

SRP Assurance Scheme v1.3

Information Note No 1: Audit Guidelines

(Approved 9 December 2020)

INTRODUCTION

This Information note provides supplementary guidance on the following 4 topics:

- 1) **SRP Verification options during Covid-19**
- 2) **Interim guidance on verification and label use ahead of publication of the SRP Chain of Custody Standard 1.0**
- 3) **Provisional approval for verification bodies**
- 4) **Sampling intensity for new and subsequent audits**

1. SRP VERIFICATION OPTIONS DURING COVID-19

The Covid-19 pandemic continues to cause serious health and safety impacts across the world, as well as disruption to producers, processors, supply chain logistics and international trade. SRP constantly monitors the situation across the regions in which we operate. In many rice growing countries, auditors are unable to travel to the verification locations due to local restrictions.

The SRP Covid-19 Verification Guidelines 1.0 have been developed to test the feasibility of remote verification during the pandemic, which SRP categorizes as a 'force majeure', affecting normal implementation of our verification programme.

The SRP Covid-19 Verification Guidelines 1.0 provide a path to ensure business continuity and enable verification to be conducted remotely under certain risk parameters. These guidelines are effective as of [Insert date] 2020.

1. General guidelines

- 1.1. Producers and VBs are encouraged to plan for and conduct onsite verification audits at a moment during the cropping season when it is possible to assess compliance with all requirements of the SRP Standard.
- 1.2. In cases where onsite auditing is not possible, a **remote verification ('SRP-Remote')** can be conducted under the following conditions:
 - a. Producer or Producer Group has achieved level 2 (L2) or level 3 (L3) SRP verification and is in possession of a L2/L3 assurance report where compliance with critical indicators are documented and corrective / preventive actions taken when non-conformances are identified. Evidence of closure of any non-conformances and follow up actions must be shared with the VB.
 - b. There are no conflicts associated with rice cultivation in the vicinity of the farms.
- 1.3. SRP-Remote is permitted for Producers/ Group Producers that have successfully passed a Level 2 or L3 Assurance verification. VBs should follow the remote verifications guidelines set out in Section 2.

Under no circumstance may SRP Remote be used for new audits, i.e. with producers who have never been assessed against the SRP Standard.

- 1.4. SRP Remote is to be implemented for all control points, as for an on-site inspection.
- 1.5. Whenever SRP Remote has been used to issue a verification letter or to extend the scope of an existing one, this shall be clearly indicated to inform all market participants that the verification letter or extension is based on remote inspections.
- 1.6. This guideline is valid for all audits conducted during the COVID 19 pandemic until further notice. SRP reserves the right to terminate its validity with appropriate notification.
- 1.7. An onsite audit must be conducted within 28 days after travel restrictions have been lifted and should be conducted by the same verifier who conducted the remote audit.

2. Remote verification

- 2.1 SRP Remote applies only when official travel is restricted in the country or region where the inspection shall take place, or a company policy of the verification body (VB) or of the producer that is based on an official or reputable source (e.g., the company restricts travel to/from regions identified as high risk by the Ministry of Foreign Affairs or World Health Organization or governmental "requests for citizen cooperation"). The VB shall keep evidence of the status of the emergency to justify invoking the use of this guideline.
- 2.2 Producers shall submit evidence of Level 2 / Level 3 assurance compliance as part of the application package.
- 2.3 SRP Remote includes: **1) review of documents and records** similar to the off-site module as defined in the SRP Assurance Scheme which can be performed offline or online; and **2) remote-onsite verification** with the VB Facilitator to check all requirements that would normally require onsite review and could not be answered during 1) and also to verify the consistency of records reviewed in 1). Both 1) and 2) are conducted remotely and may be performed simultaneously or in two (or more) separate parts using information and communication technology (ICT), at the VB's discretion.
- 2.4 During the application (registration) process the VB shall collect information and include a verification that the producer has the necessary infrastructure to support use of the ICT infrastructure proposed for remote inspection. Records of communication between VBs and Producers/ Producer Groups to decide on ICTs to be used for the remote verification shall be retained.
- 2.5 The Level 2/ Level 3 assurance verification report shall be shared with the VB verification team as a reference when the remote parts of the audit is being conducted.
- 2.6 The VB shall evaluate the quality and decision of the Level 2 / Level 3 assurance verification report to ensure that the verification has followed the prescribed procedures based on appropriate sampling, supporting documentation and required corrective actions in case of non-compliance.
- 2.7 The VB shall only accept an organisation for remote audit when meeting requirements under Section 2.6.
- 2.8 The VB Facilitator shall operate in accordance with the guidance set out in Section 3.
- 2.9 The Producer / Producer Group shall submit all relevant documentation referenced in the Level 2 / Level 3 verification report 14 days prior the remote-onsite verification with the VB's Facilitator, to provide sufficient time for the VB verification team to conduct the desktop verification.

