



June 2014

Dear Certifying Bodies:

In our efforts to make sure our vendors and their employees are in alignment with Costco's Food Safety and Social Accountability initiatives, Costco has been deeply involved in the development and implementation of the EFI standards. As we continue to support the achievement of EFI certification throughout our supply chains we are relying on high quality audits to identify the suppliers that clearly meet the high bar of the EFI process.

Costco expects EFI certification to play an increasingly significant role in our selection of vendors. Therefore, we have a particular interest in CBs that are able to both provide exemplary auditing services as well as meet the accelerating demand for certification. The CBs that are able to be successful in these areas will be seen by Costco as playing a critical and valued role in meeting our larger business objectives, which continue to evolve both within Costco and the industries in which we do business.

Therefore, we ask that you please consider this RFP carefully, and we hope you are excited to help shape the future success of our compliance strategy.

Sincerely,

A handwritten signature in black ink, appearing to read "J Lyons", is positioned above the typed name.

Jeff Lyons  
SVP Fresh Foods



# THE EQUITABLE FOOD INITIATIVE

**Assurance. Accountability. Safety.**

*Responsibly Grown. Farmworker Assured.*

## Request for Proposals

### The Equitable Food Initiative (EFI)

*Issued June 30<sup>th</sup>, 2014*

#### 1. ABOUT EFI

Though produce is an essential part of a healthy diet, it is also the most common source of food-borne illness. The people who harvest our fruits and vegetables are among the lowest-paid and marginalized workers in America, and face extremely high rates of occupational risk. Moreover, common pest management strategies create toxic exposure risk for workers and raise consumer concerns about the environment and food safety. EFI tackles these labor, food safety and pest management challenges simultaneously, by training farmworkers to identify problems at the point of production and empowering and incentivizing workers to solve them.

EFI is developing a certification system through which farms that are audited and found to comply with our Standard will be licensed to apply an EFI label to their produce. Retail and food service companies seeking higher levels of assurance about food safety and ethical working conditions will support growers to comply with the Standard, and "conscious consumers" will seek out the EFI label. This dynamic will push resources back through the value chain to growers and farmworkers, as EFI's Standard mandates improved wages and conditions.

EFI's focus on worker involvement and active collaboration among the stakeholders sets EFI apart from other certification processes. Once a farm has been certified by a third-party auditor to comply with the EFI Standard, a "Leadership Team" helps the farm management and workforce to verify ongoing conformity, thereby reducing the likelihood of future labor violations, produce contamination, or pesticide hazards on the farm. Because of this continuous verification, EFI-certified produce will create greater assurance for consumers that workers are treated fairly and that food safety protocols are observed in harvesting fruits and vegetables.

EFI has already carefully constructed an active coalition and an organizational platform to change the dynamics of the produce industry. Major food buyers, growers, farmworker organizations and consumer groups form the board, and United Farm Workers of America and Oxfam America currently serve as EFI's co-chairs.

#### **EFI Vision Statement for 2025:**

*EFI is establishing a certification system that is trusted by workers, growers, retailers, food service companies and consumers. Over time, EFI certification will become the produce industry norm, helping to provide a "one-stop-shop" option for companies seeking assurance on working conditions, pesticide use and food safety protocols. Farmworkers will be empowered and respected in a system that produces healthier, safer and more sustainable food. Growers and farmworkers will enjoy viable careers and fair compensation. Retailers and food service companies will realize the value inherent in greater assurance that safer food is being produced on farms that treat workers with dignity. Consumers will enjoy safer food and assurances about the conditions in which it was produced.*

## 2. RFP ADMINISTRATION

This Request for Proposals (this “RFP”) is prepared by EFI to procure proposals from companies (each, a “Bidder”) qualified to perform audits and provide certification services consistent with the EFI Standard and Certification Scheme (the “Scheme,”). The audited parties will be farms producing fresh produce and fruit throughout the Americas who wish to become EFI certified (“Growers”). Scheme documents are available on the EFI website at <http://www.equitablefood.org/#!certification/c24gy>.

The purpose of this RFP is to identify a maximum of two certifying bodies (“CBs”) who will be approved by EFI to provide EFI auditing and certification services. Growers will be referred to the EFI website which will show the name and contact information for approved CBs. Growers and CBs will contract for the auditing and certification services directly with farms independent of EFI but in accordance with requirements contained in the Scheme.

