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## REPORT

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# 1. EXECUTIVE SUMMARY

This report summarizes an evaluation of ten selected certification frameworks aimed at promoting sustainability across various sectors. As global demand for responsible environmental, social, and economic practices continues to grow, the role of Certification and Sustainability Labels (CSLs) becomes increasingly vital. Notably, all the CSLs examined include bio-based products within their product scope. This report employs a tailored methodology, centered around the Comparative Benchmark Tool (CBT), to systematically assess each CSL against established sustainability criteria.

## Key Insights:

**Strengths:** Most certification frameworks exhibit strong adherence to fundamental human rights standards, including the prevention of child labour and discrimination. Many also incorporate sound environmental practices that prioritize the protection of ecosystems, careful waste management, and efforts to reduce pollution. The assurance dimension focuses on the competence, impartiality, and auditing rigor of the Certification Bodies responsible for verifying compliance. Across the evaluated schemes, impartiality is generally well-established, reflecting a common understanding that reliable, unbiased audits are essential to maintaining credibility and stakeholder trust. Many CSLs already incorporate transparency measures, consult stakeholders, and refer to recognized international conventions and treaties, indicating a baseline commitment to global sustainability norms. Impartiality at the governance level also tends to be strong, ensuring that scheme owners do not unduly influence certification outcomes.

**Weaknesses:** Certain criteria remain consistently underdeveloped across multiple CSLs. For instance, climate change adaptation—an increasingly urgent priority—is frequently addressed only partially, if at all. Similarly, secure land tenure and other relevant legality requirements are often not subjected to systematic verification, and instead may be referenced only in broad, general terms. While many schemes ensure basic auditor qualifications and impartial processes, some lack clear, robust auditing protocols or risk-based approaches for identifying and addressing the most significant environmental and social issues. There remain opportunities for improving governance too. Certain schemes lack comprehensive oversight mechanisms and rigorous monitoring, evaluation, and learning (MEL) frameworks.

In addition to these findings, the report highlights the implications of the European Union's Deforestation Regulation (EUDR). The EUDR mandates that products entering the EU market must not contribute to deforestation or forest degradation, and it lays out clear definitions and requirements—covering issues like conversion, degradation, and legality—that are critical for assessing how well certification schemes align with these regulatory benchmarks. This regulation poses both challenges and opportunities for CSLs. While it encourages certification schemes to enhance their standards related to deforestation-free supply chains, it also necessitates that they adapt quickly to comply with demanding EU requirements. With the recent decision to postpone the EUDR's implementation by one year, certification frameworks now have a brief but valuable window to strengthen their criteria and align with these evolving requirements.

Stakeholder consultation informed the analysis, offering insights into the effectiveness, credibility, and transparency of CSL processes. These consultations emphasize the importance of increasing transparency, strengthening accountability, and improving assurance mechanisms to bolster trust among producers, consumers, and regulators.

## 2. INTRODUCTION

The HARMONITOR report “4.2 Detailed Analysis of Certification Schemes and Labels (CSLs)” provides a comprehensive examination of various certification frameworks aimed at promoting sustainability across multiple sectors. As global awareness of environmental, social, and economic challenges continues to grow, the role of CSLs in ensuring responsible practices has never been more critical. This report focuses on ten selected CSLs, evaluating their effectiveness in addressing key sustainability issues and examining their underlying governance structures. While D4.2 did not involve stakeholder feedback and evaluated criteria as they stood at that time, D4.3 incorporates insights from scheme owner input and reflects the latest changes resulting from the European Union’s Deforestation Regulation (EUDR).

The analysis is grounded in a robust methodology that utilizes the Comparative Benchmark Tool (CBT) developed for the HARMONITOR project. This tool enables a systematic comparison of the selected schemes against established sustainability criteria, ensuring a thorough understanding of their respective strengths and weaknesses. The findings draw upon extensive literature reviews, stakeholder consultations, and participatory workshops with experts in sustainability governance.

In addition to evaluating individual CSLs, this report synthesizes insights into how these schemes function collectively. By identifying common trends and gaps across the certification landscape, it provides actionable recommendations for enhancing the effectiveness of CSLs. In doing so, this analysis contributes to the ongoing dialogue on improving sustainability assurance and governance practices within the bioeconomy sector and beyond.

This report, together with D4.2, has also informed the BioBasedCert cluster, which is currently developing a Bio-based Monitoring System (BMS) for certification systems and labels. Although the BMS covers some of the same criteria and indicators as the CBT, it employs a different scoring approach and places more emphasis on measuring the outcomes that CSLs aim to achieve. In 2024, the project partners working on the BMS conducted tests with various certification schemes, some of which overlap with those assessed in D4.2 and D4.3. While D4.2, D4.3, and the BMS each follow distinct methodologies and focus on different objectives, the results should be viewed as complementary rather than conflicting. Collectively, these efforts offer a richer, more nuanced understanding of sustainability certification, ensuring that stakeholders can draw on multiple perspectives to inform continual improvement.

## 3. NOTES ON THE BENCHMARKING METHODOLOGY

The methodology used in this project was tailored specifically to meet the objectives of assessing and benchmarking Certification Schemes and Labels (CSLs) related to sustainability assurance and governance of the schemes. The core approach involved developing the Comparative Benchmark Tool (CBT), which was based on principles outlined in the HARMONITOR D2.3 Methodology Handbook. This framework was designed to ensure that the assessment captured not only the technical compliance aspects of sustainability but also incorporated a holistic evaluation of governance standards.

Initially, a draft framework was constructed through an extensive review of existing literature, particularly the inventory of 22 CSLs compiled in Deliverable for WP D4.1 Literature Review. This ensured that key sustainability, assurance, and governance indicators were incorporated to form a robust basis for evaluation. The design of the CBT was not arbitrary but was collaboratively refined during a workshop held in September 2023, involving experts in sustainability governance. This participatory approach also contributed to ensuring that the tool was aligned to the nuances of the bioeconomy sector, with input from a broad range of stakeholders adding relevance to the selected criteria.

The next phase of the methodology development involved transferring the CBT into an Excel-based version, enabling systematic and replicable analysis of the ten selected CSLs. Each scheme was assigned a dedicated section within these sheets, and indicators were applied systematically to assess their performance across sustainability, assurance, and governance dimensions. This process was not merely a technical exercise but involved critical assessments to ensure that the tool captured the complexities of different national and sectoral contexts.

The benchmarking itself was performed using the CBT as the comparative framework. Each CSL was examined against the established criteria to highlight the extent of its coverage, focusing on both strengths and gaps. Although certain limitations were identified, such as the challenges posed by varying national standards, the methodology was flexible enough to accommodate these variations without compromising the integrity of the overall analysis.

A crucial part of the methodology was the classification of the benchmarking results, which allowed for a nuanced understanding of the coverage of indicators across the schemes. This classification system was visually represented using a color-coded approach, ensuring clarity in identifying where CSLs fully, partially, or insufficiently met the assessment criteria.

This methodology was distinct to this project as it ensured a balance between quantitative rigor—through the structured application of the CBT—and qualitative insight gained from the collaborative development process. The structured but adaptable nature of the methodology made it uniquely suited to the HARMONITOR project's goal of enhancing the sustainability of bio-based systems through a thorough examination of certification schemes and their governance structures.

