Housekeeping Rules

- The main session is being recorded and will be shared on the ISEAL webpage
- Try to turn on your video if you connection permits for the breakout group

**INTRODUCE YOURSELF**
- When you join, edit your name and add your organization in brackets - e.g. Felix (ISEAL)
- To do this, simply click on the “Participant button”
- Next, click on “Rename” next to your name in the Participant list

**HOW CAN I ASK A QUESTIONS/COMMENT?**
Please keep yourself muted when not speaking
1. Raise your virtual hand (organizers will call your name and you can unmute yourself) OR
2. Pop the question in the chat box

**TECHNICAL DIFFICULTIES?**
Reach out to Anja (ISEAL) in the chat box or write an email to anja@isealalliance.org
Sustainability Auditing Good Practices in Response to COVID-19 - ISEAL Virtual Workshop

17 September 2020

Supported by
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
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<tr>
<td>15:00 – 15:15</td>
<td>Introduction</td>
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<tr>
<td></td>
<td>Aims of the project and outlining agenda and objectives of the day</td>
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<tr>
<td>15:15 – 15:55</td>
<td>Emerging challenges</td>
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<td>What challenges are we encountering and how are we responding?</td>
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<tr>
<td>ASI Presentation:</td>
<td>Emerging themes</td>
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<td>RA Presentation:</td>
<td>Response to pandemic</td>
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<td>Full group discussion</td>
<td>facilitated by ISEAL</td>
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<td>15:55 – 16:05</td>
<td>Break</td>
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<td>16:05 – 16:40</td>
<td>Identifying solutions – break-out</td>
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<td>Small-group conversation about the challenges and responses seen so far.</td>
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<td>16:40 – 16:55</td>
<td>Group conversation outcomes</td>
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<td>The break-out group facilitators will present summaries to all attendees</td>
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<tr>
<td>16:55 – 17:00</td>
<td>Wrap-up and next steps</td>
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Why are we here today?

COVID has forced a necessary shift to remote auditing practices

It’s a period of rapid experimentation and this is an opportunity to share experiences, connect and exchange lessons learned

Objectives

• Discuss and reflect on some of the main challenges identified so far
• Hear from your peers about what solutions are working well, where is more work needed
• Identify potential areas and ways we can support each other across sectors and organisations
• Inspire each other on how to move forward with remote auditing
Remote Auditing Good Practices project

› **Overarching goal:**
  • To ensure the integrity, continuity and effectiveness of sustainability assurance under crisis conditions

› **Desired outcomes:**
  • Sustainability assurance can **continue to operate credibly and effectively under crisis conditions**, while ensuring **sufficient oversight to safeguard the health and safety of workers.**
  • Sustainability assurance practices are more efficient based on **increased adoption of new operating procedures, technologies and practices for remote auditing**, including new data sets such as landscape-level data
Project overview

Outputs

- **Existing Practices**: Research paper on current practices and potential areas for good practice
- **Seeking Alignment**: 1 on 1 conversations to identify areas of potential alignment and good practice, captured in discussion paper
- **Stakeholder Expectations**: Learning from company interviews to understand expectations and priorities
- **Learning Exchange**: Standards initiatives learn about good practices being implemented by their peers
- **Remote Auditing Appraisal Matrix**: Report summarising relevance of remote auditing tools and practices applicable for integration into sustainability standards’ assurance systems
Research report

To identify possible approaches, good auditing practices, and potential areas for alignment between sustainability standards and initiatives.

High-level study of COVID-19 responses from 41 sustainability standards and initiatives.

In-depth study of remote auditing procedures of 11 shortlisted organisations.
Remote auditing - emerging topics

1. Eligibility for remote audits
   - Risk-based approaches

2. Auditing social responsibility requirements

3. Technology - what is working well to...
   - Manage risk
   - Conduct a remote audit
   - Engage workers
   - Share information between auditor and auditee

4. Develop good remote auditing practices
   - Confidentiality
   - Impartiality
   - Competence
   - Oversight

5. Future of remote auditing
   - Benefits
   - Integration into assurance systems
Recommendation - plan for the longer term

Organisations should consider the...

