

Sustainability Framework

Summary of feedback on Version 1.1 and changes to Version 1.21

This short document contains an overview of feedback received during the stakeholder consultation phase of Version 1.1 of the Sustainability Framework (2nd June – 3rd August 2021). We have also included an overview of the changes we have made to the revised version 1.21, which is now published on the Preferred by Nature website, along with associated documents.

The Framework and associated documents include:

- Sustainability Framework v 1.21
- Systems requirements for land managers v 1.2
- Systems requirements for supply chain due diligence v 1.2
- Terms & Definitions v 1.2
- Sustainability Framework info sheet

All documents can be accessed here:

<https://preferredbynature.org/services/sustainability-framework/resources>

We would like to thank everyone who provided feedback to the framework – we greatly appreciate the time spent on this to provide important feedback to Preferred by Nature.

First, we would like to provide an overview of the key changes we made between version 1.1 to 1.21.

Version 1.1 can be downloaded here for reference:

<https://preferredbynature.org/library/standard/sustainability-framework>

Revisions:

Note that some minor changes to the wording of indicators or criteria, are not mentioned here. Only revisions that are significant for the actual intend of the framework are included in this summary of changes.

General changes to the Framework

1. The wording of the indicators of the Framework has been changed from using the form that e.g. “the legal requirements of a law shall be complied with”, to “the legal requirements of a law are complied with”.
2. The reference to legal “L” or Core “C” requirements has been removed and replaced with indication of which indicators are relevant to meet the definitions of “deforestation free” as used in the proposed EU regulation on deforestation free supply chains¹. This change makes it simpler to use the Framework and creates a direct connection with the requirements of the new proposed EU regulation.
3. All terms included in the Terms and Definitions document have been italicized in the Framework
4. Requirements for remediation of negative social impacts have been moved to Annex A.

Revisions of framework criteria and indicators

¹ https://ec.europa.eu/environment/publications/proposal-regulation-deforestation-free-products_en

1. **Criterion 1.2** on responsible business practices has been expanded and revised to include requirements to ensure long term productivity of natural resources (1.2.5), protect areas under management from illegal encroachment (1.2.6), ensure that revenues from production does not contribute to armed conflict (1.2.7), and that interests in land areas are not divested in order to avoid legal or other responsibilities for remediation or restoration (1.2.8).
2. **Indicator 1.3.5** has been revised to avoid undisclosed financial transactions.
3. **Indicator 1.4.5** has been reworded.
4. **Indicator 2.1.5** in version 1.1 was deleted, as it was repetitive of existing requirements on health and safety.
5. **Indicator 2.3.12** has been changed to include requirements related to hiring of migrant workers.
6. **Criterion 2.5** on remuneration includes two new indicators (2.5.3 and 2.5.5) adding requirements related to minimum wages and payment for employer provided services via wages.
7. **Criterion 2.9** on indigenous people's rights has been revised and indicators added to make the performance requirements clearer and more auditable.
8. **Indicator 2.10.3** of version 1.1 has been deleted as repetitive.
9. **Criterion 2.11** on remediation has been removed from the Framework and placed in Annex A.
10. **Criterion 3.1** on forest conversion and forest degradation has been updated to include requirements that match the requirements of the proposed EU regulation on deforestation free supply chains. This includes addition of specific indicators addressing the EU definitions of deforestation and forest degradation.
11. **Criterion 3.2** on High Conservation Values has been shortened, and now refers to the terms and Definition's document for expansion of the concept.
12. **Criterion 3.3** on chemical use, has been updated. Preferred by Nature has developed a detailed list of chemicals that are considered prohibited. This list is published as an annex to the terms and definitions. Also, requirements have been added on fertilizer use.
13. **Criterion 3.7** on animal health and welfare has been completely rewritten and indicators made simpler and clearer.
14. **Criterion 3.8** has been removed and reference to restoration efforts are included in Criteria 3.1 and 4.3. Also, reference is made to the Preferred by nature standard on restoration.²
15. **Principle 4** on reduction of greenhouse gas emissions have been revised and shortened to contain three criteria instead of four. Indicators have been reworded.

² <https://preferredbynature.org/library/standard/ecosystem-restoration-field-verification-standard>

Stakeholder feedback – summary

The following includes a summary of the feedback received from stakeholders on the consultation of Sustainability Framework version 1.1.

In the table below, the references in the first column are referring to the criteria and indicator numbers in Version 1.1. of the Sustainability Framework. In the right-side column - Preferred by Nature action – we have used references to the updated version (version 1.21), except when referring to deleted indicators.