## 4. SUMMARY OF THE STAKEHOLDER CONSULTATION PROCESS

To ensure a comprehensive and balanced evaluation, stakeholder feedback was obtained through a structured and transparent process. Each scheme owner was presented with the benchmarking analysis and given a clear opportunity to review and comment on the conclusions. The feedback window, opened in April, allowed several months for careful consideration. Of the ten scheme owners contacted, five responded and provided feedback on specific indicators.

The feedback from scheme owners primarily focused on indicators initially classified as “partly” met or “missing.” They often challenged these conclusions by referencing documentation, revised standards, or other clarifying materials. Where appropriate, these new insights led to adjustments in the indicator classifications. In some cases, indicators previously marked as “partly” met were upgraded to “intent covered” or even “fully covered” once the supporting evidence was verified. Conversely, if the additional documentation did not substantively change the initial assessment, the original classification remained.

In addition to requesting reclassifications, scheme owners also sought further explanation for certain outcomes. This prompted the evaluation team to clarify the thresholds and criteria used to determine whether an indicator was considered “partly,” “missing,” or otherwise.

Compared to the earlier results in report D4.2—which relied solely on documentation available at that time—this process integrated the latest information, including updates influenced by the European Union’s Deforestation Regulation (EUDR). The inclusion of scheme owner feedback and recent developments allowed for a more accurate and nuanced final evaluation. The review process ensured that each scheme’s performance was represented as fairly and accurately as possible.

As these certification schemes continue to evolve, dialogues like these will remain essential. They help clarify criteria, encourage continuous improvement, and ensure that sustainability certifications reflect best practices in light of emerging legislation and stakeholder expectations.



## 5. SUMMARY OF THE COMPARATIVE ANALYSIS

This section provides a summary of the findings from the D4.2 report for each of the ten selected Certification Schemes and Labels (CSLs). Table 1 below summarizes the results for each criterion evaluated for every CSL.

The evaluation focuses on their performance across key sustainability topics—environmental, social, and economic—along with their approach and requirements related to assurance and governance.

The analysis below highlights both strengths and weaknesses, providing a summary and view on the overall effectiveness of each scheme in addressing global sustainability challenges.

### 5.1 EU Ecolabel – textiles

The EU Ecolabel is a voluntary certification scheme that evaluates the environmental performance of textile products across their entire lifecycle, from raw material extraction to disposal. The label is recognized for its stringent environmental criteria.

- **Strengths:** The EU Ecolabel stands out in its comprehensive coverage of **environmental issues**, particularly in controlling **wastewater pollution**, promoting **water management**, and restricting the use of harmful chemicals and ozone-depleting substances (ODS). Its focus on reducing pollution makes it a reliable standard for environmental performance, and it also specifically **social concerns** like **anti-discrimination** and **Freedom of Association**, which are integrated into its social sustainability criteria.
- **Weaknesses:** Despite its strong environmental coverage, the scheme demonstrates weaknesses in **economic sustainability**, particularly in terms of addressing **land tenure rights**, **corruption prevention**, and **labour rights**. Requirements are indirectly addressed through ILO Conventions, but not systematically checked. Additionally, social issues included in the evaluation framework like **responsible remuneration** and **employer-provided housing** are underrepresented. The EU Ecolabel also underperforms in **climate change adaptation**, leaving certified entities without clear guidance on how to respond to environmental shifts caused by climate change.

### 5.2 Forest Stewardship Council (FSC)

The FSC is a leading certification for sustainable forest management, aiming to promote environmentally sound, socially beneficial, and economically viable management of the world's forests.

- **Strengths:** FSC scores high in all major sustainability areas, making it one of the most complete certifications in terms of coverage. It fully addresses critical issues such as **land tenure and management rights**, **Indigenous Peoples' rights**, and **Free, Prior, and Informed Consent (FPIC)**, ensuring that communities are actively involved in land management decisions. FSC also emphasizes **chemical use management**, **biodiversity conservation**, and preventing forest conversion, which are crucial for maintaining the integrity of forest ecosystems.

- **Weaknesses:** FSC does show gaps in issues related to **employer-provided housing** and **worker safety**, particularly in ensuring comprehensive health and safety standards for workers. It also lacks clear criteria for **climate change adaptation**, meaning it does not provide sufficient guidance on how certified entities should prepare for or respond to the long-term effects of climate change on forest ecosystems

### 5.3 Better Cotton Initiative (BCI)

The Better Cotton Initiative promotes sustainable cotton farming practices worldwide, aiming to improve the social, environmental, and economic conditions in cotton-growing regions.

- **Strengths:** BCI excels in its **social criteria**, with comprehensive coverage of key areas such as **child labour prevention**, **anti-discrimination**, and adherence to international **labour conventions**. It also includes **monitoring and evaluation system** to track progress, with regular performance and impact assessments ensuring that certified entities adhere to established sustainability standards. Additionally, it promotes emissions-reducing practices, supporting farmers in adapting to climate change and improving soil health through regenerative agriculture.
- **Weaknesses:** BCI has gaps in addressing **decent remuneration** and **employer-provided housing**, key issues in many cotton-growing regions where labour exploitation is prevalent. Furthermore, the scheme lacks a robust framework for **corruption prevention** and does not fully address the **competence of personnel** involved in second-party evaluations, potentially weakening the reliability of its assurance processes. The sustainability initiative is transitioning to a certification scheme though, meaning their second-party licensing assessments will discontinue, potentially strengthening impartiality through third-party certification.

### 5.4 Bonsucro

Bonsucro is a global sustainability standard for sugarcane production, addressing social, environmental, and economic sustainability within the sugarcane sector.

- **Strengths:** Bonsucro excels in areas related to **workers' rights**, **non-discrimination**, and **biodiversity** protection, making it a strong performer in both social and environmental sustainability. The scheme's governance framework is robust, with well-established **auditing protocols** and a reliable **accreditation system** that ensures competent auditors are in place.
- **Weaknesses:** However, the scheme falls short in several areas, particularly in its handling of **land tenure** and **Indigenous Peoples' rights**, where it provides only partial coverage. **Corruption prevention** is another significant gap, as the scheme lacks stringent measures to prevent unethical practices in the certification process. Furthermore, Bonsucro does not provide clear guidelines on unannounced audits or climate change adaptation, leaving room for improvement in these areas.

## 5.5 International Sustainability and Carbon Certification (ISCC)

ISCC certification is a global standard focused on sustainability in biofuels and bioenergy, promoting deforestation-free and climate-friendly supply chains.

- **Strengths:** The ISCC stands out in its strong emphasis on land use change prevention, deforestation avoidance, and comprehensive **traceability** throughout the supply chain. It has a robust **governance structure**, ensuring transparency and high standards in its certification processes. **Corruption prevention** measures are also well-covered within the scheme's framework, offering safeguards against conflicts of interest.
- **Weaknesses:** The scheme does not adequately address **climate change adaptation**, which is increasingly critical in the bioenergy sector. The audit process does not require stakeholder consultation, which could undermine accountability.

