EQUIVALENCE MECHANISM REVISION

FREQUENTLY ASKED QUESTIONS (FAQ) | November 2023
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1. What is the purpose of the Equivalence Mechanism?

The Equivalence Mechanism (EM) is a framework developed by GCP to assess whether a sustainability scheme can be considered equivalent to the Coffee Sustainability Reference Code (Coffee SR Code) and a set of Operational Criteria. Sustainability schemes include a range of initiatives and can be public, private and voluntary codes, and standards. Operational Criteria cover aspects around system implementation and include topics like governance, standard-setting, assurance, data and claims. The EM can be used by sustainability schemes and/or supply chain actors for different purposes including: a) to assess their schemes/programs against the Principles and Practices outlined in the Coffee SR Code and Operational Criteria for self-assessment and improvement, b) to objectively demonstrate meeting credibility baselines or/c) to be eligible for the GCP’s Collective Reporting on Sustainable Coffee Purchases. Overall, it supports an increased demand for coffee that is produced following (at least) baseline practices of sustainability and encourages the uptake of these practices in coffee producing countries, especially amongst smallholder farmers. Schemes that meet both the Code and the Operational Criteria are recognized as “equivalent” to the Coffee SR Code by GCP.

2. GCP revised the Coffee SR Code in 2021. What is the difference between the Coffee SR Code and the GCP Equivalence Mechanism and why was a revision of the Equivalence Mechanism needed in 2022?

The EM is a framework (tool) developed by GCP to assess equivalency (see previous question). The EM assessment covers two sections: sustainability criteria (the Coffee SR Code) and Operational Criteria. Thus, the Coffee SR Code is a part of the EM. Following the publication of the revised Coffee SR Code in October 2021, the EM needed to be updated to reflect the changes in the Code.

GCP used the opportunity to review and update the Operational Criteria as well. The last revision of the EM (Version 1.2) in early 2020 highlighted areas that required further refinement to consider the changing sustainability landscape and evolving approaches such as private-led sustainability schemes.

What is the Coffee SR Code? The Coffee SR Code (previously known as the Baseline Coffee Code) is a sector wide reference on the foundations of sustainability in the economic, social and environmental dimensions for green coffee production and primary processing worldwide.

3. How was the Equivalence Mechanism v2.0 developed?

The EM was first launched in 2016 and provided the first global reference point for users of coffee sustainability schemes. The EM 2.0 builds upon the interim version EM 1.2 developed and tested in 2020. The EM revision started in November
Building on the work carried out for the Coffee SR Code revision, the research part included an assessment of relevant sustainability/credibility frameworks. The process was supported by the GCP Technical Committee and an Advisory Task Force that included actors from all segments in the coffee supply chain as well as NGOs.

The revision included a beta testing exercise and a public consultation. During the beta testing 7 schemes self-assessed themselves against the Coffee SR Code and 6 against the Operational Criteria. Not all the schemes that participated in the beta testing were already recognized by GCP. A public consultation was carried out from 16 March to 20 April 2022, and the input received plus the discussions with the Technical Committee and Advisory Task Force informed the final version. The final version of the EM was approved by the multistakeholder Board, the highest decision-making body of the Global Coffee Platform in July 2022.

4. **What are the main differences between the EM v1.2 and EM v2.0?**

   The EM version 2.0 includes sections on governance and standard setting that were part of original EM v1.1, but not of EM Version 1.2. All the Operational Criteria were revised for clarity and streamlining. Based on the beta testing and input from schemes, guidance and references were added to facilitate understanding and consistency. The revised EM requires additional information from schemes to be publicly available in line with good practice and stakeholder expectations. The claims about the GCP recognition were revised and the option for schemes based on 1st party assurance models to be recognized was removed. It may be considered for future versions. The references to the Sustainability (performance) Criteria were aligned with the Coffee SR Code.

