
BRAZILIAN LEATHER CERTIFICATION OF SUSTAINABILITY

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Abstract. Sustainability and transparency of the leather industry are increasingly important factors for the sector's clients as well as final consumers, looking for quality products that are also sustainable in all tiers of the production process. In this sense, certification and labelling processes are tools that grant visibility to the positive practices of manufacturers and their suppliers. In Brazil, through an unprecedented tanneries initiative conducted by the Centre for the Brazilian Tanning Industry (CICB), a certification for the leather production process was created. The Brazilian Leather Certification of Sustainability (CSCB) counts on the participation of the various links in the production chain. Using the concept of the sustainability tripod, CSCB considers the results of tanneries in economic, environmental and social aspects. A sustainable tannery develops its activities with positive economic results, seeking to reduce inherent environmental impact of its activities, providing better working conditions to employees and respecting the surrounding community. Since the starting point of its creation (2012), CSCB has reached many results concerning process' improvements in the industry, quitting wastage and getting efficiency in indicators. As the CSCB practices are inside more than 20 tanneries all over Brazil (some of them amongst the biggest in the country, covering a big part of the Brazilian leather production, which is one the hugest in the world) these findings are extremely important and must be shared with whole industry. The certification process is based on implementation and compliance with principles, criteria, and indicators established by standards developed by the Brazilian Association of Technical Standards (ABNT) and audited by certification institutes accredited by The National Metrology, Quality, and Technology Institute (Inmetro), signatory to the mutual recognition agreement within the framework of the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC). These agreements guarantee the international validation and recognition of CSCB. Tanneries are certified according to how well they meet the standards, being granted an identification seal for sustainable processes, guaranteeing the transparency of Brazilian leather suppliers.

1 Introduction

Sustainability and transparency of the footwear supply chain are increasingly important factors for final consumers, looking for quality products that are also sustainable in all tiers of their production process. In this sense, certification and labelling processes are tools that grant visibility to the positive practices of manufacturers and their suppliers. Aligned to this reality, in Brazil, through an unprecedented tanneries initiative conducted by the Centre for the Brazilian Tanning Industry (CICB), a certification for the leather production process was created to demonstrate the capacity of the Brazilian tanning industry of producing leathers in a sustainable form.

The program of Brazilian Leather Certification of Sustainability ("Certificação de Sustentabilidade do Couro Brasileiro" - CSCB) had its beginning in 2012. The first step of the program consisted in the performance of the national and international references review, in terms of certification for leather as well as in certification of sustainability or of each of its dimensions. With this was tried to identify the state of art of this subject.

Alongside to this, one of the program most important aspects was the definition of which model to follow. There were various forms of certification possible, and it was identified the one that could guarantee the highest level of credibility. In this way, the program was aligned to the Brazilian System of Conformity Evaluation, an official format that indicates the need of having a normative basis, in other words, a standard that defines the requirements and the criteria, and a regulation of evaluating the conformity by the certifying organisms.

This model is ruled by the National Institute of Metrology, Standardization, and Industrial Quality (“Instituto Nacional de Metrologia, Normalização e Qualidade Industrial” - INMETRO), and is based on norms of the Brazilian Association of Technical Standards (“Associação Brasileira de Normas Técnicas” - ABNT), which are audited by organisms of a third party accredited by the Institute. INMETRO is known national and internationally in function of the articulations and partnerships that the organ has, such as the International Accreditation Forum (IAF) and the International Laboratory Accreditation Cooperation (ILAC).

At the end of May 2014, the Technical Standard “ABNT NBR 16.296 – Leathers - Principles, criteria, and indicators for the sustainable production” was published. On June 30th, 2015 the INMETRO ordinance 314/2015 was published with the Evaluation Requirements of Conformity (RAC – “Requisitos da Avaliação da Conformidade”). Following, INMETRO elaborated the program for accreditation of the certification companies, which are the third parties companies that perform the audits. Presently, two certification were already accredited by INMETRO and are conducting the audits.

