

Fair Flowers Fair Plants



Hindered by the economic downturn and the reluctance of growers to participate, the social and environmental standard for flowers and plants, Fair Flowers Fair Plants (FFP), is looking to develop strong partnerships and strategic alliances with certification organizations, such as FLP in Germany and Fiore Giusto in Italy. In the meantime, sustainability is high up on the agenda for retailers, especially in the UK, Germany and Scandinavia. FCI interviewed FFP's chairman, Sjef Langeveld and operational manager Regina Dinkla, to find out about FFP's priorities and where they think sustainability is heading.

by Ron van der Ploeg

Vulnerable alone, together strong

These are financially difficult times for non profit organizations like FFP. Only five years ago there was plenty of money available, but now local governments and public authorities have changed their spending pattern preferring to fund commercial businesses. It's quite frustrating, says Langeveld, that multinationals such as Cargill are receiving public money to make their business more sustainable while they should take this as their own responsibility in the first place. It's even more frustrating knowing that a relatively small industry like flowers, widely dispersed around the world, of less political importance and involving lots and lots of people is receiving little so little support.

A bit of a struggle

Nevertheless, FFP is doing well, "But it's a bit of a struggle with regards to the financial part", admits Langeveld. "FFP is an autonomous organization and the main question

is, how do we generate sufficient income out of membership?" Established in 2005, FFP is an organization which stands for an international consumer label guaranteeing that flowers and plants are produced in an environmentally friendly and socially responsible way. "FFP involves the entire supply chain", says Regina Dinkla, "from producer to retailer to point of sale, whether this is a florist, supermarket or garden centre. FFP producers need certification according to our standards. Furthermore FFP is an international foundation receiving strong support from its international stakeholders such as trade unions, organizations for producers and traders and human rights and environment organizations. In Kenya, for example, we are working with the Kenya Flower Council, while in Germany and Italy the BGI and UCflor are our partners respectively."

FFP's main goal is the marketing and promotion of the FFP label and

carrying out checks in the supply chain. Part of FFP is a tracing system that guarantees the origin and cultivation method of the product.

No competition with other labels

"FFP is the first truly global flowers program which is not limited to specific economic or geographic regions as it is the case with Fairtrade", outlines Regina. "Fairtrade is focused on producers in the southern hemisphere, so participation is limited to selected farms and growers in developing economies. FFP also differs from Fairtrade in that Fairtrade flowers and plants adopt a pricing premium of 15-20%, whereas FFP ornamentals follow the normal market price setting. But through the standards a good income for the employees is guaranteed." FFP currently has 160 growers (65 of which are cut flower producers), 190 traders and 4,300 retailers. To find the right balance between offer and demand is a daunting task. >>>

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In economically difficult times every penny counts. Not knowing how to make money out of FFP growers are reluctant to participate. "They want to achieve concrete results from FFP in terms of higher prices and more markets, says Regina, "but this is something we cannot guarantee. Still, consumers are becoming increasingly aware of the environment they live in, with a critical eye on how and where things are produced. It's difficult to make that visible to the lion's share of growers who aren't noticing the demand."

Fresh grower's blood

To bring in fresh grower's blood, FFP is looking to develop strong partnerships with other certification organizations. The news of the moment is the flirtation between FFP and the German Flower Label Program (FLP). Langeveld has high hopes that this is the first step towards a lasting relationship resulting in a Memorandum of Understanding (MOU) to be signed in the next couple of months. "During our next meeting we need to work out the last few details."

In Italy, Fiore Giusto, the new Italian label for sustainable cut flowers and plants is now meeting the criteria set in the International Code of Conduct (ICC) and has been recognized by FFP. For the Italian market, the names FFP and Fiore Giusto will be combined into one single label", knows Regina. "The most promising development is set to take place in Africa. A large number of growers have already joined FFP, taking their membership very seriously. African producers are highly supported by the NGO's and Unions. In the meantime, the Kenyan Flower Council has accepted the FFP standards to be leading."

