



# FFL & FL Scheme Committee Consultation Report 2022

*April 2023*

The Fair for Life and For Life Standards were developed considering various stakeholders’ feedback during the revision process. In addition to the public consultation open to all stakeholders, consultations of the Scheme Committee were held in order to hold targeted, in-depth discussions on specific topics.

As part of the continuous review and evolution of the FFL & FL Standards, the Scheme Committee is regularly called upon in between the full revisions to discuss about modifications that are proposed by the standard holder in order to improve the applicability, relevance and/or practicality of the standards.

Based on feedbacks from stakeholders, internal monitoring, results of third-party benchmarks etc., topics in the FFL & FL Standards and the FFL & FL Certification Protocols were identified which require potential clarifications and/or adjustments.

This document summarizes the outcomes of the discussions and the modifications to be implemented in the FFL & FL Standards.

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## Abbreviations

CB – Certification Body

S&E – Social and Environmental (e.g. “S&E requirements”)

## Scheme Committee Role, Composition and Methodology

The Fair for Life and For Life Standards are continuously evolving and adapting to the evolution of society and the economy. Complete, systematic Programme Revisions are organized regularly (tentatively at least every 5 years). In between these revisions, there is a continuous evolution mechanism involving the consultation of the FFL & FL Scheme Committee to enable punctual adjustments or, alternatively, to enable the development of a detailed proposal for the next systematic revision.

The FFL & FL Scheme Committee is a group of representatives from different stakeholder groups:



Farmers



Buyers/processors



Retailers



Consumers



Support and guiding organizations

In 2022, the 3-year membership of several Scheme Committee members ended, with the option to re-apply for a seat. Consequently, a call for application was sent on 28<sup>th</sup> July 2022 to certified operations and other stakeholders corresponding to the concerned stakeholder groups. From the received applications, re-applicants and new applicants were selected based on their contribution to a balanced stakeholder committee.

The new composition of the committee was confirmed on 1<sup>st</sup> October 2022.



**Online discussions** to challenge and adjust proposals were organized. Before the online meetings the Scheme Committee members were asked to provide written feedback on the proposed modifications. The online meetings were focused on reaching a consensus on the proposals, i.e. to agree on a modification to which no member strongly objects.

- The first meeting was held on 22<sup>nd</sup> November 2022.
- The second meeting was held on 29<sup>th</sup> November 2022.

The following table shows the committee members:

|  | Name                  | Company/Organization  | Country        |
|--|-----------------------|---|----------------|
| <br>Farmers                   | Pilar Martinez        | COSECHA PARTNERS  | Nicaragua      |
|  | Ramesh Patel          | CULTIVATOR NATURAL PRODUCTS   | India          |
|  | Juliette Pinault      | L'HERBIER DU DIOIS  | France         |
|  | Louise Topé           | KANY SCOOPS   | Côte d'Ivoire  |
|  | Betty Jerotich Cheboi | KENTASTE PRODUCTS   | Kenya          |
|  | Leandro Bin           | NATIVE  | Brazil         |
| <br>Buyers/<br>processors     | Julia Edmaier         | DR. BRONNER'S   | USA            |
|  | Margaux Lecomte       | LABORATOIRES M&L  | France         |
|  | Emma Mansour          | PUKKA HERBS   | United Kingdom |
|  | Mandy Anhalt          | SAMBAZON  | Brazil/USA     |
|  | Cerianne Bury         | TRABOCCA  | Netherlands    |
| <br>Retailers                 | Nathalie Vaquant      | BIOCOOP   | France         |
| <br>Consumers                 | (No application)      |   |                |
| <br>Support<br>organizations | Oona Bijasson         | BIOPARTENAIRE   | France         |
|  | Martine Combemale     | RESSOURCES HUMAINES SANS FRONTIÈRES / HUMAN<br>RESSOURCES WITHOUT BORDERS | France         |
|  | Julien Gonnet         | NITIDAE   | France         |
|  | Tamara Cobussen       | WORLD FAIR TRADE ORGANIZATION (WFTO)                                      | Netherlands    |

## 1. Consultation Topic Selection Process

Potential topics to be addressed with the Scheme Committee were collected through different means including the assessment of received derogation requests from certified operations, feedback from certified operations and other stakeholders and, finally, proposals from the FFL & FL team.

The topics to be discussed with the Scheme Committee members in this consultation were then selected by the FFL & FL Management based on the following factors:

- **FFL/FL Strategy alignment:** Is the topic aligned with the general vision and strategy of FFL/FL? Does it tackle central challenges?
- **Relevance:** Does the topic address a core principle of the FFL or FL Standard? Would modification lead to a significant positive impact?
- **Urgency:** Can the modification wait until the next systematic revision or is quick action needed in order to ensure access to and intended impact of the FFL & FL programmes?
- **Feasibility:** Are there sufficient knowledge and means to implement the respective modification at this point of time - or will a consultation of the Scheme Committee at this point contribute to the development of a detailed proposal for such modification?