- 2.10 As a result of the desktop verification, the VB's verification team shall develop a VB Facilitator checklist as a reference for pending items.
- 2.11 Items included in the checklist should be categorised as follows: clarification, field observation and interview. This list will guide the VB Facilitator to assist the VB verification team on a different audit session during the remote-onsite verification.
- 2.12 The remote-onsite verification is conducted using ICT tools, in which the VB Facilitator will act as mediator to check the documents onsite, make a field observation, conduct an interview and prevent any interference by the Producers' representative during the interview session.
- 2.13 The VB Facilitator shall follow instructions from the VB verification team during the remote-onsite verification process.
- 2.14 The VB verification team carries overall responsibility for the entire verification process.
- 2.15 The desktop verification and a remote-onsite verification shall not be performed more than 4 weeks apart. to include time for planning and testing of ICT used for the remote-onsite verification.
- 2.16 When a remote verification audit applies, the VB shall undertake the next verification audit as a short notice audit, with two days' notice to the Producer or Producer Group.
- 2.17 The VB shall base its decision on conclusion from the remote verification process based on desktop verification, remote-onsite verification and feedback from the VB Facilitator.
- 2.18 An SRP verification statement can be issued if the remote verification confirms compliance under the requirements of the SRP Assurance Scheme.
- 2.19 The verification decision process of the remote verification audit shall follow the SRP Assurance Scheme, including decisions on missed thresholds and score adjustments following remote verification. A corrective action plan and evidence of its implementation shall be submitted to the VB within 28 calendar days following the remote verification closing meeting.
- 2.20 All requirements related to inspection timing defined in the SRP Assurance Scheme apply without change, unless indicated otherwise in this document.
- 2.21 The overall duration for remote inspections may not be reduced compared to the usual on-site inspection performed by the VB and the duration defined in the respective SRP normative documents, as applicable. Precedent indicates that remote inspections require additional time compared with on-site audits.
- 2.22 The VB shall justify and record if no additional time was required for the remote inspection.
- 2.23 Before the remote inspection takes place, the VB shall:
 - i. Determine the platform (e.g. virtual meeting app, wearable technology, telephone/video call, messaging app, drones, or other platforms etc.) for hosting the inspection. This needs to be mutually agreed between the VB and the Producer/Producer Group.
 - ii. Explain to the Producer/Producer Group which documents, activities, facilities are to be inspected via video streaming (real time) and which to be evaluated based on records/recorded information and additionally if applicable, identifying individuals to be interviewed.

- iii. Test compatibility of the ICT platform between the VB and the Producer / Producer Group prior to inspection. A trial meeting using the agreed media platforms shall be conducted to ensure the scheduled inspection can be performed as planned.
- iv. Encourage the use of webcams, cameras, etc. when physical evaluation of an event is desired or necessary.
- v. When there is no possibility to inspect remotely due to technical constraints, (e.g. weak or unreliable phone or internet coverage at the site) SRP Remote cannot be used as an option for inspection.

2.24 Performing the remote inspection:

- i. The remote inspection shall be facilitated in a quiet environment whenever possible to avoid interference and background noise.
- ii. Both parties shall make their best effort to confirm what was heard, stated, and read throughout the inspection.
- iii. All remote inspections shall be concluded in the same way as the on-site inspections according to the SRP Assurance Scheme (e.g. closing meeting, clarification of findings, non-conformances, etc.).
- iv. The start and end times, and participants in the remote inspection shall be recorded. Evidence for opening and closing meetings shall be kept, including for multiple sessions.
- v. The timeframe for follow-up actions (closure of non-compliances) begins with the end of the remote inspection, i.e., the closing meeting when the findings are communicated.
- vi. The fact of conducting a remote inspection as well as the software and any technical problems during the inspection shall be noted in the inspection report.
- vii. In case that during the remote inspection it is not possible to maintain satisfactory connections or working conditions during the scheduled time, the VB inspector may terminate the inspection before the scheduled time. This shall be recorded in the inspection report.
- viii. The inspection may continue later only by mutual agreement between the VB and the Producer/Producer Group. In such case, the remote inspection shall continue to follow the planning as described above. This shall be confirmed during the opening meeting.

