

EQUIVALENCE MECHANISM

GCP Equivalence Mechanism_v2.0_en_Month Year



EQUIVALENCE MECHANISM

GCP_ Equivalence Mechanism_v2.0_en



Document history

Version	Effective date as of	Details of Change
V1.0	September 2016	First Version of the Concept of the Equivalence Mechanism
V1.1	December 2016	Second Version of the Concept of the Equivalence Mechanism
V1.2	October 2020	Third Version as interim Equivalence Mechanism until further review. Expansion of EM to include continuous improvement and outcome-based approaches. No changes in the Sustainability (performance) Criteria in EM 1.2. The “yellow” criteria in the Baseline Coffee Code are used as the baseline for the Sustainability Criteria. Changes in the Operational (system) Criteria to recognize changes in the context and innovations in approaches. These include adjusted criteria around data, traceability, performance, as well as recognizing different assurance models that are fit for purpose next to/beyond third-party certification.
V2.0	Q4 / 2022	Fourth version. Full revision. Alignment of Sustainability (performance) Criteria with the Coffee Sustainability Reference Code. Revision of Operational Criteria including governance, standard setting, assurance, data and claims. Revision of recognition claims.

ACRONYMS

Coffee SR Code	Coffee Sustainability Reference Code
EM	Equivalence Mechanism
GCP	Global Coffee Platform
SDG	Sustainable Development Goals
SO	Scheme Owner
TC	Technical Committee of GCP
VSS	Voluntary Sustainability Standards

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DRAFT



1. BACKGROUND

The Challenge

The vision of the Global Coffee Platform (GCP) is a thriving, sustainable coffee sector for generations to come, contributing to the achievement of the UN Sustainable Development Goals (SDGs).

One of GCP's assets to drive collective impact is the Coffee Sustainability Reference Code (Coffee SR Code), a global reference code for baseline sustainability practices of coffee production and primary processing.

GCP and stakeholders want to drive the uptake of baseline coffee sustainability practices as a threshold/starting point and encourage increasing sustainable sourcing from diverse origins. This, alongside complementary strategies such as improving the enabling environment for sustainable, profitable coffee production – can contribute to farmer prosperity, improved livelihoods and conserved nature.

The Response – the GCP Equivalence Mechanism (EM)

GCP's aim is that sustainability schemes, initiatives or programs take up the minimum sustainability practices as defined in the Coffee SR Code, and by that reach more and more coffee farmers. To facilitate this, GCP developed an Equivalence Mechanism (EM) with a set of **Sustainability** (performance) and **Operational** (system) **Criteria** described in this document. Sustainability schemes can be recognized for their contribution as part of a wider community moving together towards sustainability. The whole coffee sector gains in efficiency and potential synergies with a harmonized approach to baseline sustainability if all actors have the same understanding about baseline sustainability and efforts to meet this level of sustainability converge.

The EM allows different types of sustainability schemes, including voluntary standard systems, initiatives, programs, national curricula, company sustainability programs, company sourcing requirements and others¹ to be recognized as contributing to overall sustainability. Encouraging and recognizing a baseline sustainability performance of the entire sector, not just a few leaders, will move the entire sector on to the sustainability journey.

In the last years, there has been an urgency for sector wide transformation. Innovations in approaches include outcome based and continuous improvement models, in addition to compliance schemes. These approaches encourage inclusivity and a level playing field, key principles of GCP. At the same time, there has been an increase in common measurement frameworks, recognizing individual and collective action, therefore aligned progress measurement is needed to drive sector wide transformation. To this end, GCP launched its collective reporting on “sustainable coffee purchases” for Roaster & Retailer members and ICO London Declaration Signatories to report annually and collectively upon their sustainable coffee purchases.

In 2016 several schemes were assessed against the previous version of the Coffee SR Code (the Baseline Coffee Code) using the GCP EM 1.0. For the first GCP Roaster & Retailer Reporting on 2018 Sustainable

¹ The EM aims to recognize programs that have a long-term relation with the farmers and are meant to create systemic change, rather than short-term projects.



Coffee Purchases the following schemes were recognized: 4C, Certifica Minas, Fairtrade, Rainforest/UTZ, C.A.F.E Practices and Nespresso AAA.

In 2020 the EM 1.2, was adapted to accommodate evolving approaches and innovation, recognizing a wider range of both private and public sector sustainability schemes for GCP's Roaster & Retailer reporting. This interim version EM 1.2 was developed based on a year-long process that included research of the changing landscape, best practices from international frameworks such as ISO and ISEAL Codes of Practice, interviews with schemes and stakeholders and a two-month beta testing phase with four (4) private schemes. Between 2021 and 2022, 7 schemes were recognized following this version of the EM as equivalent to the Baseline Coffee Code 2nd party. For a list of recognized schemes see [this link](#).

