



# BEEF ON TRACK

## **ANALYSIS OF CERTIFICATION SYSTEMS FOR LEATHER PRODUCTION**

**COMPARISON BETWEEN CSCB, LWG AND ICEC**

Álvaro Flores  
Maria Guida Junges  
Lisandro Inakake de Souza

DECEMBER 2020



## TABLE OF CONTENTS

1. PROGRAM CHARACTERISTICS.....	3
2. SCOPE AND APPLICATION .....	5
3. LEATHER TRACEABILITY.....	7
4. RELATIONSHIP WITH THE DEFORESTATION / CONVERSION-FREE CRITERIA OF AFI AND CFA.....	8
4.1 Alignment of criteria .....	8
4.2 Specific Aspects.....	11
5. STRENGTHS AND WEAKNESSES .....	12
REFERENCES.....	14



## 1. PROGRAM CHARACTERISTICS

The three certification programs that apply to leather and were analysed in this paper are described briefly below.

**CSCB** – The Brazilian Leather Sustainability Certification Program (CSCB) is led by the Brazilian Tanning Industry Centre (*Centro das Indústrias de Curtumes do Brasil - CICB*), and started up in 2012. The certification follows the requirements of the standard "ABNT NBR 16.296 - Leather - Principles, criteria and indicators for sustainable production" which addresses the three dimensions of sustainability (economic, environmental and social) and the tannery management system. The certification process is defined by "Order INMETRO 314/2015 - Requirements for the Assessment of Compliance for Sustainability of the Leather Production Process". The production process is audited and certified by a third party entity accredited by the Institute of Metrology, Standardisation and Industrial Quality (INMETRO). The scope is national and focuses on Leather Production Units. The certification is granted according to the level of service of the indicators of each dimension.

**LWG** – The Leather Working Group is a non-profit organization, which was created in April 2005 by a group of brands and tanneries that came together to promote practices of environmental management within the leather industry. The cornerstone of the group is the Environmental Audit Protocol, which assesses the environmental performance of tanneries based on the parameters established by LWG. In addition to tanneries, traders and subcontractors can also be certified. The audits are performed by professionals from the group itself. This certification is the most widely used by tanneries and is requested by international buyers, with tanneries from 48 countries having the certification. The level of certification depends on the score received in each section of the Protocol.

**ICEC** – The Italian Institute of Quality Certification for the Leather Sector (*Istituto di Certificazione della Qualità per l'Area Pelle - ICEC*), founded in 1994, is the only certification institute in the world dedicated to the leather sector. ICEC is accredited to issue several Management System certifications, such as ISO 9001, 14001 and 45001. In addition to these accreditations, ICEC issues certifications for leather and leather products (based on national or manufacturer standards) and for leather traceability, based on the Institute's own Technical Specifications. ICEC is the auditing entity and is not involved in consulting for the programs. It can certify tanneries in Italy and in other



countries based on its standards. Specifically, in regard to the matter of traceability, assessment levels are established based on the mathematical model developed by the Institute.

Table 1 shows a comparison of the characteristics of the programs.

**Table 1 - Comparison of Programs**

	CSCB	LWG	ICEC
Promoting entity	CICB	LWG and participating brands	ICEC
Start of activities	2012	2005	1994
System*	Public	Proprietary	Public and proprietary
Reference documents	ABNT Standard and INMETRO Ordinance	LWG Protocols	ISO, UNI standards and ICEC Technical Specifications
Scope	National	Global	National with possibility of extending to other countries
Scope	Management, Economic, Environmental and Social	Environmental	Environmental, Ethical-Social and Product/Economic
Certified organisations	Tanneries	Tanneries, traders, subcontractors and chemical companies	Tanneries and leather goods producers
Certification Levels	Compliance with indicators in each dimension:	Percentage of score achieved:	Specific for traceability:
	<b>Bronze</b> <b>minimum 50%</b>	<b>Bronze</b> <b>minimum 65%</b>	<b>Average</b> <b>30 points</b>
	<b>Silver</b> <b>minimum 75%</b>	<b>Silver</b> <b>minimum 75%</b>	<b>Good</b> <b>31 to 70 points</b>
	<b>Gold</b> <b>minimum 90%</b>	<b>Gold</b> <b>minimum 85%</b>	<b>Very good</b> <b>71 to 90 points</b>
	<b>Diamond</b> <b>100%</b>		<b>Excellent</b> <b>91 to 100 points</b>
Performance of audits	Third-Party Certification Bodies (SENAI and IFB)	LWG	ICEC
Frequency of audits (maintenance)	12 months	Gold: 24 months Other: 18 months	12 months
Certified companies in Brazil	4	65	0
Certified companies (total)	4	298	46**

Notes:

\* The "public" system was defined as a system that does not depend on the action of the promoting entity because it is based on official standards and the "proprietary" system is that developed by the promoting entity.

