

# Building 2015 ANNUAL REPORT

# Produce Supply Chain Assurance





**“EFI is the new way. It’s not just about one person telling everyone what to do, this process teaches us about everyone working together to get things done.”**

**-- Steve, Farm Manager, A&W Vizcaino, Baja, Mexico**

# 2015 Annual Report

## Board Members

**Erik Nicholson, Chair**

National Vice President, United Farm Workers

**Maisie Ganzler, Vice-Chair**

Chief Strategy and Brand Officer, Bon Appétit Management Company

**Preston Witt, Secretary:**

Manager, Supplier Code of Conduct Compliance, Costco Wholesale Corporation

**Bruce Goldstein, Treasurer**

President, Farmworker Justice

**Adrian Almeida**

Vice President of Manufacturing and Human Capital, NatureSweet.

**Ernie Farley**

Partner, Andrew & Williamson Fresh Produce.

**Thomas Gremillion**

Director of Food Policy, Consumer Federation of America.

**David Plunkett**

Senior Staff Attorney, Food Safety, Center for Science in the Public Interest.

**Ramón Ramírez**

President and Co-Founder, Pineros y Campesinos Unidos del Noroeste.

**Margaret Reeves**

Senior Scientist, Pesticide Action Network North America.

**Minor Sinclair**

Director, US Regional Office, Oxfam America.

**Baldemar Velasquez**

President and Founder, Farm Labor Organizing Committee.

## Staff

**Kevin Boyle**

Training and Business Development Director

**Kenton Harmer**

Certification Director

**Peter O’Driscoll**

Executive Director

**Jennifer Pelayo**

Business Development Manager

**Johnna Phillips**

Communications and Marketing Director

**Juliana Rodriguez**

Administrative Coordinator

**Gretta Siebentritt**

Training Manager

## In Memoriam



**Steve Fox**



**Kurt Schweitzer**

**This Annual Report is dedicated to the memory of Kurt Schweitzer, EFI board member and President of Keystone Fruit Marketing (1953-2016), and Steve Fox, EFI Business Development Director (1948-2015).**



# From the Executive Director

Peter O'Driscoll

**“This is a certification program that is not only concerned about the fruit, but the wellbeing of employees. The training allows us to know how to work together on production and quality issues also.”**

**-- Mayra, worker, Alpine Fresh, Tecate, Mexico**

**The EFI trustmark signals a new level of assurance that food safety protocols are being observed, that pesticide use is carefully managed, and that workers are treated fairly on a continuous basis.**



**2015 was a transformational year for the Equitable Food Initiative! We successfully incorporated as an independent non-profit organization, secured federal 501(c)3 status, and significantly expanded our outreach to the produce industry.**

### **EFI emerged out of multiple conversations**

over several years among “strange bedfellows” who were seeking a better way to provide assurance to retailers and consumers that their fruits and vegetables were safely and ethically harvested. The original stakeholders committed to finding solutions that create real value for growers who meet rigorous standards, and for the farmworkers whose skill and hard work bring healthy produce to America’s tables.

### **EFI was born as a program of Oxfam America,**

which facilitated the multi-stakeholder dialogue from 2008-11, then staffed and “incubated” the organization through March of 2015, when EFI “spun off” as a corporation. That smooth transition was greatly facilitated by important launch grants from The John D. and Catherine T. MacArthur Foundation, The Atlantic Philanthropies, and Oxfam. Later in 2015, EFI was bolstered by funding from the Broad Reach Fund and the Cedar Tree Foundation, and the Walt Disney Company’s Supply Chain Investment Program accelerated EFI’s expansion into Latin America.

### **This Annual Report on our first year of**

independent operation provides a brief overview of how EFI facilitates collaboration among workers, growers, retailers and consumer groups to provide fresh fruits and vegetables that are both “responsibly grown” and “farmworker assured.” We have big plans for the future – engaging more retailers and their suppliers, and increasing the number of certified farms and workers who are rewarded for their “continuous verification” role. We hope you’ll join us on this journey!

Sincerely,

Peter O'Driscoll

Photo by Nicholas Wray



## EFI Mission

**The mission of the Equitable Food Initiative (EFI) is to transform relationships across the produce industry, recognizing the role farm workers play in the supply chain. We improve labor practices, environmental stewardship and food safety for the benefit of workers, agricultural communities, businesses and consumers.**