3. Verification body facilitator

- 3.1 A VB Facilitator shall only be used in case the VB's verification team cannot travel to perform an onsite assessment or due to tight quarantine procedures imposed by the respective authorities covering the period when site visits and interviews are required.
- 3.2 The VB Facilitator may be either an employed or contracted by the VB. S/he is not required to be qualified as SRP auditor or lead auditor but supports the VB verification team performing on-site verification through use of appropriate ICTs, including but not limited to video conferences, remote interviews and site tours or verification.
- 3.3 The number of verification days used by the VB Facilitator shall not be accounted as auditor days of the VB's verification team.

- 3.4 The VB Facilitator shall not at any point replace or take over the role of the VB verification team, even in case of a technology problem.
- 3.5 VB shall ensure that the Facilitator has appropriate skills to participate in the VB verification and support the verification team, without interfering in the verification process itself.
- 3.6 VB shall use the list of pending points as guidance; however, the list shall not replace or override any request from the VB verification team.
- 3.7 The VB Facilitator should be involved in audit planning in order to gain an understanding of the audit situation and her/his roles and responsibilities.
- 3.8 The VB Facilitator shall comply with the following minimum competence and qualification requirements:
- completed VB training on remote assessments
 - be a graduate in agriculture or agronomy, biology, forestry or related discipline
 - speak the relevant local language fluently. (In case of multiple languages spoken in the region of the assessment, then a local translator may also be required).
 - Understand **SRP Covid-19 Verification Guidelines 1.0**
- 3.9 The VB Facilitator shall sign a contract, including a confidentiality agreement and conflict of interest declaration for each participation in a VB audit, according to the VB's procedure for auditors and experts.
- 3.10 The VB Facilitator shall be independent from the Producer/ Producer Group being audited. Independence in this context means having no family or personal relationships with individuals within the organisation, nor having been employed in or by the organisation being assessed, nor undertaking any consultancy activities, or providing advisory and guidance services activities.
- 3.11 The VB shall be responsible for selection and remuneration of Facilitators.

4. Use of ICTs

- 4.1 The use of ICT for inspection purposes shall be mutually agreed upon by the producer/ producer group members and the VB performing the inspection in accordance with information security and data protection measures and regulations before ICT is used. Video and/or audio recording, screenshot, and storage of evidence shall also be mutually agreed. The VB shall keep a record of such agreement. In the absence of such agreement, SRP Remote cannot be performed.
- 4.2 The producer and the VB shall be aware of the functionality and limitations of the communication software to be used (e.g. security concerns in certain software) and proper processes in managing sensitive data, e.g. personal data as protected under the EU General Data Protection Regulation. The same strict regulations (e.g., blacking out of name, permission to grant access to confidential data through the "owner" of the data – the physical person) shall be applied, as stipulated in the respective Sublicence and Registration Agreement (SRA) between the VB and the Producer / Producer Group.

2. INTERIM GUIDANCE ON VERIFICATION AND LABEL USE

This section explains the SRP auditing process and label use for producers, traders and verification bodies during the interim period between launch of the SRP Assurance Scheme and release of the Chain of Custody Policy and Standard 1.0, following completion of the open public consultation process.

1. The SRP standards

The SRP Assurance Scheme, released officially on 14 September 2020, will be supplemented by a Chain of Custody Policy and Standard, to be published following a 30-day open public consultation in accordance with ISEAL guidance to ensure robustness through broad stakeholder participation.

Thus, SRP has two sets of normative documents which when used together, provide assurance from farm to point of sale.