## 2. Summary of changes

The main outcomes of the discussions are presented in the table below. Details for each topic can be found in section 3.

| Topic   | FFL/FL Reference   | Current rule  | Modification to be implemented following the consultation  |
|---|--|---|--|
| <b>List of prohibited chemicals – Category 1</b>                    | FFL&FL Policy of Prohibited Chemicals; FFL/FL Standard: ENV-29                     | None of the chemicals corresponding to Category 1 of the Fair for Life and For Life Policy on Prohibited Chemicals are used on crops. No exception will be possible.  | <p><u>No modification to the requirement itself</u>, but update of the list of chemicals: Inclusion of several substances that are listed in the referenced conventions, but not yet in the FFL/FL list.</p> <p>Additionally, inclusion of a reference to obsolete substances, which are likewise banned (where possibly still in use).</p> <p>Additionally, inclusion of a description of expected actions for buyers who find residues of the concerned substances in purchased FFL/FL ingredients/products.</p> |
| <b>Grace period for sales by suspended operations</b>               | FFL & FL Certification Protocol<br>2.7 Surveillance ›<br>Unsolved non-conformities | At any stage of the process in case of non-solved non-conformities, the Certification Body (CB) takes a negative certification decision according to the conditions and the scope defined by the CB.  | For the case of suspension, include the mention that clients may continue to fulfil already signed FFL/FL contracts during a timeframe of 6 months after date of suspension. However, no new contracts can be signed (neither with existing FFL/FL buyers, nor with new ones).   |
| <b>Option of remote surveillance audits for low risk operations</b> | FFL & FL Certification Protocol<br>2.7 Surveillance                                | <p>Surveillance evaluations are carried out at least once per year and based on on-site audits. Adaptations to the surveillance modalities can be defined by the CB, based on a risk assessment.</p> <p>Renewal evaluations are based on on-site audits. Exceptions can be defined by the CB only for low risk operations, following a risk assessment.</p> | Include in the Certification Protocol a clear framework on the expectations towards the risk assessment carried out by the CB and the possible consequences for frequency of on-site audits. Restrict the possibility for remote initial or renewal audits to operations without relevant physical sites.  |
| <b>Partial recognition of social and environmental standards</b>    | Annex VII (FFL) / VI (FL)  | The Annex lists programmes that can be (partially) considered to demonstrate compliance to Chapter 2 and/or 3.7.  | Formalize the methodology for including additional schemes to this list. Include further parts of the FFL/FL Standard that can be considered (remaining parts of chapter 3 Environmental Responsibility, and Chapter 4 Local Impact).  |
| <b>Social and environmental requirements for FFL buyers</b>         | FFL Standard:<br>Chapter 2 and 3   | Chapter 2 and 3 apply in their entirety not only to Producer Operations, but to any certified operation (except where recognized certifications are available)  | <p><u>No modification at this point</u>, but preparation of a detailed proposal for the next systematic revision, which should consider the following objectives:</p> <ul style="list-style-type: none"> <li>- Increased contextualization of the social and environmental requirements based on a risk assessment;</li> <li>- Stronger focus on improvements in meaningful/material areas; and</li> <li>- Maintaining common approach for all types of operations.</li> </ul>                                     |

|  |  |   |   |
|--|--|---|---|
| <b>Non-certified companies sourcing FFL/FL ingredients</b> | Annex III<br>›Special cases and restrictions | General rules on possible claims are defined for non-certified companies that wish to communicate on their FFL/FL sourcing. | <u>No modification at this point.</u> Additional consultation of the committee to be planned to better frame the possible claims by these organizations and the required verifications. |
|--|--|---|---|

### 3. Detailed Modification Proposals and Consultation Results

The current section lists the topics that were presented to the Scheme Committee members for discussion during the online meetings. A summary of the discussions and the resulting modification proposals are outlined below.

Each topic is presented as follows:



Description of the **intent** behind the modification proposal



Presentation of the **initial proposal** made to the Scheme Committee by Fair for Life

*Note: the initial proposal may differ from the final modification, based on the feedbacks received from the scheme committee members. For the final modification, please refer to the last section for each topic 'Final modification'*



Summary of the **discussion**



**Conclusion**



**Presentation of the final modification** (The modified parts in the Standard documents' wording are highlighted in underlined green.)

#### Topic 1 (FFL): Social and environmental compliance for FFL buyers

*This topic was presented for pre-consultation, meaning the objective of the discussion with the Scheme Committee was not the consensus on a concrete modification, but to enable a first round of feedbacks to be considered during the preparation of a detailed proposal for a subsequent public stakeholder consultation.*



**Intent**

Make audits for buyers more meaningful, by enabling the focus on economic, traceability and transparency requirements – the core of fair trade at this stage of the supply-chain.

Today, the entirety of social and environmental ('S&E') criteria is checked during the FFL audit, including at the level of FFL certified buyers. In this sense, FFL is a demanding certification compared to many other fair trade and also sustainability certifications who focus on the social and environmental verifications on the producer level.

Why is FFL that demanding? We believe that only companies working on their own responsibility should be able to gain economic benefits from the fair trade claim. As a result, companies on which there is not a minimum guarantee on Social and Environmental Responsibility, should not have access to FFL. This has been a key point of FFL positioning and it is based on the rationale that claims made by companies that are not committed to Social and Environmental Responsibility jeopardize the reputation of FFL as a fair trade label.

However, the audit time spent on social and environmental requirements is today perceived as disproportional, considering that the main guarantee of FFL is the implementation of fair trade practices. The requirements slow down the development of new supply-chains and the growth of FFL markets via on-boarding of new buyers and brands – to the detriment of market opportunities for certified producers. We therefore proposed to the Scheme Committee to rethink the extent of social and environmental requirements at the level of FFL buyers.