Since the publishing of the normative basis, the tanneries have been preparing themselves for attending the requirements of the standard. CICB, through the program of Brazilian Leather Certification Sustainability (CSCB) has been rendering support to the tanneries, providing training and specific consultancy for the attendance of the standard. At this moment, we have three tanneries certified and another 24 in process of preparation.

The program is inserted in the scope of the Brazilian Leather project, which is a partnership between CICB and the Brazilian Trade and Investment Promotion Agency (Apex-Brasil).

2 The Normative Basis

The principles established on the normative base constitute the reference for the sustainable production of leather, in each of its dimensions: economic, environmental, and social. Besides this, we have a specific section to deal about the sustainability management by the company.

The principles of each dimension are unfolded in criteria, which are the expression of the requisites that describe the sustainable practices for the production of leathers and associated systems. The verification of the fulfillment of each criterion is established through the evaluation of the attendance of a set of specific indicators, which can be quantitative or qualitative.

Depending on the type of processing performed at the production unit (from raw hide to tanned leather, from tanned leather to finished leather, from raw leather to finished leather, etc.), not all indicators will be applicable or will be present. However, it will always be necessary to consider all those pertinent to the local situation.

Therefore, is defined a hierarchic structure of the principles, criteria, and indicators (see **Fig. 1**), for each one of the dimensions, which have the function of establishing the monitoring and the demonstration of the leather sustainable production.

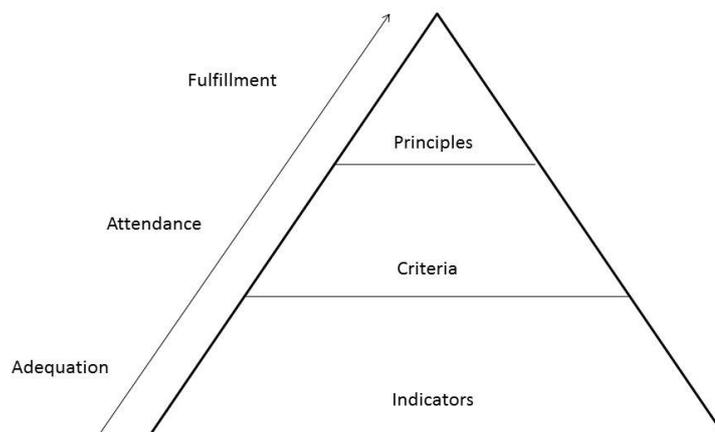


Fig. 1. Hierarchic structure of the principles, criteria, and indicators ^[1].

2.1 The Sustainability Principles

The following is an overview of the principles that are established for each of the dimensions of sustainability. To know more about the criteria and indicators it is recommended that you consult all of the norms.

2.1.1 Sustainability Management Dimension

This dimension has only one principle that says that the organization must efficiently manage issues of economic, environmental, and social nature, whether through a system of self management or, preferably, through a system certified in accordance with ISO 9001, ISO 14001, and ABNT NBR 16001.

2.1.2 Economic Dimension

The economic dimension approaches issues directed to the quality and productivity, as well as the results obtained by the company, and is made-up by three principles, which are:

- a) Production performance: the organization must establish and implement procedures that permit evaluation of production performance with regard to its productivity, operational controls, and workers.
- b) Product performance: the organization must establish and implement procedures that permit evaluation and analysis of product performance, as well as quality and development control.
- c) Economic impacts: the organization must establish and implement procedures - in all sectors – that have a positive economic impact.

