ISEAL Code of Good Practice

Second consultation draft: requirements by chapter

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Chapter 0: Policies, procedures, and responsibilities for scheme components

0.1 Policies and procedures

Desired outcome: Documented policies and procedures support high-quality, consistent and transparent implementation of each component of the scheme.

The scheme owner has documented policies and procedures for implementing all components of its scheme, including at least:

1. its defined sustainability impacts and choice of strategies (chapter 1)
2. scheme integrity, governance and operations (chapter 2)
3. monitoring, evaluation and learning (chapter 3)
4. data and information management (chapter 4)
5. stakeholder engagement (chapter 5)
6. standards development and maintenance (chapter 6)
7. assurance (chapter 7)
8. claims (chapter 8)

0.2 Responsibility for scheme components

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

The scheme owner delineates roles and responsibilities for the development and implementation of its policies and procedures for each component of its scheme.

0.3 Contacts for stakeholders

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

The scheme owner identifies contact information for each component of its scheme and makes this information easily findable on its website.

[Guidance: This can be a central contact point that directs any enquiry or input to the appropriate part of the scheme.]

0.4 Scheme review and revision

Desired outcome: Policies and procedures are reviewed and revised when necessary.

The scheme owner defines and follows a schedule for reviewing and potentially revising each component of its scheme. Reviews of each scheme component are conducted at least every five years, and draw on implementation experience, stakeholder feedback, and findings and learnings generated through monitoring, evaluation and learning (MEL) activities. Where a review indicates changes or updates are required, the scheme owner undertakes a revision process for that scheme component.
0.5 Transition periods

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

The scheme owner ensures that for changes to the scheme that will affect stakeholders (e.g., changes to the standard or scheme requirements), procedures clearly set out when changes will come into effect and how they will be communicated to those affected.

**Chapter 1: Strategy for creating impact**

1.1 Sustainability assessment

**Desired outcome:** The scheme makes informed decisions about how to focus its work so as to maximise its potential sustainability impacts.

As background for its work, the scheme owner undertakes a regular assessment of the sustainability risks and opportunities, their root causes, and where and how the scheme is well-placed to exert influence across its full scope and reach (e.g. product, sector, geography, etc.).

The scheme owner uses this assessment to prioritise its desired sustainability outcomes and impacts and its choice of activities and strategies for delivering these (see 1.2). In conducting these assessments, the scheme owner includes input from directly affected stakeholders and subject matter experts and considers available research and analyses of scheme and client performance, including insights from monitoring, evaluation, and learning (MEL) activities (chapter 3).

[Guidance: Assessment of sustainability risks and opportunities should include an assessment of possible unintended negative impacts of the scheme’s strategy and activities. It should also include an assessment of gender-related trends and risks within the scheme’s scope and its potential to deliver positive gender outcomes through its work.]

[Guidance: The frequency of assessments can be determined by the scheme owner and should be in line with any major review of its scheme strategies or approach (see 1.7). Research and analyses of scheme and client performance will not be available for new schemes or schemes that are not yet operational. Identification of threats and risk assessment (see 2.4) can help inform this assessment.]

[Guidance: When assessing where and how the scheme is well placed to exert influence, schemes with overlapping scopes should be considered. See also 6.4.]

1.2 Intended sustainability impacts and strategies

**Desired outcome:** The scheme has a clear purpose and defined strategies to drive its intended 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;
2. the strategies it will use to achieve those outcomes and impacts and to support the delivery of broader systemic change;
3. the causal pathways through which its chosen activities and strategies, including the components of its scheme (see 0.1), are expected to contribute to intended outcomes and impacts. In documenting the causal pathways, the scheme owner identifies major assumptions inherent in these pathways.

[Guidance: The scope of the scheme includes all the activities and strategies that it undertakes towards its desired sustainability outcomes and impacts, not only standards development and certification.]
[Guidance: A theory of change is recommended for articulating the link between strategies, activities, and intended outcomes and impacts, though other approaches are also acceptable. The scheme owner's documentation of outcomes, strategies and causal pathways should clearly identify the intended outcomes and impacts of the scheme owner's standard(s), so that these can inform the standard development or revision process.]

1.3 Intended role in corporate due diligence

**Desired outcome:** The scheme has defined the role it intends to play in corporate due diligence efforts.

The scheme owner decides whether its system is intended to support corporate sustainability due diligence and, if so, documents which specific elements of due diligence the scheme supports and/or assesses.

[Guidance: The OECD Guidelines for Multinational Enterprises, OECD Due Diligence Guidance for Responsible Business Conduct and UN Guiding Principles on Business and Human Rights set out internationally agreed standards on responsible business conduct and the key principles, steps and practical actions for companies. The scheme could choose to play no role in due diligence, but should still define and document this decision.]

1.4 Role in facilitating remediation

**Desired outcome:** The scheme has considered and defined the role it intends to play in the remediation of harm.

The scheme owner defines and documents its role and responsibilities in facilitating the remediation of harm. This includes clarifying its role relative to other parties such as clients, non-governmental organisations, governmental bodies and enforcement agencies, etc.

