

Establishing a 'norm' for certification and audit of standards

November 2008

1 Introduction

The RFA has tasked Ecofys to propose a 'norm' for audit and certification of standards. This norm can be used to benchmark both existing RTFO Qualifying Standards, and those standards that maybe considered for future inclusion in the RTFO. In preparing this document it is recognised that different standards have adopted different models for establishing procedures for ensuring the quality of their audit and certification. Consequently, a one-size fits all approach that is too prescriptive is not necessary a valid approach to take. Nonetheless, common aspects that define a credible and robust audit and certification system have been defined.

The approach taken in establishing this norm is to assign criterion as either a 'MAJOR MUST', which is a minimum requirement that the standard has to meet in order to become a Qualifying Standard, or as a 'MINOR MUST', which is an optional but highly recommended criterion. Two guiding principles have been used in determining whether a criterion is a MINOR or a MAJOR must:

- The importance of the criterion for the level of assurance provided by the standard that the sustainability criteria of the standard are actually complied with by parties that receive a positive certification decision.
- The extent to which current RTFO Qualifying Standards already comply with the criterion.

The latter criterion was added because it is not in the interest of the RTFO to disqualify the few Qualifying Standards currently available. Instead, MINOR MUST criteria indicate the direction in which the RTFO wishes to develop in the medium to long term – while acknowledging that meeting certain criteria such as the use of an independent accreditation body may take considerable time to implement.

It is recognised that the definition of a credible standard will further develop over the coming years as relevant organisations in the field of certification and audit re-define their requirements and also because new voluntary certification schemes supporting sustainable development will enter the market. These developments will be taken into account in future revisions of this 'norm' to ensure that this document remains current.

2 Defining the 'norm'

2.1 Certification

Certification is the third-party attestation related to products, processes, systems or persons that fulfilment of specified requirements [as laid down in a standard] has been demonstrated. A decision on certification is taken based on information provided by an inspector, or assessor (ISEAL, 2007).

The approach to certification tends to reflect the relative maturity of a standard. For less developed standards, certification is likely to be conducted in-house by the owner of the standard. For more developed standards, the owner of the standard either contracts a single, global Certification Body (CB) to evaluate compliance with the standard worldwide, or alternatively allows multiple CBs to evaluate compliance.

2.1.1 What accreditation process is required for CBs?

Several ISO guides have been developed to provide general requirements that a third-party operating certification system shall meet if it is to be recognised as competent and reliable.

For CBs operating a product certification system, ISO Guide 65: 1996 '*General requirements for bodies operating product certification systems*' (for certification bodies), or justified equivalent, is relevant. For CBs operating a management certification system, ISO 17021: 2006 '*Requirements for bodies providing audit and certification of management systems*', or justified equivalent, is relevant. ISO Guide 66: 1999 '*General requirements for bodies operating assessment and certification/registration of environmental management systems (EMS)*' can also be used as an alternative to (or in-conjunction with) ISO Guide 65.

ISO Guide 65 sets out provisions for conducting certification activities according to the following principles, which are similar for ISO 17021.

Certification Bodies

- General provisions
- Organisation
- Operations
- Subcontracting
- Quality System

- Conditions and procedures for granting, maintaining, extending, suspending and withdrawing certification
- Documentation
- Records
- Confidentiality

Certification Body personnel

- General
- Qualification Criteria

However, ISO Guide 65 is primarily intended for product certification, and does not adequately address social and environmental concerns that are relevant to Process and Production Methods (PPM) certification. ISO Guide 65 should therefore be supplemented by additional requirements (e.g. interviewing relevant stakeholders) to enable it to be more appropriate for use in PPM certification.

ISO Guide 65 is due to be replaced by ISO 17065 in the next 3 to 4 years. This standard will be modelled on ISO 17021: 2006 '*Conformity assessment - Requirements for bodies providing audit and certification of management systems*', but it can be expected that the principles outlined above will remain part of the standard.

Recommendation - 1

Under this norm CBs shall be compliant with ISO Guide 65 or ISO 17021, or justified equivalent. This criterion has been classified as a MAJOR MUST.

2.2 Audit and Audit Programme

Audit

Audit is the systematic, independent and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled [as laid down in a standard] (ISO, 2002). The collection of evidence is typically carried out by the CB, or it's appointed agents, and may be achieved using a variety of methods, such as the review of documentation (e.g. manuals or procedures), field studies and by conducting stakeholder interviews.

The outcome of the audit process determines whether a certificate can be issued. Certificates are typically only issued if no major non-conformities are identified (i.e. there is compliance with the principles and criteria of the standard) and are valid for a fixed time period.

