

SUSTAINABLE ALCOHOLIC AND NON-ALCOHOLIC BEVERAGES CERTIFICATION BENCHMARK STUDY

Version: Results report

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Foreword

Certifications for sustainable alcoholic and non-alcoholic beverages are an important source of information for assessing, securing, and improving the environmental and social conditions in the industry. In 2019, Intertek partnered with Systembolaget to benchmark regional, national, and international certification, audit standards and their assessment methodologies. The purpose of the benchmark was to evaluate the schemes for their scope and robustness regarding scheme management, sustainable cultivation, and production. To do so, the standards were benchmarked from four perspectives:

- Governance and Quality
- Social Aspects (Human Rights and Labor Practices)
- Environmental Growing/ Farming (Agricultural and raw material cultivation)
- Environmental Production (Beverage production)

There are several contexts where this information can be a valuable tool to secure a sustainable assortment of alcoholic and non-alcoholic beverages, including:

- Risk mapping of products
- Design of tender requests
- Customer guidance

In 2023 Nordic Alcohol Monopolies became formal sponsors of this independent benchmark so to gain insight on developments in certifications connected to the products they sell.

Apart from continuing to add new schemes year after year, two parallel processes are also carried out, which are:

- *Benchmark update evaluation:* Since regulations, requirements and stakeholder needs change constantly, schemes owners update the standards periodically to be in line with new requirements. The updated evaluation consists of a review of potential updates to the existing benchmarked schemes and is performed in consultation with the representatives of the schemes.
- *Benchmark re-evaluation:* Nordic Alcohol Monopolies can request the review of existing schemes benchmarks according to stakeholders' expectations. The review consists of a full or partial revision of the scored categories.

Scope

Due to the increased cooperation with the other Nordic alcohol monopolies, the growing interest of external stakeholders to improve their score on the Benchmark and other internal stakeholders' requirements to make this process increasingly exhaustive, the 2023 update of the benchmark consisted of three parts:

Part I: Expand the Benchmark study with the schemes requested by NAM.

Part II: As certifications/schemes update their standards at their own their pre-determined deadlines, this study aims to incorporate all that have updated their standards since the previous study and have informed the auditing company of these updates.

The general approach of this study is to benchmark the selected schemes' audit requirements based on a self-assessment questionnaire (SAQ) that included specific questions related to the categories Governance and Quality, Social Aspects (Human Rights and Labor Practices), Environmental Growing/Farming (Agricultural and raw material cultivation), and Environmental Production (Beverage production). The SAQ was updated to make a distinction between Social Aspects, considering the fact that some schemes can have specific requirements for the agricultural environment.

The SAQ results and provided evidence are analysed during a desktop assessment by experienced auditors in environmental and social audits working at Intertek. The results are categorised as Basic, Good and Advanced requirements. Schemes are given the opportunity to provide insight in so called unique requirements. The unique requirements are noted as supplementary qualitative data but are not rated or benchmarked in the final results table.

Development

PART I:

The project for 2023 started with 7 (seven) new schemes as requested by NAM.

7 (seven) NEW schemes were contacted by email and requested to complete the SAQ:

- Regenerative Organic Agriculture (ROC)
- The National Reference of Sustainability Certification in the Wine Sector (Portugal)
- The Farm Sustainability Assessment (FSA)
- Sostain
- EcoStep-Wein
- Agriculture Biologique
- Biogro

The output consisted of **4 (four)** benchmarks being performed and **3 (three)** declined to participate in this benchmark study.

Performed from SAQ & evidence submission:

1. The National Reference of Sustainability Certification in the Wine Sector (Portugal)
2. The Farm Sustainability Assessment (FSA)
3. EcoStep-Wein

Performed from desktop review (without SAQ submission)

1. Biogro

PART II a):

8 (eight) schemes were selected for the update evaluation:

- Sustainable Austria

- Certified California Sustainable Vineyard and Winery (CCSVW)
- Bodegas de Argentina
- Certified Sustainable Wine of Chile
- Terra Vitis
- Sustainable Wines of Great Britain
- Wines of Alentejo Sustainability Programme
- VIVA “Sustainability and Culture”

The output consisted of **3 (three)** updated benchmarks and **5 (five)** dismissed.