2.1.3 Environmental Dimension

This dimension is the one that has the greatest number of principles, criteria, and indicators. This is due to the importance that the environmental issue has for the sustainable leather production. The principles are:

- a) Fulfillment of the applicable legal requisites: the organization must assure compliance of current environmental legislation and other regulations, and the tannery must also assure

- that any outsourced parties also meet current environmental legislation and other regulations.
- b) Traceability: the organization must have the means of assuring traceability of its raw material throughout its supply chain.
 - c) Control of restricted substances: the organization must guarantee that its products meet established limits in relation to restricted substances.
 - d) Water consumption management: the organization must properly manage water usage quantifying, monitoring, and adopting measures for rationing and reduction of consumption.
 - e) Energy consumption management: the organization must adequately manage energy usage- quantifying, selecting sources, monitoring, and adopting measures for rationing and reduction of consumption.
 - f) Production processes: the organization must conduct its productive processes so as to minimize its environmental impact.
 - g) Management of dangerous a non-dangerous waste: the organization must adequately manage dangerous and non-dangerous residues that are generated quantifying, monitoring, and adopting measures to minimize their generation.
 - h) Wastewater treatment: the organization must not only fulfill the regulatory requisites relative to residual water discharge, but must also implement an adequate management program and use advanced technologies to minimize the discharge of pollutants.
 - i) Atmospheric emissions management: the organization must adequately manage generated atmospheric emissions, not only by meeting regulatory requisites relative to emissions but also by implementing a preventative maintenance program for equipment and using technology to minimize pollutant emissions.

2.1.4 Social Dimension

The social dimension approaches the different stakeholders of the company, with highlight to the collaborators, suppliers, clients, competitors, community, and government. The principles are:

- a) Fulfillment of the applicable legal requisites: the organization must be managed through respect for basic human rights and on the fundamental principles and rights of labor, meeting all applicable legal requisites, specially no using child labor at any way, forced labor, or anything similar to slave labor, and must assure that any outsourcing parties also do not use child labor, forced labor, or anything similar to slave labor in their processes and operations.
- b) The organization must establish, implement, and maintain policies that are designated to the internal public, bearing all employees in mind, including health and safety, good working conditions, no discrimination and prejudice, promoting professional development and qualification.
- c) Suppliers: the organization must establish and maintain proper procedures for evaluating and selecting suppliers and subcontracted services, so that they meet the established criteria of social responsibility.
- d) Fair competition practices: the organization must establish practices of price and market competition, in accordance with current legislation, and in search of fair and significant positioning within the sector.
- e) Clients: the organization must establish and implement efficient means of communication and customer service, referring to: product development, client oriented services, and information for clients.

- f) Involvement with the community, government, and society: the organization must promote involvement with the community through developmental projects in order to improve quality of life, rescuing and preserving society in general.

2.2 Requirements of the Conformity Evaluation

The INMETRO Decree N. 314/2015 ^[2] establish the criteria for the Program of Evaluation of the Sustainability Conformity of the Leather Production Process, through certification mechanisms, attending the requirements specified in the ABNT NBR 16296:2014 standard. Besides establishing all aspects linked to the audit process, the regulation defines the levels of certification, and the system maintenance.

In the sense of promoting the inclusion of the companies in the process, were established different levels of certification. For each level was established a percentage of attendance of the indicator applicable of the sustainability management of each of the dimensions, including, necessarily, the obligatory criteria. The attendance percentages of the indicators are:

- a) Bronze: minimum attendance of 50%
- b) Silver: minimum attendance of 75%
- c) Gold: minimum attendance of 90%
- d) Diamond: Attendance of 100%

In accordance with the intended certification level, the Body Certifying Product evaluates the Integrated Management System of the supplier's production process, as well as performs auditing in the manufacturing unit, with the purpose of verifying the conformity of the production process with the documents sent, having as reference the ABNT NBR 16296:2014 standard.

The Conformity Certificate must specify the certification level, besides containing what is established in the General Requirements of Products Certification, and its validity must be of three years, from the date of its issue. The maintenance audit must follow with a periodicity of 12 (twelve) months.

3 Results for companies

The Brazilian Leather Sustainability Certification (CSCB) program has as one of its main tasks, to stimulate and support companies in implementing the actions necessary to meet the sustainability requirements established by the norm. This support is mainly provided through training and consulting in companies.

