ISEAL Code of Good Practice

First consultation draft: requirements by chapter

*Consultation open until 16 December 2022*

Contents

Covering note .............................................................................................................................................. 2

Chapter 1: Strategy for impact .................................................................................................................. 3

Chapter 2: Scheme governance, operations, and integrity ........................................................................ 5

Chapter 3: Scheme performance and continual improvement (monitoring, evaluation, and learning; or MEL) ........................................................................................................................................ 8

Chapter 4: Data and information management ......................................................................................... 11

Chapter 5: Stakeholder engagement ......................................................................................................... 13

Chapter 6: Standards development and maintenance .............................................................................. 15

Chapter 7: Assurance .................................................................................................................................. 21

Chapter 8: Claims ........................................................................................................................................ 28
Covering note

About the Code revision and integration process

ISEAL’s Codes of Good Practice provide a globally recognised framework, defining practices for effective and credible sustainability systems. We are currently revising and integrating the ISEAL Impacts, Standard-Setting and Assurance Codes, along with essential practices from the ISEAL Sustainability Claims Good Practice Guide, into one single Code of Good Practice.

The revision and integration process aims to strengthen the connection between the Credibility Principles and the Codes, and update Code content to reflect developments in the sustainability landscape, taking a holistic view of what a credible and effective sustainability system looks like. The Code applies to standards and certification schemes as well as a wider range of sustainability systems such as improvement monitoring programmes, ratings systems, etc.

We encourage you to review the orientation document for more background on the draft Code.

About this document

This document presents the draft Code requirements and their desired outcomes chapter by chapter.

You can also view the draft Code requirements in an excel file that contains additional information. The excel file identifies the relationship between each requirement and the Credibility Principles, and it includes the change log that tracks back the draft requirements to the previous Codes and Guide, summarising key changes.

Your feedback during the consultation

Your feedback on the consultation draft will allow us to assess whether

- the desired outcomes are clear and relevant
- the requirements are likely to achieve the desired outcomes
- the structure of the Code is likely to support adoption of the requirements

We hope you will provide feedback by reviewing the Code and then completing the survey, and/or by providing comments on individual requirements in the excel file.

We are also hosting a series of consultation events and we hope to see you there!

Further information on the review and revision process is available on the consultation page.
Chapter 1: Strategy for impact

1.1 Sustainability impacts and strategies (theory of change)

Desired outcome: The scheme has a clear purpose and strategies to drive sustainability outcomes and impacts.

The scheme owner defines and documents:

1. the desired short, medium- and long-term sustainability outcomes and impacts that it aims to achieve and
2. the strategies it will use to achieve those outcomes and impacts and to support the delivery of broader systemic change
3. a theory of change that articulates the causal pathways through which its chosen activities and strategies, including the components of its scheme (see 2.1), are expected to contribute to intended outcomes and impacts.

[Guidance: the scope of the scheme includes all the activities and strategies that it undertakes towards its desired sustainability outcomes and impacts]

1.2 Analysis informing focus

Desired outcome: The scheme makes informed decisions about how to focus its work.

The scheme owner undertakes the following analyses to inform its focus on desired sustainability outcomes and impacts and its choice of activities and strategies for delivering on these:

1. assessment of sustainability risks and the materiality of sustainability issues across the full proposed scope and reach of its scheme (e.g., sector, geography, segment of the value chain, life cycle stage, etc.)
2. assessment of root causes of the sustainability challenges it seeks to address and its potential to address these independently or through partnership
3. assessment of possible negative effects of its strategies and activities on people and the natural environment and the possible approaches to mitigating and/or remediating these negative effects
4. a mapping of potential partners to support in the delivery of desired outcomes and impacts and value to scheme clients, including but not limited to competing/complementary sustainability systems and initiatives in its space

[Guidance: When assessing possible negative consequences, the people considered would include those directly and indirectly affected by the scheme; for example, clients or intended beneficiaries, as well as their households and their wider communities.]

1.3 Input to scheme focus

Desired outcome: Stakeholder input and lessons from scheme implementation inform the scheme's focus.

When preparing and reviewing background analyses (1.2 and 1.8), the scheme owner obtains input from a balanced and diverse group of stakeholders and from subject matter experts (see 5.2).

If the scheme is already operational, the scheme owner ensures that relevant existing analysis, including evaluations of scheme performance and assessments of client performance (see chapter 3, and in particular 3.3 and 3.9), also informs these background analyses.
Guidance: The goal of a balanced and diverse group is to ensure that all stakeholders can see their views represented in consultation and in decision-making. All major stakeholder groups are represented and no one stakeholder group or set of interests can control decisions.

1.4 Partnerships and cooperation

Desired outcome: Partnerships and cooperation improve scheme efficiency and impacts.

In developing its theory of change, its strategies, and its scheme components (see 2.1), the scheme owner considers where partnerships and cooperation with other organisations, including through unilateral or mutual recognition between schemes, can improve its efficiency, value to clients, and impact.

1.5 Responsibility for theory of change

Desired outcome: There are clear lines of responsibility for developing and maintaining the theory of change.

The scheme owner delineates roles and responsibilities for developing, reviewing, and revising the theory of change (1.1) and the background analyses (1.2).

The scheme owner defines

1. the processes for developing, reviewing, and revising the theory of change, including the processes for stakeholder engagement

2. decision-making roles, responsibilities, and procedures where these are not addressed in other governing documents such as the terms of reference for the relevant decision-making bodies (see 2.4)

1.6 Socialising the theory of change

Desired outcome: Staff, leadership and external partners are committed to implementing the scheme’s strategies.

The scheme owner ensures that its leadership, its staff, and the personnel of external partners that are integral to scheme implementation (e.g. assurance bodies, implementing partners) have access to and have received an orientation to the scheme’s desired outcomes and impacts, its theory of change and the background analyses that have informed the theory of change.

Guidance: the extent to which the scheme's staff are expected to know and understand the theory of change can take into account the role of departments / the job functions of individuals

1.7 Public information about the theory of change

Desired outcome: Stakeholders have access to relevant information about the scheme’s purpose and strategies.

The scheme owner makes key information publicly available and easily accessible, including at least:

1. its desired short, medium- and long-term sustainability outcomes and impacts, the strategies it will employ to achieve those outcomes and impacts, and its theory of change (1.1)

2. summaries of supporting analyses (1.2)

1.8 Review of the theory of change

Desired outcome: The theory of change remains relevant over time.

The scheme owner defines and implements a schedule for the regular review and possible revision of the theory of change and the related background analyses.
The scheme owner conducts reviews at least every five years and these reviews address at a minimum:

1. whether the theory of change is aligned to the scheme’s current strategies
2. whether the theory of change is known, understood, and currently used within the organisation
3. whether the scheme’s operating context has changed or there is other new information that is not captured in the background analyses
4. whether the logic behind the theory of change is still valid (see chapter 3, and in particular, 3.3 and 3.9)

The scheme owner revises the background analyses and theory of change when a review finds that these need updating to ensure their continued relevance or validity.

