

REPORT OF THE 1ST PUBLIC CONSULTATION PHASE ON THE UEBT STANDARD REVISION – JULY 2011

INTRO

Between July 2009 and January 2011 UEBT started work on revising its standard, opening a phase of public consultation. This first consultation phase was conducted in 2 periods: July to September 2009 and October 2010 to January 2011.

As part of this revision process UEBT consulted stakeholders and interested parties to get comments on the standard, through field tests and electronic forms.

During this 1st phase, the UEBT Secretariat received more than 700 comments on the 2007 version of the STD01 – Verification Framework for Native Natural Ingredients – 2007-09-20. Following this, the UEBT Secretariat developed a revised version, now called: STD01 – D1 – Ethical BioTrade standard – 2011-05-04.

WHY DID UEBT ENTER INTO STANDARD REVISION PROCESS?

Since the publication of the UEBT Verification Framework in 2007, numerous field applications and audits have been undertaken. A pre-consultation process reviewing the Verification Framework with direct users was conducted to establish whether a full consultation process would be valuable. Following this study, the UEBT Board of Directors concluded in April 2009 that while there were no fundamental flaws in the standard, several improvements could be made including

- Improvements with regard to the wording and structure of the standard;
- Improvements to some descriptions of the process as over time UEBT has further improved its procedures and verification system;
- Addressing some comments related to minimum indicators.

A formal revision of the UEBT standard will allow:

- Correction of issues identified in the pre-consultation phase and during UEBT experiences;
- The introduction of additional elements that could further increase the impact of the standard;
- Inclusion of more experience and expertise in the revision process;
- A further increase in the legitimacy of the standard.

UEBT has thus decided to submit the Verification Framework, version 2007, to a full consultation process.

Stakeholder Consultation

The Union for Ethical BioTrade is a member of [ISEAL Alliance](#) (International Social and Environmental Accreditation and Labelling), and the Ethical BioTrade Standard has been designed in accordance with its requirements and those of the World Trade Organisation (WTO). These include the need to periodically review the standard, at least every five years, as well as ensuring stakeholder engagement throughout the consultation process.

To read more about the standardization process, please refer to the UEBT Standardization procedure (UEBT PRO06 – Standardization process). www.ethicalbiotrade.org

FIRST PHASE OF PUBLIC CONSULTATION COMPLETED

In January 2011, the first phase was completed. The UEBT Secretariat received and reviewed more than 700 comments. These comments, along with UEBT's own experiences, informed the development of a Draft Revised Standard.

Details of the first consultation phase can be found in this document.

Stakeholders in the first phase

95 people registered to participate in the consultation. Amongst them, 48 people actively participated in the first public consultation phase, which corresponds to more than 700 comments.

Participation in this consultation came from 27 countries, in all regions:

- Africa – 16 commentators
- Asia & Australia – 4 commentators
- Europe - 41 commentators
- Latin America – 33 commentators
- North America – 1 commentators

In terms of interest groups participation is categorized as follows:

Interest Group	Developing Country	Developed Country	Total
Economics	24	22	46
Environmental	27	17	44
Social	4	1	5
Total	55	40	95

FIRST PHASE RESULTS

Below is a brief synopsis of comments received on the consultation process and the main changes that have been made to the Ethical BioTrade standard. This is not an exhaustive list of comments. If you want to have more details on the process or access the full list of comments, please contact the UEBT Secretariat at: info@ethicalbiotrade.org

Scope

Following internal discussions and public comment, UEBT has decided to widen the scope of the standard to make it applicable to natural ingredients rather than 'native' natural ingredients. This helps increase the positive environmental and social impacts of the Ethical BioTrade Standard. In addition, in some cases identifying native can be very challenging and applying the standard to all natural ingredients can help resolve this problem. Nevertheless, promoting 'native' species remains an important aspect of UEBT and this is reinforced within the membership obligations.

In addition, UEBT has adopted a risk-based approach to applying the standard in the context of meeting the UEBT membership obligations. With ingredients that are deemed to be 'at risk', which would include for example an endangered species, the standard must be applied in full. With ingredients that are not 'at risk' only a subset of the standard shall be applied by members. UEBT has developed a risk assessment tool to help identify which ingredients are 'at risk', or not. To receive certificates of compliance for the UEBT standard, the standard must be applied in full.