[Guidance: When defining its role and responsibilities, the scheme owner should consider the types of harm that could be within its scope. It can identify types of harm through exploration of any negative unintended consequences of its actions and strategies (3.1); through its assessments of clients (7.10); or through complaints, grievances or allegations raised through its dispute resolution system (5.4). It should also consider whether to include the elimination or remediation of negative impacts as a deliberate strategy (1.2).]

1.5 Awareness of scheme impacts and strategies

**Desired outcome:** Staff and leadership of the scheme are committed to implementing the scheme's strategies.

The scheme owner ensures that its leadership and staff have access to and have received an orientation on its desired outcomes and impacts, the articulation of its causal pathways (1.2), its intended role in due diligence (1.3) and in remediation (1.4), and the background analyses informing these materials (1.1).

1.6 Public information about scheme impacts and strategies

**Desired outcome:** Stakeholders have access to information about the scheme's intended purpose and strategies.

The scheme owner makes key information about its purpose and strategies publicly available and easily accessible, including at least current versions of:

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 causal pathways (1.2)
2. summaries of the assessment of sustainability risks, opportunities, and root causes (1.1)
3. a summary explanation of its intended role in corporate due diligence efforts and in remediation of harm (1.3 and 1.4).
1.7 Review of intended impacts and strategies

**Desired outcome:** The scheme’s intended goals, strategies and logic remain relevant over time.

The scheme owner defines and follows a schedule to regularly review and, where necessary, revise its intended outcomes, impacts, strategies, activities and causal pathways to ensure they remain relevant and valid.

The scheme owner conducts a review at least every five years (see 0.4). To inform this review, the scheme owner refreshes the background analysis, taking into account changes in the operating and sustainability context, implementation experience, stakeholder feedback, and new knowledge and evidence gathered from implementation, monitoring, and evaluation of the scheme (see chapter 3).

[Guidance: New knowledge and evidence includes insights generated through MEL and data management systems (chapters 3 and 4). In particular, this includes occurrence of potential unintended negative effects (3.1), 3.3, and 3.6).]

Chapter 2: Scheme integrity, governance, and operations

2.1 Governance structure

**Desired outcome:** The scheme owner documents its governance structure.

The scheme owner maintains the following records to support scheme governance and operations:

1. registration as a legal entity of the organisation hosting the scheme.
2. overview of the scheme’s corporate and governance structure.
3. terms of reference for all decision-making bodies (including the selection criteria for members of the decision-making bodies).
4. list of members of each decision-making body.

2.2 Public information about scheme governance and operations

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

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

1. legal ownership of the scheme
2. the scheme’s scope of operations (sector, geography, segment of the supply chain, life cycle stage, etc.)
3. composition of the scheme’s primary governance bodies
4. summary of income sources.

[Guidance: Primary governance bodies include governance boards and subcommittees, key technical bodies, and multistakeholder decision-making bodies like standards committees.]
2.3 Good governance

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

The scheme owner has the following policies in place that apply to its governing and decision-making bodies, staff and consultants:

1. impartiality policy (which should address conflicts of interest)
2. diversity, equity and inclusion policy.
3. safeguarding policy.
4. whistleblower protection policy.
5. grievance policy.

[Guidance: A grievance policy is intended to govern grievances raised by staff, consultants, and those serving on its governing and decision-making bodies. The handling of grievances raised by clients and implementing partners such as assurance providers is governed by the dispute resolution system (5.4)]

2.4 Risk management

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

The scheme owner implements a risk management plan that:

1. identifies threats to the integrity of each component of its scheme (see 0.1)
2. quantifies risk associated with those threats, based on data analysis (see 4.2)
3. outlines preventive or mitigating measures appropriate to the scale and severity of each of the most significant threats identified
4. includes a review and revision schedule that accounts for new threats arising or changes to risk ratings.

[Guidance: The quantification of a risk involves assessing the likelihood of a threat occurring and the severity of the impact if it does, in order to derive a risk rating. Risk quantification can be informed by findings from MEL activities as well as other data sources.]

[Guidance: The scheme owner can choose to outsource its risk management for assurance to oversight bodies, in line with this clause, but retains responsibility for the integrity of the scheme as a whole.]

2.5 Contracts for delegated activities

**Desired outcome:** The scheme owner has sufficient control measures in place to ensure the integrity of delegated activities.

The scheme owner establishes legally enforceable contracts with implementing partners (e.g., oversight bodies, assurance providers) that include control measures for all delegated aspects, as well as clear expectations for good data management, confidentiality and sharing of data with the scheme owner. The scheme owner also requires its implementing partners to have legally enforceable contracts with their respective clients, including arrangements to address any arising fraudulent behaviour.

