



CERTIFICATION BODY REGULATIONS

Version 4.0



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Abbreviations

AU	Annual Update
BP	Business Partner
BPM	Business Partner Map
CB	Certification Body
FB	Final Buyer
IAF	International Accreditation Forum
IB	Intermediary Buyer
IEC	International Electrotechnical Commission
IP	Improvement Plan
ISAE	International Standard on Assurance Engagements
ISO	International Organisation for Standardisation
ME	Managing Entity
QMS	Quality Management System
ToU CB	Terms of Use for Certification Bodies
ToU IB	Terms of Use for Intermediary Buyers
ToU ME	Terms of Use for Managing Entities

1 Introduction

This document lays down the requirements for Certification Bodies (CBs) to become a cooperating CB of 4C Services GmbH (4C), and the duties of cooperating CBs to perform certification services according to the 4C requirements. Furthermore, this document describes the requirements and necessary qualifications for auditors and evaluators to become 4C appointed auditors and evaluators in order to conduct and evaluate 4C audits.

*Requirements
for CBs*

The requirements and duties laid down in this document are based on industry best practices, relevant International Organisation for Standardisation' (ISO) standards, and the International Standard on Assurance Engagements (ISAE) 3000. That aims to ensure that the CB and its auditors and evaluators are neutral and independent and operate in a consistent, transparent, reliable, and credible manner. The correct application and assurance of the 4C certification system are a core responsibility of 4C, its certified 4C Units, and its cooperating CBs and auditors ensuring the integrity and robustness of the 4C System.

*Industry best
practices and
international
standards*

A list of all 4C cooperating CBs is published and updated on the 4C website on an ongoing basis. The list contains contact details of the recognised CBs as well as information about the accreditation body they were accredited and are monitored by.

*CBs published
on 4C website*

Requirements with regard to the 4C certification process as well as requirements on how to conduct 4C audits and evaluate Annual Updates (AUs) are described in the 4C System Regulations.

*4C System
Regulations*

2 Scope and Normative References

The requirements specified in this document apply to all CBs, their auditors, and their evaluators conducting 4C audits or performing 4C certification services. These requirements apply on a global basis.

Global application

Relevant international standards establishing requirements for agricultural conformity assessment, certification of products, processes and services, auditing or certification management of ISO, ISO/IEC, or ISAE, in their latest valid version, must be considered for application.

International standards

As a basic principle, all 4C System documents published on the 4C website in their latest applicable versions are valid and must be considered for the scope of application.

4C requirements

Table 1 provides an overview of the normative 4C System documents as well as further 4C templates and checklists based on the requirements defined in the 4C System documents, and that are provided by 4C to facilitate the 4C application and certification process.

Overview 4C documents

4C System documents (normative)
<p>4C Code of Conduct</p> <p>4C principles and criteria for the production, processing, and trading of green coffee beans</p>
<p>4C System Regulations</p> <p>Relevant aspects and requirements of the 4C System, including general rules according to which the 4C System is governed, its internal structure, and the requirements for 4C certification which need to be applied by all participants of the 4C System. Furthermore, requirements regarding the trading of 4C certified coffee and the 4C communication guidelines are described</p>
<p>4C Certification Body Regulations</p> <p>Requirements for CBs to become a CB cooperating with 4C, requirements and necessary qualifications for 4C auditors, evaluators as well as duties of CBs cooperating with 4C to perform 4C audits and certification</p>
4C templates and checklists based on the 4C System documents
<p>4C Audit Checklist</p> <p>Audit checklist to be used during 4C audits</p>
<p>Business Partner Map (BPM)</p> <p>Tool for Managing Entities (MEs) to collect the basic required data of its Business Partners (BPs)</p>
<p>Improvement Plan (IP)</p> <p>Plan that includes improvement actions detected during an audit of a 4C Unit</p>

4C contractual documents
Terms of Use for Managing Entities (ToU ME) Contractual document between 4C and MEs
Terms of Use for Certification Bodies (ToU CB) Contractual document between 4C and CBs
Terms of Use for Intermediary Buyers (ToU IB) Contractual document between 4C and Intermediary Buyers
Service Agreement with Final Buyers Contractual document between 4C and Final Buyers

Table 1: Overview 4C System documents, templates, and checklists

3 Requirements to become a 4C Cooperating Certification Body

3.1 General Requirements for Certification Bodies

The CB must ensure appropriate expertise and experience, both in the relevant fields of activity and for the scope of auditing tasks it is to undertake.

CB expertise

The CB should be carrying out audits in conformity with or according to the principles of:

International standards

- ISO/IEC 17065 establishing requirements for product certification or ISO/IEC 17021 establishing requirements for management system certification.
- ISO 19011 for general guidance on conducting and managing audits and on CB competence management.
- ISO/IEC Guide 60 establishing good practices for conformity assessments.
- ISAE 3000 regarding assurance engagements other than audits, or reviews of historical financial information.

The CB must ensure that it performs 4C certification services according to the framework as laid down in the 4C System documents.

4C System requirements

The CB must also ensure that its staff participating in 4C audits has knowledge on 4C requirements and meets the mandatory competence requirements for each duty assigned as described in chapter 4.1 and chapter 5 prior to perform (conduct, evaluate or manage) 4C audits.

Appointment of qualified staff

3.2 Specific Requirements for Certification Bodies

3.2.1 Legal Entity

CBs must be registered as legal entities.

CB liability

In case of multinational certification companies, its local branches may apply to become an independent 4C cooperating CB or may be registered as a local operator of the mother company under the condition that the cooperation agreement is concluded between the mother company and 4C, and local branches are declared as the CB's wish to include them in the approval of its geographical scope of operation. In this case, the CB must provide a description of the organisational structure including such local branches.