**Two main options were presented to the committee.**

Initial  
Proposal

**Option 1:**

- Shift the audit focus towards trade, traceability, supplier support and communication during FFL buyer audits (Fair Trade Partners, Intermediate Traders and Brand Holders)
- Reduce the number of requirements on social and environmental criteria and focus on the verification of management systems in place rather than in-depth checks of records or interviews with workers (except for risk sectors, such as textile)
- No change for Producer Operations, who would still always be checked in depth according to all requirements.
- In parallel, strengthen For Life with the full set of social and environmental criteria as option for buyers who go beyond and want to communicate on it.

**Option 2:**

Keep number of social and environmental requirements for traders, manufacturers and brands as today. Try to improve access to the FFL certification through other means, such as risk-based adaptations of audit duration and modality (see Topic 2 in this chapter) and the extension of the recognition of existing social and environmental certifications (see Topic 3).



The Committee mainly agreed on the need to reduce the heaviness of the S&E audit for buyers, but rather than reducing the number of requirements, a better **adaptation to context** was proposed:

- Increase relevancy of criteria, by adapting checklist to the specific context; focusing on the most relevant risks and requiring stronger improvement on these points enable a better impact;
- Proposal to do so via a risk analysis/materiality analysis in Year 1 and the requirement of an action plan for improvement on the material topics (to be linked to the risk analysis for the remote audit possibility, see Topic 2), with specific KPI for follow-up;
- More audit time would be needed in year 1 for an adequate analysis, but the focus on improvements on relevant topics reduces audit time in coming years;
- Consider national CSR legislations (mandatory HREDD, sustainability reporting etc.) and focus on those companies which are below the thresholds (e.g. certain number of employees) and therefore not covered by these legislations; and
- Continue to consider existing certifications in place, in particular CSR certifications.

In this context it was mentioned that current rating system should also be reviewed/abandoned, as it gives an impression of comparability where degree of needed efforts can in reality be very different between different types of operations (*stakeholder group: buyers/processors*)

Additionally, a few members were in favour of keeping the requirements as strict and encompassing as they are, but also stressed the importance of actual impact rather than administrative requirements (*stakeholder groups: farmers, supporting organizations*)

There was also one proposal to instead further formalize the S&E compliance requirement for buyers, by requiring CSR certification for large companies (*stakeholder group: supporting organizations*).

**Option 1 modified: Strengthen S&E approach by making it more relevant, impactful, contextual**



**Conclusion**

Develop methodology that allows the ‘personalization’ of S&E requirements (less requirements, but more meaningful) through:

- Increased contextualization of the social and environmental criteria based on the risk associated to a given operation (e.g. typology, sector, size, location etc.)
- Re-definition of compliance through more focus on improvements in meaningful areas (i.e. require improvement where it contributes significantly to improved conditions for people and/or the environment)
- Re-definition of initial audit focus on in-depth risk assessment and relevance of the defined action plan, whereas surveillance and renewal audits should assess the implementation of the action plan.



**Final  
Modification**

No modification at this point. Detailed proposal to be drafted and presented for public stakeholder consultation.

## Topic 2 (FFL&FL): Risk assessment framework as basis for enabling remote audits



Intent

Enable CBs to adapt the control method in accordance with the specific context and risks, while ensuring the reliability of the audits as adequate means for detection of potential non-conformities.

Through enabling the possibility of remote audits in certain settings:

- Contribute to improved access to certification by reducing financial impact of the audit, especially for small-scale operations.
- Create incentives for certified operations to invest in robust compliance management systems as a basis for mitigating inherent risks – and value practices that already exist.

Through defining a specific framework for such risk assessment on the scheme level:

- ensure that the methodology and drawn conclusions are in line with the scheme objectives and maintain a high level of guarantee.
- Define 'red lines', i.e. situations or settings in which an on-site audit is indispensable.



Initial  
Proposal

It was proposed to the Scheme Committee to define a framework that allows CBs to take an objective decision, based on a risk assessment, on the possibility of remote audits. For this purpose, a framework for the risk assessment methodology was presented to the Committee:



For each point, the proposed indicators/requirements were presented:

**Item 1:** Indicators to be considered when assessing the inherent risk of an operation were presented, such as location, typology, national legislation etc.

**Item 2:** A list with Standard requirements was presented. The purpose of the list is to identify requirements for which an on-site evaluation is essential in case of possible risk. It does not aim to qualify the importance of these requirements compared to others, which verification through remote means may be satisfactory.

**Item 3:** Decision tree to identify low, medium and high risk was presented. The proposal includes the condition that **initial audits shall be performed always on site** in order to allow this on-site in-depth risk assessment for the specific operation.

**Item 4:** Possibilities for remote audits for the different risk levels were defined, with high risks allowing no remote audits, but possibilities for remote audits for low and medium risk.

**Item 5:** A list of possible changes of project setting/certification scope that would require an on-site audit, independent of a previously identified risk level, was presented.



Discussion

In general, there was agreement amongst the Committee members with the proposal to allow remote surveillance audits in low risk settings. Specific points were raised during the discussion for the different items of the proposal:

#### **Item 1**

No specific comments, except for pointing out the necessity to also address how to deal with settings where risk is confirmed to be high, but an on-site audit is not possible due to external constraints (e.g. political instabilities, travel restrictions etc.). (stakeholder group: supporting organizations). [Response by the Scheme: This point is addressed by CBs in an internal policy for audits in high risk areas, and is not specifically a part of the proposal on risk determination that is here discussed.]