2.6 Risk assessments of business partners

**Desired outcome:** The scheme owner assesses the risks of associating with its business partners.

The scheme owner carries out due diligence risk assessments of its existing and proposed business partners on a regular basis. It has measures to address the risks that are identified.
[Guidance: Business partners include implementing partners (e.g., certification bodies) and corporate partners (e.g., certified clients, members, licensees, parent companies of certified sites, etc.).]

[Guidance: As measures to address identified due diligence risks, a scheme can choose to use tools such as a policy of association or a code of conduct requiring commitments to corporate due diligence as laid out in frameworks such as the OECD Guidelines for Multinational Enterprises, OECD Due Diligence Guidance for Responsible Business Conduct and UN Guiding Principles on Business and Human Rights.]

[Guidance: Measures to address identified risks could be incorporated in the scheme’s risk management plan (see 2.4)].

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 related personnel of implementing partners, e.g., assessors, oversight staff or other personnel needed to successfully implement the components of the scheme (see 0.1).

2. regularly evaluate staff against these competency requirements and require this also of implementing partners.

3. ensure provision of training and ongoing professional development where necessary.

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

3.1 MEL Guiding framework

Desired outcome: The scheme owner has a consistent framework to guide and plan its MEL activities.

The scheme owner defines a guiding framework for its monitoring, evaluation and learning (MEL) activities that includes at least:

1. the objectives of its MEL activities

2. the priority topics that MEL activities seek to address

3. the current and intended scope of MEL activities (see 3.3)

4. how findings and learning will be used to support continual improvement of the scheme (see 3.6)

5. how findings and learning will be made public and shared with stakeholders (see 3.7).

Objectives of the MEL activities include, at a minimum, continual improvement (see 3.6 and 3.8) and transparency regarding results (see 3.7 and 3.8).
The priority topics the MEL activities seek to address include at least the following:

1. whether the components of the scheme (chapter 0) are working as intended (scheme effectiveness)
2. performance and progress of certified clients, members and other participating enterprises over time
3. occurrence of unintended negative effects
4. how the scheme contributes to its intended sustainability outcomes and impacts (scheme sustainability performance)
5. validity of the logic behind the scheme’s strategies and causal pathways (chapter 1)
6. whether there are differences in scheme effectiveness, reach, outcomes and impacts by gender and other groupings of special relevance to the scheme.

3.2 MEL plan of activities and learning questions

**Desired outcome:** The scheme owner implements MEL activities that aim to answer defined learning questions.

In an MEL plan of activities, the scheme owner specifies:

1. the learning questions that the MEL activities seek to answer about each priority topic (see 3.1)
2. the activities, data sources, and research and analysis methodologies that will be used to answer these questions
3. a multi-year timeline of planned MEL activities, including when MEL outputs will be made public (see 3.8).

MEL activities are planned to generate findings and learnings on all priority topics within a five-year period.

At least some of the methodologies and approaches used in MEL activities consider causality and determine whether it is possible to attribute observed changes to the scheme.

[Guidance: MEL activities may include but are not limited to performance monitoring and outcome and impact evaluations. The scheme owner determines which types of research, monitoring, and data collection, and analysis activities will best address the priority topics, information needs, and learning questions. MEL activities can be conducted by scheme owner staff, independent researchers, or by leveraging data analysis from other parts of the scheme such as assurance.]

3.3 Scope of MEL

**Desired outcome:** The scheme owner defines the scope of application of its MEL activities.

The scheme owner aims to carry out MEL activities on priority topics across the full scope of its scheme. Where this is not feasible, the scheme owner includes in its plan of activities how it intends to expand the scope over time or a justification for any exclusion from the scope, and explains how it will address and mitigate any associated risks.

[Guidance: A mature scheme with many strategies and activities and a wide scope may choose to exclude some activity areas or some of its product, sector or geographic scope from the scope of the MEL system, provided that the guiding framework and plan of activities for MEL include a strong justification for this choice and a plan for mitigating the associated risks. It may not be feasible for a newer scheme to have MEL activities that cover the full scope of its scheme. Similarly, when a scheme adds new strategies or activities or expands its product, sector, or geographic scope, it may not immediately implement MEL activities to cover these areas. In both cases, the plans to expand the scope over time should be included in the MEL plan of activities.]
3.4 Quality of MEL activities

**Desired outcome**: The results of MEL activities are methodologically sound.

The scheme owner documents quality assurance measures taken to ensure that the MEL activities it implements or commissions produce accurate, reliable and relevant findings. At minimum, this includes ensuring that research methodologies and approaches to data analysis are appropriate for answering defined learning questions, and that the scheme owner has indicator, data collection and analysis protocols to guide consistent implementation of any MEL activities that will be repeated on a regular basis.

