



Terms and Definitions

Effective July 1st, 2022

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Introduction

The purpose of this document is to identify and clearly define terminology used in the context of Impact Incentives and the Impact Alliance.

This document is a public document shared on the Impact Alliance website. Impact Alliance members may develop additional terms and definitions specific to their Impact Incentives programs.

This document will be updated and expanded on an as needed basis.

Document Revision History

Terms and Definitions v0.1, released January 2022

Terms & Definitions

Term	Definition
Animal Welfare	placeholder
Assured Claim	Defined by ISEAL as a claim that results from an assurance process against the standard. Refers to claims about a product, process, business or service that has been certified or verified in compliance with a standard.
Brand Also used: Retailer, Buyer	An organization that controls the design, development, and purchase of products for sale under their own name. Brands may sell to wholesalers, retailers, or directly to consumers. In this context this refers to the buyer of the Impact Incentives or Impact Partnership Incentives.
Buyer Also used: Brand	An individual or organization that is paying for and redeeming the Impact Incentives or Impact Partnership Incentives.
Claim	An oral, written, or implied representation, statement, advertisement, or other form of communication that is presented to the public or buyer.
Claim maker	Any party that wishes to make a claim about Impact Incentives or Impact Partnerships. Normally this is a business in the supply chain but also includes other parties that wish to make a related claim.
Conversion	Defined in the Accountability Framework as the change of a natural ecosystem to another land use or profound change in a natural ecosystem’s species composition, structure, or function. Conversion includes severe degradation or the introduction of management practices that result in substantial and sustained change in the ecosystem’s former species composition, structure, or function. Change to natural ecosystems that meets this definition is considered to be conversion regardless of whether or not it is legal.
Conversion-free Also used: no-conversion	Commodity production that does not cause or contribute to conversion of natural ecosystems.

Cut-off date	In the DCF context, a cut-off date is the date after which forest conversion is prohibited.
Deforestation	Defined in the Accountability Framework as loss of natural forest as a result of: i) conversion to agriculture or other non-forest land use; ii) conversion to a tree plantation; or iii) severe and sustained degradation.
Deforestation-free Also used: no-deforestation, zero gross deforestation	Commodity production that does not cause or contribute to deforestation of natural forests.
Deforestation/Conversion-Free (DCF) Protocol Avoid: DCF Benchmark	A set of criteria which requires third-party verification of zero-gross deforestation or conversion at the farm level. It aligns with the Accountability Framework definitions, targets, and verification requirements.
Facilitator	An individual or organization that supports the transfer of Impact Incentives from sellers to buyer (connecting sellers and buyers; building the Impact Story and settling the financial transaction).
Farm Also used: Production Unit	See Production Unit
Farmer Also used: Producer	See Producer
Group verification Avoid: Group Certification	Farm group verification is an efficient way for Program Partners or groups of farmers to provide the credibility of third-party verification at a reduced cost and effort through setting up an internal control system to verify that all the participating farms meet the requirements of the standard or program; a third-party verifier then conducts a reduced number of individual farm audits.
Identify Preservation (IP)	Defined by ISEAL as a model that ensures that certified product from a certified site is kept separate from other sources. If used through the whole supply chain, it allows certified products to be uniquely traced through the production process from a production site and batch (sustainability certificate holder) to the last point of transformation or labelling of a product (or use of a claim).