Audit programme

The audit programme includes all activities necessary for planning and organising the types and number of audits and for providing resources to conduct them effectively and efficiently within the specified timeframes (ISO, 2002).

2.2.1 Management of the audit programme

In addition to the general management of certification activities CBs need to ensure that the audit programme is implemented to a high standard and ensure that auditors are competent (see section 2.2.3). Failure to do so will adversely affect the reliability of the certification process and thus the credibility of the standard itself.

The CB, or its appointed agent, should set up and manage the audit programme in accordance with ISO 19011: 2002 '*Guidelines for Quality and Environmental Management Systems Auditing*', or justified equivalent. This standard outlines a 'Plan, Do, Check and Act' approach to audit programme management:

- Plan: Establishing the audit programme
- Do: Implementing the audit programme (including competencies and evaluation of the auditors)
- Check: Monitoring and reviewing the auditing programme
- Act: Improving the audit programme

ISO Guide 19011 provides detailed guidance for each of these components.

Recommendation - 2

It is recommended that management of the audit programme is classified as a MINOR MUST initially, with the intention to upgrade to MAJOR MUST in the coming years taking into consideration further developments of credibility criteria for voluntary standards. This would allow those Qualifying Standards in the RTFO, which do not presently have explicit provisions in their standard documentation, the opportunity of updating their processes accordingly.

2.2.2 Audit frequency

Full certification audits shall take place at least every 5 years evaluating all requirements to ensure a high level of credibility. Surveillance audits to monitor the certificate holder's continued compliance with the relevant standards through sampling of specific elements shall take place in the intervening years and preferably timed to capture seasonal variation. In addition, all aspects of the certification audit shall be checked over the during the surveillance audits. Risk based auditing is acceptable where management systems are common and co-ordinated.

Recommendation - 3

Under this norm the audit frequency shall be at least every 5 years for full certification audits, and every year for surveillance audits. This criterion has been classified as a MAJOR MUST.

2.2.3 Auditor competency

Auditors working on behalf of the CB need to be competent and able to consistently conduct audit activities to a high standard. ISO 19011 defines competence according to the following criteria:

- Personal attributes
- Knowledge and skills: Quality-specific, Environmental-specific and General
- Education
- Work experience: Total, Quality and / or Environmental management
- Auditor training
- Audit experience

Suggested levels of competence are outlined in ISO 19011. The requirements for both Auditors and Lead Auditors are both defined. While ISO 19011 is generic in scope it identifies the technical and environmental skills and knowledge for auditors, which should be complemented by additional standard and sector specific knowledge (e.g. forestry products, soy, palm oil, social issues, etc).

In addition, auditors need to be familiar with the Principles and Criteria of the relevant standard they are certifying. One way of achieving this would be to require that all auditors successfully complete a training program (specific to the standard that is being certified) prior to conducting any audits.

The CB should incorporate a process for auditor evaluation to ensure that all auditors are competent and operating to a high quality standard. ISO 19011 provides a recommendation on how this can be implemented.

Recommendation - 4

Auditor competency is a critical aspect of a robust audit and certification process. It is therefore required that auditors operate according to the guidance in ISO 19011 (section 7), or justified equivalent, as a minimum requirement. This criterion has accordingly been classified as a MAJOR MUST.

Specific requirements relevant to the product that the CB is certifying (e.g. forestry products, soy, palm oil, social issues etc) should be added as training requirements, where appropriate. This criterion has accordingly been classified as a MAJOR MUST.

2.2.4 Stakeholder consultation

Stakeholder consultation is a key aspect of a credible certification process, as it helps to ensure that all relevant issues are identified relating to compliance with the requirements of the standard. Despite this, both ISO Guide 65 and ISO 19011 do not contain specific provisions for stakeholder consultation.

The choice of stakeholders is likely to vary between standards and will also depend on other factors such as the scale of project and associated impacts. The list below provides an indication of the types of stakeholders that could be contacted (although this would vary according to the product and the market in which the standard operates in):

- Statutory bodies which have legal jurisdiction over the land under evaluation
- Government departments for agriculture or forestry (or equivalent)
- Relevant NGOs interested in social and environmental issues relating to the product / sector in question (at local, national and international levels as appropriate)
- Representatives of Indigenous Peoples in the land under evaluation (if applicable)
- Labour organisations and unions
- Contractors who provide services to the farm or forest under evaluation
- Smallholders (if applicable)

Stakeholder consultation should be conducted prior to the finalisation of the certification decision for it to be meaningful. A process should also be established to deal with stakeholder comments and / or complaints after the certification decision has been taken.