Performed from updated SAQ and evidence submission:

- Certified Sustainable Wine of Chile
- Terra Vitis
- VIVA “Sustainability and Culture”

PART II b):

4 (four) schemes were selected for the re-evaluation:

- EU Organic
- Haute Valeur Environnementale
- Global GAP
- Fairtrade International

The output consisted of **2 (two)** re-evaluated benchmarks and **2 (two)** dismissed.

Performed from meeting and evidence submission:

- Fairtrade International

Performed from desktop review:

- EU Organic

Limitations

It shall be considered that only selected topics for the categories Governance and Quality, Social Aspects (Human Rights and Labor Practices), Environmental Growing/Farming (Agricultural and raw material cultivation) and Environmental Production (Beverage production) were benchmarked whereas schemes may cover a wider range of topics that were outside of the project scope.

For schemes with different requirement levels, the most advanced requirement of the scheme is included in this benchmark study. Furthermore, schemes may require adherence to local law without further guidance, it could be that this law is equal or more comprehensive than requirements set by other schemes. Review of applicable laws was outside of the project scope. Also, the varying level of information and documented evidence provided resulted in different levels of verifiable information.

Schemes specially designed for the wine industry (cultivation and production) were better suited to the categorisation.

For the schemes in which a desktop review was conducted to collect the information, the best effort was made, although on some occasions not all the necessary information was found, and the point was considered as “not addressed.”

When a scheme owner was approved for a re-evaluation or an update-evaluation, only the categories subjected for review will be submitted and analysed.

Methodology

Benchmarks are used for each sub-category which result in an overall category result. Due to the request of some scheme owners to not publicise the specific scheme requirements, this report only includes the colored grading per sub-category and an overall category scoring overview.

The scoring definitions for each sub-category are included in Annex 1 Criteria. There are 4 (four) different possible qualitative scores, represented by colors, from white to dark green which indicate the strength of the requirement. Also, each color represents a quantitative score as follows:

Qualitative score	Quantitative score	Reference
	0 points	
Basic (light green):	1 point	Basic requirements are met
Good (middle green):	2 points	Basic + Good requirements are met to a satisfactory level
Advanced (dark green):	3 points	Basic + Good + Advanced are met to a satisfactory level

Qualitative scores are translated into Quantitative scores. The overall category score is obtained as a result of the average of the sub-categories individual scores.

The scores for Summary results were rounded as follows:

Not addressed (white):	0
Basic (light green):	$\geq 0.1 - \leq 1.5$
Good (middle green):	$\geq 1.5 - \leq 2.5$
Advanced (dark green):	≥ 2.5

Example:

<i>Subcategory 1</i>	<i>Subcategory 2</i>	<i>Subcategory 3</i>	<i>Subcategory 4</i>	<i>Subcategory 5</i>	CATEGORY
3	2	2	3	0	10/5=2

- The above results from the Specified Results were translated to numerical values.
- The overall score (10) for this category was divided by the number of sub-categories.
- The overall CATEGORY result was 2 points/middle green.

