

Standards Development and Modification Procedure

1. Introduction

- 1.1 This document establishes the procedure for the development and modification of standards by SCS Standards. This procedure is aligned with the ISEAL Standard Setting Code of Good Practice.¹ The ISEAL Standard Setting Code supports the development of standards “that deliver positive social and environmental impact, ... that are relevant and transparent and that reflect a balance of stakeholder interests.”

2. Scope

- 2.1 This procedure applies to the development of all new standards by SCS Standards, as well as the maintenance, review and modification of existing proprietary standards transferred from SCS Global Services to SCS Standards.

3. Initiating a new standard or a revision to the existing standard

- 3.1 A new standard or revision of an existing standard can be initiated by SCS Standards or by stakeholders. Stakeholders must submit requests in writing to standardsdevelopment@scsglobalservices.com, accompanied by the rationale for development or revision, relevant background documents, and identification of affected stakeholder groups.
- 3.2 The SCS Standards Executive Director and/or designated staff shall review and evaluate all external requests for new standards and for revisions of the existing standards. In consultation

¹ Setting Social and Environmental Standards, ISEAL Code of Good Practice (Version 6.0 –December 2014), https://www.isealalliance.org/sites/default/files/resource/2017-11/ISEAL_Standard_Setting_Code_v6_Dec_2014.pdf

with the Board of Directors, the SCS Standards Executive Director shall make a decision on whether and when to proceed with the development of new standards or suggested revisions. Considerations shall include:

- Applicability to the SCS Standards mission and objectives
- Market relevance and/or need, and operating environment
- SCS Standards costs, capacity and resources necessary for initiation and completion of standard development process
- Period of time since last version was completed

4. Work Program

- 4.1 At least once a year, SCS Standards shall publish a Work Program to announce the planned revisions of existing standards, plans to develop new standards, and provide information on the standards revised or adopted in the previous year. The Work Program can be updated as needed.

5. Terms of Reference

- 5.1 Terms of Reference shall be developed for all major revisions to existing standards and at the onset of new standards development processes. These Terms of Reference shall be published on the SCS Standards website.
- 5.2 The Terms of Reference shall address:
- The proposed scope of the standard and intended geographic application
 - A justification of the need for the standard and a listing of other standards operating or in development that meet all or part of this need;
 - Goals and objectives;
 - Social, environmental and economic outcomes that the standard seeks to achieve;
 - Levels of achievement;
 - An assessment of risks in implementing the standard and mitigation measures;
 - Timelines and milestones;
 - Consultation and decision-making process,
 - Necessity for field-testing requirements and advisory services (e.g., technical committee)
- 5.3 The Terms of Reference shall include designation of an individual(s) as the “approving party” to approve a draft standard for public consultation and finalization.
- 5.4 At the commencement of a new standards development process, SCS Standards shall inform organizations that have developed similar standards of its intent to develop a new standard,

seek input on the Terms of Reference, and encourage their participation in the standard development process.

6. Content and Structure of the Standards

- 6.1 Standards shall clearly and explicitly state the defined social, environmental and economic outcomes.
- 6.2 Standards shall include criteria to address all of the defined social, environmental and economic outcomes, and any claims made about the standard or compliance with the standard should be consistent with these defined social, environmental and economic outcomes.
- 6.3 Standards shall meet or exceed existing regulatory requirements, and clearly reference relevant existing national and/or international laws and regulations.
- 6.4 Standards shall be clearly written to promote accurate and consistent interpretation by all parties, and only include language that is specific, objective and verifiable.
- 6.5 Requirements shall be expressed in terms of process, management and performance criteria, rather than design or descriptive characteristics, and shall not favor a particular technology or patented item.
- 6.6 Standards shall include a definition of the scope to which the standard applies.
- 6.7 Standards shall attribute or cite all original intellectual sources of content.
- 6.8 Standards shall not present administrative requirements related to assurance, claims or labels or other non-technical issues integrated with technical and/or performance requirements.
- 6.9 If it is necessary to include specifications for more than one category, type and/or sector within the same Standard, the category, type, and/or sector requirements shall be clearly provided and defined, as needed.
- 6.10 Standards shall specify requirements or tests that are designated for the following purposes:
 - initial conformity assessment and/or testing;
 - surveillance auditing and/or testing to ensure continued compliance; and
 - issuance of certificates of compliance and/or reports of verification or validation.
- 6.11 The requirements shall be clearly defined, along with the required sampling methods to verify the specified processes. Standards shall define the sequence of sampling and/or tests when the sequence may influence results.