#### **Item 2**

It was recommended to add the following criteria as relevant for on-site assessment: SOC-24 & 25, 26 and 79 (Sexual harassment, protection and rights of pregnant women/parents), as they are difficult to assess remotely and a good performance of these is also an indicator that there is a good global protection of all workers. (stakeholder group: supporting organizations). However, one member expressed its doubts on whether it is a good idea to make these requirements, which are very hard to audit, even on-site, the differentiator between on-site and remote audit, as this could put a lot of pressure on the auditor (stakeholder group: buyers/processors). [Response by the Scheme: It is still considered relevant to include these criteria, as certainly, if there is a non-conformity on these points, or a risk context, an on-site follow-up would be essential.]

It was furthermore recommended to add production cost calculation as on-site topic (as the base for the minimum price) (stakeholder group retailers).

#### **Item 3**

It was pointed out that the medium risk category needs to be defined more clearly (stakeholder group: supporting organizations). [Response by the Scheme: As a result of the discussion, only low and high risk were maintained in the final modification]

Note that within the same country, different laws and regulations may apply, resulting in different risk within the country (stakeholder group producers).

#### **Item 4**

Concerns were expressed regarding the possibility of remote audits for more than 2 years in a row (stakeholder group: supporting organizations). [Response by the Scheme: initial proposal had 3 risk categories and the possibility of remote renewal audits in addition to remote surveillance audits. Proposal was modified following the discussion and includes now only low and high risk level, with low risk allowing remote surveillance audits (Year 2 and 3, Year 5 and 6, etc)]

One member confirmed that the proposal aligns with lower risk at office settings, but also with the development of elimination of physical headquarters/offices that can be more and more observed in the business world, and home-based work becoming more common. On-site audits can be an unnecessary burden in this case (stakeholder group: buyers/processors). At the same time, it was highlighted that the fact of being a small trader should not automatically lead to the absence of on-site audits, as there can also be risks in these settings, e.g. because they are excluded from national legislations due to small size (stakeholder group: supporting organizations)

It was recommended that the decision on risk level should not be solely with auditors, but that certification staff should be involved. (stakeholder group: buyers/processors)

One member recommended to use this work to also review existing practices that seem redundant (potential duplication of document verification/collection by auditor and certifier) and consider working more with hybrid audits. (stakeholder group: buyers/processors).

An alternative proposal to reduce the frequency of audits instead of allowing remote audits was presented by a member (stakeholder group: producers). Reaction by other members and by the Scheme that annual audits should be mandatory to safeguard the Programme's credibility (stakeholder group: buyers/processors).

#### Item 5

No specific comments were received.



**Overall agreement** with the proposal. **Some modifications were agreed on** during the discussion (extension of list of on-site requirements, elimination of medium risk category, due to not clear enough limits, and maintain on-site renewal audits for the low risk category).

Importance highlighted to ensure the **objectivity of the risk assessment** by providing a clear framework to CB, and require CBs to properly train the involved staff, and by implementing 4-eye principle (i.e. validation of auditor's risk assessment by certification staff).



Initial proposal with discussed adjustments is translated into concrete document wording below. In order to facilitate the readability and implementation of the list of requirements under item 2, the list was simplified (leading to a slightly higher number of included requirements than was the case in the original proposal).

#### *Certification Protocol, Section 2.4 Initial evaluation*

##### Audit Modalities

The audit is carried out on-site with the operation's assistance and according to the process defined by the CB.

Only for operations without a relevant physical site (e.g. a home-based trading operation without employees and without physical handling of the certified product), the CB may decide to perform the initial audit remotely.

#### *Certification Protocol, Section 2.7 Surveillance*

Renewal evaluations are based on on-site audits. Exceptions can be defined by the CB ~~for low risk operations, following a risk assessment~~ only for operations without a relevant physical site.

Surveillance evaluations are carried out at least once per year and based on on-site audits. Adaptations to the surveillance modalities can be defined by the CB, based on a risk assessment.

The risk assessment performed by the CB complies with the minimum requirement defined in Annex III of this document.

ANNEX III: Minimum Requirements for Risk Assessments performed by Certification Bodies  
(entirely new annex)

**A. General Risk Assessment**

For each client, before the initial audit, the CB performs a documented preliminary risk assessment with the objective to identify the inherent risks to the operation. A risk level shall be determined at least for the following areas:

- Traceability
- Labour rights and working conditions
- Environmental compliance
- Fair Trade and Empowerment

For this assessment, at least the following indicators shall be considered:

| Risk factors                          | Description  | References/Sources                                     |
|---------------------------------------|--|--|
| <b>Geographic context</b>             | Voice & Accountability<br>Political Stability and Lack of Violence<br>Government Effectiveness<br>Regulatory Quality<br>Rule of Law<br>Control of Corruption | <i>World Bank Governance Indicator</i>                 |
|                                       | Human Rights   | <i>Human rights and rule of law index</i>              |
| <b>Applicable laws</b>                | Robustness of local labour and environmental legislation   | <i>Local legislation</i>                               |
| <b>Sector/product risks</b>           | Specific known risks (deforestation, child labour, chemical use etc.)  | <i>Audit experience, sector reports/studies, press</i> |
| <b>Project context and complexity</b> | FFL/FL typology  | <i>FFL/FL Operator profile</i>                         |
|                                       | Size (number of sites, employees and/or farmers)   |  |
|                                       | Type and complexity of activities<br><i>e.g. production/processing/office, simple processing/complex processing, conventional/organic production etc.</i>    |  |
|                                       | FFL&FL seniority   |  |
|                                       | Existing relevant certifications   |  |
|                                       | Percentage of FFL/FL production out of total production  |  |