\*\* Specifically, in traceability TS.



## 2. SCOPE AND APPLICATION

The main application characteristics of each program are briefly described below and the assessed criteria is compared in Table 2.

**CSCB** – The principles established in the ABNT NBR 16.296:2020 standard constitute the benchmark for the sustainable production of leather, in each of its dimensions: economic, environmental and social. There is also a specific section to handle sustainability management by the company. The logic used in the standard is based on a few classic management tools, such as the PDCA Cycle and management by indicators. The company must have evidence of compliance with each indicator, which may be qualitative or quantitative.

**LWG** – The LWG protocol is aligned with the best environmental practices in the curing industry. In fact, the protocol is a set of auditing tools used to evaluate the environmental performance of tanneries, which are certified based on their degree of compliance with the established standards using a quantitative score established for the requirements. The data collected by the company during the assessment period is verified by the auditors at the production unit and at third parties (mini-audit).

**ICEC** – The ICEC does not have a single standard with respect to sustainability. A set of standards are offered, each with its own certification. The certifications may be applied to tanneries, leather manufacturing companies (footwear, leather goods, accessories, etc.) and subcontractors (third parties, chemists, technology producers, etc.). Audits of all systems are performed by teams of auditors trained by ICEC.



**Table 2 - Scope of Programs**

DIMENSION	CSCB (Principles)	LWG (Sections)	ICEC (Standards)
MANAGEMENT	Sustainability Management System	<u>Environmental management systems</u>	<ul style="list-style-type: none"> <li>Quality Management System (ISO 9001)</li> <li>Environmental Management System (ISO 14001)</li> <li>Occupational Health and Safety Management System (ISO 45001)</li> </ul>
ENVIRONMENTAL	<ul style="list-style-type: none"> <li><u>Compliance of applicable legal requirements</u></li> <li>Traceability</li> <li><u>Control of restricted substances</u></li> <li>Water usage management</li> <li>Energy usage management</li> <li>Production processes</li> <li>Waste management</li> <li><u>Treatment of liquid effluents</u></li> <li>Management of air emissions</li> </ul>	<ul style="list-style-type: none"> <li><u>Operating licenses</u></li> <li><u>Tannery data</u></li> <li><u>Traceability of raw materials</u></li> <li><u>Restricted substances</u></li> <li><u>Energy consumption</u></li> <li><u>Water consumption</u></li> <li><u>Air and noise emissions</u></li> <li><u>Waste management</u></li> <li><u>Treatment of effluents</u></li> <li><u>Emergency plans</u></li> <li><u>Housekeeping</u></li> <li>Manufacturing Processes</li> <li>Beamhouse processes</li> <li>Post-curing processes</li> <li>Finishing processes</li> <li>Complaints and public relations</li> </ul>	<ul style="list-style-type: none"> <li>Eco-Management and Audit Scheme (EMAS)</li> <li>ECO-COURO (UNI 11427)</li> <li>Environmental footprint of products</li> <li>Traceability of raw materials (leather) ICEC TS_SC410 and ICEC TS_PC412.</li> <li>Traceability of leather products (ICEC TS_PM414)</li> </ul>
ECONOMIC	<ul style="list-style-type: none"> <li>Production performance</li> <li>Product performance</li> <li>Economic impact</li> </ul>		<ul style="list-style-type: none"> <li>Product compliance</li> </ul>
SOCIAL	<ul style="list-style-type: none"> <li><u>Compliance of applicable legal requirements</u></li> <li>Internal audience</li> <li>External providers</li> <li>Fair competition practices</li> <li>Clients</li> <li>Involvement with the local community, government and society</li> </ul>		<ul style="list-style-type: none"> <li>UNIC Code of Conduct and Social Responsibility</li> </ul>

**Notes:**

- Highlights (underlined) of such principles or criteria that are considered required or mandatory.
- For a detailed view of the certification systems, please refer to their specific documents.



