Sustainability Programme
System Requirements

Requirements for Systems	
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Introduction

An increasing number of products are carrying sustainability labels and certification schemes have been developed for many commodities. Companies have policies for sustainable sourcing and investors are looking to support responsible development. While the existing schemes largely overlap in their view on sustainability, the multitude of schemes have also led to parallel efforts and sometimes market barriers for smallholders and others.

Inspired both by existing sustainability concepts and the need to harmonise, the Preferred by Nature Sustainability Framework has been revised to provide a single framework for defining and benchmarking sustainability, that can be used across different commodities and landscapes. The framework consists of 4 principles and 28 criteria addressing different aspects of what we believe shall be considered before claiming that operations or products are sustainable.

We have carefully revised the framework to serve multiple purposes. It can be used for verification of forest and farm management as well as for other sectors such as financing, tourism and others. It can also be used by processors, traders, retailers and others to evaluate their sourcing. As we benchmark the framework against existing schemes, our intention is to recognise the assurance that these already provide, rather than duplicate.

The global framework will be supplemented by risk assessments in our SourcingHub database[1], enabling it to be adapted locally and focuses on the issues which are central for each product and region. Sourcing organisations can use the framework to map and mitigate sustainability risks in supply chains, making sustainability commitments across any or all the 28 criteria.

Organisations, who have been verified by Preferred by Nature to address all the Framework criteria, will be eligible to use our new Preferred by Nature Seal and make related on-product and business-to-business claims.

Scope of this standard

This standard (System Requirements) sets out requirements related to systems and quality management for organisations using the Sustainability Framework to achieve their sustainability commitments. The standard is applicable to all types of organisations using the Sustainability Framework, land managers, as well as other entities in the supply chain. This standard should be used in combination with the Sustainability Framework to ensure important aspects of systems for ensuring consistency and quality are implemented.

Version history

Version 0.1, 25 September 2020

Version 1.1, 3 June 2021

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[1] https://preferredbynature.org/sourcinghub

SYSTEM REQUIREMENTS

The following contains requirements related to the systems needed to implement Sustainability commitments.

Commitments to sustainability are clearly formulated.

1.2 The Organisation shall have commitments to producing, processing and/or sourcing responsibly. The commitments shall be:

 a. in writing;

 b. publicly available; *and*

 c. supported at the executive level of the Organisation who are accountable for meeting the commitments.

1.3 The Organisation shall identify relevant commitments, including consideration of:

 a. compliance or regulatory requirements;

 b. ownership or control and ability to influence;

 c. stakeholder needs and priorities;

 d. potential social or environmental impacts of the Organisation's activities; *and*

 e. strategy of the Organisation.

1.4 The Organisation shall define the scope of its commitments, by one or more of the following:

 a. origin or area;

 b. commodity, or (as relevant) crop or species;

 c. product or component;

 d. supply chain characteristics (where applicable);

 e. brands or labels; *and*

 f. timeline for implementation.

1.6 Selected commitments shall be formulated to achieve equivalence or exceed the corresponding Sustainability Principles, as outlined in PART A.

1.7 Commitments shall be embedded into decision-making processes, systems, and performance metrics of core business units (e.g., procurement) and of operational units, agents, affiliates and subsidiaries at all applicable levels of the Organisation.[2]

1.8 Stated targets, milestones and associated Sustainability indicators (from PART A) shall be specific enough so that progress and claims can be objectively assessed, both internally (within the Organisation and its supply base) and by external parties.[3]

1.9 The Organisation shall actively communicate relevant commitments and related requirements to their suppliers, as well as to other relevant stakeholders.

Stakeholder engagement is conducted where necessary.

1.10 Organisation shall identify stakeholders affected by the operations.

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[2]   Accountability Framework
[3]   Accountability Framework

1.11   Organisation shall ensure that identified stakeholders have access to relevant information about the operations that may affect them.

1.12   Organisation shall actively engage stakeholders through consultation and respect their rights to meaningful and effective participation about matters that affect them.[4] The Organisation shall develop and implement a stakeholder engagement procedure that includes the following elements:

    a.   Stakeholder identification or mapping; *and*

    b.   Inclusion of stakeholders in the implementation of the commitments as appropriate.

Responsibilities are defined and competencies are in place.

1.13   The Organisation shall appoint a person or position as having overall responsibility for conformance with all applicable requirements of this Framework.