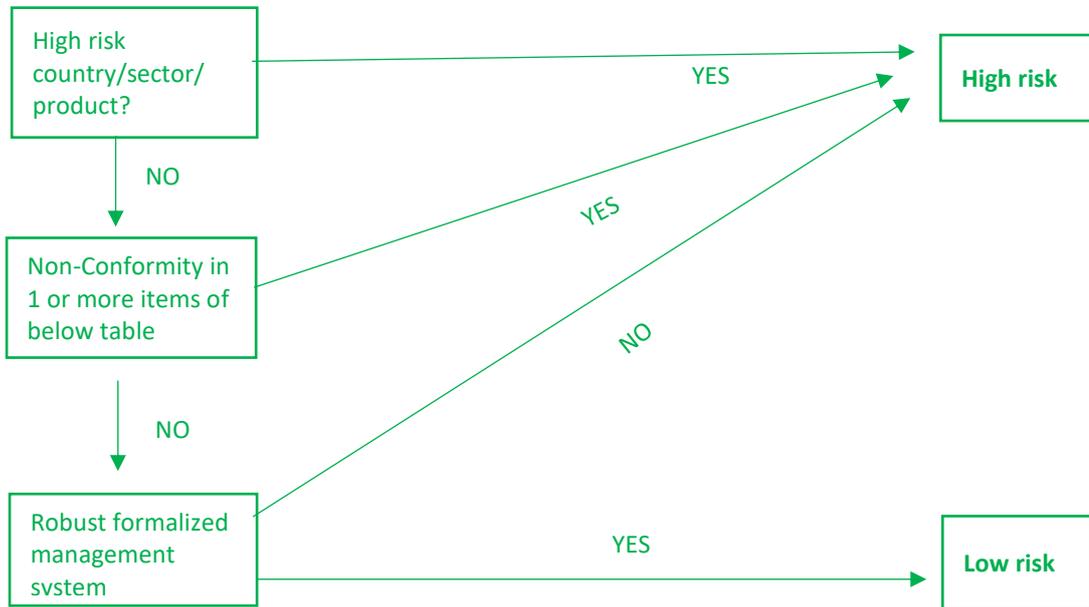
During the initial audit, the CB performs a documented in-depth risk assessment in order to confirm or correct the assumptions on the inherent risks, taking into consideration the scope and effectiveness of measures taken by the operation to mitigate its inherent risks.

The CB considers the outcome of the risk assessment at least for the following points:

- Definition of audit focus and sampling (number and distribution of interviews, documents, visits etc.)
- Definition of control plan (audit modality: on-site or remote, frequency: additional audits complementing the annual audit)

**B. Definition of control plan – audit modality**

For the purpose of defining the appropriate audit modality (on-site or remote), the identification of the residual risk level for each of the areas as defined under A. General Risk Assessment shall be based on a documented in-depth assessment during the initial audit and follow the following rationale:



| Topic                                | Requirements whose non-compliance and/or lack of risk management results in a high risk ranking  |
|--------------------------------------|--|
| General management of certification  | KO requirement: MAN-9 Systemic faults<br>Any requirement linked to Internal Control System (MAN-12 to MAN-18)  |
| Traceability                         | CONS-3 No commingling<br>CONS-4 Traceability<br>CONS-14 Final consumer labels  |
| Labour rights and working conditions | Any KO requirement<br>Any MUST requirement (independent of the year of certification) concerning Freedom of association (Chapter 2.2), Child Labour (Chapter 2.3), Equal Treatment (Chapter 2.4), Disciplinary practices (Chapter 2.5), and Health and Safety (Chapter 2.6)<br>SOC-79 – Maternity leave<br>SOC-104 – Migrant workers |
| Environment                          | any KO requirement<br>any MUST requirement (independent of the year of certification) except ENV-1 and ENV-3 (Overview on water and energy usage)  |
| Trade and Empowerment                | TRAD-34 Production costs<br>TRAD-36 FFL Producer Floor Price<br>TRAD-37 FFL Producer Sales Price<br>EMP-4 Effective representation of producers<br>EMP-31 Effective use of FT fund   |

### Consequence on the audit modality

Based on the highest risk level achieved for the different areas, the following consequences are possible:

| Residual risk level | Initial audit | Surveillance audits | Renewal audits |
|---------------------|---------------|---------------------|----------------|
| Low                 | On-site       | Remote              | On-site        |
| High                | On-site       | On-site             | On-site        |

Thus, if one out of the 4 areas (Traceability, Labour Rights & Working Conditions, Environment Trade & Empowerment) is attributed a high risk, upcoming surveillance audits must be planned on-site.

Alternatively, the CB may decide to implement hybrid surveillance audits, combining on-site audit with remote verifications. In this case, on-site verifications must be performed at least for those sites and those topics for which a high risk level was identified.

If the risk level allows remote surveillance audits, but the CB determines that a remote audit is not feasible (e.g. for technology reasons), the CB may choose to keep the on-site audit method.

### Re-assessment of the residual risk level

The CB updates the risk assessment annually, based on the above-described methodology, and takes the decision on the audit modality of the following audit(s) accordingly.

