

BENCHMARK METHODOLOGY FOR BEEF FSA PILOT

Introduction

The following are the objectives of the Beef FSA Pilots:

- Interact and communicate with scheme owners to highlight the importance of beef sustainability and encourage adoption of key sustainability criteria in assurance scheme requirements.
- Collaborate with a range of Scheme owners to undertake a benchmarking exercise between their scheme and the SAI Platform Beef FSA to identify areas of alignment and disparity.
- Establish a consistent and robust benchmarking process.
- To identify and address any issues that may cause concern or disagreement, to ensure the focus remains on helping the industry by addressing the identified disparities and local priority beef sustainability issues
- Identify appropriate steps and timescales associated with the alignment (Beef FSA and industry scheme) process.
- Create a reporting framework for the pilots to ensure robust and consistent feedback.

This document describes the methodology for benchmarking the SAI Platform Beef Farm Sustainability Assessment (FSA) during the pilot programme against:

- Company sustainability codes,
- Private and public standards, including certification schemes, and
- Country/region specific legislation.

Benchmarking of such schemes is a vital step in identifying tools that the European beef industry can use to address the sustainability changes it faces. Through working collaboratively with these schemes, SAI Platform hopes to identify areas where SAI Platform can work with the industry to drive sustainability improvements.

Benchmarking Process

The benchmark covers two overarching aspects of the standard:

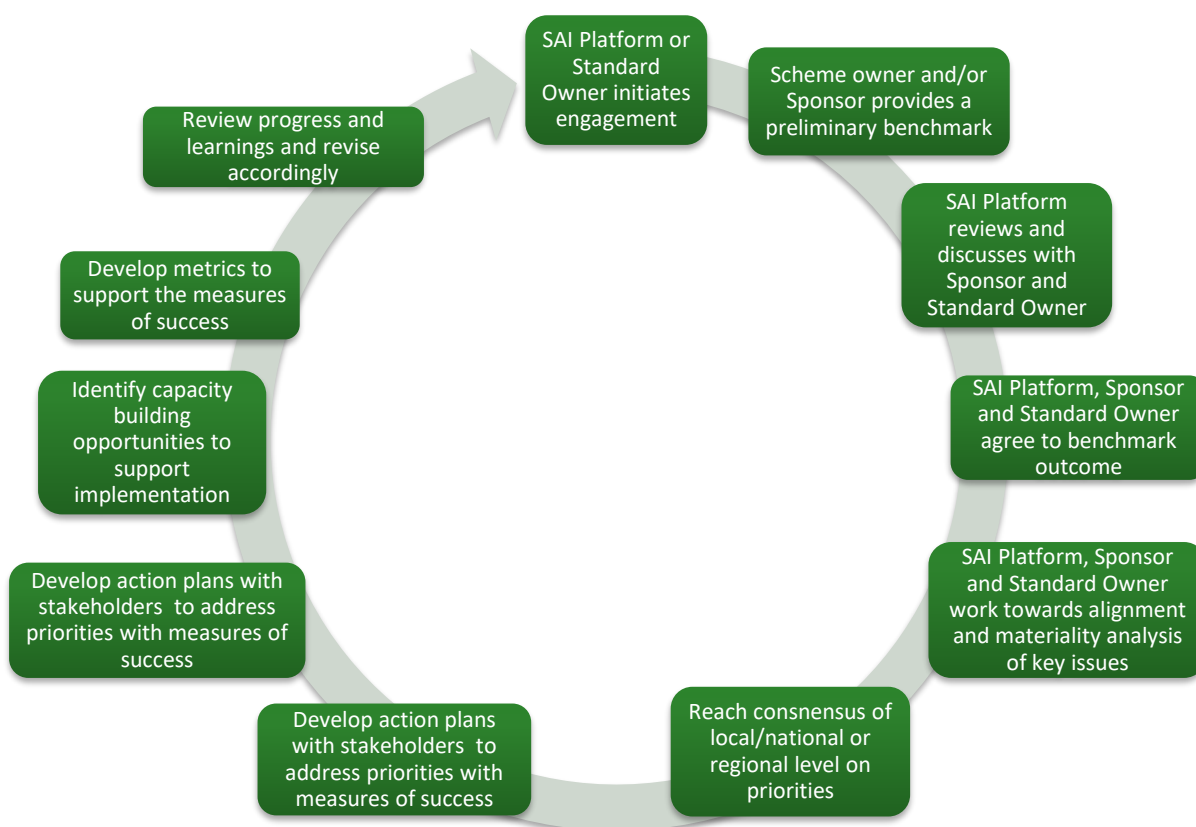
- content
- governance and verification.