Std. and Req. (referring to V1.1).	Stakeholder comment	Preferred by Nature action taken in V1.21
T&D	<p>Please define the term "local community" in T&D.</p> <p>New indicator needed for rejection of land grabbing. It is crucial that the land manager should not be accused of land grabbing or convicted of land conflicts, even in their sites/lands not included in the audit process.</p>	<p>Added definition of "Local Community" to Terms and Definitions</p> <p>Localities outside the scope of the actual verification process is not directly included in the Sustainability Framework but is covered indirectly through the Preferred by Nature Policy of Association, which outlines activities not permissible by clients of Preferred by Nature. This includes that client do not act illegally (e.g. by illegally grabbing land). Related to the comment on absence of conflict, it is considered by Preferred by Nature, difficult to always completely avoid any accusations. Rather in case of accusations, it is important how accusations are dealt with in an inclusive and transparent manner, which is included in the Framework.</p>
1.2	Please include a specific criterion about legal requirements for outsourcing workers.	Updated reference to T&D where <i>worker</i> is defined as including outsourced/contract workers.
1.3.3	Make clear that governmental social insurance/ charge must be paid, as well as income and profit taxes already described.	Wording added to 2.5.1
1.4	In addition to define the practices that should not take place, a new indicator could request the establishment of an anti-corruption policy.	The Framework is based on a performance-based approach. Policies shall be available where they are relevant according to the size and complexity of the operations in question.
2.2	Remove this criterion	We consider this criterion to be critical and have maintained it as part of the framework.

2.2	A new indicator could be added mentioning the land manager has not been convicted of modern slavery, even in other sites not included in the audit process.	This is covered by the Preferred by Nature Policy of Association.
2.3.12	2.3.12 is implied in 2.11.2. Make clear the difference or delete the 2.3.12 which is less detailed.	Deleted 2.3.12
2.5	Please, make sure that "all workers" should include outsourcing workers. This could be clear in terms and definitions or footnotes.	Definition added to Terms and Definitions.
2.6	I believe that the basis of occupational health management begins with a risk assessment. This evaluation leads to administrative and operational controls to ensure and promote health and safety. It should not be complicated, but always when in doubt, the evaluation should be consulted.	The framework is a performance based. In certain situations where the scale and complexity of operations require a risk-based approach, this will be required in the audit process. For very small operations it may not be feasible to have a formal, written risk assessment of these issues.
2.9.3	Worded like this, there is actually no need for 2.9.2 at all. However, you need to allow for disputes among Indigenous Groups themselves – there are e.g. disagreements among the Sámi as to who is allowed to claim Sámi status. And not all indigenous Peoples are good land stewards, e.g. gross reindeer over-grazing.	The differentiation here has been done to ensure that the rights of indigenous peoples are respected whether they have been recognized by law or not. Indigenous people's rights are considered a universal human right under the framework.
2.9.4	Add impartial to indicator	Indicator reworded.
2.10	2.10.2 is implied in 2.10.3.	The reason to have both is that it allows an assessment of legal issues only in relevant cases.
2.10.1	How do you define "Local community?"	The definition is now included in the terms and definitions document.
2.10.3	In many cases I doubt that there exists any legal definition or framework for "Community rights".	As we believe this is an important concept, we have maintained the concept in the framework. The term has been further clarified in the Terms and Definitions document.
2.11	The standard is missing forms of equity and protection for migrant workers. Specific criteria could be created to deal with operators that promote migration (international and domestic). If they entice and bring people to work from other regions or countries, they should pay for the transport, ensure good housing conditions and respect the different cultures and religions. Please consult experts on the topic in low and middle-income countries.	Requirements related to migrant workers have been adjusted and some aspects have been added.

P3	What do you mean by “natural ecosystems”? Is a Nordic Forest clearcut and replanted with locally occurring tree species a “Natural Ecosystem”? It certainly will not have retained its biodiversity...	A clearcut forest would not be considered a natural ecosystem, though reforested (planted or natural regeneration) forests could gain similar characteristics over time, so this would become similar to natural forest.
3.1.3	Riparian zone needs to be defined. How many meters from which specific point?	This specific indicator has been deleted and replaced by a reworded version. The related wording in V1.21 is found in indicator 3.1.9.
3.1.5	What about otherwise protected, e.g. locally occurring endangered species not in protected areas?	The indicator is not limited to protected areas.
3.1.7	<p>I disagree with the 10 years roll-out date for deforestation. This could be 10 years and no later than a specific date, no later than 2020. (T)</p> <p>Grazing in grasslands on peat soils should be permitted. Make clear that graze is not part of the agricultural purpose (T)</p> <p>What about already converted systems where maintenance such as ditching contributes to furthering waterway pollution?</p>	<p>We have maintained the rolling cut-off date, but also added specific requirements aligned with the new proposed EU regulation on deforestation free supply chains (see above)</p> <p>Indicator 3.1.7 of Version 1.1 has been deleted and replaced by new reworded indicators.</p> <p>This is a very specific issues that could be dealt with in specific adaptations of the Framework</p>
3.2: High Conservation Values (HCVs) are identified and protected?	This should not be applicable to medium and small holders and define them. This can be very expensive and very difficult to find local experts for the HCV assessment (T).	We will add guidance in a version of the Sustainability Framework and have also reworded the indicator to be more performance based. However, we have maintained the notion that, appropriate to the scale and type of operation, in principle awareness of and non-destruction of HCV areas is still relevant.
3.3.6	The certifier may require a reduction in chemical use, or abstention, or a change of chemicals, if they can show that the benefits of the change have been scientifically demonstrated (you should have this forcing paragraph, because your knowledge may well be superior to the landowners’).	We have worked with a chemicals and pesticides expert in developing a revised requirements for prohibited chemicals and a comprehensive list of prohibited chemicals that shall not be used.
3.3.7 (NEW)	Here again, I would insert a forcing clause that the certifier can demand improvements if scientific results show	Please see comment above. This could be addressed through updates to the framework or to the list of prohibited