5. **What is the relationship between the Equivalence Mechanism and GCP’s Collective Reporting on Sustainable Purchases?**

   The [GCP Collective Reporting on Sustainable Purchases](#) includes purchases by roasters and retailers under sustainability schemes/programs that are considered equivalent to the Coffee SR Code and have been assessed under the EM v2.0. The fourth edition of this report was published in September 2023 and can be accessed [here](#).

6. **How relevant is this work if it focuses around baseline/foundation practices and if it does not cover some important elements of sustainability at farm level, or along the supply chain?**

   Sustainability is not an end point but an evolving concept. The Coffee SR Code and the EM are tools to align on a shared understanding of baseline sustainability and a key opportunity to reach more coffee farmers who are currently not able to access sustainability practices at baseline level. At the same time the Coffee SR Code inspires innovations and investments at farm level and includes the principle of continuous improvement. Therefore, the Coffee SR Code and the EM as well as the Collective Reporting on Sustainable Coffee Purchases are enablers to achieve GCP’s 2030 Goal of transformational change for more than 1 million coffee farmers and are complementary to other tools and strategies to drive coffee sustainability forward at scale.
About the implementation of the EM v2.0

1. Is the EM open to assess any schemes or only those of GCP Members?

The EM is open for any scheme in the coffee sector. However, for the assessment of new schemes, schemes from GCP Members will be prioritized. To date, there are 17 sustainability schemes that have been recognized by GCP under the EM 2.0 as equivalent to the Coffee SR Code, 2nd or 3rd party assurance. For more information on the schemes that are recognized as equivalent to the Code see this link.

2. When can a scheme apply to be assessed against the Equivalence Mechanism 2.0?

Once schemes have aligned their systems with the EM v2.0 (including the Principles and Practices included in the Coffee SR Code and the EM Operational Criteria) they can apply to be considered for recognition. GCP is working in partnership with the United Nations International Trade Centre (ITC), for the assessment of the schemes. ITC will leverage their deep experience with benchmarking (public and private) and extensive database on sustainability initiatives to carry out the assessment.

If your company/organization has developed a sustainability scheme that is recognized by GCP under the EM v1.1 or v1.2 or interested in becoming recognized under the EM v2.0, please contact info@globalcoffeeplatform.org for more information.

3. What are the stages in the Equivalence Process?

The Equivalence Process has three stages: 1) Application, 2) Assessment and 3) Reporting to GCP (See Equivalence Mechanism v2.0, page 26). The process lasts approximately three months.

GCP will manage the applications and will make the final decision about the recognition of the schemes.

4. Does a scheme need to go public on the ITC Standards Map to go through the Equivalence Process?

GCP encourages all schemes to go public on the ITC Standards Map as it increases the credibility and transparency of the schemes, important for stakeholders’ trust and considering emerging legislation on sustainability reporting. However, it is not at present a pre-requisite. Future reviews of the Equivalence Mechanism may make this a requirement. Scheme Owners always retain ownership of assessment data in the ITC database and can decide at any time if data is public or even retained in the database.
5. Will ITC check documentation by areas or topics or Scheme Owners have to share all the information at the same time?

For efficiencies, schemes should submit all information at the same time. ITC will follow up as needed if case of information missing or clarifications.

6. Will results of schemes assessed against the revised Equivalence Mechanism be publicly available?

The status of recognized schemes will be published, but not the detailed assessments. GCP will not publish information about schemes in process or that have not been successful in the Equivalence Process. There is interest from stakeholders to have further insights in the scheme’s assessments, which will be considered in future reviews of the Equivalence Mechanism.

7. When will GCP announce the schemes that successfully go through the Equivalence Process?

So far, GCP has made group announcements of schemes that successfully go through Equivalence Process. Depending on the demand, GCP will decide on ongoing basis whether it will continue to make group announcements or one by one.

8. What are the timelines for schemes to be eligible in the GCP Collective Reporting/Snapshot on Sustainable Coffee Purchases?

- Currently recognized schemes are automatically eligible.
- Every year schemes that are recognized until the end of the first quarter are eligible for this report.