Chapter 2: Scheme governance, operations, and integrity

2.1 Management system

Desired outcome: The management system supports high-quality, consistent, and transparent implementation of the scheme.

The scheme owner has a documented management system that incorporates policies and procedures for implementing and continually improving all the components of its scheme, including at least:

1. impact strategies, including theory of change
2. scheme governance, operations, and integrity
3. monitoring, evaluation and learning
4. data and information management
5. stakeholder engagement
6. standards development and maintenance
7. assurance
8. claims

* Details about each component can be found in their respective sections

2.2 Responsibility for system components

Desired outcome: There are clear lines of responsibility for implementing and maintaining policies and procedures.

For each component of its scheme (see 2.1), the scheme owner delineates roles and responsibilities for the implementation of its policies and procedures and defines and implements a schedule for the review and potential revision of each of these policies and procedures. The scheme owner ensures that reviews are conducted at least every five years.
2.3 Transition periods

**Desired outcome:** Clients and external partners have adequate time and notice to comply with any new requirements.

The scheme owner ensures its procedures address how affected stakeholders, including clients and external partners (such as assurance providers), will implement changes decided by the scheme (e.g., changes to the standard or to scheme requirements). This includes ensuring procedures address the timelines by which changes come into effect and the mechanisms to communicate those changes to affected stakeholders.

2.4 Good governance

**Desired outcome:** The scheme owner implements good governance practices.

The scheme owner has policies and procedures in place to support scheme governance and operations. At a minimum:

1. the scheme owner ensures that the following records are maintained:
   a. registration as a legal entity of the organisation hosting the scheme
   b. overview of the scheme's corporate and governance structure
   c. terms of reference for all decision-making bodies (where these include the selection criteria for members of the decision-making bodies)
   d. list of members of each decision-making body and their terms

2. the scheme owner has the following policies that apply to its governing and decision-making bodies, staff, and consultants:
   a. impartiality policy (where this addresses conflicts of interest)
   b. diversity, equity, and inclusion policy
   c. safeguarding policy
   d. whistle-blower protection policy
   e. grievance policy

2.5 Risk management

**Desired outcome:** The scheme owner actively manages threats to the integrity of its scheme.

To maintain the integrity of the scheme, the scheme owner implements a risk management plan, where this plan includes:

1. the identification of threats to the integrity of each component of its scheme (see 2.1)

2. the quantification of risk associated with those threats

3. the implementation of preventive or mitigating measures appropriate to the scale and severity of each identified risk

4. a review and revision schedule for the plan that accounts for when new threats arise or when risk ratings change
Guidance 1: the quantification of a threat involves assessing the likelihood of occurrence and the severity of impact if it does occur, and deriving a risk rating.

Guidance 2: the scheme owner can choose to outsource its risk management for assurance to oversight bodies but retains responsibility for the integrity of the scheme as a whole.

2.6 Contractual measures

Desired outcome: The scheme owner uses contractual measures to manage risks to the integrity of its scheme.

The scheme owner assesses and implements the contractual measures necessary to support the integrity of its scheme, where at a minimum this includes:

1. carrying out due diligence assessments of its existing and proposed business partners
2. establishing legally enforceable contracts with those external partners that are integral to scheme implementation (e.g., oversight bodies, assurance providers)

The scheme owner ensures that control measures for all delegated aspects of scheme implementation are addressed in the contracts it has with external partners.

Guidance: Carrying out due diligence on business partners can include establishing requirements that business partners demonstrate a commitment to corporate due diligence as laid out in frameworks such as the OECD Guidelines on Responsible Business Conduct and the UN Guiding Principles on Business and Human Rights.

2.7 Personnel competency

Desired outcome: Staff and external partners are competent.

The scheme owner implements processes to

1. regularly define the qualifications and competency requirements for its staff and the personnel of external partners that are integral to scheme implementation, e.g., assessors or oversight staff or other personnel needed to successfully implement the components of the scheme (see 2.1).
2. regularly evaluate staff and external partners against these competency requirements
3. provide training and ongoing professional development where necessary

2.8 Public information about scheme governance and operations

Desired outcome: Stakeholders have access to relevant information about scheme governance and operations.

The scheme owner makes the following information about the scheme’s governance publicly available and easily accessible:

1. the scheme’s scope of operations (sector, geography, segment of the supply chain, life cycle stage, etc.)
2. scheme governance bodies and composition
3. summary of income sources
Chapter 3: Scheme performance and continual improvement (monitoring, evaluation, and learning; or MEL)

3.1 Guiding framework for monitoring, evaluation, and learning system

**Desired outcome:** The scheme owner has a guiding framework that underpins its monitoring, evaluation, and learning system.

The scheme owner defines a guiding framework for its monitoring, evaluation, and learning (MEL) system. The guiding framework is consistent with the scheme's theory of change and scope, taking into account the scheme's current maturity and reach. This framework includes at least:

1. the objectives and principles (or values) of the MEL system (see also 3.2)
2. the priority evaluative questions and information needs that the MEL system seeks to address (see also 3.3)
3. the current and intended scope and scale of the MEL system

*Guidance: When a scheme is establishing itself, the MEL system can have a narrower scope relative to the scope of the scheme. In these cases, the scheme should have a viable plan to scale up the MEL system so that the scope of the MEL system corresponds to the scope of the scheme within its first two years of operations or within two years following any scope expansion of the scheme.*

*Guidance: See also chapter 4 for data and information management system requirements.*

3.2 Monitoring, evaluation, and learning system objectives

**Desired outcome:** The scheme owner has monitoring, evaluation, and learning objectives that are clearly defined.

The scheme owner establishes objectives for the monitoring, evaluation, and learning system that, at a minimum, support the scheme owner’s:

1. assessment and understanding of whether the components of its scheme (see 2.1) are working as intended (scheme effectiveness)
2. assessment and understanding of the scheme’s contribution to desired sustainability outcomes and impacts as defined in its theory of change (see 1.1) (scheme performance)
3. evidence-based decision-making and continual improvement of the scheme
4. communication of findings to stakeholders
3.3 Evaluative questions

**Desired outcome:** The monitoring, evaluation, and learning system answers priority evaluative questions.

Once the scheme has been operational for two years, the scheme owner ensures that its monitoring, evaluation, and learning system addresses priority evaluative questions covering, at a minimum, the following topics:

1. the reach and growth of the scheme relative to targeted geographies, contexts, and types/groups of clients
2. whether the components of the scheme (see 2.1) are working as intended (scheme effectiveness)
3. client performance and progress over time
4. the validity of the logic and assumptions behind the scheme’s theory of change
5. possible unintended negative effects
6. cost-benefits for clients
7. the contribution of the scheme towards its intended sustainability outcomes and impacts (scheme performance)

3.4 Monitoring, evaluations, and learning policies and procedures

**Desired outcome:** The scheme owner has procedures to guide consistent and effective implementation of the monitoring, evaluation, and learning system.