	that less fertilizer is as efficient as the current practice.	chemicals. Furthermore, when adapting the framework to specific commodities, such additional clauses can be included.
3.5.3	A buffer zone of not fertilizer application at least 5 m from water bodies should be established. New indicator related to optimizing the use of conventional nitrogen fertilizer should be considered. (T)	Buffer zone req. 3.1.3 has been revised. New indicator 3.3.7 added including requirements for fertilizer optimization.
3.7 Animal health	<p>The entire criterion is not feasible to audit and implement. Please consider the 2017 SAN standard as a reference and a review of experts.</p> <p>The entire criterion needs to be more specific. 3.7.2 sub-indicators could be split into indicators. a) delete "workers" and focus on animals. Be specific. Related the practices to handling facilities, thoughts, fences and infrastructure. b) be more specific.</p> <p>Anti-microbials and antibiotics should not be used for the prevention of disease and gain of weight. there is a list of veterinarian products that should not be administered. d) should focus on reducing external concentrates as well. e) add that sufficient water should be provided. Practices for dehorn, castration, and mark are contested for animal welfare and should be defined here. 3.7.3 is not feasible. The 5 freedoms are concepts and not practices that can be considered as a criterion. Only no injuries and healthy animals should be transported by drivers trained on animal welfare that follow procedures to ensure that after 4 hours the truck stops every 2 hours for the animals to lay down. Shock and point sticks should not be used for embarking.</p>	Entire Criterion has been revised. It is important to note that this version of the framework is generic and the global basis for all products. When the framework is adapted to specific commodities, where animal welfare is central, the indicators will be further developed and made more detailed and specific.
3.8	The standard is clearly not designed for livestock production. Needs intensive improvement on farming practices to reduce the impact of grazing in water bodies, manure treatment, conserve habitat for biodiversity and improve animal performance to reduce environmental impacts, such as methane emissions.	Please see the comment above about the framework being generic. Before using the framework for livestock, it will be adapted to livestock, including development of more specific indicators relevant for livestock production systems.
4.1.1	4.1.1. include fertilizers and livestock production.	Added to indicator.

	Add indicator related to Climate Smart on soil carbon	Indicator added: Where applicable the amount of soil carbon shall be maintained or increased in long term.
4.2.1	4.2.1. Farming practices, land-use change (e.i. afforestation) or renewable energy technology shall be implemented and not "efforts". I would be more specific in an indicator.	Wording added to 4.2.1 on this.
4.3	think carefully about this requirement!! If you take it seriously, you will be requiring companies to simply liquidate themselves.	Criterion has been reworded.
4.4	If livestock production is a target of this standard an extensive improvement is needed to align the mitigation measures with methane and nitrous oxide emissions reduction from ruminants, such as climate-smart agricultural practices.	Before using the framework for livestock, it will be adapted to livestock, including development of more specific indicators relevant for livestock production systems. Also, please see comments above.
General	Regarding the column "Conformance Indicators", it seems important to me to mark or underline the main indicator of each criterion. Which would allow the producer and the auditor to be clear about the main aspect on which efforts should be focused. For example: in 2.6.9 "Workers shall have access to appropriate first-aid equipment, as well as medical services in case of emergencies." There are three keywords: "access", "first-aid equipment / medical services" and "emergencies". This would allow you to evaluate the three points and know where you are doing things well, and where you should improve.	The indicators have been developed to expand the meaning and application of each criterion. Although some indicators may appear more critical or important, this is also very subjective. In the current approach in principle, all indicators have an equal weight, and all must be complied with. We have considered the option of identifying critical or zero tolerance indicators, however for now we have decided to stay with an equal approach.
General	It would be very helpful for us as timber importers if forest/timber certification schemes such as FSC could be benchmarked against the framework giving us guidelines if or to what extent these schemes meet the criteria's of the framework. (it could also motivate the use of certified timber even more) Thank you for a great framework, we look forward to implementing it in our SCM.	This is work Preferred by Nature is currently engaged in, and is planning to also publish on our website.