GLOBAL COFFEE PLATFORM

for a sustainable coffee world

EQUIVALENCE MECHANISM REVISION

SYNOPSIS OF THE PUBLIC CONSULTATION RESULTS | September 2022

INTRODUCTION

The Equivalence Mechanism (EM) is a GCP tool to assess equivalence of sustainability schemes (public, private and voluntary codes, standards and initiatives) against the Coffee Sustainability Reference Code (previously known as Baseline Coffee Code) and a set of Operational Criteria covering system implementation. Schemes that meet both the Code and the Operational Criteria are recognized as "equivalent" by GCP.

The Global Coffee Platform (GCP) carried out a revision of the Equivalence Mechanism between November 2021 and July 2022 through a highly consultative process. This process was guided by a broadly representative Advisory Task Force supported by the Technical Committee that included actors of all segments in the coffee value chain. For more information about the revision, including scope, objectives, roles and responsibilities and decision making see the project description.

The Global Coffee Platform thanks all stakeholders for their participation in the public consultation on the revision of the Equivalence Mechanism (EM). Fifty-three stakeholders participated in the consultation that took place from March 16th to April 20th, 2022, via an online survey. In addition, 7 schemes participated in a beta testing exercise and did a self-assessment against the draft Operational Criteria put forward during the consultation. The consultation targets were met, including 11 out of 12 Scheme Owners (SO) whose schemes have been recognized by GCP and other key stakeholder groups. In total, over 330 comments were received, which informed the development of the final draft that was put forward for approval by the multistakeholder Board of GCP. This document summarizes the input received during the public consultation and the beta testing.

Summary

o High interest in the Equivalence Mechanism revision confirmed by the number of stakeholders participating and the quality of their input.
o Overall endorsement of direction of proposal. Further guidance and examples for clarity and consistency needed.
o Main concerns (primarily from private schemes):

   o Same bar used to assess 3rd party and 2nd party assurance schemes
   o Information that is required to be publicly disclosed

CONSULTATION PROCESS AND PARTICIPATION

The public consultation took place during March 16th to April 20th, 2022. An online survey was open to all stakeholders. To support the consultation, a webinar was recorded explaining the revision process and the changes proposed to the EM. Also, key documents were easily accessible on the website: project description, proposed draft EM, detailed changes to Operational Criteria including the reason for the modifications and Frequently Asked Questions.

Online survey

Fifty-three stakeholders participated in the online survey. 14 questions were included covering general and specific questions about the changes proposed to the EM. A space for additional comments was provided which was frequently used to provide further elaboration and suggestions.

Beta-testing

7 schemes participating in a beta-testing exercise during the consultation period. Each of the schemes did a self-assessment against the draft Operational Criteria and provided input about the feasibility of the proposal. The self-assessments were used to test the understanding and feasibility of the requirements, to identify areas for improvement and/or consistency, but the schemes were not assessed.   This group of beta testers included schemes that have been recognized by GCP as well as schemes that have not been recognized but have expressed interest in the EM.

Table 1 :