[Guidance: Quality assurance measures can be documented through policies and procedures, indicator and research protocols, methodology descriptions included in MEL reports or other means. Additional quality assurance measures may include following recognised guidelines for evaluation quality; ensuring that personnel undertaking impact evaluations are independent of the entity or system being evaluated; publicly committing to publish full evaluation reports; peer review or scientific review of terms of reference, methodology and/or evaluation reports and articles; use (in impact evaluations) of counterfactuals or control groups following widely-recognised methodologies; obtaining pre-intervention baseline measures; ensuring that evaluators understand the context in which the evaluation takes place as well as the scheme's intended change and strategies; checking interpretations by presenting evaluation results to those who participated in the evaluation and to local stakeholders before finalising the study; and making evaluation data available to other researchers to replicate findings.]

3.5 Ethical guidelines for MEL

**Desired outcome**: The scheme owner embeds ethical considerations in MEL activities.

The scheme owner defines and implements research guidelines to govern any MEL activities that involve individuals. These guidelines address ethical considerations and align with the scheme's good governance policies (see 2.3).

3.6 Scheme improvement

**Desired outcome**: The scheme owner uses outputs from MEL activities to improve the effectiveness of its scheme.

The scheme owner uses the outputs and learning from its MEL activities to inform review and improvement of scheme components; the development and review of its standards and strategies; and its risk management plan and activities.

On at least an annual basis, the scheme owner shares findings, learnings and recommendations from its MEL activities within the scheme, including with the scheme's leadership, decision-making bodies, and those responsible for each scheme component (see chapter 0).

3.7 Public information about MEL activities

**Desired outcome**: Stakeholders understand how the MEL system is implemented.

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

1. guiding framework (3.1)
2. plan of activities (3.2)
3. list of all indicators being regularly reported on
4. opportunities for stakeholder feedback on MEL activities and outputs.
3.8 Public information about MEL findings and scheme response

**Desired outcome:** Stakeholders understand findings of MEL activities and how these inform scheme improvements.

At least once every two years, the scheme owner makes publicly available to stakeholders a summary of the findings, learnings, and recommendations from MEL activities, and a management response that includes an explanation of the changes and improvements that have been and will be made as a result.

In addition, as part of the MEL plan of activities (see 3.2), the scheme owner publishes within a 5 year period at least one MEL output addressing each priority topic (see 3.1). The scheme owner ensures that these published MEL outputs include a clear description of both positive and negative findings, of the methodology and data sources behind the analysis, any possible limitations to the analysis, and any recommendations for improvement.

## 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 scheme performance, 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. 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). They also include the data and information sources that feed the risk management plan (see 2.4) and the MEL system (see chapter 3).]

### 4.3 Data quality and integrity

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

The scheme owner defines and implements data quality control procedures that ensure consistency and integrity for the data it manages.

The scheme owner has measures in place to ensure that implementing partners and service providers follow adequate quality control procedures (including indicator protocols) to ensure data consistency and integrity for the data they manage on the scheme owner's behalf.
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 who owns different types of data and what data is available to whom and under what conditions, and makes this information publicly available.

4.6 Data confidentiality

**Desired outcome:** Confidential and proprietary data is secure.

The scheme owner implements procedures to protect and securely store confidential and proprietary data.

4.7 Data legality

**Desired outcome:** The scheme owner has measures in place to ensure consistency with legal requirements for the gathering, storage and use of data relevant to the implementation of its scheme. It also takes steps to overcome any legal barriers preventing access to data required for its scheme, e.g., through contracts with implementing partners or for risk management or MEL activities.

[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 can provide support to the scheme owner in 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 two 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.]
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 to easily provide input and/or feedback about the components of its scheme and the scheme’s implementation. When desired by the stakeholder, the scheme owner ensures stakeholders can provide information securely and confidentially.

At a minimum, the scheme provides stakeholders the opportunity to input on the:

1. scheme's intended impacts and strategies, and related background analyses (see chapter 1)
2. guiding framework for MEL activities (see chapter 3 and 3.1)
3. development and revision of standards, including exceptions or variances (see chapter 6)
4. assessments of clients' conformity or performance (see 7.3 and 7.5)
5. clarity, relevance and accuracy of the claims the scheme makes and allows clients to make (see 8.3)

The scheme owner informs stakeholders about these opportunities and how their input will be taken into account.

The scheme owner uses information from stakeholders in its review of risks to scheme integrity (see also 2.4) and its assessments of scheme effectiveness and scheme performance (see also chapter 3).

5.3 Under-represented stakeholders

**Desired outcome:** The scheme supports the contributions of under-represented stakeholders.

The scheme owner regularly identifies stakeholder groups who have been under-engaged or under-represented and seeks to address barriers faced by these groups. The scheme owner proactively seeks their contributions to the opportunities identified in 5.2 and ensures they have access to the scheme’s mechanisms for receiving stakeholder feedback (see also 5.4).

[Guidance: The scheme should identify under-represented stakeholders at least every two years, in line with when stakeholder records are being updated (see 5.1).]

[Guidance: For all stakeholder groups, the scheme should consider the efforts necessary to seek input from women, especially in contexts where social, cultural or institutional structures may limit women’s ability to fully participate in consultations or similar exercises.]