In addition to the guiding framework, the scheme owner defines and documents policies and procedures for specific elements of the monitoring, evaluation, and learning (MEL) system, including at least the following:

1. a plan and protocols for ongoing monitoring activities, including the metrics and indicators to be employed and the methodologies for analysing data collected to answer evaluative questions
2. a plan and protocols for complementary evaluative activities that provide insight on the evaluative questions and information needs that are less likely to be addressed by ongoing monitoring, including the understanding of contribution/causality, systemic and unintended effects, and context and other factors affecting outcomes and impacts
3. a plan and schedule for regularly producing and publishing MEL research, reports, data, and analysis for both internal and external audiences
4. research guidelines to govern any monitoring, evaluation or research activities that involve individuals, where these guidelines address ethical considerations and align with the scheme's policies (see 2.4)
5. procedures for engaging stakeholders in the design, implementation, and scrutiny of the MEL system (see 5.2)

3.5 Aligning monitoring indicators

**Desired outcome:** The scheme owner aligns with others on what is measured to support a better understanding of collective impacts.

The scheme owner uses shared or standardised indicators and reporting protocols whenever practicable, including those recommended by ISEAL, those used in sector-specific reporting initiatives, or those used by other schemes.
3.6 Public information about monitoring, evaluation, and learning

Desired outcome: Stakeholders have access to outputs and information about how the monitoring, evaluation, and learning system operates.

The scheme owner makes the following outputs and information about its monitoring, evaluation, and learning (MEL) system publicly available and easily accessible:

1. guiding framework for the MEL system
2. description of the monitoring and evaluation approaches used to address evaluative questions and information needs
3. list of all indicators being reported on through the MEL system
4. schedule of the outputs from the MEL system that stakeholders can expect to see publicly reported
5. opportunities for stakeholder feedback on the MEL system and its outputs
6. published MEL system outputs and other relevant research about the system and its impacts; this includes full reports or, at a minimum, accurate summaries reporting all positive and negative findings, conclusions, and recommendations

3.7 Reporting and sharing analysis

Desired outcome: The scheme and its stakeholders have access to relevant analysis.

On at least an annual basis, the scheme owner

1. analyses its monitoring, evaluation, and learning (MEL) activities to derive findings and insights in response to the evaluative questions and information needs identified in the guiding framework
2. shares these findings and insights within the scheme, including with the scheme's leadership and decision-making bodies

And at least every two years, the scheme owner provides stakeholders with

3. the findings and insights that have been shared within the scheme
4. a public management response to the findings and insights, which includes an explanation of the changes and improvements that have been and will be made as a result

3.8 Quality of analysis

Desired outcome: Publicly shared outputs are relevant and of good quality.

The scheme owner shares findings and insight (both internally and externally) that draw on relevant data and information and are derived using methodologically sound analysis. This will include exercising caution in conclusions regarding causality. The scheme owner will ensure that all external reports and other forms of public data sharing will include a clear description of methodology and data sources, including any possible limitations to the analysis.
3.9 Learning and improvement

Desired outcome: The scheme owner uses outputs from its monitoring, evaluation, and learning activities to adapt its strategies, to improve scheme implementation and scheme integrity, remaining fit for purpose.

The scheme owner uses the outputs from its monitoring, evaluation, and learning (MEL) activities to inform review activities and to make improvements to its scheme, where this includes making improvements to its risk management plan (see also 2.5), its theory of change (see also 1.8), its strategies (including its sustainability standards, see also 6.7), and its other scheme components (see also 2.1 and 2.2).

3.10 Reporting and sharing improvements

Desired outcome: Stakeholders have access to information about how the scheme is improving.

At least once every two years, the scheme produces a public report summarising the changes and improvements that are made as a result of any review activities undertaken in the previous period (see also 1.8, 2.1, 2.2, 2.5, and 6.7). This report can be combined with public reporting on the changes and improvements made in response to MEL findings and insights (see 3.7).

Chapter 4: Data and information management

4.1 Data and information management system

Desired outcome: The scheme owner manages its data and information so that it can be used effectively.

The scheme owner has a data and information management system for gathering, storing, and organising internal and external data and information. The system facilitates analysis and use of data and information. At a minimum, the system includes in its scope the data and information that is used by the scheme for:

1. monitoring and evaluating client performance, scheme performance and scheme effectiveness (see chapter 3)
2. managing risks to the scheme’s integrity (see 2.5)
3. stakeholder engagement (see chapter 5)

4.2 Data and information sources

Desired outcome: The scheme owner has access to sufficient data to gain insights about sustainability performance and scheme integrity.

The scheme owner gathers the data and information from different sources needed to achieve the purposes outlined in 4.1 and to inform its continual improvement efforts (see also 2.1). The scheme owner maintains a list of data and information sources used for each system component.

[Guidance: These data and information sources include information received from stakeholders (see also 5.2 and 5.5). They also include the data and information sources that feed the risk management plan (see 2.5) and the monitoring, evaluation, and learning system (see chapter 3).]
4.3 Data quality and integrity

Desired outcome: The scheme owner controls the quality and integrity of the data and information it manages.

The scheme owner defines and implements data quality control procedures that ensure data consistency and integrity for the data it manages. This includes establishing specific indicator protocols for each monitoring indicator currently in use.

The scheme owner has measures in place to ensure that external partners and service providers follow adequate data quality control procedures (including indicator protocols) to ensure data consistency and integrity for the data they manage on the scheme owner’s behalf.

[Guidance: this requirement applies to the scope of the data and information management system]

4.4 Records and document control

Desired outcome: The scheme owner controls the integrity of documents and records.

The scheme owner implements procedures that control document integrity and guide the management, distribution and storage of scheme documents and records.

4.5 Data governance

Desired outcome: Ownership and governance of data is clear.

The scheme owner defines and communicates (both internally and externally) who owns different types of data and what data is available to whom and under what conditions.

[Guidance: this requirement applies to the scope of the data and information management system]

4.6 Data confidentiality

Desired outcome: Confidential and proprietary data is secure.

The scheme owner has procedures in place to protect and securely store confidential and proprietary data.

4.7 Data legality

Desired outcome: Scheme data and information can be used effectively.

The scheme owner has measures in place to address legal barriers or requirements regarding the gathering, storage and use of data relevant to the implementation and continual improvement of its scheme, e.g. for the management of risks to scheme integrity and the implementation of the scheme’s monitoring, evaluation, and learning system.

