



1) What exactly is the Floriculture Sustainability Initiative and what is their role?

The Floriculture Sustainability Initiative (FSI) is a market-driven initiative whose members include growers and grower organizations, trading companies, breeders, retail. FSI's approximately 100 members (including Royal FloraHolland) have a common ambition to make the floriculture sector more sustainable. Certified production and certified purchasing play an important role in this worldwide. Hence the purpose to move step by step to 100% certified.

To create more clarity in the certifications available worldwide, since 2013 FSI has established a set of requirements that certificates must meet. Certificates that meet these requirements are included as recognised certificates in the FSI Basket of Standards/FSI basket of accepted standards. The FSI Standard consists of 3 pillars: GAP, Environment and Social. In each of these pillars, growers can obtain certification. The complete list of accepted certificates can be found at <https://www.fsi2025.com/basket/>.

The way the FSI basket works offers the benefits to growers that there are uniform global requirements that certified growers meet. This allows buyers of your floriculture products to recognize these universally accepted standards and prevents each buyer from imposing their own requirements and certificates, leaving freedom of choice. This creates not only uniformity in the sector, but also a brake on duplicate work and costs and also prevents proliferation of floriculture certificates.

2) How is it possible that they determine what I have to do?

FSI's member companies decided together to go this route. In addition to the benefits listed above, it is now more possible for growers to meet legal and market requirements. And this cooperation stimulates the joint future-proofing of the sector. By the way, no one determines what you have to do, you are your own entrepreneur and free in your choices for product, sales and channels.

3) How does certification contribute to compliance with legal requirements and which legal requirements are involved?

A number of requirements within certification are regulated by law for Dutch companies, among others. For example, requirements around crop protection storage and the preparation of a crop protection monitor. Although the law already sets specific requirements, certification bids transparency to the market and sets uniform global requirements that certified growers meet. In addition to complying with the law, you are better prepared for new requirements from the market or the municipalities.



4) What are the distinctive differences between this certification and regular MPS registration? And what will this small-scale grower registration scheme cost?

The small-scale grower scheme is being developed to reduce costs and administrative burdens for small-scale growers. This responds to the key concerns indicated by this group of growers as the reason for the lack of certification. The new scheme tries to strike a balance between a more limited number of audit points and shorter audit time because the auditor has to audit fewer points. By also looking at the possibilities of data analysis, additional unannounced audits at a limited number of companies and possible residue checks, it is possible to reduce the audit frequency from annual to once every three years. Without resulting in less reliable certifications and ensuring that the scheme meets the requirements set by FSI that apply to all growers worldwide.

5) In what ways will the scheme be made as user-friendly as possible?

Besides making the scheme simpler, small-scale growers will also receive support in obtaining the certificate. For example, registering for the environmental part can often already be done by the different suppliers in a simple app on your cell phone.

6) What is an audit?

An audit is an inspection by an independent certification body such as SGS, Control Union or MPS-ECAS. After a positive audit, the certificate is received from e.g. MPS or GLOBALG.A.P.

7) I register once a year for MPS. Do I have to do it more often now?

For all environmental certificates, including MPS ABC, registration is expected every 4 weeks or month. This frequency will not be increased. Registering for environmental registration is also already possible with several suppliers via an app on your cell phone.

8) I have an NQ (Non Qualified) status. I use MPS purely for my mandatory registration. Is this a problem?

With MPS, qualification is calculated once per quarter. Companies register the consumption of plant protection products and fertilizers per application, as well as consumption related to energy, water and waste. Based on the scores assigned per theme, the company receives



a qualification: A+, A, B or C. To obtain an environmental certificate from MPS, it is essential that all registrations are complete and that the company receives a qualification.

With other environmental certifications within the FSI environment pillar, there is also a requirement to record data monthly or every four weeks, but this does not calculate a qualification as with MPS.

9) So it works on the basis of distrust ipv trust? Because why else would control be necessary?