Annex I

Category Governance:

	Basic (light green)	Good (middle green)	Advanced (dark green)
Auditor requirements	Defined educational background, years of auditing/industry experience	Scheme specific training program	International standard such as ISO, SA8000 or APSCA
Quality oversight of 3rd party auditing body	No basic requirement option	3 rd party is monitored by the scheme owner	Accreditation by (International) recognised standard such as ISO/IEC17021 or other external oversight committee
Scheme standard/manual revision and stakeholder engagement	No set timeline for standard revision; Involves direct stakeholders farms, wineries, auditing bodies during annual meeting	Timeline for review but not documented; Involves a wider group of stakeholders (such as academics) during regular meetings and correspondence	Documented timeline for standard review; Public consultations involves stakeholders in- and outside of the wine industry and academics (e.g., proposed revisions are accessible on website for feedback)
Board members	Positions are described	Specified timeline for re-application	Duties and restrictions are documented
Report validation process	No basic requirement option	Scheme owner	3 rd party auditing body

Category Social Aspects:

	Basic (light green)	Good (middle green)	Advanced (dark green)
Rights of freedom of Association	Local law applies; topic is addressed in statement; open dialogue between management & workers	Formal declaration (e.g. a policy on freedom of association) of the company that workers can form or join unions of their choosing. Statements that workers cannot be penalised or intimidated because of their membership to a union	Union representatives can visit work location; workers are free to choose leaders
No discrimination	Local law applies; topic is addressed in statement	Documented rules/guidelines/company policies or code of ethics in order to avoid discrimination when hiring, training, promoting, dismissing and retiring staff; Identify vulnerable groups	Employee training/communication; Instrument in place where employees can report discrimination. Assigned staff to handle reported cases; wage or promotion system in place that ensures equal opportunities
Fair remuneration	Local law applies legal minimum wage; Including the legal rate for overtime, annual leave is paid in accordance with legislation as well as other benefits.	Payment records available; workers receive pay slips (incl hours and deductions); regular payments to workers	List the conditions for wage deduction for food, housing, PPE. Living wage; Include agency hired workers; Wage for piece rate workers. Benefit package. Salary survey.

Decent working hours	Local law applies; Legal working hours, including overtime	Documentation such as policies, procedures, working hour records; overtime is voluntary; maximum number of overtime hours	Flexible working hours to promote reconciliation of family and work; addressing working hours for vulnerable groups such as lactating women, young mothers, temporary/migrant/young workers; workers are offered a meal/transportation when making overtime
Occupational Health and Safety	Local law applies	Policies and procedures; training & records; PPE provided free of costs, assigned H&S staff; H&S training and communication	Training frequency; incident records; identified hospitals/clinics; accident/illness prevention plan; risk management; excluding vulnerable groups from certain tasks
No child labor	Local law applies	Documentation such as policies, procedures, records (eg. age verification)	Specify certain occasions where children may carry out (very light and non-hazardous) work for family farms only; consultation of external party; remediation efforts; school attendance
Special protection for young workers	Local law applies	Documentation such as policies, procedures, record (e.g., age verification)	Addresses the maximum number of hours for work including transportation; working conditions; remediation efforts; consultation of external party
No precarious employment	Local law applies	Documentation such as policies and procedures; all employees have contracts or are orally informed about job position, wage, benefits if any, working times, leave entitlement, housing; monetary salary	Labor planning; Seek to employ the same seasonal workers every year; contracts in the desired language of the employee; max % may be hired through labor contractors; after X number of years seasonal/permanent workers receive same benefits as directly employed workers; if applicable, Contract between

			producer and recruitment agent setting out obligations
No bonded labor	Local law applies	Policies and procedures; records; specify the characteristics of forced labor (involuntary employment, debt bondage, retention of ID, not free to leave the workplace at the end of the shift, not free to leave employment)	Contract between producer and recruitment agent setting out obligations; workers living on site are free to leave the workplace at the end of their shift
Ethical business behavior	Local law applies	Policies and procedures	Risk management of business partners; screening business partners; fair prices; no misleading information

Category Environmental Cultivation (Vineyard):