7. Local Applicability and Interpretations

- 7.1 International standards shall be used as the basis for developing corresponding national or regional standards, except where they would be ineffective or inappropriate.
- 7.2 National or regional standards shall be as consistent as possible with relevant international standards, and at least as stringent.
- 7.3 Where international standards are to be adapted for direct application at the national or regional level, interpretive guidance for how to take into account local economic, social, environmental and regulatory conditions shall be developed.
- 7.4 Where SCS Standards recognizes existing standards as partially or fully equivalent, this shall be based on a determination of the equivalence of performance and a determination that the existing standard reflects the local context.
- 7.5 SCS Standards shall develop and publish guidance to support consistent interpretation of its requirements, as deemed necessary.

8. Stakeholder Identification

- 8.1 The SCS Standards team shall ensure that participants in the development of new standards reflect a cross-sectional diversity of interests among affected stakeholders in the subject matter and in the geographic scope to which the Standard applies.
- 8.2 Participants in the standard-setting process should have expertise relevant to the subject matter of the Standard and/or be materially affected by the Standard.
- 8.3 Interested stakeholders shall be provided with meaningful opportunities to contribute to the elaboration of a Standard.
- 8.4 SCS shall include a balance of interests in the processes that are employed for developing and approving new Standards.
- 8.5 Existing stakeholder lists shall be updated prior to major revisions to the standards.
- 8.6 SCS Standards shall endeavor to identify stakeholder groups that are not adequately represented and proactively seek their contributions, including addressing constraints faced by disadvantaged stakeholders.

9. Standards Development Committee

- 9.1 SCS Standards may nominate a Standard Development Committee (SDC) to support a standard development process or major standard modification.² SDC members selected by SCS Standards shall represent at least four areas of interest: Producers, Users, Civil Society, and General. A fifth area of interest may be included to represent Technical Experts for standards requiring specific technical expertise.
- 9.2 The SDC shall perform its review in accordance with Terms of Reference developed by SCS Standards for each particular standard development project.

10. Standards Development and Public Consultation Stages

- 10.1 The specific guidelines for standard development and public consultation are addressed in the Terms of Reference for each standard.

11. Decision Making

- 11.1 Decisions on finalizing new standards are made as described in the Terms of Reference for each particular standard.
- 11.1.1 The decision within a Standard Development Committee is made by consensus whenever possible. Consensus is achieved when the voting members of the Standard Development Committee reach a substantial agreement with no sustained opposition.
- 11.1.2 For standards not involving a Standard Development Committee, the final decision is made by the Board of Directors of SCS Standards.

12. Availability of Standards

- 12.1 Final standards shall be made available on the SCS Standards website in English promptly after approval.
- 12.2 Any subsequent changes in status of an SCS Standards standard shall be published on the SCS Standards website.

² Standards Development Committees shall be formed for all multi-attribute or broadly-scoped standards.

13. Maintenance of Standards Transferred from SCS Global Services

- 13.1 Existing standards transferred from SCS Global Services to SCS Standards will be maintained in alignment with the standards' 5-year cycle.
- 13.2 Standards that were created or revised shortly prior to transfer will undergo next review in a number of years remaining in the 5-year cycle (e.g., standards revised in the year before the transfer will be revised in 5 years; standards revised 3 years prior to transfer will be revised in 2 years, etc.)
- 13.3 To enable on-schedule maintenance, a record will be made during transfer process to indicate the next revision date.