Certification allows growers to demonstrate demonstrably verifiable compliance with laws and regulations, which strengthens the trust of customers, partners and other stakeholders. Certification is an important tool to demonstrate compliance with set standards, which increases trust throughout the supply chain.

10) I do have an MPS-A,B or C certificate will the costs soon also be less for the small-scale grower?

Yes, that was the reason for developing an adapted scheme in addition to less administrative work. Because the audit frequency and the number of checkpoints to be checked have been reduced, we expect the costs to be lower. The costs for the small-scale grower scheme cannot be determined exactly at this time by MPS and GLOBALG.A.P. This depends, among other things, on the duration of the audit. Once the schedule is further developed, the certifying bodies will be able to provide a more detailed estimate of the costs, including the time and resources required for the audit. GLOBALGAP and MPS expect to be able to provide more clarity on the exact costs by the end of 2024 and will come back to this at that time.

11 Why is the turnover limit of €250,000 maintained? Would the size/complexity of the business number of staff/area etc. Not make more sense?

Signals about lowering or raising the turnover limit will be taken into account in a next phase, for now this has been determined as it is.

12 How will product revenues be determined if it varies by year? Can we not look at the average number of branches or cuttings supplied in the last 3 years to determine whether you are entitled to this scheme.



We will take the comments on turnover limit into the next steps. This input is important to us, and we remain in conversation to collaborate on an appropriate and workable schedule.

13 We have a small 2-person business with no staff but are above the stated maximum annual turnover. Can we not participate in this now?

That is correct and for growers above this turnover limit, the existing certifications are available.

17 Is the Organic Agriculture EU quality symbol sufficient to meet FSI requirements?

Answer Organic certified farms according to SKAL meet FSI's GAP requirements. To be FSI compliant, a company must also meet the requirements of the Environment, and Social pillars. Because SKAL does not encompass registration of crop protection products, fertilizers, energy and water in a digital registration system, it does not meet FSI's Environment pillar and an additional certificate must be obtained for that. Therefore, the intention of this small-scale scheme is to be able to meet all three pillars through 1 scheme.

18 I do not work with external labor, do I still have to meet social requirements?

No, the social requirements only apply to companies that employ staff. If you work within a family business or only with family members without external labor, you are exempt from these social requirements.

Question 19 We do not use plant protection products and fertilizers, why is registration and certification still required?

Registration also bids to highlight the positive aspects. And of course this will be taken into consideration by the working group.

Question 20 (to Royal FloraHolland) Do they realize that almost 50% of the suppliers fall into this group? 50% of the suppliers are not yet participating. You mention percentages of supply, not of members.



The product revenues percentage of supply that is currently FSI-compliant is 73%. The percentage of units traded that are FSI-compliant is 70%. 27% of the landings are currently FSI-compliant, the other part still lacks one or more certificates to be FSI-compliant. Precisely because this significant portion of the suppliers are not yet FSI compliant, we are committed to making this process as accessible as possible to growers. One way we do this is by contributing to the development of the small-scale grower scheme and bidding for certification support.

Question 21 (to Royal FloraHolland) Is consideration also given to companies that are in phase-out stages due to age?

We understand that there are growers who are in the winding down phase of their business by the time certification becomes mandatory. This will certainly be taken into account, and there will be an opportunity by then to specifically indicate this and whether there can be a temporary personal permit (exemption).

Question 22 (to Royal FloraHolland) Why don't you leave the question of certification to the trade?

For Royal FloraHolland, sustainability is an essential part of our strategy. One of the three pillars on which our sustainable ambition is based is to create a Reliable and transparent marketplace for floriculture. We aim to bid for a safe and transparent platform, in which certification plays a crucial role. By actively collaborating with trading companies, the VGB (Association of Wholesalers in Floricultural Products) and FSI (Floriculture Sustainability Initiative), together we promote greater transparency and sustainability throughout the supply chain.