### 3. LEATHER TRACEABILITY

Issues related to leather traceability are addressed by all three certification programs. However, there are differences between the three, which are highlighted in table 3.

**Table 3 - Differences in traceability**

Requirement		CSCB	LWG	ICEC - TS
Internal traceability		✓ Yes	✓ Yes	✓ Yes
System	Documentary	✓ Yes	✓ Yes	✓ Yes
	Physical	✓ Yes	✓ Yes	✗ No
Scope	Meatpacker	✓ Yes	✓ Yes	✓ Yes
	Direct farm	✓ Yes	✓ Yes	✓ Yes
	Indirect farm	✗ No	✗ No	✗ No
Differentiation of the biome		✗ No	✓ Yes	✗ No
Mandatory traceability for certification		✗ No	✗ No	✓ Yes
Presents clarity regarding compliance with the criteria		✗ No	✓ Yes	Partly

Note:

- For a detailed view on how to proceed with the traceability of the certification systems, please refer to their specific documents.



## 4. RELATIONSHIP WITH THE DEFORESTATION / CONVERSION-FREE CRITERIA OF AFI AND CFA

This chapter offers two studies. A generic one, comparing the alignment of the general principles of the Accountability Framework Initiative (AFi) and the Collaboration for Forests and Agriculture (CFA) with the certification system. The latter, specifically assessing aspects linked to deforestation and conversion, human rights and reporting of results.

### 4.1 Alignment of criteria

Table 4 below shows the correlation between the Principles of AFi and the criteria of each program. None of the certifications are aligned with the CFA Elements.

**Table 4- Correlation of AFi x Certification criteria**

LEGEND ■ Complies ■ Partly complies ■ Does not comply ■ Complies through ISO standards

Criteria	CSCB	LWG	ICEC
<b>Accountability Framework Initiative (AFi)</b>			
<b>1 Protection of forests and other natural ecosystems</b>			
1.1 Supply chains free from deforestation and protection of forests			
1.1.1 Commitments not to deforest			
1.1.2 Commitments to protect natural forests			
1.1.3 Commitment with deadline			
<b>1.2 Supply chains free from deforestation / protection of other ecosystems</b>			
1.2.1 Commitments not to convert			
1.2.2 Commitments to protect natural ecosystems			
1.2.3 Commitments for recovery or compensation			
<b>2 Respect for human rights</b>			
2.1 Respect for all human rights			
2.1.1 Engage stakeholders and respect their rights			
2.1.2 Avoid causing adverse human rights impacts			
2.1.3 Prevent human rights impacts linked to operations			ISO
2.1.4 Avoid undermining the government's abilities to uphold human rights			
2.1.5 Provide grievance mechanisms focused on human right risks			
2.1.6 Remedy where the company caused / contributed to adverse impact			
2.1.7 Security and confidentiality of environmental / human rights defenders			
2.1.8 Respect the human rights of all people			



