Standard Convergence Initiative (SCI)

Measuring convergence with ITC's Standards Map

25 Feb 2022 | OECD Forum Side Session

In collaboration with

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Introduction & background

What is the SCI?

- An initiative of the International Apparel Federation (IAF) & the International Textile Manufacturers Federation (ITMF)
  - Aimed at reducing audit and standard fatigue in the Garment and Footwear Sector

    In order to:
    - Reduce compliance costs to industry
    - Redirect freed-up resources toward improving working conditions

      While…
    - Maintaining quality and integrity of compliance mechanisms

Why has the SCI been developed?

- Too many duplicative and unnecessary audits
- The Corona-pandemic highlighted necessity to act

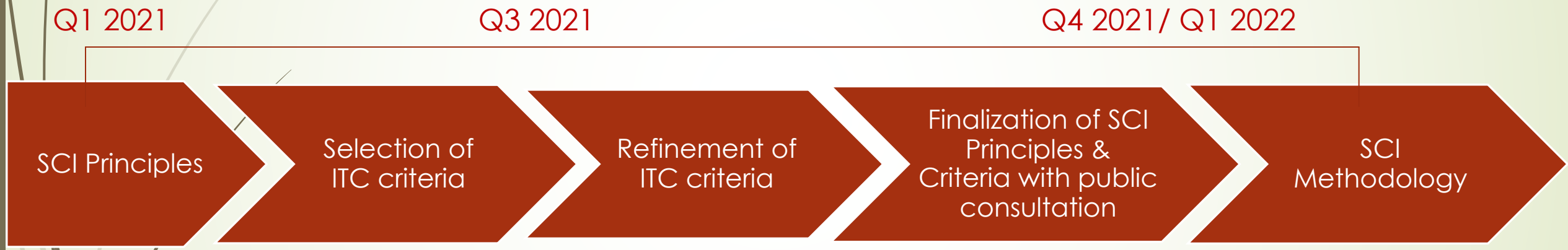
- To reduce audit and standard fatigue it is necessary to align standards
  - **Across criteria where convergence is feasible, such as:**
    - Oversight methodologies (consistency across Conformity Assessment Bodies)
    - Quality assurance (audit processes and requirements)
    - International labour standards (e.g. ILO Fundamental Conventions)
    - Compliance with national laws and regulations (e.g. health and safety)
    - Multi-stakeholder collaborations (openness/ inclusiveness of standard)
    - Mutual recognitions (recognition of other standards or initiatives)
- Promote standards that show propensity for convergence
  - Leads to greater alignment/ harmonization of standards and audit/ oversight processes

How does the SCI work?

- SCI has developed **four principles for identifying a standard body's level of preparedness for convergence across social requirements**
  - For each principle, **a set of measurable ITC criteria that best represent the SCI principles was selected**
  - Any standard housed in the ITC Standards Map can be assessed against the SCI criteria to determine the level of preparedness of that standard toward convergence
  - If a standard body addresses most or all the selected criteria, then the standard illustrates a propensity for convergence
- Principles and associated criteria will be housed within the ITC database and posted on ITMF/IAF's project website