The development and implementation of the Equivalence Mechanism (Version 1.2) highlighted areas that required further refinement to consider the changing sustainability landscape and evolving approaches such as private-led sustainability schemes. With the recent publication of the revised Coffee SR Code, the Equivalence Mechanism needed to be updated to reflect the changes in the Code, as well as consider system aspects that needed further consultation from the last revision, e.g. governance and standard setting. These changes are presented in this version of the Equivalence Mechanism (Version 2.0).

Being an active member of the Global Coffee Platform is an opportunity for companies and organizations to show their commitment to sustainability of the coffee sector, to develop synergies, to measure progress in an aligned way, to learn and achieve better impact with their investments. The Equivalence Mechanism is designed to provide a means for advancing sustainable production and sourcing as it enables recognition of sustainable purchases from diverse sources. Improvement of sustainability practices and performance of all coffee farmers can be scaled not only through increasing purchases of certified/verified sustainable coffee, but also through recognizing private or public schemes which are equivalent at least to the Coffee SR Code.

Other benefits of the EM include:

- Assesses and establishes the level of equivalence of a particular scheme with the Coffee SR Code.
- Provides gap analysis for schemes to identify areas for improvement and “raising the bar”.
- Provides the sector with the knowledge of where a sustainability scheme, standard system or program is with regards to the baseline sustainability practices as set out in the Coffee SR Code and therefore provides the necessary transparency to foster synergies in working together.
- Provides confidence that there is a common and comparable way of measuring progress towards the sustainability goals of the coffee sector, and to be able to communicate these in a credible way.
- Provides a measure of the continuous improvement which is sought in the sustainability journey all along the value chain in coffee.
- Allows to make credible claims and support a healthy collaboration.



- Contributes to exchange and learnings among different initiatives on ways they approach specific practices. Harmonization may be a secondary effect that could benefit farmers participating in several supply chains and facing similar but different practices on the same topic.

The Equivalence Mechanism follows the following principles:

- **Inclusiveness** – acknowledge other approaches and innovations especially those which recognize the different starting points along the sustainability journey
- **Transparency** for stakeholders on minimally acceptable practices and operational requirements
- Recognizing **leadership** standards and tools and not dilute value of certification
- **Level playing field** for different approaches focusing on baseline criteria to create a common entry point on the sustainability journey
- **Continuous improvement** recognizing different starting points to drive progress and impact
- Ensure **credibility of claims and contribution** to baseline sustainability by schemes or programs

The following sections document the criteria and process for the EM 2.0.

2. WHAT IS EQUIVALENCE? WHAT ARE THE CRITERIA?

The baseline Principles and Practices in the Coffee SR Code are a tangible expression of what baseline sustainability in the coffee sector looks like. **Equivalence** refers to the recognition of **schemes** that include at least the defined equivalence criteria and their required minimum compliance level.

What's a Scheme?

For purposes of this document the term **Scheme** is used to generically refer to a wider variety of initiatives: voluntary sustainability standard (systems) or VSS, initiatives, programs, national curricula, company sustainability programs, company sourcing requirements among others.

This means that schemes may be more comprehensive than the Coffee SR Code, but not less.

All Practices reflect a minimum baseline threshold of sustainability. However, recognizing that for mainstream coffee production and in particular for smallholders, some of these Expected Results might not yet be in place, so continuous improvement is essential.

Two schemes may look identical on paper but support different sustainability outcomes depending on how they are implemented in practice. For this reason, it is critical that the

GCP EM looks at *both* the expected **Sustainability** (performance) Criteria, as well as the **Operational** (system) Criteria that support their uptake.



Overview of EM 2.0 Criteria
A. Sustainability (performance) Criteria = Coffee SR Code
i. 12 coffee specific Principles
ii. 5 Critical Practices
B. Operational (system) Criteria
iii. 4 Governance criteria
iv. 4 Standard-setting criteria
v. 9 Assurance criteria
vi. 7 Data criteria
vii. 4 Claims criteria

A. Sustainability (performance) Criteria: These criteria define the expected sustainability performance as outlined in the Coffee SR Code. It includes:

i. 12 Principles: The Coffee SR Code is an outcomes-focused framework organized around the three dimensions of sustainability: economic, social and environmental, recognizing that these dimensions are interrelated and interdependent. These principles are based on good agricultural and management practices as well as international conventions and recognized guidelines accepted in the coffee sector. Under each dimension there are Principles, Practices and Expected Results,

