



ISCC 256 Group Certification

Group Certification

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1 Introduction

Group certification is permitted for the producers of raw material. For other economic operators in the supply chain it is not allowed. Group auditing can be applied in particular for smallholder farmers, producer organisations and cooperatives.

Group certification is based on the concept that an extensive part of the inspections required is carried out by internal auditors. The external certification body assesses and evaluates the effectiveness of the internal audit system, carries out an audit of a sample, and certifies the group as a whole.

2 Scope

The processes described hereafter are to be applied only for producers of raw material.

3 Normative references

As a basic principal, all relevant ISCC documents are valid for the scope of application. The normative references display the documents whose contents are linked and have to be considered as common points.

Relevant references:

ISCC 201 System Basics

ISCC 202 Sustainability Requirements – Requirements for the Production of Biomass

ISCC 203 Traceability Requirements

ISCC 204 Mass Balance Calculation Methodology

ISCC 205 GHG Calculation Methodology

ISCC 207 Traceability requirements

ISCC 252 Regulations to carry out Audits

4 Group Certification

4.1 Fundamentals

Group certification can be applied for homogeneous groups of agricultural producers. In several cases, an individual audit of each single producer of raw material would impose disproportional financial costs and efforts on the entity and the overall certification process. By joining a group, farmers can reduce the certification efforts considerably. The group must set up a central office taking care of the group management and carrying out the necessary internal audits.

Group auditing for compliance with the scheme's land related criteria is only acceptable when the areas concerned are near each other and have similar characteristics. Group auditing for the purpose of calculating greenhouse gas savings is only acceptable when the units have similar production systems and products.

These criteria are normally met by the suppliers of a first gathering point. Therefore, based on an assessment of the criteria indicated above, the farmers supplying a first gathering point can be considered as a group.

External audits must take place on a yearly basis. The group's central office is also audited. The size of the sample is determined by the group risk.

In order to avoid misuse and delivery of biomass with a sustainability claim from farmers not complying with ISCC, the group member number of the individual farmer audited non-compliant must be sent to the ISCC system. ISCC will delete these members within their database. Thus first gathering points and other receiving parties can check with the ISCC database via the ISCC webpage whether a delivery is covered by the certificate of the first gathering point.

4.2 Management requirements

The group is represented by the central office. The office has rights and duties as follows:

- To run a register of members
- To plan and organise internal audits
- To initiate preventive and corrective actions
- To issue annual reviews
- To inform the members
- To compile the necessary documentation
- To register new members
- To exclude members
- To initiate preventive and corrective actions in member operations.

The rights and duties concerning the members shall be documented and defined in a regulating contract between the group members and the central office.

First gathering points can operate as central office.

As indicated, group certification is only possible for homogenous groups of agricultural producers. A group is considered as homogeneous if the following criteria are met:

- The members are located in the same region
- The climatic conditions for agricultural production are similar
- Similar production systems are applied
- The risk assessment has shown a similar risk exposure for the group members.

The number of the members of the group can be limited by the certification body depending on the audit results and the performance of the group.

Farms that do not fulfil these conditions can still be member of a group. In the course of a certification, however, they will be treated as autonomous enterprise and cannot be part of the random sampling of the group.

The following rights and duties apply for members:

- Commitment to the central office to meet the requirements of the standards
- Provide information and access for the central office
- Commitment to the implementation of amendments and corrective actions.

4.3 Documentation

The processes required by the ISCC standard must be documented in the group. The following must be considered:

- Register of farms related fields
- Process instructions
- Contracts between the central office and the group members
- Audit results
- Review.

An appropriate instrument for the documentation of processes and contents is a management handbook.

4.4 Internal audit system

The group must introduce an internal audit system monitoring the performance of the group management and controlling the compliance with the ISCC standard.

The audits shall ensure the compliance with the certification criteria of the ISCC system. A plan must be developed containing at least:

- The auditors in charge
- The participants
- The time frame
- Audit emphasis
- The procedure.

All group members must be audited at least once a year.

Prior to a first certification, all members and the group as a whole must be subject to an internal audit.

The auditors in charge must be qualified for judging the relevant questions professionally. Before they start auditing, they must be trained regarding the requirements of the ISCC system. They must repeat these trainings on a regular basis.

An audit report shall fix the results of the internal audits. The audit report will be made accessible for the external certification body. The audit report must include an action plan for improvement.

4.5 Review

The group must carry out an annual review. As a minimum requirement this review must contain the evaluation

- of the audit results
- of possible inputs of a third party.

4.6 Registration procedure for new members

The group agrees on a procedure to take in new members.

Before a new member can be registered, it must first be internally audited

4.7 External audits

External group audits are conducted by an independent certification body cooperating with ISCC. The central office is audited each time (certification and monitoring). The external audit must take place on a yearly basis.

Furthermore, the implementation of the ISCC standard is assessed by random sampling.

The group shall submit a complete list of their members. Members will receive a unique 'group member number' which is added to the registration number in order to allow unique identification of group members.

After registration the group that registered and the certification body that was chosen will receive a confirmation of registration and a registration number via email from ISCC.

4.8 Certificate issuance

A certificate is issued to the group. Each member of the group can obtain a sub-certificate.

4.9 Random sampling

The size of the sample is determined by the following formula:

$$s = r \times \sqrt{n}$$

s: sample size

r: risk factor

n: number of group members.

The formula ensures a control density of the group, following in principle the control requirements set by the European Commission for Cross Compliance. The formula reflects the typical homogeneity of agricultural operations. The sample size has been also confirmed by experience gained in pilot and regular certifications.

A risk factor has to be applied based on the relevant factors listed in Document ISCC 207 Risk Management. Based on the risk assessment, the auditor defines the risk factor:

- Regular risk factor: 1
- Medium risk factor: 1.5
- High risk factor: 2

In the case that the auditor detects group members not complying with the standard requirements, the audit sample must be doubled. If in the new sample group members are detected again not fulfilling the standard requirements, the sample has to be doubled again and so forth.

The lowest possible size of the sample is one.

The following factors bear specific relevance for group certification and must be considered by the auditors¹:

a) Factors related to the size:

- Size of the farm
- Value of the products

b) Factors related to the characteristics:

- Degree of similarity of the production systems and the crops within the group
- Risks of intermingling and/or contamination

c) Experience gained:

- Number of years the group has functioned
- Number of new members registered yearly
- Nature of the problems encountered during audits in the previous years and results of previous evaluations of the effectiveness of the internal audit system
- Management of potential conflicts of interests of the internal auditors
- Staff turnover.

In exceptional cases, ISCC can determine additional specific regulations for certain regions / areas.

¹ These factors are formulated in correspondence to the *Guidance document for the evaluation of the equivalence of organic producer group certification schemes applied in developing countries* (EEC November 6th 2003).