In the Verification Framework, the entry points necessary for an organisation to become a member of UEBT were highlighted as minimum indicators. In the draft revised standard these entry points have not been highlighted. However, UEBT members are still required to comply with a set of minimum requirements, which are now part of the membership obligations.

Definitions

During the consultation process a number of comments were made on definitions used in the previous version of the UEBT standard, with some arguing that they were not explicit enough or did not refer to reliable sources. The UEBT Secretariat took these comments, and UEBT experience, into account and has modified a number of definitions to help the user of the standard understand the meaning of chosen words. The list of new and modified definitions can be found in an Annex to this report.

Principle 1 – Conservation of biodiversity

Some commentators requested that the criteria and indicators of Principle 1 refer to the restoration as well as conservation of ecosystems. In addition, there were comments that the maintenance of ecosystems and natural habitats should only be required in areas that are directly managed by the organisation. Other comments focused on the need to investigate the impact of alien species on natural habitats, rather than just prohibiting their introduction.

Following the consultation, UEBT has modified aspects of Principle 1 so that it now mentions the need for ecosystems to be maintained AND restored, thereby promoting restoration practices. The wording of the indicators has also been altered to make it clear that requirements focus on areas where the organisation is sourcing. In addition, the definition of 'natural habitat' has been improved to properly refer to ecosystems that are untouched by human beings, which was the original meaning within the UEBT standard. An additional indicator has also been added relating to the respect of traditional production systems and how this relates to sustainable practices.

Principle 2 – Sustainable use of biodiversity

Some comments on Principle 2 referred to the cost of implementing various criteria, for example measuring harvest rates and species interactions, in particular for small organisations. In addition, some participants felt that an annex with a list of banned agricultural substances would be useful. Further comments focused on the training of workers, suggesting it focus on the skills each worker needs to perform well in his or her position rather than solely on sustainable agricultural practices.

Following the consultation process, UEBT has modified aspects of Principle 2 including an improved definition of 'sustainable in the long term'. The list of banned pesticides will be included in the guidance document. The wording of the standard has also been altered so that the requirements on training are more position specific. In addition, the draft revised standard now also requires that sourcing activities take place under a legal permit. UEBT has also grouped all the indicators related to environmental impact together, under a new criterion 2.4.

Principle 3 – Fair and equitable sharing of benefits derived from the use of biodiversity

Some participants suggested that the access and benefit sharing must be addressed more completely, for example in a minimum indicator. In addition, a number of comments requested that there be more clarification on the use of traditional knowledge with the suggestion that organisations be required to develop internal policies on this subject. Furthermore, some comments said there was a need for clarification between access and benefit sharing and corporate responsibility and philanthropy.

Following the consultation process, UEBT has introduced criteria that take into account access and benefit sharing legislation into this principle. An additional criterion on designing patents that support the objectives of the CBD and the Ethical BioTrade standard has been added, as has a criterion on Prior Informed Consent informed by the CBD definition. Following comments on the problem of defining improvements to quality of life, UEBT has replaced this expression with a reference to the building of long-term sustainable partnerships. In addition, UEBT's impact measurement system has been introduced as a way to assess improvements.

Principle 4 – Socio-economic sustainability

There were a relatively small number of comments on this principle. Some felt that rather than requiring an organisation to be profitable, UEBT should allow a time scale to become profitable. Other comments focused on the importance of keeping records on raw materials purchases. UEBT has made some changes to aspects of this principle, in particular focusing on the traceability system of the organisation.

Principle 5 – Compliance with national and international legislation

As with Principle 4, relatively few comments were made on Principle 5. A number of comments focused on the necessity of including criteria, which had not been done previously. In addition, it was suggested that international agreements should always be respected, even when a company is working in a non-signatory country.

Following the consultation process, UEBT has added indicators below each criterion. In addition, the word comply has been changed to respect to reflect the fact that at times it can be difficult to comply with legislation when insufficient administrative processes are established in the country.

Principle 6 – Respect for the rights of actors involved in BioTrade activities

Comments on Principle 6 focused on the requirements of organisations towards their suppliers including questions over the term potable water and adequate housing. In addition, some felt that training and career development opportunities should depend on the size of the organisation in question. Additional comments focused on the importance of a proper interpretation of child labour. Furthermore, another comment focused on the difficulty of measuring whether or not the organisation threatens food diversity or security.