- **Acceptable** as equivalent:
 - Continuous improvement approaches which specify the Principles and Practices in the Coffee SR Code as a minimum practice, require time bound action plans and monitoring of progress and/or
 - Schemes which measure and report on the actual outcomes of the specific criteria
- **Acceptable** as equivalent: *A justified* rationale that a principle is not applicable (versus just not covered). As this is a baseline, there will only be rare exceptions to this. These must be documented and accepted by the GCP Secretariat.
- **Not acceptable as equivalent:** no mention of any individual baseline practices because it is not in a scheme's objectives or scope, e.g. no requirements on workers because the scheme focuses on environmental aspects. In other words – “not covered” does not equal “not applicable”. For exceptions see previous point.

ii. Five (5) Critical Practices: Exclusion of 4 Critical Practices and inclusion of Continuous Improvement: Exclusion Practices: elimination of the worst forms of child labour, elimination of forced labour, no deforestation, no use of prohibited pesticides. These are recognized hotspots by the sector in terms of severity and critical in terms of the immediacy of impacts if not addressed. If these practices are found, they are to be stopped immediately. The fifth Critical Practice is the inclusion criterion of Continuous improvement. Continuous



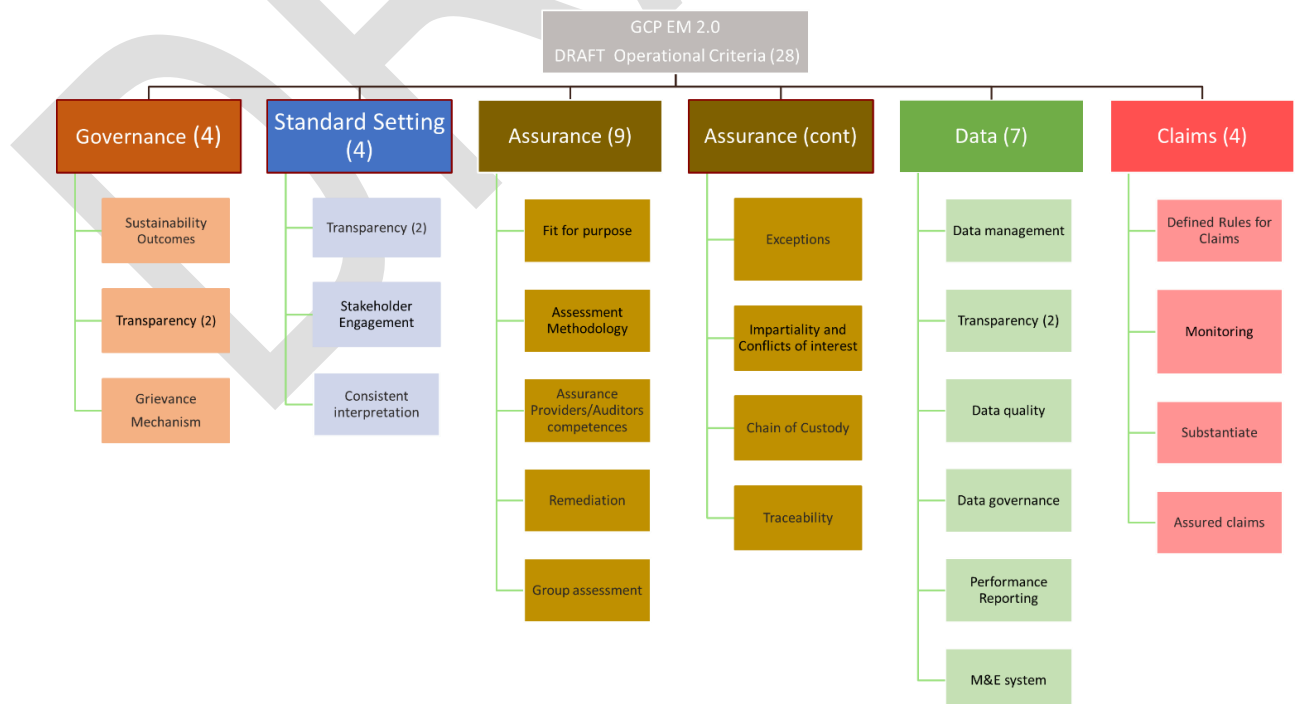
improvement recognizes that sustainability is a journey and some issues have broader root causes.

- **Acceptable** as equivalent: Continuous improvement approaches which specify explicitly the exclusion of the above mentioned four Critical practices and in the case of a violation, an immediate time bound plan for remedy with a system for verifying follow up is required.
- **Not acceptable** as equivalent: Schemes which do not specify exclusion of all or any single one of these four critical practices, nor require Continuous improvement with time bound plans for remedy with follow up. *Recommendations* that critical exclusion practices be eliminated is not acceptable.

For the details on the actual Coffee SR Code Principles, practices and expected results, see the latest version of the Sustainability Criteria in [Coffee SR Code](#).