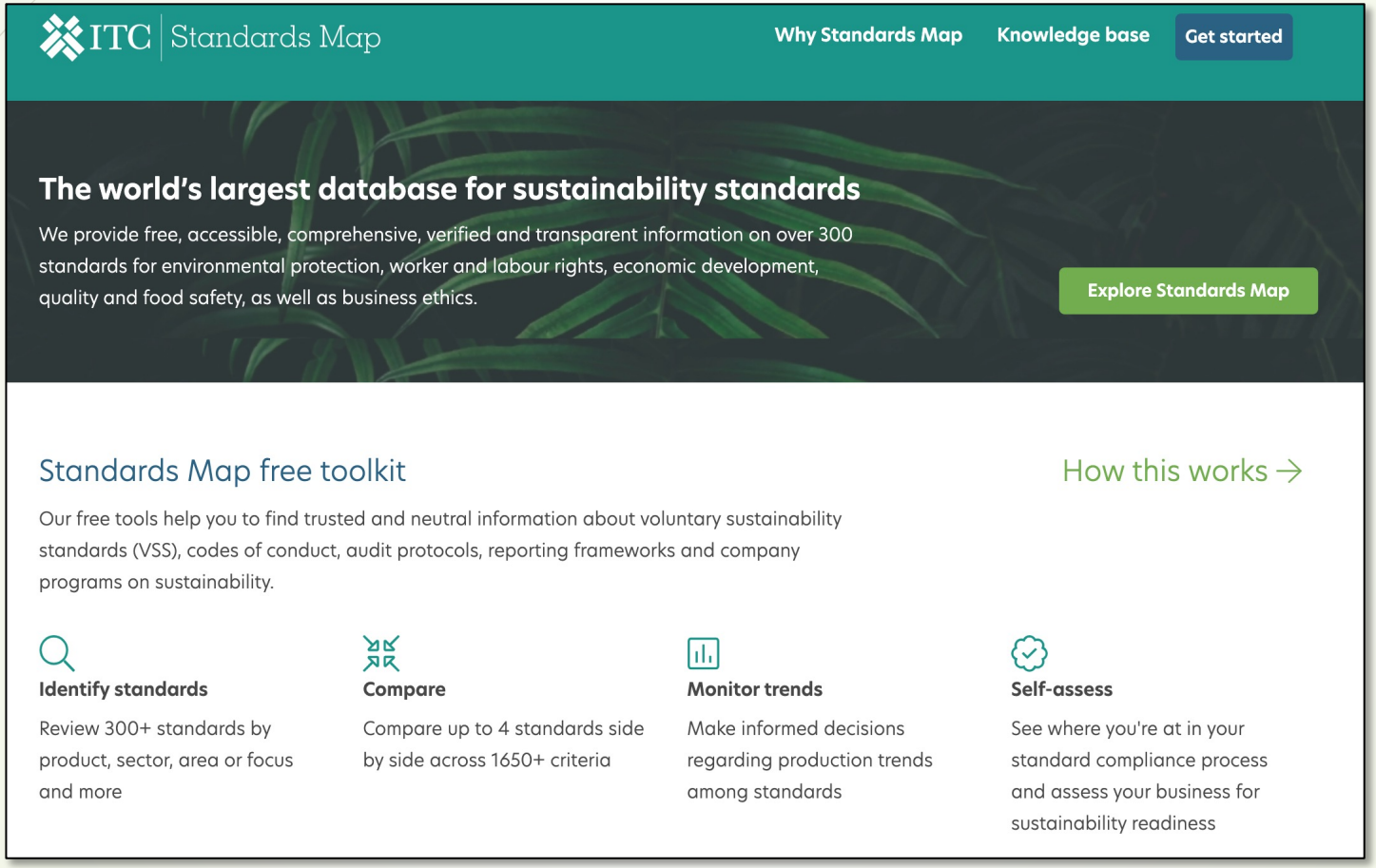
  www.standard-convergence-initiative.org

