Request for Proposal - Assurance System Model Review

Location: Remote

Tender date: August 1, 2022

Start date: September 1, 2022

End date: December 15, 2022

Textile Exchange primary contact: Lee Tyler, Assurance and Operations, Senior Director

About **Textile Exchange**

Textile Exchange is a global non-profit driving a positive impact on climate change across the fashion and textile industry. It guides a growing community of brands, manufacturers, and farmers towards more purposeful production from the very start of the supply chain.

By 2030, its goal through the Climate+ strategy is to guide the industry to achieve a 45% reduction in greenhouse gas emissions within fiber and raw material production. Its focus is holistic and interconnected, accelerating the adoption of practices that improve the state of our water, soil health, and biodiversity.

For real change to happen, everyone needs a clear path to a positive impact. That's why Textile Exchange believes that approachable, step-by-step instruction paired with collective action can change the system to make preferred materials and fibers an accessible default, mobilizing leaders through attainable strategies, proven solutions, and a driven community.

At Textile Exchange, materials matter. To learn more, visit TextileExchange.org.

Background

The first Textile Exchange Standard was released in 2004 as the Organic Exchange 100. Currently, Textile Exchange owns 8 preferred fiber and material standards, and the number of certified sites exceeds 50,000. Certification for these sites is managed within a third-party certification assurance system including Textile Exchange staff, close to 30 accredited certification bodies, and 6 accreditation bodies.

Textile Exchange is building the next-generation assurance system that will enable innovative and efficient data-driven and risk-based assurance system management. This assurance system

development phase will support the ambitious [unified standard initiative](#) (2023) that will bring Textile Exchange standards into a harmonized system to drive achievement of Textile Exchange's Climate+ strategy.

Enhanced and streamlined assurance processes and policies for implementation in a 3-year horizon will be developed in tandem with the unified standard. Assurance management innovations such as good assurance data governance that underpins proactive risk management will be at the center of the assurance system strategy to address ambitious growth and global assurance risks including forced labor and certification fraud, among others. The system's infrastructure will enable the knowledge and capacity to integrate evolving traceability technologies (e.g. textile DNA testing and tracers) and achieve the scale required to meet Climate+ strategy goals. The assurance system strategies will be aligned with the latest ISEAL Alliance best practice and reflect current ISEAL community member innovations.

To design Textile Exchange's next-generation assurance system, we are seeking a qualified consultant or small team of consultants to review the current assurance system management infrastructure and propose a multi-year workplan to be used as a basis for further strategic planning and finalization of assurance system adaptations. Textile Exchange will provide background information for each assurance system functional area for initial review as a basis for research and consultation with other ISEAL community members. The consultant(s) will work directly with Textile Exchange's Assurance and Operations Manager to complete the project.

This project will occur in parallel with early development phases for Textile Exchange's unified standard. Considerations and outputs from standard structure development work currently ongoing will inform this project.

Assurance system management areas to be reviewed include the assurance system's:

1. **Risk management** approach (assurance management system risks)
2. **Scheme owner oversight** model/program (including competence and performance monitoring program)
3. **Financial model** (certification fees and indirect incentives)
4. **Claims management** model (optimizing the claims approval process to support assurance integrity)
5. **Certification and accreditation model** (optimal certification body and accreditation body network to support growth and effective risk management)
6. **Training and competence model** for certification bodies, accreditation bodies, and auditors (training format and content delivery for our suite of standards)
7. **Standards conformity model** from the perspective of assurance data integrity and monitoring
8. **Equivalency and recognition program** (elements of an effective assurance approach)
9. **Grievance mechanism** (beyond a complaints procedure to inclusion of different types of grievances)
10. **Assurance system policy and procedure development** (approach to the frequency of policy calibrations and exceptions to standards system requirements).

