



*for a living planet*<sup>®</sup>

## **WWF PRINCIPLES FOR SETTING AND IMPLEMENTING CREDIBLE STANDARDS FOR SUSTAINABILITY**

WWF is involved in an increasing number and range of voluntary standard-setting initiatives through bilateral corporate partnerships and multi-stakeholder processes (e.g. commodity roundtables). This leads to a common need for generic methodologies and approaches to standards, certification and labelling. In this context, a group of WWF colleagues working on certification and coordinated by the Market Transformation Initiative have discussed and identified a set of principles to define - from WWF's perspective - what constitutes:

- (i) a credible sustainability standard. These principles refer to the design and development stage of a standard (i.e. the design stage);
- (ii) a credible and effective process for assessing, monitoring and verifying the implementation of sustainability standards (i.e. the implementation stage).

These principles are intended to provide guidance to WWF staff to ensure consistency and common guidelines across all the initiatives presently underway, as well as possible future ones. The principles were circulated for network-wide consultation by the Conservation Practice and Policy (CPP) Unit during September and October 2009. Feedback and input from this consultative process have been addressed. By way of introduction, it is important to note that:

- WWF has chosen to work and support the development and implementation of voluntary sustainability standards in order to improve the production, sourcing and processing of key commodities and products (ranging from forestry and fish-based products to agricultural commodities such as palm oil, soy and cotton).
- WWF considers that voluntary certification is key to raising the bar for mainstream performance. WWF's strategy is to progressively and continuously raise the bar on voluntary standards, thus pulling legislative standards and industry norms along, but always maintaining a gap between bare legality and best practice voluntary standards. Voluntary certification only works if the most progressive companies can distinguish themselves from those doing business as usual at a given point in time.
- WWF believes that it is important to focus both on the development of credible standards and on their effective implementation in terms of impacts and change on the ground. What is the point of developing excellent standards if they do not result in any significant sustainability impact and improvement? WWF is therefore actively participating in the Impacts Code process led by ISEAL, which will establish a framework for what to measure and how, ensuring comparability and compatibility of results.



## I. WWF'S PRINCIPLES FOR SETTING CREDIBLE SUSTAINABLE STANDARDS

Based on WWF's experience in helping to create standards for several commodities and sectors, such standards will only be credible if they are:

1. Focused on **minimizing or eliminating the most important environmental and/or social negative impacts of the commodity/product**. The standard will include, where applicable, minimum environmental performance requirements for HCV preservation, GHG emissions reduction, soil and water use and pollution, waste management and biodiversity protection. On the social side, important elements to consider are the respect for basic human rights, land use and tenure rights, property rights, indigenous people's rights, workers' rights and community benefits.
2. **Based on objective and measurable performance**: The standards should provide targets to reach, which are clearly linked with environmental and/or social performance. This requires defining a baseline, identifying principles, criteria and indicators and putting in place a process to monitor reduction in negative impacts and improvement of performance. Though it is desirable for standards to be performance-based and metric, it is recognized that this is not always feasible.
3. **Developed in compliance with ISEAL's Code of Good Practice for Setting Social and Environmental Standards**, which is the international reference for setting credible voluntary social and environmental standards and is endorsed by a range of governmental and inter-governmental directives as the measure of credibility for voluntary social and environmental standards setting processes.
4. **Involves a diverse group of stakeholders**, so that the standard balances economic, social and environmental considerations equitably. The process for developing standards usually involves convening stakeholders in both formal and informal manners, and creating a steering committee(s), technical working group(s), and advisory group(s) that provide recommendations for a larger set of stakeholders to consider. To date, there is a wide range of approaches used in order to bring such stakeholder groups together; it is clear that no one model fits all products, sectors and societies.
5. **Created by consensus**. The International Standard Organization's definition for consensus is 'General agreement, characterized by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process seeking to take into account the views of interested parties, particularly those directly affected, and to reconcile any conflicting arguments. Consensus need not imply unanimity.' It is not necessary to reach consensus prior to the period when draft standards are posted for public comment. In cases where decisions are taken by a voting procedure, the latter should prevent major economic, social and environmental interests from being overruled.
6. **Is compliant with relevant national and international laws**. At a minimum, the standard should require compliance with relevant national, regional and international laws.
7. **Is Science-based**. The standards should be developed with input from scientists and updated and/or



reconfirmed over time to reflect the newest scientific findings related to the issues the standards address, as well as evolving legislation (see also principle 8 below).