SCI actionable timeline



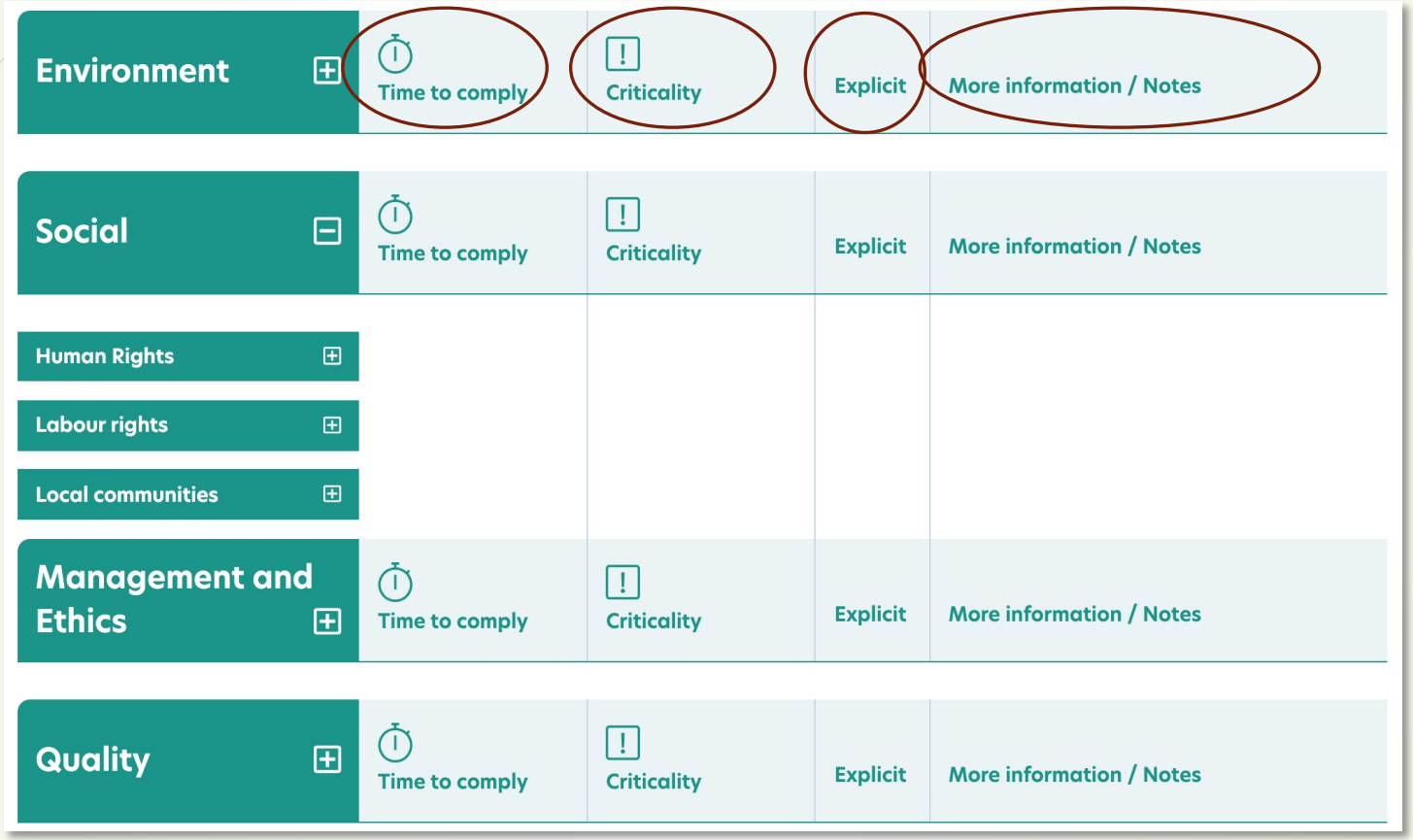
ITC Standards Map

ITC Standards Map



https://www.standardsmap.org/en/home

Standards Map Criteria: requirements



Standards are assessed based on the number of criteria referenced in the Standards Map database that are addressed by the standard's requirements.

Social criteria coverage in Standards Map: an example

Social	Time to comply	Criticality	Explicit	More information / Notes
Labour rights				
Criteria on working conditions overarching principles	Immediate	Major	yes	**Excerpt** WORKPLACE CODE PROVISION: Employers shall provide a safe and healthy workplac... More Info ⊞
Criteria on existence of publicly available policy defining workers' rights	Immediate	Major	yes	**Excerpt** ER.1.1 Employers shall have in place written policies and practices and maintain prope... More Info ⊞

Standards Map Criteria: Operational

Overview | Requirements | How to comply | **Governance** | Resources

Overview

The standard owner shows independence from its certificate holders. Supply chains actors, NGOs or civil society do not participate in the standard's decisions.