5.4 Scope and design of dispute resolution system

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

The scheme owner has in place a documented dispute resolution system that facilitates access to remedy and supports the impartial handling of complaints, grievances and allegations about clients, implementing partners such as assurance providers, and the scheme itself. The scope of complaints that can be submitted through the dispute resolution system includes, at a minimum, complaints related to standards development and maintenance, assurance processes and decisions, and claims processes and controlled claims.

The scheme owner retains overall responsibility for management of the dispute resolution system and ensures that implementing partners apply aspects of the system relevant to their responsibilities, so that complaints are submitted and managed at the appropriate level.
The scheme owner makes dispute resolution procedures and the complaint submission process publicly available and easily accessible. The scheme owner ensures that the confidentiality of a complainant is protected when requested by the complainant or when it is otherwise prudent.

The scheme owner regularly reviews the effectiveness of the dispute resolution system, and makes improvements when applicable.

[Guidance: The conditions under which it would be prudent to protect the confidentiality of complainants even when not specifically requested to do so could be defined by the dispute resolution system or by other organisational policies, e.g., safeguarding policy.]

[Guidance: When designing and reviewing the effectiveness of the dispute resolution system, the scheme is encouraged to consider the eight effectiveness principles set out in the UN Guiding Principles on Business and Human Rights (UNGPs).]

5.5 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, implementing partners to:

1. investigate and take appropriate action regarding relevant complaints, allegations and grievances within defined timelines.

2. elevate any grievances, complaints or allegations that cannot be resolved, e.g., from assurance provider to oversight body to scheme owner.

3. review and take any necessary corrective actions.

4. disclose decisions at least to the parties to the dispute.

5. keep a record of all complaints, allegations and grievances, and resulting actions, to be made available for internal audits and other internal review processes.

6. on an annual basis, publicly report a summary of all concluded complaints and resulting actions, ensuring confidentiality of complainants where requested or prudent.

[Guidance: Appropriate action can include facilitating remedy (1.4, 7.10)]

Chapter 6: Standards development and maintenance

6.1 Standards policies and procedures

Desired outcome: Development and maintenance of standards follows a robust and consistent process.

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 2.1)

3. the conditions and process for urgent substantive revisions, if the scheme allows for these (see 6.10)
4. the conditions and process for non-substantive changes to the standard, e.g., to clarify language (see 6.9)

5. protocols for changes in the standard, including timelines by which changes come into effect and mechanisms to communicate those changes to affected stakeholders.

Procedures for standards development and maintenance apply to all of a scheme's standards that are applied to its clients or members.

[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.]

[Guidance: Standards development and revision processes can vary in intensity for each standard in relation to the complexity of the standard and level of stakeholder interest, so long as the relevant procedures reflect this.]

6.2 Public information on standard-setting

Desired outcome: The scheme's standards and supporting information are easily accessible.

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

1. procedures for standards development and revision, including decision-making roles and responsibilities.

2. 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. consultation drafts and final standards in the scheme's official languages.

5. translations of the standards in additional languages where this supports uptake of the standards.

6. any interpretations or variances to the standard arising from its implementation.

7. if applicable, the justification and the details of any urgent substantive revisions made to its standards since the last review and revision.

8. planned date of subsequent reviews.

6.3 Consistency between standards

Desired outcome: The impact of the scheme is strengthened through alignment with other standards.

At the outset of a standard's development or revision, the scheme owner identifies standards with overlapping scopes and assesses whether there are opportunities to strengthen alignment or complementarity.

6.4 Terms of reference

Desired outcome: The scheme owner has clearly articulated what the standard aims to achieve and why it 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 intended impacts and strategies (chapter 1).
The scheme owner also develops or updates a terms of reference for the standard that includes at least:

1. the intended scope of the standard.
2. the intended sustainability outcomes of the standard, consistent with the scheme's sustainability goals and strategies.
3. a justification of the need for the standard, including how the standard complements existing standards with overlapping scopes.
4. the intended sustainability claims that the standard will substantiate.

[Guidance: Point 2 is not applicable where the standard does not have sustainability objectives, e.g., chain of custody standards.]

6.5 Public summary

Desired outcome: Stakeholders have the information they need to determine whether and how to participate. During a standard development or revision process, the scheme owner makes publicly available and easily accessible a summary of the process to inform stakeholders of:

1. 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. an overview of the decision-making procedures, including how decisions are made and by whom.

6.6 Stakeholder input

Desired outcome: The scheme owner is responsive 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 documents and acknowledges receipt of this feedback and considers it 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 covered by this Code at least every five years, drawing on data and information in clause 6.8 to assess:

1. the continued relevance of the standard's sustainability objectives against the scheme's sustainability outcomes and strategies.
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, communicates publicly about the decision and rationale, and establishes the date for the next review.
6.8 Data informing review

**Desired outcome:** The scheme owner has an informed understanding 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 since the last revision from:

1. monitoring of scheme performance and effectiveness (see chapter 3).
2. assessments of clients' conformity to or performance against the standard (see chapter 3).
3. analysis of feedback received from clients, assessment personnel (e.g., auditors) and other stakeholders, particularly with respect to standard effectiveness, implementation and scope.
4. any urgent revisions implemented since the last revision of the standard.
5. external research and industry best practices.

