



## 4C System Update 15

1 August 2023

1. Update on the BPM and Audit Checklist for Chain of Custody certification
2. Clarification on the proper completion of the BPM template for 4C Units
3. Clarification on the proper completion of the Audit Report template
4. Clarification on the CB infringement solving process

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### 1. Update on the BPM and Audit Checklist for Chain of Custody certification

To clarify the facilities' different roles and responsibilities, additional columns have been added in the BPM template for CoC (ref. Figure 1). The 'Trader' column should only be used for facilities that do not have any other role than the trader function, as trading is implicit to all facility roles that perform any kind of processing.

Roles					
Mark an "x" if applicable					
Storage	Trader	Roasting	Grinding	Decaffeination	Capsule Packing

Figure 1: Roles of the facilities in CoC

The Audit Checklist for CoC has been revised to include Final Buyers in the Verification Guidance for relevant checkpoints to better reflect all types of CoC auditees. The new versions of the BPM and Audit Checklist for CoC (v4.1) are available on the [4C website](#) and are effective as of the System Update 15 publication date.

### 2. Clarification on the proper completion of the BPM template for 4C Units

#### Inputting a Managing Entity with one or more local office(s)

In the BPM for Coffee Production certification, the first row highlighted in yellow, refers to the ME (Managing Entity). In case the ME has one or more local office(s) that is/are responsible for this specific Unit, the ME is asked to enter (an) additional Managing Entity row(s) for the local office(s). One row should be added for each local office. The name and ID of the local offices must be identical to that of the ME's main/head office, whereas the geo-locations must differ from one another. The added rows must be manually highlighted in yellow to show that the local offices belong to the ME. The cells under "Services" and "Coffee flow" should be left blank for the added rows (ref. Figure 2).



Validation	NAME, IDENTIFICATION AND LOCATION			Geo. Coordinates		Services			BUSINESS DATA		COFFEE FLOW	
	Legal Name	National Identification Number	City OR Village OR Municipality	Latitude (-90 to 90)	Longitude (-180 to 180)	Post Harvest Processor	Transfer	Storage	Permanent	Temporary	Delivering coffee to (physical coffee flow)	Selling coffee to (commercial coffee flow)
OK	Cooperativa del Café Sostenible	1234-567-890123	San Pedro Sula	15,507044	-88,020856					70	52	
OK	Cooperativa del Café Sostenible	1234-567-890123	Belén	14,974857	-88,120752					5	1	
OK	Agencia Smith	3926-193-427510	Belén	14,294830	-88,305870	wet/dry	x			2	5	Buyer A
OK	Agencia Smith	3926-193-427510	Gracias	14,936824	-88,124162		x	x		2	7	Buyer A
OK	Benel	3636-198-282487	San Marcos	14,923239	-88,690120	wet/dry				1	9	Cooperativa del Café Sostenible

- Additional line(s) for local office(s), one line for one local office  
- Same name, same ID, different GPS

Highlight this line in yellow color

These cells are blank

These cells are blank

Figure 2: How to fill in additional rows for local office(s) of the Managing Entity

### 3. Clarification on the proper completion of the Audit Report template

#### Justification required for the audit result 'Not applicable'

In the 4C Audit report, each checkpoint needs to be answered with either 'YES', 'NO' or 'NA' (Not applicable) for the ME, as well as for each individual BP (in the case of Coffee Production certification) or for each audited facility (in the case of CoC certification). Blank fields are not permitted.

For checkpoints where the overall result becomes 'NO' or 'NA' a justification must be given in the column 'Comments' explaining why the checkpoint is not compliant or why the auditor judged it to be not applicable for the specific BP(s)/facility(ies). If a checkpoint has been answered with 'NO' for some BPs/facilities and 'NA' for others, the column 'Comments' should explain both cases.

If a checkpoint has been answered with 'NA' for some BPs/facilities and 'YES' for the others, the overall result becomes 'YES'. For the detailed audit result to be reflected, for each 'NA' an explanation must be provided why the auditor judged it to be not applicable for these BPs/facilities. The justification always must be clear, relevant and specific to the related BP/facility. Please note that for BP Producers, checkpoints which are not applicable to smallholders can be marked 'NA' for smallholders without a justification comment and vice versa for big farms.

### 4. Clarification on the CB infringement solving process

As described in chapter 5.2.4 of the 4C System Regulations, 4C conducts a validation of the certification documents uploaded by the CB and *"might come back to the CB and/or ME for clarifications in case of doubts"*. Furthermore, chapter 3.8 lays out that infringements that are detected *"beyond an audit of the 4C Unit, e.g., during 4C internal verification processes or 4C integrity assessments"*, are classified by their severity leading to different forms of sanctions. To clarify the responsibility of the CB in the infringement solving process, this System Update outlines the respective steps (as communicated in the CB Feedback meeting in November



2022) based on the type of infringement detected. The classification of infringement types and the associated sanctions can be found in System Update 13.