B. Operational (system) Criteria: These criteria define the core operating practices that schemes should have in place to be considered credible and effective. There are minimum criteria for each of the areas while also recognizing that different models can be effective for different purposes. Thus, not all of the operational system criteria are prescriptive on a specific tool or approach but require transparency on the system. Transparency for the EM 2.0 means, at a minimum, that stakeholders, including producers and partners, have access or can request any of the documentation. For some criteria, publicly accessible documents are required to enable stakeholder trust.

Table 1 - Overview of Operational Criteria





iii. **Governance:** The Scheme Owner (SO) governance ensures an inclusive, transparent system for accountability, coherence, participation and effectiveness in its decisions and operations.

#	Element	Requirement
G1	Sustainability Outcomes	The SO defines and communicates publicly the scope of its scheme, specific sustainability objectives and its strategies for achieving these (its theory of change).
G2	Transparency	The SO publicly informs who makes the decisions on standard setting and assurance of their scheme.
G3	Transparency	The SO ensures Producers are aware of their participation in the scheme.
G4	Grievance Mechanism	The SO has a publicly available and easily accessible complaints and appeals mechanism. The mechanism includes information about steps taken and timelines to assess and resolve complaints/appeals. The mechanism covers all elements relevant to the scheme and defined roles and responsibilities (e.g. complaints about the scheme to the SO, certification decisions to the assurance providers, assurance providers / evaluators communicate to producers the mechanism to appeal compliance decisions).

iv. **Standard Setting:** The SO develops standards that are relevant and transparent and that reflect a balance of stakeholder interests.

#	Element	Requirement
SS1	Transparency	The sustainability criteria in the scheme are publicly available and free of charge.
SS2	Transparency	Information is publicly available on how the sustainability criteria are developed, how are they revised and who is responsible for decision-making. It includes what is the process for immediate/critical changes to the standard and how stakeholders can engage in standard-setting.
SS3	Stakeholder Engagement	Stakeholders who are directly affected by the standard are provided the opportunity to participate in the standard setting.
SS4	Consistent interpretation	The SO prepares guidance on the standard to support consistent interpretation of its requirements.



- v. Assurance: The SO has a documented methodology for assessing compliance with its sustainability requirements so that supply chain partners, investors and other stakeholders know that they can trust the results of the assessments as being accurate, consistent, rigorous and accessible.

#	Element	Requirement
A1	Fit for purpose	<p>The SO defines its assurance structure and activities commensurate with the scope of the scheme, risks inherent in its scope of operation, type of data collected, and end uses of the scheme, including the types of claims being made.</p> <p>An overview of the assurance structure and activities is public.</p>
A2	Assessment Methodology	<p>The Scheme Owner has a defined assessment methodology to ensure consistent compliance with the scheme sustainability criteria (e.g. checklists, guidance).</p> <p>This includes:</p> <ul style="list-style-type: none"> - sampling methodology and frequency that assurance providers/evaluators are required to follow during the audit - a documented risk management protocol to assess the risk level of clients or assurance providers and the resulting assessment frequency and intensity. - In the case of continuous improvement requirements, there is a documented methodology of how progress is monitored and verified.
A3	Assurance Providers/Auditors competences	<p>The SO has a defined process for reviewing the performance of assurance providers and auditors in conducting the assessment. This includes a review of the performance of assurance providers and auditors in conducting the assessment.</p> <p>The procedures, at a minimum, include:</p> <ul style="list-style-type: none"> - the review of complaints - the review of audit reports - a risk-based programme of office audits and witness audits of auditors/evaluators or audit firms that are approved to operate under the scheme - sanctions
A4	Remediation	<p>The SO has a remediation policy/protocol in the case a non-conformity is found.</p> <p>There is engagement and improvement, rather than immediate disengagement whenever a violation is identified.</p> <p>There is a clear system for identifying coffee from those farms with violations and a document policy of what is done with the coffee from these producers that is in stock or in transit.</p> <p>There is monitoring (verification that plan is implemented, and issues being addressed).</p>



A5	Group assessment	If the SO allows for group assessments, assurance providers/evaluators evaluate group internal management systems for efficacy in addressing non-conformities, including a clearly defined process for how group administrator(s) is/are addressing nonconformities for individual farms in the group.
A6	Exceptions	The SO has a procedure for determining and evaluating proposed exceptions to the standard or assessment process. This procedure acknowledges the need for exceptions based on region, farm size, or other variables and defines time-bounds for the exception. (Examples include: variability in allowed pesticides by crop/region; specific practices that vary by varietal/growing region, etc.)
A7	Impartiality and Conflicts of interest	The SO has a policy/procedure to identify, manage and monitor impartiality and conflicts of interest within its assurance system.
A8	Chain of Custody	SO has a documented description of the required chain of custody model and of the mechanisms to ensure credible claims. Chain of Custody models: IP, Segregation, Mass Balance.
A9	Traceability	If any claims are associated with the scheme, SO has a documented system for traceability to verify the history, location of assured product throughout the supply chain in order to protect and monitor the integrity of claims. <i>Link to CLAIMS</i>

- vi. Data: The SO manages data to ensure it is relevant and accurate for monitoring the performance of the impact of the scheme. Data is used as a learning tool and to be accountable to stakeholders about the added value of the scheme.