Project Goals and Objectives

The project will include a process of internal review, external research, stakeholder interviews (internal and external stakeholders), and development of summaries and recommendations across different areas of assurance system management. The assurance system review will occur in the broader context of the unified standard's Climate+ strategy to achieve the following goals and objectives:

- Overall strengthening, future proofing, and innovations (data-driven assurance, risk-based assurance) for Textile Exchange's assurance system model
- Identification of best practices to ensure competence and integrity of assurance providers (e.g. certification body competence, monitoring, and oversight, including incentives and fee structure).
- Recommendations for a fit-for-purpose risk management approach with specific risk management tools that take into consideration the scale and complexity, operational capacity, and market context for the assurance system. This will be explored through review of similar ISEAL community member standards systems.
- Identification of ways the Assurance and Operations team can increase internal operational efficiencies for assurance system management.

Deliverables

The deliverables for the project include practical insights and tools so that the Assurance and Operations team can plan activities and next steps to implement Textile Exchange's next-generation assurance model that help achieve the above goals and objectives.

1. **The primary deliverable of the project is a final report** that includes summary recommendations from the following:
    a. **A SWOT analysis of the existing assurance model** in comparison to similar sustainability standards, identifying strategic and operational strengths and opportunities for Textile Exchange to consider in assurance model decision-making. The findings from other ISEAL member innovations in assurance management can be included here.
    b. **Top priority, short-term improvements to assurance system operations** to address operational risks and enhance core areas of assurance system management. Improvements could be implemented within 3-6 months and will use internal system knowledge and staff input as their basis.
    c. **A high-level, multi-year initial project plan for implementation of the next-generation assurance system** that is guided by proactive risk management and a data-driven assurance model. The plan should include the findings from a. and b. above.

The report should be in a user-friendly format of no more than 40 pages that covers the goals and objectives in this RFP, specific tools and activities, significant milestones for the workplan, and corresponding timelines according to the assurance system functional areas reviewed.

2. **Presentation of the project plan results and recommendations** to the assurance and standards teams (integrity team).

3. **Work with the assurance team in an initial phase of implementation** to set up project plan mechanisms and internal coordination for the first activities towards implementation of the next-generation assurance model.

Timeline

The start date for this project is September 1, 2022 and the final report would be submitted by December 15, 2022.

The consultant would work with Textile Exchange an additional 8 weeks in 2023 on a timeline to be agreed upon to support the first phase of project plan implementation.

Requirements

The consultant or consultant team for this project should have the following competencies and knowledge:

- 7-10 years of experience with different assurance system management approaches and innovations for sustainability systems that are compliant with the ISEAL Alliance Codes of Good Practice.
- Understanding of current assurance system innovations approaches for third-party certification systems including continuous improvement, data governance, and risk management.
- Ability to engage and consult with a range of assurance stakeholders via virtual meetings and record detailed findings from the meetings.
- Familiarity with ISEAL member community and ISEAL Code-compliant members is desired

Application

Interested consultants should submit a proposal of no more than 10 pages with information on the project approach to be undertaken, the consultant(s)' experience, and a timeline and budget reflecting time required for each of the deliverables and assurance system areas for review. Proposals can be submitted to Lee Tyler by August 15, 2022 at assurance@textileexchange.org with the subject line 'Assurance model consultant proposal'. Proposals should be submitted with a curriculum vitae and two references for each of the consultants.

Where the proposal includes a consultant team, the proposal should include a summary of how the consultants will work together to meet project deliverables as well as a brief summary of past experience working together, if applicable.

Budget

<u>Assurance system model review:</u> Textile Exchange estimates that the work will require 20-25 days of a consultant's time based on approximately 1-2 days of review, research, and recommendations development for each of the ten assurance system management areas for review. Proposals should include an itemized budget reflecting time required for each of the deliverables and assurance system areas for review.

<u>Additional 8 weeks of support for first phase implementation of workplan:</u> We anticipate that this will require an additional 12-14 days of the consultant's time. The details of the first phase project implementation work would be detailed in a separate contract with the consultant(s) upon the completion of the initial assurance system model review phase.