#### 4.1 Process for infringements that classify as documentation failure

Upon the certification decision made by the CB via the 4C Portal, the 4C team conducts a validation check of all pertinent documents and, if necessary, sends an email with comments for revision and clarification to the evaluator and/or certifier of the CB. The day the CB concludes the Audit report evaluation, (i.e., takes the certification decision) marks the start of the revision and correction period, which may last **up to 60 calendar days** (ref. Figure 3),

#### INFRINGEMENT SOLVING PROCESS IN CASE OF DOCUMENTATION FAILURE CASES

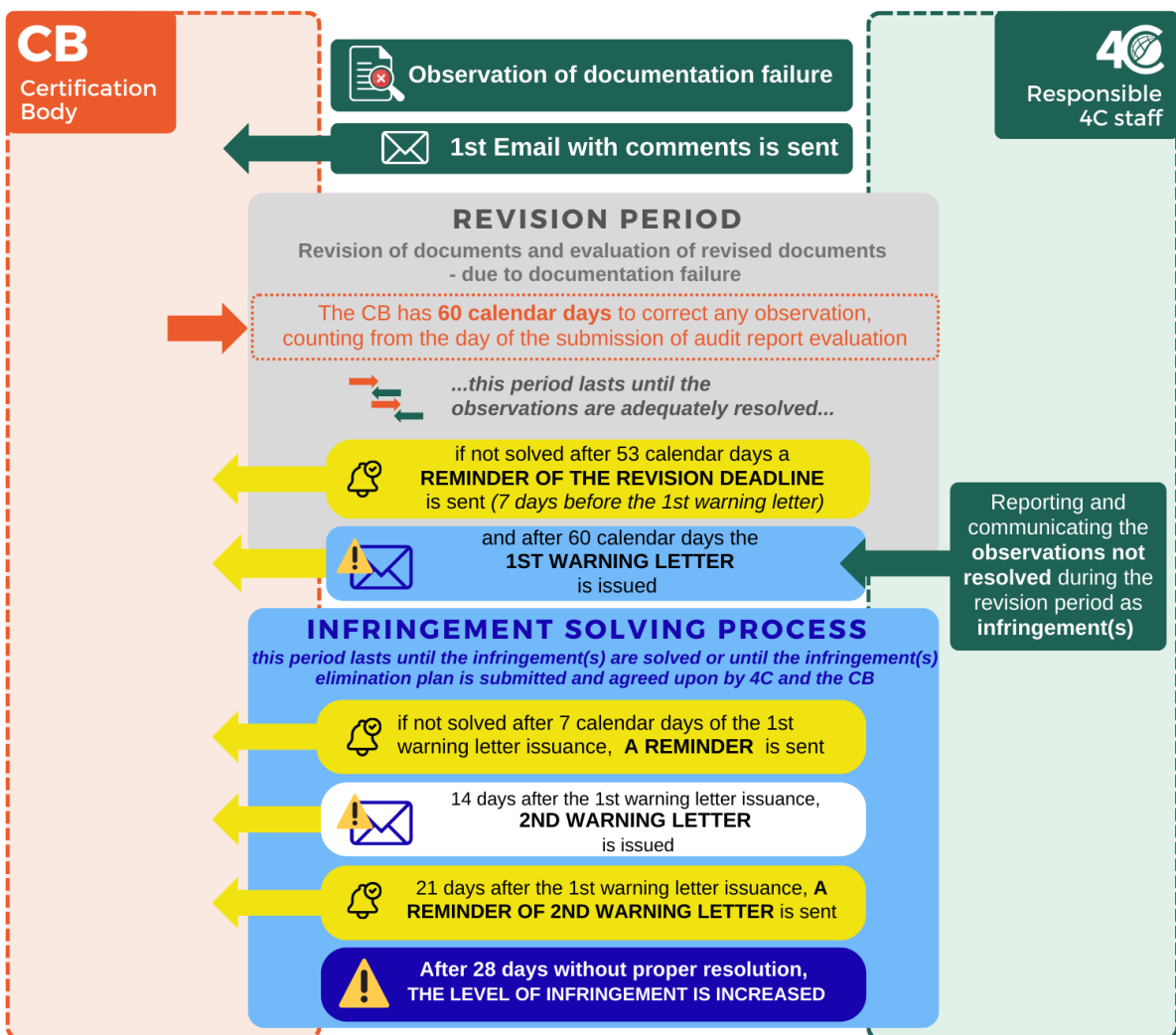


Figure 3: Process for solving documentation failure infringements

Based on the first validation email sent by 4C, the CB revises the documents, provides additional evidence, if required, and sends them back to the relevant responsible staff at 4C. The CB can work with the certificate holder (the Managing Entity in the case of Coffee Production certification, or the Intermediary Buyer/Final Buyer in the case of the Chain of Custody certification) for consolidating the additional evidence or the adjustment of the audit documents. In case the updated documents contain remaining or newly added errors, these



observations are collected and communicated to the CB in a follow-up email. Consequently, the CB must make further revisions. This procedure applies to all types of 4C audits, including 4C core audits and Add-On audits.