## 5.6 Rainforest Alliance (RA)

The **Rainforest Alliance** certification promotes sustainable agricultural practices, focusing on protecting the environment, improving the livelihoods of farmers, and supporting rural communities.

- **Strengths:** The Rainforest Alliance is a strong performer in **biodiversity conservation**, with comprehensive criteria for protecting ecosystems, managing soil and water resources, and reducing greenhouse gas emissions. It also places significant emphasis on **social equity**, particularly in safeguarding **human rights** and ensuring **workplace safety**.
- **Weaknesses:** Despite these strengths, the scheme does not provide sufficient coverage for **climate change adaptation**, leaving certified farmers without clear strategies for dealing with the long-term impacts of climate change. The scheme also lacks strong measures for **corruption prevention** and **conflict of interest management**, which could undermine the credibility of the certification process. **Employer-provided housing** and **responsible remuneration** are other areas where the certification falls short.

## 5.7 Roundtable on Sustainable Palm Oil (RSPO)

RSPO certification aims to make palm oil production more sustainable by ensuring minimal environmental and social impacts throughout the production process.

- **Strengths:** The RSPO is particularly strong in its provisions for biodiversity conservation, deforestation prevention, and Indigenous **Peoples' rights**. It also has a well-defined approach to **land tenure** and **chemical use**, ensuring that palm oil production does not contribute to significant environmental degradation or harm to local communities.
- **Weaknesses:** However, **climate change** adaptation remains underdeveloped in the RSPO criteria. The scheme also has gaps in corruption prevention, conflict **of interest management**, and

**employer-provided housing**, all of which are critical for ensuring social sustainability and fairness throughout the supply chain.

## 5.8 Responsible Soy (RTRS)

RTRS focuses on promoting sustainable soy production, aiming to balance environmental, social, and economic sustainability concerns in soy-growing regions.

- **Strengths:** The RTRS performs well in **biodiversity conservation**, **land tenure rights**, and **worker safety**, with a strong emphasis on **deforestation-free soy**. The scheme aligns with international labour conventions, ensuring that workers are treated fairly and that environmental impacts are minimized.
- **Weaknesses:** However, the scheme shows significant gaps in **climate change adaptation**, failing to provide detailed criteria on how soy producers can adapt to environmental changes. Corruption prevention and conflict of interest management are also weak points for the RTRS, and the scheme does not fully address the promotion of recycled materials or circular **economy principles**, limiting its overall effectiveness in resource sustainability.

## 5.9 Roundtable on Sustainable Biomaterials (RSB)

The RSB certification covers bio-based industries, promoting sustainability in biofuels and biomaterials through rigorous social, environmental, and economic standards.

- **Strengths:** The RSB performs particularly well in addressing greenhouse gas emissions reductions, biodiversity protection, and **land tenure rights**. It also provides a robust **chain of custody certification process**, ensuring that bio-based materials are traceable and sustainable throughout the supply chain.
- **Weaknesses:** **Climate change adaptation** is not fully integrated into the RSB's criteria, reducing its ability to promote long-term resilience in bio-based industries. The scheme also shows gaps in **stakeholder consultation** and fails to comprehensively address **responsible remuneration** and **corruption prevention**, which are critical for ensuring ethical and sustainable practices.

## 5.10 Sustainable Biomass Program (SBP)

The SBP focuses on the sustainable use of biomass for energy production, particularly in the forestry and energy sectors.

- **Strengths:** SBP demonstrates strong performance in deforestation prevention, greenhouse gas emissions reductions, and **traceability**, ensuring that biomass production complies with environmental sustainability standards. It also provides strong protections for **land tenure and management rights**.

- Weaknesses:** However, SBP has significant gaps in addressing climate change adaptation, corruption prevention, and stakeholder consultation. The scheme also falls short in promoting the use of recycled materials and integrating **circular economy principles** into its certification criteria.

Table 1. Overview of certification scheme assessment findings (see findings for individual schemes below for details).

Requirement Section	Better Cotton	Bonsucro	EU Ecolabel - Textiles	FSC	ISCC	Rainforest Alliance	RTRS	RSB	RSPO	SBP
<b>A.1 Economic sustainability</b>										
A.1.1 Land tenure and management rights are secure	Yellow	Yellow	Grey	Green	Green	Green	Yellow	Green	Green	Green
A.1.2 Management and operations are conducted responsibly	Yellow	Green	Grey	Green	Green	Yellow	Yellow	Green	Yellow	Yellow
A.1.3 Corruption and conflict of interests are avoided	Green	Yellow	Green	Green	Green	Yellow	Green	Green	Green	Yellow
A.1.4 Trade and transport are conducted legally and responsibly	Green	Green	Grey	Green	Green	Yellow	Red	Green	Green	Yellow
<b>A.2 Social sustainability</b>										
A.2.1 Human rights are respected	Green	Yellow	Yellow	Green	Yellow	Green	Yellow	Green	Green	Green
A.2.2 Child labour is not present, and employment of young workers is responsibly managed	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green
A.2.3 Modern slavery, forced or compulsory labour do not occur	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green
A.2.4 Workers' rights are respected	Green	Green	Yellow	Green	Green	Yellow	Green	Green	Green	Yellow
A.2.5 Discrimination does not occur	Green	Green	Yellow	Green	Green	Green	Yellow	Green	Green	Green
A.2.6 All workers are remunerated in a responsible manner	Yellow	Yellow	Red	Green	Green	Yellow	Yellow	Green	Green	Yellow
A.2.7 Employer-provided housing is safe and hygienic	Red	Yellow	Red	Yellow	Green	Green	Yellow	Yellow	Green	Red
A.2.8 Workplaces are safe and healthy	Green	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green
A.2.9 Gender equality is maintained and protected	Green	Yellow	Green	Green	Green	Green	Green	Yellow	Green	Green
A.2.10 The rights of Indigenous Peoples are protected	Green	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green
A.2.11 Community rights are respected	Green	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green
<b>A.3 Environmental sustainability</b>										
A.3.1 Natural forests and other natural ecosystems are protected from degradation and conversion	Green	Yellow	Yellow	Green	Green	Yellow	Yellow	Green	Green	Green
A.3.2 Ecosystem and biodiversity values are identified and protected	Green	Green	Yellow	Green	Green	Green	Green	Green	Green	Green
A.3.3 Chemicals are used cautiously with minimum negative impacts	Green	Green	Yellow	Green	Green	Green	Yellow	Green	Red	Green
A.3.4 Waste is reduced and managed appropriately	Green	Yellow	Yellow	Green	Green	Yellow	Yellow	Green	Yellow	Yellow
A.3.5 Pollution is minimised or prevented	Green	Green	Yellow	Green	Green	Yellow	Green	Green	Yellow	Green
A.3.6 Water resources are protected and used efficiently	Green	Yellow	Yellow	Green	Green	Green	Green	Green	Green	Green
A.3.7 Soil is conserved and managed appropriately	Green	Green	Red	Green	Green	Green	Green	Green	Green	Yellow
<b>A.4 Climate change</b>										
A.4.1 Greenhouse gas emissions are reduced	Green	Yellow	Yellow	Green	Green	Green	Green	Yellow	Green	Green
A.4.2 Climate change adaptation efforts are implemented proportionate to the risks	Green	Green	Red	Green	Yellow	Yellow	Red	Red	Yellow	Yellow
A.4.3 Efforts are taken for GHG removal and ecosystem restoration as appropriate	Green	Yellow	Red	Green	Green	Yellow	Yellow	Green	Green	Green
<b>A.5 Requirements for material control</b>										
A.5.1 Material control	Yellow	Red	Yellow	Green	Green	Green	Yellow	Green	Green	Green