#	Element	Requirement
D1	Data management	The SO has documented procedures that describe how data to assess compliance of farmers or groups with the scheme's sustainability requirements is collected, compiled and updated and by whom. This is not about personal data, but "assurance" data that is used to understand the sustainability level/performance of farmers or groups.
D2	Transparency	The procedure on data management is made publicly available.
D3	Transparency	The SO provides performance insights to producers.
D4	Data quality	The SO has data control protocols and ensures data consistency and integrity for the data it manages.
D5	Data governance	The SO has a data governance policy. This policy defines who owns different types of assurance system data and what data is available to whom and under what conditions.



D6	Performance Reporting	The SO defines and regularly tracks KPIs of the sustainability criteria and every year publicly reports on them. Results are used for learning/improvement.
D7	M&E system	The SO develops, documents and implements a monitoring and evaluation system. The M&E program includes Key Performance Indicators (KPIs) or impact metrics.

vii. Claims: The SO defines how and which claims can be made by producers and downstream actors in their program. Claims about the scheme are consistent with its objectives, scope and level of assurance.

#	Element	Requirement
C1	Defined Rules for Claims	If any claims are associated/allowed by the scheme, the SO defines the use of symbols, logos and claims. If the SO allows the use of symbols, logos and claims related to the scheme "on" products, it offers public and accurate information to consumers about the scheme and its level of assurance.
C2	Monitoring	If claims are allowed by the scheme, SO monitors the use of symbols, logos and claims.
C3	Substantiate	The SO has data to substantiate claims about meeting its scheme objectives, e.g. with impacts data or monitoring and evaluation results. <i>Link to DATA - annual performance monitoring report</i>
C4	Assured claims	Claims related to compliance with the scheme correspond to level of assurance <i>See ASSURANCE/Fit for purpose.</i>

3. EQUIVALENCE PROCESS FOR EM 2.0

The Equivalence process has three stages:

- Application
- Assessment of sustainability (Coffee SR Code) and Operational Criteria and
- Reporting to GCP

The process uses best practices for benchmarking (e.g. ISEAL Sustainability Benchmarking Good Practice Guide) and builds on existing credible mechanisms (e.g. accredited ISO 17065, ISEAL Code Compliance membership,).

The Equivalence process will consider alternatives to ensure credibility, transparency, independence and sustainability (cost effectiveness) of the EM process. This includes potential partnership with the United



Nations International Trade Center as the independent verifier leveraging the StandardsMap² and defining a clear business model.

For credibility and independence, GCP governance body members (TC or Board) who have a scheme or are consulting with a scheme that is currently recognized or considering recognition, cannot have a role in the EM process. In other words, to avoid a potential conflict of interest, there can be no decision-making regarding the application, assessment or approval of recognized schemes by the TC or Board.

In the case that a country has a GCP benchmarked National Sustainability Curriculum against the Coffee SR Code, the assessment of the Sustainability Criteria of national schemes applying will be vis-à-vis that curriculum.

If needed and once a Scheme has been considered equivalent to the Code, GCP reserves the right to carry out an office/on-site audit.

All schemes that have been recognized to date will be re-assessed under the EM 2.0

During the process, priority will be given to the GCP members, table 2 outlines the general steps. If the scheme has undertaken a third-party benchmark and provides the results with details of supporting documents, the assessment process may be shortened.

Table 2 – Overview of steps in equivalence process



The recognition includes an official communication to the Scheme Owner and publication on GCP website, inclusion in the reporting tool for the GCP Roaster & Retailer Reporting on Sustainable Coffee Purchases, and (if applicable) in the GCP Snapshot publication.

² Currently used by several other benchmarking and equivalency mechanisms including the SAI Platform and FEAC (<https://www.standardsmap.org/feac>)



Complaints about the results of the Equivalence process or/and recognition status of schemes can be sent at info@globalcoffeeplatform.org

APPLICATION -ELIGIBILITY CRITERIA

GCP Members put forward to the Secretariat schemes which they propose to be recognized. The following eligibility criteria apply to owners of such a Scheme. Scheme Owners do not necessarily need to be a GCP Member for having their scheme recognized.

- The Scheme Owner is a legal entity
- The Scheme has been operational for at least 12 months
- There are at least ten (10) coffee groups/farmers assessed/audited against the Scheme's requirements

REPORTING TO GCP

The GCP recognition of a scheme as equivalent to the Coffee SR Code is for 3 years.