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.

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 to the content of the standard outside a full review and revision process) specifically to address identified unintended negative effects of the standard. If the scheme owner allows for urgent substantive revisions, it has a procedure in place that defines the conditions for triggering urgent revisions. If the procedure 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 for consultation in the next review and revision process.

[Guidance: An example of an unintended negative effect for which an urgent standards revision would be justified is that by restricting use of certain pesticides, farmers turn to more dangerous alternatives that have not yet been included on the prohibited list. Another example is that a specific health and safety requirement is found to be discriminating unintentionally against female workers.]

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 that include:

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

Each round is long enough to provide stakeholders adequate time and opportunity to review material and 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 generally been considered adequate time to submit comments in first and second rounds of consultation, respectively.]

6.12 Balanced participation

**Desired outcome:** Consultation processes enable participation from a broad cross-section of stakeholders.

The scheme owner ensures that the consultation process:

1. is open to all stakeholders and communicated in a timely manner.
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, or who are affected by its implementation.
3. addresses barriers faced by stakeholder groups who have been under-engaged or under-represented and proactively seeks their contributions (see 5.3).

[Guidance: The goal of seeking input from a balanced and diverse group is to ensure that all stakeholders can see their views represented in consultation.]

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 the material issues raised by the comments have been addressed.
3. makes publicly available all comments received during the consultation or, at a minimum, accurate summaries of these comments, along with an explanation of how the material issues 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, e.g., 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:** Proposed standards are auditable and feasible to comply with.

As input to the consultation process for standards development, and also when there are significant changes introduced during revisions, the scheme owner assesses the feasibility and auditability of the proposed criteria.

[Guidance: Significant changes include changes in scope or objectives or design of the standard. Minimally, the assessment could ask auditors to review for auditability of requirements, though ideally it should also look at applicability or relevance of the criteria in the field.]

6.15 Balanced 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 by implementation of the scheme or by the industry/sector the scheme seeks to impact.

[Guidance: Similar to 6.12, the goal of engaging a balanced and diverse group in decision-making is so that stakeholders feel that their voice is represented in those decisions. All major stakeholder groups should be represented and gender balance should be considered, so that 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 in a way that ensures that no one stakeholder group can control decision-making.

6.17 Standards and structure content

**Desired outcome:** The standard is designed to achieve its intended 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, and easily understood.
2. the standard contains criteria that address all its intended sustainability outcomes.
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 in the countries where the standard is applied.
5. the intellectual source of content is attributed or cited, where relevant.

The scheme owner maintains a reference of relevant national and/or international laws and regulations to ensure consistency of the standard.

[Guidance: In general, criteria in the standard should exceed existing regulatory requirements.]

[Guidance: Specified requirements should be written in such a way that they are clear, direct and precise and will result in accurate and uniform interpretation. They should also be stated unambiguously using wording that is objective, logical, valid and specific (ISO 17007).]
6.18 Local applicability

**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 adaptations of its standard (e.g., for national or regional relevance or for specific products or sectors), it does so through multistakeholder consultation processes. The scheme owner documents the justification for any substantive differences between the adaptations and the standard and makes this documentation publicly available.

6.19 Interpretation and implementation guidance

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

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

6.20 Standards equivalence

**Desired outcome:** Other standards recognised by the scheme are meaningfully equivalent to all or to relevant parts of 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 contexts in which it is applied.

[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.]

[Guidance: This assessment of equivalence relates only to the content of the standard. Where the scheme owner also intends to accept external assurance of compliance with this standard, the scheme owner needs to have confidence in the results of the assurance process, as outlined in section 7.]

6.21 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.

**Chapter 7: Assurance**

7.1 Assurance model

**Desired outcome:** The scheme's assurance model gives confidence in the results of assurance.

The scheme owner establishes and documents an assurance structure and assessment models consistent with the:
1. scope of the scheme and the risks inherent to its scope (e.g., sector, geography, part of value chain, type of traceability, etc.).

2. intended impacts and strategies of the scheme.

3. types of data the scheme aims to collect.

4. ability of the scheme to create value for clients.

5. types of claims allowed by the scheme.

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

[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 Assurance policies and procedures

**Desired outcome:** Operating policies and procedures 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 2.1).

2. criteria for accepting assurance providers to the scheme and for assurance providers to remain in the scheme, including 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 (see 7.5).

5. types of traceability allowed by the scheme, where relevant, 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/verification results and/or claims related to assurance status of clients.

9. scheme-related requirements for the external partners that are integral to implementation of the assurance system (e.g., oversight bodies and assurance providers).

10. a 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, and repercussions for fraudulent behaviour.

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 stakeholders.

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

[Guidance: The scope of the assurance system should include the scheme’s sustainability standards and any other requirements applied to clients in support of scheme integrity, e.g., chain of custody requirements, etc.]
7.3 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 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 fees.