A.5.2 Recycled material	Red	Orange	Light Green	Dark Green	Dark Green	Light Green	Orange	Orange	Orange	Dark Green
A.6 General requirements for Certificate Holders										
A.6.1 Conflict resolution	Dark Green	Light Green	Orange	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
A.6.2 Corruption	Orange	Dark Green	Red	Dark Green	Dark Green	Orange	Dark Green	Red	Dark Green	Dark Green
A.7 Quality and procedural requirements for Certificate Holders										
A.7.1 Internal procedures for Certificate Holders	Dark Green	Light Green	Orange	Dark Green	Dark Green	Light Green	Light Green	Light Green	Dark Green	Dark Green
A.7.2 Qualification and competence	Dark Green	Dark Green	Red	Dark Green	Dark Green	Light Green	Dark Green	Dark Green	Dark Green	Dark Green
A.7.3 Risk-based approaches to sourcing, trade or production	Gray	Orange	Gray	Light Green	Dark Green	Orange	Orange	Dark Green	Orange	Dark Green
B Assurance										
B.1 Competence and qualifications	Orange	Dark Green	Light Green	Dark Green	Light Green	Light Green	Orange	Dark Green	Light Green	Light Green
B.2 Impartiality at audit level	Orange	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
B.3 Auditing process	Light Green	Light Green	Light Green	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Light Green	Light Green
Stakeholder consultation	Orange	Dark Green	Red	Dark Green	Red	Light Green	Light Green	Dark Green	Light Green	Orange
Corruption	Red	Red	Orange	Dark Green	Dark Green	Dark Green	Red	Dark Green	Red	Dark Green
C Governance										
C.1 Transparency										
C.1.1 Transparency	Dark Green	Light Green	Light Green	Dark Green	Dark Green	Light Green	Light Green	Light Green	Dark Green	Dark Green
C.1.2 Impartiality at certification system level	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
C.1.3 Conflict of interest and corruption	Light Green	Dark Green	Light Green	Dark Green	Dark Green	Light Green	Light Green	Dark Green	Dark Green	Dark Green
C.2 Scheme and standard scope										
C.2.1 Standard adaptation to the national or subnational context	Light Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Light Green	Dark Green	Dark Green	Dark Green
C.2.2 International convention and treaties	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Red	Red	Dark Green	Orange
C.2.3 Use of contractors	Red	Red	Red	Dark Green	Dark Green	Dark Green	Red	Red	Dark Green	Dark Green
C.3 Accreditation and oversight										
C.3.1 Accreditation	Dark Green	Dark Green	Light Green	Dark Green	Dark Green	Orange	Dark Green	Dark Green	Dark Green	Light Green
C.3.2 Oversight mechanism	Dark Green	Dark Green	Orange	Dark Green	Light Green	Orange	Light Green	Dark Green	Orange	Light Green
C.4 Certification process										
C.4.1 Compliance evaluation	Dark Green	Orange	Dark Green	Dark Green	Light Green	Orange	Orange	Light Green	Orange	Dark Green
C.5 Monitoring Evaluation and Learning										
C5.1 Monitoring Evaluation and Learning	Dark Green	Light Green	Orange	Dark Green	Orange	Light Green	Orange	Orange	Light Green	Light Green

Dark green: Fully covered. Light green: Intent covered. Orange: Partly covered. Red: Not covered. Gray: Not applicable

## 6. SUMMARY OF PERFORMANCE OF CERTIFICATION SCHEMES AND LABELS AS A GROUP

This section includes a summary of how the ten selected Certification Schemes and Labels (CSLs) perform collectively across various sustainability, assurance, and governance dimensions.

The assessment is based on the findings of the Comparative Benchmark Tool (CBT), which was developed specifically for this project. The tool evaluates CSLs on criteria related to economic, social, and environmental sustainability, as well as their assurance and governance frameworks. The following analysis highlights both the strengths and weaknesses of the CSLs, identifying areas where these schemes perform well and where improvements are needed.

### 6.1 Economic sustainability

Economic sustainability is important in many certification schemes, focusing on the long-term viability and fairness of economic practices within certified entities. Across the board, the CSLs show strong performance in securing **land tenure and management rights**. This is a critical area, especially in sectors like agriculture and forestry, where disputes over land use can lead to significant legal and environmental challenges. By ensuring that land tenure is legally recognised and management rights are secured, these schemes play an essential role in promoting responsible land stewardship. For example, the Forest Stewardship Council (FSC) has a well-developed framework for securing land rights, ensuring that certified forests are managed in ways that respect both local communities and legal standards.

In addition to land rights, the CSLs collectively emphasize the **responsibility in trade and transport** activities. These schemes generally require that trade operations be conducted legally and in a transparent manner, ensuring that supply chains are not only sustainable but also compliant with national and international regulations. This is particularly well-addressed in the International Sustainability & Carbon Certification (ISCC) scheme, which places stringent requirements on the legality of biomass trade and transport. Such robust legal frameworks contribute to the schemes' credibility in fostering responsible economic activities.

However, there are notable gaps in **corruption prevention** and **conflict of interest management**, which are only partially addressed by many schemes. While some schemes, like Bonsucro, include measures to prevent conflicts of interest within certification bodies, other schemes fail to address corruption at all levels comprehensively. The absence of clear anti-corruption measures in certification processes presents risks, as it undermines the credibility and reliability of the certifications granted. This gap is significant, especially in regions or sectors where corruption in land acquisition and resource management can pose serious ethical and legal challenges.

### 6.2 Social sustainability

In terms of social sustainability, the CSLs includes detailed requirements in key areas such as **human rights protection, worker safety, and gender equality**. Most schemes include comprehensive coverage of issues



such as **child labour, modern slavery, and discrimination**. For instance, the Rainforest Alliance, a certification that operates in agricultural sectors, imposes stringent requirements on ensuring safe working conditions, prohibiting child labour, and promoting gender equality. The schemes align with international labour standards, such as those set by the International Labour Organization (ILO), which strengthens their ability to protect vulnerable populations in high-risk industries.

One of the standout areas where the CSLs excel is in ensuring **workplace health and safety**. Most schemes include detailed requirements for worker protection, particularly in hazardous industries like agriculture and textiles. Better Cotton, for example, mandates safe working environments for farmworkers and includes provisions for the proper use of chemicals and machinery. Such requirements are crucial in reducing workplace injuries and fostering environments where workers' rights are protected.

Nevertheless, the report reveals significant gaps in **responsible remuneration** and **employer-provided housing**. Many schemes only partially address these areas, leaving room for improvement. In sectors such as agriculture, where seasonal labour is common, workers are often provided with housing by employers. However, most CSLs do not have stringent requirements for the quality of this housing, leading to potential risks for workers. The lack of clear requirements for **fair wages** and **safe, hygienic living conditions** is a significant oversight, particularly in sectors where exploitation of labour can occur. The Responsible Soy (RTRS) certification, for example, does not fully cover provisions for fair remuneration, reflecting a gap that is common across multiple CSLs.