The standard is revised , through a private consultation

Annual report:
Yes

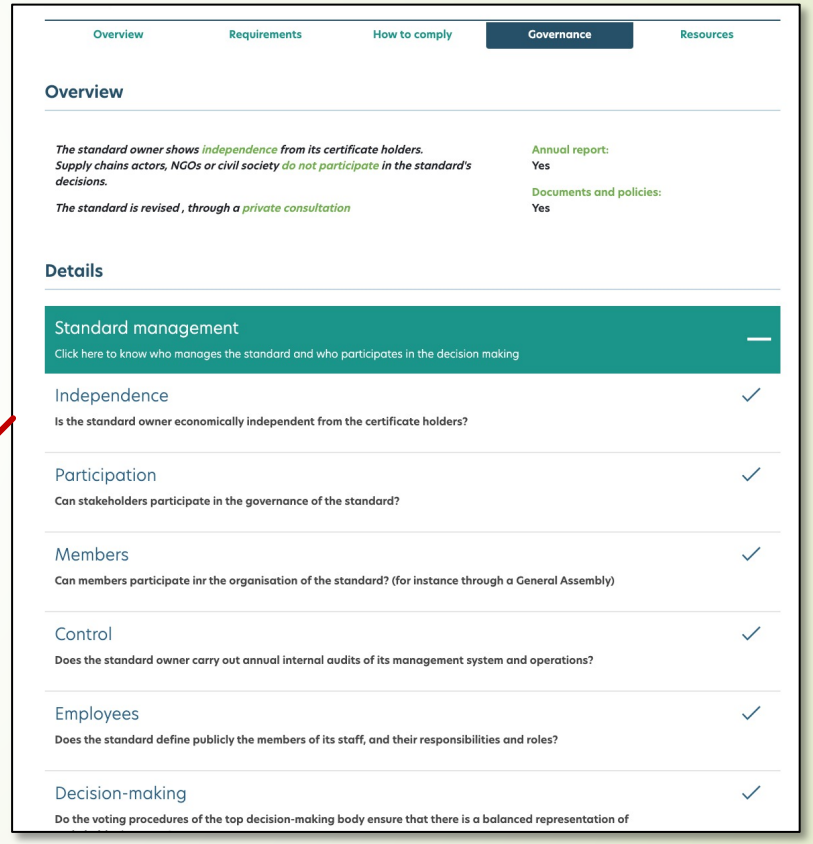
Documents and policies:
Yes

Details

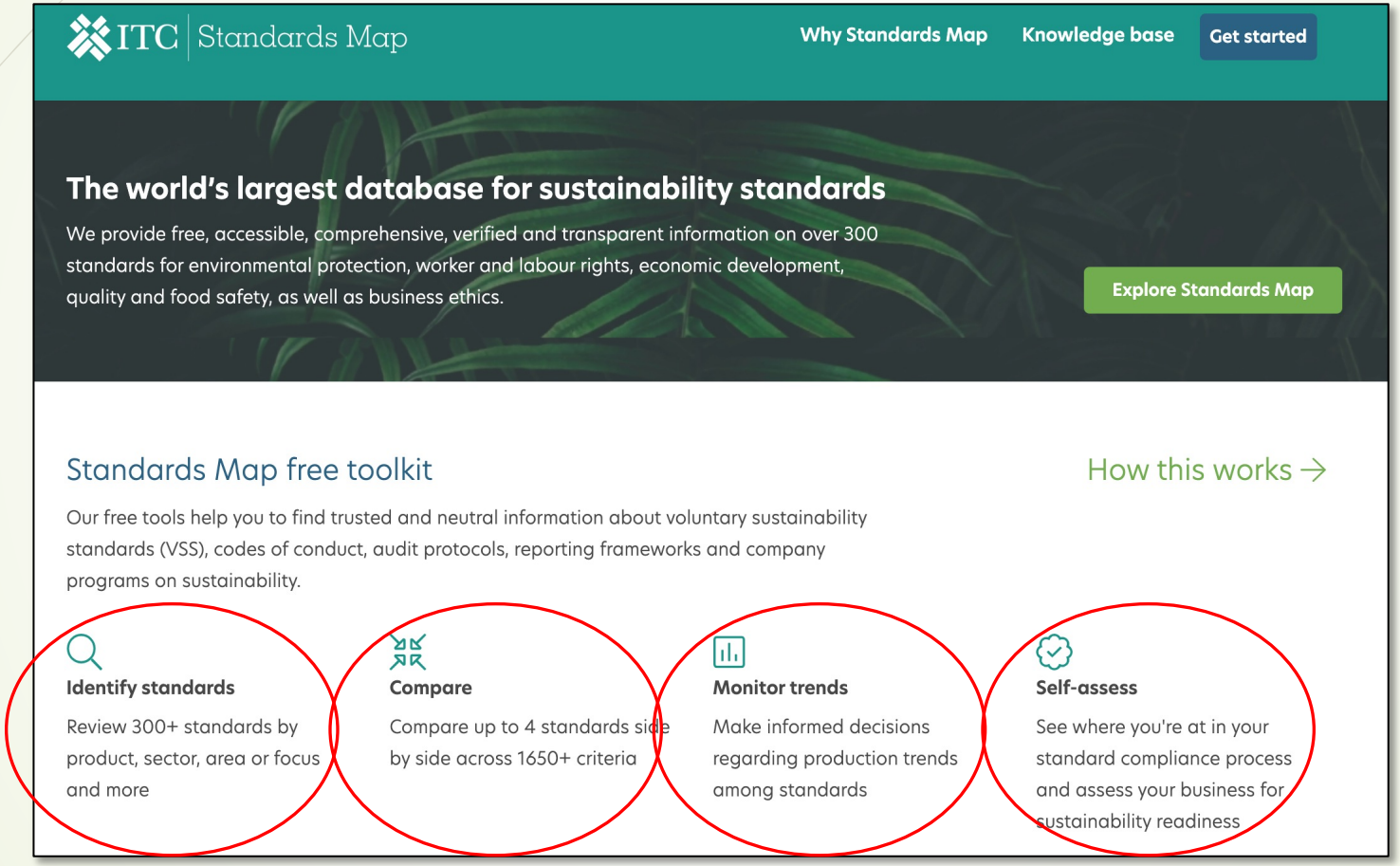
Standard management
Click here to know who manages the standard and who participates in the decision making