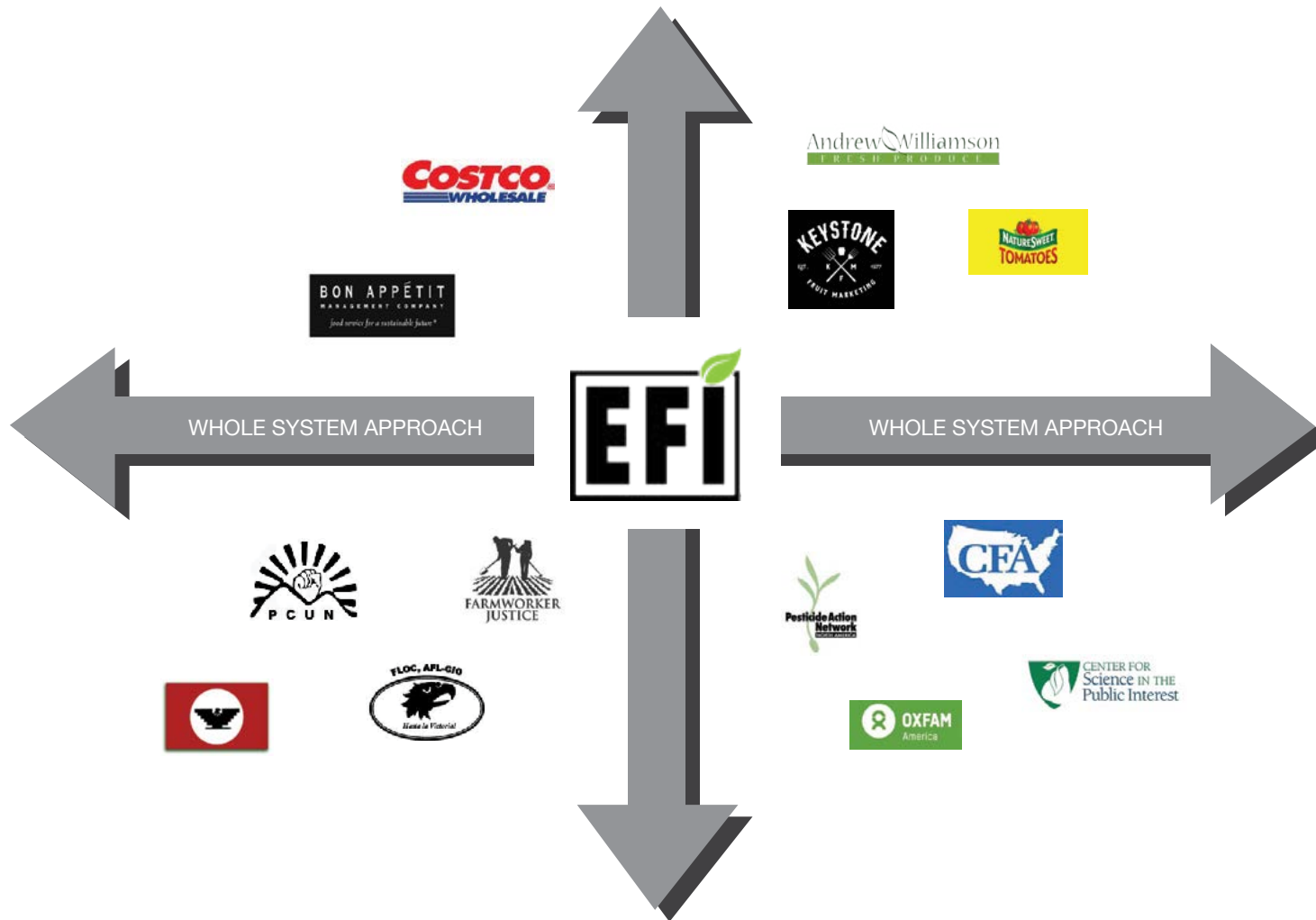
## EFI Vision

The Equitable Food Initiative (EFI) envisions a thriving produce industry, built on a culture of collaboration. Farmworkers are respected and engaged professionals, living and working in safe, dignified conditions. Growers, buyers, and consumers are assured that their produce is safe and responsibly grown.



# EFI: Multi-Stakeholder Design

EFI believes that innovations in produce assurance must create measurable benefits for all stakeholders—farmworkers, growers, food companies and consumers. The initiative has been designed and improved through the participation of stakeholders that understand the real potential for mutual benefit through exploration of new ways of working together.



## Multi-Stakeholder Board 2015

Andrew and Williamson Fresh Produce  
 Bon Appétit Management Company  
 Center for Science in the Public Interest  
 Consumer Federation of America  
 Costco Wholesale Corporation

Farmworker Justice  
 Farm Labor Organizing Committee  
 Keystone Fruit  
 NatureSweet  
 Oxfam America

Pesticide Action Network North America  
 Pinos y Campesinos Unidos del Noroeste (PCUN)  
 United Farm Workers