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 five years, and the date of their withdrawal.

[Guidance: The list of current and past clients and information about their assessments can alternatively be made publicly available by 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. Non-conformities that are mitigated before a decision on certification is taken do not need to be made public.]

7.4 Performance insights

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

The scheme owner requires assurance providers to provide sufficient information to clients to enable those clients to derive insights about their performance.

[Guidance: This information can be provided in assessment reports or through additional information and insights shared with clients, e.g., client performance changes over time or in relation to peers.]
7.5 Assessment methodology

**Desired outcome:** Procedures support consistent and competent implementation of each type of assessment.

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, skills and experience 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. the role of remote auditing techniques within the assessment.
5. a means of calculating the time needed for an assessment.
6. 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.
7. how data sources are to be combined to provide an understanding of sustainability performance and risk, and how this informs the assessment process.
8. minimum content of assessment reports.
9. timelines for submission of completed reports, following assessments.
10. 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.]

7.6 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, intensity or focus 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 to use the scheme's risk management protocol.

7.7 Sampling protocol

**Desired outcome:** Sampling that is conducted during assessments is robust and consistent.

Where the scheme owner incorporates sampling, it 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.
7.8 Decision-making protocol

**Desired outcome:** Decisions on compliance, performance and non-conformities are determined consistently.

The scheme owner defines a decision-making protocol that enables consistent determination of compliance or performance status. The protocol also enables assessors to consistently determine the severity of non-conformities along with repercussions for each level of non-conformity. The scheme owner requires assurance providers and oversight bodies to implement this protocol.

7.9 Appeals Mechanism

**Desired outcome:** There is scope to appeal assessment decisions.

The scheme owner requires assurance providers to implement a publicly available appeals procedure where clients can appeal their assessment decisions. It also requires oversight bodies to implement this for assurance providers.

7.10 Correction of non-conformities

**Desired outcome:** There is a robust approach to correcting non-conformities.

The scheme owner defines consistent procedures for addressing non-conformities. At a minimum, the procedures:

1. define the action required to address specific types of non-conformity, and whose responsibility it is to take that action, e.g., scheme owners have a legal obligation to report some types of non-conformities to local authorities.
2. include guidelines for determining whether corrective actions adequately address non-conformities.
3. define time limits for implementing corrective actions.
4. define steps for verifying corrective actions.
5. define repercussions of continued non-conformity.

[Guidance: The specific types of non-conformity where action and responsibility should be defined can include broad generic distinctions (e.g., major vs. minor non-conformity), and/or distinctions related to the type of non-conformity (e.g., human rights violation), and/or the type of corrective action expected (e.g., reporting to local authorities, providing or facilitating access to remedy - see 1.4.)]

7.11 Group assessment

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

Where the scheme owner allows for group assessments, 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. The scheme owner:

1. defines consequences for non-conformities detected at the level of individual group members.
2. ensures that non-conformities are issued against the group as a whole when there is a systemic problem with the group’s internal management system, including when the number of non-conformities identified within a sample of individual group members signifies a systemic failure.
7.12 Assurance equivalence

**Desired outcome:** The scheme has confidence in assurance results of equivalent schemes.

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.

[Guidance: Where the scheme owner accepts the results of another scheme it is also taking responsibility for the quality of those assurance results. ISEAL's good practice guidance on benchmarking is a useful resource for how to assess equivalence.]

7.13 Internal audits

**Desired outcome:** Assurance providers and oversight bodies are competent to carry out assessments for the scheme.

The scheme owner requires that assurance providers and oversight bodies:

1. conduct annual internal audits of their performance relative to the scheme.
2. share the results of these internal audits and how any findings were addressed with the scheme owner.

7.14 Responsibility for outsourcing

**Desired outcomes:** 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.

7.15 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, oversight bodies, or other entities, using defined mechanisms for evaluating competence, including witnessing the performance of assessment personnel.

7.16 Calibration

**Desired outcome:** Assurance personnel interpret requirements consistently.

The scheme owner requires assurance providers to implement calibration activities that support consistent interpretation of the standard by auditors and assurance personnel. Where the scheme employs multiple oversight bodies, it requires a similar programme of calibration for the auditors of these bodies.

7.17 Impartiality and conflicts of interest

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

The scheme owner ensures that its risk management plan (see 2.4) addresses threats to the impartiality of its assurance system. The scheme owner monitors the management of threats 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 and do not have conflicts of interest. The scheme owner can allow for exceptions due to logistical constraints such as absence of alternative options, and in such cases, requires that exceptions are justified and recorded.

7.20 Impartial decision-making

**Desired outcome:** Impartiality of decision-making is strengthened by involving multiple personnel in decision-making.

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 about the client or assurance provider's assurance status.