Multinational cooperating CB

3.2.2 ISO/IEC 17065 Accreditation

CBs must be accredited against ISO/IEC 17065 establishing requirements for bodies operating product certification systems. Accreditation must be performed by Accreditation Body Members of the International Accreditation Forum (IAF), according to internationally accepted standards in the agriculture production sector.

Accreditation

The respective accreditation body is responsible for monitoring the accredited CB's compliance with the preconditions for its accreditation. Monitoring of the

Monitoring of accredited CBs

CB by accreditation bodies will be complemented and supported by 4C in the framework of the 4C Integrity Program (see chapter 3.9 of the 4C System Regulations and chapter 5 of this document for further information).

In case CBs are multinational with local branches, and local branches wish to be recognised independently by 4C after meeting the requirements laid down in chapter 3.2.1, the CB applicant must ensure that local branches are independently accredited against ISO/IEC 17065, or the ISO/IEC certificate of accreditation of the CB mother company covers these local branches and this compliance must be mentioned in the scope of this certificate of accreditation.

Accreditation of multinational CB

The CB is obliged to inform 4C immediately if the accreditation is suspended, withdrawn, terminated or renewed by the accreditation body. In case the CB does not get the renewed accreditation certificate before the old certificate expires, however the renewal process is started, and the CB is waiting for a final decision from the responsible accreditation body, the CB has a grace period of one month after the previous accreditation certificate expires by submitting written notification to 4C, altogether with documented evidence of lateness of issuance of the renewed accreditation certificate.

Accreditation status

3.2.3 Geographic Scope of Operation

CBs must only conduct 4C audits in the countries where they are approved for.

The auditors' knowledge and experience with the local context and legislation is crucial for reliable audits. Therefore, CBs are approved to perform 4C audits in the country where they are legally based, as well as in countries where their auditor(s) meet the following conditions:

Approval of country scope

- have experience in auditing coffee production in those countries
- have knowledge of applicable local legislation and sectorial context
- preferably speak the local language. Only in exceptional cases, independent interpreter(s) can conduct the interpretation services. In this case, to avoid conflicts of interest, the CB and its auditors must not accept interpreters who work for the Managing Entity (ME) or for any Business Partner (BP) of the 4C Unit to be certified

Audits conducted in unregistered/unapproved countries will not be accepted and the CB assumes full responsibility of handling the situation with the 4C Unit.

Rejection of audit

3.3 Application, Recognition, and Publication by 4C

Once a CB has been legally registered and accredited in the accreditation program as required in chapter 3.1 and 3.2, and its staff meets the requirements as laid down in chapter 4.1 and chapter 6 of this document, the CB is ready to apply to become a 4C cooperating CB.

Application conditions for CB

In order for a CB to cooperate with 4C, the CB must submit a written application to 4C. Together with the application correspondence, according to

Application of CB

the requirements set out in the chapters 3.1 and 3.2, the CB must provide 4C with documented evidence of:

- legal registration
- valid accreditation certificate(s)
- geographic scope declaration with a list of countries within which the CB will offer 4C audits and the corresponding names of the auditors
- list of assigned staff including 4C auditor(s) and evaluator(s) who meet the qualification requirements laid down in chapter 6 and are approved by the CB to conduct and evaluate 4C audits and make certification decisions
- declaration on the fulfilment of all requirements laid down in this document (Annex 1)

Once 4C receives sufficient evidence from the applying CB and approves the application, 4C will inform the CB about the approval decision and the latest version of the Term of Use for CBs (ToU CB) that the CB is required to accept prior to entering into cooperation with 4C. The ToU CB is a legally binding contract establishing the cooperation between 4C and the applying CB. The requirements laid down in this document and the 4C ToU CB complement each other. After the CB has accepted the ToU CB, the CB is recognised by 4C and is called “cooperating CB”. Any kind of certification, audit, or inspection activity can only be conducted after the CB has accepted the ToU CB. An exception to this rule can only be made if certain activities are explicitly required during the process of accreditation of the CB, and only with explicit approval in advance by 4C.

*Contractual
agreement*

As soon as cooperation between 4C and the CB is confirmed, 4C will publish the name, address, and logo of the cooperating CB and CB responsible contact person, including its contact details, on the 4C website. Furthermore, 4C will publish by which accreditation body the CB was accredited. The information on the 4C website regarding 4C cooperating CBs will be publicly available and kept up to date.

*Publication of
CBs' contact*

4 Responsibilities of Certification Bodies

4.1 Appointment of Qualified Staff

The CB must appoint and have a sufficient minimum number of qualified staff (at least one 4C auditor and one evaluator) to be able to conduct and evaluate 4C audits, make certificate decisions and to provide 4C certification services.

Minimum number of staff

The CB must define the staff(s) (e.g. person or committee) responsible for evaluating and/or making the certification decision at the CB. This/these staff(s) must be qualified to evaluate 4C audit reports and/or to make the 4C certification decision and must not have been involved in the audit process of the 4C Units to be certified.

Evaluator and certifier

All appointed staff to be involved in 4C audits and 4C certification services are obliged to participate in a formal 4C training prior to the certification activity. A cooperating CB is allowed to appoint a new 4C auditor if he/she has completed an internal training which should be equivalent to the formal 4C training in terms of length and content, should include the latest version of the 4C System documents, and should be conducted by the most experienced 4C auditor or evaluator at the CB. In addition to the requirements for the internal training, the CB must ensure that the new auditor will attend a formal 4C training to be organised by 4C Services within the following twelve months to maintain his/her approval status.