Transparency & Credibility
Click here to know if standard's policies, processes and documents are communicated

Standard Setting
Click here to read about the standard setting process



Standards Map Features

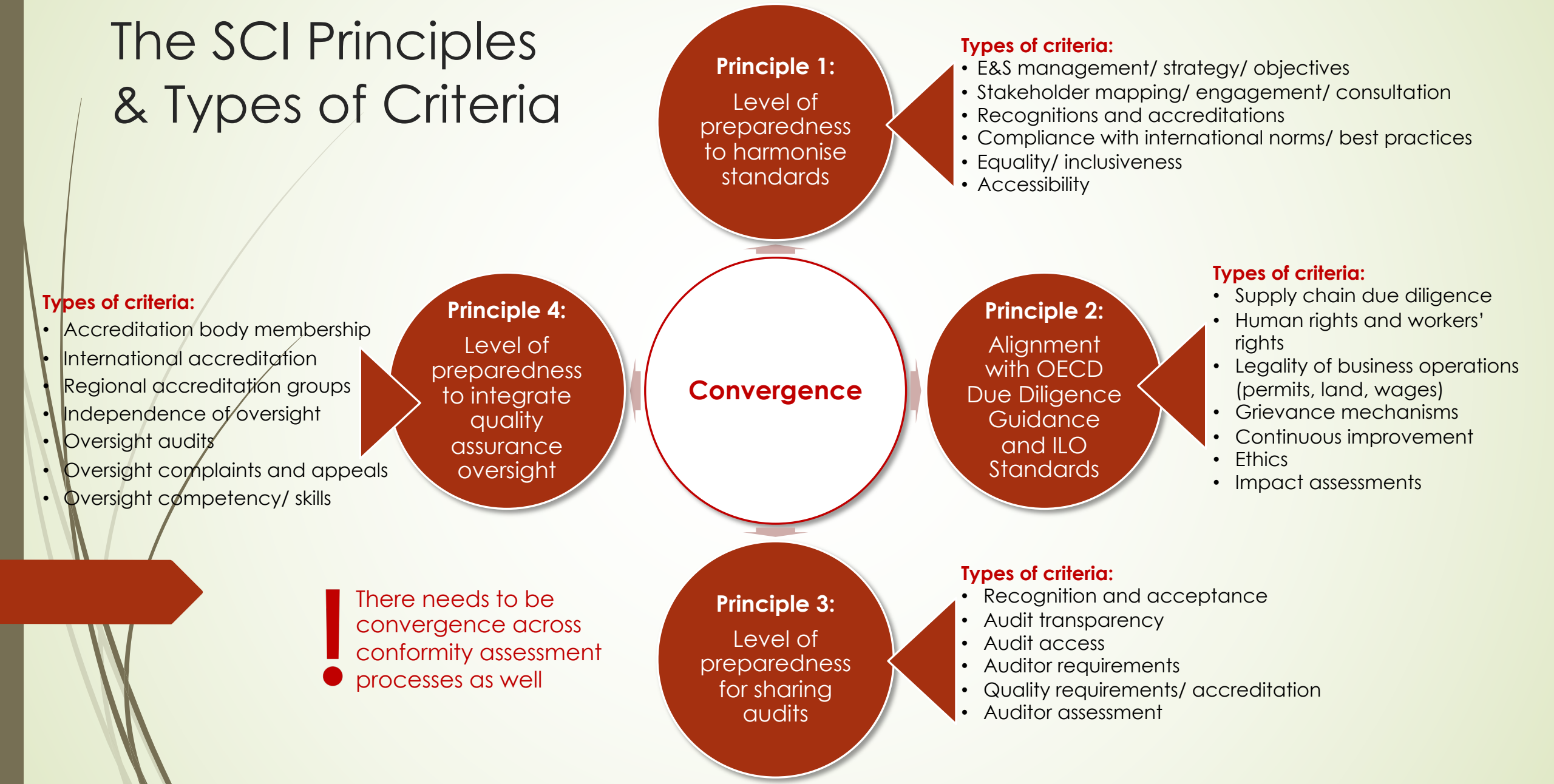


Purpose of this OECD Forum side session

- To present the SCI Principles & Criteria
- To show how we selected the criteria from the ITC database
- To explain the methodology used to compare standards against the SCI Principles & Criteria
- To present preliminary findings
  - Assessment of six voluntary sustainability standards operating in the garment and footwear sector against the SCI Principles & Criteria

The SCI Principles & Criteria

The SCI Principles & Types of Criteria



ITC Selected Criteria

1. Level of preparedness to harmonise standards		
1	24072	Criteria on Environment and Social (E&S) Management Systems: general principles (Principle 1 & 2)
2	709021	Openness of parti
3	10002	Recognitions & a
4	700124	Stakeholder parti
6	709013	Existence of clear

2. Alignment with OECD due diligence guidance and ILO standards		
1	24072	Criteria on Environment and Social (E&S) Management Systems: general principles (Principle 1 & 2)
2	709021	Openness of participation in stakeholders consultations to all organizations who share the scheme's values and objectives (Principle 1 & 2)
4	10700	Is the scheme system accessible to any interested producer/supplier? (Principle 1 & 2)
5	700416	Criteria on verification of mandatory certificates and permits related to water use
6	900023	Criteria on policies and procedures addressing human rights

3. Level of preparedness for sharing audits		
2	800024	Criteria on transparency across types of information obtained during audit (discrepancies between the interviews and types of records)