The content relates to the questions covered by the Standard's requirements and how well they align with the questions in the FSA, on scope and ambition. Governance and verification relates to how the standard is put together, revised, consulted upon etc., as well as how extensively it is audited and verified. Therefore, a standard will receive feedback on both content and a summary on governance and verification. A customised excel template for the beef FSA should be used to conduct the benchmark (Annex A).

For the pilot the preliminary benchmark will be carried out by the standard holder themselves, in conjunction with the Pilot Sponsor (generally a SAI Platform member company). Following the completion of the preliminary benchmark the SAI Platform will carry out a final check of the benchmark results.

Support will be available from the SAI Platform for those carrying out the preliminary benchmarking work. If support is required on understanding how the template works, whether a requirement should be considered fully covered or not etc. people involved should contact SAI Platform.

The benchmarking process is shown in the diagram overleaf. The pilots will check how this process works in practice for the Beef FSA, with the objective of either adopting as is or recommending changes. The step marked in red (publishing outcomes on the website) will not be done as part of the pilots and one of the outcomes of the pilot will be to make a recommendation about whether publishing the outcome is desirable or not.



During the pilot, communication with the owners of standards regarding benchmark results and next steps will be via the Sponsor, facilitated if necessary by the SAI Platform.

Part 1. Content Benchmark

Types of Content Benchmark

There are two types of content benchmark:

- benchmark of legislation in a particular country/region;
- benchmark of the standard itself.

For the Beef FSA pilots, benchmarks will be done both with and without inclusion of the relevant legislation. Decisions as to whether legislation can be considered in addition to the scheme will be made on a country-by-country basis, based on evidence provided by the consultancy Anthesis, who are carrying out country-level risk assessments.

The legislation benchmark of EU countries includes compulsory EU Cross Compliance measures, but not the voluntary ones unless they are part of the mandatory country specific legislation in question. It must be noted that legislation alone, or legislation plus EU Cross Compliance measures, cannot be used as a substitute for the FSA. It is critical that there are management and support systems in place for farmers, as well as a verification or assurance system, which is commonly provided in the presence of standards.

There may be SAI Platform FSA questions that are not part of either legislation or the standard, but could be seen as ‘normal or common practice’ in a country or region. This common practice cannot be taken into account in the benchmark; SAI Platform recommends that the common practices are added to the standard to ensure they are covered during the benchmark and to ensure they are truly complied with.

Assessment

The Beef FSA contains three levels of questions: Essential, Basic and Advanced. Every FSA question should be assessed individually on its coverage by the standard or legislation under review. The possible scores are “Yes”, “No”, “Partly” or “Not Applicable” – all four options are included in the benchmarking template. These have the following significance:

- Yes: the standard / legislation covers 100%, or is more ambitious than the FSA question
- No: the standard / legislation does not cover the FSA question
- Partly: the standard / legislation covers only some of the issues included in the FSA question.
- Not Applicable: an FSA question contains topics that do not refer to the agricultural material or region covered by the standard (e.g. questions related to irrigation or pasture if irrigation or pasture is not used).

Some standards categorise their requirements as:

- Mandatory/major criteria or ‘musts’ – normally 100% compliance is required
- Minor criteria or ‘should’ – often a certain x% of compliance is required; some standards require that a farmer must meet all these minor criteria in y years.
- Recommendations – compliance is generally not required.

All FSA questions can be covered by a standard’s mandatory, major or minor criteria, according to the method described below. Recommendations are not taken into account in the benchmark.

