

## ISEAL Standard-Setting Code v6 – Interpretation of 6.4.3

Final Version 1 – February, 2016

### Background

Two important components of effective standards are that the requirements reflect the views of interested stakeholders and that they are relevant and applicable in the places where the standard is applied. Given the large number of sustainability standards being implemented globally, it is becoming increasingly useful for standard-setting organisations to recognise the equivalence of other standards as a step to reduce duplication and improve accessibility for enterprises complying with these standards. In these cases of equivalence assessment, it will be important to ensure that both of the above components are reflected. To that end, this interpretation seeks to clarify the basis on which a standard-setting organisation can recognise an existing standard as partially or fully equivalent, during the standard-setting or revision process.

### Scope

This interpretation applies to sustainability standards and the standard-setting organisations that operate them. It refers to activities that take place in the context of standard-setting and revision processes only, as per the scope of the ISEAL Standard-Setting Code. The scope of this interpretation is therefore limited to recognition of equivalence of the standard content<sup>1</sup>.

Equivalence is not limited to those cases where the content of two standards is identical, but rather also includes equivalence based on a range of approaches, from establishing technical equivalence to focusing on equivalence of outcomes resulting from compliance with the standards. All models of assessing equivalence of standards' content fall within the scope of this interpretation.

This interpretation applies to both global and local standard-setting processes where one standard-setting organisation recognises that another standard or a part thereof is equivalent to some or all of their standard. There are two instances where this is likely to occur in the context of standard-setting, both of which fall within the scope of this interpretation:

- where part or all of an existing standard is incorporated directly into the standard under development, e.g. integrating a carbon accounting methodology; and

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<sup>1</sup> A separate ISEAL guidance document is proposed to support a broader suite of equivalence assessments and recognition arrangements that take place outside the context of standard-setting or revision, such as assurance requirements (how compliance with the standard's content will be assessed).

- where a standard-setting organisation, rather than preparing its own local interpretation of its standard, accepts an existing local standard as being equivalent for that local context.

## Relevant Requirements

### ISEAL Standard-Setting Code v6 (Dec 2014)

#### **6.4.3 Requirements:**

Where the standard-setting organisation recognises existing standards as partially or fully equivalent, this shall be based on:

- a. a determination of the equivalence of the sustainability performance; and
- b. an assessment that the existing standard reflects the local context.

## Interpretation

### **Scenario 1 (applies to recognition of global and local standards)**

Where the standard-setting organisation incorporates part or all of an existing standard directly into its standard, these activities take place during the regular standard-setting or revision process. As such, any decision to reference another standard will be subject to the same standard-setting consultation and decision-making procedures normally used by the standard-setting organisation. Therefore, no additional steps are required to ensure equivalence. Care should be taken to abide by any copyright restrictions that arise from the referencing or integration of another standard.

### **Scenario 2 (applies to recognition of local standards)**

Where the standard-setting organisation accepts an existing **local** standard as being partially or fully equivalent for a specific local context, this falls within the scope of the organisation's local interpretation procedure<sup>2</sup>. In this case, the equivalence recognition must be a permitted option within the regular process of defining a local interpretation and the procedure needs to include at least the following elements:

- › a requirement to define the scope of equivalence, including whether equivalence is unilateral or mutual, partial or full;
- › a requirement to define what equivalence means (e.g. equal to, at least, comparable to a specific performance level, equivalent outcomes, etc.);
- › the process for determining equivalence, including the decision-making process and relationship to regular standards development and revision process; and
- › the process for maintaining equivalence over time, including how equivalence arrangements are updated, particularly when the content of either standard changes.

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<sup>2</sup> This can be contained within a standard-setting organisation's existing standard-setting and revision procedure or local interpretation procedure.

In addition to the procedural elements, the standard-setting organisation will need to provide the following evidence when reporting against the ISEAL Standard-Setting Code clause 6.4.3:

- Records of assessments of equivalence for any standards recognised as partially or fully equivalent.
- Evidence that the local standard being assessed as equivalent includes content that is relevant to the local context for which it is applied. This can be achieved in one of two ways:
  - › Records of consultations with stakeholders affected by the standard being assessed, on the relevance of the standard, and conducted either by the standard-setting organisation assessing equivalence or by the one being assessed for equivalence; or
  - › Records that the process of approving a standard as equivalent has been conducted by a balanced multi-stakeholder decision-making body<sup>3</sup> of the standard-setting organisation assessing equivalence (e.g. Standards Committee, Technical Committee, Board of Directors).

Where the standard being assessed as equivalent has previously been evaluated as meeting the ISEAL Standard-Setting Code, this shall serve as sufficient evidence of meeting the requirement for having content that is relevant to the local context.

Where an international equivalency recognition system already exists and both standards are party to that recognition system, this shall also serve as sufficient evidence of conformance with this interpretation.

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<sup>3</sup> A decision-making body can be considered balanced if all stakeholder groups feel that their views are adequately represented in the decision-making body and if no single interest group has a majority vote.