As depicted in Figure 3, 53 calendar days after the conclusion date of the Audit report evaluation, 4C sends an automatic reminder that 7 calendar days remain until unresolved issues in documentation may result in infringements.

After 60 calendar days, all issues that have not been corrected by the CB will be recorded as infringements and the 1st warning letter is sent to the CB listing these infringements.

#### 4.2 Process for other types of infringements

If any infringements belonging to the categories 'Procedure failure', 'Management of appointed staff', 'Failure to meet requirements on risk assessment and sampling', 'Wrong certification decision or AU approval decision', or critical infringements as listed in System Update 13, are detected either during the audit report validation process or during an integrity assessment, a first warning letter will be issued and sent to the CB immediately. Figure 4 depicts the consecutive steps.

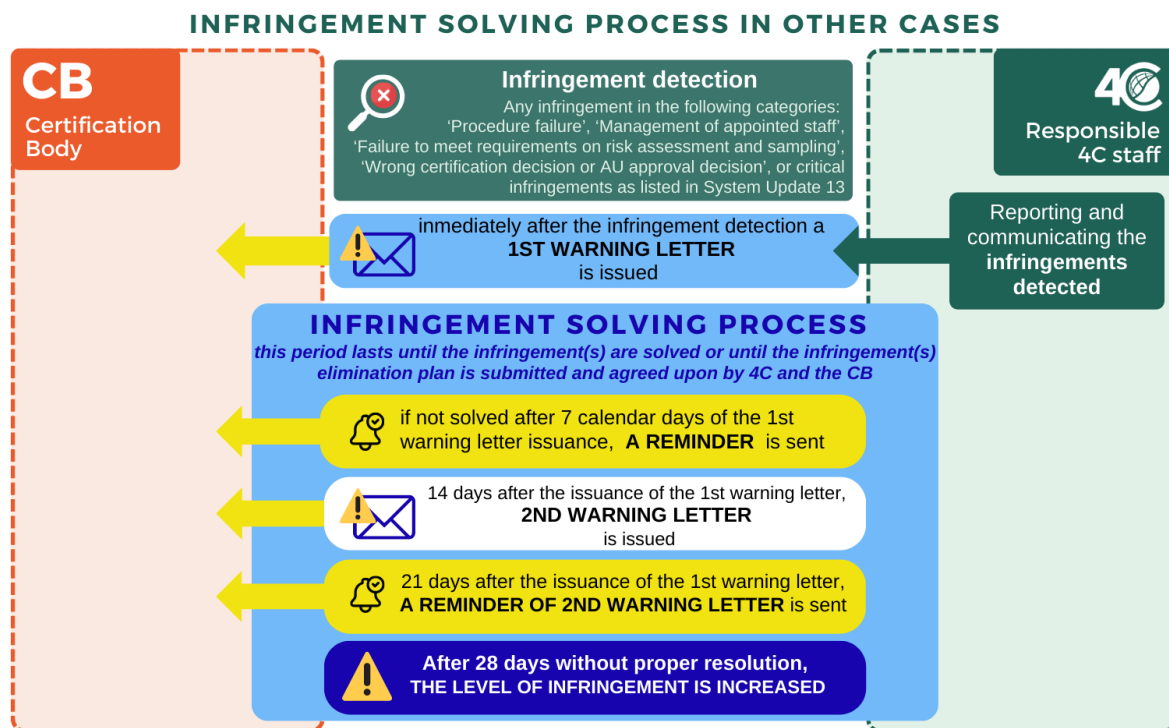


Figure 4: Process for solving other infringement(s)

#### 4.3 Timeframe to solve infringement(s)

As depicted in Figures 3 and 4, after receiving the first warning letter, the CB must submit a statement of explanation and a plan of corrective measures to be implemented with a clear timeframe to 4C (in accordance with chapter 5.4 of the 4C Certification Body Regulations, version 4.0.). The response from the CB must be sent within 14 calendar days after the first warning letter.



If no proper response is recorded, a second warning letter will be sent after 14 calendar days. In case no response has taken place within 7 days after the warning letter issuance date, reminders will be sent out to support the CB in submitting the required timely response to the warning letter.

If there is still no response recorded or no satisfactory resolution of the infringements, the level of infringement is escalated after 28 calendar days. This means that moderate infringements increase to severe; likewise severe infringements are raised to critical (see System Update 13).