Training requirement

According to the CB's quality management and its human resource management regulations, the CB is responsible for assigning, training, evaluating and approving any individual staff appointed to be involved in a 4C audit. The CB shall ensure that these assigned staffs are competent to deliver the expected results according to the 4C requirements.

Responsibility for staff competence

The CB is obliged to immediately inform 4C via e-mail of any changes in staff appointed to involve in any 4C certification activities.

Reporting of relevant changes

4.1.1 Appointment of Certification Body Responsible Person

The CB must appoint a responsible person within the CB to act as the main contact person for 4C matters.

The CB responsible person is a staff of the CB, must be fluent in English, and is the representative of the CB to communicate with 4C on all matters such as, but not limited to, legal status, accreditation, performance of the CB and its staff, implementation of corrective measures, reporting of improvements according to 4C requirements.

CB contact person for 4C

The CB responsible person is obliged to participate in a formal 4C training. Furthermore, the CB responsible person should participate in the meetings, workshops, and/or webinars organised by 4C, to exchange practical experiences, feedback, and best practices.

Participation in 4C activities

4.1.2 Appointment of 4C Auditor and Evaluator

The CB shall assign at least one person as 4C auditor and at least one person as evaluator. Before these persons can start to work as 4C auditor and evaluator, the CB shall ensure that they meet the qualification requirements as laid down in chapter 6.

4C auditors can act as evaluators and therefore can evaluate 4C audit reports provided that they were not the auditor in charge nor part of the audit team of the audit to be evaluated.

Auditors act as evaluator

4.2 Performance Maintenance and Periodic Evaluation of Appointed Staff

To maintain the knowledge on 4C requirements of the appointed staff, the CB must have in place a procedure to ensure that:

Required CB procedure

- every 4C auditor conducts at least one 4C audit annually. Witness audits conducted by the CB itself are acceptable. Exceptions to this rule must be approved by 4C in due time (e.g. in case the CB does not have a sufficient number of 4C clients to conduct the respective number of 4C audits). If it is not possible for an auditor to maintain competency by carrying out at least one 4C audit per calendar year, the auditor must be trained by the CB or participate in 4C webinars or formal 4C trainings.
- all assigned staff involved in 4C certification services shall have access to, read, and understand the 4C System Updates, adjustments, or changes of 4C requirements, as well as other relevant communication from 4C.
- all assigned staff involved in 4C certification services shall participate in one of the formal 4C trainings at least every five years to ensure competence especially in case of a revision of the 4C Code of Conduct and/or 4C System Regulations. They shall regularly participate in training courses organised by the CB or in 4C webinars and formal 4C trainings.

The CB must evaluate their staff's performance on a periodic basis, according to the CB's quality management and its human resource management regulations to ensure the relevant appointed staff meets the competence requirements. Staff competence should be evaluated regularly through a process that considers personal behaviour and the ability to apply the knowledge and skills gained through education, work experience, auditor training, and audit experience.

Competence evaluation

The CB shall outsource the auditing activities only to persons who meet the requirements laid down in chapter 6 of this document. In addition to requirements set out in the ISO/IEC 17065 on the CB's responsibility for all outsourced activities, the CB shall conduct the evaluation of the performance of the freelance 4C auditors immediately after each 4C audit.

Performance of freelance auditor

Results of performance evaluations must be documented and managed at the CB office, and actions must be taken to address any need (e.g. training) to adequately maintain the team's competence for conducting 4C certification services.

Competence maintenance

4.3 Management of Impartiality and Conflict of Interest

The CB and its appointed staff must be impartial and free from any potential conflict of interest and/or situation which may affect their impartiality and objectivity in their respective tasks within the 4C certification process. Evaluations and decisions must be based on objective evidence of conformity (or non-conformity) and must not be influenced by other interests or by other parties. All CB staff, especially 4C auditors, evaluators, and person(s) who make certification decisions must operate at high levels of professional integrity and be free from commercial, financial, or other pressures that might affect their judgment.

Professional practices

The CB must have an internal procedure in place, ensuring that the CB and its assigned staff insourced or outsourced is not allowed to offer or provide consultancy services to such clients where the CB is to conduct the assessment and to evaluate the compliance with 4C requirements. The CB must have documented procedures in place to appropriately determine and manage conflicts of interest which may arise in the context of 4C certification activities.

Conflict of interest management

Conflict of interest may arise, among others, when:

Potential conflict of interest

- The 4C auditor or assigned staff involved in 4C certification activities of a 4C Unit has provided services to the same 4C Unit in implementing the 4C requirements (within the last four years counting from the last day that the services are provided to the date the audit is registered in the 4C system) and/or prepares the 4C Unit for the currently requested certification.
- The same 4C auditor has been appointed as auditor in charge for certification of the same 4C Unit for more than three consecutive audits (all types of audits, excluding surveillance audits) prior to the currently requested certification.
- The CB and/ or its 4C auditors or assigned staff involved in 4C certification activities have benefits from the business of the ME or 4C Unit requesting for certification, including client retention. For instance, assigned staffs have shares in the ME or 4C Unit, have direct kinship relationships with the owner(s) of the object to be verified, or have commercial relationships with the ME or 4C Unit.

Before sending an offer to the ME applying for certification, CBs must ensure that they have no conflict of interest in that particular certification.

However, during the certification process, the CB may provide the ME and its 4C Unit with useful information on various issues, may support the ME in filling in the 4C templates correctly, which are not related to complying with the 4C

Support to auditees

requirements. In this case, the CB must make it clear to the ME and its 4C Unit that:

- The suggestions given are not binding requirements
- 4C Units are responsible for implementing the 4C requirements
- Useful information provided to the 4C Unit during an audit is recorded in the audit report.

4.4 Gender Balance of the Audit Team - Recommendation

It is recommended that the cooperating CBs have a gender-balanced audit team during 4C on-site audits.