Changes in the Equivalence Mechanism Sustainability Criteria (i.e. Coffee SR Code) or Operational Criteria before the end of the 3-year cycle may trigger an earlier re-assessment.

Scheme Owners are required to confirm to GCP each year if they are no changes or notifying changes in their schemes (sustainability requirements and/or operational criteria).

The Scheme Owner of a GCP recognized scheme is required to inform the GCP Secretariat in writing about any significant change, updates to its scheme or plans for revision of their sustainability and operational criteria.

Significant changes include changes to its governance or ownership, management system, standard, or normative documents, which could compromise the scheme's recognition by GCP. GCP will assess if the changes are substantive and require a re-assessment. Significant Changes to the Scheme are to be reported to GCP immediately and may trigger a re-assessment.

The following data points are to be provided annually by the Scheme Owner:

- Key figures (# farmers (female and male), # smallholders (<5 hectares or <10 hectares in Brazil), # total hectares, #bags (60 kg) # workers (permanent/temporary, female/male).
- Performance reporting (see D6)



4. CLAIMS ABOUT RECOGNITION

GCP will maintain on the GCP website the list of recognized schemes, include all recognized schemes in the reporting tool for the GCP Roaster & Retailer Reporting on Sustainable Coffee Purchases, and (if applicable) in the GCP Snapshot publication.

No claims regarding GCP or Equivalence to Coffee SR Code can be made by the scheme on products in any form.

Depending on the characteristics of the Scheme, the claim the Scheme can make about the recognition by GCP differs. To differentiate between the different models of assurance, GCP classifies the scope of the assessment as follows. During the application process the scheme needs to select for which claim it would be applying to:

- GCP recognized schemes as equivalent 3rd party assurance (sometimes referred to as to certification)
- GCP recognized schemes as equivalent 2nd party assurance (sometimes referred to as verification)
- GCP recognized schemes as equivalent 1st party assurance (sometimes referred to as self-assessment or internal audit).

The Scheme Owner can make reference to its scheme supporting GCP's mission and vision. The Scheme Owner can reference the fact that it has been recognized by GCP with the approved level of assurance as per the approved EM 2.0 assessment (Assurance section³), in line with ISO 9001/ISO/IEC 17000 Conformity Assessment and ISEAL "Sustainability Claims Good Practice Guide" v1.0 May 2015.

Examples:

- "Scheme Owner X supports a thriving, sustainable coffee sector for generations to come and works as GCP Member/ works with GCP towards sustainability together with other leading organizations. GCP has recognized the X- Scheme as Coffee SR Code equivalent 3rd party" if the EM recognized assessment defines the scheme as using a third-party assurance provider with independent oversight.
- "Scheme Owner X supports a thriving, sustainable coffee sector for generations to come and works as GCP Member/ works with GCP towards sustainability together with other leading organizations. GCP has recognized the X- Scheme as Coffee SR Code equivalent 2nd party" if the EM recognized assessment defines the scheme as using a second party assurance model (e.g. supplier, Scheme Owner or other non-independent party).
- "Scheme Owner X supports a thriving, sustainable coffee sector for generations to come works as GCP Member/ works with GCP towards sustainability together with other leading organizations.

³ International references and normative documents are used to define the different levels of assurance. As per the ISEAL Assurance Code, it is important that claims are clearly linked to the assurance model used.



GCP has recognized the X- Scheme as Coffee SR Code equivalent 1st party” if the EM recognized assessment defines the scheme as using a self-assessment assurance model.

GCP EM Recognition Claims - Based on ISO and ISEAL	Examples
<p>3rd party assurance (also referred to as Certification)</p> <p>The following are considered characteristics of GCP EM 2.0 - 3rd party assurance and all must be met:</p> <ol style="list-style-type: none"> 1. Independent assurance at farm level of compliance with the Scheme Owner’s requirements. A third-party audit is performed by an audit organization independent of the customer-supplier relationship and is free of any conflict of interest. <ol style="list-style-type: none"> a. The Scheme Owner is independent of the farm level assessment/audit provider AND b. The assurance decision of compliance with the scheme’s sustainability criteria is made by a body that does not have any ties to the party being evaluated 2. Independent oversight of the competency of the entity performing the assessment/audit to ensure effectiveness and impartiality. <ol style="list-style-type: none"> a. The Scheme Owner specifies the oversight mechanism and requirements through an Integrity Program* b. There is monitoring of the competency of the assessment/audit provider including sanctions 3. The scheme is not managed or owned by the certificate holder, audit firms or buyer (NEW) <p>*Integrity Program – program to ensure the accuracy and consistency of assessments include witness audits, regular performance assessments of assurance providers and mechanism to appeal compliance decisions.</p>	<p>Schemes that use certification bodies accredited ISO 17065 against their scheme.</p> <p>Schemes that use certification bodies that are ISO 17065 accredited to other schemes (proxy accreditation) AND have a defined oversight or Integrity Program AND are not involved in the decision of compliance with the scheme requirements AND scheme is not managed or owned by certificate holder, audit firms or buyer.</p>
<p>2nd party assurance (sometimes referred to as Verification)</p> <p>The following are considered characteristics of GCP EM 2.0 - 2nd party assurance:</p> <ol style="list-style-type: none"> 1. A related or interested party** (e.g. buyer, Scheme Owner or field staff) assures compliance with the scheme requirements. A second-party audit is an external audit 	<p>Schemes that use their staff, or contracted independents, to assure farm level compliance and have</p> <ul style="list-style-type: none"> • periodic external independent evaluations of farm level impacts by researchers (no oversight of assurance mechanism) • periodic external independent assessment of farm level performance by ISO 17065



