Standards Management
Criteria 0.1

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The *Standards Management Criteria* is effective as of January 5, 2021.

English is the official language of the *Standards Management Criteria.* In any case of inconsistency between versions, reference shall be made to the English version.

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This is a voluntary procedures document and is not intended to replace the legal or regulatory requirements of any country.

Please note that all LIA documents and processes will be piloted during 2021, which will help better understand how they will work in practice. The learnings of the pilot year may lead to adjustments in these documents or processes.

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The *Standards Management Criteria* will be updated at the end of the 2021 pilot year and will undergo a revision process at least every five years.

Contents

Introduction

About the Standards Management Criteria

The objective of this document is to ensure that all approved schemes under the Leather Impact Accelerator (LIA) not only conform to the relevant benchmark scope (Animal Welfare, Leather Production Environmental, and Leather Production Social) but are also credible standards that are developed, audited, and maintained in a transparent fashion, including multi-stakeholder consultation and decision-making, and clear and auditable conditions in the standard itself.

For any standard to be approved by LIA, it shall meet one of the LIA benchmark scopes as well as the *Standards Management Criteria*.
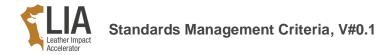
About the Leather Impact Accelerator (LIA)

LIA is a framework that sets existing industry tools into a coherent package and enables leather supply chain members – from farmers to retailers – to contribute to a more responsible leather supply chain. To this end, LIA uses benchmarks and protocols to set a minimum threshold for practices at the farm and leather production levels and gives recognition to those who meet or exceed them. Brands can use Impact Incentives to provide direct financial support to farmers that meet LIA benchmarks, and the *LIA Claims Guide* provides support for all LIA participants to make credible claims.

About Textile Exchange

LIA is owned and managed by **Textile Exchange**. Textile Exchange is a global non-profit that works closely with our members to drive industry transformation in preferred fibers, integrity and standards, and responsible supply networks. We identify and share best practices regarding farming, materials, processing, traceability, and product end-of-life in order to reduce the textile industry's impact on the world's water, soil and air, and the human population.

Benchmark Approach

The industry already has many standards in these areas, so a benchmark approach has been adopted to leverage and add value to the standards and programs that are already in use. In addition to benchmarking, LIA includes requirements for traceability systems and verification protocols.

Benchmarks set a minimum threshold for practices and give recognition to those who meet or exceed them. LIA uses benchmarks to assess animal welfare standards at the farm level and environmental and social standards during leather production.

How to Use this Document

The following terms are used throughout the document to indicate requirements, recommendations, permissions, and possibilities or capabilities:

- "shall" indicates a requirement
- "should" indicates a recommendation
- "may" indicates a permission
- "can" indicates a possibility or a capability
- "may not" indicates a prohibited action

The abbreviation "e.g." is used to indicate an example, while the abbreviation "i.e." is used to provide clarification of meaning.

Section A - Governance

A1. Required Criteria

A1.1 The scheme owner makes information on the goals and governance of the standard publicly available.

A1.2 On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts.

A1.3 Stakeholders have the possibility to participate in or provide formal input on the governance of the scheme.

A1.4 Highest decision-making forum procedures ensure that no interest group can dominate governance decision-making.

A1.5 There is a mechanism for handling disputes or complaints that applicable to governance.

A1.6 The scheme has a Secretariat with defined staff and functions to manage the standard.

A2. Recommended Criteria

A2.1 The scheme is a (full or associate) member of ISEAL.

A2.2 Names and affiliation of members are publicly available on a scheme website.

A2.3 Members are required to commit to scheme values and objectives through signing a code of conduct (or similar).

A2.4 Member's code of conduct requires legal compliance, adherence to International Labour Organization (ILO) core conventions, and free, prior and informed consent and maintenance of High Conservation Values (HCVs).

A2.5 Procedures are in place to suspend or terminate membership for gross violations of the code of conduct.

A2.6 Stakeholders have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system.

A2.7 Highest decision-making forum procedures ensure that non-economic sector constituencies collectively have (at least) the same governance decision-making power as economic sector constituencies.