Any questions relating to this RFP, and all responses to the RFP, should be directed by email to the EFI Point of Contact:

**Kenton Harmer**  
**Director of Certification**  
EFI  
[kharter@equitablefood.net](mailto:kharter@equitablefood.net)

## 3. TIMELINE

It is EFI’s intent to adhere to the following RFP timeline:

**June 30, 2014**

RFP issuance

**July 2<sup>nd</sup>, 2014**

Bidder questions submitted by email

**July 8<sup>th</sup>, 2014**

Answers to submitted questions posted on the EFI website

**July 14<sup>th</sup>, 2014**

Deadline for submission of Bidder proposals

**July 18, 2014**

Bidders notified of EFI selection

**August 1<sup>st</sup>, 2014**

Execution of EFI-CB Agreement (the “Agreement”)

**August 18<sup>th</sup> to 20<sup>th</sup>, 2014**

Mandatory auditor and certifier training for selected CBs

**Ongoing from August 25<sup>th</sup>, 2014**

Auditing of Growers

## 4. REQUIRED ACTIVITIES AND SERVICES

Bidders are encouraged to describe in detail their ability to:

1. Provide auditing teams that meet or exceed the thresholds documented in the Auditor Certification Requirements (available on the EFI website) for both Social and Technical Auditors
2. Achieve ANSI accreditation to ISO / IEC 17965:2012 with a scope of the EFI Scheme
3. Provide auditing services in accordance with the Scheme
4. Provide certification services in accordance with the Scheme
5. Demonstrate exemplary relationship management with Growers seeking EFI certification

## 5. CRITICAL SELECTION CONSIDERATIONS

Because of the unique nature of the assurance that the EFI Scheme will be delivering there are special considerations that will be weighted heavily in the selection process. These include:

### **The Ability to Gather and Assess Evidence through Farmworker Interviews**

It is of significant importance to EFI that auditors from the selected CBs have the cultural competence to engage deeply with farmworkers to understand and measure conformity to the Standard. Therefore EFI will be considering carefully each Bidder's ability to demonstrate their and their auditors' competencies related to 'social' auditing.

### **Capacity**

The substantial latent demand for EFI auditing and certification services favors CBs who will be able to immediately begin auditing upon the successful completion of Auditor Training in August, 2014 and who will be able to respond to Growers in the pipeline in a timely manner for the duration of the Agreement.

### **Engagement with EFI**

As a new Scheme EFI is committed to a multi-stakeholder 'disruptive design' process that entails robust and continual monitoring, evaluation and correction of our practices in order to improve outcomes. Successful Bidders will join the EFI multi-stakeholder process and be asked to provide expert advice towards the continuous improvement of the Scheme. They will also be expected to stay responsive to changes in the auditing and certification processes required by the rapid and continual evolution of the Scheme.

## 6. TERMS OF EFI-CB AGREEMENT

The duration of the Agreement between EFI and a maximum of two CBs will be twelve months. Only auditing and certification services provided by CBs who remain in good standing (per the clauses in the agreement) will be accepted by EFI for the life of these Agreements. In the case of early termination of an Agreement EFI reserves the right to engage with other CBs through whatever process is deemed appropriate by EFI. As long as a CB is in good standing regarding the Agreement EFI will not engage with more than one other CB.

## 7. COSTS & PRICING

There is no cost associated with bidding or being selected through this RFP process. The Agreement will include a fee schedule for applicable charges related to the issuance of EFI certificates. A non-binding draft term sheet is included as an appendix.

Although contracting between CBs and Growers is independent of EFI the estimated costs of professional fees for auditing and certifying a Model Grower (shown below) must be included in the submitted proposal. Do not include expenses. Successful bidders may have these cost estimates posted on the EFI website for reference by potential clients.

### Model Grower

Location: Central Coast, CA

Acreage: 180 Acres

Crop: Fresh berries

Employer: 50% of the workforce employed by Grower, 50% by a farm labor contractor

Peak Harvest Workforce: 400

Size of Leadership Team: 12

Timing of Audit: Peak Harvest

Housing: Supplied by Company for 50% of workforce

In-Scope Post-Harvesting Activities: None (field packed)

## 8. DEMAND PROJECTIONS FOR EFI AUDITING & CERTIFICATION SERVICES

EFI is currently working with 6 produce suppliers in 30 auditable locations. It is expected that in 2015 six more growers will join the program. EFI's business plan aims to certify 400 farms by 2019.

A typical audit cycle as currently written in the Scheme Summary is:

### Month 1

Initial Audit

- Expected to be 5 to 6 person days in duration

### Month 2 – 3

- CB manages Corrective Action Process and Certification Decision

### Month 12 & 24

Annual Audit

- Expected to be 3 to 4 person days in duration

### Month 36

Recertification Audit

- Expected to be 5 to 6 person days in duration

## 9. DISCLAIMERS

EFI is not committed to any course of action as a result of its issuance of this RFP and/or its receipt of a proposal as Bidder's response to this RFP. In particular, Bidder acknowledges that EFI

- May reject any proposal that does not conform to instructions and specifications contained herein
- May not accept proposals after the stated deadline
- May negotiate with one or more CBs
- May reject all proposals, if so desired, and/or not award a contract at all
- May award only a portion of the contract
- May award portions of the contract to one or more different Bidders
- Is not confined to awarding a contract, or awarding a contract by any date specified in the RFP timeline

EFI will not reimburse Bidder for any proposal preparation costs or other work performed in connection with this RFP, regardless of whether Bidder is awarded a contract. In addition, any materials submitted to EFI prepared by the selected Service Provider would be, and shall remain, property of EFI.