Participation in consultation per stakeholder group, region* and GCP Membership
(Online survey and beta testing) **
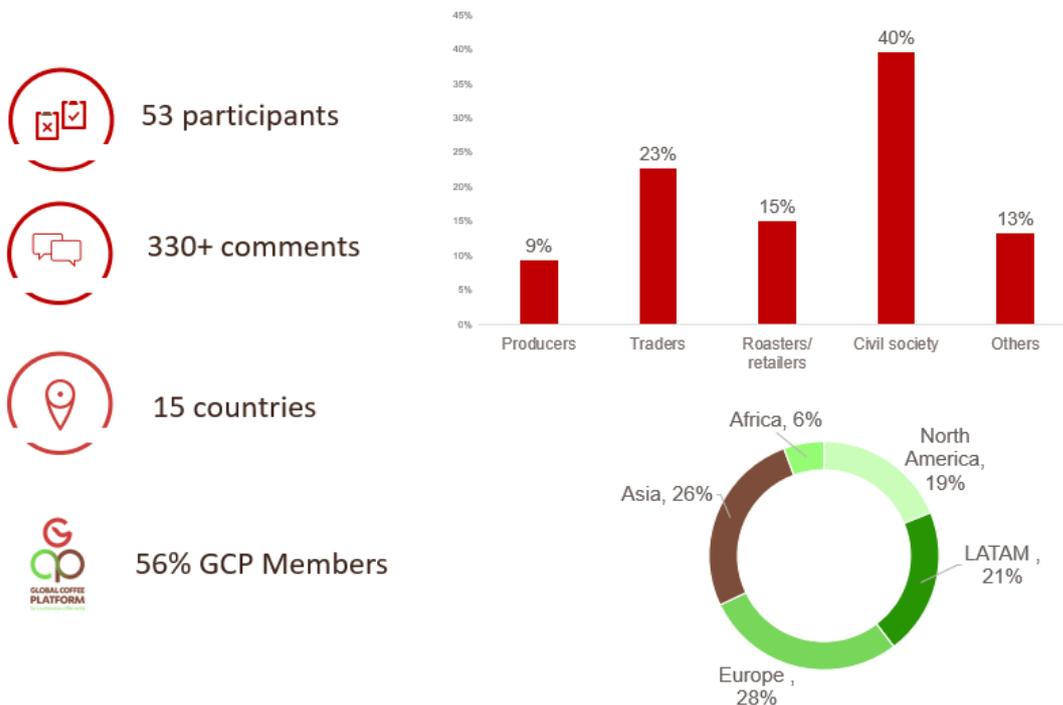
* Considers location of respondents and not the countries where their organizations/companies operate.
** "Others" stakeholders include inter-governmental organizations, trade associations, consultants and researchers.

Table 2:

Agreement with the proposal and objectives of the EM revision

Agreement with the proposal
Average from 1 (strongly disagree) to 5 (strongly agree)

Claims about the GCP Recognition	★★★★☆
Governance	★★★★☆
Standard-setting	★★★★☆
Assurance	★★★★☆
Data	★★★★☆
Claims	★★★★☆

Q13 Do you think that the DRAFT EM v2.0 reflects current good practice and users' expectations of credible schemes?

Yes	76%
No	2%
I am unsure	22%
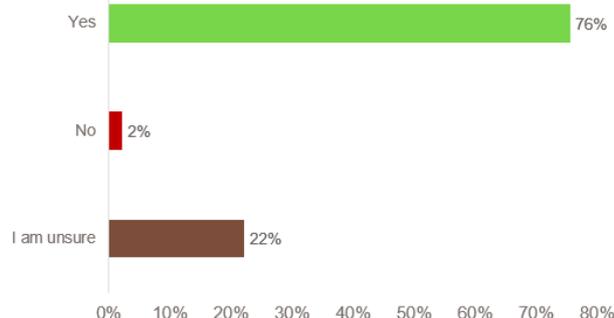
CONSULTATION RESULTS (PER TOPIC)

The online survey elicited feedback on the set of Operational Criteria covering governance, standard setting, assurance, data and claims and the Equivalence Process. The latter included the criteria for schemes to be eligible to be recognized by GCP, the reporting to GCP and the claims the schemes can make about the recognition. Lastly, participants were asked on the list of elements that schemes should make publicly available, the length of the transition period and whether the objectives of the revision were met.

The ranking in the survey was on a scale of 1 – 5 with "1" being" Strongly disagree" and "5" being "Strongly agree".

Claims about the GCP recognition

o   General **agreement** with the proposal (Average rank 4.2, no one ranked it as "2" or "1").
o   Changes about the independence of the scheme from buyer to be classified as 3rd party assurance scheme criteria were well received.
o   Stakeholder comments reflect confusion about claims by the producers (and their supply chain partners) of their level of assurance and claims by SO of GCP recognition.
o   The description of 3rd party assurance and 2nd party assurance needs further work and examples
o   Suggestion to delete 1st party assurance.

