

The trend from certification to impact verification

Several decades of sustainability certification and increased compliance with sustainability standards have transformed the way businesses look at the performance of their supply chains. With sustainable compliance moving from 'nice to have' to 'must have', new opportunities are emerging.

Standardized certification programs (e.g. UTZ, FT, RA and others) have paved the way to establish harmonized implementation of sustainability requirements via standardized norms and respective conformity audits and certifications. Companies are now ready to take more ownership and go the additional mile to create a truly deep impact from within their supply chains.

Across global commodity supply chains a certain fatigue is felt toward externally driven compliance. Many of today's supply chains are multi-certified and are kept extremely busy as they react to the call to implement an ever growing number of externally imposed standards. However, the growing number of standards and compliance audits alone does not automatically increase the impact felt at the level of the most vulnerable parties in trade: small farmers and hired workers.

More and more of the companies that have put strong re-active efforts into certified sustainable sourcing now wish to pro-actively engage and start translating their very own farming and trading experience into sustainability action. By doing this they simplify and focus on what they and their direct stakeholders consider key requirements for change. They enable farmers to apply improved business practices and do not police implementation blindly. Instead of auditing a one-time compliance status, private impact programs train and enable farmers first before collecting implementation data in a revolving process. They measure results over time to understand the impact of their commitments. Learning cycles are built in to enable feedback and allow for timely program adjustments if needed. If well-performed, such private impact programs can be extremely powerful as they are co-designed by key supply chain stakeholders, the real experts in farming and trade.

Over the past two decades standardized certification programs and respective labels have created a global framework of awareness, recognition and harmonized implementation of baseline levels of sustainability compliance. They have managed to educate players in trade as well as consumers about sustainability topics and have thus created a considerable level of trust. To take this further and add shape to the detail companies are now taking the initiative from inside and are becoming active drivers of the sustainability process. Implementation of private programs can be naturally embedded in day-to-day trading relationships, and is not focused anymore on one-off external controls. Private sustainability programs are more flexible than certification standards; they are able to adapt quickly to changing realities and allow companies to show the real DNA of their sustainability.

Certifier for



This is where impact-related verification comes in.

Objective 3rd party verification continues to be relevant also for private company programs. The focus, however, is changing radically from policing to enabling. The auditing and verification methodology has a key focus on impact, should be objective by nature and – at the same time – is supposed to be conducted in a collaborative spirit.

Over the past two decades, agricultural supply chains have seen an increasing demand for sustainability certification where audits are uniquely focused on compliance. These approaches tend to rely on detailed checklists which specifically ask for ‘yes’ or ‘no’ answers about whether or not certain standards or items are in place.

In impact-related programs, such compliance-focused auditing techniques are not effective: On the one hand, they cannot properly mirror the relationship and shared responsibility of key stakeholders within a program, neither can they adequately monitor the improvement of stakeholders’ performance over time.

Impact programs, before measuring at all, start with a joint commitment, install training programs and anticipate that a situation will slowly improve over time. Stakeholders in the supply chain take shared responsibility when setting up interventions to improve economic, social and environmental conditions. The focus of these programs, therefore, lies in the improvement and enabling of the respective situations. Thus, it is intended that awareness be created at stakeholders’ level at the outset and that behavioural change be stimulated by identifying why problems arise and how they can best be remedied.

Impact-related auditing must, therefore, allow for the expression and capturing of the attitudes and behaviours of a wider range of key stakeholders in a supply chain program at different levels of program strategy building, program implementation and program management. Taking these factors into account, it is useful to adopt a so-called ‘participatory approach’ to successfully complete the auditing.

In impact-related verification processes, taking a single snapshot of compliance with a set of given standards is inadequate. Impact verification can rather be described as a process, involving a series of audits at the level of the key implementing company and selected program farmers. The audits aim to create awareness, promote understanding, strengthen the program accountability and support the program owner and his key stakeholders to bring about change over time.