Gender aspect consideration

A high number of women work in the coffee sector. In many cases, due to socio-cultural reasons, male auditors are not always able to conduct in-depth interviews with female producers or workers and verify their working or living conditions effectively. When the audit team is gender-balanced and splits up, the task division should take the gender aspect into account in order to ensure that the female auditor has the possibility to interview as many female producers and workers as possible. In case of the absence of female auditors, male auditors should follow good practices of gender-sensitive interviewing.

Gender-sensitive approach

4.5 Quality Management

The CB must appropriately include the relevant aspects of 4C requirements into the CB's quality management system (QMS). The quality management of the CB should aim for continuous improvement of CB's performance against 4C requirements internally and externally. The integration of 4C requirements into the QMS of the CB should cover:

4C requirements in QMS

- Internal processes of the CB: This includes sufficient process descriptions and clear responsibilities related to activities performed in relation to 4C audits (e.g. who is responsible for evaluating 4C audit reports or making a certification decision).
- Services provided to external parties (4C users): This includes communication with customers, the preparation and performance of 4C audits, and the CB's internal handling of complaints or appeals from 4C users.

4.6 Risk Management

During any 4C audit, the 4C auditor must carry out a risk assessment of the 4C Unit to be audited. The result of the risk assessment drives the intensity of the audit and influences the size and selection of the sample.

Risk based audit

The 4C requirements for the risk assessment are specified in chapter 7 of the 4C System Regulations.

4.7 Framework to Perform 4C Certification Activities

The CB must take entire responsibility for conducting the audit and evaluating the audit reports' results, make a certification decision, and issue the certificate. The CB is responsible for establishing the framework within which its appointed staff conduct their tasks relating to 4C certification activities.

*CB responsibility
in certification*

The CB and the auditor who is involved in a (re)certification audit of a 4C Unit must be responsible to conduct any surveillance audit(s), addendum audit(s) and to evaluate AUs of the 4C Unit within the validity period of the certificate, unless the ME of a 4C Unit has contracted another CB for the conduction of addendum audit(s) and evaluation of AUs.

*CB role during
certificate validity*

Prior to any 4C audits and 4C certification activities, the CB must have concluded a Service Contract with the ME of the 4C Unit. The CB may receive requests for proposal (e.g. quotation) from MEs when they wish to be audited against the 4C requirements. A request for the offer does not guarantee that the CB will be selected for conducting the audit or evaluation of AUs of a 4C Unit. For each 4C audit or AU evaluation that the CB is selected for by a ME, it is recommended that a separate (commercial) Service Contract between the CB and the ME is employed.

Service Contract

Immediately after the CB has concluded a Service Contract with the ME and prior to any certification activities, the CB must register the application of the ME and its 4C Unit for an audit or AU evaluation in the 4C portal, which is then confirmed by the ME of the 4C Unit to be audited and thereafter validated by 4C.

Audit registration

The CB must ensure that the ME and auditors use the applicable and up-to-date version of the 4C audit checklist, working templates required for each 4C audit and that the documents are filled in both completely and correctly. Should questions or ambiguities arise in the course of the certification process, the CB is obliged to contact 4C immediately to request clarification and guidance before proceeding with the certification. 4C is entitled to give binding instructions to the CB regarding the application, interpretation, or verification of 4C requirements.

*4C working
templates*

To renew the 4C certificate, a recertification audit to verify compliance of 4C Units against the 4C requirements must be conducted every three years. The CB should cooperate with the ME to investigate a timely recertification audit of the 4C Unit, especially to reduce the risk of a gap between two certificates.

*CB's role in the
recertification*

4.8 Issuance, Termination, and Withdrawal of Certificates

4.8.1 Issuance of Certificates

4C provides templates for 4C certificates which must be always applied. If the CB intends to adjust the layout of the template (e.g. due to safety paper with watermarks), the adjustment of the layout must be approved by 4C. The certificate may only be issued based on the information available at that time

*4C certificate
template*

in the 4C database, as confirmed within the 4C registration of MEs and its 4C Units, and IBs.

After a positive certification decision, the CB will issue a 4C certificate using the latest version of the 4C certificate template. A 4C certificate can only be issued if an audit has been conducted and all applicable 4C requirements are complied with. A 4C certificate can only be issued to MEs of 4C Units who have accepted the latest applicable version of the 4C Terms of Use for MEs (ToU ME), IBs who have accepted the latest applicable version of the 4C Terms of Use for IBs (ToU IB) and Final Buyers (FBs) who have signed a Service Agreement with 4C and who are not suspended from certification by 4C.

*Condition to
issue certificate*

The CB must confirm the 4C certification decision no later than 60 calendar days after the last day of the audit. This period includes the time for the implementation of corrective measures by the 4C Unit to clear non-conformities which were detected during the respective audit. The CB may issue a 4C certificate immediately or once the current valid certificate has expired in order to avoid a gap between two certificates. The certificate's validity period must not start prior to the date of issuance of the certificate. The CB is responsible for the compliance of the 4C Units certified and for the correctness of a 4C certificate it has issued until the certificate expires or is terminated (voluntarily) by the ME of 4C Units, by the IB, by the FB or is withdrawn by the CB or suspended by 4C.

*Certification
decision*

4.8.2 Termination of Certificates

In case a ME, IB, FB does not intend to continue with the 4C certification, it is possible to end (terminate) a certificate prior to the end of the official validity period by giving notice to the CB which issued the 4C certificate as well as to 4C. The CB is responsible for informing 4C about the end date of the validity period. In case a 4C certificate is terminated prior to the end of its initial validity period, 4C will update the database of certificates on the 4C website and portal accordingly.