[Guidance: These measures could include agreements with data holders to analyse data on behalf of the scheme, under conditions set by the scheme owner.]
Chapter 5: Stakeholder engagement

5.1 Stakeholder identification

Desired outcome: The scheme owner understands who its stakeholders are.

The scheme owner defines categories of stakeholders who may have an interest in, or be affected by part or all of the scheme, or who the scheme owner seeks to engage in an assessment of its work (e.g. subject matter or context experts). The scheme owner also provides a mechanism for stakeholders to identify themselves and their interest in the scheme. The scheme owner maintains records of stakeholders that are reviewed and updated at least every 2 years, and prior to any public consultations (see also 6.11).

[Guidance: Stakeholders who may have an interest in the scheme include those who may be directly or indirectly affected by activities within the sector or geography where the scheme intends to have an impact.]

[Guidance 2: When reviewing stakeholder records, the scheme owner should consider under-engaged and under-represented stakeholders, see also 5.4.]

5.2 Opportunities for stakeholder input

Desired outcome: Stakeholders have a range of opportunities to contribute to the scheme.

The scheme owner creates opportunities for stakeholders (including subject matter or context experts) to provide input and/or feedback and raise questions about the components of its scheme. At a minimum, the scheme provides stakeholders with the opportunity to provide input on:

1. the scheme’s theory of change and the related background analyses (see chapter 1)
2. the scheme’s role and responsibilities in the remediation of negative impacts within its scope (see 5.6)
3. the guiding framework for the monitoring, evaluation, and learning system (see chapter 3)
4. the development and revision of standards (see chapter 6)
5. the assessments of clients’ conformity or performance (see 7.4 and 7.6)
6. the clarity, relevance, and accuracy of the claims the scheme makes and allows clients to make (see 8.3)

The scheme owner ensures that stakeholders are informed about these opportunities and are made aware of how their input will be considered.

5.3 Contacts for stakeholders

Desired outcome: Stakeholders know who to contact with their feedback or queries.

The scheme owner publicly identifies its main contact person for each component of its scheme (see 2.1) and makes this information easily accessible.

5.4 Under-represented stakeholders

Desired outcome: The scheme supports under-represented stakeholders to contribute to the scheme.

The scheme owner identifies stakeholder groups who have been under-engaged or under-represented, identifies and addresses barriers faced by these groups, proactively seeking their contributions to the opportunities identified in 5.2 and ensuring they have access to the scheme’s mechanisms for receiving stakeholder feedback (see also 5.5, 5.6 and 5.7).
5.5 Mechanisms for stakeholder input

**Desired outcome:** Stakeholders are easily able to provide feedback to the scheme owner that will be taken into account.

The scheme owner provides a mechanism for stakeholders to provide information about any aspect of scheme implementation easily, securely, and when desired by the stakeholder, confidentially. In addition to any immediate action prompted by receipt of information (e.g., investigation, corrective action), the scheme owner uses this information as an input in its reviews of risks to scheme integrity (see also 2.5), and its assessments of scheme effectiveness and scheme performance (see also chapter 3). The scheme owner ensures that stakeholders receive an acknowledgement of information received and are made aware of how the scheme will use the information received.

5.6 Remediation

**Desired outcome:** Stakeholders can rely on the scheme to act in line with its defined role in remediation.

The scheme owner defines and documents its role and its responsibilities in remediating the negative impacts that are within its scope, and it acts accordingly. It takes account of stakeholder input and feedback when establishing and reviewing its role and responsibilities.

*Guidance: It is intended that the scheme owner defines its role and responsibilities for providing or facilitating access to remedy relative to other parties such as clients, nongovernmental organisations, governmental bodies, and enforcement agencies, etc. It is also expected that the scheme's role in preventing and detecting negative impacts is addressed by the scheme's standard(s) and assurance system respectively.*

5.7 Scope and design of dispute resolution system

**Desired outcome:** The scheme has impartial and accessible mechanisms in place for resolving complaints and conflicts.

The scheme owner has in place a documented and publicly available and easily accessible dispute resolution system that addresses complaints against clients, against external partners such as assurance providers, and against the scheme itself. The system protects the confidentiality of the complainant when this is requested by the complainant or when it is otherwise prudent to do so.

At a minimum, the scope of the dispute resolution system includes:

1. standard development and maintenance processes
2. assessment processes and results
3. claims processes

The system includes a mechanism to appeal assessment decisions (assessments of clients and assessments of assurance providers).

The scheme owner ensures that the dispute resolution system promotes resolution and provides for consistent and impartial decision-making.

The scheme owner has overall responsibility for the management of the dispute resolution system. The scheme owner ensures that external partners that are integral to scheme implementation (such as assurance providers) are required to implement relevant aspects of the dispute resolution system.

The scheme owner reviews the efficacy of this dispute resolution system (including the appeals mechanism) at least annually and makes improvements when applicable.
5.8 Operations of dispute resolution system

 Desired outcome: The dispute resolution system is robust and transparent.

The dispute resolution system requires the scheme owner, or where relevant external partners such as assurance providers, to:

1. investigate and take appropriate action regarding relevant complaints, within defined timelines
2. review and take any necessary corrective actions
3. disclose decisions at least to the parties to the dispute
4. keep a record of all complaints and resulting actions to be made available for internal audits and management reviews
5. on an annual basis, publicly report a summary of all concluded complaints and resulting actions ensuring that complainants are not identifiable

Chapter 6: Standards development and maintenance

6.1 Standards policies and procedures

 Desired outcome: The scheme owner ensures that its development and maintenance of standards is predictable and consistent.

The scheme owner's procedures for standards development and maintenance address at least:

1. the processes for developing, reviewing, and revising standards, including the processes for stakeholder engagement
2. decision-making roles, responsibilities, and procedures where these are not addressed in other governing documents such as the terms of reference for the relevant decision-making bodies (see 2.4)
3. the conditions and process for urgent substantive revisions (if the scheme allows for these)
4. the conditions and process for non-substantive changes to the standard (e.g., to clarify language)
5. document control procedures for standards development and revision processes
6. protocols for changes in the standard, including timelines by which changes come into effect and mechanisms to communicate those changes to affected stakeholders

The scheme owner includes in scope of its procedures for standards development and maintenance all standards that are implemented by the scheme's clients.

[Guidance: the standards included in scope of the procedures are intended to be the scheme's sustainability standards and any other requirements applied to clients in support of scheme integrity, e.g., chain of custody requirements, etc.]
6.2 Public information on standard-setting

Desired outcome: The scheme owner makes its standard and key information about the standard's development and maintenance freely available.