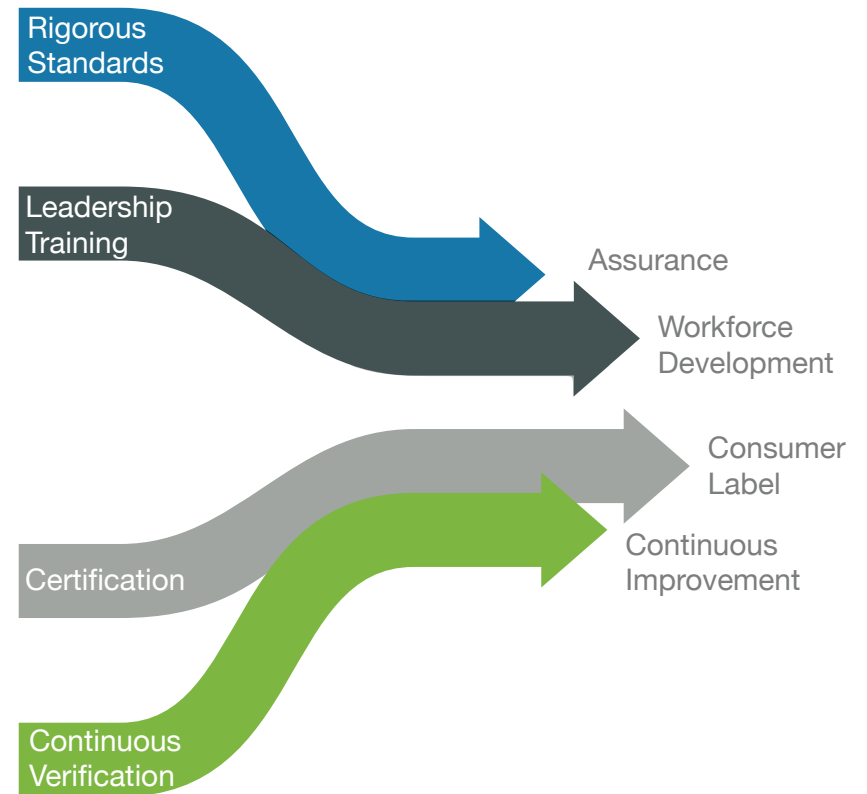
# The **EFI** Program: Workforce Development Leading to Certification

**RIGOROUS STANDARDS:** The EFI standards were developed for U.S. farms and have since been updated to cover Canadian and Mexican operations. Workers are assured of decent conditions, and consumers will know that throughout the supply chain, committed partners are working together to make their food as safe and healthy as possible.

**LEADERSHIP TRAINING:** At the farm level, EFI trains a representative team of workers and managers on how to apply labor, pesticide and food safety benchmarks on site, and how to engage the entire workforce in compliance. Growers and retailers benefit from a workforce that improves production processes, and ensures a safer food supply. Workers find new opportunities to broaden their skills.

**CERTIFICATION:** Once the farm declares itself to be in conformity with the EFI Standard, a third-party auditor from Underwriters Laboratories or SCS Global Services visits the farm to verify its claim and recommend final certification. Farms that comply with the EFI Standard are issued a certificate, listed on EFI's website and licensed to apply an EFI trustmark to their product.

**CONTINUOUS WORKER VERIFICATION:** EFI's approach creates both an on-farm mechanism (the Leadership Team) and an incentive (improved working conditions assured by the standards) through which farm workers collaborate with management to identify and address threats to food safety, sustainability and social accountability on a continuous basis.



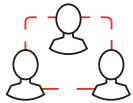
**“EFI has brought about unanticipated change that has improved our organization beyond the standards and certification. We are going to implement in all of our facilities.”**

-- Jeff Madu , VP, Windset Farms, Delta, BC, Canada

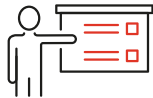
# The **EFI** Process: Collaborating to Build Supply Chain Assurance



**Relationship Cultivation** - EFI builds relationships with growers who want to meet higher standards



**Grower Mapping** - EFI gathers data about the farm to be certified and its existing protocols



**Customized Training** - EFI trains a mixed “Leadership Team” of workers and managers over 40 hours, tailoring the approach to the farm’s systems



**Standards** - the Leadership Team and management work together to make sure the farm complies with labor, pest management and food safety requirements



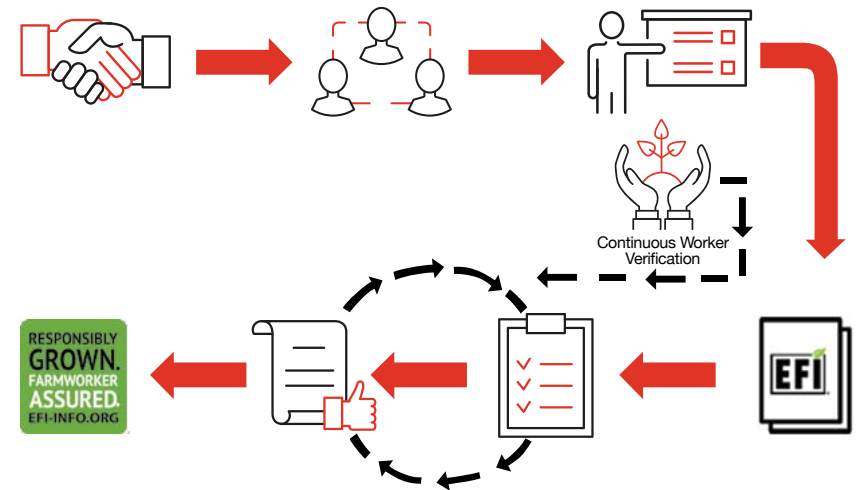
**Audit** - farm hires Certifying Body to conduct 3-day on-site audit



