



**GLOBAL COFFEE
PLATFORM**

for a sustainable coffee world

EQUIVALENCE MECHANISM REVISION

MAIN CHANGES | 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” to the Code 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 synopsis of the consultation results can be found [here](#).

The table below outlines the main changes made to the Equivalence Mechanism (v2.0) and their rationale. For any questions about the revision please contact info@globalcoffeeplatform.org.

Topic	Rationale
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Overall changes

Revision and addition of guidance and references to all Operational Criteria. Increased transparency on elements from the Operational Criteria that need to be made public.	Reflect current good practice and users' expectations of credible schemes.
Addition of sections on governance and standard setting.	Part of original EM (v1.1), but not in Version 1.2. See details below.
Reorganization, streamlining and refinement of Operational Criteria. Focus on requirements that are a differentiator for credibility.	Improve readability of document and coherence within and across sections.
Terms defined in the Glossary are underlined.	Clarify terms and concepts used in the EM.
Alignment of Sustainability (performance) Criteria with the Coffee Sustainability Reference Code.	With the publication of the revised Coffee Sustainability Reference Code in October 2021, the EM needed to be updated to reflect the changes in the Code.
Revision of claims about the GCP recognition.	Ensure the credibility of the GCP recognition and conveying the difference between different assurance models.

Operational Criteria

<p>Governance:</p> <p>NEW section including three operational requirements. Namely definition and public communication of scope of the scheme and objectives, ensuring producers are aware of participation in the sustainability scheme and availability and accessibility to a complaints and appeals mechanism.</p>	<p>The EM v1.2 considered the topics of governance and standard setting important but did not include requirements on these areas as further consultation and engagement was needed to make a proposal that could consider the changing landscape of sustainability schemes. The goal of this updated section is that the Scheme Owner's (SO) governance ensures an inclusive, transparent system for accountability, coherence, and effectiveness in its decisions and operations.</p>
<p>Standard setting:</p> <p>NEW section including four operational requirements. Namely transparency through public availability of sustainability criteria and information about standard-setting, stakeholder engagement in standard-setting and ensuring consistent interpretation of the sustainability criteria of the scheme.</p>	<p>The EM v1.2 considered the topics of governance and standard setting important but did not include requirements on these areas as further consultation and engagement was needed to make a proposal that could consider the changing landscape of sustainability schemes. The goal of this updated section is that the SO develops sustainability criteria that are relevant, and transparent and that reflect a balance of stakeholder interests</p>
<p>Assurance:</p> <ul style="list-style-type: none"> o Reorganization and streamlining of requirements. o NEW: Public communication of assurance structure and activities as well as who makes the decisions about assurance within the scheme. o Clarification on expectations on continuous improvement and remediation. <p>NEW: added requirements on assurance providers and evaluators' performance and exceptions.</p>	<p>Increase transparency of sustainability schemes.</p> <p>Changes to meet the overall objective of this section that stakeholders can trust the results of the assessments as being accurate, consistent, rigorous and accessible.</p>
<p>Data:</p> <ul style="list-style-type: none"> o Reorganization and streamlining of requirements. o Deletion of one requirement on data. <p>Clarification of expectations on performance reporting and M&E. Use and reporting on standardized indicators recommended instead of required.</p>	<p>Improve understanding of intended outcomes.</p> <p>Reflect current reality while remaining ambitious.</p> <p>Focus on information that is a differentiation for credibility.</p>
<p>Claims:</p> <p>Clarification of expectations on claims associated/allowed by the scheme.</p>	<p>Address confusion about what is a claim, clarifying that is not limited to B2C communications but also B2B.</p>

Equivalence Process

<p>Eligibility Criteria:</p> <ul style="list-style-type: none"> o Inclusion of eligibility criteria in EM document (previously in a separate form). o Focus on the scheme being operational with a minimum number of farms/groups before starting the equivalence process. o Addition of GCP's prerogative to accept/reject applications if the scheme is not mature enough or if GCP's association with the scheme could bring reputational risks. 	<p>Streamline in one document all information relevant to the EM.</p> <p>Ensure scheme is mature enough to go through the process for efficiencies while retaining flexibility.</p>
<p>Reporting to GCP:</p> <ul style="list-style-type: none"> o Inclusion of eligibility criteria in main EM document (previously in annex). o Clarifications added about the information to report to GCP and when to report it. 	<p>Streamline in one document all information relevant to the Equivalence Process.</p>

Claims about the GCP recognition

<p>Deletion of 1st party assurance as one of the assurance models considered for recognition.</p>	<p>GCP recognizes that 1st party assurance (sometimes referred to as self-assessment or internal audit) can play an important role for producer empowerment and serve as a stepping-stone towards external assurance. However, the EM 2.0 does not recognize 1st party assurance schemes as equivalent for the moment but will consider this model for future versions if there is sufficient interest and it is considered credible by markets.</p>
<p>Strengthening of definitions and examples of 2nd party and 3rd party assurance.</p>	<p>Improve understanding of GCP recognition categories with new and emerging assurance models</p>
<p>NEW requirement for 3rd party assurance: the scheme is not managed or owned by the certificate holder, audit firm or buyer.</p>	<p>Strengthen the independence between the scheme and the assurance activities for a scheme to be considered equivalent as 3rd party assurance.</p>

Other changes

<p>Addition of timeline for time bound action plans (maximum 3 years) for the implementation of the Practices under Continuous Improvement including monitoring.</p>	<p>Provide clarity about the expectation on the implementation of Practices under Continuous Improvement.</p>
<p>Addition of procedure and template for handling complaints or appeals about activities within the scope of the GCP Equivalence Mechanism 2.0.</p>	<p>Addition to hold GCP accountable as well and to give the opportunity to stakeholders to raise complaints. It also increases the transparency and credibility of the GCP EM as well as provides opportunities for learning for future revisions.</p>
<p>Transition period: one year transition period for implementation of EM 2.0, as of the publication date.</p>	<p>Provide sufficient time to GCP, existing recognized schemes and interested schemes to align their systems with the EM 2.0 and go through the equivalence process.</p>