7.21 Oversight mechanism

**Desired outcome:** Oversight of assurance improves the quality and integrity of assurance results.

The scheme owner defines an approach to oversight of 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 oversight bodies should follow for assessing the performance of assurance providers, including a decision-making protocol that enables levels of non-conformity to be determined consistently.
5. the consequences of non-compliance with performance requirements.
6. the requirements for oversight bodies to report back to the scheme owner.

[Guidance: Defining the oversight mechanism includes taking decisions about roles and responsibilities for oversight, 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:** Oversight of assurance is independent of the assurance provider(s).

The scheme owner ensures that its oversight mechanism, including any oversight bodies, is 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 its oversight mechanism, including any oversight bodies, has responsibility and authority to enforce actions or rules regarding non-compliance of assurance providers.

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 compliance with scheme assurance requirements.

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 independence, impartiality and competence.

Where the scheme owner relies on accreditation bodies, it 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:** 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 its personnel competence requirements. The scheme owner can also employ supplementary measures to assess the scheme-specific competence of assurance providers.

**Chapter 8: Claims**

8.1 Claims policies and procedures

**Desired outcome:** Documented policies and procedures ensure the claims system is implemented consistently.

The scheme owner ensures the documented claims system includes at least:

1. a list of the scheme's registered copyrights and trademarks.
2. 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, including sustainability claims and claims about assurance status.
4. rules and procedures for client use of claims, including specifications about who is allowed to make which types of claims and where they can appear.

5. procedures for approving claims and renewing approvals.

6. procedures for monitoring use of claims and addressing misuse.

7. procedures for suspending and withdrawing permissions to use claims.

8. a list of all approved users of claims (e.g., licensees/certificate holders/clients) and the specific approvals granted.

9. procedures for engaging stakeholders in the claims system.

10. where relevant, procedures addressing the roles and responsibilities of external partners (e.g., assurance providers and oversight bodies) in the claims system.

[Guidance: Claims can be about a product, process, service or organisation; relate to sustainability attributes, performance, progress and/or assurance status of a client, and/or the client's association with the scheme; be business-to-business or business-to-consumer; and be made via a range of media including text, logos, labels, trust marks, etc.]

[Guidance: Rules and procedures for claims use (point 4) should take account of and be consistent with applicable regulatory requirements around claims making.]

[Guidance: The list of all approved users of claims could be the same as the list of all clients required under 7.3]

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. 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. procedures for approving claims and renewing approvals.
4. procedures for monitoring use of claims and addressing misuse.
5. 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 Truthfulness 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, sustainability outcomes and strategies, and defined role in due diligence and remediation
2. the criteria defined in its standard(s), including performance levels where relevant
3. the scheme's assurance model and, where relevant, the traceability types allowed by the scheme
4. the scope of assurance, e.g., assurance of an enterprise, product, etc.

8.4 Substantiation of claims

Desired outcome: Allowed claims are substantiated.

The scheme owner defines the information that determines when each type of allowed claim can be made. The scheme owner considers at least the following information:

1. the criteria in the standard
2. assurance status of clients
3. assessment results on client performance and progress over time
4. the type of traceability employed, when applicable
5. findings on scheme performance (its contributions towards its intended sustainability outcomes and impacts)

8.5 Traceability

Desired outcome: The scheme’s approach to traceability is sufficient to prevent fraud and appropriate for the types of claims it allows.

Where the scheme incorporates supply chain traceability, the scheme owner determines which types of traceability are fit for purpose and appropriate for the claims the scheme enables clients to make, and documents a rationale for its choice. The scheme owner makes publicly available a summary of how each of the scheme’s traceability models works and what controls it has in place to manage their integrity.

[Guidance: Traceability models are fit for purpose if they are applicable in the sectoral or geographical context in which the scheme operates, meet business expectations and regulatory requirements, and are consistent with the types of claims that the scheme owner allows.]

8.6 Claims approval

Desired outcome: The scheme owner controls claims made by clients about the scheme or its results.

The scheme owner has or delegates to implementing partners a mechanism to approve clients’ use of claims and to require clients to report on any changes that would affect their ability to make claims.

8.7 Supporting information for claims

Desired outcome: Stakeholders can find supporting information about claims the scheme's clients make.

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.

[Guidance: Supporting information can include allowing reference to websites or other accessible sources of information.]

8.8 Monitoring use of claims

Desired outcome: The scheme owner mitigates the misuse of claims.
The scheme owner defines and implements procedures for monitoring the use of claims that includes at least:

1. steps taken to monitor the misuse of claims in the market.
2. investigating and acting on identified cases of misuse of claims.
3. suspending and withdrawing permissions to use claims, including defining the conditions and actions that lead to the suspension and withdrawal of permissions.
4. monitoring that suspended or former clients have stopped making claims.

[Guidance: Misuse of claims includes cases of fraud or corruption. Steps taken can include sample-based or risk-based monitoring or responding to stakeholder complaints.]

8.9 Reporting misuse of claims

**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 into the dispute resolution system (see 5.4)]

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

8.10 Responsibilities for claims system

**Desired outcome:** External partners are clear on their responsibilities for implementing 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.