

The Ethical Charter Implementation Program for Retailers

Following the 2014 Los Angeles Times "Product of Mexico" series on labor abuses in the agroexport sector, the Produce Marketing Association and United Fresh Produce Association formed a joint committee to create the <u>Ethical Charter on Responsible Labor Practices</u>. Published in 2018, the Charter outlines 13 principles to guide the management of agricultural labor, covering areas such as legal compliance, professional conduct and human rights.

While these principles established a strong and common foundation, they lacked a mechanism for enforcement or verification, leaving buyers no basis to determine which of their suppliers were actually upholding the Charter. Four retailers worked together to pilot several approaches to Ethical Charter implementation, and worked with their suppliers to launch ECIP in November 2023.





ECIP is not a compliance test. It is a pre-competitive, capacity-building initiative designed to support buyers, suppliers and growers in a shared commitment to improving labor management systems across the fresh produce supply chain. The program was born from a collaborative industry effort to offer a scalable, supplier-owned alternative to audits that supports continuous improvement. ECIP measures supplier and grower **engagement** rather than **compliance**. Through the ECIP LAB (Learn, Assess, Benchmark) platform, growers and suppliers are invited to:

LEARN

about the management systems required to align with the Ethical Charter

ASSESS

their own management systems and explore resources to strengthen them

BENCHMARK

their performance over time on a continuous improvement journey

The Value of ECIP



FIELD-LEVEL SUPPLY CHAIN VISIBILITY: Most buyers audit packing and processing facilities, but not the fields where produce is harvested—and where most labor risk resides. ECIP LAB shows you which suppliers are supporting their growers to strengthen labor management systems, and which are not.



DATA: Through ECIP, retailers receive aggregated supplier data and industry-wide analysis, enabling them to identify trends and develop targeted resources to support their suppliers and growers



INDUSTRY UNIFORMITY: Rather than developing separate, expensive proprietary assurance programs, retailers can access data from all suppliers in the system, and facilitate uniform supplier and grower reporting that saves them time and money. As more retailers participate and engage their suppliers, ECIP LAB can cover the entire produce industry.

Why Retailers Should Get Involved

Retailers start their ECIP journey by educating their buying teams about the importance of ethical labor practices, inviting their suppliers to participate, and encouraging suppliers to bring in their growers. Retailers gain the ability to segment suppliers based on which are putting effort, resources, and time into social responsibility, and which are falling behind or needing additional resources and support.

Pricing Structure

Participating in ECIP involves a financial commitment. The pricing structure is a sliding scale, based on annual sales of the retailer.

ECIP RETAILER PAYMENT STRUCTURE

Annual Sales (Billions)	Initial Investment	Annual Data Access Fee
>\$100B	\$100,000	\$25,000
\$50-100B	\$75,000	\$25,000
\$20-50B	\$50,000	\$25,000
<\$20B	\$35,000	\$25,000



Getting Started:

Ready to move forward? You can reach out to <u>support@ethicalcharterprogram.org</u> to schedule an ECIP LAB demo, ask questions or to get started as a participating retailer.