The fairest and most pragmatic way to make a distinction between major and minor criteria is to make separate scoring columns for the individual FSA questions:

1. Score of all requirements, without distinction in Mandatory/Major and Minor.
2. Score of all requirements, with an adjusted calculation of the FSA questions with a “Yes” score when they are covered by Minor requirements. In order not to take fully into account a “Yes” score in this case it should be multiplied by the % of compliance of this category of requirements required by the standard.

The score in the first column represents a maximum score of the standard. The score in the second column should be seen as a minimum score, representing farmers who comply with the absolute minimum of the standard. The score published will be that of the minimum compliance required.

When scoring a benchmark, “yes” is 1 point, “partly” is 0.5 points, and “no” is 0 points. Questions that are deemed “not applicable” are removed from the total number of questions, to ensure that non-applicable questions do not affect the overall score.

For the Beef FSA, the main purpose of benchmarking is not to assess the detailed current level of performance of the Standard, but to identify areas of relative weakness, where the Beef Working Group would like to work with the Standard Owner to add or improve certain elements. The outcome of the template exercise is therefore important but not the end of the process. Following the findings of this part of the benchmark, work needs to be done on identifying where the most significant or

material gaps are in the standard and thinking about how the standard owner may be able to work to fill the gaps.

Assessment Review

Benchmarking is rarely straightforward. In many cases, one FSA question is covered by several standard criteria, some of which may be mandatory and others minor. Therefore, it is important to review the benchmark taking into account the “spirit of the standard”. For the Beef FSA pilots, this should also link back to the Beef Principles and Practices (Annex B). If the standard, for example, has several criteria about water management and pollution control, but the wording of the criteria does not match the FSA question wording, it is necessary to assess whether the intent of the FSA question is covered, and how the criteria represent the overall issue covered by the FSA question. Where coverage is not straightforward and clear, it is important to include in the comments column the reasoning behind listing coverage as “yes” or “partly”.

It is important to note that this interpretation must be stricter when benchmarking legislation, and “partly” is not an option for legislation benchmarks. This is because the level of verification and assurance for legislation is usually much lower than for a standard.

Once the benchmark results are entered into the excel template, the score is automatically generated (calculation formulas are already available in the excel template (see Annex A).

Substantiation and References

Standard owners are always asked to send their latest version of standard documents and other relevant information. The name and version number of these documents should be clearly identified in the benchmark document.

References to the articles/sections in the standard and legal names should be described in the benchmark document and (if needed) additional remarks that explain the score. When FSA questions are partly covered, explanatory remarks should always be added to the benchmark document (see template).

Presentation of the Results

Results are automatically presented in different tables in the template.

An overview of the score is given in two different tables:

- Scores per Type of FSA question (Essential, Basic, Advanced): amount and percentage of questions with scores “Yes”, “No”, “Partly” or “Not applicable”. See an example in Table 1.

- Scores per Topic: percentage of questions fully covered (score “Yes”), divided per FSA Topic (Soils, Water etc.). See an example in Table 2.

Table 1: Example of Performance per Type of question.

Type	Answer	Score (excl. Not Applicable)	Percentage (excl. Not Applicable)
Essential	Yes	23 out of 23	100%
(Total=23)	No	0 out of 23	0%
	Partly	0 out of 23	0%
	Not Applicable	0 out of 23	All Applicable
Basic	Yes	41 out of 60	68%
(Total=60)	No	14 out of 60	23%
	Partly	5 out of 60	8%
	Not Applicable	0 out of 60	All Applicable
Advanced	Yes	9 out of 29	31%
(Total=29)	No	18 out of 29	62%
	Partly	2 out of 29	7%
	Not Applicable	0 out of 29	All Applicable

Table 2: Example of Performance per Topic.

