

Traceability

4 Minute Read



To reduce risk and ensure that the products in a supply chain are free of deforestation, ecosystem conversion, and human rights abuses, companies need to know how these materials were produced. This requires tracing the product to specific areas, producers, or intermediate suppliers for which performance on these topics is known. Achieving adequate traceability is therefore an essential component of establishing and managing an ethical supply chain.



Accountability
Framework

Delivering on
ethical supply chain
commitments

Find out more here:
[Traceability](#)

Related Core Principle



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Supply chain assessment and traceability

[Learn More >](#)

What is traceability?

Traceability is the ability to follow a product or its components through stages of the supply chain (e.g., production, processing, manufacturing, distribution, etc.).

Traceability allows companies to link product volumes to specific attributes of suppliers and/or production sites. Achieving traceability often requires companies to identify the various actors in their supply chain and understand the relationships among them—a process known as supply chain mapping.

How much traceability is enough?

Core Principle 5 of the Accountability Framework states that origins of supply chain materials should be known or controlled to a sufficient extent to ascertain whether production and/or processing units comply with commitments. More specifically:

- Primary processors and first intermediary traders should know the origin of raw materials down to the level of the production unit or smallholder group.
- Downstream intermediaries, manufacturers, and retailers should trace supplies upstream until they are able to verify compliance or identify the nature of non-compliance. Depending on the context, this may require traceability to a sourcing area (e.g., a country, province, municipality, etc.), direct or indirect supplier (e.g., a refiner, trader, farmer group, etc.), or to an individual farm or production unit.

How can product origins be sufficiently known or controlled?

The Framework identifies four approaches to supply chain mapping and traceability to achieve adequate control of supply chains. Companies may use different methods in different contexts, depending on what is most practical and effective.

1. **Full traceability**—when materials can be traced back to the production or processing units of origin—allows companies to assess compliance directly.
2. **A supplier’s control mechanisms** can provide sufficient evidence of compliance when materials can be traced back to a supplier that:
 - a. can trace supplies to the production or processing units of origin (directly or via their suppliers), and
 - b. can demonstrate compliance to the buyer based on adequate monitoring and verification (see Core Principle 11).
3. **Credible assurance systems** (e.g., many certification schemes, etc.) can be used to demonstrate compliance when materials are certified using systems that:
 - a. address all relevant social and environmental requirements with sufficient rigor (i.e., are aligned with Framework Core Principles 1 and 2, and any other elements of the buyer’s commitments); and
 - b. link product volumes to production units that are verified to meet these requirements.
4. **Traceability to low-risk landscapes or jurisdictions** is an adequate level of control where it has been demonstrated that the area’s performance with regard to specific social or environmental issue(s) is adequate to fulfil the buyer’s commitments.

Next steps

Review Additional guidance on traceability, supply chain mapping, and monitoring

- [Core Principle 5](#) Key expectations for traceability
 - [Operational Guidance on Supply Chain Management](#)
See Section 2 for specific guidance on options and mechanisms for achieving adequate traceability and mapping supply chains
 - [Operational Guidance on Smallholder Inclusion in Ethical Supply Chains](#)
See Section 2 for specific guidance on approaches to traceability in supply chains involving smallholder producers
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Apply the Framework

Companies can use the Framework to assess, improve, and report on their traceability systems in the following ways:

1. **Assess your traceability systems and implementation** against the elements of the AFI
[Self-assessment tool](#) >
2. **Determine how to best to report on progress** toward supply chain traceability using existing reporting systems in alignment with the Framework

Next steps

Find additional support

Even with the Framework's clear guidance, there can be numerous decisions and challenges in setting up an ethical supply that is well-suited to a particular company's context. Many companies seek the support of a service provider whose approach and advice are aligned with the Accountability Framework.

You may also [contact the AFi](#) to discuss your company's next steps. The AFi is not a service provider and does not accept funding from companies but will help identify options for further support based on your company's need.