The scheme owner makes the following information about its standards development and maintenance publicly available and easily accessible:

1. procedures for standards development and maintenance, including decision-making roles and responsibilities
2. the terms of reference for its standards
3. comments received during the consultations or, at a minimum, accurate summaries of these comments, along with explanations of how the comments were considered in the development or revision of the standards
4. the consultation drafts and the final standards in the scheme's official languages
5. translations of the standards in additional languages where this supports uptake of the standards
6. if applicable, the justification and the details of any urgent substantive revisions made to its standards since the last review and revision
7. planned date of subsequent reviews

6.3 Terms of reference

Desired outcome: The scheme owner has clearly articulated what the standard aims to achieve and why the standard is needed.

At the outset of the development process for a new standard and for the standard's subsequent revisions, the scheme owner defines the objectives of the development or revision process. These objectives are consistent with the scheme's strategies and theory of change.

The scheme owner also develops or updates the terms of reference for the standard, and these include at least

1. the intended scope of the standard
2. the intended sustainability outcomes of the standard, where these are consistent with the scheme's materiality assessment and theory of change
3. the draft claims that implementation of the standard is intended to substantiate.

6.4 Consistency between standards

Desired outcome: The scheme owner aims to avoid duplications and seeks consistency with other schemes.

At the outset of a standard's development or revision, the scheme owner seeks consistency with existing standards and aims to avoid duplication.

At a minimum, the scheme owner:

1. informs organisations that have standards with overlapping scopes of its intention to develop or revise a standard
2. seeks input from them on the terms of reference
3. encourages their participation in the standard's development or revision
6.5 Public summary

**Desired outcome:** Stakeholders have the information they need to determine whether and how to participate.

For the duration of the process to develop or revise the standard, the scheme owner makes publicly available and easily accessible:

1. a summary of the process to inform stakeholders of the proposed scope and intent of the standard
2. the objectives of the development or revision process
3. the terms of reference for the standard
4. an outline of the steps in the process, including timelines and clearly identified opportunities for contributing
5. the rationale for the criteria proposed for the standard, including any evidence or research that informed the criteria
6. an overview of the decision-making procedures, including how decisions are made and by whom

6.6 Stakeholder input

**Desired outcome:** The scheme owner responds to stakeholder input.

The scheme owner has a process for stakeholders to submit comments and feedback or to seek clarifications on the standard at any time. The scheme owner responds to and documents this feedback and considers this as input in any subsequent review process.

6.7 Standards review and revision

**Desired outcome:** The scheme owner ensures the standard remains relevant over time.

The scheme owner reviews each standard at least every five years, assessing

1. the continued relevance of the standard's sustainability objectives against the scheme's materiality assessment and theory of change
2. the standard's continued effectiveness in meeting its stated objectives

If the review leads the scheme owner to conclude that a revision is necessary, the scheme owner updates the standard's objectives as necessary and then proceeds to revise its standard in a timely manner, in line with the relevant requirements in this Code.

If the review leads the scheme owner to conclude that a revision is not necessary, the scheme owner reaffirms the standard, and establishes the date for the next review.

6.8 Data informing review

**Desired outcome:** The scheme owner has an informed picture of the effectiveness of the standard and where this can be improved.

As input to the standard's review and revision, the scheme owner compiles and considers sources of data and information relevant to implementation of its standard, including at least learnings from

1. the monitoring of scheme performance and effectiveness
2. the assessments of clients' conformity to or performance against the standard
3. the analysis of feedback received from clients, assessment personnel (e.g., auditors) and other stakeholders

4. any urgent revisions undertaken since the last revision of the standard

6.9 Non-substantive changes

Desired outcome: The scheme owner can easily make non-substantive changes to the standard.

The scheme owner ensures there are mechanisms that easily allow for non-substantive changes to the standard (e.g., to clarify language). The scheme owner ensures that non-substantive changes made outside a full review and revision process are then included in the next review and revision process.

[Guidance: This Code does not require consultation on non-substantive changes.]

6.10 Urgent substantive changes

Desired outcome: The scheme owner has a robust approach to urgent substantive changes.

The scheme owner can allow for urgent substantive revisions to the standard (i.e., changes outside a full review and revision process) to address identified unintended negative effects of the standard. If the scheme owner does have a process that allows for urgent substantive revisions, this process defines the conditions for triggering urgent revisions. If the process for urgent revisions allows for decisions on urgent revisions to be made without public consultation, the scheme owner ensures that the level of urgency is justified and documented. The scheme owner ensures that urgent substantive revisions are included in the next full review and revision process.

6.11 Public consultation

Desired outcome: Stakeholders have sufficient time and opportunity to contribute to the standard’s development and revision.

The scheme owner holds public consultations with

1. at least two rounds of input on standards development
2. at least one round of input on standards revision

Each round provides stakeholders adequate time and opportunity to submit comments.

Where substantive, unresolved issues persist after the consultation rounds, or where insufficient feedback was received in total or from specific stakeholder groups, the scheme owner carries out additional rounds of public and/or targeted consultation, as necessary.

[Guidance: 60 days and 30 days have been generally considered adequate time to submit comments in first and second rounds of consultation, respectively.]

6.12 Balanced participation

Desired outcome: The scheme ensures that consultation processes enable participation from a cross-section of stakeholders.

The scheme owner ensures that the consultation process:

1. is open to all stakeholders
2. aims to gather input from a balanced and diverse group of stakeholders with an interest in the subject matter and geographic scope of the standard
3. addresses barriers faced by stakeholder groups who have been under-engaged or under-represented and proactively seeks their contributions (see 5.4)

[Guidance: The goal of a balanced and diverse group is to ensure that all stakeholders can see their views represented in consultation and in decision-making. All major stakeholder groups are represented and no one stakeholder group or set of interests can control decisions.]

6.13 Responding to comments

**Desired outcome:** Stakeholders can see what input was received and how it has been taken into account.

At the close of a consultation round, the scheme owner:

1. compiles all comments received during the consultation
2. prepares an explanation of how each material issue raised by the comments has been addressed
3. makes publicly available all comments received during the consultation or, at a minimum, accurate summaries of these comments, along with the explanations of how the comments were considered
4. notifies all parties who submitted comments (and who opted to receive further communications) that the comments and explanations are available

[Guidance: The scheme owner can redact comments when there are reasonable grounds to do so; for example, when there is a misuse of the public consultation (e.g., submission of hateful comments), or if it is necessary to protect personal data or other confidential information.]

6.14 Feasibility assessment

**Desired outcome:** The scheme owner assesses the feasibility and value of the standard.

As input to the consultation process for standards development, and also when there are significant changes introduced during revisions, the scheme owner carries out field tests to assess the feasibility of the proposed criteria, to gather information about the relative costs and benefits of implementing the criteria, and to test whether implementation of these criteria can be assessed.