In the process of preparing companies, there is intense activity in the sense of identifying practices that already meet the norm, the issues that must be adjusted or adapted to guarantee the fulfillment of the requirements and those aspects that must be developed by the company. As the criteria is based on the best practices found in the leather industry, this process promotes the improvement of tannery processes.

To achieve certification companies end up promoting a comprehensive look at their processes and a critical analysis of the aspects that must be worked on. The comparison between the degree of fulfillment of the indicators of the norm at the moment the companies join the program and the level of attendance necessary to achieve certification demonstrates the growth potential that the company has in seeking certification.

Figure 2 shows the percentage of attendance to the indicators of each one of the dimensions at the moment the companies join the program (t₀).

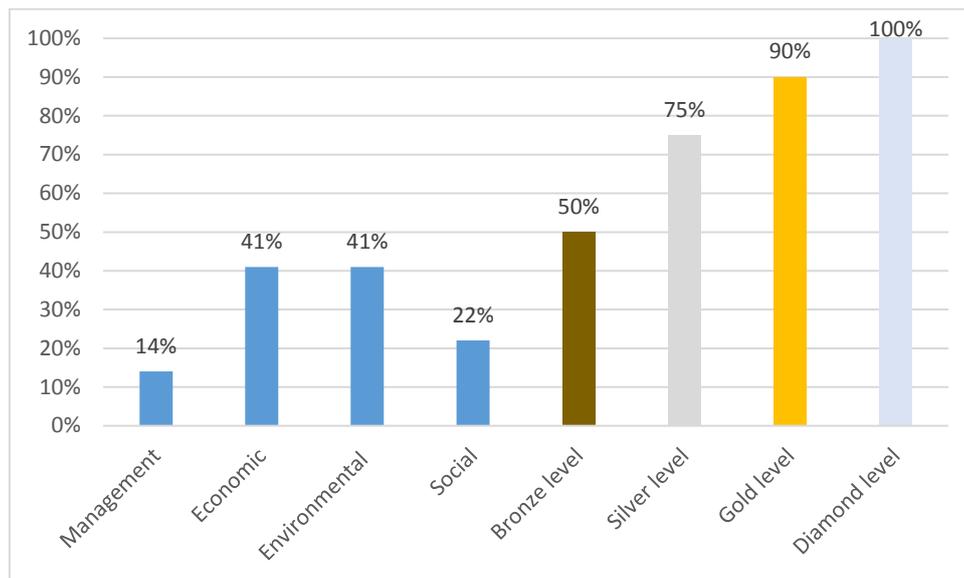


Fig. 2. Initial evaluation of indicators (t0) and level of attendance for certification. Average of 24 companies.

It can be seen that in the economic and environmental dimensions, the Brazilian tanneries, on average, already present an intermediate level of fulfillment of the sustainability requirements. However, in the management and social dimensions, companies usually need greater dedication to meet certification levels.

3.1 Application of management principles

The logic used to construct the Brazilian norm was based on some classic management tools, such as the PDCA Cycle and management by indicators. The application of these tools in a systematic way enables companies to continuously improve their processes for each of the dimensions of sustainability.

An analysis of the steps taken by companies during the consulting processes for the implementation of the requirements of the norm, highlights the main gains for companies in terms of management:

- a) dissemination of sustainability concepts, starting with top management which then permeates through all levels of the organization;
- b) seeing the company as a whole in order to facilitate the establishment of long-term strategic objectives;
- c) definition of performance indicators linked to the sustainability objectives, allowing for the evaluation of their evolution and actions taken to achieve the results;
- d) the establishment of formalized processes in order to guarantee the performance and standardization of the products;
- e) better definition of the organizational structure with a very positive impact on the communication between the parties;
- f) positive impact on the organization of the company in several aspects, thereby improving the working environment;
- g) inclusion or reinforcement of preventive actions and continuous improvement in processes, especially from the implementation of internal audits.