3	800025	Criteria on audit access: general policy (auditor's freedom of access to facility grounds, workers, production areas)
4	800026	Criteria related to denial of audit access (auditor prevented from fulfilling full scope audit requirements)
5	2798	ISO/IEC 17021: 2006 Con

4. Level of preparedness to integrate quality assurance oversight		
11	3986	Conformity Assessment body must meet specific quality requirements which are documented (e.g. ISO 65/17065)
12	700221	Personnel competencies [auditors of conformity assessment bodies]
13	700224	Personnel evaluation frequency [auditors of conformity assessment bodies]
14	700225	Personnel suspension [of CB auditors by oversight]

Selected ITC criteria

- Based on the types of criteria that apply to each Principle, the ITC Standards Map database was gleaned for the most appropriate criteria that best speak to each SCI Principle.
- Number of criteria vary depending on Principle; Principle 2 has the most criteria due to its broad applicability (all criteria related OECD Due Diligence and International Labour Standards)

Public consultation

- IAF/ ITMF/ ITC conducted a workshop for stakeholders Q4 2021
- Objectives/ processes were explained
- SCI Principles & Criteria were presented
- Stakeholders were invited to provide feedback

Methodology

Methodology: Response weighting

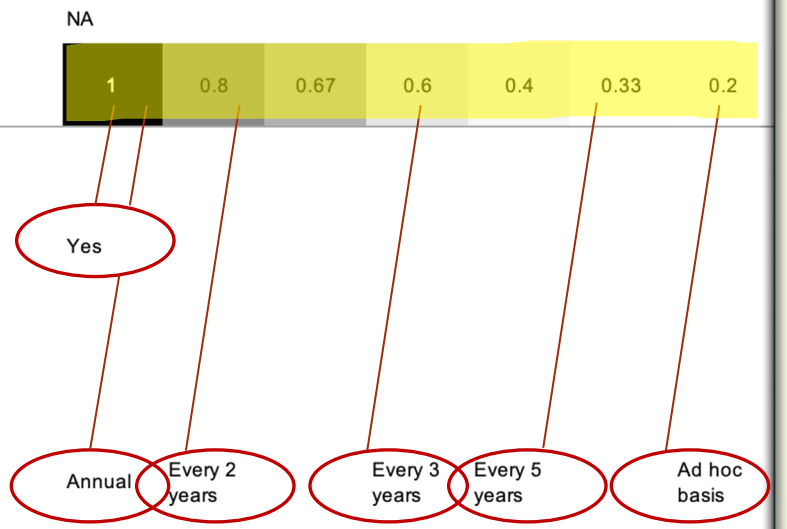
Response option weighting

- Criteria within Standards Map have different response options depending on the type of question.
- Some response options are yes/ no and others are multi-select
- Response options are also weighted
  - For example: yes = 100%, no = 0%
  - Multi-select drop in weighting as degree of intensity falls