[Guidance: significant changes include changes in scope or objectives or design of the standard]

6.15 Balance decision-making

**Desired outcome:** Stakeholders can see that their views are represented in decision-making.

The scheme owner ensures that there is a governance body responsible for making decisions on the content of the standard and that this body:

1. is open to all stakeholders
2. constitutes a balanced and diverse group of stakeholders, including those that are directly affected

[Guidance: The goal of a balanced and diverse group is to ensure that all stakeholders can see their views represented in consultation and in decision-making. All major stakeholder groups are represented and no one stakeholder group or set of interests can control decisions.]
6.16 Consensus decision-making

**Desired outcome:** Decision-making processes about the content of the standard are transparent and aim for consensus.

The scheme owner ensures that its decision-making procedure:

1. promotes consensus decision-making on the content of the standard
2. defines criteria in advance to determine when alternative decision-making procedures should come into effect in the event that consensus cannot be achieved
3. defines in advance the decision-making thresholds for such decisions, where these thresholds ensure that no one stakeholder group can control decision-making

6.17 Standards and structure content

**Desired outcome:** The standard is designed to achieve material sustainability outcomes.

The scheme owner ensures the standard is structured to meet its intended sustainability outcomes and to be consistently interpreted and applied. This includes ensuring that the content of its standard meets the following requirements:

1. the standard criteria are auditable, verifiable, or measurable
2. the standard contains criteria that address all sustainability outcomes of the standard
3. only criteria that are relevant to meeting these outcomes are included, and administrative criteria related to assurance, claims or labels or other matters not connected to sustainability outcomes are presented separately from sustainability criteria
4. criteria meet or exceed existing regulatory requirements
5. criteria clearly reference relevant national and/or international laws and regulations
6. the intellectual source of content is attributed or cited

6.18 Local applicability

**Desired outcome:** The standard is applicable across the range of contexts within its scope.

While seeking to retain a level of consistency across the full scope of application of the standard, the scheme owner ensures that the standard’s criteria are applicable in the different contexts within the standard’s scope.

6.19 Contextual relevance

**Desired outcome:** The standard is relevant in the contexts where it is applied, based in part on input from relevant stakeholders.

Where the scheme owner develops interpretations or adaptations of its standard (e.g. for national or regional relevance or for specific products or sectors), it does so through multi-stakeholder consultation processes. The scheme owner documents the justification for any substantive differences between the interpretations and the standard and makes this documentation publicly available.
6.20 Interpretation and implementation guidance

**Desired outcome:** The standard is consistently interpreted and applied across its scope.

The scheme owner prepares guidance that is sufficiently detailed to support consistent interpretation and implementation of the standard's criteria across its scope of application.

6.21 Standards equivalence

**Desired outcome:** Other standards recognised by the scheme are meaningfully equivalent to the scheme's standard.

Where the scheme owner recognises an existing standard as partially or fully equivalent to its standard, this is based on:

1. a determination of the equivalence of sustainability performance between the two standards
2. an assessment that the existing standard is relevant and applicable to the context within its scope

*Guidance: the determination of equivalent performance can be based on intended performance, e.g., the standard criteria; or actual performance, e.g., assessments of client performance*

6.22 Document control

**Desired outcome:** Stakeholders can identify when the standard was last updated and when it is in effect.

The scheme owner notes in the standard:

1. the date of the initial publication, or reaffirmation, or revision of the standard
2. the date by which the revised standard will come into effect
3. the planned date of the subsequent review

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**Chapter 7: Assurance**

7.1 Assurance model

**Desired outcome:** The scheme has an assurance model that is fit for purpose.

The scheme owner establishes an assurance structure and assurance activities consistent with

1. the scope of the scheme and the risks inherent to its scope (e.g. sector, geography, part of value chain, etc.)
2. the scheme's theory of change
3. the types of data collected by the scheme
4. the intended value of the scheme for clients, where this includes a consideration of the types of claims allowed by the scheme

The scheme owner provides a rationale for its choice of structure and activities.

*Guidance: establishing the assurance structure includes taking decisions about roles and responsibilities in the implementation of the assurance system, e.g., decisions about the role of the scheme, its decision-making bodies, and external partners such as oversight bodies and assurance providers.*
7.2 Traceability

**Desired outcome:** The scheme’s approach to traceability is fit for purpose.

Where the scheme incorporates supply chain traceability, the scheme owner determines which types of traceability are fit for purpose and provides a rationale for its choice.

Where the scheme incorporates supply chain traceability, the scheme owner ensures that traceability is included within scope of the assurance system.

7.3 Assurance policies and procedures

**Desired outcome:** The scheme owner has documented operating policies and procedures that support consistent implementation of the assurance system.

The scheme owner ensures the assurance system includes at least:

1. decision-making roles, responsibilities and procedures where these are not addressed in other governing documents such as the terms of reference for the relevant decision-making bodies (see 2.4)
2. criteria for accepting assurance providers to the scheme, where these include ensuring that the assurance providers are legal entities
3. criteria for accepting clients to the scheme
4. types of client assessments used in the scheme and a methodology for each
5. types of traceability allowed by the scheme and an assessment procedure for each
6. procedures for engaging stakeholders in the assurance system
7. procedures for regulating exceptions to the standard and exceptions to the assessment procedures
8. requirements for the certificate and/or claims related to assurance status
9. requirements for the external partners that are integral to implementation of the assurance system (e.g., oversight bodies and assurance providers)
10. mechanism for oversight of assurance activities and providers
11. models of legal contracts with external partners (e.g., oversight bodies and assurance providers) and with clients that delineate responsibilities and obligations including data sharing, data use, and confidentiality
12. document and record control procedures for the assurance system
13. protocols for changes in the assurance system, including timelines by which changes come into effect and mechanisms to communicate those changes to affected stakeholders

The scheme owner includes in scope of its assurance system all standards that are implemented by the scheme’s clients.

(Guidance: the standards included in scope of the assurance system are intended to be the scheme’s sustainability standards and any other requirements applied to clients in support scheme integrity, e.g., chain of custody requirements, etc.)
7.4 Public information on assurance

**Desired outcome:** Stakeholders have access to relevant information about how the assurance system operates.

The scheme owner makes the following information about and from its assurance system publicly available and easily accessible:

1. a description of the structure of the assurance system, including the oversight mechanism and decision-making roles and responsibilities
2. criteria and procedures for accepting assurance providers and clients to the scheme, including the rationale behind any restrictions on access
3. current list of external partners (e.g., assurance providers and oversight bodies) that are approved to work in the assurance system
4. general information on fees charged to clients (including on application)
5. description of each assessment methodology: type(s) of assessment employed, how clients are assessed, how often, and by whom, and the basis for decisions
6. policy on information provision (knowledge sharing) to clients by assurance providers
7. description of how stakeholders can provide input to assurance processes
8. description of the consequences for different levels of non-conformity
9. description of the steps the scheme has taken to have confidence in the results of other schemes deemed equivalent or partially equivalent
10. current list of clients, the scope of their assessments, and the expiry date of their certificate or assurance claim (where expiry dates are used)
11. at least basic information about the results of assessments of clients and assurance providers
12. list of past clients withdrawn from the scheme within the last 2 years, and the date of their withdrawal

*Guidance: The list of current and past clients and information about their assessments can be made publicly available at the level of the assurance provider.*

*Guidance: Basic information about the results of assessments includes at a minimum information about the client's assurance status (e.g., compliant, compliant with open corrective actions, suspended). Preferably, the scheme owner discloses further information regarding the nature of non-conformities detected and the corrective actions planned or taken.*

7.5 Performance insights

**Desired outcome:** The assurance system delivers value to clients.

The scheme owner requires assurance providers to share insights about client performance derived from client assessments with clients.
7.6 Assessment methodology

Desired outcome: The scheme owner has designed each type of assessment for consistent implementation.