## 6.3 Environmental sustainability

**Environmental sustainability** is one of the strongest areas of performance across the CSLs, with many schemes demonstrating a high level of commitment to ecosystem preservation, pollution control, and biodiversity protection. The **protection of natural ecosystems and biodiversity** is a priority for most schemes, particularly those operating in sectors such as forestry and agriculture, where environmental degradation is a significant risk. The Roundtable on Sustainable Palm Oil (RSPO), for instance, includes comprehensive criteria for protecting high conservation value (HCV) areas, ensuring that palm oil production does not contribute to deforestation or habitat destruction.

Another area where the schemes excel is in the **management of water resources and soil conservation**. Many CSLs have implemented requirements to protect water bodies from contamination, manage soil fertility, and reduce greenhouse gas (GHG) emissions. The Roundtable on Sustainable Biomaterials (RSB), for example, has strong environmental safeguards that include both water resource protection and GHG mitigation strategies. Such initiatives are critical for reducing the environmental impact of industrial activities and promoting sustainability in resource-intensive sectors.

However, the CSLs generally underperform in the area of **climate change adaptation, and several also have limited requirements related to GHG emission reduction**. While some schemes include provisions for reducing greenhouse gas emissions, fewer provide clear guidance on how certified entities should adapt to the risks posed by climate change. This gap is particularly evident in sectors such as agriculture and forestry, where climate impacts can significantly alter production practices. The absence of strong adaptation measures limits the schemes' ability to contribute to long-term environmental resilience. For example,



while schemes like the EU Ecolabel address climate impacts in a general sense, they lack detailed adaptation frameworks to guide certified entities in preparing for future climate risks.

## 6.4 Assurance

In terms of **assurance**, the CSLs generally perform well, especially in areas like **auditing** and **stakeholder consultation**. Most schemes have robust auditing processes that include both third-party assessments and periodic evaluations of compliance. The Forest Stewardship Council (FSC), for instance, employs a comprehensive auditing system that includes both scheduled and unannounced audits to ensure that certified entities maintain high standards. This level of assurance is critical for maintaining the credibility of the certification process and ensuring that certified entities continue to meet the necessary sustainability criteria.

**Stakeholder consultation** is another area where most CSLs are doing well. Many schemes include formalized processes for engaging with stakeholders, including local communities, civil society, and industry experts. This is particularly important in ensuring that certification schemes remain transparent and responsive to the needs of those impacted by certification activities. The Rainforest Alliance is one of the stronger performers in this area, offering a clear framework for stakeholder engagement that includes consultations with local communities, workers, and environmental experts during the certification process.

However, gaps remain in the **competence and qualifications of auditors**. While many schemes provide general guidance on the auditing process, fewer ensure that auditors are sufficiently trained in specialized areas like social sustainability or legal compliance. This is a significant oversight, as the effectiveness of an audit depends heavily on the competence of the individuals conducting it. In some cases, schemes like Better Cotton have been found to have only partial coverage of the qualifications required for all of the personnel involved in auditing, which weakens the overall assurance framework.

## 6.5 Governance

**Governance** structures within the CSLs are generally robust, particularly in areas such as **transparency** and **impartiality**. According to the detailed CSL review, most schemes have well-defined governance frameworks that ensure the impartiality of the certification process and the transparency of decision-making. This is crucial for building trust in the certification process, particularly for stakeholders such as consumers and industry actors who rely on certification as a marker of sustainability. For example, Bonsucro has a strong governance framework that ensures both transparency and impartiality throughout its certification process, providing a high level of confidence in the scheme's legitimacy.

Despite these strengths, significant gaps exist in the governance of **corruption prevention** and **conflict of interest management**. Many schemes fail to provide comprehensive frameworks for addressing these issues, which poses a risk to the integrity of the certification process. The absence of strong anti-corruption measures, particularly at the certification holder level, undermines the credibility of some schemes. For instance, while the Forest Stewardship Council (FSC) has mechanisms to prevent conflicts of interest within certification bodies, it lacks detailed requirements for preventing corruption at the certificate holder level, which is a common issue across many schemes.

Additionally, **accreditation and oversight mechanisms** are often incomplete. While most schemes include basic accreditation processes, few provide detailed frameworks for ongoing monitoring and evaluation of certified entities. This limits the ability of certification schemes to track long-term compliance and assess the impact of certification on sustainability outcomes. The Better Cotton Initiative, for instance, has a relatively strong accreditation framework but lacks comprehensive oversight mechanisms to ensure continued compliance beyond the initial certification.

## 6.6 Key areas of underperformance

While the Certification Schemes and Labels (CSLs) analysed in this report demonstrate notable strengths, there are several significant areas of underperformance that may limit their ability to fully promote sustainable practices across economic, social, and environmental dimensions. These gaps represent critical challenges in ensuring the credibility, effectiveness, and comprehensive coverage of sustainability within certified entities. Below, we explore the key areas where CSLs, as a group, fail to meet the necessary standards, providing specific examples and examining the broader implications of these weaknesses.

### 6.6.1 Climate Change Adaptation

One of the most obvious gaps across almost all the CSLs is their lack of emphasis on **climate change adaptation**. While reducing greenhouse gas emissions (mitigation) is an essential part of many schemes, few CSLs incorporate robust measures or clear frameworks for adaptation. As climate change increasingly impacts ecosystems, agriculture, and supply chains, it is essential for certification schemes to ensure that certified entities are not only mitigating their contributions to climate change but are also prepared to adapt to the challenges it presents.

For example, although the **RTRS** includes broad environmental sustainability goals, it lacks detailed criteria guiding certified entities in identifying risks and implementing climate adaptation strategies, such as changes in crop practices in response to shifting weather patterns. Similarly, the **EU Ecolabel**, while comprehensive in its environmental safeguards, does not adequately address how certified organizations can incorporate adaptation measures into their operational strategies. This oversight is particularly concerning in sectors like agriculture and forestry, where climate impacts, such as shifting growing seasons or increased pest pressures, are already evident and are expected to intensify.

The absence of specific adaptation criteria undermines the long-term sustainability and resilience of certified entities, particularly in vulnerable sectors. By failing to incorporate climate adaptation strategies, CSLs risk certifying operations that may be ill-prepared for the evolving environmental challenges they will face, which could lead to future sustainability failures.

### 6.6.2 Corruption Prevention and Conflict of Interest Management

Another area where most CSLs underperform is in their **corruption prevention** and **conflict of interest management** frameworks. Despite the critical importance of ensuring integrity in certification processes, many schemes provide either incomplete or entirely absent measures to prevent corruption and manage conflicts of interest. The issue is particularly pertinent given the complex and often opaque nature of global supply chains, where financial and political pressures can influence certification outcomes.

For instance, while the **Forest Stewardship Council (FSC)** provides mechanisms to prevent conflicts of interest within certification bodies, it lacks comprehensive requirements at the certification holder level, leaving space for potential conflicts that could undermine the validity of certification decisions. Furthermore, some CSLs, such as **Better Cotton**, provide only minimal coverage of anti-corruption measures, focusing primarily on the certification bodies without extending sufficient protections to the certified entities themselves.