Criteria	CSCB	LWG	ICEC
<b>2.2 Respect for the rights of indigenous peoples and local communities</b>			
2.2.1 Operations according to UN Declaration on the Rights of Indigenous Peoples	Red	Red	Red
2.2.2 Rights of indigenous peoples and local communities	Red	Red	Red
2.2.3 Free, prior and informed consent (FPIC) has been secured	Red	Red	Red
2.2.4 Suitable measures reflecting the outcomes of an FPIC process	Red	Red	Red
2.2.5 Take remedial action	Red	Red	Red
<b>2.3 Respect for workers' rights</b>			
2.3.1 Rights of hired and temp workers are respected	Green	Red	Red
2.3.2 Conduct due diligence to assess the operations	Green	Red	Blue
2.3.3 Engage with all levels of workers, trade unions and others	Green	Red	Blue
<b>3 Specifications of the commitments</b>			
<b>3.1 Scope</b>			
3.1.1 All sectors that may pose social or environmental risk	Green	Orange	ISO
3.1.2 Excluded commitments are not subject to environmental or social risks	Green	Green	Blue
<b>3.2 Verifiable actions and time-bound targets</b>			
3.2.1 Publicly announce the targets and deadlines of the commitments	Red	Red	Red
3.2.2 Targets aimed at fighting deforestation and conversion	Red	Red	Red
3.2.3 Commitments related to human rights recognize the obligation	Green	Red	Red
3.2.4 Implementation schedule with deadlines/ prioritization for the most significant items	Green	Red	Red
3.2.5 Targets and indicators are specific	Green	Orange	ISO
3.2.6 Targets and indicators reviewed with relevant stakeholders	Green	Orange	ISO
<b>3.3 Terminology and definitions</b>			
3.3.1 Commitments reference and use the common definitions of the AFI	Red	Red	Red
3.3.2 Definitions in all aspects of business management and the supply chain	Red	Red	Red
<b>3.4 Relationship between company commitments and applicable law</b>			
3.4.1 Highest standard will be the reference point for fulfilling the obligations	Green	Orange	ISO
<b>4 Company systems and processes to drive effective implementation</b>			
4.1 Accountability of a senior leadership to stand behind commitments	Green	Orange	ISO
4.2 Commitments are embedded into decision-making processes, systems and performance metrics	Green	Orange	ISO
4.3 Avoid financing for suppliers with deforestation, conversion, impacts	Red	Red	Red
4.4 Stakeholder plans for compliance with supply chain commitments	Red	Red	Red
<b>5 Supply chain assessment and traceability</b>			
<b>5.1 Acquisitions are assessed</b>			
5.1.1 Origin of raw material at the farm level. Tracking of supplies.	Green	Green	ISO
5.1.2 Origin of raw material at the farm level. Tracking of supplies.	Green	Green	ISO
<b>6 Supply chain compliance management</b>			
6.1 Notify suppliers they will accept only materials aligned with commitments / AFI	Orange	Green	Red
6.2 Provide support to suppliers to help them fulfil their obligations	Green	Red	Red
6.3 Manage non-compliance of supplier and engage them in action plan	Green	Red	ISO
6.4 Engage direct suppliers to control compliance on an indirect supply basis	Red	Red	Red



Criteria	CSCB	LWG	ICEC
<b>7 Land acquisition, land use planning and site development</b>			
7.1 Provides support for an assessment and a land-use planning process			
7.2 Operational Guideline on Respect for Rights of Indigenous Peoples / Local Communities			
7.3 Protection / management of areas for conservation / indigenous peoples or local communities			
7.4 Compliance with elements for land rights and requirements for their suppliers			
<b>8 Land management and long-term protection</b>			
8.1 Management activities for long-term protection of land values and rights			
8.2 Take steps to handle and remedy			
8.3 Acquire interests in commodity-producing land and undertake obligations			
8.4 Buyers ensure that direct/indirect suppliers meet requirements			
<b>9 Access to remedy and environmental restoration</b>			
9.1 Provision for fair and just remedial measures			
9.2 Establish a grievance mechanism that adheres to the Effectiveness Criteria and the UN.			
9.3 Land interests are not divested until grievances have been resolved			
9.4 Responsibility for remedying past harm to producing properties.			
<b>10 Collaboration for landscape and sectoral sustainability</b>			
10.1 Improve land governance, avoid deforestation and conversion of other ecosystems			
10.2 Works with governments / stakeholders to publish maps and other information			
10.3 Participates in sector initiatives			
10.4 Makes purchases in contexts of social, environmental risk or weak governance			
10.5 Communicates and encourages compliance with ethical supply chain requirements			
10.6 Encourages partners to follow the elements of the Accountability Framework			
10.7 Business support and government engagement is consistent			
<b>11 Monitoring and verification</b>			
11.1 Monitoring / verification (M&V) assesses compliance with commitments and obligations			ISO
11.2 Supplier performance			
11.3 M&V is based on clearly defined metrics			
11.4 M&V methodologies use recognized and technically-sound approaches			
11.5 M&V information from local players in assessment considering confidentiality			
11.6 Verification follows good practice standards			
11.7 Independent third party verification is conducted to the extent necessary			ISO
11.8 Third party verification reports are publicly available			
11.9 Uses M&V results for decision making and continuous improvement			
<b>12 Reporting, disclosure and claims</b>			
12.1 Annual publication of progress meeting commitments for stakeholders			
12.2 Discloses information publicly			
12.3 Public communication on performance, actions and implementation outcomes			



## 4.2 Specific Aspects

Table 5 shows the comparison of the specific aspects linked to deforestation and conversion, human rights and dissemination of results.