Recommendation - 5

It is recommended that stakeholder consultation is classified as a MINOR MUST initially, with the intention to upgrade to MAJOR MUST in the coming years taking into consideration further developments of credibility criteria for voluntary standards. This would allow those Qualifying Standards in the RTFO, which do not presently have explicit provisions for stakeholder consultation, the opportunity of updating their processes accordingly.

2.2.5 Public summaries of the certification audit

Public summaries of certification audits should be made publicly available to all interested parties. The benefit of this is that it enhances the transparency and credibility of the certification process and standard itself. However, ISO Guide 65 and ISO 19011 do not include this as a requirement.

A public summary could include the overall findings of the certification audit, any details of non-compliance and any issues identified during the stakeholder consultation. Commercially confidential information could be excluded. Information should be available in both English and the relevant local language(s), if applicable.

Recommendation - 6

Although the availability of public summaries of the certification audit is considered to be an important aspect of the audit process, as it increases transparency and credibility to the system, it does not ultimately affect the quality of the audit and therefore has been classified as a MINOR MUST.

2.3 Accreditation

Accreditation is third-party attestation of a CB's demonstrated competence to carry out specific conformity assessment tasks. A decision on accreditation is taken based on the demonstrated competence of a CB to evaluate compliance with a standard (ISEAL, 2007).

Accreditation is a key aspect in establishing the quality of the certification and audit process. This is achieved through assessment of the CB and in particular ensuring that the CB and its auditors are operating according to recognised quality (e.g. ISO) standards.

2.3.1 Approaches to accreditation

It was highlighted in section 2.1 that there are different approaches to certification that the standard owner may use. Similarly, there are different approaches to accreditation that can be adopted. For example, accreditation of the CBs may be managed by the standard owner itself, as is the case with SAN/RA, or outsourced to an Accreditation Body (AB). Furthermore, those standards that conduct certification activities in-house will not require the use of an AB.

For those standards that do use an AB, there are two main approaches:

- **International:** A single international AB is appointed to administer accreditation activities in all countries that the standard owner operates in. International ABs for voluntary standards are typically members of the ISEAL Alliance¹. One such example is Accreditation Services International (ASI), who deliver accreditation

¹ ISEAL (International Social and Environmental Accreditation and Labelling Alliance) is an international non-profit organisation that codifies best practice for the design and implementation of social and environmental standards initiatives (<http://www.isealliance.org/>).

services to the Forest Stewardship Council, Marine Stewardship Council and other certification schemes worldwide.

- **National:** ABs are appointed in each country that the standard operates and endorsed, or recognised, at a government level (e.g. UKAS in the UK). Many of the larger national ABs are members of the International Accreditation Forum (IAF). This organisation ensures that its members accredit in compliance with the appropriate international standards. The IAF has worldwide coverage in over 50 countries, with members located in Europe, the Middle East, Asia and the Americas². The majority of these members are also signatories to the IAF Multilateral Recognition Arrangement (MLA). This agreement permits certificates to be mutually accepted between like countries.

The use of either accreditation approach is credible and accepted by the voluntary standard owners, although there are advantages and disadvantages of each, as indicated in Table 1. However, a key factor in determining the appropriateness of the accreditation approach is whether the AB(s) has the necessary sectoral experience and expertise to be able to evaluate the competence of a CB in assessing compliance with the standard. This covers both technical experience and expertise (e.g. knowledge of palm oil or sugar cane production), as well as the competence to evaluate unique structural elements relevant to that sector (e.g. smallholder grower groups).

Table 1: Comparing the International and National approaches to accreditation (Adapted from ISEAL, 2007)

AB Type	Advantages	Disadvantages
International	<ol style="list-style-type: none"> 1. Quality control is easier because the AB is the same standards. 2. Centralised structure assists AB in ensuring that quality and consistency of CBs is maintained. 3. More efficient and cheaper for CBs to receive accreditation from a single body, rather than separate accreditations in every operating country. 	<ol style="list-style-type: none"> 1. Possible perception that the AB is not fully independent of the standard-developer, and its associated marketing and financial activities.
National	<ol style="list-style-type: none"> 1. Perception that the AB is fully independent of the standard-developer, and its associated marketing and financial activities. 	<ol style="list-style-type: none"> 1. CBs require a new accreditation for every country they operate in, which increases costs. 2. Mutual recognition of certificates is not guaranteed, for non IAF MLA signatories, since recognition of

² A full list of IAF Accreditation Body Members is listed on the IAF website (www.iaf.nu).

		competence at both CB and AB level is required. (Peer review is possible, although this is a complicated model.)
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International ABs that are ISEAL members³ base their accreditation requirements on ISO 17011: 2004 '*Conformity assessment - General requirements for accreditation bodies accrediting conformity assessment bodies*', with additional requirements relating to the standard in question. Full Members require full compliance with this standard. Associate Members have to 'commit to compliance' with ISO 17011 and have 3 years to attain compliance to this standard in order to become a Full Member.