### Trigger for on-site audits

If since the last audit one or more of the following occurred, the following surveillance or renewal audit must be on-site, independently of the previously identified inherent risk, in order to allow the adequate update of the risk assessment and, if needed, the updated of the risk levels:

- Change of governance and/or ownership
- New production or processing sites to be included in the certification scope
- New crops to be included in the certification scope
- New processed products to be included in the certification scope, linked to a new manufacturing process
- Loss or suspension of organic certification (if applicable)
- Loss or suspension of recognized environmental and/or social certification (if applicable)
- Received eligible allegation

## Topic 3 (FFL&FL): Formalization of process to include certifications/schemes in Annex VII (FFL)/Annex VI (FL)



Intent

In the context of a growing number of sustainability certifications, and the common scenario in which suppliers may be confronted with different demands from different buyers, FFL & FL aim to further contribute to a better audit efficiency and particularly the reduction of audit duplication.

Since the programme's creation, selected standards were recognized as sufficient proof for specific (sub-)chapters. In order to continue with this approach, the list should be living, and continuously updated with schemes whose outcome aligns with the intended outcome of the FFL/FL principles – where relevant, and based on a transparent and meaningful process. The assessments for possible recognitions should include relevant national or regional initiatives, besides international schemes.



The proposal consisted of two parts:

**1. Widen the scope of the equivalencies:**

- In addition to chapter 2.0 (Social responsibility) and 3.7 (conventional operations), assess equivalencies for whole chapter 3 (Environment) and chapter 4 (Local Impact), given that the topics included in those chapters are today addressed by a number of schemes.

**2. Formalize the benchmark methodology**

For each scheme to be benchmarked, assess minimum requirements linked to 3 dimensions

- a. Governance
  - b. Assurance
  - c. Standard requirements
- *For governance and assurance:*
    - The objective of the assessment is the conclusion on whether the management and the verification of the standard can be trusted in the long-term. Compliance with the entirety of the requirements defined in the ISEAL Codes of Good Practices is recommended, but at least the minimum requirements defined in ANNEX III of this document must be met.
  - *For the Standard requirements:*
    - Apply an outcome-based approach rather than a requirement per requirement comparison, with the objective of understanding whether the benchmarked standard ensures compliance to the different FFL/FL principles or not. Define KO requirements that must be addressed by the standard, but accept for other requirements that there may not always be a 100% overlap, as long as the intended outcome of the concerned FFL/FL principle is ensured.
    - Allow the consideration of different certification models (result-based indicators vs. system indicators, KO system vs. continuous improvement) by focusing on outcome.

See ANNEX I for details on the requirements to be assessed for each benchmarked scheme.

Based on the outcome of the benchmark, a decision on a possible recognition is made, additional factors that may be relevant (e.g. reputation of the scheme, recent developments, etc.) are considered and the exact scope for a possible recognition is defined (e.g. the concerned FFL chapters, the type of operation/activity for which the scheme can be considered as equivalent, etc.)

The objective of the consultation was the agreement on the key points of the benchmark process in order to allow an addition of new standards/update of existing recognitions along the year without the necessity of individual validation with the scheme committee each time.



Discussion

Generally, the committee welcomes and agrees on the extension of recognitions of other relevant schemes and agrees with the proposed benchmark principles.

It was pointed out that the focus should not exclusively be the work on recognitions of other standards, but that there should also be resources used for strengthening the recognition of FFL by other initiatives/organizations (stakeholder group: buyers/processors).

The importance of including reliable regional schemes as well as CSR certifications based on the obtained level/rating was highlighted (stakeholder group: retailers). This is in line with the objective of this proposal: the extension of the list which today is mostly based on international social or sustainability schemes.

It was recommended to define a process that allows input from stakeholders on potential standards to undergo the assessment for potential partial recognition (stakeholder group: buyers/processors).



No changes were made to the initial proposal. A Process for assessing equivalencies is to be formalized. Besides the agreed requirements, it should include information on how stakeholders can share their recommendations/requests, and on which basis the performance of the assessments is prioritized.

#### Topic 4 (FFL&FL): Non-certified companies sourcing FFL/FL ingredients



Intent

Incentivize FFL/FL sourcing by better addressing the communication needs of non-certified buyers who want to promote FFL/FL upstream, specifically concerning the claims that can be made and the verifications required.

While doing so ensure that an incentive to go for FFL/FL certification is maintained, and buyers which are actually certified have the exclusive rights to the most visible claims: Limit the right to use the FFL/FL logo on final products or on product marketing campaigns linked to specific products or product lines to certified brand holders



Initial  
Proposal

Define a verification mechanism and associated possible claims for 'FFL/FL Sourcer', e.g. brand holders who do not wish to communicate on the certification of the final product, but on their FFL/FL sourcing for certain ingredients (often representing significant volumes but used in a variety of products, which individually may not reach the thresholds required for product certification).



Discussion

Discussion postponed. Preliminary feedbacks from the Scheme Committee members were mixed, from seeing an opportunity to make FFL more known and increase markets for producers – to the risk of confusing or even misleading consumers. It was concluded that more details on the context and intended outcome need to be prepared to enable an informed discussion.