*Discontinue
certification*

4.8.3 Withdrawal of Certificates

The CB must withdraw immediately a 4C certificate if there are severe or critical infringements with 4C requirements identified. Definition and types of infringements are laid down in chapter 3.8 of the 4C System Regulations.

Infringements

If there are infringements reported in the AU documents, or by other reliable sources of information (e.g. newspapers, reports of authorities, etc..), the issuing CB shall request a surveillance audit to check the compliance of the 4C Unit. Annual surveillance is mandatory for the IB or FB in order to maintain the validity of the chain of custody certificate. The results of the surveillance audit in all cases will form the basis for the CB to either confirm the validity of the certificate issued or withdraw a certificate.

*Surveillance
audit request*

In the case where the CB withdraws a certificate, the CB must immediately inform 4C about the withdrawal and must upload all supporting documents (e.g. surveillance audit report, documented evidence, etc.) into the 4C portal.

Withdrawal procedure

Withdrawn certificates will be published as such on the 4C website.

4C is responsible for classifying any infringements and for assessing the MEs and their 4C Units, or IBs' or FBs' infringements based on a case-by-case examination, taking into account the requirements laid down in the 4C System documents as well as in the 4C ToU ME, ToU IB and Service Agreement signed by FBs. With regard to this examination, 4C is entitled to undertake adequate fact-finding measures, in particular, to request documents or (written) statements concerning the event, to be provided to 4C and 4C will take responsibility on the suspension decision that results from the examination, according to guidance as laid down in chapter 3.8 of the 4C System Regulations. The CB is obliged to cooperate with and support 4C in such examinations as thoroughly as possible.

Suspension vs infringement

4.9 Procedure for Complaints and Appeals

The CB shall have in place a procedure on managing and handling complaints and appeals related to 4C audits or evaluations of AUs conducted by the CB. The CB shall record and track complaints and appeals, as well as actions undertaken to resolve them.

Dispute management

The 4C System users can raise a complaint or an appeal toward the CB and request the CB to address it before the audit report is completed or before the certification decision is made by the CB. The procedure of the CB should enable the CB to process complaints and appeals in an effective, timely, and professional manner. The staff who is already involved in a 4C certification activity (conduct or evaluate a 4C audit or make a certification decision) shall not be involved in handling complaints or appeals relating to that audit.

Complaint toward CB

Regarding complaints and appeals toward 4C, the CB must provide 4C with additional evidence or justification within the time if requested by 4C, to support the handling process and archive solution decision made by 4C, according to requirements laid down in chapter 3.7 of the 4C System Regulations.

Complaint toward 4C

4.10 Documentation

The CB is responsible to implement and manage documentation of all 4C audits, copies of all certificates issues, results of AU evaluations, and relevant staff records to ensure the competence of appointed staff involved in 4C certification activities. These documents must be retained at the CB office for a minimum of six years and are subject to inspection and verification by an integrity auditor commissioned by 4C.

Information management

4C audit and certification documents must be managed in such a way that only approved and valid versions are in use. The CB must ensure that the applicable 4C audit checklist and all required pertinent documents valid at the

Audit documents management

time of audit are used for each audit conducted. 4C is responsible to provide a template for the audit report and all required pertinent documents for consistent use within 4C. 4C may adjust existing or develop additional documents to be used after a specified transition period, especially in the case this is deemed necessary to improve traceability or to reduce the risk of fraudulent behaviour.

The CB must document periodic competence evaluation of CB staff (4C auditors, other assigned staff) and must keep appropriate records of the education, training, skills, experience, and approval decision of all appointed staff of the CB.

*Staff
competence
documentation*

4.11 Data Management and Transmission

The CB is obliged to upload all documents related to 4C audits and evaluation of AUs into the 4C portal in a timely manner. This includes documents of certification audits, surveillance audits, addendum audits, and AUs. The obligation to upload the documents into the 4C portal applies also for audits with a negative certification decision as a result.

*Timely uploading
of documents*

The CB may use data provided in the 4C portal for internal administrative processes, according to the 4C ToU CB and 4C System Regulations. Utilisation and transmission of data other than what is described in the 4C ToU CB and 4C System Regulations is strictly prohibited.

*Agreement on
data use*

4C accepts the documents that are uploaded into the 4C portal only if they are filled out in English, Spanish, or Portuguese. In case of complaints, appeals, or any other formal dispute, CBs must provide the complete report translated into English.

*Language of
reports*

Documents to be uploaded into the 4C portal include but are not limited to:

*Documents to be
uploaded*

1. 4C Audit

- Certificate in visual/digital form (pdf file)
- Business Partner Map (BPM)
- 4C audit report
- Signed 4C audit report result page
- Improvement Plan (IP)
- GRAS risk assessment report, final risk levels and audit plan from risk assessment
- Documented evidence, if applicable

2. Annual Updates

- Business Partner Map (BPM)
- Improvement Plan (IP)

Required documents must be uploaded on the 4C portal in such a manner that they can be reviewed and processed by 4C without disproportionate effort. This includes but is not limited to documents containing correct data (e.g. addresses or geo-coordinates, audit dates, etc.) and being signed if

*Quality of
documents*

necessary. 4C is entitled to specify the requirements regarding the form in which certification documents are to be submitted to 4C.

The CB is obliged to immediately inform 4C via e-mail of any changes made to or withdrawal of any certificate previously issued, as well as of any unsuccessful audits.

*Reporting of
relevant changes*

5 Integrity Program for Certification Bodies

4C is responsible to develop and operate the 4C Integrity Program as a means of quality and risk management and as a tool for monitoring and verifying the compliance of CBs and their appointed staff with 4C requirements. The 4C Integrity Program ensures the integrity of the 4C certification system and facilitates continuous improvement and implementation of best practices. Within the framework of the Integrity Program, 4C is entitled to perform the monitoring and integrity assessments of cooperating CBs. Monitoring or integrity assessments will be conducted either by 4C or by independent auditors commissioned by 4C.

