

Assurance Code System Report 3.0

February 2017

www.utzcertified.org





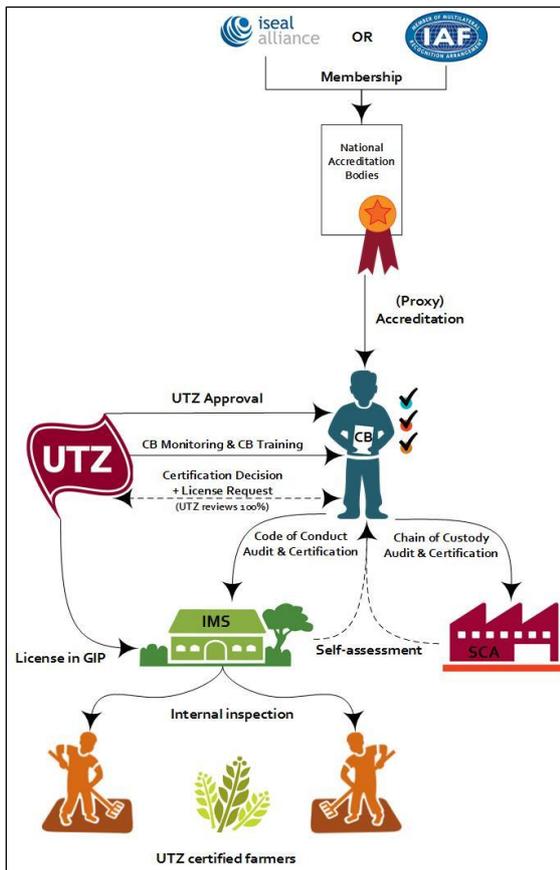
Contents

1. Assurance System Structure.....	2
2. Standards assessed through the assurance system.....	3
3. Personnel Competence - Auditors	3
4. Assessment	4
5. Oversight	5
6. On-going Scrutiny and fraud	5

1. Assurance System Structure

UTZ works through a proxy accreditation system whereby UTZ **approves** Certification Bodies (CBs) to offer certification services against its standards.

In order to be approved as an UTZ CB, the CB must be **accredited** by a recognized Accreditation Body (AB) that is member of IAF or ISEAL (i.e. ASI, IOAS). Further details about the CB approval process and requirements can be found in the UTZ Certification Protocol¹.



Graphic 1 UTZ Assurance Model

UTZ CBs conduct certification audits of members in accordance with the requirements of the UTZ Certification Protocol and base the certification decision on the results of the audit.

CBs inform UTZ about each audit conducted and each certification granted by uploading the information (certificate and report of the audit) in the UTZ traceability and certificate handling system, the Good Inside Portal (GIP).

In order to ensure that the certification process has been carried out in accordance with the Certification Protocol, the Standards and Assurance Department (S&A) **reviews 100% of the certifications** granted by UTZ CBs.

Information about CBs, UTZ members, clients of CBs and their certificates (e.g. expiry date, suspensions, cancellations, etc.), as well as certified volumes, traded volumes, and transactions is available in the GIP. This information is used for traceability, M&E, CB account management and CB monitoring purposes.

As part of the assurance model, UTZ has developed a CB monitoring System² and a CB Training Program³ to follow up on performance of CBs and to support them with training interventions when needed.

A graphic representation of the UTZ Assurance Model can be seen in graphic 1.

¹ Certification Protocol/3. CERTIFICATION BODIES (pp. 26-32).

² Details of this program are described in the CB Monitoring System 2.0 document, available in https://utz.org/resource-library/?fwp_search_research_library=code%20of%20conduct&fwp_language=english

³ Certification Protocol, 4.4. CB Training Program (pp. 33-34), available in https://utz.org/resource-library/?fwp_search_research_library=protocol&fwp_language=english



2. Standards assessed through the assurance system

The UTZ Program has two standards: the **Code of Conduct** and the **Chain of Custody Standard**.

For auditing against either UTZ standard, CBs are required by UTZ to be accredited against ISO 17065 with scopes related to agriculture or food or chain of custody (the list of the Approved Certification Bodies is available on the UTZ website⁴).

The **UTZ Certification Protocol** is also a relevant document for the UTZ program, which describes the process for becoming an UTZ member or an approved UTZ CB. It explains which members need to receive a certification audit, and how and when this audit must be conducted. The Certification Protocol also describes the arrangements determining the relationship between the CBs and UTZ.

These Standards, the Certification Protocol and other relevant documents of the UTZ Program (e.g. List of Banned Pesticides) are reviewed regularly. For this, UTZ conducts stakeholder consultations by means of face to face workshops and online surveys. In addition, readers of UTZ documents are invited to submit comments at any time by getting in contact with UTZ (this is displayed on the second cover page of the certification documents).

The assurance model of UTZ is reviewed as part of the revision process of the Certification Protocol, as well as part of the overall management plan of UTZ.

The Executive Team (ET) of UTZ regularly analyzes the functioning of the organization in order to assess risks and opportunities, and designs strategies to improve and excel. In 2015, the strategy 2015-2019 has been launched as a result of a SWOT analysis conducted by the ET.

In addition, in 2016 UTZ has developed a methodology to conduct annual risk assessments, to evaluate risks to the assurance system. The methodology will be applied in 2017 with the objective to have a risk assessment that allows UTZ to align the 2018 plans and interventions of the different departments.