14. Standard Revision and Modification

- 14.1 SCS Standards shall review standards at least every five years for continued relevance and for effectiveness in meeting its stated objectives. If deemed necessary, revisions shall be made in a timely manner.
- 14.2 Stakeholders shall be provided opportunities to submit suggestions for standard revision or requests for clarification at any time through SCS Standards website, and their comments shall be recorded and considered during the revision process.
- 14.3 If the SCS Standards team identifies a need for non-substantive changes to a standard (e.g., correcting typographical and grammatical errors, clarifying the language, updating references to other standards when they change, etc.), a formal revision with stakeholder consultation shall not be required. Notification of such changes shall be included in the subsequent formal revision process.
- 14.4 Major revisions of standards shall undergo the same public consultation process as new standards under development.
- 14.5 The revised standards shall include the date of a revision or reaffirmation of the standard, as well as the transition period by which the revised standard will come into effect.
- 14.6 SCS Standards shall notify the stakeholders of the revised standards and transition period.

15. Records

- 15.1 The following records shall be maintained on file for at least 5 (five) years:
 - records related to each standard development or revision process:

- policies and procedures guiding the standard setting activities;
- lists of stakeholders contacted;
- stakeholders involved at each stage of the process;
- comments received and a summary of how those comments were taken into account; and
- all draft and final versions of the standard.

15.2 These records shall be made available to stakeholders upon request.

16. Complaints

16.1 Procedural complaints related to standard development and modification shall be resolved in compliance with the SCS Standards Appeals and Complaints Resolution Procedure, provided in Annex A.

17. Optional Field Testing

17.1 The SCS Standards Board of Directors may recommend a field test of a standard undergoing development or modification. Field tests may be conducted before, during or after consultation process to understand the applicability of the standard criteria in a real world setting.

17.2 Field testing shall be overseen by the SCS Standards Executive Director and/or designated staff, who shall prepare a report describing the pilot study scope and summarizing lessons learned. Recommendations about the applicability of certain standard criteria and recommendations for further modification will be issued.

18. Standards for Trial Use

18.1 The SCS Standards Board of Directors may designate a standard as a Standard for Trial Use to test the viability of the standard's requirements.

18.2 A Standard for Trial Use shall be in effect for a period of time not to exceed 18 months from time of approval.

18.3 Prior to the expiration date of the Standard for Trial Use, the SCS Standards Board of Directors shall determine whether to process the standard as an SCS Standards standard or withdraw it from further use.

Annex A – Appeals and Complaints Resolution Process

The following steps describe SCS Standards' process for addressing appeals and complaints related to procedural issues in the standards development process lodged by directly and materially affected parties, if other means (e.g., redress of written request to Standards Development Committee convener) of addressing these issues have been exhausted.

1. Administrative procedures for conflict resolution in the standards development process, including consideration of negative ballots, shall be exhausted before lodging any appeal. Appeals shall be considered by SCS Standards Executive Director or designated staff person.
2. Appeals shall be submitted in writing. There shall be no cost to the appellant for such a submission. The appeal shall include a statement identifying the objection, the basis for the objection, and the suggested remedial action. The appeal shall be filed within 30 days of publication of a final version of the standard.
3. The appellant shall be given the opportunity to present arguments in support of the objection.
4. SCS Standards Executive Director or designated staff person(s) shall investigate the objections raised, consider whether applicable procedures were satisfied and whether the complaint merits corrective action, and attempt to resolve the issue within 30 days of receipt.
5. If the Standard Standards Development Team cannot resolve the objections, a separate hearing by the SCS Standards Board of Directors shall be convened. The hearing should be held within 60 calendar days of the date on which it is agreed that an informal resolution is not feasible. The appellant shall be given the opportunity to present arguments in support of his or her objection.
6. SCS Standards Board of Directors shall issue a written decision following the hearing, within 30 days. The decision shall indicate the conclusions reached, and their basis. A complete record of the appeal shall be compiled and maintained. The appellant shall receive a written copy of the final decision.