Quality and risk management

5.1 Monitoring of Certification Bodies

Monitoring of certification services provided by CBs is conducted by 4C or by a 4C integrity auditor commissioned by 4C on an on-going basis. The monitoring consists of but is not limited to, checking the compliance of the CB and its assigned staff who are involved in 4C audits on e.g. certification procedure, sample size calculation, sample selection, meeting deadlines (uploading audit documents, certification decision, providing feedback to 4C's comments during process of validation or of solving complaints and appeals), and audit report quality (e.g. relevance and adequateness of justification, explanation).

Scope of monitoring CBs

Monitoring can be a desk audit or audit at the CB office with or without audit at auditees' sites.

Type of monitoring CB

In case of infringements with 4C requirements observed during the audit process, 4C may require the CB to repeat the audits in a manner that complies with 4C requirements on the CB's own expense.

Sanction to CB

5.2 Integrity Assessments of Certification Bodies Office

Integrity assessments can be conducted at the CB's office (CB office audit) and/or at 4C Units certified by the CB (CB customer audit). Both CB office audit and CB customer audit aim to assess and verify the compliance of the CB and of its 4C auditors and assigned staff who are involved in 4C certification activities in particular. The result of an integrity assessment is summarised in an integrity report in which the performance of the auditor, assigned staff and the CB is evaluated, their compliance with 4C requirements is verified, infringements are stated and corrective measures, as well as points of improvement, are identified based on the findings of the audit. A representative of the CB assessed shall sign the report.

Integrity report

Upon request, 4C is entitled to forward the integrity report to the competent public national authority or accreditation body responsible for the accreditation of the CB, especially in case of severe infringements of the CB, its auditors, or assigned staff.

Sharing of integrity report

The 4C integrity assessment at the office of a cooperating CB is taken separately from the common surveillance and monitoring of CBs usually

CB office audit

performed by the accreditation body responsible for accreditation of the CB. The CB is obliged to allow for and to participate in CB office audits scheduled by 4C. Participation of the CB in CB customer audits scheduled by 4C is not mandatory, but highly recommended. Further information on integrity assessments at CB customer audits are provided in the 4C System Regulations, chapter 3.9 “Integrity Program”.

At all locations where the cooperating CB performs activities associated with 4C and at which it exercises the verification of 4C requirements, the cooperating CB must enable employees of 4C and/or independent auditors commissioned by 4C:

Granting access

- to enter sites and offices during business hours or hours of operation
- to conduct inspections
- to inspect and audit all written and electronic business records available
- to request the necessary information
- to accompany the cooperating CB on 4C audits and/or carry out its own control audits of MEs and 4C Units that have already been certified.

The integrity assessment includes, among others, the verification of the following elements:

Scope of assessment

- Accreditation of the CB
- Training and qualification of 4C auditors and assigned staff (CVs, training records and evidence of competence, etc.)
- QMS and related procedures regarding the 4C certification audits and evaluation of AU
- Documentation of risk analysis conducted prior to on-site audits of 4C Units (e.g. remote sensing analysis of farms and compliance with 4C requirements), sample size calculation and sample selection
- Documentation of audit reports, evaluation process of audit reports, and monitoring of the timely implementation of corrective actions
- Documentation on the evaluation of AUs
- Decision-making process for issuing a certificate and approving AUs
- Other procedures or documentation required by 4C as laid down in currently applicable versions of 4C System documents.

General requirements on the 4C Unit’s integrity assessment and the 4C Integrity Program are specified in chapter 3.9 of the 4C System Regulations.

5.3 Classification of Assessment Results

Based on one or more integrity reports and monitoring results, 4C will classify the performance of the CB, its 4C auditors, and assigned staff who are involved in 4C certification activities. In the case of unacceptable or deficient performance, the CB and the auditor and/or assigned staff (if applicable) will

Evidence-based classification

be informed about this classification and shall have the opportunity to respond in a written statement within 14 calendar days after notification.

The 4C performance classification for the CB, its 4C auditors, and other assigned staff will be based on:

- The individual CB integrity report
- The integrity reports of 4C Units which have been audited by the CB
- The CB's written statement to the integrity report
- The monitoring results through reviewing 4C audits conducted by the CB

CBs' performance can be classified respectively as:

*Performance
classification*

1. **Good performance:** No systematic or severe infringements of the CB and its appointed 4C auditors and 4C evaluators have been found. The CB demonstrates good performance. No specific reassessments or immediate measures are necessary.
2. **Performance needs to be improved:** Requires the CB and/or its 4C auditors and 4C evaluators to improve performance and implement improvement measures. Performance needs to be improved in case of infringements with regard to the following aspects, but not limited to, have been detected:
 - Negligence of the 4C requirements in a way that has no substantial negative impact on the implementation of the 4C System, for instance, lack of adequate documentation at CBs office
 - One or more minor technical failures in the audit process.
3. **Unacceptable performance:** Puts the overall competency of the CB and/or its 4C auditors and 4C evaluators regarding 4C at risk. In such a case, severe or critical infringements with the 4C requirements and procedures are observed. These include but are not limited to:
 - Deliberate and/or repeated ignorance or negligence of the 4C requirements (e.g. send not qualified auditor to conduct a 4C audit)
 - One or more major technical failures in the audit process (e.g. auditing an insufficient sample)
 - A large number of technical failures in the audit process
 - Verified fraud
 - Do not grant access to the integrity auditor for integrity assessment.