<p>performed by a supplier, customer, or contractor, often against their proprietary requirements.</p> <ol style="list-style-type: none"> Independent assurance providers are not subject to integrity programs or oversight by an independent body <p>**Interested party is a legal organization that participates or could participate in the supply chain</p>	<p>accredited assurance providers (not subject to independent oversight or integrity program)</p> <p>Schemes that use certification bodies that are ISO 17065 accredited to their own or other schemes (proxy accreditation) AND have a defined independent oversight or Integrity Program BUT make the final decision of compliance with the scheme requirements</p>
<p>1st party assurance (self-assessment or internal audit)</p> <p>The following are considered characteristics of GCP EM 2.0 - 1st party assurance:</p> <ol style="list-style-type: none"> Not independently verified. A first-party audit occurs when an audit is performed within the organization by its own auditing resource. These can be employees, consultants, or contractors. Growers report their compliance against the scheme requirements without any external verification 	

Statements/claims regarding the recognition need to be neutral and approved by the GCP Secretariat.



GLOSSARY

Term	Definition	Source
Accountability	State of being answerable for decisions and activities to the interested parties of an organization	ISO 37101, Management system for sustainable development
Assessment	Combined processes of audit, review, and decision on a client's conformity with the requirements of a standard (or of the assurance provider's conformance with requirements for assurance). Synonym: Audit, evaluation	ISEAL Assurance Code
Assurance	Demonstrable evidence that specified requirements relating to a product, process, system, person or body are fulfilled. Synonyms: certification, verification, assessment	ISEAL Credibility Principles, adapted from ISO 17000
Assurance Provider	Body responsible for performing the assessment of clients. NOTE: In the context of this ISEAL, an accreditation body is considered an oversight body rather than an assurance provider. Synonyms: Certification body, verification body, conformity assessment body (CAB)	ISEAL Assurance Code
Audit	Systematic, documented process for obtaining records, statements of fact or other relevant information and assessing them objectively to determine the extent to which specified requirements are fulfilled.	ISEAL Assurance Code, adapted from ISO 17000
Benchmark	Reference point against which something is evaluated (noun)	Benchmark
Certificate	Generic expression used to include all means of communicating that fulfilment of specified requirements has been demonstrated	ISEAL Assurance Code, adapted from ISO 17000
Certification	Issuance of a third-party statement that fulfilment of specified conformance requirements has been demonstrated.	
Chain of custody	Custodial sequence that occurs as ownership or control of the material supply is transferred from one custodian to another in the supply chain.	ISEAL Claims Good Practice Guide
Claim	Message used to set apart and promote a product, process, business or service with reference to one or more of the pillars of sustainability: social, economic and/or environmental	ISEAL Assurance Code
Client	The person or enterprise that is seeking assurance of their conformance with the requirements in a standard.	ISEAL Assurance Code
Compliance	State of an organization that meets prescribed specifications, contract terms, regulations or standards. Compliance obligations can arise from mandatory requirements, such as applicable laws and regulations, or voluntary commitments	ASQ Quality Glossary, ISO 37101, Management system for sustainable development