Operational Criteria - Governance

o   General **agreement** with the proposal (Average rank: 3.9; 4 persons ranked it as "2", nobody ranked it as "1").
o   Private schemes requested clarification about the scope of public documents, for some, their preference would be for documents to be available only for customers or partners upon request. See Guiding Question 3 on the topic of transparency.
o   Requirement that needs further guidance/examples: grievance mechanism (G4).

o A few stakeholders advocated to bring back the deletion for key stakeholders to have opportunities to engage in or provide input on the governance of the scheme (G5).

Operational Criteria - Standard Setting

o General **agreement** with the proposal (Average rank 3.8, 6 persons ranked it as "2", nobody ranked it as "1")

o Some stakeholders (mainly private schemes) highlighted that the proposal is not differentiating between certification and verification schemes and is having the same expectations on both approaches. See Guiding Question 4 on the topic of general approach to operational requirements.

o Private schemes requested clarification about the scope of public documents, for some, their preference would be for documents to be available only for customers or partners upon request. See Guiding Question 3 on the topic of transparency.

o Requirement that needs further guidance/examples: stakeholder engagement (SS3).

o Some expressed concern on the deletions on regular revisions (SS5), documentation of consultation input (SS6), criteria in the standard contributing to address key sustainability hotspots (SS7).

Operational Criteria - Assurance

o General **agreement** with the proposal (Average rank 4, 2 persons ranked it as "2", nobody ranked it as "1")

o Some stakeholders (mainly private schemes) highlighted that the proposal is not differentiating between certification and verification schemes and is having the same expectations on both approaches. See Guiding Question 4 on the topic of general approach to operational requirements.

o Private schemes requested clarification about the scope of public documents, for some, their preference would be for documents to be available only for customers or partners upon request. See Guiding Question 3 on the topic of transparency.

o Requirements that need further guidance/examples: continuous improvement within assessment methodology (A2), remediation (A4), exceptions (A6).

o General agreement with the proposed deletions.

Operational requirements - Data

o General **agreement** with the proposal (Average rank 3.9, 5 persons ranked it as "2", nobody e ranked it as "1").

o Private schemes requested clarification about the scope of public documents, for some, their preference would be for documents to be available only for customers or partners upon request. See Guiding Question 3 on the topic of transparency

o Requirements that need further guidance/examples: data governance policy (D5), performance and reporting (KPIs and M&E, D6 and D7).

o Some highlighted the missed opportunity to encourage common reporting, including the Coffee Data Standard.

Operational requirements - Claims

o General **agreement** with the proposal (Average rank 4.3, 3 persons ranked it as "2", nobody ranked it as "1").
o Requirements that need further guidance/examples: monitoring of claims (C2) and assurance of claims (C4).

Reporting on GCP

o General **agreement** with the proposal (Average ranked 4, 5 persons ranked it as "2", nobody ranked it as "1").
o Requirements that need further guidance/examples: data points to report (clarifying that this relates to aggregate and not individual information), reporting on KPIs.

List of public elements

o General **agreement** with the proposal but concerns raised consistently by traders/private schemes' stakeholder group. (Average ranked 3.9, 4 persons ranked it as "2", 2 persons ranked it as "1").
o A few stakeholders wished to see public the results of the GCP assessments of the schemes.

Transition period

o 51% of respondents agree with the transition period of 6 months, 29% were unsure and 20% disagree.
o Most of the respondents that disagreed or were unsure with the 6 months transition period, suggested a longer transition period, and 1 year was generally suggested as an alternative.

Other comments

o Some concerns were raised about the deletions proposed.
o Table 3 presents the areas where stakeholders highlighted that further guidance and examples were needed.

Table 3

Operational Requirements: Areas that require further guidance/ examples

Stakeholder engagement (SS3)

Grievance Mechanism (G4)

Governance

Standards

Assurance

- Continuous improvement (A2)
- Remediation (A5)
- Exceptions (A7)

Data

Claims

- Monitoring of claims
- Assurance of claims

- Data governance policy (D5)
- Performance and reporting (D6 & D7)