	Basic (light Green)	Good (Middle green)	Advanced (Dark green)
Long term soil health (improving/increasing the organic content, minimising tillage and soil compaction, preventing soil erosion, minimising application of chemical fertilizers and pesticides)	Topic is addressed	Plan in place to maintain and improve the long-term soil conditions (soil health); Soil health methods are planned and documented; Policies and practices; Records contain methods; training of staff; assigned personnel	(Frequency of) Soil, testing; organic content, pH, if possible, soil biota, testing by a lab/third party; Measures to minimise soil compaction, tillage and soil erosion. Regenerative agriculture.
Crop/pest management	Topic is addressed	Pest-management/insect and mite pest management plan; monitoring and record keeping; control measures; responsible personnel; training	Specific guidance from the scheme taking different pests and diseases in consideration (such as a prohibited/restriction list of chemicals); pesticide resistance avoidance strategies, and a plan review and update schedule
Use of fertilizers	Topic is addressed	Fertilisation plan in place; monitoring techniques and record keeping of application; control measures; responsible personnel; training; Frequency and quantity of application	(Frequency of) Soil and leaves nutrition testing values N, P, K, PH; Limitations to the use of nitrogen and synthetic fertilizers

Biodiversity	Topic is addressed	Ecosystem Management plan in place; Focused on protecting ecosystem and wildlife habitat and minimise direct negative impact	Enhance ecosystem and wildlife habitat; red list of endangered or threatened species; repairing damages caused; assigned personnel; consultation of external party
Energy Use and climate impact	Energy Management Plan and the legally required permits	Policies and practices; Energy (fuel and electricity) use is recorded	Improve energy efficiency; fuel saving practices; reduce consumption of electrical energy; Strategy on renewable energy; assigned person; machinery/vehicle use. Carbon neutral/ Carbon negative targeted years.
Resources and Waste management	Topic is addressed; legally required permits	Documentations such as waste management plan, policy, and procedures; assigned personnel; training; assign waste handling bodies	Risk assessment; storage for hazardous waste; reduce the amount of waste, Mechanical Operation Efficiency (such as combining several tasks or treating more than one row at a time), recycling and reusing material

Water Use and treatment	Water management plan and the legally required permits	Policy and procedure; Irrigation records	Management plan includes monitoring soil water holding capacity, water intake rate, and water permeability; monitoring of irrigation system; water budget (amount of water that can be used); monitoring offsite movement; local water conditions; rainwater/river water use; reduce water use
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Category Environmental Production (Winery):

	Basic (light green)	Good (normal green)	Advanced (dark green)
Energy use and climate impact	Energy Management Plan and the legally required permits	Policies and practices; Energy use is recorded	Improve energy efficiency; fuel saving practices; reduce consumption of electrical energy; Strategy on renewable energy;
Water use and treatment	Water management plan and the legally required permits	Policies and procedure; (waste) water is monitored	If not required by law: third party monitoring wastewater treatment and content; recycling water; third party consultation
Use of resources and waste handling	Waste management plan and the legally required permits	Policies and procedures; sorting waste; assign waste handling bodies	Risk assessment; storage for hazardous waste; reduce the amount of waste, recycling and reusing material
Emissions (air, water, land)	Local law applies	Policies and procedures; employee training	Risk assessment, measures taken to avoid/reduce emissions. Reduction of chemical products.
Packaging material	Topic is addressed	thickness of glass is defined, maximise the use of recycled or easily biodegradable packaging	Certified material, the use of certain material is forbidden