Corruption and conflict of interest risks are particularly concerning in sectors like palm oil, soy, and forestry, where resource competition and land rights disputes can create opportunities for unethical practices. The failure of CSLs to implement stringent anti-corruption and conflict of interest protocols compromises the credibility of the certification process, as stakeholders may question the impartiality and integrity of the decisions being made. Strengthening these areas is vital to building trust in the certification schemes and ensuring that the certified entities are truly committed to sustainable practices rather than merely using certification as a marketing tool.

### 6.6.3 Responsible Remuneration and Employment-Provided Housing

In relation to the social dimension of sustainability many CSLs underperform, in terms of **responsible remuneration** and **employment-provided housing**. While the CSLs tend to perform well in addressing critical issues like child labour and workplace safety, they often fall short when it comes to ensuring fair wages and adequate housing for workers, especially in sectors that rely heavily on seasonal or migrant labour.

For example, the **Responsible Soy (RTRS)** certification includes provisions for fair labour practices but lacks detailed requirements to ensure that workers are paid a living wage. This gap is especially significant in regions where agricultural labour is often undervalued, leading to systemic underpayment of workers. Additionally, while some schemes touch on the issue of employer-provided housing, most do not offer stringent standards for ensuring that the housing provided is safe, hygienic, and adequate for long-term occupancy.

In sectors such as agriculture, where workers are often housed in employer-provided accommodations, the lack of clear guidelines can lead to substandard living conditions, exacerbating social inequalities and undermining the social sustainability objectives of the certification schemes. The absence of strong requirements for responsible remuneration and adequate housing is a major oversight, particularly in industries that are known for labour exploitation. Addressing these gaps is crucial for ensuring that the social benefits of certification schemes extend to the workers on the ground, rather than remaining confined to higher-level corporate practices.

### 6.6.4 Recycled Materials and Risk-Based Sourcing Approaches

Despite growing global attention on the circular economy and sustainable sourcing, many CSLs perform poorly in the areas of **recycled materials** and **risk-based sourcing approaches**. The push for more sustainable production and consumption patterns requires a focus not only on the responsible use of raw materials but also on encouraging the use of recycled and reclaimed materials wherever possible. However, most CSLs provide only limited guidance on this front, focusing predominantly on the legality and traceability of virgin materials without incorporating strong criteria for recycled content.

For instance, the **EU Ecolabel – Textiles** certification, while emphasizing resource efficiency and the reduction of harmful chemicals, does not adequately address the inclusion of recycled fibres or materials in textile production. Similarly, the **Sustainable Biomass Program (SBP)**, which focuses on the sustainability of biomass for energy generation, offers little in the way of criteria for promoting the use of recycled or reclaimed biomass. This underperformance in promoting recycled materials reflects a missed opportunity to advance circular economy principles within certified sectors.

Moreover, risk-based sourcing approaches, which allow for more nuanced and context-specific management of sustainability risks within supply chains, are often overlooked or only partially addressed. The lack of emphasis on risk-based approaches limits the ability of CSLs to respond to region-specific or commodity-specific sustainability risks, such as deforestation in high-risk areas or human rights abuses in conflict zones. Incorporating stronger criteria for recycled materials and risk-based sourcing would significantly enhance the impact of these certification schemes by promoting more sustainable resource use and better risk management in global supply chains.

### 6.6.5 Accreditation, Oversight, and Monitoring

Finally, many CSLs underperform in the areas of **accreditation, oversight, and monitoring**, which are critical for ensuring the long-term effectiveness and credibility of the certification process. While most schemes have basic accreditation processes in place, few provide detailed frameworks for ongoing monitoring and evaluation of certified entities. This lack of comprehensive oversight mechanisms creates a risk that certified entities may not maintain compliance with sustainability criteria over time.

For example, the **Better Cotton Initiative** has a relatively strong accreditation framework but lacks detailed oversight mechanisms to ensure that certified entities continue to adhere to the required standards beyond the initial certification. Without robust monitoring processes, there is little assurance that certified entities are maintaining the sustainability practices that earned them certification in the first place.

Additionally, schemes that do not implement regular external audits or follow-up evaluations risk certifying entities that may degrade their sustainability practices over time, either due to changing economic pressures or insufficient internal capacity to maintain compliance. Strengthening accreditation, oversight, and monitoring processes is essential for ensuring that CSLs can deliver on their promises of long-term sustainability and accountability.

## 7. GAPS AND WEAKNESSES OF CSLs IN RELATION TO THE EU DEFORESTATION REGULATION

The European Deforestation Regulation (EUDR) imposes requirements on companies (called Operators) within the EU market who place products on the EU market that are associated with deforestation risks. This chapter was added due to its current policy relevance. As the newest regulation, it reflects the latest efforts to address deforestation, with schemes and requirements that are still evolving. Unlike the Renewable Energy Directive III (REDIII), which recognizes certification schemes that comply with its criteria, the EUDR does not provide a “green light” for compliance based solely on certification. This makes it crucial to have initiatives that focus on benchmarking to evaluate how these schemes align with the regulation's goals.

Product coverage for EUDR include timber, rubber, soy, palm oil, cattle, and cocoa, as well as products derived from these raw materials. This means also that the results related to alignment with the EUDR is only relevant for CSLs that include covered commodities in their scope. This includes:

- FSC
- RA
- RSPO
- RTRS
- SBP
- RSB

The regulation requires Operators to implement due diligence processes to ensure that the products they place on the EU market do not contribute to deforestation or forest degradation.

The primary obligations are that operators must ensure that products are deforestation-free and are produced according to relevant legislation.

Traceability is another central pillar of the EUDR. Operators must provide geolocation data that can verify the exact location where the products, or the raw materials they are derived from, were produced. This is necessary to demonstrate that the products comply with the deforestation-free requirement. Additionally, operators must be able to trace their products throughout the supply chain, ensuring that all actors in the chain adhere to the necessary standards.

### 7.1 Definition of legality

The EUDR defines "relevant legislation of the country of production" as the laws applicable in the country where the commodities or products are produced. These laws must cover the following areas:

- a) Land Use Rights: Laws governing the legal status of land use and ownership in the area of production.

- b) Environmental Protection: Regulations related to the preservation of natural ecosystems, including forest conservation and environmental sustainability.
- c) Forest-Related Rules: Rules that govern forest management, biodiversity conservation, and practices directly related to wood harvesting.
- d) Third Parties' Rights: Legal protections for the rights of third parties, such as landowners, communities, or individuals affected by land use changes.
- e) Labour Rights: Laws concerning workers' rights, including fair wages, working conditions, and occupational safety.
- f) Human Rights: Compliance with human rights protections, particularly those safeguarded under international law.
- g) Free, Prior, and Informed Consent (FPIC): Legal standards ensuring that indigenous peoples' and local communities' rights are respected, including their right to give or withhold consent for land use, as set out in the UN Declaration on the Rights of Indigenous Peoples.
- h) Tax, Anti-Corruption, Trade, and Customs Regulations: Laws related to the payment of taxes, anti-corruption measures, and regulations concerning trade and customs compliance.