8. **Is adapted to reflect national/regional conditions and needs.** Generic, global principles and criteria of the standard may need to be further specified and adapted to national/regional circumstances in order to reflect the diverse legal, social and geographical conditions, and taking into consideration that data from specific places/regions may be lacking. This can be done by developing national or regional indicators.



## II. WWF PRINCIPLES FOR EFFECTIVE AND CREDIBLE CERTIFICATION SCHEMES

1. **Written commitment to adhere to reducing key economic, environmental and social impacts of primary concern to WWF and the concerned stakeholder group.** In most cases, if not all, this is an absolute minimum condition for support to, or entry in a particular certification scheme. Without it, is very difficult to justify investment of WWF's human and financial resources. A timeframe for implementation should be set within each certification scheme.
2. **Focused on mainstreaming production or supply.** The scheme should drive improvement at scale to avoid continued widespread damage to natural assets and to maximise the effect of the certification scheme. While support to niche markets for green products may be useful in certain circumstances, it is important to concentrate on achieving real change in the mainstream commodity markets.
3. **Results-oriented.** Certification must be based – as much as possible - on objective, scientifically defined and measurable performance. The impacts need to be measured against a baseline and monitored regularly. What is of prime importance to WWF are conservation results backed by credible processes.
4. **Compliant with international frameworks for certification and accreditation.** The structure of the scheme, including certification, accreditation and verification processes, should comply with existing international norms developed by ISO, the International Accreditation Forum (IAF) and the ISEAL Alliance (e.g. ISEAL code of good practice for assessing impacts and for verification).
5. **Meaningful and equitable stakeholder participation.** Seeking meaningful stakeholder participation is a phased process, which may require different levels of engagement depending on the implementation stage of the certification process. Decision-making procedures should strive to take into account the range of interests relevant to the subject matter either through consensus or by achieving balanced decision-making.
6. **Transparency in decision-making and public reporting.** A credible initiative must have clear and transparent structures to manage different aspects of the operation. The scheme's requirements, as well as results of certification and accreditation reports, should be made available in the public domain.
7. **Third-party independent certification.** Compliance with standards needs to be verified and to be credible, this requires independent third-party certification. Overall, it is important that transparent firewalls are in place to ensure that the "Standard Setting" entity is accomplished outside of the governance of the "Standard Holding" entity. Multiple and international Certification Bodies should be accredited by the certification scheme to discourage an exclusive Certification Body effecting the audits; thus leading to perceived or real conflict of interest (ISO 65 compliance). In addition, auditors of the multiple Certification Bodies should be adequately trained and in compliance with IAF.



8. **Traceability.** In order to avoid the risk of ‘greenwashing’, it is important to have in place a robust process for ‘tracing’ the product along the supply chain, thus ensuring that claims (i.e. that the final product is ‘sustainable’, ‘good’ or ‘better’) are indeed reflected in the product’s characteristics from its point of production. (If the system uses credits instead of robust traceability, the claim would refer to “support for responsible production” or similar). In short, claims must be truthful.
9. **Complaint and appeal mechanisms.** A commitment to set up a mechanism for hearing complaints and resolving conflict is part and parcel of the initiative’s accountability and credibility. This greatly reduces the risk of undue influence by one or more stakeholders. It also acknowledges that certification processes are complex and involve stakeholders with potentially divergent and conflicting views.
10. **Commitment to continuous improvement.** The scheme should include monitoring and review processes, which recognise the need for better practices and the commitment to continual improvement. According to ISEAL, a standard review process should take place every five years. In addition, the scheme should include surveillance and monitoring guidelines with clear deadlines for evaluating the conformity assessment process.