Further integrity assessment(s) can be planned immediately to investigate whether it was an isolated incident or a customary working practice, but one single assessment can also result in this classification.

5.4 Infringements, Procedures for Improvement and Sanctions

In the event of infringements of a CB cooperating with 4C, its auditors, or assigned staff, 4C may impose sanctions against the CB or the individuals

*Verification of
infringement*

responsible for the infringement. Based on a case by case examination, 4C evaluates the type and level of infringements and defines the type and level of sanctions.

There are four steps for informing the CB on the infringement(s) identified, improvement requirements, and sanctions to the CB: warning, yellow card, red card, and contract cancellation. 4C is entitled to take sanctioning decisions. Yellow and red cards can be lifted again after a defined time period.

Step 1: Warning

A warning can be issued where moderate infringements with the 4C requirements are detected. Only the CB will be informed about the warning. Usually, warnings require that the CB submits to 4C a statement of explanation and a plan of corrective measures to be implemented with a clear timeframe of implementation in order to ensure the compliance with 4C requirements, within 14 calendar days following the notification of the official warning.

Warning letter

Evidence on the corrective measures needs to be provided to 4C within a timeline defined and agreed upon.

Step 2: Yellow card

A yellow card can be issued where the CB does not react nor report towards 4C in response to the warning, and/or to the written request to the CB to develop a correction plan with an indicated deadline made by 4C, or where infringements with the 4C requirements are detected (e.g. in the framework of the 4C Integrity Program). A yellow card can especially be issued, where minor infringements occur repeatedly or systematically, especially in cases where 4C has already issued a warning to the CB regarding the same type of infringement

Yellow card

Altogether with the issuance of a yellow card, the CB:

- will be marked with a yellow card in the list of cooperating CBs that is published on the 4C website. The yellow card remains remarked during the period where the CB implements corrective actions.
- can continue and finish all on-going 4C certification activities as contracted with MEs, however, is not allowed to commit nor to start a new 4C audit until the yellow card is lifted.

Sanction

The yellow card can only be lifted when 4C receives sufficient documented evidence from the CB to confirm the correction of infringements. If applicable, 4C may request a new assessment to confirm the correction of severe infringements or to verify the effectiveness of the corrective measures.

Lifting yellow card condition

Step 3: Red card

A red card can be issued where severe or critical infringements with 4C requirements are detected (e.g. in the framework of the 4C Integrity Program), where required improvement measures due to a yellow card are found to have not been sufficiently implemented, where the CB does not react nor report on

Red card

repeated written requests by 4C, or where the accreditation body or competent national public authority has suspended the accreditation or permission of the CB.

A red card will lead to the different sanctions that:

Sanction

- The CB will be marked with a red card in the list of cooperating CBs that is published on the 4C website.
- The CB is not allowed to issue or reissue new certificates
- The CB must inform all clients that the CB is not allowed to issue or reissue 4C certificates
- In the case of severe infringement (e.g. a large number of technical failures in the audit process), individual 4C responsible auditor(s) may be immediately suspended from conducting further 4C audits.

The red card can only be lifted when 4C receives sufficient documented evidence from the CB to confirm the elimination of infringements or when 4C receives the lifting decision from the responsible accreditation body or the competent national public authority. If applicable, 4C may request a reassessment to confirm the elimination of severe or critical infringements and the CB must bear the full cost for any reassessment if that requires.

Lifting red card condition

Step 4: Contract cancellation

Contractual agreement cancellation, between 4C and the CB, can take place in particular in cases of verified fraud, when a red card could not be lifted again after the agreed time period, bankruptcy, or loss of the required permission or accreditation of the CB by a national authority or accreditation body.

Contract termination

Consequences in the case of cancellation of contract agreement between 4C and the cooperating CB:

- The CB is not allowed to issue or reissue new certificates
- Cancellation of the cooperation agreement by 4C.
- Contract cancellation is made public on the 4C website and all 4C System users are informed.
- Information provided to the accreditation body that has accredited the CB and is responsible for monitoring the CB.

In case the CB would want to reactivate the cooperation with 4C, the CB must reapply for recognition by 4C. The CB must implement corrective actions and reports in written on its immediate actions to 4C and submit these documents altogether with the application to 4C. 4C takes the right to accept or refuse the application, and may request an assessment to the CB to confirm the correction of severe or critical infringements of the CB and the CB must bear the full cost for any assessment if that is required.

Reapplication of the CB

6 Requirements for 4C Auditors and Evaluators

Independent of their specific operational area, all auditors must meet general requirements and qualification requirements to be able to conduct 4C audits. Depending on whether they conduct audits at IB or FB, they must meet additional specific requirements.

Approval conditions

6.1 General Requirements for Auditors and Evaluators

All auditors and evaluators appointed to conduct and evaluate 4C audits must meet the following requirements:

- Technical knowledge and a good understanding of the activities and processes undertaken by the audited 4C Unit, its overall organization with respect to the 4C requirements. Auditors and evaluators' knowledge must be sufficient for identifying, assessing, and managing the risks during each audit and audit evaluation.
- Capability to analyse the risks, based on the auditor's professional knowledge and the information provided by the ME of the 4C Unit. This is necessary to be able to draw up and carry out an audit plan, corresponding to the risk assessment requirements according to chapter 7 of the 4C System Regulations, the scope, and complexity of the 4C Unit's activities. This includes relevant evidence, upon which the final conclusion will be based.
- Personal and professional behaviour in the sense of ISO 19011 (e.g. ethical, open-minded, diplomatic, observant, culturally sensitive, etc.). Auditors and evaluators should follow "principles of auditing" according to ISO 19011 when conducting and evaluating 4C audits. Those principles are integrity, fair presentation, due professional care, confidentiality, independence, evidence-based approach, and risk-based approach¹.
- Plan and conduct the audit with respect to nature, timing, and extent of evidence-gathering procedures in such a way that a meaningful level of assurance for a decision regarding compliance with the 4C requirements is available. The auditor and evaluator must establish at least a "limited assurance engagement" in the context with the nature and complexity of the 4C Unit's activities. A "limited assurance engagement" implies a reduction in assurance engagement risk to an acceptable level as the basis for a negative form of expression of the auditor or evaluator's conclusion².
- Auditors are not permitted to make ultimate certification decisions regarding audits they have performed themselves.