The scheme owner defines requirements and procedures for each type of assessment implemented within the assurance system, addressing at least the following:

1. frequency and intensity of assessment
2. knowledge and skills required in an assessor or assessment team (where an assessment team is used)
3. minimum set of criteria or requirements that need to be checked in every assessment
4. a means of calculating the time needed for an assessment
5. sources of data informing the assessment, including types of technology to be employed and specifications on how stakeholders are to be consulted or invited to provide input to the assessment
6. how data sources are to be combined to provide an understanding of sustainability performance and risk, and how this informs the assessment process
7. minimum content of assessment reports
8. timelines for submission of completed reports, following assessments
9. how to consider exceptions to the standard or assessment process

[Guidance: The scheme owner can also define the minimum evidence needed to assess criteria or requirements.]

7.7 Risk-based assessment

Desired outcome: The intensity of assurance activities is informed by the level of risk presented.

Where a risk-based approach is used to determine assessment frequency and intensity in either assurance or oversight,

1. the scheme owner has a documented risk management protocol to assess the risk level of clients and/or assurance providers and the resulting assessment frequency and intensity
2. the scheme owner requires assurance providers and/or oversight bodies, respectively, to use the scheme's risk management protocol

7.8 Sampling protocol

Desired outcome: Sampling implemented during assessments is robust and consistent.

The scheme owner defines a sampling protocol that it requires assurance providers to use during assessments. The protocol includes, at a minimum, a description of when sampling is to be employed in the assessment, the depth and intensity of sampling, and guidelines for the type of sampling to be employed in each instance.

7.9 Decision-making protocol

Desired outcome: Non-conformities are determined consistently.

The scheme owner defines a decision-making protocol for conformity assessment that enables consistent determination of levels of non-conformity, and the scheme owner requires assurance providers to implement this protocol.
7.10 Remediation of non-conformities

**Desired outcome:** The remediation of non-conformities is robust, consistent and aligned with the scheme's theory of change.

The scheme owner requires assurance providers and oversight bodies to follow consistent procedures on remediating non-conformities. The procedures are consistent with the scheme's theory of change. At a minimum, the procedures include:

1. guidelines for determining whether corrective actions adequately remediate non-conformities
2. defined time limits for implementing corrective actions
3. steps for verifying corrective actions
4. repercussions of continued non-conformity

7.11 Group assessment

**Desired outcome:** Assessment of groups and their internal management systems is robust and consistent.

Where the scheme owner allows for the assessment of groups, the scheme owner specifies requirements for assurance providers to consistently evaluate the effectiveness of a group's internal management system in identifying and resolving non-conformities within the group.

7.12 Group non-conformities

**Desired outcome:** Consequences of non-conformities for group members and group management are robust and consistent.

Where the scheme owner allows for the assessment of groups,

1. the scheme owner defines consequences for non-conformities detected at the level of individual group members
2. the scheme owner ensures that non-conformities are issued against the group as a whole when the number of non-conformities identified within a sample of individual group members signifies a systemic problem with the group's internal management system

7.13 Assurance equivalence

**Desired outcome:** The assurance results of other schemes that are recognised by the scheme can be trusted.

Where the scheme owner accepts as equivalent or partially equivalent assurance results of another scheme, it defines the steps taken or additional assurance activities required to have confidence in the results of the other scheme.

7.14 Internal audits

**Desired outcomes:** Assurance providers are competent to carry out assessments for the scheme.

The scheme owner requires that assurance providers

1. conduct annual internal audit of their performance relative to the scheme
2. share the results of these internal audits with the scheme owner
7.15 Responsibility for outsourcing

**Desired outcome**: The quality and integrity of outsourced assurance activities is maintained.

The scheme owner requires that assurance providers and oversight bodies retain

1. authority for assessment decisions
2. responsibility for ensuring the quality and integrity of all assurance activities they outsource to other parties

7.16 Competency evaluation

**Desired outcome**: Assessment personnel remain competent.

The scheme owner requires that assurance providers regularly demonstrate the competence of assessment personnel through evaluations undertaken by the assurance providers themselves, or oversight bodies, or other entities, using defined mechanisms for evaluating competence, including witnessing the performance of assessment personnel.

7.17 Impartiality and conflicts of interest

**Desired outcome**: Risks to the integrity of assurance are managed.

The scheme owner ensures that its risk management plan (see 2.5) addresses risks to the impartiality of its assurance system. The scheme owner monitors the management of risks to impartiality, including conflicts of interest.

7.18 Impartiality in the assessment

**Desired outcome**: Clients are supported to improve their practices without compromising the impartiality of assessments.

Where the scheme owner allows assessors or other assurance personnel to provide information to clients during the assessment, the scheme owner documents the types of information that can be provided and the steps taken to avoid conflicts of interest.

7.19 Impartiality of interpreters and technical experts

**Desired outcome**: Interpreters and technical experts act impartially.

The scheme owner requires that interpreters or technical experts employed by assurance providers or oversight bodies are independent of the client or assurance provider being assessed. The scheme owner can allow for exceptions due to logistical constraints, and in such cases, requires that exceptions are justified and recorded. In all cases, the scheme owner requires that the names, affiliations and a summary of the qualifications and experience of these experts are included in assessment reports.

7.20 Impartial decision-making

**Desired outcome**: Multiple personnel in decision-making strengthens impartiality.

The scheme owner requires that assurance providers and oversight bodies assign competent personnel other than the assessor or assessment team to review assessment findings and any other relevant information and make impartial decisions on the client or assurance provider's assurance status.
7.21 Oversight mechanism

Desired outcome: The scheme owner ensures that assurance for the scheme is competent and assessments are accurate.