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Conformity Assessment	Process of determining whether someone or something meets the requirements of a standard. It can be done in one of three ways: <ul style="list-style-type: none"> • first party (assessment by the organization itself), • second party (assessment of organization by a user), • third party (assessment of organization by an independent body). 	Adapted from ISO, Glossary of Terms
Conformity Assessment Body	Third-party conformity assessment body operating certification schemes.	SSCI Glossary of Terms
Continuous improvement	also known under ISO as “continual” improvement. Continuous Improvement is an ongoing effort to improve the organization's products, services, and/or processes.	Source: ISO 9001:2015 subclause 10.3
Data management	Measures using data technologies and resources to solve sustainability challenges, gathered for instance from surveys, mobile apps, sensors and crowd-sourced input and analysed with data science and visualisation. The collection and management of data can be used to detect, monitor, inform and improve sustainability processes and practices	Adapted from ISEAL Alliance excerpt on Data collection and technology innovation
Exception	An instance when a specified requirement in a standard or policy is excluded from conformity evaluation or is adapted for a particular circumstance.	ISEAL Assurance Code
Governance	Establishment and monitoring of policies for organizational management including mechanisms to balance the powers of stakeholders.	
Grievance mechanism	Channel of communication (and associated processes) available to individuals or organisations to report concerns or complaints and address them within a formal process that offers them protection from retribution	SSCI Glossary of Terms Version 1.0
Group	An organised body of persons or enterprises that share similar characteristics, are part of a shared internal management system and, for assessment purposes, are considered as a single unit.	ISEAL Assurance Code
Impacts	Positive and negative long-term effects resulting from the implementation of a standards system, either directly or indirectly, intended or unintended	ISEAL Impacts Code v2 Dec. 2014, adapted from OECD Glossary, 2002
Monitoring and Evaluation System	Ongoing functions, processes and activities through which an organisation draws conclusions about its contribution to intended outcomes and impacts.	
National Sustainability Curriculum for coffee (NSC)	Refers to agreed guidelines on Good Agricultural and Sustainability Practices, and respective material used by extension services of a national or regional or sectoral group to support coffee farmers and train them (GCP own definition).	GCP own definition
Non conformity	An identified occurrence of non-conformance with one requirement of a standard, identified as part of an assessment. Synonym: non-compliance	ISEAL Assurance Code
Oversight	Assessment of an assurance provider’s demonstration of competence to carry out specific assurance tasks	ISEAL Assurance Code

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Outcome	Likely or achieved short-term and medium-term results from the implementation of a standards system's strategies.	ISEAL Code of Good Practice Version 6.0 – December 2014, adapted from OECD Glossary
Policy	Intentions and direction of an organization, as formally expressed by its top management	ISO 37101, Management system for sustainable development
Remediation/remedy	Process of providing remedy for a negative impact and the substantive outcomes that can counteract, or make good, the negative impact. These outcomes may take a range of forms such as apologies, restitution, rehabilitation, financial or non-financial compensation, and punitive sanctions as well as the prevention of harm through, for example, injunctions or guarantees of non-repetition.	Adapted from UNGP reporting Glossary
Reporting	Act by an organization of giving an official report about its sustainability policy, activities, performance and results	
Requirement	Need or expectation that is stated, generally implied or obligatory, describing a desired performance level or target to be achieved. It can make specific demands on how that level/target should be reached. A requirement can be based on practice, processes/systems, and outcome.	Adapted from ISO 37101:2016, Management system for sustainable development and from IISD report
Risk management	Process of risk identification, analysis and evaluation of the chance of something happening that will have an impact on objectives. It is measured in terms of a combination of the probability of an event and the severity of its consequences.	SSCI Glossary of Terms Version 1.0
Scheme	Wider variety of initiatives: voluntary sustainability standard (systems) or VSS, initiatives, programs, national curricula, company sustainability programs, company sourcing requirements among others.	GCP own definition
Scheme Owner (SO)	The organisation that is responsible for the standards system and accountable for the performance of its assessment system. The scheme owner determines the objectives and scope of the standards system, as well as the rules for how the scheme will operate and the standards against which conformance will be assessed. Synonym: Standard systems owner	ISEAL Assurance Code
Self-assessment	Statement issued by an organization, on behalf of itself, and based on its own determination, that states its status against specified conformance requirements of a standard.	Adapted from ISO 14001
Stakeholder	Person, group or organisation that has interest or concern (actual or perceived) in an organisation. Stakeholders can affect or be affected by the organisation's actions, objectives and policies.	SSCI Glossary of Terms Version 1.0
Standard	Document that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not necessarily legally mandatory, and which is dynamic	Adapted from ISEAL Standard Setting Code, SSCI Glossary of Terms

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	and subject to change. A sustainability standard addresses the social, environmental or economic practices of a defined organization	and SAI Sustainable Sourcing Guide
Scheme	The term Scheme is used to generically refer to a wider variety of initiatives: voluntary sustainability standard (systems) or VSS, initiatives, programs, national curricula, company sustainability programs, company sourcing requirements among others.	EM 1.2
Sustainability	Operating practices that meet the needs of present users without compromising the ability of future generations to meet their own needs. Sustainable practices support ecological, human, and economic health and vitality.	UCLA Sustainability Committee, adapted from definition of UN World Commission on Environment and Development
Theory of Change	Approach describing the intended logic of an intervention into its implementation context, the causal pathways from outputs through outcomes via intermediate states towards impact, and the external factors that influence change.	Adapted from UNEP
Traceability	Completeness of the information about every step in a process chain which allows for verification of origin of the material.	