Weighting	**High**	**Medium**	**Low**
	100%	80%	50%

1. Level of preparedness to harmonise standards

	Criteria	*Level of relevance*	*Response option*	*Description*
8	Stakeholder representation in standards decisions	High	Yes/ No	Select for yes
9	Frequency of standards revisions	Medium	Multi-Select	Annual, Every 2 years, Every 3 years, Every 5 years, Ad hoc basis
11	Scheme is open to all applicants	Low	Yes/ No	Select for yes



- Example: if a standard is revised annually it suggests an openness for improvement & adaptation.
- Annual is weighted at 100%; Ad hoc = 20%

Methodology: Relevance weighting

Criteria weighting
Each criteria has a relevance rating:
high, medium, low – depending on how important criteria is in achieving convergence;
Each relevance rating is weighted:
High = 100%, Medium = 80%, Low = 50%

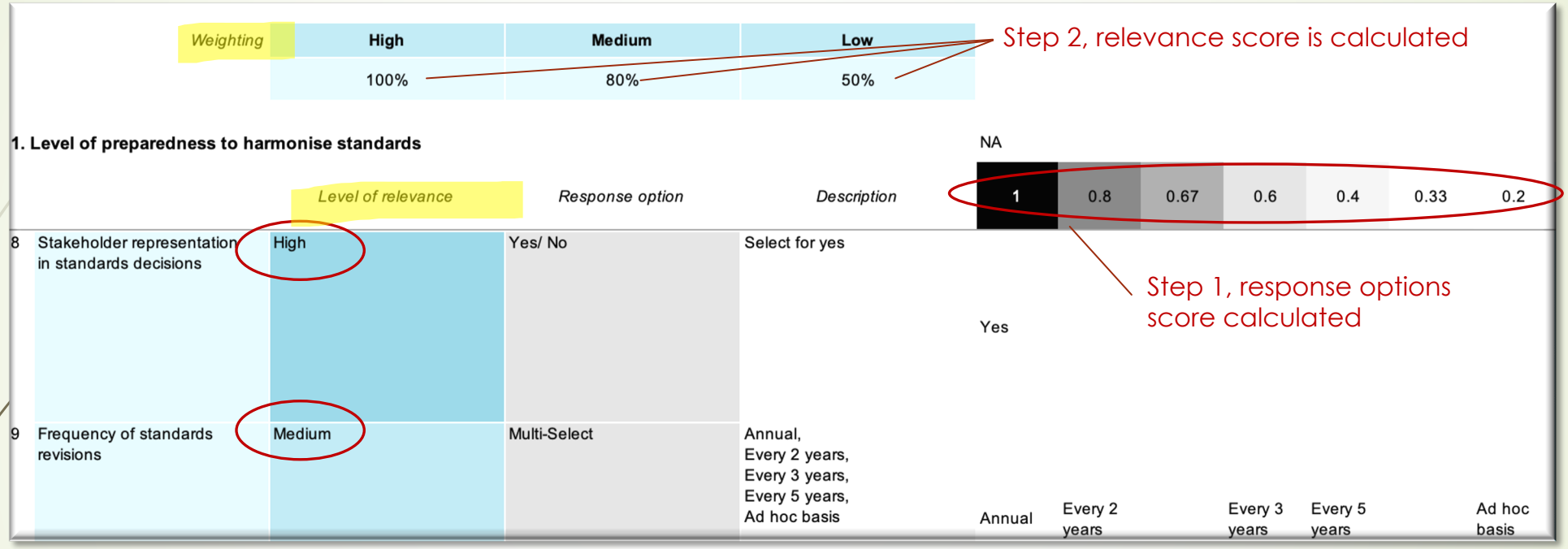
Weighting	**High**	**Medium**	**Low**
	100%	80%	50%

1. Level of preparedness to harmonise standards

Criteria

		Level of relevance	*Response option*	*Description*	NA	1	0.8	0.67	0.6	0.4	0.33	0.2
8	Stakeholder representation in standards decisions	High	Yes/ No	Select for yes		Yes						
9	Frequency of standards revisions	Medium	Multi-Select	Annual, Every 2 years, Every 3 years, Every 5 years, Ad hoc basis		Annual		Every 2 years		Every 3 years	Every 5 years	Ad hoc basis
11	Scheme is open to all applicants	Low	Yes/ No	Select for yes		Yes						