3.2 Economic, environmental and social gains

The gains obtained by the companies are individually quantifiable. In other words, each company has its own ways of identifying the returns obtained in each dimension. However, some aspects that have been detected in a general way for several participating companies can be highlighted, among them:

- a) gains in efficiency and optimization of the processes as well as those related to the quality of the products, due to the standardization, formalization and transparency of the processes;
- b) ensuring compliance with legal requirements not only by the certified company or the one that is seeking certification, but throughout the supply chain, with greater control over subcontracting;
- c) more safety in regards to compliance with the requirements for restricted substances;
- d) actions for the optimization of water and energy use;
- e) improvements to production processes through seeking the best production practices;
- f) reduction in waste generation and better control and management of waste;
- g) improved management of both liquid and atmospheric emissions;
- h) improving the health and safety conditions in the employees' work environment, thereby providing a positive impact on their performance and productivity;
- i) increased supplier qualification and customer satisfaction;
- j) integration with suppliers and customers as well as the community in which the company is inserted.

4 Productive Chain Integration Actions

As part of the certification program are being performed different alignment and integration actions with other actors of the productive chain. Following are highlighted the principal ones.

4.1 Presentation of the Certification to National and International Buyers

Different visits and conversations are taking place in Brazil as well as in other countries; for the presentation of criteria and format of the certification, so that all have knowledge and access to the attributes that the Brazilian leather certificate has with relation to the principles of sustainability. Public targets of this action are considered Brazilian brands, international brands, chemical companies, and footwear manufacturers.

The CSCB certification program also gains highlight in all promotional actions performed in the scope of the Brazilian leather program, a partnership between CICB and Apex-Brasil. There are more than ten international fairs in which the Brazilian tanneries participate and where the program is promoted.

4.2 Cooperation with Footwear Industries

Recently was established between CICB, Arezzo Co. and Calçados Bibi, and a cooperation agreement for the use of the sustainability certificate as criterion in the selection of leather suppliers by Arezzo Co. and Calçados Bibi. With this, the companies will have guaranteed that its suppliers are in agreement with the obligatory criteria of the standard and attending the majority of the indicators established by the ABNT NBR 16.296.

4.3 International Acknowledgment

An agreement of mutual acknowledgment was established between the Brazilian certification and the Italian certification. The document was signed by ICEC (the Italian Institute of Quality Certification for the Leathers Sector) and Brazilian Leather Certification of Sustainability (“Certificação de Sustentabilidade do Couro Brasileiro” - CSCB), signing the mutual acknowledgment of the certifications of the two countries. With this, new fronts of research shall be development by the two countries, as well as the strengthening of sustainability indicators, the valorization of leather close to the final consumer, and the acknowledgment of companies integrating the certification institutes that enter the agreement.

5 Conclusion

The Brazilian Leather Certification of Sustainability (CSCB) is an important form of externalizing the good practices of the Brazilian tanneries, which attend the environmental, social, economic, and management requirements of their productive process. This guarantees to the buyers and to the entire productive chain a high level of safety and best practices.

For being a model of official certification, performed with basis on national standards and certified by the organism of a third party accredited by INMETRO, it has total transparence in the process, aggregating the reliability necessary to transmit to the buyer the certainty of being a product that has its main raw material elaborated in an economically efficient, environmentally correct, and socially responsible form.

Significant gains are observed by companies that seek certification through the improvement of management process guided by the dimensions of Sustainability. Economic aspects are strengthened through a more comprehensive and in-depth look at environmental and social issues. The integration of the entire production chain to common objectives has been strengthening relationships throughout the leather sector.

References

1. ABNT NBR 16.296, *Leather – Principles, criteria, and indicators for sustainable production*. Rio de Janeiro, 2014
2. INMETRO Decree N. 314/2015, *Requirements of the conformity evaluation of the sustainability of the leather production process*