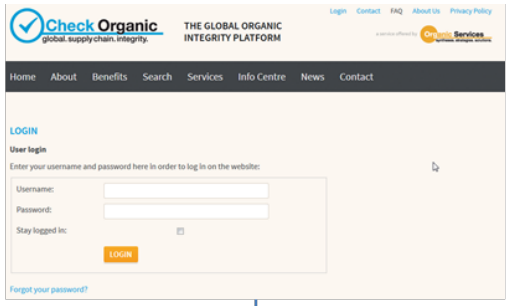
Objectives

Scope of WP 16

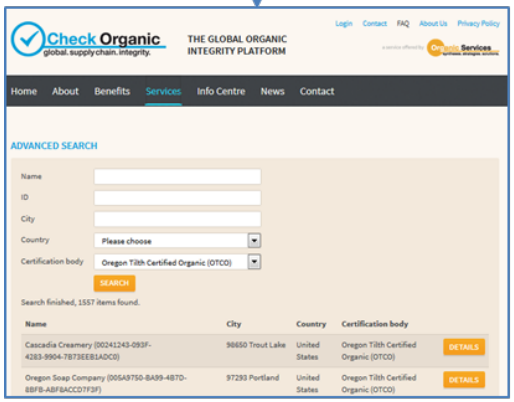
- Understand the needs of a variety of supply chains
  - What supply chain risks are they facing?
  - What are the risk control mechanisms used or desired?
  - What technological steps are needed to further develop Check X?
  - How much benefit will these risk control mechanisms provide?
  - How much will these risk control mechanisms cost?
  - How much access to Check X does each actor along the supply chain need to protect confidential business information?
  - How likely are different actors within different supply chains to adopt Check X?
  - What does a feasible system look like?

Check Organic – the first application of Check X

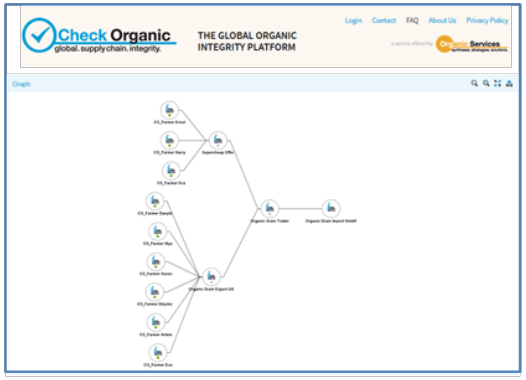
Services included



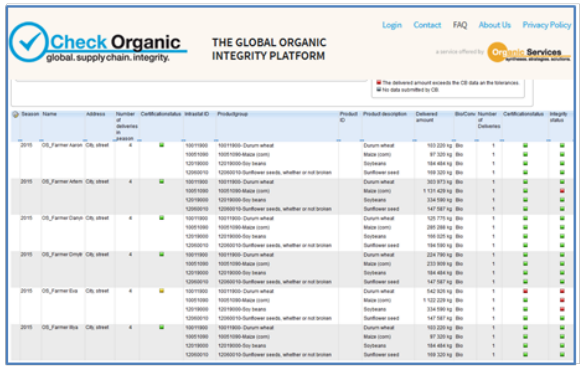
Verification



Supply Chain Monitor



Supplier Volume Monitor



Notification services in case of changes in the data of a specific supplier

Project work

Sole participant

Strong focus on stakeholder feedback

- Expand stakeholder participation
- Conduct and analyse interviews with stakeholders
  - Research risks, risk control mechanisms, benefits/costs, access levels
  - Prioritise risks and risk control mechanisms

Consult with Intact (Supply Chain Management Systems)

- Technological feasibility of risk control mechanism integration
- Cost of integration
- User access levels

Project work (cont.)

Consult with datamints (Content Management Systems, Web Database and frontend)

- Technological feasibility of implementing Check X for selected supply chains
- Costs of implementation
- User access levels

Conduct cost-benefit analysis

- Determine criteria and values
- Compare current solutions to Check X

Develop recommendations

- Stakeholder feedback

Supply chains to be targeted

Fresh produce (fruit and vegetables)

Grain (cereals)

Nuts and dried fruit

Oil (olive and oil from grain)

Under consideration:

Fish

Meat

Milk

Baby food

Stakeholder participation

Signed commitments to participate

Assoziation ökologischer Lebensmittelhersteller e.V. (“AOEL”)	Bäuerliche Erzeugergemeinshcaft Schwäbisch Hall w.V. (“BESH”)
Bionext	Campiña Verde Ecosol SL (“Campina Verde”)
Coop Group Switzerland (“Coop”)	Ecocert SA (“Ecocert”)
FLO-CERT GmbH (“FLOCERT”)	HiPP GmbH & Co. Vertrieb KG (“HiPP”)
Italian Federation of Organic and Biodynamic Agriculture (“FederBio”)	Intact Consult GmbH (“Intact”)
Meyermühle Landshuter Kunstmühle C. A. Meyer's Nachf. AG (“Meyermuehle”)	Olivar de Segura
Rapunzel Naturkost GmbH (“Rapunzel”)	Ristic AG (“Ristic”)
UNIVEG Group (“UNIVEG”)	

Outcomes

Justification and analysis of selected stakeholders

- Why we included who we will be including

Risk and risk control mechanisms prioritisation

- Which risks and risk control mechanisms are the most relevant to stakeholders

Recommendations to implement Check X

- How will Check X come together

Final recommendations

- What do stakeholders think of Check X
- How does it compare to current solutions
- What does a feasible version of Check X look like

Impacts

"…deliver an implementable vision of how information can be shared along the food chain and the quantifiable benefits of so doing."

- Based on already existing tools
- Strong emphasis on meaningful stakeholder participation
- Specifically examine risks and risk control mechanisms
- Investigate confidentiality issues
- Conduct cost-benefit analysis

Impacts (cont.)

"The European added value lies in…strengthening the competitiveness of European food producers by enabling them to add value to their products"

- Provide proof of supply chain integrity
- Meet the expectations of markets and consumers related to fraud avoidance
- Look at the feasibility of connecting authentication methods (e.g. RFID, isotope analysis) and lab results with Check X

Impacts (cont.)

"…determining the authenticity of foods can reduce trading blocks and prevent fraud in the form of false descriptions, substitution of cheaper ingredients and adulteration, along with incorrect origin labelling"

- Develop centralised, virtual platform
- Create interconnected, recordkeeping system
- Contribute to fraud prevention by combining the verification of data with the products traded along supply chains, from farm to fork

www.foodintegrity.eu

The project has received funding from the European Union's Seventh Framework Programme for research, technological development and demonstration under grant agreement No. 613688.