Impact Alliance founding member Also used: founding member	The members that founded the Impact Alliance in 2020: Global Food Partners, Proterra, Textile Exchange
Impact Alliance member Also used: member	A global sustainability program with credible standards or benchmarks that has joined the Impact Alliance and shares its vision, mission, and values.
Impact Alliance Governance Committee Also used: Governance Committee	The group that governs the Impact Alliance to ensure that the shared vision, mission, and values are followed.
Impact Incentives Avoid: Impact Credits, impact incentives (capitals not used)	<p>Certificates issued at the beginning of the supply chain (e.g. farmers) that can be bought by brands or retailers at the end of the supply chain. Impact Incentives are issued to producers that meet a set of sustainability criteria (e.g. zero deforestation).</p> <p>The term is also used more generally to refer to the concept and framework of the Impact Alliance. When used in this general context, the term includes both Impact Incentives and Impact Partnership Incentives.</p> <p>Impact Incentives are developed, promoted, and overseen by the Impact Alliance and its members, and must be registered and transferred through the Impact Incentives registry.</p>
Impact Incentives program Also used: Member Program, Impact Incentives Type	The framework of standards, best practices, policies and procedures established by an Impact Alliance member, which define the requirements and processes for the use of Impact Incentives and Impact Partnership Incentives for a specific commodity.
Impact Incentives registry Also used: registry, Impact Incentives platform	An IT system that holds the registration of Impact Incentives and associated data and records, and manages the transfer and redemption of Incentives. It ensures that Incentives and impacts are not double counted and supports aggregated reporting of volumes and impacts across the Impact Alliance. URL: Impactincentivesregistry.com
Impact Partnership	A program that works directly with producers who do not yet meet the sustainability requirements of an Impact Incentives program. Through on-the-ground Program Partners, brands support producers to improve their practices and to work towards meeting the requirements. The intended outcome of an Impact

Partnership is a producer or a group of producers, who meet the standard or threshold required to sell Impact Incentives, or or who can physically trade verified/certified goods.

Impact Partnership Incentives

Certificates sold by Program Partners that can be bought by brands or retailers to provide financial support to an Impact Partnership. Impact Partnership Incentives are issued to Program Partners that work with participating producers towards meeting a set of sustainability criteria in accordance with an Impact Incentives program.

Impact Story

A set of data and/or information that describes the positive impact of the Impact Incentives at the producer level. Impact Stories can be used as a marketing tool by buyers to add value to their financial commitment. For producers, Impact Stories are a way to be recognized for their efforts towards sustainability and to build strong connections with brands/retailers at the other end of the supply chain.

Impacts

Defined by ISEAL as positive and negative long-term effects resulting from the implementation of a standards system, either directly or indirectly, intended or unintended (adapted from OECD Glossary, 2002).

Minimum level (of deforestation or conversion)

A small amount of deforestation or conversion that is negligible in the context of a given site because of its small area and because it does not significantly affect the conservation values of natural ecosystems or the services and value they provide to people.

Off-product claim

Any claim or statement that appears in product marketing, not physically attached or printed onto a product or product packaging.

On-product claim

Any claim or statement that appears attached on printed onto to a physical product; this can be a hangtag, product packaging, etc.

Producer

Also used: Farmer

Defined in the Accountability Framework as the owner or manager of a farm, estate, plantation, or ranch used to produce agricultural products, or of a forest that is managed at least in part for the harvest of forest products. This includes smallholders, producer

	groups, and production systems owned or managed by communities.
Production unit Also used: Farm	Defined in the Accountability Framework as discrete land area on which a producer cultivates crops, manages timber, or raises livestock.
Products	The physical goods that result from a production process. These may include finished or unfinished goods.
Program Partner	An on-the-ground organization that works directly with producers who do not meet the set standard or benchmark and helps them to meet the set Impact Incentives requirements. They may provide training, data collection, verification support, financial support for infrastructure investment, equipment purchases and more.
Scope Also used: Impact Incentives Scope	A scope describes the extent and applicability of the Impact Incentives. It refers to the sustainability areas, sectors, and geographies addressed.
Seller	The producer, producer group, or Program Partner that meets the criteria for the scope(s) of the Impact Incentives or Impact Partnership Incentives.
Third-party verification Avoid: Third Party Verification (without “-”), Third Party Certification	Defined in the Accountability Framework as assessment and validation of compliance, performance, and/or actions relative to a stated commitment, standard, or target. Verification processes typically utilize monitoring data but may also include other sources of information and analysis. Third-party verification is conducted by an independent entity that does not provide other services to the company.
Third-party verifier Also used: Verifier, Verification Body, VB Avoid: Third Party Verifier (without “-”), Third Party Certifier, Certification Body	An authorized third-party carrying out the verification procedures in accordance with the provisions set out by the Impact Alliance member. They also register the Impact Incentives in the registry .
Traceability	Defined by ISEAL as the ability to verify the history, location, or application of an item by means of documented recorded identification.

Traceability systemAvoid: ~~Traceability Program~~

Defined by ISEAL as the system that records and follows the trail as products, parts, and materials come from suppliers and are processed and ultimately distributed as end products.

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