



**Report on the development of the
 UEBT verification framework for natural ingredients
 3 December 2007**

<u>UEBT verification framework document approval</u>	Yes	<u>Overall weighted approval rate</u>	89.58
<u>Participation</u>	60.47%	<u>At least 50% of voters approval in each of the 6 interest groups (social developing, social developed, economic developing, economic developed, environmental developing and environmental developed).</u>	yes

This report describes the ECLAP facilitated process to develop the UEBT verification framework for natural ingredients. The process offered the global participants the opportunity to comment on all 3 drafts of the UEBT verification framework and vote on the 3rd and final draft. The 1st consultation phase began on 29th July 2006 and the validation process was completed on 10th September 2007.

This report summarizes the results from the validation process, comments received on the 3rd draft, along with a brief overview of the entire process. The validation process for the 3rd and final draft of the framework lasted for 50 days from 23rd July 2007 to 10th September 2007 inclusive.

The final verification framework document is available in English, French and Spanish on ECLAP's and UEBT's websites

Although this report is prepared specifically for the UEBT it shall also be made freely available for download from ECLAP's website to ensure complete transparency and openness.

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1. Background

ECLAP was commissioned to implement this project by UNCTAD's BioTrade Facilitation Programme (BTFP), on behalf of the Union for Ethical BioTrade (UEBT) with the aim of developing an international standard for the verification of natural BioTrade ingredients in accordance with the Bio-trade Principles and Criteria (BTP&C). The standard is designed to enable evaluation of the degree of compliance with the BT P&C and third party reporting on social and environmental performance with respect to business-to-business relations and not as labeling scheme for on product compliance claims.

2. Standard's development timeline

The first draft offered for consultation was based on a pre-draft, which was field-tested in Ecuador, Brazil, Peru Colombia and Malawi. The results of these field tests were reported on in a workshop held in Lima (10-12 July 2006), during this workshop the standard was revised to produce the 1st draft which was offered for consultation in the ECLAP facilitated standardization process described below

Standards resulting from the ECLAP process are WTO compliant and can be referenced by national authorities in technical regulations. This obliges ECLAP, amongst other things, to ensure that WTO enquiry points (usually ISO national members) are notified at the beginning of the process. As well as WTO enquiry points other stakeholder networks such as ISEAL and FSC were notified. The notification period is 30 days prior to the commencement of the 1st consultation period.

- 29th July – 29 August 2006: – preparation of the 1st draft of the Standard by the working group and notification phase
- 30th August to 1st November 2006: – 1st draft consultation process (60 days)
- 2nd to 22nd November 2006: – collation and translation of comments received; editing of the 2nd draft; meeting of editorial committee and translation of the 2nd draft into French Spanish, and Portuguese
- 23rd November to 22nd April 2007: – 2nd draft consultation process (150 days)
- 23rd April 2007 to 22nd July 2007: – collation and translation of comments received; editing of the final draft, meeting of editorial committee and translation of the final draft into other languages
- 23rd July to 10th September 2007: – 48 days for the 3rd Draft validation process

During the two consultation phases various meetings were held to allow participants to comment on the UEBT verification framework. These comments were collated along with those uploaded into the WebMachine to revise the verification framework.

A full explanation of ECL Space Standards Development practice is available on:
www.eclspace.org

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3. Participation in the validation process

Of the 163 registered users of the WebMachine at the time the vote closed, 43 registered to participate in validation process of the final draft. Of those who registered 26 voted (quorum of 60%). At the beginning of the validation phase notification was sent to WTO enquiry points, ECL Space members and other stakeholder networks, such as ISEAL and FSC members informing them of the commencement of the validation phase and encouraging them to participate. Once the process was underway emails were sent to members on a regular basis (approximately every 10 days) to encourage participation in the process. With 26 active participants the number of participants in the validation phase was markedly lower than at the consultation for the 2nd draft (there were 49 active participants during the 2nd draft consultation). This relatively low number of voters is probably more related to a “comment fatigue” than disinterest in the process, (in fact members complained that having already participated in the previous phase and due to time limitations they could not comment on the final draft). Most probably users were already reasonably satisfied with the second draft and felt no need to comment on the 3rd draft

Despite this relatively low number of voters, the global diversity among them was good and the results of the vote represent a large consensus in favor of the document. Nevertheless, ECLAP recommends that the document is revised in 2 or 3 years, instead of the 5 years normally envisaged, to ensure ongoing support after it will have been used and experience on its application has been widely collected.

Total Environmental Interest Group Participants: 12 (4 from people originating from developed and 8 from people originating from developing countries)

Votes came from 5 countries in South America, China, the United States of America and 3 European. There was no African participation in this interest group.

Total Economic Interest Group Participants: 26 (15 from people originating from developing and 11 from people originating from developed ones)

Fifteen countries were represented of which six were from the developed world and nine were from developing countries. Input was received from four countries in each of the following regions Africa, Latin America and Europe. Other countries included the United States, Canada, and the Philippines.