Changes made by UEBT to aspects of Principle 6 concentrate on the payment of wages in line with national regulations and the respect of ILO conventions on wages. In addition, UEBT reduced the criterion on food diversity and security to focus solely on food security.

Principle 7 – Clarity about land tenure, right of use and access to natural resources

Some participants highlighted that requiring no significant disputes over land tenure would be complicated to respect in areas of military conflict and forced relocation. Further comments focused on the fact that in many countries land tenure and resource tenure or access rights can differ, with suggestions that this could be more clearly separated.

Changes made by UEBT to the contents of Principle 7 include changes to the criterion on access to biodiversity and land tenure to ensure respect of the land tenure and to implement mechanisms for conflict resolution. In addition, UEBT moved the criterion on Prior Informed Consent to Principle 3.

Allanblackia – sector specific guide

Since March 2010 UEBT has been working with IUCN, Novel International and SECO to develop an environmentally friendly and socially equitable supply chain for Allanblackia oil. Part of this project involved developing an application guide specific to the Allanblackia supply chain that could accompany the standard and help its implementation. During the second round of the first phase of public consultation UEBT opened a public consultation on this sector specific application guide, which ran parallel to discussions on the Verification Framework. This process ended in January 10th, 2011 with a Final Draft, which will be finalised on publication of the approved revised UEBT standard.

CONCLUSION

This is not an exhaustive list of the changes that have been made to the Revised Standard. Other indicators have been changed or moved to improve the logic and facilitate its implementation. Other indicators have been removed from the standard altogether. The Draft Revised Standard can be found [here](#) and a list of the main changes can be found in Annex 2 of this document.

This Draft Revised Standard, following approval by the Standard Committee on 4th May 2011, has been shared and is now open for public consultation. This second public consultation phase is open from July 15 to September 30 2011. UEBT invites all stakeholders to comment on the revised standard, its criteria and indicators. Check on UEBT's website: www.ethicalbiotrade.org

ANNEX 1: NEW & MODIFIED DEFINITIONS

Access and Benefit Sharing: system established by the Convention on Biological Diversity for the utilization of genetic resources and associated traditional knowledge on the basis of prior informed consent and mutually agreed terms.

Agrochemicals: chemicals used in agriculture such as fertilizers, insecticides, herbicides, fungicides, hormones and other inputs. (Oxford dictionary)

Customary law: locally recognized principles or systems that internally govern or guide aspects of the lives and activities of indigenous and local communities. In general, they define rights and responsibilities of community members on aspects such as use of and access to natural resources, rights and obligations relating to land, inheritance and property, maintenance of cultural heritage and knowledge systems. (Adapted from WIPO – World Intellectual Property Organisation)

Endangered species: species facing a very high risk of extinction in the wild and is listed in either IUCN redlist, national legislation and CITES.

Genetically modified organisms: an organism that has been transformed by the insertion of one or more transgenes. (FAO – Food and Agriculture Organisation, Biotechnology in Food and Agriculture¹)

Indigenous communities: peoples who are tribal or are regarded as indigenous on account to their descendant from original populations whose social, cultural and economic conditions distinguish them from other sections of the national community and whose status is regulated wholly or partially by their own customs or traditions or by special laws or regulations. (Adapted from ILO 169)

Introduction: means the movement, by human agency, of a species, subspecies, or lower taxon (including any part, gametes or propagule that might survive and subsequently reproduce) outside its natural range (past or present). This movement can be either within a country or between countries. (IUCN – International Union for the Conservation of Nature)

Invasive Alien species: alien species, which becomes established in natural or semi-natural ecosystems or habitat, is an agent of change, and threatens native biological diversity. (IUCN)

Land tenure: rules, whether legislation or customarily defined, that determine how property rights to land are allocated within societies. They define how access is granted to rights to use, control, and transfer land, as well as associated responsibilities and restraints. (Adapted from FAO²)

Living wage: wage paid for a standard working week meeting basic needs of workers and their families and to provide some discretionary income. (Fair Wear Foundation)

Local communities: human population in a distinct ecological area that depends directly on its biodiversity and ecosystem goods and services for all or part of their livelihoods and who have developed or acquired traditional knowledge as a result of this dependence, including farmers, fisherfolk, pastoralists, forest dwellers and others. (Adapted from Protection of traditional Knowledge and Cultural Heritage – the concept of “Collective Bio-Cultural Heritage”³)

Lodging: temporary accommodations that are safe and acceptable, allow access to food and beverages.