## 7.2 Definition of deforestation and forest degradation

To ensure that products placed on the EU market are “deforestation-free” the operator needs to ensure:

- a. That the relevant products contain, have been fed with or have been made using, relevant commodities that were produced on land that has not been subject to deforestation after 31 December, 2020; and
- b. in the case of relevant products that contain or have been made using wood, that the wood has been harvested from the forest without inducing forest degradation after 31 December, 2020

The EUDR provides specific definitions for deforestation and forest degradation:

### **Deforestation:**

The EUDR defines deforestation as the conversion of forest to agricultural use or to other non-forest land uses. In this context, a forest refers to an area of land of a certain size, with trees that meet specific thresholds for height and canopy cover. Under the EUDR, any activity that results in the permanent removal of forest for purposes such as agriculture, livestock farming, or urban development is considered deforestation. The regulation aims to ensure that products entering the EU market are not linked to such activities.

### **Forest Degradation:**

Forest degradation is defined as human-induced changes that negatively affect the structure and function of a forest, reducing its capacity to regenerate or sustain its ecological services. This could include activities like unsustainable logging, which reduces biodiversity, harms the soil, or weakens the forest's ability to recover. Forest degradation, though not a complete removal of forest cover, involves significant deterioration of the forest's quality and health, and the EUDR seeks to prevent products tied to these practices from entering the EU market.

Specifically, the EUDR define forest degradation as conversion of:

- a. primary forests or naturally regenerating forests into plantation forests or into other wooded land; or
- b. primary forests into planted forests

As can be seen above the EUDR applies specific definitions that have been used in the CBT when evaluating the CSLs.

## 7.3 Risk assessment

The EUDR also have strong emphasis on risk assessments. Operators are required to assess the level of risk associated with deforestation for each product in their supply chain. This involves evaluating the country of origin, the type of commodity, and the presence of high-risk factors, such as weak governance or illegal land use. If a product is deemed to have a high risk of contributing to deforestation, operators must implement risk mitigation measures. These measures may include gathering additional information, conducting audits, or altering sourcing practices to reduce or eliminate the risks.

The risk assessment requirements of the EUDR also includes some specific points that needs to be included:

- a) the assignment of risk to the relevant country of production or parts thereof in accordance with Article 29;
- b) the presence of forests in the country of production or parts thereof;
- c) the presence of indigenous peoples in the country of production or parts thereof;
- d) the consultation and cooperation in good faith with indigenous peoples in the country of production or parts thereof;
- e) the existence of duly reasoned claims by indigenous peoples based on objective and verifiable information regarding the use or ownership of the area used for the purpose of producing the relevant commodity;
- f) prevalence of deforestation or forest degradation in the country of production or parts thereof;
- g) the source, reliability, validity, and links to other available documentation of the information referred to in Article 9(1);
- h) concerns in relation to the country of production and origin or parts thereof, such as level of corruption, prevalence of document and data falsification, lack of law enforcement, violations of international human rights, armed conflict or presence of sanctions imposed by the UN Security Council or the Council of the European Union;
- i) the complexity of the relevant supply chain and the stage of processing of the relevant products, in particular difficulties in connecting relevant products to the plot of land where the relevant commodities were produced;
- j) the risk of circumvention of this Regulation or of mixing with relevant products of unknown origin or produced in areas where deforestation or forest degradation has occurred or is occurring;
- k) conclusions of the meetings of the Commission expert groups supporting the implementation of this Regulation, as published in the Commission's expert group register;



- l) substantiated concerns submitted under Article 31, and information on the history of non-compliance of operators or traders along the relevant supply chain with this Regulation;
- m) any information that would point to a risk that the relevant products are non-compliant;
- n) complementary information on compliance with this Regulation, which may include information supplied by certification or other third-party verified schemes, including voluntary schemes recognised by the Commission under Article 30(5) of Directive (EU) 2018/2001 of the European Parliament and of the Council (21), provided that the information meets the requirements set out in Article 9 of this Regulation.

Based on the above list a number of topics can be concluded to have relevance to CSLs, as the CSLs included in this study, all include requirements in these areas. We can therefore also use these to evaluate how well CSLs cover these issues required in the risk assessment.

The key issues include:

1. issues related to indigenous people's rights – this would be relevant in CSLs by evaluating how well the CSL cover issues related to Indigenous Peoples' rights
2. the ability of the CSL to ensure reliable documentation
3. Risks of corruption- this is relevant for CSLs in terms of their ability to address issues of corruption, fraud and conflicts of interest.
4. Risk of mixing, which would be relevant to CSLs in terms of the type of traceability of CoC system applied.

## 7.4 Using CSLs to manage risks and mitigation actions

In light of the requirements of the EUDR, certification schemes can serve as a valuable tool to help operators manage risks and fulfil their due diligence obligations.

However, certification alone may not be sufficient to fully meet the due diligence requirements of the EUDR. Operators are still responsible for verifying that certified products are traceable and compliant with the regulation's geolocation requirements. Certifications can be a component of a broader risk management strategy but should be supplemented with other measures, such as independent audits and supply chain mapping, to ensure full compliance.

For high-risk products or regions, certifications can be part of the risk mitigation strategy. Operators might prioritize certified suppliers to lower the risk of deforestation in their supply chains, and where risks are high, they can use certification as a signal of more reliable sourcing practices. In such cases, certification helps operators demonstrate compliance with environmental and social standards, offering a layer of assurance that risk mitigation actions are being implemented effectively.

Certification schemes can provide a useful framework for reducing deforestation and legality risks and provide supply chain traceability. However, certification should not replace other due diligence actions but rather complement them as part of a comprehensive strategy to ensure deforestation-free supply chains.

In evaluating the ability of Certification Schemes and Labels (CSLs) to provide assurance against the requirements of the EUDR, several gaps and weaknesses become evident across the schemes as a group.



These weaknesses could impact their overall effectiveness in meeting the stringent requirements of the EUDR.

## 7.5 Summary of key gaps in the CSLs evaluated against the EUDR

In the following we have outlined key findings from the CSL analysis in terms of key gaps present in the CSLs that may impact their ability to be used by EU operators as a means of managing risks.

### 7.5.1 Insufficient Coverage of Corruption Prevention and Conflict of Interest Management

One of the core obligations of the EUDR is ensuring that supply chains are free from illegal practices, such as corruption and land grabbing, which contribute to deforestation.

The comparative analysis of corruption and fraud prevention across various Certification Schemes and Labels (CSLs) shows mixed results. FSC, SBP and RSB stand out for their comprehensive mechanisms to prevent fraud and corruption. These schemes require both certificate holders and certification bodies to have clear policies addressing bribery, fraud, and conflicts of interest. RSB also mandates strict procedures for corruption risk management.

RSPO have notable gaps related to corruption prevention. RSPO lacks mechanisms for addressing corruption entirely. Similarly, Rainforest Alliance only partially cover corruption, with minimal requirements for certificate holders and certification bodies to manage these risks.

In summary, while some CSLs exhibit strong anti-corruption measures, others still fall short, leaving significant gaps in addressing fraud and corruption risks across their governance and assurance systems.