**Table 5 - Correlation of specific criteria**

Requirement	CSCB	LWG	ICEC
Explicitly considers deforestation	✘ No	✘ No	✘ No
Child, forced and slave-like labour	Mandatory	✘ No	UNIC Code
Occupational health and safety	Mandatory	Partly	ISO 45001
Non discrimination, wages, association	Optional	✘ No	UNIC Code
Reporting of audit results	✘ No	✘ No	✘ No



## 5. STRENGTHS AND WEAKNESSES

With the purpose of concluding this report, two tables with the main strengths (table 6) and weaknesses (table 7) have been provided in the different Certification Programs.

**Table 6 - Main strengths of certification programs**

STRENGTHS		
CSCB	LWG	ICEC
<ul style="list-style-type: none"> <li>• Coverage of sustainability aspects, including the three dimensions (economic, environmental and social).</li> <li>• Establishment of a Sustainability Management System.</li> <li>• Good alignment of the principles applied to the tannery with the AFi principles.</li> <li>• Robust third-party monitoring and verification procedure by a third party accredited by INMETRO.</li> <li>• Mutual recognition with ICEC.</li> </ul>	<ul style="list-style-type: none"> <li>• Global reach.</li> <li>• Participation as members of several players of the leather production chain.</li> <li>• Transparency regarding the level of traceability of each tannery.</li> <li>• Mini-audits in subcontractors.</li> <li>• Cooperation with various international bodies.</li> <li>• Recent creation of the Traceability Working Group with the involvement of NWF.</li> </ul>	<ul style="list-style-type: none"> <li>• Coverage of sustainability aspects of the certifications, including the three dimensions (economic, environmental and social).</li> <li>• Specific standards for traceability.</li> <li>• When considering the ISO standards, good alignment of the principles applied to the tannery with the AFi principles.</li> <li>• Robust, third party monitoring and verification procedure.</li> <li>• Cooperation with various international bodies.</li> <li>• Mutual recognition with CSCB.</li> </ul>



**Table 7 - Main weaknesses of certification programs**

WEAKNESSES		
CSCB	LWG	ICEC
<ul style="list-style-type: none"> <li>• It does not explicitly consider criteria linked to ecosystem deforestation and conversion.</li> <li>• There is no obligation to meet the traceability criteria.</li> <li>• There is no transparency regarding the level of certification (with the exception of "diamond") and compliance (or not) with traceability criteria.</li> <li>• It is difficult to change procedures (ABNT standard and INMETRO Ordinance)</li> <li>• It does not clearly specify which laws must be complied with, given that the audit process does not encompass all the law.</li> <li>• Does not provide for public disclosure of audit results.</li> </ul>	<ul style="list-style-type: none"> <li>• Only environmental coverage, with little interaction with the other sustainability dimensions (economic and social).</li> <li>• Addresses Human Rights issues only indirectly and superficially.</li> <li>• Partial alignment of the principles applicable to tanneries with the AFI principles.</li> <li>• Partially contemplates criteria related to deforestation and ecosystem conversion (only for traceability of raw materials originating from the Amazon biome).</li> <li>• Possibility of certifying tanneries that infringe legal requirements in social and health and worker safety issues.</li> <li>• There is no obligation to meet the traceability criteria.</li> <li>• Monitoring and verification procedure of the second part performed by LWG itself.</li> <li>• Does not provide for public disclosure of audit results.</li> </ul>	<ul style="list-style-type: none"> <li>• Several certifications make it possible for the tannery not to cover all aspects of sustainability.</li> <li>• When ISO standards are not considered, the alignment of the principles applied to the tannery with the AFI principles is weak.</li> <li>• It does not explicitly consider criteria linked to ecosystem deforestation and conversion.</li> <li>• There is no obligation to meet the traceability criteria up to the farm to receive certification.</li> <li>• No transparency regarding the methodology applied to define the level of certification (with the exception of "excellent").</li> <li>• Does not establish assessment criteria for the production unit (farm)</li> <li>• Does not disclose the requirements of the Standards externally.</li> <li>• Addresses Human Rights issues only indirectly and superficially, through UNIC.</li> <li>• Does not provide for public disclosure of audit results.</li> </ul>



## REFERENCES

IMAFLORA REPORTS:

ANALYSIS OF CERTIFICATION SYSTEMS FOR LEATHER PRODUCTION - CSCB

ANALYSIS OF CERTIFICATION SYSTEMS FOR LEATHER PRODUCTION – LWG

ANALYSIS OF CERTIFICATION SYSTEMS FOR LEATHER PRODUCTION - ICEC