The scheme owner establishes an approach to overseeing assurance activities and assurance providers, ensuring this is consistent with the scheme’s assurance model (see 7.1). The scheme owner defines:

1. its oversight mechanism, including roles and responsibilities for different oversight functions
2. the frequency of oversight activities
3. the oversight procedures to be followed
4. the process that the scheme requires oversight bodies to use for assessing the performance of assurance providers, including a decision-making protocol for conformity assessment that enables consistent determination of levels of non-conformity
5. the requirements for oversight bodies to report back to the scheme owner

[Guidance: defining the oversight mechanism includes taking decisions about roles and responsibilities in the implementation of the scheme’s oversight of assurance activities and assurance providers, e.g., decisions about the role of the scheme, its decision-making bodies, and external partners such as oversight bodies and assurance providers.]

7.22 Independence of oversight

Desired outcome: There is independent oversight of the scheme’s assurance.

The scheme owner ensures that its oversight mechanism, including any oversight bodies, are independent of the assurance provider(s) being assessed.

7.23 Authority for oversight

Desired outcome: The oversight mechanism has the authority to maintain the integrity of assurance.

The scheme owner ensures that within its oversight mechanism it has clearly assigned the responsibility and authority for acting regarding the conformity of assurance provider(s) to the scheme requirements. Where the scheme owner is the assurance provider, it implements measures to mitigate the conflict of interest, ensuring that issues raised by an oversight body are addressed and remediated.

(Guidance: mechanisms to ensure that issues raised are addressed and remediated can include public reporting of the findings of the oversight body and/or direct reporting of the findings to decision-making bodies within the scheme.)

7.24 Competence of oversight personnel

Desired outcome: Oversight staff are competent to assess scheme assurance.

The scheme owner ensures that staff responsible for overseeing assurance activities and providers (including the assessment staff of any oversight bodies) have in-depth knowledge of the scheme’s standard(s) and assurance requirements.
7.25 Accreditation

**Desired outcome:** Accreditation bodies meet industry standards for competence.

Where the scheme owner relies on accreditation bodies, the scheme owner ensures that accreditation bodies conform to the current version of ISO/IEC 17011 in addition to the requirements in this Code that apply to oversight bodies.

7.26 Proxy accreditation

**Desired outcome:** The scheme owner ensures that any proxy accreditation is reliable.

Where the scheme owner accepts accreditation against other scopes as a proxy for an assurance provider's competence, it requires that those assurance providers carry out regular internal audits against the scheme-specific scope and share the findings and any remediation with the scheme owner. The scheme owner takes additional measures to ensure those assurance providers meet the personnel competence requirements set by the scheme owner. The scheme owner can also employ supplementary measures to assess the scheme-specific competence of assurance providers.

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**Chapter 8: Claims**

8.1 Claims policies and procedures

**Desired outcome:** The scheme owner has documented policies and procedures that ensure the claims system is implemented consistently.

The scheme owner ensures the claims system includes at least:

1. a list of the scheme's registered copyrights and trademarks
2. the procedures that govern the scheme's development and substantiation of the claims it uses and the claims it allows clients
3. a list of all claims that the scheme allows and, where relevant, disallows clients to use, where this includes sustainability claims and claims about assurance status
4. the rules and procedures for client use of claims, where this includes specifications about who is allowed to make which types of claims and where they can appear
5. the procedures for approving claims and renewing approvals
6. the procedures for monitoring use of claims and addressing misuse
7. the procedures for suspending and withdrawing permissions to use claims
8. a list of all approved users of claims (e.g., licensees) and the specific approvals granted
9. procedures for engaging stakeholders in the claims system
10. where relevant, procedures addressing the role and responsibilities of external partners (e.g., assurance providers and oversight bodies) in the claims system
8.2 Public information on claims

**Desired outcome:** Stakeholders have access to relevant information about how the claims system operates.

The scheme owner makes the following information about its claims system publicly available and easily accessible:

1. the rules and procedures for client use of claims (e.g., claims and logo use guide)
2. general information on fees associated with claims use
3. the procedures for approving claims and renewing approvals
4. the procedures for monitoring use of claims and addressing misuse
5. the procedures for suspending and withdrawing permissions to use claims
6. opportunities for stakeholder input on the clarity, relevance and accuracy of the scheme's allowed claims
7. the mechanism for reporting misuse of claims

8.3 Quality of allowed claims

**Desired outcome:** Allowed claims are clear, relevant, and accurate.

The scheme owner ensures that the claims it makes about its scheme and the claims that it allows clients to make are clear, relevant, and accurate. At a minimum, this includes ensuring that allowed claims are consistent with

1. the scheme's scope, materiality assessment, and theory of change
2. the criteria defined in its standard(s)
3. the scheme's assurance model and where relevant the traceability types allowed by the scheme

The scheme owner ensures that stakeholders have the opportunity to provide input on the clarity, relevance and accuracy of claims.

[Guidance: The opportunity for stakeholder input can occur during standards development and revision processes (see also 6.3).]

8.4 Substantiation of claims

**Desired outcome:** Allowed claims are substantiated.

The scheme owner defines which information informs and substantiates different types of claims, including the following when applicable:

1. assurance status of clients
2. the type of traceability employed
3. the scheme's materiality assessment and theory of change
4. the criteria of the standard
5. the scheme's role in the due diligence and remediation efforts of clients (see also 5.6)
6. findings on client performance and progress over time
7. findings on scheme contribution towards its intended sustainability outcomes and impacts (scheme performance), etc.

8.5 Claims approval
Desired outcome: The scheme owner controls claims made by clients.

The scheme owner has a mechanism to approve clients' use of claims and to require clients to regularly report on their use of claims and on any changes that would affect a client's ability to make claims.

8.6 Supporting information
Desired outcome: Stakeholders can find more information when claims are made by the scheme's clients.

The scheme owner specifies what supporting information must accompany approved claims and any requirements or conditions for how this information is provided or displayed. The scheme owner ensures that this further information supports stakeholder understanding of the claim.

8.7 Misuse of claims
Desired outcome: The scheme owner mitigates the misuse of claims.

The scheme owner defines and implements procedures for

1. investigating and acting on the misuse of claims
2. suspending and withdrawing permissions to use claims, where this includes defining the conditions and actions that lead to the suspension and withdrawal of permissions
3. monitoring the cessation of claims by suspended or former clients

[Guidance: Misuse of claims includes cases of fraud or corruption.]

8.8 Mechanism for reporting misuse
Desired outcome: Stakeholders can report the misuse of claims.

The scheme owner provides a publicly available and easily accessible mechanism for stakeholders to report misuse of claims.

[Guidance: This mechanism can be incorporated in the mechanisms established under requirements 5.5 or 5.7]

[Guidance: Misuse of claims includes cases of fraud or corruption.]

8.9 Responsibility for claims systems
Desired outcome: The scheme owner is responsible for the role that external partners play in the claims system.

Where external partners such as assurance providers or oversight bodies play a role in the claims system, the scheme owner defines their responsibilities in scheme requirements.