A2.8 Highest decision-making forum procedures ensure that constituencies representing economic, social, and environmental interests have equal governance decision-making power.

A2.9 Highest governance decision-making forum requires balanced participation of economic, social, and environmental representatives.

A2.10 Executive (secretariat) functions are overseen by a board of directors or trustees composed of individuals mandated by voting among scheme members/participants.

A3. Suggested Criteria

A3.1 Members are required to develop and adhere to a time-bound plan towards certification and/or procurement of certified products and report annually on progress.

Section B - Standard Setting

B1. Required Criteria

B1.1   Decision-making on the content of the standard includes a balance of stakeholders and aims for consensus.

B1.2   Consultations on the development or revision of the standard are open to all stakeholders.

B1.3   Input received during consultations is documented, and there is a report back on how issues raised are addressed.

B1.4   The structure of the standard or accompanying guidance ensures consistent interpretation (e.g. auditable indicators).

B1.5   The standard is reviewed and revised on a regular basis (not exceeding five years).

B1.6   There are provisions or mechanisms to ensure that the standard is locally applicable in the regions where it is applied.

B1.7   The standard and consultation drafts are made freely and publicly available.

B2. Recommended Criteria

B2.1   Schemes are (or were) developed in accordance with formally defined scheme procedures.

B2.2   Certification standards have separate requirements for small and/or medium-sized management units and/or are formulated so as to take account of the scale and intensity of operations.

B2.3   Certification standards are developed and revised in full compliance with the ISEAL Code of Good Practice.

B2.4   Information is made publicly available on standards development and revision processes and on decision-making.
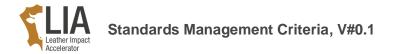
Section C - Assurance

C1. Required Criteria

C1.1   Producers are certified by independent third-party certification bodies operating in compliance with ISO requirements.

C1.2   Certification bodies are required to have a risk-based audit strategy for certificate holders.

C1.3   There are procedures for how clients are required to address non-compliances, including when a certificate is suspended or revoked.

C1.4   Full audits of at least a sample of clients are carried out regularly (from every year to every five years, depending on the sector).

C1.5   There is a publicly accessible complaints and appeals process for certification decisions.

C1.6   Assurance bodies are required to implement a management system that supports consistency, competence, and impartiality (e.g. ISO 17065, 17021 or equivalent).

C1.7   Full audits include office visits and on-site assessments of at least a sample of operations.

C1.8   Decision-making on compliance is impartial.

C1.9   The certificate or license defines the scope of certification and duration of validity.

C1.10   The scheme owner carries out regular reviews of its assurance program and notifies assurance bodies and clients of any changes in requirements.

C2. Recommended Criteria

C2.1   A list of all certified enterprises is made publicly available.

C2.2   Stakeholders have an opportunity to provide input to the audit.

C2.3   Summaries of certification assessment reports are made publicly available.

C2.4   Certification and surveillance complaints procedures have clear deadlines.

C2.5   Certification and surveillance complaints procedures include appeal mechanisms open to use by any affected party.

C2.6 The overall assurance methodology and structure for the scheme are publicly available.

Section D - Accreditation and Oversight

D1. Required Criteria

D1.1   The certification bodies being used by the scheme must be accredited by a recognized, independent accreditation organization.

D1.2   The accreditation organization verifies that certification bodies have the systems and competencies necessary to audit compliance with the standard's requirements.

D1.3   Oversight includes a review of the performance of assurance providers and auditors in the field.

Section E - Personnel Competences

E1. Required Criteria

E1.1   Specific qualifications and competencies are defined for auditors and assurance body personnel.

E1.2   Auditors and assurance body personnel are required to have an in-depth understanding of the standard and its interpretation.

E1.3   New auditors have a probationary period during which their competence in an audit is assessed or supervised.

E1.4   Auditors and assurance body personnel are required to participate in regular training and professional development.

E1.5   The competence of auditors and assurance body personnel is demonstrated through regular evaluation.

E1.6   There are repercussions such as probation or suspension for misconduct or poor performance of auditors or assurance body personnel.