Scores (answer: Yes / (Total - Not Applicable))	Essential	Basic	Advanced
Legal Compliance	100%	100%	No Advanced
Farm Management	No Essential	50%	0%
Health & Safety	100%	100%	50%
Local Community	100%	No Basic	50%
Planting	No Essential	40%	0%
Soil Management	No Essential	0%	0%
Nutrient Management	No Essential	50%	0%
Crop Protection	100%	80%	100%

Agro-chemicals	100%	100%	No Advanced
Waste Management	No Essential	50%	No Advanced
Water Management	100%	50%	0%
Biodiversity	100%	67%	0%
Greenhouse Gas Emissions	No Essential	0%	0%
Air	No Essential	No Basic	0%
Financial Stability	No Essential	0%	0%
Market Access	100%	50%	100%
Labour Conditions	100%	100%	50%
TOTAL	100%	68%	31%
	No Answer		0%

In addition to the formal benchmark results, it should be noted in the results if the standard is strong on content for a specific region and/or concern, such as water management concerns in Spain, thereby providing context for the benchmark result.

As discussed, for the beef FSA pilots, the score as shown in the tables is not the most important outcome. It does however provide guidance on where the opportunities lie for crucial improvements to be made, for example, where Essential requirements are not covered, or entire sections are missing.

Length of Validity

The Beef FSA will be revised every three years, as directed by the FSA Verification and Integrity committee. The benchmark score is approved for the standard version or set of legislation at that particular date and the FSA version used in the benchmark, and is valid until an updated benchmark is carried out. Benchmarks will be updated after FSA revision, and will be carried out on the latest version of the standard or latest revision of the legislation. A benchmark may be redone, if for example, the standard is revised prior to the FSA revision, and the requesting company would be responsible for the additional costs.

Part 2. Governance and Verification

The second phase of the benchmark addresses the governance and verification levels of the standard; how, and how often, the standard is revised, how extensively it is audited and verified etc. Note this second phase is not carried out for legislation benchmarks. The information provided in this section does not affect the content score described in Part 1. but does serve to guide standard owners in which areas of governance they might need to improve to increase the credibility or integrity of their scheme.

The ISEAL Alliance is the global membership association for credible sustainability standards, whose mission is to improve the impact and effectiveness of current and potential future standards. ISEAL has defined a list of good practices that it requires all member standards to have. SAI Platform have defined a subset from this list against which governance will be judged. The beef pilots will be the first time this list has been used in this way, so the results will guide us on its use in the future for both the Beef and the Crop FSAs.

Table 4: Summary of Governance and Verification Criteria Taken from the ISEAL list of Good Practices.

Scheme Management	
1) The scheme owner has a sustainability-oriented mission or vision	
2) Stakeholders ¹ have an opportunity to provide input on the intended sustainability impacts and possible unintended effects of the standards system	
3) On a regular basis, the scheme owner monitors and evaluates progress towards its sustainability impacts and accurately and communicates the results to SAI Platform BWG	
Standard-setting	
4) Information is made available on standards development and revision processes and on decision-making	
5) Decision-making on the content of the standard includes a balance of stakeholders and aims for consensus	
6) The standard is reviewed and revised on a regular basis (not exceeding five years)	
Assurance	
7) The overall assurance methodology and structure for the scheme are available	
8) Assurance bodies are required to implement a management system that supports consistency, competence and impartiality (e.g. ISO 17065, 17021 or equivalent)	
9) Full audits of at least a sample of clients are carried out regularly (from every year to every 5 years depending on sector)	
10) Full audits include office visits and on-site assessments of at least a sample of operations	

¹ For private schemes, 'stakeholders' refers to the users of the scheme, or 'customers'.

11) There is an available methodology for how compliance with a standard is determined (e.g. the scoring methodology)	
12) The certificate or license defines the scope of certification and duration of validity	
Group Certification (where applicable)	
13) Groups are required to operate an internal management system that includes procedures for inducting, evaluating and removing group members	
14) There is a representative sampling methodology for assessing group members during the external audit, and defined repercussions when a sampled member is found to be non-compliant	
Personnel Competence	
15) Specific qualifications and competencies are defined for auditors and assurance body personnel	
16) Auditors and assurance body personnel are required to participate in regular training and professional development	

Annex A

Beef FSA Excel Template attached