Total Social Interest Group Participants: 5 (2 from people originating from developing and 3 from people originating from developed ones)

The number of participants in this category was low. However there was slight improvement on the participation from the 2nd draft consultation when only 2 members from the social stakeholder category provided input. Votes originated from Argentina, Colombia, and Switzerland. Efforts must be made in the future to target this group of participants via local authorities, indigenous peoples’ group and other social organizations.

Total Number of Countries Represented: 20 (14 Developing and 6 Developed)

In total registered participants for the validation of the UEBT framework document came from twenty countries. The number of countries represented was evenly globally distributed, with seven in Latin America, five in Europe, four in Africa and two in Asia and North America each.

Participation of Different Stakeholder Categories in the Validation of the Final Draft of The UEBT Verification Framework

(Participants who have not voted are indicated between brackets) les

	Environmental		Economic		Social		Total
	Dev'd	Dev'ing	Dev'd	Dev'ing	Dev'd	Dev'ing	
Intergovernmental Organizations			2	(2)			4
National Government			1				1
Local Government							0
Export Promotion Agency				1+(1)			2
Investment and insurance			(1)				1
Academic			2	(1)			3
NGO	(2)	1+(3)		4		1	11
Certification System		(1)		1+(1)	(1)		4
Private Research Centre							0
Producer				(1)			1
Large Business			(1)				1
Small Business				3			3
Fair Trade Organizations							
Association of Standard Setting and Certification groups	1						1
Consultant	(1)	2	2+(1)			1	7
Trade Associations					1		1
Legal		1					1
Web Machine			1		1		2
Administration							
Total	4	8	11	15	3	2	43

4. Comments Received on 3rd Draft UEBT Framework Document

Documents containing all the comments received during the consultation period on draft 2 and the validation period on draft 3 are available on: www.eclspace.org. Below is a sample of comments received on the 3rd draft of the verification framework during the validation period.

- The vast majority of general comments on the UEBT framework were positive. One participant felt that, as a whole, the framework “completely covered the theme of conformity assessment for native and natural ingredients and contained all necessary information”.
- One participant queried how the UEBT would verify this framework and whether it would be used exclusively for business-to-business communication.
- Additions were suggested to the list of documents included in the normative reference.
- Most comments requested clarification of specific definitions given in the UEBT framework
- A few participants suggested that the definition for the precautionary approach be modified to include the protection of human and animal health, as well as the environment.
- There was a request for the inclusion of a definition of traditional knowledge.
- Concern was expressed that there were insufficient minimal indicators in the framework document and additional indicators ought to be added to ensure the credibility of the implementation. These included the prohibition of discrimination and harmonization with social responsibility and ethical standards found in the ILO (International Labor Organization) core convention.
- There was a request for the minimal indicator 1.1.4 to return to the formulation of the second draft of the standard, by which absolutely no exotic species should be introduced in natural habitats. The current text requires that the organization does not introduce exotic species, i.e. exotic species are accepted if they are not introduced by the organization.
- A participant requested that clauses 2.1.1, 2.1.2 and 2.1.4 concerning the sustainable use of biodiversity be converted into minimum requirements
- One participant argued that while the framework document requires that prices match or exceed the local market price (principle 3) this did not take into account issues such as seasonal variability.
- Concerning principle 4, it was suggested that rather than require quality management to be of a sufficient level to access and remain in the target market, the minimum level of compliance should actually meet national requirements, where they exist.

The comments requesting clarification will be addressed in the guidance document. Those that concern modification of the clauses will be introduced in the next revision of the standard, in a maximum of 5 years, but earlier if the UEBT follows ECLAP’s secretariat’s recommendations.

5. Results of voting on the UEBT Framework for natural ingredients

Membership	Developing			Developed			Total
	Econ	Soc	Env	Econ	Soc	Env	
%age total voting power	16.67%	16.67%	16.67%	16.67%	16.67%	16.67%	100.00%
Number of members registered as taking part in the voting process	16	2	7	11	3	4	43
Theoretical individual voting power	1.04%	8.33%	2.38%	1.52%	5.56%	4.17%	100.00%

Vote results							
Yes	9	1	4	7	2	1	
No	0	1	0	1	0	0	
Abstention	0	0	0	0	0	0	
Total vote	9	2	4	8	2	1	26

Participation 60.47% (Quorum: 50%)							
Actual individual voting power	1.85%	8.33%	4.17%	2.38%	8.33%	16.67%	
%Age approval in each chamber	100.00%	50.00%	100.00%	85.71%	100.00%	100.00%	
Overall result of vote (weighted)							89.29%

Quorum: 50% of participants in a voting stage. I.e. a decision will be valid only if approved by 50% or more of the registered voters. Abstentions count in the quorum count.

Simple majority within each chamber: At least 50% votes in favor, not counting abstentions. Votes are not weighted.

2/3 majority of voters: More than 66.6% of all votes in favor, not counting abstention. Votes are weighted according to the number of voters within each chamber.