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Scheme/program	Aspect area	SCOPE	Long term soil health	Crop/Pest management	Use of fertilizers	Biodiversity	Energy use and climate impact	Resources and Waste management	Water use and treatment	Energy use and climate impact	Water use/waste water treatment	Use of Resources and Waste handling	Emissions winery (air, water, land)	Packaging material
1	B Corp Certification	Global												
2	BioGro Organic Standard	Global (New Zealand)												
3	Bodegas de Argentina	Argentina												
4	Bonsucro	Global												
5	Business Social Compliance Initiative (BSCI)	Global												
6	Certified California Sustainable Vineyard and Winery (CCSW)	USA												
7	Certified Sustainable Wines of Chile	Chile												
8	Demeter Biodynamic Certification (International)	Global												
9	Demeter Biodynamic Certification (USA)	USA												
10	EcoStep-Wein	Germany												
11	Equalitas Sustainable Wine	Italy and Spain												
12	EU Organic	Global												
13	Fair'n Green	Germany, Austria, Switzerland, France, Italy, Israel, Portugal												
14	Fair for Life	Global												
15	Fair Trade Certified- Agricultural Production Standard (APS)	Global												
16	FairChoice Germany	Global												
17	Fairtrade - Standard for Hired Labour	Global												
18	For Life	Global												
19	Freshcare Australian Wine Industry Standard of Sustainable Practice – Viticulture	Australia												
20	GlobalGAP	Global												
21	Haute Valeur Environnementale	France												
22	Integrated Production of Wine South Africa	South Africa												
23	ISO 14001:2015	Global												
24	ISO 45001:2018	Global												
25	Krav	Europe (Sweden)												
26	LIVE (Low Input Viticulture & Enology, Inc)	USA												
27	LODI Rules	USA												
28	Napa Green Winery Certified / Napa Green Vineyard Certified	USA												
29	SA8000	Global												
30	Sistema Qualità Nazionale di Produzione Integrata (SQNPI)	Italy												
31	SMETA 6.1 (4 pillars)	Global												
32	Sustainability in Practise Certified (SIP)	USA												
33	Sustainable Austria	Austria												
34	Sustainable Winegrowing New Zealand (SWNZ)	New Zealand												
35	Sustainable Wineries for Climate Protection	Spain												
36	Sustainable Wines of Great Britain	Great Britain												
37	Terra Vitis	France												
38	The Farm Sustainability Assessment (FSA)	Global												
39	The National Reference of Sustainability Certification in the V	Portugal												
40	Vignerons en Développement Durable (VDD)	France												
41	VIVA "Sustainability and Culture"	Italy												
42	Wine & Agricultural Ethical Trade Association (WIETA)	South Africa												
43	Wines of Alentejo Sustainability Programme	Portugal												

Scheme/program	Aspect area	SCOPE	Rights of freedom of Association	No discrimination	Fair remuneration	Decent working hours	Occupational health and safety	No child labour	Special protection for young workers	No precarious employment	No bonded labour	Ethical business behaviour	Auditor requirements	Quality oversight 3rd party auditing body	Scheme standard revision and stakeholder engagement	Board members	Report validation process
1	B Corp Certification	Global															
2	BioGro Organic Standard	Global (New Zealand)															
3	Bodegas de Argentina	Argentina															
4	Bonsucro	Global															
5	Business Social Compliance Initiative (BSCI)	Global															
6	Certified California Sustainable Vineyard and Winery (CCSW)	USA															
7	Certified Sustainable Wines of Chile	Chile															
8	Demeter Biodynamic Certification (International)	Global															
9	Demeter Biodynamic Certification (USA)	USA															
10	EcoStep-Wein	Germany															
11	Equalitas Sustainable Wine	Italy and Spain															
12	EU Organic	Global															
13	Fair 'n Green	Germany, Austria, Switzerland, France, Italy, Israel, Portugal															
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26	LIVE (Low Input Viticulture & Enology, Inc)	USA															
27	LODI Rules	USA															
28	Napa Green Winery Certified / Napa Green Vineyard Certified	USA															
29	SA8000	Global															
30	Sistema Qualità Nazionale di Produzione Integrata (SQNPI)	Italy															
31	SMETA 6.1 (4 pillars)	Global															
32	Sustainability in Practise Certified (SIP)	USA															
33	Sustainable Austria	Austria															
34	Sustainable Winegrowing New Zealand (SWNZ)	New Zealand															
35	Sustainable Wineries for Climate Protection	Spain															
36	Sustainable Wines of Great Britain	Great Britain															
37	Terra Vitis	France															
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