- Effectiveness of their remote auditing approaches.
- Exchange on approaches, calibrate with auditors and get feedback from auditees and stakeholders.
- Impacts of their COVID-19 responses on their assurance systems.
- Risks COVID-19 poses on the supply chain, such as fraud or social responsibility.
Feedback from CB’s Remote Audit Survey

Summary of key points
Proposed follow up actions
Background

• Due to the covid pandemic we had to rethink the way audits are done
• Covid policy and remote auditing guidelines were developed to allow partial remote audits and even fully remote audits in low risk scenarios
• This approach was also new for most auditors and Certification Bodies (CBs), so how can be guaranteed of the process being used?
• Decided to send out a survey to all the CBs conducting remote audits to understand their challenges, learn best practice and see what more we could do to support them and ensure some level of credibility
Summary of key results

- 24 CBs filled out the remote audit survey (50% response rate)
- 83% of these CBs have conducted partial remote audits
  - 122 audits for UTZ and 164 for RA, total 186
- 83% of CBs have their own remote audit policy
- Nonetheless, 92% of CBs say they have used RA’s remote audit guidelines
- 58% of CBs think that the social requirements cannot be fully verified through a remote audit
- 66% of CBs say remote audits take more time than on-site audits
- 100% say that challenges are crop-independent
- 63% had technical challenges during a remote audit
Main Challenges

1. Logistical challenges; poor internet connection and/or cell reception
2. Digital literacy of Certificate Holders (CH), especially sharing of documents beforehand + analyzing such a large amount of data on the computer
3. Time zones of the CH vs where the auditor is based
4. Social auditing (The social chapters were the most difficult to audit)
   • Difficulty in creating an atmosphere where workers feel comfortable and free to express themselves.
   • Independence of workers during interviews (not being able to speak freely). Difficult to guarantee that management are not with the workers during the interviews, and there is no coercion.
   • Risk of coached answers.
   • Disputes of interview evidences by management (sometimes arguing that the workers did not fully understand the question asked)
   • Invasion of privacy calling workers on their private line
5. Sampling of workers/group members
   • Not being able to choose based on ‘normal’ criteria, but by accessibility to a communication platform (phone/internet)
Good practices shared

1. Preparation is key! This also takes much longer than for an on-site audit.

2. Important to receive all relevant info well before (at least 1 week) the audit (e.g. docs, videos, phone numbers of workers/group members, etc.),

3. Very important to establish good communication with the CH upfront, including:
   • Creating a folder online for document sharing,
   • Testing the connection and software beforehand
   • Providing clear instructions to the CH through each step

4. Including a virtual tour of the farm during the audit; include neighbours, communities and suppliers

5. Identification of a neutral interpreter days prior the audit. Agreement signed between the interpreter and CB on confidentiality and commitment to conduct translation in a specific way (training!)
Need for Further Support Identified

1. Support needed from RA on:
   • Risk-based sampling,
   • How many interviews can realistically be conducted
   • Interview techniques, e.g. 41% of CBs had not heard of worker voice tools as a possible solution. How to ensure confidentiality
   • Reporting on a remote audit
   • How to triangulate evidence for findings remotely
   • And guidance, guidance, guidance!

2. Facilitate calibration between CBs to exchange best practice

3. Explore possibility of hiring a local, independent person whose job is just to report to the auditor and the auditor takes a call based on the input provided

4. Clearly define which criteria are to be included in remote audits – simplified checklists

5. Guidance document for CHs on what they need to provide to CBs during a remote audit and how to prepare well beforehand
Group Discussion/Reflections
Take a break
Break out groups
Objectives and topics

A discussion about solutions

No expectations that anyone has all the answers

Opportunity to learn from peers what we are all working on

• What is working well?
• What needs more work but looks promising?
• What did not work at all?
<table>
<thead>
<tr>
<th>Challenges</th>
<th>Solutions</th>
<th>Tech or data solutions used/ might test</th>
<th>Would coordinated approaches across organizations be helpful?</th>
</tr>
</thead>
<tbody>
<tr>
<td>How to determine eligibility for remote audits</td>
<td>E.g. Risk-based approaches</td>
<td>E.g. GIS data</td>
<td>E.g. Data sharing between organizations can help coordination of audit response(s) for multi-cert clients</td>
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<tr>
<td>Auditing social responsibility requirements</td>
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<tr>
<td>Effectiveness and credibility of remote audits</td>
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Breakout rooms instructions

• You will be put into Breakout rooms for 35 minutes
• Try to turn on your video if you connection permits for the breakout group
• In your group, decide on a note taker who presents the results in the plenary
• Use the provided google document to capture the notes
NEXT STEPS & RESOURCES

Expression of interest for November Workshop, closes 28 Sep.
Let us know what topics you are interested in, e.g. deep-dive into social issues. (Chat or email)

1 on 1 Conversations are taking place, please contact Patrick or Anja if interested

Learning exchange continues on-line;

Please stay in touch and keep sharing events, research and policy updates with either Felix or Robert and we will help connect your work on remote auditing with your peers.
THANK YOU!

Tea, Sri Lanka © Sustainable Agriculture Network