Methodology: Calculating scores



Weighting	High	Medium	Low
	100%	80%	50%

Step 2, relevance score is calculated

1. Level of preparedness to harmonise standards

		Level of relevance	Response option	Description
8	Stakeholder representation in standards decisions	High	Yes/ No	Select for yes
9	Frequency of standards revisions	Medium	Multi-Select	Annual, Every 2 years, Every 3 years, Every 5 years, Ad hoc basis

NA | 1 | 0.8 | 0.67 | 0.6 | 0.4 | 0.33 | 0.2

Step 1, response options score calculated

Yes

Annual | Every 2 years | Every 3 years | Every 5 years | Ad hoc basis

Step 1: criteria is scored depending on its response weighting (e.g. Yes/ No, multi-select, etc.)

Step 2: the relevance score is calculated

- All "High relevance" criteria scores are added together then multiplied by High relevance weighting (100%) (scores remain the same)
- All "medium relevance" criteria scores are added together then multiplied by medium relevance weighting (80%) (scores are 80% of full strength)
- All "Low relevance" criteria scores are added together then multiplied by low relevance weighting (50%) (scores are halved)

Methodology: Overall percentage assigned to each standard

	Weighting	**High**	**Medium**	**Low**			
		100%	80%	50%			
1. Level of preparedness to harmonise standards						**78%**	**78%**
		Level of relevance	*Response option*	*Description*		**BSCI**	**WRAP**
1	Criteria on Environment and Social (E&S) Management Systems: general principles (Principle 1 & 2)	High	Immediate, Within 1 year, Within 3 years, Within 5 years, Recommended/ Not covered	**Degree of obligation:** Immediate, Within 1 year, Within 3 years, Within 5 years, Recommended **Degree of criticality**: Deal-breaker, Major, Minor, Optional		Within 1 year	Immediate

- Each standard is then assigned an overall percentage for that specific SCI Principle
- Formula: *[(sum of high relevance criteria scores x high relevance weighting) + (sum of medium relevance criteria scores x medium relevance weighting) + (sum of low relevance criteria scores x low relevance weighting)] divided by the total number of scored criteria*

Preliminary findings

Standards' preparedness for convergence: A comparison of 6 standards

Standard	**Principle 1** Level of preparedness to harmonise standards	**Principle 2** Alignment with OECD Due Diligence Guidance and ILO Standards	**Principle 3** Level of preparedness for sharing audits	**Principle 4** Level of preparedness to integrate quality assurance oversight
amfori BSCI	88%	83%	90%	67%
Fair Labor Association (FLA)	52%	58%	70%	60%
Global Organic Textile Standard (GOTS)	70%	81%	60%	76%
Made in Green by Oeko-Tex	50%	76%	80%	71%
SA8000	68%	78%	70%	92%
WRAP	89%	72%	70%	76%

Any standard in ITC Standards Map can be quickly and easily compared against the SCI criteria!

Colour	Level of preparedness for convergence
Green	Good preparedness to converge (70%-100%)
Orange	Some effort still required (50%-69%)
Red	Much effort required (0%-49%)

Conclusion

- ITC has created an automatic tool for SCI comparison of any standard operating in the textile and footwear sector that is in ITC Standards Map
- The comparison informs a standard's level of preparedness for:
  1. Harmonization of standard content
  2. Alignment with existing international standards and guidelines
  3. Sharing audit outcomes
  4. Integration of oversight processes
- If a standard body addresses most or all the selected criteria, then the standard illustrates a propensity for convergence
- The aim is to promote standards illustrating a propensity for convergence
  - Hopefully leads to greater alignment/ harmonization of standards and audit/ oversight processes

Next steps

1. Stakeholder feedback based on OECD Forum Side Session – 25/02/2022
2. IAF/ ITMF to address all stakeholder feedback
3. SCI Principles & Criteria / methodology finalized
4. ITC to house SCI Principles and Criteria in ITC Sustainability Map database
5. ITC to facilitate assessment of standards against the 4 SCI principles
6. Users can access ITC Sustainability Map to identify level of propensity for convergence across standards assessed
7. IAF/ ITMF to promote standards illustrating high level of preparedness for convergence
8. Continue dialogue and action toward convergence across standards operating in the textile and garment sector

Thank you

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