



GOTS ADVISORY TO APPROVED CERTIFICATION BODIES

Certification of “Retail Groups” in low risk countries

1 PREAMBLE

Retail Groups often have organisational structures where within the group B2B trading transactions take place before the actual point of sale (B2C). B2B operations are required to be certified under GOTS and thus it is mandatory for all the operations of such a group to be certified. The GOTS Management, on the basis of requests received from Certification Bodies and such Retail Groups has decided to issue an advisory to deal with such group structures.

2 ADVISORY

A group of companies which are affiliated or contractually linked and not being engaged in (re)packing, labelling or other physical interventions to purchased GOTS (finished consumer) Goods, the common sole purpose of which is retail, and having a central purchasing unit is regarded as a “**Retail Group**” irrespective of internal trading and/or warehousing activities.

With regard to certification requirements the following alleviations apply:

- Only the central purchasing unit shall be certified. Holder of the Scope Certificate is the affiliate company doing the group’s central purchasing.
- The Scope Certificate shall list as facilities all affiliate/contractually linked companies and their facilities involved in physical, administrative or legal transfer of the purchased GOTS finished consumer products to the group’s actual points of sale (“non-retail units”).
- Annual inspection of these may be done, upon the certifiers’ risk assessment, by remote audit included into the certified entity’s inspection(s), provided, all required documentation including those related to the flow of GOTS Goods within the Retail Group is accessible and remote interviews with the non-retail units’ responsible personnel are possible.
- Annual and Licence Fees shall be applied to the holder of the Scope Certificate and all non-retail units whether audited remotely or on-site.

3 IMPLEMENTATION

Immediate.

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