1.14   The appointed person/position shall have sufficient authority and resources to ensure that requirements are met.

1.15   The Organisation shall designate individual responsibilities for all applicable elements of the Organisation's commitments.

1.16   All relevant personnel shall demonstrate awareness of, and competence in, implementing the Organisation's commitments.

Procedures and systems are developed and implemented.

1.1   The Organisation shall have written procedures relating to implementation of its commitments; with these being adequate and proportionate, and covering all applicable elements of this Framework.

1.2   The Organisation shall ensure that relevant procedures are communicated to relevant staff and that the staff have the capacity and resources necessary to implement them.

1.3   The Organisation shall ensure that all records relevant for demonstrating achievements towards its commitments are maintained for a minimum of five (5) years and available for internal and external evaluation.

1.4   If third-party certification is used to meet its commitments or part thereof, the Organisation shall confirm that third-party certification claims are valid, accurate and applicable to the scope of the commitments.

Complaints and dispute systems are developed and implemented.

1.5   The Organisation shall have and implement a complaints procedure to address substantiated external complaints related to its performance to meet commitments, including:

    a.   assessment of evidence provided in the complaint within two (2) weeks of its receipt;

    b.   in cases where evidence is considered relevant, implementation of appropriate corrective actions; *and*

    c.   maintenance of records of all complaints received and actions taken.

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[4]   Accountability Framework, Core Principle 2. https://accountability-framework.org/wp-content/uploads/2020/03/Core_Principles-Mar2020.pdf

1.6 The Organisation shall have in place and implement a system to manage internal complaints.

Internal monitoring is conducted.

1.7 The Organisation shall monitor conformance with their commitments and evaluate the effectiveness of its procedures and implementation, at a minimum annually, addressing the following:

a. evaluation shall be based on clear indicators against which the Organisation can measure performance;

b. evaluation shall be documented;

c. evaluation of the opportunities and constraints to implement selected commitments; *and*

d. evaluation of performance in meeting commitments.

Reporting and disclosure of information is clear and publicly available.

1.8 The Organisation shall publish information, at least once per year, that demonstrates its progress toward meeting commitments. The information shall:

a. present quantitative and qualitative metrics of progress of implementation relative to the Organisation's publicly stated commitments;

b. indicate monitoring methodology, data sources and how the information has been verified; *and*

c. include a summary of grievances and concerns received by the Organisation (or otherwise known through reasonable efforts by the Organisation) and its response to these.

Communications and claims are managed.

1.1 Organisations who have been verified as meeting all applicable Legal (L) and Core (C) requirements of the Sustainability Framework and these System Requirements, may use the Preferred by Nature Seal and make on- and off-product claims about their verified status. Claims and seal used shall be:

a. associated with, and limited to, the specific commitment(s); and

b. approved in writing by Preferred by Nature.

1.2 Organisations who have been verified as meeting a limited selection of Legal (L) and Core (C) requirements, may make claims about meeting these commitments. However, the organisation is not eligible to use the Preferred by Nature verified Seal. Claims shall be:

a. associated with, and limited to, the specific commitment(s) and scope of verified achievements; *and*

b. approved in writing by Preferred by Nature.

1.3 Organisations working with Preferred by Nature to meet only selected components or elements of this Framework, may make related public communications about this work. However, the organisation is not eligible to make product related claims, nor use the Preferred by Nature Seal. Any communication shall:

a. include clear description of the scope of the collaboration with Preferred by Nature;

b. specify the timeframe for engagement with Preferred by Nature;

c. refer only to actual activities that have taken place; *and*

d. be approved in writing by Preferred by Nature.

1.4 Organisations making communications about their work with Preferred by Nature on the Sustainability Framework, shall agree to allow Preferred by Nature to publish a reciprocal statement on Preferred by Nature's website stating the type and scope of work.

About us

Preferred by Nature is an international non-profit organisation delivering a unique combination of sustainability certification services, development projects, and stakeholder trainings. Our mission is work together to support better land management and business practices that benefit people, nature and the climate.

For more than 25 years, we have worked to develop practical solutions to drive positive impacts in production landscapes and supply chains in 100+ countries. We focus on forest, agriculture and climate impact commodities, and related sectors such as tourism and conservation.

Our vision is a world where human choices ensure a sustainable future.

Learn more at www.preferredbynature.org

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