**Certification** - if auditors are satisfied with a corrective action plan and all standards have been met, the farm receives a 3-year certificate



**Labeled Product** - certified farms are licensed to use the EFI “Responsibly Grown. Farmworker Assured.” label on their produce





**“What I like about EFI, it’s not just a piece of paper that says we are certified, it teaches a process to stay certified.”**

**-- Marcela, supervisor, AgriBean, Puebla, Mexico**

# 2015 Program Highlights

## How EFI is already making a difference

**EFI’s vision of a safer and more sustainable produce industry is being built farm by farm, grower by grower, retailer by retailer. By the end of 2015 we had:**

- Worked with **7 major produce suppliers** on plans to certify all the farms in their supply chains. The training and certification process was underway in 13 facilities in Canada, the United States and Mexico, and 6 farms had already been certified.
- Trained **142 men and 105 women** to work on EFI Leadership Teams in those 13 facilities, which together employ a total of **7,291 farmworkers.**
- Negotiated with **10 major retail and food service companies** around how they can support their produce suppliers to achieve EFI certification.
- Discussed at the highest levels of the **U.S. government** how certification to EFI labor, pest management and food safety standards can enhance compliance with the regulatory agendas of the Department of Labor, Environmental Protection Agency and Food and Drug Administration.
- Developed press and social media outreach to consumers about EFI and our “Responsibly Grown. Farmworker Assured.” label, reaching over **158 million readers.**
- Built a team of **7 full-time staff and 8 trainers and consultants,** along with an engaged and committed board of directors.



**EFI would like to thank the following organizations for their support in 2015:**

- Atlantic Philanthropies
- Broad Reach Fund
- Cedar Tree Foundation
- John D. and Catherine T. MacArthur Foundation
- Oxfam America
- The Walt Disney Company's Supply Chain Investment Program

# 2015 Audited Financial Statements

## Statement of Financial Position December 31, 2015

2015

### ASSETS

Cash and cash equivalents	\$799,909
Grants and accounts receivable	\$2,975,007
Prepaid Expenses	\$8,807
Deposits	\$4,875
<b>TOTAL ASSETS</b>	<b>3,788,598</b>

### LIABILITIES AND NET ASSETS

#### Liabilities

Accounts payable and accrued expenses	\$219,394
<b>Total Liabilities</b>	<b>\$219,394</b>

### NET ASSETS

Unrestricted	(\$57,415)
Restricted	\$3,626,619
<b>Total Net Assets</b>	<b>\$3,569,204</b>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,788,598</b>
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# Statement of Activities

Year Ended December 31, 2015

<b>Revenue</b>	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>2015 Total</u>
Contributions and grants	\$1,784	\$4,858,393	\$4,860,177
In-kind contributions	\$34,906		\$34,906
Program income	\$53,000		\$53,000
Net assets released from restrictions	\$1,231,774	(\$1,231,774)	-
<b>Total Revenue and Support</b>	<b><u>\$1,321,464</u></b>	<b><u>\$3,626,619</u></b>	<b><u>\$4,948,083</u></b>
<b>Expenses</b>			
Program service	\$1,157,200	-	\$1,157,200
Management and general	\$216,568	-	\$216,568
Fundraising	\$5,111	-	\$5,111
<b>Total Expenses</b>	<b><u>\$1,378,879</u></b>	<b><u>-</u></b>	<b><u>\$1,378,879</u></b>
<b>Change in Net Assets</b>	<b>(\$57,415)</b>	<b>\$3,626,619</b>	<b>\$3,569,204</b>
<b>Net Assets, Beginning of Year</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Assets, End of Year</b>	<b><u>(\$57,415)</u></b>	<b><u>\$3,626,619</u></b>	<b><u>\$3,569,204</u></b>

**“Now, with EFI, we have been able to have a voice on the farm. They are responding to our concerns, our needs... That’s why we like it a lot, since they are concerned about everyone, from the workers to the consumers, and all of us come out winning.”**

**-- Maria, Leadership Team Secretary, A+W, Oxnard, California**



# **Equitable Food Initiative**

**1875 Connecticut Avenue, NW, 10th Floor, Washington, D.C. 20009.**