UTZ has a **Grievance Procedure** in place to allow partners and individuals to raise grievances, at any time, about UTZ or about other actors related to UTZ. This procedure and the on-line grievance form can be found on the UTZ website⁵.

3. Personnel Competence - Auditors

Auditors in the UTZ program are approved on an individual basis by each Certification Body; the requirements for their approval are listed in the Certification Protocol⁶, together with the list of UTZ Training Modules to be completed⁷ and how to access them. The UTZ Training Modules must be repeated at least once every two years for auditors to refresh their knowledge and stay up-to-date.

Auditor evaluation is assumed to be completed by the CBs, however, one of the key performance indicators of the UTZ CB Monitoring Program is dedicated to monitoring the performance of the CB's auditors through shadow and parallel audits. After completion of the shadow/parallel audits and the review of the training procedures of CBs during the office audits, reports are sent to the CB with comments and recommendations for improvement, which are frequently linked to training activities for the auditors.

CB Monitoring activities can also lead to sanctions for the CB, but not to individual auditors. Further information on sanctions can be found in the CB Monitoring System document⁸.

⁴ https://utz.org/resource-library/?fwp_search_research_library=list%20of%20approved%20cbs

⁵ <https://utz.org/who-we-are/contact/feedback-and-grievances/>

⁶ 3.1. CB approval requirements/Auditors (p. 28).

⁷ 4.4. CB Training Program (pp. 33-34).

⁸ https://utz.org/resource-library/?fwp_search_research_library=code%20of%20conduct&fwp_language=english



4. Assessment

Type of audit and frequency:

The UTZ certification program is based on 3rd party audits which are conducted by approved CBs.

Audits against the Code of Conduct must be conducted annually and audits against Chain of Custody, every 1, 2 or 3 years, depending on the performance of the member. In addition, CBs must perform surprise audits on 10% of their UTZ clients, to evaluate the performance of the auditors and the members during a non-auditing period.

Audit team:

CBs decide on the composition of the auditing team, however, UTZ gives some guidance in terms of social auditing and gender issues by specifying that "interviews about gender discrimination, violence, or sexual harassment must be conducted by auditors who have been trained in conducting interviews about these topics. It is recommended to have, whenever possible, a female auditor on the team to conduct the interviews on these topics with women."⁹. In addition, the CB must appoint (and have approved by UTZ) a Certifier to guarantee the 4 eyes principle of the audit by evaluating the result of the auditors in the field. The Certifier will be responsible for the certification decision.

Knowledge sharing by auditors:

The Certification Protocol sets rules prohibiting CBs from providing consultancy services to the auditee¹⁰.

Decision making mechanism and non-conformities:

In the UTZ program, the CB takes the certification decision after every applicable control point is assessed by the auditors. The decision can lead to a certification and a certificate can be issued only if no non-conformities are found during the certification audit, or if all non-conformities identified are subsequently resolved.

Remediation and sanctions:

When non-conformities are found by auditors, they must be solved by the auditee within a maximum of 60 working days after the audit; not respecting this deadline or leaving non-conformities without an appropriate corrective action can eventually lead the CB to suspend the member or cancel the certification. Further details about the certification process can be found in the Certification Protocol¹¹.

UTZ leaves room for the CBs to evaluate the severity of non-conformities according to specific situations, and to act accordingly ("In case of severe non-conformities, the CB can decide to immediately **suspend** the current certificate of the member or decide to **not certify** the member"¹²).

Group certification model:

The UTZ program has four certification options for the Code of Conduct: individual, multi-site, group and multi-group. Individual farms and multi-sites are audited against the Code of Conduct for individual certification, and groups and multi-groups are audited against the Code of Conduct for group certification.

The group and multi-group certification options require an annual assessment of the Internal Management System (IMS) and the inspection of the square root of the total number of members.

The Code of Conduct contains the criteria to evaluate groups against¹³ and the Protocol contains the procedure to conduct the assessment¹⁴.

⁹ Code of Conduct Audit Procedure, step 7, p.19.

¹⁰ 3.3. Obligations of CBs/Impartiality and confidentiality (p. 30).

¹¹ 2. Certification Process, pp. 10-25.

¹² Certification Protocol/ d. Non-conformities, p. 15.

¹³ Core Code of Conduct for group and multi-group certification v1.1., to be found in https://utz.org/resource-library/?fwp_search_research_library=code%20of%20conduct&fwp_language=english

¹⁴ 2.4. Certification Process for Code of Conduct (pp.17-22).



5. Oversight

As UTZ works through a proxy accreditation, UTZ assesses assurance providers through the CB Monitoring System; a system of shadow, parallel and office audits has been implemented for the approved CBs in order to assess competency and performance.

Every monitoring period (six months), the system evaluates each approved CB with a set of indicators and scores CBs accordingly.

Scores are used as a planning tool to decide on interventions and future audits.

6. On-going Scrutiny and fraud

UTZ has a Grievance Procedure in place. This mechanism is used to deal with cases of fraud and to improve the system through the corrective actions applied to the own system after grievances are resolved. Tips and complaints are encouraged to go through the grievance procedure to assure consistency in the way UTZ handles those cases.