National ABs also base their requirements on this standard, however they typically take a standardised approach to accreditation (i.e. ISO 17011 with no additional requirements). They are, however, required to evaluate whether the CB has developed appropriate requirements for the qualifications and training of its audits for the scope of the certifications services it provides (ISEAL, 2007).

Recommendation - 7

Under this norm, ABs shall commit to comply with ISO 17011, or justified equivalent, as a minimum requirement. Commitment to compliance can be demonstrated through independent peer-review by an auditor that is recognised by either ISEAL or the IAF⁴. This criterion has been classified as a MAJOR MUST.

Those standards that do not use an AB, but carry out certification directly, shall be fully compliant with the requirements of ISO Guide 65, or justified equivalent, as a minimum requirement⁵. However, considering that the use of an independent AB for the accreditation of CBs is the most credible type of approach, the expectation would be for those standards to meet this criterion in time.

³ Full and Associate members of ISEAL.

⁴ ISEAL or IAF members automatically qualify and do not require independent peer-review.

⁵ Compliance with ISO Guide 65 by the body performing the certification activities is already included in the norm for the RTFO as a MAJOR MUST (see section 2.1.1) and is therefore not included again here as MAJOR MUST or MINOR MUST.

2.4 Summary of norm requirements

Table 2 summarises the norm requirements as discussed in this section.

Table 2: Summary of norm requirements for audit and certification quality.

Criterion	Norm	Conformance
Certification		
1. Accreditation of CBs	ISO Guide 65: 1996, ISO 17021: 2006, or justified equivalents	MAJOR MUST
Audit		
2. Management of the audit programme	ISO 19011: 2002, or justified equivalent	MINOR MUST
3. Audit frequency	Once every 5 years for a full certification audit and once a year for a surveillance audit	MAJOR MUST
4. Audit competency	ISO 19011: 2002, or justified equivalent Specific requirements relevant to the product that the CB is certifying should be added as training requirements where appropriate.	MAJOR MUST MAJOR MUST
5. Stakeholder consultation	To include a range of relevant stakeholders.	MINOR MUST
6. Public summaries of the certification audit	To include overall findings of the certification audit, any details of non-compliance and any issues identified during the stakeholder consultation. Information should be available in both English and the relevant local language(s), if applicable.	MINOR MUST
Accreditation		
7. Accreditation process for ABs	'Commitment to comply' with ISO 17011: 2004, or justified equivalent, independently peer-reviewed and approved by an auditor that is recognised by either ISEAL or the IAF.	MAJOR MUST

It is proposed that this norm is effective as of April 15th 2009, in line with the release of the updated Carbon and Sustainability technical guidance.

2.5 Acceptance of a standard as a Qualifying Standard

For a standard to be accepted as a Qualifying Standard it must be in-compliance with all applicable MAJOR MUSTS. However, non-conformance with a MINOR-MUST would not preclude the standard from becoming a Qualifying Standard. MINOR-MUSTS do

indicate good practice as well as the direction in which the norm is likely to evolve in the medium to long term.

There are a number of possible scenarios relating to the acceptance of standards as a Qualifying Standard:

Existing Qualifying Standards

- 1 If an existing Qualifying Standard was found to be non-compliant with a MAJOR MUST, then that standard will need to address the non-conformance within a 12 month time period. Failure to do so will result in the standard no longer being accepted as a Qualifying Standard in the RTFO.

- 2 If an existing Qualifying Standard amends its audit and certification processes so that it is no longer in compliance with all MAJOR MUSTS, then it will again have a period of 12 months to address the non-conformance. Failure to do so will result in the standard no longer being accepted as a Qualifying Standard in the RTFO.

Newly benchmarked standards

- 1 If a standard is found to be non-compliant with all MAJOR MUSTS when being benchmarked for inclusion in the RTFO, then it will not be accepted as a Qualifying Standard. In this case, the standard can address the non-conformances and re-apply for the Qualifying Standard status.

3 References

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