SRP at Producer / Producer Group level is covered by the following:

- SRP Standard for Sustainable Rice Cultivation v 2.1 ('SRP Standard')
- SRP Performance Indicators v 2.1
- SRP Internal Management System Standard v 2.1 ('IMS Standard') and Guidance Document
- SRP Assurance Scheme v 1.3

SRP beyond the farm gate is covered by the following:

- SRP Chain of Custody Policy and Standard v 1.0 (CoC Standard)
- SRP Assurance Info Note No 1 (Auditing Guidelines, this document)

2. Audit timeline

Verification of the full supply chain is accepted as complete only after verification of compliance with both SRP and CoC Standards, While both audits may be conducted simultaneously by auditors approved for both Standards, it is not required to perform the two audits simultaneously; i.e. they may be conducted in series.

Producer audits: An approved VB can begin performing SRP producer and IMS audits as soon as they receive official approval from GLOBALG.A.P., even while the Chain of Custody Standard remains in draft form (as posted on the SRP website). Scores and audit decisions resulting from these audits will be recognized in accepting farmers as compliant with the minimum requirements for use of the SRP-Verified label as stipulated in the SRP Assurance Scheme v 1.3.

Chain of Custody audits: VBs approved to conduct SRP CoC audits may perform CoC audits after publication of the final version of the CoC Standard. In the meantime, until the CoC Standard has been finalized, VBs approved for the SRP Standard may perform CoC audits based on the draft version of the CoC Standard and assign auditor(s) with CoC qualifications from other agricultural or forestry schemes.

3. On-product label use

SRP-Verified companies may use the SRP on-pack claims and SRP-Verified Label following the rules published in Annex 7 of the SRP Assurance Scheme v 1.3 (assessments, minimum score, etc.), and in compliance with the SRP Brand Manual.

Companies producing and selling SRP rice may only market SRP-Verified product after having successfully passed this CoC audit

3. PROVISIONAL APPROVAL FOR VERIFICATION BODIES

SRP allows verification bodies (VBs) to conduct SRP inspections while approval of their status as SRP Verification Body is pending. This VB status is called Provisional Approval.

This decision addresses those scenarios where verification bodies comply with all the requirements except for having an in-house trainer, who they cannot qualify because of the lack of SRP official trainings during the relevant time period.

In order to obtain provisional approval, SRP VB shall:

1. Become a full member of SRP
2. Apply to GLOBALG.A.P. for approval as SRP VB
3. Receive a positive evaluation of their SRP VB application regarding compliance with all Assurance Scheme requirements for verification bodies except for training of in-house trainers.
4. Nominate at least one in-house trainer and register for next SRP Standard and Performance Indicators and SRP Assurance Scheme trainings
5. Ensure that VB auditors who will conduct SRP audits have the necessary knowledge on the Standard and are competent to conduct such audits.
6. Sign the SRP License and Verification Agreement
7. Pay the corresponding fees (SRP membership, application review and annual license) in a timely manner.

Once a VB is provisionally approved:

1. SRP will permit VBs to conduct a limited number of verifications under the status provisionally approved until a training event is organized, but never for longer than 6 months.
2. During the first week of every month, the VB shall notify their audit plans to GLOBALG.A.P. and SRP.
3. The VB shall ensure that the appointed in-house trainer participates in the first training option.

In the event a VBs fails to obtain full approval within 6 months of provisional approval, he VB will be prohibited from conducting further SRP verifications until obtaining full approval. Verifications conducted during the provisional approval period will be recognized by SRP until their expiry date.

It is not possible to obtain the status of provisional approval more than once, e.g. in two separate periods.

4. SAMPLING INTENSITY FOR NEW AND SUBSEQUENT AUDITS

The SRP Assurance Scheme distinguishes between *new inspections* and *subsequent inspections* in regard to sampling rules for verification of producer groups.

New inspections are defined as those conducted on producers/groups who have never previously been SRP verified, or where there has been a gap without SRP verification. Subsequent inspections are those conducted on producers/groups in consecutive years following a new inspection.

With the introduction of the Assurance Scheme v1.3 published in September 2020, SRP will recognize audits conducted against previous versions of the SRP Standard provided an operation can support its case with evidences of verification and historic farm data indicating a certain level of compliance.

This allows companies verified within 12 months prior to the SRP inspection under the SRP Assurance Scheme v1.3 to justify to the VB their historic data and consider inspections as subsequent, benefiting from a reduction in the number of required internal inspections (from 100% to 33%) and external inspections needed (from square root to 50% of square root).

The verification body shall decide at its sole discretion whether the information provided by the producer group is sufficient to prove continuity in SRP verification.

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