#### 4. Written consultation

| Topic  | Reference  | Type of change | Need for Change   | Proposal (concrete changes Standard documents in <u>underlined green</u> )  |
|--|--|----------------|---|---|
| Prohibited chemicals                               | FFL&FL Policy of Prohibited Chemical<br>> Category 1 | Update         | <ol style="list-style-type: none"> <li>Update of the list is needed due to evolution of the referenced international conventions</li> <li>Mention of obsolete substances is needed for completeness</li> </ol> <p><i>(Note: The update of category 2 will be managed separately at a later stage as it goes beyond the substances listed in international conventions.)</i></p> | <ol style="list-style-type: none"> <li>Include missing substances from POP, PAN12, PIC, WHO 1a/1b</li> <li>Include reference to WHO obsolete or discontinued substances, which are also prohibited for use where still available.</li> </ol> <p>Additionally, include a description of expected actions for buyers who find residues of the concerned substances in purchased FFL ingredients/products.</p>   |
| Fulfilment of existing contracts during suspension | FFL&FL Certification Protocols<br>> 2.7 Surveillance | Amendment      | Enable buyers to react to unforeseen suppliers' suspensions by giving a grace period of 6 months for existing contracts.  | <p>Chapter 2.7 Surveillance – Unsolved non-conformities</p> <p>Add:<br/> <u>Following a suspension, the Operation is authorized to fulfil its on-going contracts with FFL buyers for 6 months. After 6 months, products may no longer be sold in FFL/FL quality until the suspension is revoked. In exceptional cases, upon request and based on a case-by-case basis, more than 6 months can be granted, but never more than 12 months.</u><br/> <u>However, no new contracts with existing or with new FFL/FL buyers may be signed during the suspension.</u><br/> <u>No products may be sold in FFL/FL quality once the Operation's certificate is withdrawn.</u></p> <p><u>This period for continued sales does not apply for voluntary suspensions, requested by the certified operation. For voluntary suspensions no sales of products with FFL/FL quality are possible from the date of suspension.</u></p> <p>[Justification: In the latter case, the suspension is a planned decision by the operation, and not forced upon it by the CB, causing potential commercial implications.]</p> |

Received written feedback from Committee members:

1. No comments were received concerning the proposed update of the **list of prohibited chemicals**. However, a recommendation was given concerning the enforcement of this list. Specifically, it was requested to clarify the process to follow when a buyer finds residues of prohibited chemicals in the ingredients/products purchased from a FFL/FL certified operation and to define the impact on the certification status of the concerned batch of the product (stakeholder group: buyers/processors).

Response of the Scheme: The Policy on Prohibited Chemicals will be amended with a section lining out steps to be taken by buyers upon detection of residues, such as applying mechanisms of dealing with quality issues in line with the FFL contracts with the supplier, informing the CB and/or Scheme on the detection to trigger an investigation.

2. One member proposed to extend the **grace period for suspended operations** to the full term of already signed FFL/FL contracts (stakeholder group: buyers/processors).

Response of the Scheme: Suspensions are a temporary measure and should be lifted as soon as possible. 6 months are deemed adequate to enable the buyer and its supplier to work on the correction of non-conformities OR to find a substitute supplier where this is not possible. A regular timeframe beyond 6 months would jeopardize the credibility of the FFL/FL standards, as non-compliant products would regularly be circulating for potentially a year or more. The following possibility was added to the proposal: To account for specific cases, extensions up to 12 months can be decided based on a case-by-case basis in justified cases.

## 5. Summary of implementation timeline

| Topic   | Tentative timeline for modification of standard documents  |
|---|--|
| Social and environmental compliance for FFL buyers                  | As part of next systematic standard revision (incl. public stakeholder consultation).  |
| Risk assessment frame for enabling remote audits                    | Publication updated Certification Protocol: April 2023 (enabling CBs to adopt the new rule in their Certification Process).                        |
| Inclusion of certifications to list of partially recognized schemes | Formalization of process: April 2023<br>Implementation: Continuously, inclusion of additional schemes will be communicated to certified operations |
| FFL/FL Sourcer  | postponed  |
| Update Chemical List Category 1                                     | Publication updated document: April 2023   |
| Suspension grace period for existing contracts                      | Publication updated Certification Protocol: April 2023 (enabling CBs to adopt the new rule in their Certification Process).                        |

## 6. Impacts on certified operations

The following table lines out the potential impact of the above presented modifications on certified operations. Appropriate transition modalities and periods considering these impacts will be defined.

| Topic   | Operations affected by the modification            | Impact on affected operations   |
|---|--|---|
| Social and environmental compliance for FFL buyers                  | No modification at this point                      | N/A   |
| Risk assessment frame for enabling remote audits                    | Low risk operations                                | Reduction of audit cost and caused emissions through possibility of remote surveillance audits                          |
| Inclusion of certifications to list of partially recognized schemes | All operations                                     | Reduction of audit time and cost if recognized certification is in place for the same scope as for FFL/FL certification |
| FFL/FL Sourcer  | No modification at this point                      | N/A   |
| Update Chemical List Category 1                                     | Producer Operations that are not certified Organic | Extended list of banned chemicals (that are however all already included in key international conventions)              |
| Suspension grace period for existing contracts                      | All operations (and their FFL/FL buyers)           | Grace period to work on the pending non-conformities while being able to fulfil existing contracts                      |

## 7. Conclusion

Several modification proposals were identified and presented to the Scheme Committee. While some of them were discussed in depth during online meetings in order to identify different relevant aspects, possible impacts and different perspectives, others required less detailed assessment.

The Scheme Committee members provided their valuable input and the initially proposed modifications were adjusted considering the received feedback. Where the comments made by the members were not translated into the modification, this was justified in this document.

Following the publication of this report on the FFL Website,

- ✓ the Scheme Owner will make the revised **Standard Documents with the implemented modifications** available on the FFL Website and
- ✓ the Certification Body will **define the transition modalities** for each modification and communicate them to all certified operations.