Natural ingredient: ingredients and inputs extracted or derived from plants or animal products as opposed to being produced synthetically (adapted from the USA Food and Drug Administration).

Pre-financing: financial advance on contracts by buyers. (FLO standard)

Prior informed consent: explicit permission of the authorities of the provider country for access to biological resources, which may be required before such access takes place and should be granted only on the basis of all relevant information. Prior informed consent also refers to the permission required from the local providers of biological resources and/or the holders of traditional knowledge.

¹ <http://www.fao.org/biotech/>

² <http://www.fao.org/docrep/005/y4307e/y4307e05.htm>

³ IIED (International Institute for Environment and Development): <http://pubs.iied.org/pdfs/G01067.pdf>

(Adapted from the CBD principles)

Pristine ecosystem: ecosystem in its original condition, not disturbed by human beings.

Protected area: a clearly defined geographical space, recognised, dedicated and managed, through legal or other effective means, to achieve the long-term conservation of nature with associated ecosystem services and cultural values (IUCN – World Heritage definition⁴)

Sourcing: process of buying, cultivating and/or collecting natural ingredients and the species from which they are derived

Supply chain: system of organizations, people, technology, activities, information and resources involved in moving a product or service from supplier to customer. Supply chain activities transform natural resources, raw materials and components into a finished product that is delivered to the end customer.

Technology transfer: process of the transfer of skills, knowledge, technologies, methods of manufacturing, samples of manufacturing and facilities to ensure that scientific and technological developments are accessible to a wider range of users who can then further develop and exploit the technology into new products, processes, applications, materials or services.

Traceability: ability to identify and trace the history, distribution, location, and application of products, parts, and materials. A traceability system records and follows the trail as products, parts, and materials come from suppliers and are processed and ultimately distributed as end products. (ISO – International Organisation for Standardization)

Traditional knowledge: knowledge, innovations and practices of indigenous and local communities embodying traditional lifestyles relevant for the conservation and sustainable use of biological diversity. (Convention on Biological Diversity)

Wild species: organisms captive or living in the wild that have not been subject to breeding to alter them from their native state. (WCMC)

⁴ http://www.unep-wcmc.org/protected_areas/categories/index.html

ANNEX 2: NEW & MODIFIED INDICATORS

The following indicators have been added or significantly changed in the Ethical BioTrade or adapted. These should not be considered a definitive list of requirements and reference should always be made to STD01 – D1 – Ethical BioTrade standard – 2011-05-04 until it is formally approved.