It is hoped that the new partnerships will quickly bear fruit. "It will bring in new growers", says Sjeff Langeveld, "and a wider array of products."

Budget

In 2010/2011 FFP has a limited budget at its disposal. As the three



Left to right Regina Dinkla (FFP), Sjeff Langeveld (FFP), Joost Oorthuizen (IDH), Jan Gilhuis (IDH) and Danielle Hirsh from Both ENDS.

years of financing by the Dutch Product Board of Horticulture (PT) draws to an end, how can Langeveld ensure the continuation of FFP?

"There will be an opening before the end of 2010. There are discussions going on with IDH, the Dutch Sustainable Trade Initiative. The focus is on mainstreaming the social and ecological sustainability of commodity supplies from emerging markets to the Netherlands and Western Europe. In this way IDH is working on the Dutch Millennium Development Goals for poverty reduction, sustainable environment, and an open trading and financial system. "So far flowers and plants don't rank among IDH commodities like timber, soya and cocoa. IDH didn't know the flower business so we provided a comprehensive overview of the sector and now they will decide whether ornamentals will be included in their program."

Indifference

FFP flowers are already available on the market. Well over 4,500 participants have joined FFP since November 2005 with the German garden centre chain, Dehner, being the latest newcomer.

On April 1 Dehner started with the sales of FFP tulips and roses at its

106 garden centres across Germany. While the German company, Rewe, focuses more on promotional sales of FFP flowers, the Dehner group will sell FFP products on a weekly basis.

FFP products are supplied to just 10 countries in Europe, Sweden, Germany, Austria, Ireland, the UK, Denmark, France, Norway, Belgium and the Netherlands. Nevertheless, research by the aforementioned Dutch PT has revealed that only 10% of consumers are aware of the availability of sustainable flowers in the shops. There is another huge obstacle facing FFP's well-meaning efforts: indifference. There is not much public awareness of the dangers to sustainability associated with cut flowers, simply because people don't eat flowers. But Langeveld denies the fact that demand for sustainable flowers is almost non-existent.

"Different sources of market research have revealed that people are ready to buy more sustainable flowers."

But it depends on the country, adds Regina. "One good example would be Sweden which ranks number five on the world list of most sustainable countries. In the UK there is also more awareness. On the other hand, when we attended Libelle's Summer Fair we found

that Dutch consumers are not aware at all, stating that all green is good.”

Dutch slavery

Not everybody thinks as positively about the flower trade as the Dutch consumer. On a regular basis, negative stories about the world flower industry appear in the international press, especially during the run up to important flower days like Valentine’s Day and Mother’s Day. “Everybody has heard the stories of the ‘poisonous’ bouquet containing enough toxic residues needed to kill one rat”, says Sjef Langeveld. FFP was partly founded as an answer to this negative publicity. Regina: “Recently Dutch TV broadcasted a documentary on presumed Dutch slavery on flower farms in Kenya. Following the broadcast I was invited as a guest to refute the arguments put forward by the TV program.”

When asked about FFP’s future goals and challenges, Langeveld concludes that the main objective is to make the whole supply chain more sustainable. “For that we need another five to ten years. In the meantime the awareness of the public to sustainability will rise while at the same time continuing to ask for premium quality products.”

The effects of the economic downturn are temporary, but serious. Around ten growers have stopped participating in FFP as a result of the cost to them. In this context Regina would like to stress the minor extra costs involved for growers. “Participation costs vary between €50 per company, when smaller than 2 ha, up to €200 for companies larger than 5 ha. Our aim is to become the leading standard for ethical and environmental compliance in the flowers and plants industry, making it simple for industry members to prove good practice and easy for consumers to select ethically sound products.”

Regina concludes, “FFP now has a market share of around 4% of the worldwide production volume. It’s our strongest wish to have a 10% market share. Two of the biggest challenges to be overcome are convincing the grower and becoming financially independent. We would like to be a self financing organization. The ideal situation would be that no more promotion is needed with the supply chain taking over and FFP only carrying out the control.” III