## ANNEX I: BENCHMARK REQUIREMENTS FOR SOCIAL AND ENVIRONMENTAL CERTIFICATIONS

### i. Expectations towards Standard Governance

|                              |   |
|------------------------------|---|
| Why is it relevant?          | <b>Ensure that standard as it is defined and managed today cannot be arbitrarily changed by individuals. Continuity of the guarantee can be trusted.</b>  |
| References:                  | <i>ISEAL Standard Setting Code of Good Practice, SSCI Scheme Management Criteria</i>  |
| Key principles:              | <ul style="list-style-type: none"> <li>• impartiality and independence of standard-setter</li> <li>• Transparent and stakeholder-oriented standard setting and revision</li> </ul>  |
| Requirements to comply with: | <p>Ideally: ISEAL members with ISEAL Code compliant status<br/>If not, at least the following principles shall be fulfilled:</p> <ul style="list-style-type: none"> <li>• Standards are publically available, free-of-charge</li> <li>• Standard is regularly revised (ideally at least every 5 years, but longer terms can be accepted if justified)</li> <li>• Revisions are documented and include public consultation with stakeholders</li> <li>• Balanced representation of stakeholders in the supply-chain on decision-making committees</li> </ul> <p>Additionally:</p> <ul style="list-style-type: none"> <li>• Independence and accessibility: Scheme owner is not identical to the only certified company or the only buyer of certified products</li> <li>• Information on who makes decisions on standard-setting and assurance is publically available</li> <li>• Certification procedures are publically available, free-of-charge</li> </ul> |

### ii. Expectations towards Assurance

|                              |   |
|------------------------------|---|
| Why is it relevant?          | <b>Ensure that standard requirements are not only defined, but also verified in a reliable and impartial manner through adequate tools and processes.</b>   |
| References:                  | <i>ISEAL Assurance Code of Good Practice (Principle 5 Rigour and Impartiality), SSCI Scheme Management Criteria,</i>  |
| Key principles:              | <p>Key principles:</p> <ul style="list-style-type: none"> <li>- Impartiality of the Certification Body (CB)</li> <li>- Transparency of audit and certification processes and results</li> <li>- Competency of involved staff in the CB</li> <li>- Effective oversight on CB work by scheme</li> </ul>   |
| Requirements to comply with: | <p>Ideally: ISEAL members with ISEAL Code compliant status<br/>If not, at least the following criteria must be met:</p> <ul style="list-style-type: none"> <li>• The scheme’s audit and certification protocol is publically available, free-of-charge, and defines at least: <ul style="list-style-type: none"> <li>○ Criteria for accepting assurance providers to the scheme;</li> <li>○ Criteria for accepting clients to the scheme;</li> <li>○ Types of client assessment used in the scheme and a methodology for each;</li> <li>○ Procedure for regulating exceptions to the standard or assessment process;</li> </ul> </li> </ul> |

- Requirements for the certificate and/or claims related to assurance status;
- Methodology for oversight of assurance providers; and
- Document and record control procedures
- CBs must ensure impartiality, including for any person involved in the certification process
- CBs must have a process in place to ensure relevant competence for any person involved in the certification process, as required for his/her responsibilities
- The oversight process shall include a review of the performance of assurance providers and auditors in conducting the assessment.

**Additionally:**

- The scheme requires approved CBs to be 17021 or 17065 accredited (for the same or another scheme)
- The scheme requires CBs to define a certification process in line with the scheme requirements which is made available to applicants and certified companies
- Adequate third-party verification method and frequency is defined. Where this does not require annual on-site audits in all cases, this is based on a documented risk analysis
- Audits must include interviews with producers/workers (where relevant) based on a representative sample
- Follow-up of corrective actions and certification decision is under the responsibility of a certification body
- If group certification is possible, there is a dedicated policy/procedure specifying the audit and certification modalities

### iii. Expectations towards Standard requirements

|                              |   |
|------------------------------|---|
| Why is it relevant?          | <b>Ensure that standard requirements are in line with FFL/FL standard requirements.</b>   |
| References:                  | FFL and FL Standards, Chapter 2, 3, and 4   |
| Key principles:              | <ul style="list-style-type: none"> <li>- Eligibility: Scope is consistent with FFL scope (sector, typologies, etc.)</li> <li>- Address all KO requirements of the concerned (sub-)chapter</li> <li>- Address all principles of the concerned (sub-)chapter (<i>Reminder: In the FFL &amp; FL standards, principles frame each sub-chapter and are then operationalized through specific requirements</i>)</li> </ul>  |
| Requirements to comply with: | <p>For each chapter it is verified whether the scheme addresses the principles defined by the FFL Standard through:</p> <ul style="list-style-type: none"> <li>- Clear standard requirements describing the expected level of compliance</li> <li>- Where the audit checklist is provided by the scheme owner: Audit checklist includes the verification of this requirement</li> <li>- Where the CBs are in charge of developing the audit checklist: Scheme implements a system to ensure the adequacy of checklists used by the CBs for documenting the status of compliance of operations.</li> </ul> |

Where doubts exist on whether principles are addressed in the expected extent, additional documents can be consulted (if provided by the scheme), such as interpretation notes, auditing guidelines for CBs, auditor training documents etc.

**Principles can be considered as addressed if:**

- **Continuous improvement approaches** are defined which require **time bound action plans and monitoring of progress** and/or
- Schemes measure and report on the **actual outcomes** of the specific criteria

**For FFL&FL KO criteria the following applies:**

- In case of continuous improvement approaches, they explicitly specify the exclusion of the practices lined out in the KO criteria from the first year of certification and in the case of a violation, an **immediate time bound plan for remedy with a system for verifying follow up** is required.