- 1.1.5 Sourcing activities do not introduce or cause the introduction of invasive alien species.
- 1.3 Practices on the sourcing of natural ingredients, including those activities undertaken to advance compliance with the UEBT standard, shall respect relevant traditional practices.
 - 1.3.1 In the context of the activities defined in 1.3, the organization encourages the preservation or restoration of traditional practices relevant for the conservation and sustainable use of biodiversity.
- 2.1.2 Collection or cultivation is conducted on the basis of relevant permits.
 - 2.1.5 Collection and /or cultivation practices, including harvest rates, do not negatively affect the long-term ability of the population of the sourced species or their environment to support the continuation of these levels of yield.
- 2.4.2 A register is available on agrochemicals used, containing at least the name of the chemicals.
- 3.1 Access and benefits sharing legislation shall be taken into account.
 - 3.1.1 The organization has information on existing access and benefit sharing legislation.
 - 3.1.2 The organisation takes step to determine whether and how this legislation applies to its activities.
 - 3.1.3 The organization takes measures towards meeting any applicable requirements put forth by this legislation.
 - 3.1.4 The organization applies other criteria of Principle 3 of the UEBT standard so as to complement and build on applicable requirements of this legislation.
 - 3.2.2 Use of biodiversity and traditional knowledge takes place with the prior informed consent of the local or community authorities, groups or individuals with rights over these resources and knowledge.
- 3.3.2 Prices provide a living wage.
 - 3.3.5 Pre-financing is available at the producer level for part of the contract value, if requested and provided there is no independently assessed and sufficiently high risk of non-payment.
 - 3.4.5 The organisation contributes to increasing technology transfer, research and development and/or value added at the local level, in the context of its sourcing activities.
 - 3.4.6 An impact assessment, as defined in the UEBT impact measurement system, is undertaken, at least for those species with high biodiversity risk as defined by UEBT.
 - 3.4.8 The organization identifies and documents monetary and non-monetary benefits created and shared.
 - 3.5.1 The existence of traditional knowledge related to the used species is determined.
 - 3.5.3 If traditional knowledge is used in the context of research and commercial activities, such uses respect the rights of traditional knowledge holders, takes into account their ethical and cultural concerns, and allows their continued customary use of the traditional knowledge.
- 3.6 Patents and other intellectual property rights shall be exploited and enforced in a manner that is supportive to the objectives of the CBD and the Ethical BioTrade standard.
 - 3.6.1 If an organization uses patent protection in relation to biodiversity-based products and processes, the patent application and exploitation process takes into account the UEBT patent and biodiversity principles.
 - 3.6.2 Patent applications for inventions based on biodiversity disclose the country of origin of the biological resources and any traditional knowledge relevant to the invention.

3.6.3 Potential use of patent protection is addressed in the negotiation and implementation of access and benefit-sharing agreements.

3.6.4 If providing samples derived from biodiversity for research purposes, the organisation takes into account relevant requirements in access and benefit sharing legislation.

3.7.4 The approach to and outcomes of negotiations are documented, taking into account local circumstances and practices.

3.7.5 The organization has mechanisms in place to address allegations regarding the use of biodiversity or associated traditional knowledge without adequate authorization or compensation.

4.1.1 The organisation has financial planning tools that allow tracking income, expenditures and profitability and ensures adequate financial reporting.

4.1.2 Financial reports are available and externally verified.

4.3.2 The organisation knows and is able to document the origin of its natural ingredients along the supply chain.

4.3.4 The organisation is able to associate this traceability system to relevant Ethical BioTrade practices as defined in this standard.

5.1.1 The organisation demonstrates working knowledge and application of relevant regulatory requirements for the use and trade of natural ingredients.

5.1.2 The organisation applies relevant administrative requirements for the use and trade of natural ingredients.

5.2.1 Records show that the organisation pays such charges.

5.3.1 There is no substantiated evidence of any non-compliance by the organization with applicable requirements of international agreements.

5.4.1 The organization reports on the illegal use of the sourcing areas.

5.4.2 Measures are taken towards preventing the illegal use of the sourcing areas it manages.

6.3.1 When their duties require overnight stays outside their home, the organisation provides adequate lodging to its employees.

6.3.3 The organisation pays wages in line with national regulations and ILO conventions 95 (Protection of wages), 26 (Minimum wage-Fixing machinery) and 131 (Minimum wage fixing).

6.3.5 The organization ensures adequate working conditions for its employees, including according to ILO 155 (Occupational Safety and Health convention).

7.1.1 The organisation seeks or has the right to use the land and the natural resources.

7.1.2 Conflict resolution mechanisms are used in case of disputes over land tenure and/or rights over natural resources.

ANNEX 3: REMOVED INDICATORS

The following indicators have been removed from the Verification Framework for Native Natural Ingredients – 2007-09-20.

- 1.1.4 The organization does not introduce alien species into natural habitats being managed.
- 1.2 Genetic variability of flora, fauna and micro-organisms (for use and conservation) shall be maintained
 - 1.2.1 The organization takes measures to maintain the varieties and wild relatives of the species being managed.
- 3.2.1 The organization avoids immoral transactions in business relations according to international covenants, national law and practices (OECD Guidelines for Multinational Enterprises and UN Convention on Contracts for the Sale of Goods)
- 4.1.1 The organization is currently profitable or has a viable business plan to become so.
- 4.1.2 The organization's structure is in line with its production objectives and size
- 7.1.1 There are no disputes over land tenure and access of substantial magnitude involving a significant number of interests