### 7.5.2 Traceability

The EUDR places significant emphasis on the **traceability** of commodities to ensure that they are sourced from deforestation-free regions. The EUDR requirement includes the transfer of the exact geolocation data of the plot for land of production throughout the supply chain to the Operator in the EU.

The traceability systems across different certification schemes show varying degrees of detail and technological integration. Most schemes offer basic traceability through chain of custody (CoC) approaches like segregation and mass balance, but only a few incorporate geolocation-based traceability.

FSC and RSB offer robust traceability mechanisms, with RSB explicitly allowing geolocation preservation as a traceability option. These schemes enable tracking at the country or sub-national level, ensuring a higher degree of detail in supply chain traceability. FSC focuses primarily on product traceability in its chain of custody system but does not specifically mention geolocation.

RTRS and SBP also incorporate mass balance and segregation but lack advanced geolocation features.

Some schemes like FSC and RA are also currently implementing regulatory add-on modules for their certificate holders, which includes a geolocation traceability system.

### **7.5.3 Weaknesses in addressing land tenure and Indigenous Rights**

A component of the EUDR is ensuring that land used for commodity production is legally sourced and does not infringe on the rights of Indigenous Peoples and local communities. Although some schemes, such as FSC and RSPO, provide strong protections for land tenure and Indigenous rights. RTRS, provide only partial or inconsistent coverage of these issues.

In regions where land conflicts and unclear land tenure systems contribute to illegal deforestation, these gaps could significantly undermine a CSL's ability to meet the EUDR's requirements for legal land use. Ensuring clear land tenure and respecting Indigenous rights is essential for preventing deforestation caused by illegal land grabbing or exploitation.

### **7.5.4 Inconsistent standards for smallholder inclusion**

The EUDR requires that all commodities placed on the EU market, including those produced by smallholders, are deforestation-free. However, many CSLs lack strong frameworks for the inclusion and support of smallholders in their certification systems. Smallholder farmers are often at higher risk of engaging in unsustainable land-use practices due to limited resources and access to sustainable farming methods. RSB have developed smallholder support programs, but others, like RTRS, provide limited guidance on how to integrate smallholders into deforestation-free supply chains. This inconsistency can result in gaps in the ability of CSLs to ensure that smallholder-produced commodities comply with the EUDR, particularly in regions where smallholder farming is prevalent.

### **7.5.5 Compliance with relevant legislation**

The EU Deforestation Regulation (EUDR) defines legality as compliance with the relevant laws of the country of production, including laws related to land use rights, labour rights, environmental protection, and taxes. To evaluate how well the Certification Schemes and Labels (CSLs) align with the EUDR's definition of legality, we can assess their frameworks based on their coverage of these legal aspects.

FSC and RSB demonstrate strong alignment with the EUDR's legality definition. These schemes ensure that certificate holders comply with national and international legal frameworks related to land use, labour rights, and environmental protection. RSB have requirements for robust due diligence systems in place that require full legal compliance with sourcing regulations, taxes, and land use, aligning closely with the EUDR's requirements for ensuring products are deforestation-free and legally sourced.

Rainforest Alliance partially meet the EUDR's legality requirements. While they cover aspects of legal compliance, they fall short of fully enforcing all aspects of legality, such as tax and land use rights. For example, Rainforest Alliance addresses compliance with environmental laws and some labour rights but does not fully cover the EUDR's broader legal framework, including detailed due diligence on illegal activities like deforestation.

On the other hand RSPO lacks strong alignment with the EUDR's legality criteria. RSPO does not fully integrate legal verification mechanisms into its framework, focusing more on sustainability rather than a strict legal compliance framework as outlined by the EUDR.

### **7.5.6 Limited coverage of deforestation and forest degradation**

The EUDR requires that commodities be produced without deforestation or forest degradation. While some schemes, such as FSC and SBP are strong in monitoring and preventing deforestation, others offer limited coverage of illegal land-use change. Rainforest Alliance lack criteria to prevent deforestation, such as for example conversion of forest plantation areas into agriculture. ISCC has a strict zero-deforestation policy for high-carbon stock lands, including primary forests, peatlands and other ecological sensitive areas that are critical for conservation efforts. However, the latter approach excludes plantation forests not classified as high carbon stock area.

These weaknesses could impede their ability to provide credible assurance that commodities are sourced from legally deforested-free land under the obligations of the EUDR.

## 8. CONCLUSIONS

The comprehensive analysis of ten leading Certification Schemes and Labels (CSLs) reveals both encouraging strengths and significant areas requiring improvement in the landscape of sustainability certification. Several key conclusions emerge from this evaluation:

First, the CSLs demonstrate robust performance in fundamental sustainability areas, particularly in addressing basic human rights, environmental protection, and workplace safety. Most schemes have established strong frameworks for preventing child labour, protecting biodiversity, and ensuring proper chemical management. This indicates a mature understanding of core sustainability requirements and reflects the schemes' evolution in response to stakeholder expectations.

However, systematic gaps persist across multiple schemes in several critical areas:

1. **Climate Change Adaptation:** Despite growing recognition of climate change's impacts, most CSLs lack comprehensive frameworks for helping certified entities adapt to climate risks. This represents a significant oversight given the increasing vulnerability of agricultural and forestry sectors to climate impacts.
2. **Social Protections:** While basic labour rights are well-covered, more complex social issues like responsible remuneration and employer-provided housing receive insufficient attention. This gap potentially leaves vulnerable workers without adequate protection, particularly in sectors relying heavily on seasonal or migrant labour.
3. **Anti-Corruption Measures:** Most schemes demonstrate inadequate frameworks for preventing corruption and managing conflicts of interest, potentially undermining the credibility of certification processes.
4. **Oversight and Monitoring:** There are weaknesses in accreditation processes and ongoing monitoring systems.

With regard to the EU Deforestation Regulation (EUDR), the analysis reveals varying levels of readiness among CSLs. While schemes demonstrate some alignment with EUDR requirements, the following gaps were identified:

- Geolocation traceability
- Comprehensive legal compliance verification
- Prevention of deforestation for all forest types
- Protection of Indigenous rights and land tenure
- Smallholder inclusion

The postponement of EUDR implementation provides a critical window for CSLs to address these gaps and strengthen their frameworks. However, this will require significant investment in updating standards, improving traceability systems, and enhancing verification mechanisms.

Looking forward, the following recommendations emerge for improving the effectiveness of CSLs:

1. Develop frameworks for climate change adaptation that provide practical guidance for certified entities
2. Strengthen social criteria, particularly regarding fair wages

3. Implement more comprehensive anti-corruption measures across all levels of certification
4. Enhance monitoring and evaluation systems to better track long-term compliance and impacts
5. Improve alignment with emerging regulations

These findings suggest that while CSLs play a valuable role in promoting sustainability, significant evolution is needed to meet emerging challenges from regulatory requirements. The success of future certification efforts will depend on the ability of schemes to address these gaps while maintaining their existing strengths in core sustainability areas.

Finally, this analysis underscores the importance of continued evaluation and benchmarking of certification schemes. As sustainability challenges evolve, and regulatory landscape become more complex, regular assessment of CSL effectiveness will be crucial for ensuring they remain relevant and impactful tools for promoting sustainable practices across global supply chains.