General requirements

¹ ISO 19011:2018 Guidelines for auditing management systems

² ISAE 3000

6.2 General Qualifications of Auditors and Evaluators

Auditors and evaluators who are and will be involved in 4C audits have to have at least the following qualifications:

- At least two years of work experience in the coffee sector; all in all, at least three years of work experience.
- Successfully completed training programs that cover generic auditor knowledge and skills. At least 40 hours of audit training (e.g. according to ISO 19011).
- Knowledge of applicable local legislation and international conventions and the ability to apply it during the audit.
- Knowledge of the local context and ability to apply it during the audit.
- Knowledge in the handling, evaluation, and assessment of the plausibility of data sources.
- Knowledge about risk analysis methodologies, tools, and relevant databases, especially knowledge of the evaluation of satellite data.
- Knowledge in traceability verification and relevant databases, chain of custody options, supply chain logistics.
- Competence in group certification, risk-based audits, and sampling principles.

Qualification requirements

6.3 Specific Qualifications of Auditors and Evaluators

In addition to the general requirements and qualifications, auditors and evaluators who are and will be involved in 4C audits must at least have competences in one of the following areas:

- Knowledge in agriculture production and post-harvest processing
- Knowledge in food processing
- Knowledge in chain of custody
- Knowledge in social development
- Knowledge on pedology (soil science) is recommended.

Qualification requirements

Required competence can be evidenced through:

- Completed studies at a university or a technical college, or a comparable qualification in one of the following areas (areas with a comparable content are also eligible):
 - Horticulture, agricultural sciences, agriculture engineering, agricultural economics
 - Agroecology, geology, geological sciences, geoecology, landscape ecology, life sciences, et al.
 - Spreadsheet analysis, accounting, enterprise resource planning (ERP) systems, logistics, supplier and supply chain management
- Or having conducted at least three complete certification audits on agriculture production as an officially approved auditor in any of the schemes or combination thereof in auditing other schemes and management systems (such as the Rainforest Alliance, Fairtrade,

Evidence of qualification

Global G.A.P, organic, ISO 9001/ ISO 14001/ SA8000, etc.) within the last three consecutive years.

7 Contractual Relationship between Certification Bodies and 4C System Users

4C does not manage nor control Service Contracts between CBs and 4C System users, such as with MEs, Intermediary Buyers (IB), or Final Buyers (FB). 4C System users may freely choose 4C cooperating CBs to perform an audit (e.g. certification audit, addendum audit for 4C Units, or chain of custody audit for IB and FB), AU evaluation, or annual surveillance in the case of chain of custody certification according to 4C requirements. In case of change the CB, requirements with regard to the integrity of the system must be met as described in chapter 5.2.4 of the 4C System Regulations. These measures are taken to address a 4C System users' certification history appropriately and to reduce the risk that CBs are changed with the intent to cover up infringements or violations of 4C requirements ("CB hopping").

Change of CBs

A change of CB during an audit or evaluation process of AUs is not allowed.

In case a 4C Unit has already been certified according to 4C requirements and intends to become recertified under 4C by a different cooperating CB or change the CB within a three-year certification period for having an addendum audit or surveillance audit conducted, or AUs evaluated, the newly contracted CB must receive the relevant audit documents of the last audit from the old CB. The audit report and documents from the last or previous audit must be considered during the audit or AU evaluation process performed by the newly contracted CB. 4C is also entitled to provide the relevant audit results of the previous audit(s) to the newly contracted CB. Both CBs (the new and the old CB) are obliged to cooperate in case of questions arising during the audits and evaluation of AUs which concern the audit history of the 4C Unit.

Transfer of last audit results

A CB remains responsible for the certificates it has issued to 4C System users until the respective certificates expire, are terminated by the holder, or are withdrawn by the issuing CB. In case the Service Contract is terminated, either by 4C System users or by the CB, the certificate issued by the old CB will remain valid until and be withdrawn automatically on the day the new certificate is issued by the newly contracted CB. One CB cannot take responsibility for certificates issued by another CB.

Responsibility for certificate issued

Annex: Declaration on Fulfilment of Requirements for Certification Bodies

We herewith declare towards
4C Services GmbH (4C)
Hohenzollernring 72
D-50672 Köln, Germany

that we as a Certification Body fulfil the following requirements for a cooperation agreement with 4C:

- (1) Accreditation against ISO/IEC 17065 establishing requirements for bodies operating product certification systems*
- (2) Conducting audits in conformity with standard ISO 19011 establishing guidelines for quality and / or environmental management systems auditing
- (3) Conducting audits in conformity with standard ISO/IEC Guide 60 establishing good practices for conformity assessment
- (4) Appointment of competent employees in terms of the requirements in the 4C Certification Body Regulations

By signing this declaration, the Certification Body agrees to inform 4C immediately in case of any changes to the fulfilment of the requirements, especially with regard to the accreditation by an accreditation body which is a member of IAF.

Name and address of the Certification Body:

{Name of the CB}

{Street, number}

{Postcode, town, country}

Stamp, date, and signature of the certification body

* Please include a copy of the respective certificate